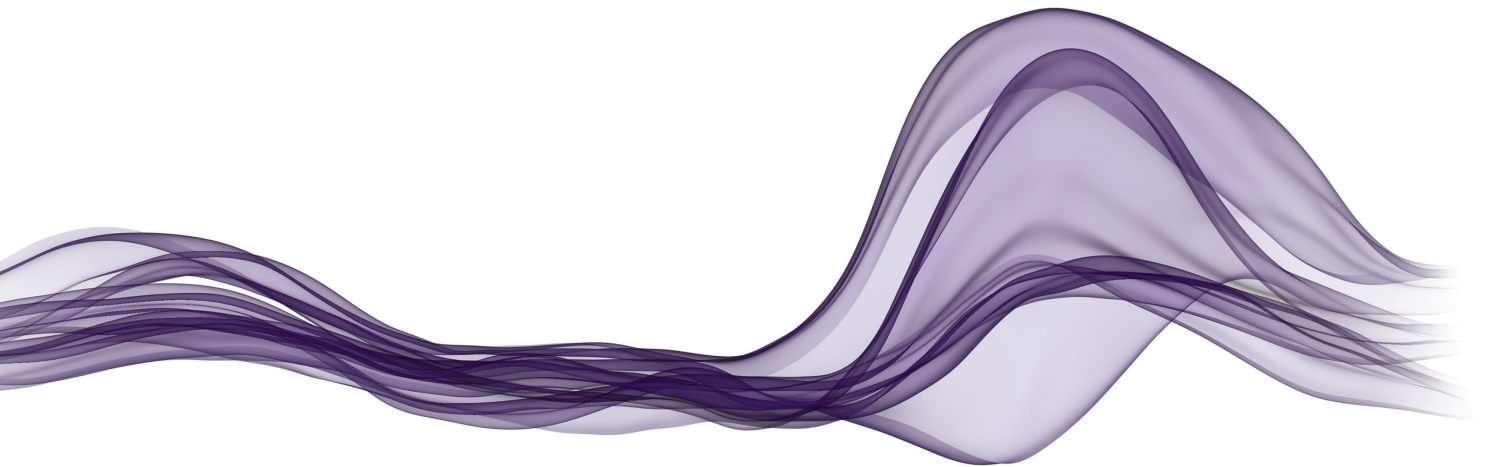


Royal London Bond Funds ICVC

Annual Report

For the year ended 31 October 2024



Contents

Company Information*	3
Directors' Report*	4
Statement of Authorised Corporate Director's Responsibilities in Relation to the Financial Statements of the Company*	5
Statement of Depositary's Responsibilities	6
Report of the Depositary to the Shareholders of the Royal London Bond Funds ICVC	6
Independent Auditor's Report to the Shareholders of Royal London Bond Funds ICVC	7
Summary of Significant Accounting Policies	10
Funds	
Royal London Sterling Credit Fund	14
Royal London Global Index Linked Fund	35
Royal London Short-Term Money Market Fund	48
Royal London Corporate Bond Fund	62
Royal London Index Linked Fund	83
Royal London UK Government Bond Fund	95
Royal London Short Term Fixed Income Fund	110
Royal London International Government Bond Fund	127
Royal London Diversified Asset-Backed Securities Fund	142
Royal London Short Duration Gilts Fund	159
Royal London Short Term Fixed Income Enhanced Fund	173
Royal London Cautious Managed Fund	190
Royal London Investment Grade Short Dated Credit Fund	201
Royal London Short Duration Global Index Linked Fund	219
Fact File	
Constitution	232
Investment Objectives and Policies*	237
Appendix – Additional Information (unaudited)	
Securities Financing Transactions	245
Remuneration Policy (unaudited)	257
General Information	258

* The Authorised Corporate Director's report comprises these items, together with the following for each individual sub-fund: Manager's Investment Report; Investment Objective and Policy and Portfolio Statement.

Company Information

Company

Royal London Bond Funds ICVC

Registered in England with Company Number IC000797

Registered office:

80 Fenchurch Street, London EC3M 4BY

Director

The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited which is the sole director.

Place of business and Registered office:

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority; a member of The Investment Association (IA).

T: 020 7506 6500

F: 020 7506 6503

Directors

J.M. Brett (Independent Non-executive Director) (Chairman)

H.I. Georgeson

J.S. Glen (Appointed 1 April 2024)

A.L. Hunt

J.M. Jackson (Independent Non-executive Director)

R. Kumar

S. Spiller

R.A.D. Williams (Resigned 26 April 2024)

Investment Adviser

Royal London Asset Management Limited

Place of business and Registered office:

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority.

Depositary

HSBC Bank plc

8 Canada Square, Canary Wharf, London E14 5HQ

Authorised and regulated by the Financial Conduct Authority.

Registrar

SS&C Financial Services Europe Limited

The Register may be inspected at:

SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS

Authorised and Regulated by the Financial Conduct Authority.

Independent Auditor

KPMG LLP

Chartered Accountants and Statutory Auditor

319 St Vincent Street, Glasgow G2 5AS

With effect 20 June 2024 PricewaterhouseCoopers LLP resigned as auditors of the Company. The Directors have appointed KPMG LLP as replacement.

Directors' Report

We are pleased to present the Annual Report and Financial Statements for the Royal London Bond Funds ICVC, covering the year from 1 November 2023 to 31 October 2024.

Royal London Bond Funds ICVC ('the Company') is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella investment company, in that the Company proposes to issue shares linked to different sub-funds which have been established. The Company is a UCITS umbrella scheme.

The sub-funds in existence during the year from 1 November 2023 to 31 October 2024 were:

Royal London Sterling Credit Fund
(launched 30 October 2009)

Royal London Global Index Linked Fund
(launched 27 January 2010)

Royal London Short-Term Money Market Fund
(launched 30 April 2010)

Royal London Corporate Bond Fund
(launched 30 April 2010)

Royal London Index Linked Fund
(launched 30 April 2010)

Royal London UK Government Bond Fund
(launched 30 April 2010)

Royal London Short Term Fixed Income Fund
(launched 15 June 2011)

Royal London International Government Bond Fund
(launched 4 November 2011)

Royal London Diversified Asset-Backed Securities Fund
(launched 24 September 2012)

Royal London Short Duration Gilts Fund
(launched 7 November 2013)

Royal London Short Term Fixed Income Enhanced Fund
(launched 18 May 2015)

Royal London Cautious Managed Fund
(launched 10 June 2015)

Royal London Investment Grade Short Dated Credit Fund
(launched 7 December 2015)

Royal London Short Duration Index Linked Fund
(launched 23 February 2016)

An ICVC may comprise a single fund or may be structured as an umbrella with a number of different sub-funds, each with its own portfolio of underlying assets invested in accordance with the investment objective and policy applicable to that sub-fund.

Currently, the funds of an umbrella company are ring-fenced, and consequently creditors of the company may not look to all the assets of the company for payment regardless of the sub-fund in respect of which that creditor's debt has arisen. Certain assets held or liabilities incurred by an umbrella company which are not attributable to a particular fund can be allocated between all of the funds in a manner which the ACD considers fair to shareholders.

Shareholders are not liable for the debts of the Company.

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook (COLL) as issued and amended by the Financial Conduct Authority.

For and behalf of Royal London Unit Trust Managers Limited

Authorised Corporate Director

R. Kumar (Director)

S. Spiller (Director)

6 February 2025

Statement of Authorised Corporate Director's Responsibilities in Relation to the Financial Statements of the Company

The Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations") and the Financial Conduct Authority Collective Investment Schemes Sourcebook (COLL) require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company for the year.

In preparing the financial statements the Authorised Corporate Director is required to:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company and its sub-funds' or to cease operations, or have no realistic alternative but to do so;
- 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; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

The ACD is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Depositary's Responsibilities

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

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

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

The Depositary must ensure that:

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

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

Report of the Depositary to the Shareholders of the Royal London Bond Funds ICVC

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

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

HSBC Bank plc

This report is given on the basis that no breaches are subsequently advised to us before the distribution date. We, therefore, reserve the right to amend the report in the light of such circumstances.

Independent Auditor's Report to the Shareholders of Royal London Bond Funds ICVC ("the Company")

Opinion

We have audited the financial statements of the Company for the year ended 31 October 2024 which comprise the Statements of Total Return, the Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's sub-funds listed below and the accounting policies set out on pages 10 and 11.

Company's Sub-funds:

- Royal London Sterling Credit Fund
- Royal London Global Index Linked Fund
- Royal London Short-Term Money Market Fund
- Royal London Corporate Bond Fund
- Royal London Index Linked Fund
- Royal London UK Government Bond Fund
- Royal London Short Term Fixed Income Fund
- Royal London International Government Bond Fund
- Royal London Diversified Asset-Backed Securities Fund
- Royal London Short Duration Gilts Fund
- Royal London Short Term Fixed Income Enhanced Fund
- Royal London Cautious Managed Fund
- Royal London Investment Grade Short Dated Credit Fund
- Royal London Short Duration Index Linked Fund

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Company as at 31 October 2024 and of the net revenue and the net capital gains on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The ACD has prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or its sub-funds or to cease their operations, and as they have concluded that the Company and its sub-funds financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the ACD's conclusions, we considered the inherent risks to the Company and its sub-funds business model and analysed how those risks might affect the Company or its sub-funds financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the ACD's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Manager's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company and its sub-funds ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company or its sub-funds will continue in operation.

Independent Auditor's Report to the Shareholders of Royal London Bond Funds ICVC (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the ACD, the Depositary, the Administrator and the Investment Adviser; and
- Reading ACD Board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively including all material post-closing entries. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the ACD and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Company’s activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Shareholders of Royal London Bond Funds ICVC (continued)

Other information

The Authorised Corporate Director Royal London Unit Trust Managers Limited is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report for the financial year is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

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

Authorised Corporate Director's responsibilities

As explained more fully in their statement set out on page 5, the Authorised Corporate Director is responsible for: the preparation of financial statements that give a true and fair view; 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; assessing the Company or its sub-funds ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street,
Glasgow G2 5AS
6 February 2025

Summary of Significant Accounting Policies

For the year ended 31 October 2024

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes sourcebook. They have been prepared in accordance with the UK Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for Authorised Funds (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association (now referred to as The Investment Association) in May 2014 (the 2014 SORP), as amended in 2017.

As stated in the Statement of Authorised Corporate Director's Responsibilities in relation to the Financial Statements of the Company on page 5, the Authorised Corporate Director has undertaken a detailed assessment, and continues to monitor, the sub-funds' ability to meet their liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the Manager is satisfied the sub-funds have adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern in preparing the financial statements.

The accounting policies outlined below have been applied on a consistent basis throughout the year.

Further analysis of the distribution and the net asset position can be found within the Financial Statements of the individual sub-funds.

Basis of valuation of investments

The investments of the Company have been valued at the closing bid price on 31 October 2024, the last valuation point in the accounting period. This is deemed by the ACD to reflect the fair value of investments. If the closing bid price is not available the price used is the last available published price at the year end.

The Short-Term Money Market Fund has been authorised as a Regulated Money Market Fund and is valued in accordance with the Money Market Funds Regulation. Further details are contained in the Prospectus.

The ACD has assigned the responsibility to review and approve fair value pricing decisions to the Royal London Asset Management Limited Valuation Oversight Committee. In accordance with the Royal London Asset Management Limited Pricing and Ensuring Fair Value Policy, the Committee provide regular governance and oversight 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 collective investment schemes (CIS) have been valued at bid prices. For those CIS funds that are not dual priced, single prices are used.

Derivative assets and liabilities, including Overnight Index Swaps and Total Return Swaps, 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.

Exchange rates

Assets and liabilities denominated in foreign currencies have been converted to sterling at the closing rates of exchange on 31 October 2024.

Foreign income and expenditure has been converted into sterling at the rate of exchange ruling at the date of transaction.

Recognition of revenue

All dividends (including distributions from collective investment schemes) on investments marked ex-dividend up to the accounting date are included in revenue inclusive of any tax deducted at source and net of attributable tax credits.

Revenue received from investments in authorised collective investment schemes, which are purchased during the financial period, will include an element of equalisation which represents the average amount of revenue included in the price paid for shares or units. This equalisation is treated as capital and deducted from the cost of the investment.

Interest and revenue from bank balances and deposits, stock lending (net of fees paid), fixed interest stocks and other securities are recognised on an accruals basis.

Interest earned on interest bearing securities are determined on an effective yield basis. Effective yield is a revenue calculation that reflects the amount of amortisation of any discount or premium on the purchase price over the remaining life of the security.

Any income arising from stock lending is treated as revenue on an accruals basis and is disclosed in the notes to the financial statements net of directly attributable fees.

Management fee rebates received from management companies are recognised when the entitlement arises, and are recognised as either income or capital in accordance with the treatment of the management fee charged on the underlying CIS.

Summary of Significant Accounting Policies (continued)

For the year ended 31 October 2024

1. Accounting policies – continued

Treatment of expenses

Expenses are recognised on an accruals basis.

The underlying sub-funds will hold a number of share classes. Each share class suffers a different Fund Management Fee, which can be found in the Prospectus. Consequently the level of expenses attributable to each share class will differ.

The costs and charges detailed in the Prospectus, including the ACD's own fee, will be met out of this fixed Fund Management Fee. In the event the actual costs incurred by a sub-fund exceed the level of the fixed Fund Management Fee applicable to that share class, the ACD shall bear any such excess. Where the actual costs incurred by a sub-fund fall below the fixed Fund Management Fee, the ACD shall be entitled to retain any amount by which the fixed Fund Management Fee exceeds those actual costs.

Taxation

All sub-funds, except for Cautious Managed, satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulation 2006 paragraph 19 throughout the period. All distributions are therefore made as interest distributions. In the case of Cautious Managed, Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

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

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised on permanent differences.

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

Treatment of derivative contracts

The unrealised gain/(loss) on open future contracts is disclosed in the portfolio statement, where such contracts are held by an individual sub-fund. The margins paid on these contracts are included in the amounts held at derivative clearing houses and brokers.

Interest received from or paid to the sub-funds from swaps designed to protect capital are treated as capital and are included in net capital gains on derivative securities.

The unrealised gains or losses on open Overnight Index Swaps, Total Return Swaps, Futures and Forward Foreign Exchanges (FFX) are disclosed in the portfolio statements, where such contracts are held by an individual sub-fund.

Margins paid on these contracts are included in the amounts held at futures clearing houses and brokers.

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying index future or other appropriate source.

Dilution

In certain circumstances the ACD may charge a dilution adjustment on the sale or repurchase of shares for all the sub-funds except Royal London Short-Term Money Market Fund. The adjustment is intended to cover certain dealing charges not included in the value of the sub-fund used in calculating the share price, which could have a dilutive effect.

Normally the Company will only charge such an adjustment on a sub-fund experiencing large levels of net purchases or net redemptions relative to its size. The ACD reserves the right to make a daily dilution adjustment, using swinging single pricing, for the sole purpose of reducing dilution in the Funds. For further details please refer to the Prospectus.

Rather than a dilution adjustment, a dilution levy may be applicable to the Royal London Short-Term Money Market Fund only, although the ACD does not expect to impose this.

The ACD may determine the dilution levy amount to be charged at such a rate as determined for the purpose of reducing the effect of dilution. This dilution levy is calculated by reference to the costs of dealing in the underlying investments of the Fund, including any dealing spreads, commissions and transfer taxes.

2. Distribution policy

Basis of distribution

Revenue produced by the sub-funds' investments accumulates during each accounting period. If at the end of the accounting period, revenue exceeds expenses, the net revenue of each sub-fund is available to be distributed, at share class level, to shareholders.

The following sub-fund makes distributions on a monthly basis: Short Term Money Market. Prior to 1 November 2024 this sub-fund made a distribution on a half yearly basis.

The following sub-funds make distributions on a quarterly basis: Sterling Credit, Corporate Bond, Diversified Asset-Backed Securities, Short Term Fixed Income, Short Term Fixed Income Enhanced and Investment Grade Short Dated Credit.

The following sub-funds make distributions on a half yearly basis: Global Index Linked, Index Linked, UK Government Bond, International Government Bond, Short Duration Gilts and Short Duration Global Index Linked.

Summary of Significant Accounting Policies (continued)

For the year ended 31 October 2024

2. Distribution policy – continued

Basis of distribution – continued

The following sub-fund makes a distribution on an annual basis: Cautious Managed.

For the purposes of calculating the distribution on Index Linked Fund, Global Index Linked Fund and Short Duration Global Index Linked Fund, revenue is computed on an effective yield basis utilising the exemption set out in the Financial Conduct Authority's COLL 6.8.3 (for funds whose policy is to invest predominantly in index linked securities) to treat capital indexation as non-distributable.

Apportionment to multiple share classes

The allocation of revenue and expenses to each share class is based on the proportion of the sub-funds' assets attributable to each share class on the day the revenue is earned or the expense is suffered. The Fund Management Fee is specific to each share class.

Revenue from debt securities

For the purposes of the calculation of the distribution, revenue from debt securities is computed as follows:

Sterling Credit, Short Term Money Market, Corporate Bond, Short Term Fixed Income, International Government Bond, Diversified Asset-Backed Securities, Short Duration Gilt, Short Term Fixed Income Enhanced, Investment Grade Short Dated Credit and UK Government Bond sub-funds on an effective yield basis.

Global Index Linked, Index Linked and Short Duration Global Index Linked sub-funds on an effective yield basis excluding indexation on any index linked gilt-edged securities.

The Cautious Managed sub-fund does not hold direct debt securities.

Expenses

In determining the net revenue available for distribution, expenses related to the purchase and sale of investments are borne wholly by capital.

In the case of Sterling Credit, Global Index Linked, Corporate Bond, UK Government Bond, International Government Bond, Short Duration Gilts, Cautious Managed, Investment Grade Short Dated Credit, and Short Duration Global Index Linked sub-funds, all expenses are borne by capital.

For Short Term Money Market, Index Linked, Short Term Fixed Income, Diversified Asset-Backed Securities and Short Term Fixed Income Enhanced sub-funds, expenses are borne by revenue.

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the net accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

3. Risk management policies

In accordance with its investment objective, the Company holds financial instruments such as fixed interest securities, cash and has short-term debtors and creditors. The risks arising from the Company's financial Instruments are summarised below, and remain unchanged from the prior year.

Market and cash flow risk

Material exposure of the Company's assets and liabilities to interest bearing instruments results in the risk of changes in market interest rates which, in addition to other market price risk arising from the uncertainty of future prices, can cause the value of financial instruments to fluctuate. This, in combination with variable cash flows, can potentially significantly affect the Balance Sheet and Statement of Total Return.

The ACD adheres to the investment guidelines and investment and borrowing powers established in the Prospectus and in the Rules governing the operations of ICVCs. In this way the ACD monitors and controls the exposure to risk from any type of security, market sector or individual issuer.

Credit and liquidity risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash and derivatives are held with reputable credit institutions and credit risk is assessed on a regular basis. Certain transactions in securities that the Company enters into expose it to the risk that a counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty and these are reviewed on an ongoing basis.

The Company's assets comprise mainly readily available realisable securities, which can be sold to meet funding requirements if and when necessary. The main liability of the Company is the redemption of any shares that investors wish to sell. Liquidity risk, mainly derived from the liability to shareholders, is minimised through holding cash and readily realisable securities which can meet the usual requirements of share redemptions. The Liquidity risk for all sub-funds has been deemed insignificant, therefore numerical disclosures are not required.

Summary of Significant Accounting Policies (continued)

For the year ended 31 October 2024

3. Risk management policies – continued

Currency risk

The value of the Company's investments may be affected by currency movements since a proportion of the assets are denominated in currencies other than sterling. The ACD may, from time to time, seek to mitigate the effect of these currency exposures by covering a proportion of its investments using forward currency hedges. However, no such arrangements were in place at the year end. The Company may also be subject to short-term exposure to exchange rate movements, for example, where there is a delay between dealing and subsequent settlement. However, the ACD considers that this does not pose a significant risk given the short-term nature of this exposure. The risk of currency movements on the income property of the Company is minimised by converting income received in foreign currency into sterling on the date of transaction.

Interest rate risk

The Company invests in fixed and variable rate securities and any changes to interest rate relevant for particular securities may result in either revenue increasing or decreasing. In general, if interest rates rise the revenue potential of the Company also rises but the value of fixed rate securities declines. A fall in interest rates will in general have the opposite effect. The ACD considers the credit rating, yield and maturity of each interest bearing security to ensure the yield reflects any perceived risk.

Derivatives risk

The ACD may employ derivatives, including swaps, for the purpose of efficient portfolio management. Diversified Asset-Backed Securities Fund has used swaps during the period to protect capital value by reducing the sensitivity of the portfolio to movements in interest rates and to target a duration of zero years. The ACD may use forward foreign currency contracts in order to hedge out some of the currency exposure in a Fund.

The ACD uses a methodology known as the "commitment approach" to measure the global exposure to derivative instruments. This methodology is used for all sub-funds with the exception of the Diversified Asset-Backed Securities Fund, which utilises the Value-at-Risk (VAR) methodology.

Other

Potential implications of an epidemic and/or a pandemic

Epidemics and pandemics such as COVID-19, can seriously disrupt the global economy and markets. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to a Fund's investments or the ACD's operations and the operations of the ACD's and the Company's service providers.

Political risk

Political conflicts and their consequences, including economic sanctions on Russia, are having a significant impact on global financial markets and commodity pricing. The ACD is closely monitoring the associated internal political developments in relation to inflation, volatile markets and security pricing. Please refer to the ACD's Investment Reports for commentary on the impact and outlook.

The Company has no direct exposure to Russian securities. Securities which are listed on the Russian stock exchange have been written down to nil value due to trading restrictions. Royal London Asset Management Limited is complying with all restrictions and sanctions issued by the relevant authorities.

Royal London Sterling Credit Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Sterling Credit Fund, Class M Accumulation	12.70	-3.66	3.88
Royal London Sterling Credit Fund, Class M Income	12.77	-3.63	3.88
Royal London Sterling Credit Fund, Class R Accumulation	13.27	-2.24	6.41
Royal London Sterling Credit Fund, Class S Accumulation	13.22	-2.29	6.39
Royal London Sterling Credit Fund, Class S Income	13.27	-2.26	6.44
Royal London Sterling Credit Fund, Class Z Accumulation	12.89	-3.23	4.79
Royal London Sterling Credit Fund, Class Z Income	12.93	-3.15	4.83
Markit iBoxx Sterling Non-Gilts Total Return (TR) GBP Index	8.39	-9.88	-6.06
IA Sterling Corporate Bond Total Return (TR)	9.90	-6.75	-1.28

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund delivered strong returns in the period under review, outperforming its benchmark. The Fund was also ahead of peers in the 12-month period.

The Fund also remains ahead of its benchmark and peers for the longer three-year and five-year periods.

Market overview

We have seen the global economy survive a year of intense geopolitical risk in the Middle East; the heightened uncertainty that comes from a US presidential election; and it has weathered the quickest hiking cycles in decades, and jobless rates are still low.

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Corporate bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in the expectation that interest rates would be cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period lower than they started, with sterling corporate bond markets returning 8.4% for the period.

Manager's Investment Report (continued)

Portfolio commentary

The main driver of the Fund's outperformance was the combination of our sector allocation and stock selection. At a sector level, our underweight position in supranationals and overweight in both insurance and bank bonds were the main positives as supranationals continued to lag the wider market, having underperformed in the second half of 2023. Within banking and insurance sectors, our bias towards subordinated bonds was helpful, which continued to outperform the wider market. Our exposure to structured bonds was negative, as was the holding in Thames Water.

Activity was broad-based, but within the bank and insurance sectors, so-called 'legacy bonds' are those that no longer meet the current requirements of today's regulatory environment, and as such can become inefficient for issuers to leave outstanding. As a result, we continue to expect to see old bonds bought back (called) by issuers and new ones reissued. We hold a number of positions in these bonds, as the call price is typically above market levels – meaning we receive a higher price than prevailing for the existing bond, and often an attractive price and allocation to the new bond. This has supported performance over the past few years and the most recent example was Aviva, who called their 2036 bonds at a premium to market pricing. We then added the new 2054 replacements, which came to market with an attractive yield premium.

Investment outlook

The US election result has seen government bond yields rise, compounding the move higher in UK gilt yields seen following the Budget in late October. We think that the Bank of England will continue to cut interest rates over the next twelve months but that the pace will be slower than previously expected given the economic boost arising from higher government spending plans.

We believe that sterling investment grade all-in yields are attractive, given the move higher in government yields. Credit spreads continue to compensate investors for default risk but the move lower through the year has taken valuations, on this basis, to levels seen in 2021. This tempers the expected degree of outperformance over government bonds.

We target a material yield premium over the market level in our sterling credit strategies. As ever, the risks inherent in our investment grade credit portfolios are mitigated by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark, achieved with superior downside protections, will generate outperformance.

Paola Binns
Fund Manager
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	134.60	127.29	157.74
Return before operating charges*	17.76	8.02	(29.68)
Operating charges	(0.78)	(0.71)	(0.77)
Return after operating charges*	16.98	7.31	(30.45)
Distributions on accumulation shares	(8.31)	(7.08)	(5.74)
Retained distributions on accumulation shares	8.31	7.08	5.74
Closing net asset value per share	151.58	134.60	127.29
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.62%	5.74%	(19.30)%
Other information			
Closing net asset value (£'000)	128,956	108,021	107,359
Closing number of shares	85,076,260	80,253,608	84,339,049
Operating charges	0.53%	0.53%	0.53%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	154.70	139.60	161.40
Lowest share price	135.20	127.90	120.40

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	95.58	95.27	122.96
Return before operating charges*	12.50	6.04	(22.68)
Operating charges	(0.54)	(0.53)	(0.60)
Return after operating charges*	11.96	5.51	(23.28)
Distributions on income shares	(5.78)	(5.20)	(4.41)
Closing net asset value per share	101.76	95.58	95.27
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.51%	5.78%	(18.93)%
Other information			
Closing net asset value (£'000)	58,888	56,709	75,708
Closing number of shares	57,872,013	59,332,341	79,470,436
Operating charges	0.53%	0.53%	0.53%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	105.40	103.20	125.80
Lowest share price	96.00	95.71	91.21

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	103.39	97.32	120.04
Return before operating charges*	13.66	6.13	(22.66)
Operating charges	(0.07)	(0.06)	(0.06)
Return after operating charges*	13.59	6.07	(22.72)
Distributions on accumulation shares	(6.40)	(5.43)	(4.38)
Retained distributions on accumulation shares	6.40	5.43	4.38
Closing net asset value per share	116.98	103.39	97.32
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	13.14%	6.24%	(18.93)%
Other information			
Closing net asset value (£'000)	382,281	351,376	348,963
Closing number of shares	326,780,463	339,845,229	358,555,897
Operating charges	0.08% [#]	0.06%	0.06%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	119.30	106.80	122.90
Lowest share price	103.80	97.78	92.05

[#] The FMF changed from 0.06% to 0.08% on 30 September 2024.

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	93.62	88.12	108.68
Return before operating charges*	12.37	5.55	(20.51)
Operating charges	(0.05)	(0.05)	(0.05)
Return after operating charges*	12.32	5.50	(20.56)
Distributions on accumulation shares	(5.80)	(4.91)	(3.96)
Retained distributions on accumulation shares	5.80	4.91	3.96
Closing net asset value per share	105.94	93.62	88.12
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	13.16%	6.24%	(18.92)%
Other information			
Closing net asset value (£'000)	46,081	46,171	15,795
Closing number of shares	43,497,309	49,317,382	17,925,246
Operating charges	0.05%	0.05%	0.05%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	108.10	96.74	111.20
Lowest share price	94.02	88.53	83.34

Comparative Tables (continued)

Class S Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	82.65	81.98	105.31
Return before operating charges*	10.82	5.19	(19.49)
Operating charges	(0.04)	(0.04)	(0.05)
Return after operating charges*	10.78	5.15	(19.54)
Distributions on income shares	(5.01)	(4.48)	(3.79)
Closing net asset value per share	88.42	82.65	81.98
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	13.04%	6.28%	(18.55)%
Other information			
Closing net asset value (£'000)	92,907	147,970	152,770
Closing number of shares	105,069,641	179,023,793	186,339,716
Operating charges	0.05%	0.05%	0.05%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	91.53	88.94	107.80
Lowest share price	83.02	82.37	78.48

Class Z Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	92.48	87.30	108.01
Return before operating charges*	12.21	5.50	(20.36)
Operating charges	(0.36)	(0.32)	(0.35)
Return after operating charges*	11.85	5.18	(20.71)
Distributions on accumulation shares	(5.72)	(4.86)	(3.93)
Retained distributions on accumulation shares	5.72	4.86	3.93
Closing net asset value per share	104.33	92.48	87.30
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.81%	5.93%	(19.17)%
Other information			
Closing net asset value (£'000)	119,809	86,259	61,586
Closing number of shares	114,832,481	93,275,940	70,543,184
Operating charges	0.35%	0.35%	0.35%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	106.50	95.77	110.50
Lowest share price	92.88	87.70	82.58

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	111.33	110.77	142.71
Return before operating charges*	14.57	7.01	(26.37)
Operating charges	(0.42)	(0.40)	(0.45)
Return after operating charges*	14.15	6.61	(26.82)
Distributions on income shares	(6.74)	(6.05)	(5.12)
Closing net asset value per share	118.74	111.33	110.77
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.71%	5.97%	(18.79)%
Other information			
Closing net asset value (£'000)	1,565,921	1,433,387	1,167,508
Closing number of shares	1,318,735,619	1,287,501,293	1,054,031,860
Operating charges	0.35%	0.35%	0.35%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	123.00	120.10	146.00
Lowest share price	111.80	111.30	106.00

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Commercial Mortgage Backed Securities – 2.84% (31/10/23 – 2.13%)			
£2,402,000	British Land 5.264% 24/9/2035	2,285	0.10
£7,377,000	Canary Wharf Finance II (A7) FRN 22/10/2037	6,178	0.26
£12,804,000	Canary Wharf Finance FRN 22/10/2037	10,051	0.42
£14,176,749	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058*	9,434	0.39
£11,233,356	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058*	6,466	0.27
£9,935,000	Income Contingent Student Loan 2.5% 24/7/2056	5,500	0.23
£18,072,000	Income Contingent Student Loan 2.5% 24/7/2058	10,540	0.44
£5,000,000	Stark Financing 2023-1 DAC FRN 17/8/2033	5,020	0.21
£2,772,000	UK Logistics 2024-1 DAC FRN 17/5/2034	2,780	0.12
£9,583,000	Vantage Data Centers Jersey Bo 6.172% 28/5/2039	9,650	0.40
Total Commercial Mortgage Backed Securities		67,904	2.84
Corporate Bonds – 95.22% (31/10/23 – 95.28%)			
£4,073,000	AA Bond 6.85% 31/7/2050	4,106	0.17
£11,657,000	AA Bond 7.375% 31/7/2050	12,029	0.50
£4,665,000	AA Bond 8.45% 31/7/2050	4,897	0.20
£8,055,000	abrdn 5.25% variable perpetual	7,082	0.30
£3,730,000	Achmea 5.625% variable 2/11/2044	3,278	0.14
£3,189,000	Admiral Group 8.5% 6/1/2034	3,554	0.15
£11,900,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036*	10,717	0.45
\$10,000,000	Allianz 3.2% variable perpetual	6,657	0.28
€5,000,000	Allianz 5.824% variable 25/7/2053	4,704	0.20
£6,538,000	Anglian Water Osprey Financing 4% 8/3/2026	6,129	0.26
£7,730,000	Anglian Water Services Financing 5.75% 7/6/2043	7,135	0.30
£9,158,000	Annington Funding 3.184% 12/7/2029	8,152	0.34
£15,376,000	Annington Funding 3.935% 12/7/2047	10,721	0.45
£8,331,000	Annington Funding 4.75% 9/8/2033	7,518	0.31
£4,000,000	APT Pipelines 3.5% 22/3/2030	3,636	0.15
\$9,630,000	Argentum Netherlands 4.625% variable perpetual	7,416	0.31
£7,071,000	Aroundtown 3.625% 10/4/2031	5,943	0.25
£9,655,000	Arqiva Financing 4.882% 31/12/2032	5,306	0.22
£1,877,000	Arqiva Financing 5.34% 30/12/2037	1,842	0.08
£3,440,000	Arqiva Financing 7.21% 30/6/2045	3,625	0.15
£4,613,000	Artesian Finance 6% 30/9/2033	4,500	0.19
£19,562,000	Aspire Defence Finance 'A' 4.674% 31/3/2040	14,100	0.59
£12,818,000	Aspire Defence Finance 'B' 4.674% 31/3/2040	9,220	0.39
£22,700,000	Assicurazioni Generali 6.269% perpetual	22,807	0.95
€7,190,000	Athora Holding Ltd 5.875% 10/9/2034	6,105	0.25
€2,975,000	Athora Netherlands 5.375% variable 31/8/2032	2,531	0.11
€4,368,000	Athora Netherlands 7% variable perpetual	3,693	0.15
£6,255,000	Australia & New Zealand Banking 1.809% variable 16/9/2031	5,831	0.24
£100,000	Aviva 6.125% variable 14/11/2036	102	–
£8,143,000	Aviva 6.125% variable 12/9/2054	7,989	0.33
£29,937,000	Aviva 6.875% variable 20/5/2058	30,410	1.27
£5,858,000	Aviva 6.875% variable 27/11/2053	6,069	0.25
£7,089,000	AXA 1.875% variable 10/7/2042	5,148	0.22
€12,652,000	AXA 6.375% variable perpetual	11,360	0.47
\$14,539,000	AXA 6.379% variable perpetual	12,414	0.52
\$2,904,000	AXA SA 4.5% perpetual	2,056	0.09
\$4,462,000	AXA SA FRN perpetual	3,228	0.13
£8,800,000	Banco Bilbao Vizcaya Argenta 8.25% variable 30/11/2033	9,478	0.40
£7,900,000	Banco Santander 2.25% variable 4/10/2032	7,162	0.30
£16,176,000	Bank of Nova Scotia FRN 22/6/2026	16,324	0.68
£13,889,000	Barclays 5.851% variable 21/3/2035	13,801	0.58
\$33,080,000	Barclays 6.278% variable perpetual	26,595	1.11
£4,350,000	Barclays 7.09% variable 6/11/2029	4,587	0.19

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£9,915,000	Barclays 8.407% variable 14/11/2032	10,527	0.44
£8,546,000	Barclays 8.5% variable perpetual	8,767	0.37
£13,391,000	Barclays 9.25% variable perpetual	14,111	0.59
€28,130,000	Barclays Bank 4.75% variable perpetual	23,041	0.96
£10,250,000	BAT International Finance 2.25% 9/9/2052	4,767	0.20
£3,000,000	BAT International Finance 4% 23/11/2055	1,995	0.08
£7,988,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	5,748	0.24
£4,389,000	Blackstone Property Partners Europe 2.625% 20/10/2028	3,927	0.16
£11,655,000	Blackstone Property Partners Europe 4.875% 29/4/2032	10,804	0.45
£3,567,000	Blend Funding 2.467% 16/6/2063	1,770	0.07
£2,395,000	Blend Funding 2.984% 15/3/2036	1,859	0.08
£4,498,000	Blend Funding 3.508% 4/5/2059	3,074	0.13
£9,800,000	BNP Paribas 2% variable 24/5/2031	9,269	0.39
\$4,198,000	BNP Paribas 8% variable perpetual	3,396	0.14
£10,652,000	BP Capital Markets 4.25% variable perpetual	10,267	0.43
€7,400,000	BPCE 2.125% variable 13/10/2046	5,350	0.22
£11,100,000	BPCE 2.5% variable 30/11/2032	10,023	0.42
£8,000,000	BPCE SA 5.375% 22/10/2031	7,887	0.33
£14,273,000	British Land 5.264% 24/9/2035	13,579	0.57
£2,552,000	British Land 5.357% 31/3/2028	2,524	0.11
£4,602,000	BUPA Finance 4% variable perpetual	3,487	0.15
£5,297,000	BUPA Finance 4.125% 14/6/2035	4,399	0.18
£1,879,000	BWP Issuer 2.868% 30/6/2036	1,212	0.05
£5,516,000	Cadent Finance 5.625% 11/1/2036	5,381	0.22
£3,600,000	Cadent Finance 5.75% 14/3/2034	3,604	0.15
£8,200,000	CaixaBank 6.875% variable 25/10/2033	8,414	0.35
£14,095,000	Canary Wharf Finance 5.952% 22/10/2037	7,492	0.31
£10,595,000	Channel Link Enterprises Finance FRN 30/12/2050	7,799	0.33
£6,800,000	Cheltenham & Gloucester 11.75% perpetual	11,235	0.47
£3,120,000	Close Brothers Finance 1.625% 3/12/2030	2,348	0.10
£2,850,000	Close Brothers Finance 2.75% 19/10/2026	2,633	0.11
£12,299,000	Close Brothers Group 2% variable 11/9/2031	10,042	0.42
£4,574,000	Close Brothers Group 7.75% 14/6/2028	4,546	0.19
£4,425,000	Close Brothers Group 11.125% variable perpetual	4,086	0.17
£10,750	Clydeport Operations 3% perpetual	8	–
£5,750	Clydeport Operations 4% perpetual	4	–
£7,790,000	Connect M77 GSO 5.404% 31/3/2034	4,407	0.18
£14,432,000	Co-operative Bank Finance 6% variable 6/4/2027	14,518	0.61
£10,324,000	Co-operative Bank Finance 9.5% variable 24/5/2028	11,231	0.47
€7,400,000	Co-operative Rabobank 4.875% variable perpetual	6,038	0.25
£7,683,000	Coventry Building Society 8.75% variable perpetual	7,904	0.33
£5,744,000	CPUK Finance 3.588% 28/2/2042	5,660	0.24
£6,204,000	CPUK Finance 3.69% 28/2/2047	5,747	0.24
£3,611,000	CPUK Finance Ltd 6.136% 28/2/2047	3,625	0.15
€5,200,000	Credit Agricole 5.875% 25/10/2033	4,871	0.20
£5,061,000	Credit Agricole 7.5% variable perpetual	5,114	0.21
£4,693,000	Credit Agricole 7.5% variable perpetual	4,749	0.20
£10,000,000	Credit Suisse 7.375% variable 7/9/2033	11,110	0.46
\$7,000,000	Credit Suisse Group 7.5% variable perpetual*	–	–
£10,600,000	Daily Mail & General 6.375% 21/6/2027	10,177	0.42
£12,360,000	Delamare Finance 5.5457% 19/2/2029	5,761	0.24
£18,754,000	Derby Healthcare 5.564% 30/6/2041	16,418	0.69
£15,951,000	Direct Line Insurance 4% 5/6/2032	13,453	0.56
\$15,464,000	Dresdner Funding Trust 8.151% 30/6/2031	13,355	0.56
£8,130,000	DWR Cymru Financing 2.375% 31/3/2034	5,878	0.25
£2,750,000	E.ON International Finance 6.125% 6/7/2039	2,835	0.12
£5,636,000	East Japan Railway 5.562% 4/9/2054	5,496	0.23

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 95.22% (31/10/23 – 95.28%) – continued			
£5,100,000	EDF 5.125% 22/9/2050	4,244	0.18
£3,100,000	Electricite de France 5.5% 17/10/2041	2,813	0.12
£13,000,000	Electricite de France 5.875% variable perpetual	12,464	0.52
£25,500,000	Electricite de France 6% 23/1/2114	22,561	0.94
£8,400,000	Electricite de France SA 6.5% 8/11/2064	8,259	0.34
£11,200,000	Electricite de France SA 7.375% variable perpetual	11,452	0.48
£4,600,000	Enel Finance 5.75% 14/9/2040	4,519	0.19
£4,800,000	Engie SA 5.75% 28/10/2050	4,583	0.19
£17,550,000	Equity Release FRN 14/7/2045	10,153	0.42
£11,455,000	Equity Release Funding 5.7% 26/2/2031	4,066	0.17
£9,462,000	Equity Release Funding 5.88% 26/5/2032	4,467	0.19
£13,713,000	Equity Release Funding No.3 5.05% 26/4/2033	11,398	0.48
£5,600,000	Eskmuir Group Finance 4.255% 12/12/2047*	3,415	0.14
£3,870,000	Esure Group 12% variable 20/12/2033	4,262	0.18
£8,418,000	Esure Group 6% variable perpetual	7,345	0.31
£9,086,000	Eversholt Funding 2.742% 30/6/2040	6,161	0.26
£4,610,000	Eversholt Funding 3.529% 7/8/2042	3,565	0.15
£5,900,000	Eversholt Funding 6.697% 22/2/2035	4,620	0.19
£5,696,000	Exchequer Partnership 5.396% 13/7/2036	3,929	0.16
£3,615,000	Freshwater Finance 4.607% 17/10/2036	3,056	0.13
£8,222,000	Freshwater Finance 5.182% 20/4/2035	7,487	0.31
£4,645,000	Gatwick Funding 5.5% 4/4/2042	4,421	0.18
£9,600,000	GB Social Housing 5.193% 12/2/2038	9,009	0.38
£9,132,000	General Electric Capital 4.875% 18/9/2037	8,213	0.34
€7,041,000	Generali 4.1562% 3/1/2035	5,939	0.25
£8,000,000	Genfinance II 6.064% 21/12/2039	8,164	0.34
£1,209,000	Goldman Sachs 6.875% 18/1/2038	1,290	0.05
£3,656,000	Grainger 3% 3/7/2030	3,161	0.13
£1,318,000	Grainger 3.375% 24/4/2028	1,223	0.05
£3,052,000	Great Portland Estates PLC 5.375% 25/9/2031	2,975	0.12
£6,417,000	Great Rolling Stock 6.5% 5/4/2031	4,556	0.19
£6,900,000	Great Rolling Stock 6.875% 27/7/2035	3,591	0.15
£5,000,000	Greene King 5.318% 15/9/2031	2,432	0.10
£7,292,000	Greene King Finance 3.593% 15/3/2035	5,479	0.23
£4,056,000	Greene King Finance 5.106% 15/3/2034	3,157	0.13
£4,681,000	GreenSquareAccord 5.25% 30/11/2047	4,218	0.18
£4,920,000	Guinness Trust 7.5% 30/11/2037	3,878	0.16
£9,987,000	Gwynt y Môr OFTO 2.778% 17/2/2034	5,282	0.22
£10,957,607	Harbour Funding 5.28% 31/3/2044	10,581	0.44
£4,533,000	Hastoe Capital 5.6% 27/3/2042	4,348	0.18
£5,027,004	Haven Funding 8.125% 30/9/2037	4,590	0.19
£2,436,000	Heathrow Funding 2.625% 16/3/2028	2,216	0.09
£5,149,000	Heathrow Funding 6% 5/3/2032	5,075	0.21
£7,528,000	Heathrow Funding 6.45% 10/12/2031	7,904	0.33
£3,000,000	Heinz (HJ) Finance 6.25% 18/2/2030	3,096	0.13
£3,290,000	Hexagon Housing Association 3.625% 22/4/2048	2,250	0.09
£11,585,000	High Speed Rail Finance 4.375% 1/11/2038	10,508	0.44
£4,581,000	Home Group 0% 11/5/2027	3,810	0.16
£3,865,000	Home Group 8.75% 11/5/2037	4,557	0.19
£18,854,000	HSBC 5.844% variable perpetual	19,531	0.82
£4,700,000	HSBC 7% 7/4/2038	4,967	0.21
£23,688,000	HSBC 8.201% variable 16/11/2034	25,772	1.08
\$4,248,000	HSBC Holdings PLC 6.95% variable perpetual	3,290	0.14
£15,469,000	IG Group 3.125% 18/11/2028	13,594	0.57
£10,200,000	ING Groep NV 6.25% variable 20/5/2033	10,329	0.43
€14,450,000	Intermediate Capital Group 2.5% 28/1/2030	11,179	0.47
£21,329,000	Intu Metrocentre Finance 4.125% 6/12/2028	13,900	0.58
£16,311,000	Investec 1.875% variable 16/7/2028	14,720	0.61
£1,955,000	Investec 10.5% variable perpetual	2,111	0.09
£8,697,000	Investec 2.625% variable 4/1/2032	8,007	0.33
£3,396,000	Investec 9.125% variable 6/3/2033	3,645	0.15
£1,836,000	John Lewis 4.25% 18/12/2034	1,387	0.06

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£7,873,000	JRP Group 9% 26/10/2026	8,425	0.35
£1,435,000	Jupiter Fund Management 8.875% variable 27/7/2030	1,439	0.06
£7,500,000	Just Group 5% variable perpetual	6,038	0.25
£7,035,000	Just Group PLC 6.875% 30/3/2035	6,989	0.29
£17,672,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	11,119	0.46
£4,000,000	KBC Group 6.151% variable 19/3/2034	4,043	0.17
€2,700,000	Koninklijke KPN 3.875% 16/2/2036	2,317	0.10
£2,097,000	Law Debenture 6.125% 12/10/2034*	2,128	0.09
£5,222,000	Legal & General 3.75% variable 26/11/2049	4,744	0.20
£5,970,000	Legal & General 4.5% variable 1/11/2050	5,511	0.23
£46,200,000	Legal & General 5.5% variable 27/6/2064	42,902	1.79
£4,889,000	Lendinvest Secured Income II 11.5% 3/10/2026	4,962	0.21
£5,588,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	5,680	0.24
£6,600,000	Lloyds Bank 0% Step 22/3/2032	4,384	0.18
£4,000,000	Lloyds Bank FRN 6/11/2026	4,011	0.17
£3,994,000	Lloyds Banking Group 1.985% variable 15/12/2031	3,720	0.16
£13,270,000	Lloyds Banking Group 2.707% variable 3/12/2035	10,987	0.46
£6,851,000	Lloyds Banking Group 8.5% variable perpetual	7,082	0.30
£4,979,000	Lloyds Banking Group 8.5% variable perpetual	5,135	0.21
£7,275,000	London & Quadrant 2% 31/3/2032	5,807	0.24
£3,825,000	Longstone 4.896% 19/4/2036	3,501	0.15
£18,440,000	Longstone Finance 4.791% 19/4/2036	5,665	0.24
£3,441,000	Lunar Funding 5.75% 18/10/2033	3,463	0.14
£4,047,000	M&G 5% variable 20/7/2055	3,694	0.15
£27,013,000	M&G 5.7% variable 19/12/2063	25,329	1.06
£8,072,000	M&G 6.25% variable 20/10/2068	7,393	0.31
£233,000	Marstons Issuer 5.641% variable 15/7/2035	193	0.01
£23,990,000	Meadowhall Finance 4.986% 12/1/2032	10,225	0.43
£3,000,000	Meadowhall Finance FRN 12/7/2037	1,703	0.07
£7,857,000	Mercantile Investment Trust 6.125% 25/2/2030	7,984	0.33
£2,269,585	Metrocentre New Money Note Sonia + 11% PIK 6/12/2023*	2,201	0.09
£4,900,000	Metropolitan Housing Trust 1.875% 28/7/2036	3,334	0.14
£3,442,000	MIELI London 4.82% 12/8/2027*	3,315	0.14
£26,346,000	Mitchells & Butler 6.013% 15/12/2028	15,207	0.63
£10,380,000	Mitchells & Butlers (A1N) FRN 15/12/2030	3,057	0.13
£14,514,000	Mitchells & Butlers (A4) FRN 15/12/2028	6,201	0.26
£11,180,000	Mitchells & Butlers 5.574% 15/12/2030	2,270	0.09
£8,777,000	Mitchells & Butlers Finance FRN 15/12/2030	1,956	0.08
£4,228,000	Mitchells & Butlers FRN 15/12/2033	3,094	0.13
£13,821,000	Morhomes 3.4% 19/2/2040	10,752	0.45
£9,061,000	MPT Operating Partnership 3.692% 5/6/2028	7,037	0.29
£4,100,000	Myriad Capital 4.75% 20/12/2043	3,551	0.15
£6,332,000	National Australia Bank 1.699% variable 15/9/2031	5,898	0.25
£1,700,000	National Exhibition Center 7.5625% 30/9/2027	1,702	0.07
£8,359,000	National Express 4.25% variable perpetual	7,647	0.32
£2,415,000	NatWest Group 5.125% variable perpetual	2,298	0.10
£4,262,000	NatWest Group 7.416% variable 6/6/2033	4,462	0.19
£50,000	New Brunswick 4% perpetual	12	-
€4,661,000	NN Group 6.375% variable perpetual	4,067	0.17
£2,790,000	Northern Gas Networks Finance 6.125% 2/6/2033	2,879	0.12
£2,804,000	Northumbrian Water Finance 5.5% 2/10/2037	2,603	0.11

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 95.22% (31/10/23 – 95.28%) – continued				£7,398,000	South East Water 5.5834% 29/3/2029	6,948	0.29
£5,840,000	Northumbrian Water Finance 6.375% 28/10/2034	5,925	0.25	£8,977,000	South West Water Finance PLC 6.375% 5/8/2041	9,098	0.38
£3,500,000	Notting Hill Housing Trust 5.25% 7/7/2042	3,231	0.13	£7,680,000	Southern Gas Network 3.1% 15/9/2036	5,858	0.24
£4,459,000	Octagon Healthcare 5.333% 31/12/2035	2,948	0.12	£5,681,000	Southern Housing Group 2.375% 8/10/2036	4,019	0.17
£3,900,000	Opus Chartered variable 31/3/2025	343	0.01	£2,013,000	Southern Housing Group 3.5% 19/10/2047	1,388	0.06
£6,072,000	Orsted 2.5% variable 18/2/3021	4,464	0.19	£10,150,000	Southern Water Services Finance 2.375% 28/5/2028	8,289	0.35
£8,389,000	OSB Group 6% variable perpetual	7,892	0.33	£21,163,000	Southern Water Services Finance 3% 28/5/2037	14,127	0.59
£5,061,000	OSB Group 8.875% variable 16/1/2030	5,494	0.23	£7,025,000	Southern Water Services Finance 6.64% 31/3/2026	6,518	0.27
£6,299,000	OSB Group 9.993% variable 27/7/2033	6,848	0.29	£3,013,000	Sovereign Housing Capital 5.5% 24/1/2057	2,878	0.12
£12,252,963	Peel Land & Property Investments 8.375% Step 30/4/2040	12,308	0.51	£3,423,000	St James Oncology Financing 2.804% 31/3/2037	2,007	0.08
£3,888,000	Pension Insurance 4.625% 7/5/2031	3,516	0.15	£7,748,000	Standard Chartered 5.125% 6/6/2034	7,288	0.30
£7,042,000	Pension Insurance 5.625% 20/9/2030	6,765	0.28	\$34,500,000	Standard Chartered 6.409% variable perpetual	24,584	1.03
£5,196,000	Pension Insurance Corporation 6.875% 15/11/2034	5,193	0.22	£5,400,000	Standard Life Aberdeen 4.25% variable 30/6/2028	3,987	0.17
£6,323,000	Pension Insurance Corporation 8% 13/11/2033	6,782	0.28	£5,200,000	Suez SACA 6.625% 5/10/2043	5,488	0.23
£14,809,000	Peterborough Progress Health 5.581% 2/10/2042	9,668	0.40	£6,822,000	Summit Finance 6.484% 31/3/2028	1,642	0.07
£7,010,000	Phoenix Life 5.75% variable perpetual	6,484	0.27	£12,409,000	Sunderland 6.38% 31/3/2042	11,917	0.50
£7,865,000	Places for People Homes 6.625% 30/9/2038	5,567	0.23	£2,113,000	Sustainable Communities for Leeds Finance 5.069% 30/9/2032	1,136	0.05
£11,075,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	9,184	0.38	£11,093,000	SW Finance I 7% 16/4/2040	9,562	0.40
£4,700,000	Premier Transmission Finance 5.2022% 31/3/2030	1,535	0.06	£9,439,000	SW Finance I 7.375% 12/12/2041	8,306	0.35
£11,306,000	Premiertel 6.175% 8/5/2032	7,573	0.32	£14,108,000	Swan Housing Capital 3.625% 5/3/2048	10,272	0.43
£6,495,000	Principality Building Society 8.625% 12/7/2028	6,991	0.29	£4,675,000	Swedbank 7.272% variable 15/11/2032	4,852	0.20
£10,500,000	Prudential 6.125% 19/12/2031	10,752	0.45	£18,558,000	Telereal Secured Finance 4.01% 10/12/2033	8,488	0.35
\$5,606,000	Prudential Financial Inc 6% variable 1/9/2052	4,422	0.18	£5,279,000	Telereal Securitisation 1.3657% 10/12/2033	2,742	0.11
£17,024,000	QBE Insurance 2.5% variable 13/9/2038	15,034	0.63	£4,395,000	Telereal Securitisation 1.9632% variable 10/12/2033	4,190	0.18
£3,234,000	RAC Bond Co 8.25% 6/5/2046	3,477	0.15	£10,049,000	Telereal Securitisation 3.507% variable 10/12/2033	9,245	0.39
£3,832,000	Radian Capital 6% 5/3/2042	3,709	0.15	£4,300,400	Telereal Securitisation 3.5625% 10/12/2036	3,829	0.16
£4,231,000	Realty Income Corporation 5.25% 4/9/2041	3,946	0.16	£2,364,700	Telereal Securitisation 3.5625% 10/12/2036	2,110	0.09
£3,962,000	Reassure Group 5.867% 13/6/2029	3,918	0.16	£5,372,000	Telereal Securitisation 4.9741% 10/12/2033	1,566	0.07
£16,278,000	RMPA Services 5.337% 30/9/2038	10,067	0.42	£11,954,000	Telereal Securitisation 5.4252% 10/12/2033	9,069	0.38
£6,500,000	Rothesay Life 5% variable perpetual	5,265	0.22	£5,052,000	Telereal Securitisation 5.634% 10/12/2031	4,964	0.21
£8,028,000	Rothesay Life 6.875% variable perpetual	7,827	0.33	£19,329,000	Telereal Securitisation 6.1645% 10/12/2033	14,976	0.63
£3,392,000	Rothesay Life 7.734% 16/5/2033	3,612	0.15	£7,500,000	Telereal Securitisation FRN 10/12/2033	2,141	0.09
£4,949,000	Rothesay Life 7.019% 10/12/2034	5,058	0.21	£8,956,000	Telereal Securitisation FRN 10/12/2033	6,346	0.27
\$11,280,000	Rothschild Continuation Finance BV FRN perpetual	6,887	0.29	£5,416,000	Telereal Securitisation FRN 10/12/2033	4,185	0.17
£3,400,000	Royal Bank of Scotland 3.622% variable 14/8/2030	3,360	0.14	£8,761,000	Tesco Property 5.4111% 13/7/2044	7,263	0.30
£2,658,000	RSA Insurance 5.125% variable 10/10/2045	2,634	0.11	£5,000,000	Tesco Property 5.744% Sink 13/4/2040	4,308	0.18
£6,344,000	RSL Finance 6.625% 31/3/2038	5,027	0.21	£18,635,000	Tesco Property 5.8006% 13/10/2040	16,391	0.68
£7,271,000	Sainsburys Bank 10.5% variable 12/3/2033	8,218	0.34	£1,700,000	Tesco Property 6.0517% 13/10/2039	1,225	0.05
£3,215,000	Sampo Oyj 2.5% variable 3/9/2052	2,420	0.10	£5,790,000	Tesco Property Finance 7.6227% 13/7/2039	4,820	0.20
£4,417,000	Sanctuary 8.375% 1/9/2031	3,568	0.15	£9,827,000	Thames Water Kemble Finance 4.625% 19/5/2026	378	0.02
£14,736,000	Santander 10.0625% perpetual	21,367	0.89	£8,408,000	Thames Water Utilities 7.738% 9/4/2058	7,116	0.30
£9,000,000	Santander UK FRN 12/7/2027	9,027	0.38	£4,441,000	Thames Water Utilities Finance 7.125% 30/4/2031	3,577	0.15
£8,125,000	Saxon Weald Capital 5.375% 6/6/2042	7,765	0.32	£21,610,000	Thames Water Utilities Finance 7.75% 30/4/2044	17,640	0.74
\$4,966,000	Scentre Group 5.125% variable 24/9/2080	3,786	0.16	£6,592,000	Thames Water Utilities Finance 8.25% 25/4/2040	5,454	0.23
£4,972,000	Schroders 6.346% variable 18/7/2034	5,010	0.21	£2,955,000	The UNITE Group PLC 5.625% 25/06/2032	2,937	0.12
\$8,400,000	SCOR 5.25% variable perpetual	5,723	0.24	£9,541,000	THFC Funding 5.2% 11/10/2043	8,982	0.38
£5,000,000	Scot Roads Partnership Finance 5.591% 16/3/2045	4,408	0.18	£4,789,000	Time Warner Cable 5.25% 15/7/2042	3,884	0.16
£4,370,000	Scottish Investment Trust 5.75% 17/4/2030	4,319	0.18	£3,620,000	Time Warner Cable 5.75% 2/6/2031	3,450	0.14
£15,989,000	Scottish Widows 7% 16/6/2043	16,533	0.69				
£5,000,000	Skipton Building Society 6.25% variable 25/4/2029	5,107	0.21				
£6,300,000	Societe Generale 5.75% variable 22/1/2032	6,189	0.26				
£12,316,000	Society of Lloyds 4.875% variable 7/2/2047	12,064	0.50				

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 95.22% (31/10/23 – 95.28%) – continued			
CAD16,700,000	Toronto-Dominion Bank The 3.6% variable 31/10/2081	8,273	0.35
£6,367,000	TP ICAP 2.625% 18/11/2028	5,582	0.23
£4,734,000	TP ICAP 5.25% 29/5/2026	4,707	0.20
£3,121,000	TP ICAP Finance 7.875% 17/4/2030	3,321	0.14
£5,590,000	Trafford Centre 6.5% 28/7/2033	3,336	0.14
£11,600,000	Trafford Centre FRN 28/7/2035	9,284	0.39
£5,326,000	Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX*	2,974	0.12
£6,371,000	Unifund 5.32% 7/12/2047	5,177	0.22
£20,823,000	UPP Bond Issuer 4.9023% 28/2/2040	15,365	0.64
£7,272,000	Vattenfall 2.5% variable 29/6/2083	6,450	0.27
£5,457,000	Virgin Money 2.625% variable 19/8/2031	5,185	0.22
£10,507,000	Virgin Money 5.125% variable 11/12/2030	10,438	0.44
£14,066,000	Virgin Money 8.25% variable perpetual	14,387	0.60
£2,751,000	Virgin Money UK 7.625% variable 23/8/2029	2,956	0.12
£5,460,000	Virgin Money UK 11% variable perpetual	6,177	0.26
€5,000,000	Volkswagen International Finance 4.375% variable perpetual	3,869	0.16
€2,900,000	Volkswagen International Finance 7.875% variable perpetual	2,743	0.11
\$7,000,000	Vontobel Holding AG 9.68% variable perpetual	5,965	0.25
£4,112,000	Westfield America Management 2.625% 30/3/2029	3,655	0.15
£10,335,000	Westfield Stratford City 1.642% 4/8/2031	9,607	0.40
£12,515,000	White City Property 5.1202% 17/4/2035	8,908	0.37
£4,520,000	Worcestershire Hospital 5.87% 31/12/2030	1,881	0.08
£11,842,000	Yorkshire Building Society 3.375% variable 13/9/2028	11,068	0.46
£3,670,000	Yorkshire Water Finance 5.25% 28/4/2030	3,508	0.15
£3,100,000	Yorkshire Water Finance 5.5% 28/4/2035	2,829	0.12
£2,400,000	Yorkshire Water Services 4.965% 13/6/2033	2,131	0.09
£2,306,000	Yorkshire Water Services 6.375% 19/8/2039	2,237	0.09
\$11,205,000	Zurich Finance 3% variable 19/4/2051	7,560	0.32
£9,622,000	Zurich Finance 5.125% variable 23/11/2052	9,154	0.38
Total Corporate Bonds		2,280,346	95.22
Corporate Preference Bonds – 1.56% (31/10/23 – 1.39%)			
£2,500,000	Haleon FRN preference perpetual*	2,642	0.11
NOK20,586,184	Jacktel preference	3,629	0.15
£8,379,398	Lloyds Bank 9.25% Non Cumulative Preference perpetual	11,605	0.48
£1,854,000	National Westminster Bank 9% Preference perpetual	2,596	0.11
£11,084,653	Santander UK Preference 10.375% perpetual	17,070	0.71
Total Corporate Preference Bonds		37,542	1.56
Government Bonds – 0.14% (31/10/23 – 0.14%)			
£4,650,000	United Mexican States 5.625% 19/3/2114	3,411	0.14
Total Government Bonds		3,411	0.14
Index Linked Bonds – 0.22% (31/10/23 – 0.32%)			
£3,129,000	Coventry & Rugby 3.246% IL 30/6/2040	2,848	0.12
£4,670,000	Road Management Services 3.642% IL 31/3/2028*	2,463	0.10
Total Index Linked Bonds		5,311	0.22

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Supranational Bonds – 0.05% (31/10/23 – 0.00%)			
\$1,533,000	African Development Bank 5.75% variable perpetual	1,152	0.05
Total Supranational Bonds		1,152	0.05
Forward Currency Contracts – (0.29)% (31/10/23 – 0.01%)			
	Buy €6,300,000 & Sell £5,265,158 [†]	72	–
	Buy £10,771,714 & Sell CAD19,206,000 [†]	26	–
	Buy £113,878,790 & Sell €136,411,000 [†]	(1,686)	(0.06)
	Buy £3,935,864 & Sell NOK55,582,697 [†]	15	–
	Buy £175,332,919 & Sell \$232,688,000 [†]	(5,701)	(0.24)
	Buy \$40,430,000 & Sell £31,170,001 [†]	285	0.01
Total Forward Currency Contracts		(6,989)	(0.29)
Futures – (0.19)% (31/10/23 – (0.00%))			
	(561) EUX EURO-Bund Future Dec 2024	446	0.02
	1,262 ICF Long Gilt Future Dec 2024	(5,113)	(0.21)
Total Futures		(4,667)	(0.19)
Total value of investments[^]		2,384,010	99.55
Net other assets		10,833	0.45
Total net assets		2,394,843	100.00

* Level 3 asset

[^] Including investment liabilities[†] Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
Yorkshire Building Society FRN 24/5/2029	27,957
Lloyds Bank FRN 6/11/2026	24,071
Thames Water Utilities Finance 7.75% 30/4/2044	21,667
Bank of Nova Scotia FRN 22/6/2026	21,377
HSBC Capital Funding Lp 10.176% variable perpetual	20,517
Standard Chartered 6.409% variable perpetual	18,958
Co-operative Bank Finance 6% variable 6/4/2027	15,957
UK Treasury 0.5% 22/10/2061	15,070
Barclays 5.851% variable 21/3/2035	14,018
Dresdner Funding Trust 8.151% 30/6/2031	13,464
Subtotal	193,056
Total cost of purchases, including the above, for the year	940,492

Significant Sales

	Proceeds £'000
Yorkshire Building Society FRN 24/5/2029	27,939
HSBC Capital Funding Lp 10.176% variable perpetual	24,480
Lloyds Bank FRN 6/11/2026	20,058
AXA 6.6862% variable perpetual	15,551
Heathrow Funding 2.75% 13/10/2031	15,428
UK Treasury 0.5% 22/10/2061	15,369
Unique Pub Finance 5.659% 30/6/2027	14,181
Electricite de France 6% variable perpetual	14,100
Barclays 5.875% variable perpetual	13,718
Co-operative Bank Finance 6% variable 6/4/2027	12,087
Subtotal	172,911
Total proceeds from sales, including the above, for the year	904,482

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	158,804	9,288
Revenue	3	138,781	112,980
Expenses	4	(7,268)	(6,244)
Interest payable and similar charges		(37)	(50)
Net revenue before taxation		131,476	106,686
Taxation	5	–	–
Net revenue after taxation		131,476	106,686
Total return before distributions		290,280	115,974
Distributions	6	(138,744)	(112,929)
Change in net assets attributable to shareholders from investment activities		151,536	3,045

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		2,396,510	2,213,742
Current assets:			
Debtors	7	61,050	60,200
Cash and bank balances	8	29,091	8,769
Total assets		2,486,651	2,282,711
Liabilities			
Investment liabilities		12,500	199
Creditors:			
Other creditors	9	53,690	28,529
Distribution payable		25,618	24,090
Total liabilities		91,808	52,818
Net assets attributable to shareholders		2,394,843	2,229,893

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	2,229,893	1,929,689
Amounts receivable on creation of shares	273,353	450,711
Amounts payable on cancellation of shares	(298,326)	(185,595)
	(24,973)	265,116
Dilution adjustment charged	1,093	1,379
Change in net assets attributable to shareholders from investment activities	151,536	3,045
Retained distribution on accumulation shares	37,294	30,664
Closing net assets attributable to shareholders	2,394,843	2,229,893

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	151,763	7,321
Derivative securities	(3,514)	–
Currency losses	(1,356)	(1,052)
Forward currency contracts	11,911	3,019
Net capital gains	158,804	9,288

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
UK dividends	2,718	2,162
Interest on debt securities	135,303	110,246
Bank interest	499	403
Deposit interest	72	–
Stock lending income	189	169
Total revenue	138,781	112,980

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	7,268	6,244
Total expenses	7,268	6,244

* Audit fee £13,603 (31/12/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Irrecoverable overseas tax	–	–
Total tax charge for the year	–	–

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	131,476	106,686
Corporation tax at 20% (31/10/23: 20%)	26,295	21,337

Effects of:

Revenue not subject to taxation	(543)	(432)
Tax deductible interest distributions	(25,752)	(20,905)

Total tax charge for the year	–	–
--------------------------------------	----------	----------

Authorised Open Ended Investment Companies are exempt from tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset (31/10/23: same) in relation to surplus management expenses.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
First Interim	8,702	6,930
Second Interim	9,083	7,187
Third Interim	9,560	7,971
Final	9,949	8,576
	37,294	30,664
Income shares		
First Interim	25,075	18,815
Second Interim	25,380	19,315
Third Interim	25,760	21,999
Final	25,618	24,090
	101,833	84,219
Net distributions for the year	139,127	114,883
Add: Amounts deducted on cancellation of shares	1,524	1,212
Deduct: Amounts received on the creation of shares	(1,907)	(3,166)
Gross interest distributions for the year	138,744	112,929

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	131,476	106,686
Movement in income carried forward	–	(1)
Expenses charged to capital	7,268	6,244
Gross interest distributions for the year	138,744	112,929

Details of the distribution per share are set out on pages 31 to 34.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	2,209	21,040
Sales awaiting settlement	18,415	71
Foreign exchange sales awaiting settlement	1	6
Accrued revenue	40,425	39,083
Total debtors	61,050	60,200

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	20,025	8,769
Amounts held at futures clearing houses and brokers	9,066	–
Total cash and bank balances	29,091	8,769

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	2,057	1,457
Purchases awaiting settlement	50,994	26,512
Accrued expenses	639	560
Total other creditors	53,690	28,529

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/11/23	80,253,608	59,332,341
Shares issued	22,270,309	17,014,991
Shares cancelled	(16,083,856)	(18,782,909)
Shares converted	(1,363,801)	307,590
Closing shares at 31/10/24	85,076,260	57,872,013

	Class R Accumulation
Opening shares at 01/11/23	339,845,229
Shares issued	32,227,219
Shares cancelled	(45,291,985)
Shares converted	–
Closing shares at 31/10/24	326,780,463

	Class S Accumulation	Class S Income
Opening shares at 01/11/23	49,317,382	179,023,793
Shares issued	–	29,148,919
Shares cancelled	(5,820,073)	(103,103,071)
Shares converted	–	–
Closing shares at 31/10/24	43,497,309	105,069,641

	Class Z Accumulation	Class Z Income
Opening shares at 01/11/23	93,275,940	1,287,501,293
Shares issued	34,215,173	107,565,533
Shares cancelled	(14,651,713)	(76,059,865)
Shares converted	1,993,081	(271,342)
Closing shares at 31/10/24	114,832,481	1,318,735,619

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £484,000 (31/10/23: £18,931,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 11.49% (31/10/23: 12.12%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £47,000 (Gross: £236,000) (31/10/23: £42,000 (Gross: £211,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £97,581,000 (31/10/23: £88,641,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024 Collateral Held £'000	31 Oct 2023 Collateral Held £'000
Bonds	109,780	93,838

The aggregate value of collateral held at the balance sheet date was £109,780,000 (31/10/23: £93,838,000).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Barclays Bank, BNP Paribas London, Citigroup Global Markets, Deutsche Bank, Goldman Sachs International, HSBC Bank, JP Morgan Securities, Lloyds Bank Corporate Markets, Morgan Stanley & Co International, RBC Europe Limited and UBS AG.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

14. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on pages 18 to 21, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	121	457
Citigroup Global Markets	10	(3)
Goldman Sachs	–	45
Royal Bank of Canada	(4,761)	(7)

Index futures are not classed as OTC derivatives and hence, no counterparty exposure has been disclosed.

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 23. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Royal London Sterling Credit Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	2,408,898	2,230,775
Canadian dollar	(4,994)	8
Euro	1,024	(266)
Norwegian krone	(292)	1,685
US dollar	(9,793)	(2,309)
Total	2,394,843	2,229,893

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £1,406,000 (31/10/23: £88,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £1,406,000 (31/10/23: £88,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £238,401,000 (31/10/23: £221,354,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £238,401,000 (31/10/23: £221,354,000). These calculations assume all other variables remain constant.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures (continued)

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	855,965	1,268,912	91,427	2,216,304
Canadian dollar	8,388	–	27	8,415
Euro	79,108	30,411	1,733	111,252
Norwegian krone	–	–	3,644	3,644
US dollar	114,919	29,512	2,605	147,036
Total	1,058,380	1,328,835	99,436	2,486,651

31 Oct 2023				
Sterling	877,173	1,118,601	75,766	2,071,540
Canadian dollar	8	–	–	8
Euro	54,622	19,140	825	74,587
Norwegian krone	–	–	3,082	3,082
US dollar	102,358	19,307	11,829	133,494
Total	1,034,161	1,157,048	91,502	2,282,711

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	(74,533)	(74,533)
Canadian dollar	–	(2,637)	(2,637)
Euro	–	(1,686)	(1,686)
US dollar	–	(12,952)	(12,952)
Total	–	(91,808)	(91,808)

31 Oct 2023			
Sterling	–	42,090	42,090
Euro	–	199	199
US dollar	–	10,529	10,529
Total	–	52,818	52,818

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £7,639,000 (31/10/23: £8,437,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £4,131,000 (31/10/23: £5,578,000).

A change of 3% in the prevailing interest rates would result in a change of 0.17% (31/10/23: 0.17%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.05% (31/10/23: 0.06%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid–Market value £'000	Total net assets %	Bid–Market value £'000	Total net assets %
Investments of investment grade	1,783,172	74.46	1,603,713	71.92
Investments of below investment grade	291,709	12.18	304,179	13.64
Unrated bonds	283,243	11.83	274,547	12.31
Total bonds	2,358,124	98.47	2,182,439	97.87
Forward currency contracts – assets	398	0.01	494	0.02
Corporate preference shares	37,542	1.56	30,809	1.39
Futures – assets	446	0.02	–	–
Investments as shown in the balance sheet	2,396,510	100.06	2,213,742	99.28
Forward currency contracts – liabilities	(7,387)	(0.30)	(199)	(0.01)
Futures – liabilities	(5,113)	(0.21)	–	–
Total value of investments	2,384,010	99.55	2,213,543	99.27

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

16. Portfolio transaction costs

For the year ended 31 October 2024

Analysis of total purchases costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	940,164	–	–	–	–	–	–	940,164
Corporate actions	328	–	–	–	–	–	–	328
Total	940,492	–		–		–		940,492

Analysis of total sales costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	792,061	–	–	–	–	–	–	792,061
Corporate actions	112,421	–	–	–	–	–	–	112,421
Total	904,482	–		–		–		904,482

The Fund had paid £6,000 as commission on derivative transactions for the year ended 31/10/24.

Commissions, taxes and fees as % of average net assets

Commissions	0.00%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 October 2023

Analysis of total purchases costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	952,225	–	–	–	–	–	–	952,225
Corporate actions	505	–	–	–	–	–	–	505
Total	952,730	–		–		–		952,730

Analysis of total sales costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	507,728	–	–	–	–	–	–	507,728
Corporate actions	125,534	–	–	–	–	–	–	125,534
Total	633,262	–		–		–		633,262

The Fund had paid £nil as commission on derivative transactions for the year ended 31/10/23.

Commissions, taxes and fees as % of average net assets

Commissions	0.00%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 1.04% (31/10/23: 1.05%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Equities	34,900	–	2,642	37,542
Bonds	–	2,315,011	43,113	2,358,124
Derivatives	446	398	–	844
Total	35,346	2,315,409	45,755	2,396,510
Investment liabilities				
Derivatives	(5,113)	(7,387)	–	(12,500)
Total	(5,113)	(7,387)	–	(12,500)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Equities	28,289	–	2,520	30,809
Bonds	–	2,137,381	45,058	2,182,439
Derivatives	–	494	–	494
Total	28,289	2,137,875	47,578	2,213,742
Investment liabilities				
Derivatives	–	(199)	–	(199)
Total	–	(199)	–	(199)

At the current year end, the level 3 assets held were the following debt securities:

Aggregate Micro Power Infrastructure No.2 8% 17/10/2036, Credit Suisse Group 7.5% variable perpetual, Eskmuir Group Finance 4.255% 12/12/2047, Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Haleon FRN preference perpetual, Law Debenture 6.125% 12/10/2034, Metrocentre New Money Note Sonia + 11% PIK 6/12/2023, MIELI London 4.82% 12/8/2027, Road Management Services 3.642% IL 31/3/2028 and Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX.

At the previous year end, the level 3 assets held were the following debt securities:

Aggregate Micro Power Infrastructure No.2 8% 17/10/2036, Eskmuir Group Finance 4.255% 12/12/2047, Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Haleon FRN preference perpetual, Credit Suisse Group 7.5% variable perpetual, Hemingway Properties 10.375% 31/7/2024, Law Debenture 6.125% 12/10/2034, Metrocentre New Money Note Sonia + 11% PIK 6/12/2023, MIELI London 4.82% 12/8/2027, Road Management Services 3.642% IL 31/3/2028 and Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX.

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
Class M Accumulation				
Group 1	1.9958	–	1.9958	1.6329
Group 2	1.0115	0.9843	1.9958	1.6329
Class M Income				
Group 1	1.4174	–	1.4174	1.2222
Group 2	0.3234	1.0940	1.4174	1.2222
Class R Accumulation				
Group 1	1.5340	–	1.5340	1.2492
Group 2	0.5679	0.9661	1.5340	1.2492
Class S Accumulation				
Group 1	1.3890	–	1.3890	1.1311
Group 2	1.3890	0.0000	1.3890	1.1311
Class S Income				
Group 1	1.2264	–	1.2264	1.0524
Group 2	0.5781	0.6483	1.2264	1.0524
Class Z Accumulation				
Group 1	1.3716	–	1.3716	1.1202
Group 2	0.6430	0.7286	1.3716	1.1202
Class Z Income				
Group 1	1.6514	–	1.6514	1.4212
Group 2	0.9226	0.7288	1.6514	1.4212

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Second Interim**

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class M Accumulation				
Group 1	2.0141	–	2.0141	1.6691
Group 2	1.0045	1.0096	2.0141	1.6691
Class M Income				
Group 1	1.4108	–	1.4108	1.2343
Group 2	0.7774	0.6334	1.4108	1.2343
Class R Accumulation				
Group 1	1.5498	–	1.5498	1.2784
Group 2	0.3195	1.2303	1.5498	1.2784
Class S Accumulation				
Group 1	1.4034	–	1.4034	1.1574
Group 2	1.4034	0.0000	1.4034	1.1574
Class S Income				
Group 1	1.2222	–	1.2222	1.0642
Group 2	0.3358	0.8864	1.2222	1.0642
Class Z Accumulation				
Group 1	1.3847	–	1.3847	1.1455
Group 2	0.5914	0.7933	1.3847	1.1455
Class Z Income				
Group 1	1.6444	–	1.6444	1.4361
Group 2	0.8195	0.8249	1.6444	1.4361

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Third Interim**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 July 2024

	Net income	Equalisation	Distribution paid 30/09/24	Distribution paid 30/09/23
Class M Accumulation				
Group 1	2.0747	–	2.0747	1.8277
Group 2	1.0419	1.0328	2.0747	1.8277
Class M Income				
Group 1	1.4332	–	1.4332	1.3345
Group 2	0.9164	0.5168	1.4332	1.3345
Class R Accumulation				
Group 1	1.5984	–	1.5984	1.4014
Group 2	0.6625	0.9359	1.5984	1.4014
Class S Accumulation				
Group 1	1.4474	–	1.4474	1.2689
Group 2	1.4474	0.0000	1.4474	1.2689
Class S Income				
Group 1	1.2431	–	1.2431	1.1519
Group 2	0.7112	0.5319	1.2431	1.1519
Class Z Accumulation				
Group 1	1.4270	–	1.4270	1.2548
Group 2	0.7465	0.6805	1.4270	1.2548
Class Z Income				
Group 1	1.6713	–	1.6713	1.5535
Group 2	0.8232	0.8481	1.6713	1.5535

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 August 2024

Group 2: Shares purchased between 1 August 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Accumulation				
Group 1	2.2280	–	2.2280	1.9513
Group 2	1.0389	1.1891	2.2280	1.9513
Class M Income				
Group 1	1.5180	–	1.5180	1.4060
Group 2	0.7479	0.7701	1.5180	1.4060
Class R Accumulation				
Group 1	1.7185	–	1.7185	1.4980
Group 2	1.2185	0.5000	1.7185	1.4980
Class S Accumulation				
Group 1	1.5563	–	1.5563	1.3564
Group 2	1.5563	0.0000	1.5563	1.3564
Class S Income				
Group 1	1.3183	–	1.3183	1.2152
Group 2	1.2898	0.0285	1.3183	1.2152
Class Z Accumulation				
Group 1	1.5333	–	1.5333	1.3404
Group 2	0.9678	0.5655	1.5333	1.3404
Class Z Income				
Group 1	1.7710	–	1.7710	1.6373
Group 2	0.8522	0.9188	1.7710	1.6373

Royal London Global Index Linked Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Global Index Linked Fund, Class M Income	7.16	-12.67	-1.39
Royal London Global Index Linked Fund, Class R Accumulation	7.54	-11.94	0.18
Royal London Global Index Linked Fund, Class Z Income	7.36	-12.61	-1.02
Barclays World Government Inflation- linked Bond Index Total Return (TR)*	7.29	-13.60	-3.07
IA Global Inflation Linked Bond Total Return (TR)	5.21	-6.40	2.38

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund's return was broadly in line with the benchmark over the period.

Market overview

For much of the past year or so, market focus has been on high inflation across developed economies, with an expectation that this would fall and allow central banks to cut interest rates early and often. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting rates in the summer, with the European Central Bank cutting rates in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has been uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

For index-linked market, yields have fallen (and prices therefore risen) with the move towards lower interest rates. However, the path of bond yields has been far from smooth – with volatility high due to changing expectations. Perhaps the best example of this was in the final part of the period, where bond yields rose sharply due to the UK budget and US election result.

Portfolio commentary

Our interest rate positioning was the main positive for the Fund during the review period. Sometimes referred to as 'duration' positioning, the Fund can go long duration, which will help performance when bond yields are falling, or short duration, if the manager thinks yields will rise. At the start of the review period, we felt that yields were too high and that expectations of the number of interest rate falls were too conservative. This helped performance in the final months of 2023. For most of 2024, we had a bias towards a long duration position (ie positioned for lower yields) which has generally been helpful, although we have altered this position through the period to reflect what we felt were yields overshooting as rates expectations switched between too optimistic and too pessimistic.

Our cross-market positioning also produced modest positive results for performance. We have generally had a preference towards Australia and US over the UK. The former has been helpful due to higher yields as well as being supported by a stronger fiscal position, with Australia likely to borrow much less than the likes of the UK and US. We also had an underweight in Japan, as we expected the Bank of Japan to lift restrictions on movements in Japanese Government bonds that had kept yields artificially low. The ending of controls meant yields rose, hurting returns relative to other markets.

Manager's Investment Report (continued)

Investment outlook

We expect markets to remain volatile around economic data points and envisage to continue trading interest rate exposure tactically – looking to take advantage of market over-reactions to positive/negative news. As yields have risen following the UK budget, US election, and decisions from the Federal Reserve and Bank of England, we will have added to exposure where we believe there is longer term value.

We have moved from peak optimism at the end of 2023 where economists were calling for 5-6 rate cuts in the US in 2024. We then reached peak pessimism as the same economists were calling for only one cut. The weakness in data in August/September has pushed markets to price in again excessive rate cuts which we believe to be unjustified.

Towards the end of the period, long-dated bond yields rose more than short-dated bonds. We expect this to reverse somewhat in the next few months in the UK, as we expect increased government issuance to be focused on short maturities (with that increased supply pushing prices down and therefore yields higher) – issuance at longer maturities to be slightly reduced to do lower demand from pension funds.

Paul Rayner
Fund Manager
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	97.82	104.97	131.22
Return before operating charges*	8.03	(2.50)	(20.44)
Operating charges	(0.51)	(0.53)	(0.62)
Return after operating charges*	7.52	(3.03)	(21.06)
Distributions on income shares	(2.89)	(4.12)	(5.19)
Closing net asset value per share	102.45	97.82	104.97
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	7.69%	(2.89)%	(16.05)%
Other information			
Closing net asset value (£'000)	67,565	78,390	121,547
Closing number of shares	65,947,868	80,133,751	115,788,323
Operating charges	0.40%#	0.50%	0.50%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	107.20	109.60	135.10
Lowest share price	97.87	99.30	103.60

The FMF was reduced from 0.50% to 0.40% on 30 September 2024.

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	100.12	102.86	122.43
Return before operating charges*	8.23	(2.63)	(19.44)
Operating charges	(0.12)	(0.11)	(0.13)
Return after operating charges*	8.11	(2.74)	(19.57)
Distributions on accumulation shares	(2.98)	(4.00)	(4.74)
Retained distributions on accumulation shares	2.98	4.00	4.74
Closing net asset value per share	108.23	100.12	102.86
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.10%	(2.66)%	(15.98)%
Other information			
Closing net asset value (£'000)	65,582	60,466	68,155
Closing number of shares	60,594,471	60,390,859	66,258,463
Operating charges	0.09%#	0.11%	0.11%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	111.10	107.60	126.20
Lowest share price	100.10	99.12	97.61

The FMF was reduced from 0.11% to 0.09% on 30 September 2024.

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	113.02	121.10	151.18
Return before operating charges*	9.27	(3.02)	(23.69)
Operating charges	(0.42)	(0.43)	(0.51)
Return after operating charges*	8.85	(3.45)	(24.20)
Distributions on income shares	(3.34)	(4.63)	(5.88)
Closing net asset value per share	118.53	113.02	121.10
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	7.83%	(2.85)%	(16.01)%
Other information			
Closing net asset value (£'000)	226,620	158,238	97,460
Closing number of shares	191,197,326	140,012,873	80,477,643
Operating charges	0.30%#	0.36%	0.36%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	124.00	126.60	155.70
Lowest share price	113.10	114.60	119.40

The FMF was reduced from 0.36% to 0.30% on 30 September 2024.

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Government Bonds – 1.85% (31/10/23 – 0.19%)			
CAD684,000	Government of Canada 3% 1/12/2036	697	0.19
£6,114,000	UK Treasury 0.625% 31/7/2035	4,133	1.15
£3,761,000	UK Treasury 1.5% 31/7/2053	1,826	0.51
Total Government Bonds		6,656	1.85
Government Index-Linked Bonds – 101.14% (31/10/23 – 101.08%)			
€5,750,000	Federal Republic of Germany 0.1% IL 15/4/2026	6,062	1.68
€1,587,000	Federal Republic of Germany 0.1% IL 15/4/2033	1,567	0.44
€2,122,000	Federal Republic of Germany 0.1% IL 15/4/2046	2,085	0.58
€3,254,425	Federal Republic of Germany 0.5% IL 15/4/2030	3,500	0.97
AUD6,713,000	Government of Australia 0.25% IL 21/11/2032	3,484	0.97
AUD2,077,000	Government of Australia 1.25% IL 21/8/2040	1,184	0.33
AUD5,851,000	Government of Australia 2% IL 21/8/2035	3,972	1.10
AUD3,420,000	Government of Australia 2.5% IL 20/9/2030	2,614	0.73
CAD2,676,000	Government of Canada 0.5% IL 1/12/2050	1,445	0.40
CAD1,471,000	Government of Canada 1.5% IL 1/12/2044	1,131	0.31
CAD593,000	Government of Canada 2% IL 1/12/2041	510	0.14
CAD1,064,000	Government of Canada 4.25% IL 1/12/2026	1,159	0.32
€6,577,000	Government of France 0.1% IL 1/3/2028	6,409	1.78
€4,600,461	Government of France 0.1% IL 1/3/2029	4,549	1.26
€4,951,000	Government of France 0.1% IL 25/7/2031	4,766	1.32
€5,191,000	Government of France 0.1% IL 25/7/2036	4,818	1.34
€1,920,056	Government of France 0.1% IL 25/7/2047	1,591	0.44
€1,390,000	Government of France 0.1% IL 25/7/2053	1,031	0.29
€1,302,000	Government of France 0.6% IL 25/7/2034	1,148	0.32
€1,898,629	Government of France 1.8% IL 25/7/2040	2,502	0.70
€5,032,087	Government of France 1.85% IL 25/7/2027	5,899	1.64
€1,360,000	Government of France 3.15% IL 25/7/2032	2,082	0.58
¥364,100,000	Government of Japan 0.1% IL 10/3/2025	2,077	0.58
¥624,600,000	Government of Japan 0.1% IL 10/3/2026	3,593	1.00
¥608,200,000	Government of Japan 0.1% IL 10/3/2027	3,564	0.99
¥173,500,000	Government of Japan 0.1% IL 10/3/2028	1,015	0.28
¥408,500,000	Government of Japan 0.1% IL 10/3/2029	2,380	0.66
¥195,100,000	Government of Japan 0.2% IL 10/3/2030	1,164	0.32
NZ\$834,000	Government of New Zealand 3% IL 20/9/2030	529	0.15
€6,753,000	Government of Spain 0.65% IL 30/11/2027	7,117	1.98
€2,538,000	Government of Spain 0.7% IL 30/11/2033	2,558	0.71
€1,927,000	Government of Spain 1.15% IL 30/11/2036	1,626	0.45
SEK9,425,000	Government of Sweden 0.125% IL 1/6/2032	892	0.25
€1,037,000	Republic of Italy 0.15% IL 15/5/2051	682	0.19
€1,723,000	Republic of Italy 1.25% IL 15/9/2032	1,803	0.50
€2,895,000	Republic of Italy 1.5% IL 15/5/2029	2,564	0.71
€5,750,000	Republic of Italy 1.6% IL 22/11/2028	4,777	1.33
€1,791,000	Republic of Italy 2.35% IL 15/9/2035	2,423	0.67
€3,533,000	Republic of Italy 2.4% IL 15/5/2039	3,215	0.89
€2,916,000	Republic of Italy 2.55% IL 15/9/2041	3,604	1.00
€3,601,000	Republic of Italy 3.1% IL 15/9/2026	4,212	1.17
£188,000	UK Treasury 0.125% IL 22/3/2026	280	0.08
£2,497,000	UK Treasury 0.125% IL 10/8/2028	3,444	0.96
£2,758,000	UK Treasury 0.125% IL 22/3/2029	4,445	1.24
£62,000	UK Treasury 0.125% IL 22/11/2036	84	0.02
£947,000	UK Treasury 0.125% IL 22/3/2039	1,066	0.30
£5,648,000	UK Treasury 0.125% IL 10/8/2041	6,499	1.81
£2,576,097	UK Treasury 0.125% IL 22/3/2044	3,229	0.90
£4,076,000	UK Treasury 0.125% IL 22/3/2046	4,645	1.29
£8,000	UK Treasury 0.125% IL 22/3/2051	7	–
£3,054,000	UK Treasury 0.125% IL 22/3/2058	3,044	0.85
£533,000	UK Treasury 0.125% IL 22/11/2065	489	0.14
£2,233,339	UK Treasury 0.125% IL 22/3/2068	2,101	0.58

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£1,869,000	UK Treasury 0.25% IL 22/3/2052	2,155	0.60
£2,168,123	UK Treasury 0.375% IL 22/3/2062	2,519	0.70
£1,861,000	UK Treasury 0.5% IL 22/3/2050	2,674	0.74
£11,903,000	UK Treasury 0.625% IL 22/3/2045	10,851	3.02
£2,211,814	UK Treasury 0.75% IL 22/3/2034	3,675	1.02
£3,227,000	UK Treasury 1.125% IL 22/11/2037	6,257	1.74
£7,952,000	UK Treasury 1.25% IL 22/11/2032	14,898	4.14
£3,352,000	UK Treasury 1.25% IL 22/11/2054	3,226	0.90
£978,000	UK Treasury 4.125% IL 22/7/2030	3,328	0.92
\$11,890,000	US Treasury 0.125% IL 15/1/2030	10,367	2.88
\$8,732,400	US Treasury 0.125% IL 15/7/2030	7,603	2.11
\$11,254,600	US Treasury 0.125% IL 15/1/2031	9,519	2.65
\$10,362,900	US Treasury 0.125% IL 15/7/2031	8,463	2.35
\$5,369,000	US Treasury 0.125% IL 15/1/2032	4,182	1.16
\$14,992,400	US Treasury 0.125% IL 15/2/2052	7,720	2.15
\$798,800	US Treasury 0.25% IL 15/2/2050	475	0.13
\$13,557,100	US Treasury 0.375% IL 15/1/2027	13,293	3.69
\$29,577,300	US Treasury 0.5% IL 15/1/2028	28,157	7.83
\$3,405,000	US Treasury 0.625% IL 15/2/2043	2,795	0.78
\$3,622,200	US Treasury 0.75% IL 15/2/2042	3,151	0.88
\$17,632,400	US Treasury 0.875% IL 15/1/2029	16,448	4.57
\$2,567,000	US Treasury 0.875% IL 15/2/2047	1,997	0.56
\$1,092,300	US Treasury 1% IL 15/2/2046	898	0.25
\$2,905,000	US Treasury 1% IL 15/2/2048	2,256	0.63
\$7,580,200	US Treasury 1.125% IL 15/1/2033	5,849	1.63
\$11,260,000	US Treasury 1.375% IL 15/7/2033	8,686	2.41
\$3,976,000	US Treasury 1.375% IL 15/2/2044	3,655	1.02
\$11,574,000	US Treasury 1.75% IL 15/1/2034	9,044	2.51
\$5,376,200	US Treasury 1.875% IL 15/7/2034	4,165	1.16
\$1,444,700	US Treasury 2.125% IL 15/2/2040	1,644	0.46
\$3,744,000	US Treasury 2.125% IL 15/2/2041	4,218	1.17
\$6,522,000	US Treasury 2.125% IL 15/2/2054	5,148	1.43
\$1,846,000	US Treasury 2.375% IL 15/1/2027	2,264	0.63
\$3,238,500	US Treasury 2.5% IL 15/1/2029	3,792	1.05
\$1,765,000	US Treasury 3.375% IL 15/4/2032	2,686	0.75
\$1,981,000	US Treasury 3.625% IL 15/4/2028	3,172	0.88
Total Government Index-Linked Bonds		363,866	101.14
Forward Currency Contracts – (1.85%) (31/10/23 – (0.74%))			
	Buy AUD4,629,000 & Sell £2,345,059*	15	–
	Buy CAD1,308,700 & Sell £731,062**	–	–
	Buy €21,599,951 & Sell £18,054,763*	222	0.06
	Buy £13,614,173 & Sell AUD26,458,958*	127	0.04
	Buy £5,477,267 & Sell CAD9,859,253*	(33)	(0.01)
	Buy £99,296,572 & Sell €118,515,234*	(987)	(0.27)
	Buy £16,345,978 & Sell JPY3,100,182,392*	428	0.12
	Buy £602,380 & Sell NZD1,282,021*	8	–
	Buy £945,117 & Sell SEK12,803,294*	12	–
	Buy £201,600,978 & Sell \$268,123,748*	(6,972)	(1.94)
	Buy JPY398,722,884 & Sell £2,055,779*	(9)	–
	Buy NZD143,861 & Sell £66,257**	–	–
	Buy SEK1,564,261 & Sell £113,255*	1	–
	Buy \$46,662,281 & Sell £35,760,836*	538	0.15
Total Forward Currency Contracts		(6,650)	(1.85)
Total value of investments**		363,872	101.14
Net other liabilities		(4,105)	(1.14)
Total net assets		359,767	100.00

* Value less than £1,000

* Unlisted

** Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 0.75% IL 22/11/2033	145,944
UK Treasury 0.125% IL 22/3/2026	86,053
UK Treasury 0.125% IL 22/3/2029	50,266
UK Treasury 1.25% IL 22/11/2032	28,199
US Treasury 1.75% IL 15/1/2034	27,967
US Treasury 0.125% IL 15/4/2025	24,210
UK Treasury 0.75% IL 22/3/2034	23,276
UK Treasury 0.125% IL 22/3/2051	21,105
UK Treasury 1.75% IL 7/9/2037	20,801
UK Treasury 0.125% IL 22/3/2039	19,588
Subtotal	447,409
Total cost of purchases, including the above, for the year	985,621

Significant Sales

	Proceeds £'000
UK Treasury 0.75% IL 22/11/2033	158,035
UK Treasury 0.125% IL 22/3/2026	85,934
UK Treasury 0.125% IL 22/3/2029	46,649
US Treasury 0.125% IL 15/7/2026	39,231
UK Treasury 0.125% IL 22/3/2051	26,443
US Treasury 0.125% IL 15/4/2025	24,254
UK Treasury 0.125% IL 22/3/2039	21,444
UK Treasury 1.75% IL 7/9/2037	20,865
UK Treasury 0.75% IL 22/3/2034	19,776
US Treasury 1.75% IL 15/1/2034	18,629
Subtotal	461,260
Total proceeds from sales, including the above, for the year	924,260

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains/ (losses)	2	14,989	(25,664)
Revenue	3	11,886	16,676
Expenses	4	(1,203)	(1,123)
Interest payable and similar charges		–	(13)
Net revenue before taxation		10,683	15,540
Taxation	5	–	–
Net revenue after taxation		10,683	15,540
Total return before distributions		25,672	(10,124)
Distributions	6	(9,559)	(12,182)
Change in net assets attributable to shareholders from investment activities		16,113	(22,306)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	297,094	287,162
Amounts receivable on creation of shares	175,527	112,069
Amounts payable on cancellation of shares	(130,915)	(82,290)
	44,612	29,779
Dilution adjustment charged	195	92
Change in net assets attributable to shareholders from investment activities	16,113	(22,306)
Retained distribution on accumulation shares	1,753	2,367
Closing net assets attributable to shareholders	359,767	297,094

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		371,873	301,152
Current assets:			
Debtors	7	10,020	7,743
Cash and bank balances	8	1,386	152
Total assets		383,279	309,047
Liabilities			
Investment liabilities		8,001	2,486
Creditors:			
Bank overdraft		–	4
Other creditors	9	9,909	3,655
Distribution payable		5,602	5,808
Total liabilities		23,512	11,953
Net assets attributable to shareholders		359,767	297,094

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains/(losses)

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	(818)	(34,349)
Currency gains/(losses)	142	(3,545)
Forward currency contracts	15,665	12,230
Net capital gains/(losses)	14,989	(25,664)

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	11,701	16,574
Bank interest	156	92
Stock lending income	29	10
Total revenue	11,886	16,676

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,203	1,123
Total expenses	1,203	1,123

* Audit fee £13,390 (31/10/23: £22,560) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	10,683	15,540
Corporation tax at 20% (31/10/23: 20%)	2,137	3,108
Effects of:		
Tax deductible interest distributions	(1,671)	(2,212)
Tax relief on UK index-linked gilts	(466)	(896)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £79,000 (31/10/23: £79,000) in relation to non-trading deficits £79,000 (31/10/23: £79,000). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	529	928
Final	1,224	1,438
	1,753	2,366
Income shares		
Interim	2,317	4,126
Final	5,602	5,809
	7,919	9,935
Net distributions for the year	9,672	12,301
Add: Amounts deducted on cancellation of shares	1,470	813
Deduct: Amounts received on the creation of shares	(1,583)	(932)
Gross interest distributions for the year	9,559	12,182

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	10,683	15,540
Expenses charged to capital	1,203	1,123
Indexation not distributed	(2,327)	(4,481)
Gross interest distributions for the year	9,559	12,182

Details of the distribution per share are set out on page 47.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	329	168
Sales awaiting settlement	8,726	6,978
Accrued revenue	965	597
Total debtors	10,020	7,743

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	1,386	152
Total cash and bank balances	1,386	152

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	273	2,257
Purchases awaiting settlement	9,526	1,289
Foreign exchange purchases awaiting settlement	16	14
Accrued expenses	94	95
Total other creditors	9,909	3,655

10. Reconciliation of number of shares

	Class M Income	Class R Accumulation
Opening shares at 01/11/23	80,133,751	60,390,859
Shares issued	14,871,571	7,948,756
Shares cancelled	(28,568,444)	(7,745,144)
Shares converted	(489,010)	–
Closing shares at 31/10/24	65,947,868	60,594,471

	Class Z Income
Opening shares at 01/11/23	140,012,873
Shares issued	128,796,778
Shares cancelled	(78,035,404)
Shares converted	423,079
Closing shares at 31/10/24	191,197,326

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £38,000 (31/10/23: £2,180,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 19.07% (31/10/23: 21.53%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £7,000 (Gross: £36,000) (31/10/23: £3,000 (Gross: £13,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £nil (31/10/23: £46,653,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	–	48,515

The aggregate value of collateral held at the balance sheet date was £nil (31/10/23: £48,515,000).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 38, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	1,262	132
Citigroup Global Markets Limited	–	5
Goldman Sachs International	4	–
JP Morgan	(938)	37
Royal Bank of Canada	(1)	(2,371)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 40. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	358,781	297,215
Australian dollar	154	(22)
Canadian dollar	206	(221)
Euro	866	(219)
Japanese yen	(76)	70
New Zealand dollar	3	(13)
Swedish krona	73	5
US dollar	(240)	279
Total	359,767	297,094

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £99,000 (31/10/23: (£12,000)). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £99,000 (31/10/23: (£12,000)). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £36,387,000 (31/10/23: £29,867,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £36,387,000 (31/10/23: £29,867,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	80,301	5,959	3,264	89,524
Australian dollar	11,254	–	2,515	13,769
Canadian dollar	4,245	697	42	4,984
Euro	82,588	–	284	82,872
Japanese yen	13,793	–	430	14,223
New Zealand dollar	528	–	11	539
Swedish krona	892	–	12	904
US dollar	171,648	–	4,816	176,464
Total	365,249	6,656	11,374	383,279
31 Oct 2023				
Sterling	52,741	–	1,102	53,843
Australian dollar	9,499	–	37	9,536
Canadian dollar	3,416	568	82	4,066
Euro	59,480	–	3,498	62,978
Japanese yen	14,005	–	133	14,138
New Zealand dollar	439	–	12	451
Swedish krona	2,431	–	43	2,474
US dollar	158,440	–	3,121	161,561
Total	300,451	568	8,028	309,047

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

Interest rate risk profile of financial assets and financial liabilities – continued

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	8,731	8,731
Australian dollar	–	2,360	2,360
Canadian dollar	–	33	33
Euro	–	987	987
US dollar	–	11,401	11,401
Total	–	23,512	23,512
31 Oct 2023			
Sterling	–	6,609	6,609
Australian dollar	–	1	1
Euro	4	469	473
US dollar	–	4,870	4,870
Total	4	11,949	11,953

Due to no Floating Rate Note stocks being held, there is no requirement to calculate interest sensitivity (31/10/23: same).

A change of 3% in the prevailing interest rates would result in a change of 0.10% (31/10/23: 0.28%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.035% (31/10/23: 0.09%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	370,522	102.99	300,868	101.27
Total bonds	370,522	102.99	300,868	101.27
Forward currency contracts – assets	1,351	0.37	284	0.10
Investments as shown in the balance sheet	371,873	103.36	301,152	101.37
Forward currency contracts – liabilities	(8,001)	(2.22)	(2,486)	(0.84)
Total value of investments	363,872	101.14	298,666	100.53

* Ratings supplied by S&P, followed by Moody's.

16. Portfolio transaction costs

	31 Oct 2024 £'000	31 Oct 2023 £'000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	985,621	882,621
Total sales	924,260	847,355

At the balance sheet date the portfolio dealing spread was 0.13% (31/10/23: 0.21%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	370,522	–	370,522
Derivatives	–	1,351	–	1,351
Total	–	371,873	–	371,873
Investment liabilities				
Derivatives	–	(8,001)	–	(8,001)
Total	–	(8,001)	–	(8,001)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	300,868	–	300,868
Derivatives	–	284	–	284
Total	–	301,152	–	301,152
Investment liabilities				
Derivatives	–	(2,486)	–	(2,486)
Total	–	(2,486)	–	(2,486)

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class M Income				
Group 1	0.9339	–	0.9339	1.6455
Group 2	0.6036	0.3303	0.9339	1.6455
Class R Accumulation				
Group 1	0.9567	–	0.9567	1.6162
Group 2	0.6789	0.2778	0.9567	1.6162
Class Z Income				
Group 1	1.0795	–	1.0795	1.8987
Group 2	0.7934	0.2861	1.0795	1.8987

Final

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Income				
Group 1	1.9515	–	1.9515	2.4715
Group 2	0.7522	1.1993	1.9515	2.4715
Class R Accumulation				
Group 1	2.0207	–	2.0207	2.3814
Group 2	0.2885	1.7322	2.0207	2.3814
Class Z Income				
Group 1	2.2568	–	2.2568	2.7340
Group 2	0.9860	1.2708	2.2568	2.7340

Royal London Short-Term Money Market Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Short-Term Money Market Fund, Class R Accumulation	5.44	11.22	11.75
Royal London Short-Term Money Market Fund, Class S Accumulation	5.44	11.22	11.75
Royal London Short-Term Money Market Fund, Class S Income	5.44	11.22	11.75
Royal London Short-Term Money Market Fund, Class Y Accumulation	5.37	10.99	11.36
Royal London Short-Term Money Market Fund, Class Y Income	5.37	10.99	11.36
Sterling Overnight Index Average Rate (SONIA)*	5.15	10.60	10.99
IA Short Term Money Market Total Return (TR)	4.62	9.12	9.23

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund outperformed its benchmark over the period.

Market overview

For much of the past year or so, market focus has been on high inflation across developed economies, with an expectation that this would fall and allow central banks to cut interest rates early and often. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting in the summer, with the European Central Bank cutting rates in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has been uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

In money markets, rates have come down slightly reflecting Bank of England policy. SONIA started the review period at 5.19% and fell to 4.95% at the end. Two-year gilt yields – an indication of market expectations of future interest rates, started at 4.67% and ended at 4.45%, having been as low as 3.54% – with gilt yields rising late on due to concerns over increased borrowing by the new government.

Portfolio commentary

As we highlighted in the interim report, after UK money market rates rose through most of 2022 and 2023, these have been relatively stable in 2024 – even after factoring in the Bank of England rate cut in August. In later months, with market pricing looking more measured, we were happy to extend maturities within our money market exposure, locking in attractive yields. With the rate cut prompting a re-pricing of expectations, we reduced this once more – with additional yield for longer maturity money market instruments no longer so appealing.

Performance within our money market exposure was positive. We generally had a bias towards extending maturities to take advantage of attractive yields on offer, and also benefited from the general fall in yields later in the period. In addition, we also saw strong returns from treasury bills – adding to exposure here as rates looked attractive relative to CDs, without the accompanying credit risk.

In terms of activity, we focused on short term paper reflecting the Fund's objective. In addition, we looked at six-month paper in a number of areas – partly because we felt that pricing in this area was overly pessimistic (ie market too pessimistic about potential rate cuts). In addition, we added a one-year floating rate CD from Australian institution Commonwealth Bank of Australia at an attractive premium to SONIA. Finally we added four-month paper from German state-owned investment bank KfW as well as picking up treasury bills at auction, notably in July when six-month T-bills were paying over 5%.

Manager's Investment Report (continued)

Investment outlook

As we enter the final months of 2024, the market focus has moved from when markets will first cut interest rates, to the scale and timetable of those cuts. As we saw at the start of 2024, markets have generally been overly aggressive in their expectations. We have generally been more cautious. Our caution reflects that while headline inflation may have come down, service and wage inflation are still generally at levels that are not normally consistent with significant rate cuts. After a decade that includes a world-wide pandemic, a European land war, and the election of a TV reality star as US president, perhaps there is no 'normal' to fall back on, but we are certainly more cautious about the rate outlook.

In general, we have been cautious during the past few months on both maturity and credit risk – in essence having a bias towards shorter dated, higher quality securities. We remain comfortable with this approach, given our view that credit risk within the very short-dated space is not particularly well rewarded, and are therefore to have higher than normal exposure to areas such as treasury bills or gilts.

Tony Cole & Craig Inches
Fund Managers
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the authors' own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	106.89	102.29	101.34
Return before operating charges*	5.85	4.63	0.98
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	5.82	4.60	0.95
Distributions on accumulation shares	(5.80)	(4.59)	(1.00)
Retained distributions on accumulation shares	5.80	4.59	1.00
Closing net asset value per share	112.71	106.89	102.29
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.44%	4.50%	0.94%
Other information			
Closing net asset value (£'000)	2,403,089	2,861,049	2,735,021
Closing number of shares	2,132,137,247	2,676,593,615	2,673,881,664
Operating charges	0.035%#	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	112.72	106.90	102.29
Lowest share price	106.91	102.30	101.35

The FMF changed from 0.030% to 0.035% on 30 September 2024

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	106.43	101.85	100.90
Return before operating charges*	5.83	4.61	0.98
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	5.80	4.58	0.95
Distributions on accumulation shares	(5.78)	(4.57)	(1.00)
Retained distributions on accumulation shares	5.78	4.57	1.00
Closing net asset value per share	112.23	106.43	101.85
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.45%	4.50%	0.94%
Other information			
Closing net asset value (£'000)	201,908	209,495	336,753
Closing number of shares	179,912,539	196,830,357	330,638,479
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	112.23	106.44	101.85
Lowest share price	106.45	101.86	100.91

Class S Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	99.93	99.91	99.96
Return before operating charges*	5.40	4.48	0.96
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	5.37	4.45	0.93
Distributions on income shares	(5.35)	(4.43)	(0.98)
Closing net asset value per share	99.95	99.93	99.91
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.37%	4.45%	0.93%
Other information			
Closing net asset value (£'000)	99,761	49,892	49,883
Closing number of shares	99,814,082	49,926,133	49,926,133
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	102.64	102.56	100.73
Lowest share price	99.95	99.93	99.96

Class Y Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	107.51	102.95	102.06
Return before operating charges*	5.88	4.66	0.99
Operating charges	(0.11)	(0.10)	(0.10)
Return after operating charges*	5.77	4.56	0.89
Distributions on accumulation shares	(5.75)	(4.54)	(0.93)
Retained distributions on accumulation shares	5.75	4.54	0.93
Closing net asset value per share	113.28	107.51	102.95
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.37%	4.43%	0.87%
Other information			
Closing net asset value (£'000)	3,507,860	2,642,959	1,458,144
Closing number of shares	3,096,674,545	2,458,378,422	1,416,381,990
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	113.29	107.51	102.95
Lowest share price	107.53	102.96	102.07

Comparative Tables (continued)

Class Y Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	97.09	97.07	97.12
Return before operating charges*	5.25	4.36	0.94
Operating charges	(0.10)	(0.10)	(0.10)
Return after operating charges*	5.15	4.26	0.84
Distributions on income shares	(5.13)	(4.24)	(0.89)
Closing net asset value per share	97.11	97.09	97.07
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.30%	4.39%	0.86%
Other information			
Closing net asset value (£'000)	698,976	695,997	529,278
Closing number of shares	719,812,708	716,859,568	545,237,264
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	99.69	99.61	97.83
Lowest share price	97.11	97.09	97.11

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Certificates of Deposit – 58.10% (31/10/23 – 56.05%)			
£50,000,000	ANZ 0% 3/2/2025	49,383	0.71
£87,500,000	ANZ 5.29% 23/1/2025	87,521	1.27
£75,000,000	Bank of Montreal 0% 5/3/2025	73,784	1.07
£25,000,000	Bank of Montreal 0% 7/3/2025	24,589	0.36
£75,000,000	Bank of Nova Scotia 5.16% 28/4/2025	75,067	1.09
£75,000,000	BNP Paribas 4.87% 4/4/2025	75,000	1.08
£40,000,000	BNP Paribas 5.32% 15/11/2024	40,005	0.58
£75,000,000	BNP Paribas 5.33% 4/11/2024	75,002	1.09
£37,500,000	Citibank 5.2% 7/1/2025	37,514	0.54
£37,500,000	Citibank 5.2% 13/1/2025	37,516	0.54
£75,000,000	Citibank 5.3% 7/11/2024	75,004	1.09
£25,000,000	Commonwealth Bank of Australia 5.28% 30/9/2025	25,000	0.36
£50,000,000	Commonwealth Bank of Australia 5.35% 22/7/2025	50,008	0.72
£230,000,000	Cooperative Rabobank 5.34% 4/11/2024	230,004	3.33
£75,000,000	Credit Agricole 4.81% 3/2/2025	75,000	1.09
£50,000,000	Credit Agricole 5.05% 8/11/2024	50,001	0.72
£225,000,000	DNB Bank 0% 4/3/2025	221,505	3.20
£25,000,000	DNB Bank 4.83% 11/3/2025	25,003	0.36
£50,000,000	DZ Bank 4.93% 17/2/2025	50,016	0.72
£75,000,000	DZ Bank 5.07% 6/11/2024	75,002	1.09
£50,000,000	DZ Bank 5.18% 20/5/2025	50,068	0.72
£75,000,000	DZ Bank 5.26% 8/11/2024	75,005	1.09
£50,000,000	First Abu Dhabi Bank 5.34% 7/1/2025	50,041	0.72
£50,000,000	First Abu Dhabi Bank 5.34% 7/1/2025	50,041	0.72
£50,000,000	First Abu Dhabi Bank 5.43% 25/7/2025	50,000	0.72
£200,000,000	Goldman Sachs 0% 21/11/2024	199,446	2.89
£35,000,000	Goldman Sachs 0% 25/11/2024	34,885	0.50
£100,000,000	HSBC Bank 5.31% 10/10/2025	99,979	1.45
£40,000,000	HSBC Bank 5.33% 4/8/2025	40,012	0.58
£80,000,000	HSBC Bank 5.47% 13/5/2025	80,025	1.16
£4,000,000	ING Bank 0% 23/5/2025	3,896	0.06
£90,000,000	ING Bank 5.33% 28/7/2025	90,008	1.30
£150,000,000	ING Bank 5.46% 13/5/2025	150,040	2.17
£75,000,000	KBC Bank 4.79% 31/1/2025	74,967	1.08
£140,000,000	KBC Bank 5.01% 15/11/2024	140,003	2.03
£2,000,000	National Australia Bank 5.2% 23/5/2025	2,003	0.03
£80,000,000	National Australia Bank 5.28% 13/1/2025	80,060	1.16
£95,000,000	National Australia Bank 5.34% 1/11/2024	95,001	1.37
£10,000,000	National Westminster Bank 0% 8/11/2024	9,990	0.14
£100,000,000	National Westminster Bank 0% 2/1/2025	99,186	1.44
£45,000,000	Nordea Bank 0% 3/2/2025	44,451	0.64
£50,000,000	Nordea Bank 0% 10/3/2025	49,168	0.71
£35,000,000	Nordea Bank 5.28% 13/11/2024	35,003	0.51
£75,000,000	Nordea Bank 5.3% 14/11/2024	75,008	1.09
£10,000,000	Nordea Bank 5.32% 18/2/2025	10,014	0.14
£20,000,000	SEB 5.36% 3/6/2025	20,053	0.29
£55,000,000	Sumitomo Mitsui Bank 4.86% 4/2/2025	54,966	0.80
£75,000,000	Sumitomo Mitsui Bank 5.03% 7/11/2024	75,001	1.09
£55,000,000	Sumitomo Mitsui Bank 5.1% 4/11/2024	55,001	0.80
£60,000,000	Svenska 5.35% 4/11/2024	60,001	0.87
£60,000,000	Svenska 5.35% 7/11/2024	60,002	0.87
£40,000,000	Svenska 5.15% 23/4/2025	39,992	0.58
£40,000,000	Svenska 5.15% 30/4/2025	39,990	0.58
£70,000,000	Svenska 0% 6/5/2025	70,000	1.01
£70,000,000	Svenska 0% 8/5/2025	70,000	1.01
£20,000,000	Toronto-Dominion Bank 5.18% 13/5/2025	20,024	0.29
£60,000,000	Toronto-Dominion Bank 5.34% 11/8/2025	60,007	0.87
£100,000,000	Toronto-Dominion Bank 5.43% 1/7/2025	100,018	1.45
£25,000,000	United Overseas Bank 4.82% 10/4/2025	25,000	0.36
£12,500,000	United Overseas Bank 4.85% 18/3/2025	12,499	0.18
£25,000,000	United Overseas Bank 4.89% 23/1/2025	24,999	0.36
£12,500,000	United Overseas Bank 4.93% 10/2/2025	12,500	0.18
£15,000,000	United Overseas Bank 4.94% 11/2/2025	15,001	0.22
£25,000,000	United Overseas Bank 4.97% 3/2/2025	25,002	0.36
£10,000,000	United Overseas Bank 5.04% 20/11/2024	10,000	0.14
£25,000,000	United Overseas Bank 5.09% 5/11/2024	25,000	0.36
Total Certificates of Deposit		4,015,280	58.10

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Commercial Paper – 13.82% (31/10/23 – 0.53%)			
£9,000,000	ANZ 0% 3/2/2025	8,889	0.13
£90,000,000	ANZ 0% 28/2/2025	88,598	1.28
£50,000,000	KFW 0% 3/1/2025	49,596	0.72
£75,000,000	Macquarie Bank 0% 12/2/2025	73,963	1.07
£3,000,000	Macquarie Bank 0% 19/3/2025	2,945	0.04
£25,000,000	Macquarie Bank 0% 10/6/2025	24,287	0.35
£50,000,000	Macquarie Bank 0% 25/7/2025	48,307	0.70
£75,000,000	Overseas China Banking Corporation 5.26% 6/1/2025	75,012	1.09
£95,000,000	Overseas China Banking Corporation 5.18% 17/3/2025	95,009	1.37
£50,000,000	Overseas China Banking Corporation 5.19% FRN 11/3/2025	49,997	0.72
£100,000,000	SEB 0% 7/11/2024	99,909	1.45
£4,000,000	SEB 0% 25/11/2024	3,987	0.06
£95,000,000	SEB 0% 3/3/2025	93,478	1.35
£20,000,000	SEB 0% 15/5/2025	19,497	0.28
£150,000,000	Swedbank 0% 4/11/2024	149,921	2.17
£75,000,000	Swedbank 0% 8/10/2025	71,896	1.04
Total Commercial Papers		955,291	13.82
Corporate Bonds – 10.10% (31/10/23 – 15.49%)			
£60,568,000	Bank of Nova Scotia FRN 14/3/2025	60,734	0.88
£35,000,000	Canadian Imperial Bank of Commerce FRN 9/6/2025	35,110	0.51
£14,000,000	Canadian Imperial Bank of Commerce FRN 30/6/2025	14,021	0.20
£102,138,000	Commonwealth Bank of Australia FRN 16/1/2025	102,210	1.48
£50,040,000	Coventry Building Society FRN 15/1/2025	50,074	0.72
£140,148,000	National Australia Bank FRN 4/2/2025	140,254	2.03
£12,500,000	Nationwide Building Society FRN 10/1/2025	12,509	0.18
£11,646,000	Royal Bank of Canada FRN 30/1/2025	11,653	0.17
£16,100,000	Santander UK FRN 12/11/2024	16,102	0.23
£225,000,000	SG Issuer 0% 10/2/2025	225,000	3.26
£30,369,000	Toronto-Dominion Bank FRN 22/4/2025	30,396	0.44
Total Corporate Bonds		698,063	10.10
Government Bonds – 8.92% (31/10/23 – 16.27%)			
£95,000,000	UK Treasury 0% 4/11/2024	94,961	1.37
£100,000,000	UK Treasury 0% 6/1/2025	99,123	1.43
£200,000,000	UK Treasury 0% 27/1/2025	197,682	2.86
£125,000,000	UK Treasury 0% 3/2/2025	123,444	1.79
£25,000,000	UK Treasury 0% 24/2/2025	24,620	0.36
£50,000,000	UK Treasury 0% 3/3/2025	49,196	0.71
£28,027,600	UK Treasury 0% 17/3/2025	27,530	0.40
Total Government Bonds		616,556	8.92

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Reverse Repurchase Agreements – 13.38% (31/10/23 – 0.00%)			
	Reverse Repo UK Treasury 1.125% 22/11/2037	200,000	2.89
	Reverse Repo UK Treasury 1.25% 22/11/2037	125,000	1.81
	Reverse Repo UK Treasury 1.25% 22/11/2055	95,000	1.37
	Reverse Repo UK Treasury 1.5% 31/7/2053	40,000	0.58
	Reverse Repo UK Treasury 3.75% 22/10/2053	290,000	4.20
	Reverse Repo UK Treasury 4.75% 22/10/2043	175,000	2.53
Total Reverse Repurchase Agreements		925,000	13.38
Total value of investments		7,210,190	104.32
Net other liabilities		(298,596)	(4.32)
Total net assets		6,911,594	100.00

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

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
Cooperatieve Rabobank 0% 4/11/2024	230,000
SG Issuer FRN 9/8/2024	225,000
SG Issuer 0% 10/2/2025	225,000
DNB Bank 0% 4/3/2025	221,504
UK Treasury 0% 7/5/2024	200,677
DNB Bank SONIA 3/5/2024	200,000
UK Treasury 0% 13/5/2024	196,772
Goldman Sachs 0% 15/4/2024	196,415
Goldman Sachs 0% 17/7/2024	196,191
Goldman Sachs 0% 21/11/2024	195,621
Subtotal	2,087,180
Total cost of purchases, including the above, for the year	13,588,636

Significant Sales

	Proceeds £'000
SG Issuer FRN 9/8/2024	225,000
UK Treasury 0% 7/5/2024	205,000
DNB Bank SONIA 3/5/2024	200,000
UK Treasury 0% 13/11/2023	200,000
UK Treasury 0% 13/5/2024	200,000
UK Treasury 0% 3/6/2024	200,000
Goldman Sachs 0% 4/1/2024	199,432
Goldman Sachs 0% 17/7/2024	199,249
Goldman Sachs 0% 15/4/2024	198,915
KBC Bank 5.44% 31/1/2024	175,000
Subtotal	2,002,596
Total proceeds from sales, including the above, for the year	13,111,964

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	1,106	607
Revenue	3	365,339	248,737
Expenses	4	(4,728)	(3,333)
Interest payable and similar charges		–	(19)
Net revenue before taxation		360,611	245,385
Taxation	5	–	(1)
Net revenue after taxation		360,611	245,384
Total return before distributions		361,717	245,991
Distributions	6	(360,614)	(245,384)
Change in net assets attributable to shareholders from investment activities		1,103	607

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		7,210,190	5,706,297
Current assets:			
Debtors	7	123,759	164,040
Cash and bank balances	8	287,816	1,044,251
Total assets		7,621,765	6,914,588
Liabilities			
Creditors:			
Other creditors	10	689,267	435,847
Distribution payable		20,904	19,349
Total liabilities		710,171	455,196
Net assets attributable to shareholders		6,911,594	6,459,392

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	6,459,392	5,109,079
Amounts receivable on creation of shares	2,908,821	3,828,901
Amounts payable on cancellation of shares	(2,773,456)	(2,708,828)
	135,365	1,120,073
Change in net assets attributable to shareholders from investment activities	1,103	607
Retained distribution on accumulation shares	315,734	229,633
Closing net assets attributable to shareholders	6,911,594	6,459,392

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	1,106	607
Net capital gains	1,106	607

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	311,619	214,914
Bank interest	131	676
Deposit interest	53,589	33,147
Total revenue	365,339	248,737

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	4,728	3,333
Total expenses	4,728	3,333

* Audit fee £15,489 (31/10/23: £15,106) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	1
Total tax charge for the year	-	1

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	360,611	245,385
Corporation tax at 20% (31/10/23: 20%)	72,122	49,077

Effects of:

Tax deductible interest distributions	(72,122)	(49,076)
Total tax charge for the year	-	1

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/ (losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset (31/10/23: same) in relation to surplus management expenses.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	159,211	84,222
Final	156,523	145,411
	315,734	229,633
Income shares		
Interim	19,358	8,483
Final	20,904	19,349
	40,262	27,832
Net distributions for the year	355,996	257,465
Add: Amounts deducted on cancellation of shares	40,449	28,083
Deduct: Amounts received on the creation of shares	(35,831)	(40,164)
Net distribution for the year	360,614	245,384

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	360,611	245,384
Movement in income carried forward	3	–
Net distribution for the year	360,614	245,384

Details of the distribution per share are set out on pages 60 to 61.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	67,367	124,526
Accrued revenue	56,392	39,514
Total debtors	123,759	164,040

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	287,816	1,044,251
Total cash and bank balances	287,816	1,044,251

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	3,820	–
Purchases awaiting settlement	685,020	435,499
Accrued expenses	427	348
Total other creditors	689,267	435,847

10. Reconciliation of number of shares

	Class R Accumulation
Opening shares at 01/11/23	2,676,593,615
Shares issued	608,385,346
Shares cancelled	(1,152,714,053)
Shares converted	(127,661)
Closing shares at 31/10/24	2,132,137,247

	Class S Accumulation	Class S Income
Opening shares at 01/11/23	196,830,357	49,926,133
Shares issued	451,583,222	49,887,949
Shares cancelled	(468,501,040)	–
Closing shares at 31/10/24	179,912,539	99,814,082

	Class Y Accumulation	Class Y Income
Opening shares at 01/11/23	2,458,378,422	716,859,568
Shares issued	1,161,608,375	462,392,250
Shares cancelled	(523,439,238)	(459,439,110)
Shares converted	126,986	–
Closing shares at 31/10/24	3,096,674,545	719,812,708

All classes within the Fund have the same rights on winding up.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £63,121,000 (31/10/23: £124,178,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 28.57% (31/10/23: 38.06%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 55. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

All of the assets of the Fund are sterling denominated, there is no exposure to foreign currency.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £721,019,000 (31/10/23: £570,630,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £721,019,000 (31/10/23: £570,630,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	699,683	4,496,213	2,425,869	7,621,765
Total	699,683	4,496,213	2,425,869	7,621,765
31 Oct 2023*				
Sterling	1,001,331	4,214,021	1,699,236	6,914,588
Total	1,001,331	4,214,021	1,699,236	6,914,588

* PY figures restated.

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling		710,171	710,171
Total	-	710,171	710,171
31 Oct 2023			
Sterling		455,196	455,196
Total	-	455,196	455,196

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £15,675,000 (31/10/23: £24,727,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £5,225,000 (31/10/23: £8,242,000).

A change of 3% in the prevailing interest rates would result in a change of nil (31/10/23: nil) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of nil (31/10/23: nil) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

13. Risk disclosures – continued

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,089,619	15.76	1,851,068	28.66
Unrated bonds	225,000	3.26	200,009	3.10
Total bonds	1,314,619	19.02	2,051,077	31.76
Certificates of deposit	4,015,280	58.10	3,620,778	56.05
Commercial paper	955,291	13.82	34,442	0.53
Reverse repurchase agreements	925,000	13.38	–	–
Total value of investments	7,210,190	104.32	5,706,297	88.34

* Ratings supplied by S&P, followed by Moody's.

14. Portfolio transaction costs

	31 Oct 2024 £000	31 Oct 2023 £000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	13,588,636	14,888,929
Total sales	13,111,964	13,572,793

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.01% (31/10/23: 0.02%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

15. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	1,314,619	–	1,314,619
Certificates of deposit	–	4,015,280	–	4,015,280
Commercial paper	–	955,291	–	955,291
Reverse repurchase agreements	–	925,000	–	925,000
Total	–	7,210,190	–	7,210,190

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	1,876,077	175,000	2,051,077
Certificates of deposit	–	3,620,778	–	3,620,778
Commercial paper	–	34,442	–	34,442
Total	–	5,531,297	175,000	5,706,297

At the previous year end, the level 3 asset held was the following debt security: SG Issuer SONIA 5.30% 9/2/2024.

The fair value of SG Issuer SONIA 5.30% 9/2/2024 at the previous year was based on a single broker quote.

16. Events after the balance sheet date

From 1 November 2024 the Fund's current policy of distributing income twice a year will change to a monthly distribution policy.

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class R Accumulation				
Group 1	2.8918	–	2.8918	1.8500
Group 2	1.5096	1.3822	2.8918	1.8500
Class S Accumulation				
Group 1	2.8793	–	2.8793	1.8421
Group 2	1.6315	1.2478	2.8793	1.8421
Class S Income				
Group 1	2.7035	–	2.7035	1.8071
Group 2	2.7035	0.0000	2.7035	1.8071
Class Y Accumulation				
Group 1	2.8701	–	2.8701	1.8257
Group 2	1.5303	1.3398	2.8701	1.8257
Class Y Income				
Group 1	2.5920	–	2.5920	1.7214
Group 2	1.3558	1.2362	2.5920	1.7214

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class R Accumulation				
Group 1	2.9078	–	2.9078	2.7374
Group 2	2.0372	0.8706	2.9078	2.7374
Class S Accumulation				
Group 1	2.8959	–	2.8959	2.7256
Group 2	1.0475	1.8484	2.8959	2.7256
Class S Income				
Group 1	2.6474	–	2.6474	2.6260
Group 2	2.3630	0.2844	2.6474	2.6260
Class Y Accumulation				
Group 1	2.8842	–	2.8842	2.7163
Group 2	1.3076	1.5766	2.8842	2.7163
Class Y Income				
Group 1	2.5370	–	2.5370	2.5163
Group 2	1.2400	1.2970	2.5370	2.5163

Royal London Corporate Bond Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Corporate Bond Fund, Class A Income	13.12	-2.92	5.24
Royal London Corporate Bond Fund, Class M Accumulation	13.29	-2.49	6.23
Royal London Corporate Bond Fund, Class M Income	13.23	-2.57	6.17
Royal London Corporate Bond Fund, Class S Accumulation	13.72	-1.20	8.58
Royal London Corporate Bond Fund, Class Y Accumulation	13.48	-2.04	7.14
Royal London Corporate Bond Fund, Class Y Income	13.48	-1.95	7.24
Royal London Corporate Bond Fund, Class Z Income	13.48	-2.05	7.00
Markit iBoxx Sterling Non-Gilt TR Index*	8.39	-9.88	-6.06
IA £ Corporate Bond Total Return (TR)	9.90	-6.75	-1.28

Class Z Accumulation launched 20 August 2024 therefore no performance history is disclosed.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund delivered strong returns in the period under review, outperforming its benchmark. The Fund was also ahead of peers in the 12-month period.

The Fund also remains ahead of its benchmark and peers for the longer three-year and five-year periods.

Market overview

We have seen the global economy survive a year of intense geopolitical risk in the Middle East; the heightened uncertainty that comes from a US presidential election; and it has weathered the quickest hiking cycles in decades, and jobless rates are still low.

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in the expectation that interest rates would be cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period lower than they started, with sterling corporate bond markets returning 8.4% for the period.

Manager's Investment Report (continued)

Portfolio commentary

The main driver of the Fund's outperformance was the combination of our sector allocation and stock selection. At a sector level, our underweight position in supranationals and overweight in both insurance and bank bonds were the main positives as supranationals continued to lag the wider market, having underperformed in the second half of 2023. Within banking and insurance sectors, our bias towards subordinated bonds was helpful, which continued to outperform the wider market. Our exposure to structured bonds was negative, as was the holding in Thames Water.

Activity was broad-based, but within the bank and insurance sectors, so-called 'legacy bonds' are those that no longer meet the current requirements of today's regulatory environment, and as such can become inefficient for issuers to leave outstanding. As a result, we continue to expect to see old bonds called and new ones reissued. We hold a number of positions in these bonds, as the call price is typically above market levels – meaning we receive a higher price than prevailing for the existing bond, and often an attractive price and allocation to the new bond. This has supported performance over the past few years and the most recent example was Aviva, who called their 2036 bonds at a premium to market pricing. We then added the new 2054 replacements, which came to market with an attractive yield premium. Continuing our exploitation of this market inefficiency, we added a US dollar legacy bond from HSBC, which was then bought back by the issuer at a significant premium to market.

Our secured holdings again performed well and remain a key element of our portfolio, playing a significant role in our approach, enhancing returns whilst dampening the impact of idiosyncratic risk. In addition, the creditor control effective protections afford us means that, on occasion, issuers will choose to pay up to remove these controls. For instance, during the period, the UK pub company, Stonegate, took the decision to repurchase its Unique Pub securitisation at a material premium as part of a wider refinancing exercise. Unique was one of the largest holdings in the Fund, reflecting its extremely low leverage, strong covenants and excess yield; precisely the reasons it was ripe for early redemption. We will continue to seek out and embed under-valued secured bonds into the Fund, happy to earn the excess income or benefit from the capital gain of early redemption.

Investment outlook

The US election result has seen government bond yields rise, compounding the move higher in UK gilt yields seen following the Budget in late October. We think that the Bank of England will continue to cut interest rates over the next twelve months but that the pace will be slower than previously expected given the economic boost arising from higher government spending plans.

We have a preference to be long duration given current yields but see an environment that requires considerable tactical agility rather than taking strong strategic positions.

We believe that sterling investment grade all-in yields are attractive, given the move higher in government yields. Credit spreads continue to compensate investors for default risk but the move lower through the year has taken valuations, on this basis, to levels seen in 2021. This tempers the expected degree of outperformance over government bonds.

We target a material yield premium over the market level in our sterling credit strategies. As ever, the risks inherent in our investment grade credit portfolios are mitigated by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark, achieved with superior downside protections, will generate outperformance.

Shalin Shah and Matt Franklin
Fund Managers
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the authors' own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class A Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	79.39	79.04	101.40
Return before operating charges*	10.36	5.44	(18.05)
Operating charges	(0.59)	(0.57)	(0.64)
Return after operating charges*	9.77	4.87	(18.69)
Distributions on income shares	(4.97)	(4.52)	(3.67)
Closing net asset value per share	84.19	79.39	79.04
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.31%	6.16%	(18.43)%
Other information			
Closing net asset value (£'000)	17,921	19,877	19,825
Closing number of shares	21,286,630	25,038,102	25,081,261
Operating charges	0.64%*	0.69%	0.69%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	87.53	85.64	104.00
Lowest share price	79.71	78.77	75.39

* The FMF was reduced from 0.69% to 0.64% on 30 September 2024.

Class M Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	138.42	130.29	160.22
Return before operating charges*	18.23	8.91	(29.10)
Operating charges	(0.85)	(0.78)	(0.83)
Return after operating charges*	17.38	8.13	(29.93)
Distributions on accumulation shares	(8.86)	(7.61)	(5.89)
Retained distributions on accumulation shares	8.86	7.61	5.89
Closing net asset value per share	155.80	138.42	130.29
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.56%	6.24%	(18.68)%
Other information			
Closing net asset value (£'000)	647,757	550,733	521,217
Closing number of shares	415,769,538	397,857,297	400,052,176
Operating charges	0.56%	0.56%	0.56%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	159.50	143.00	164.30
Lowest share price	139.00	129.80	122.70

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	97.75	97.20	124.53
Return before operating charges*	12.75	6.68	(22.18)
Operating charges	(0.59)	(0.57)	(0.64)
Return after operating charges*	12.16	6.11	(22.82)
Distributions on income shares	(6.12)	(5.56)	(4.51)
Closing net asset value per share	103.79	97.75	97.20
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.44%	6.29%	(18.32)%
Other information			
Closing net asset value (£'000)	153,044	151,814	136,638
Closing number of shares	147,451,657	155,307,222	140,578,604
Operating charges	0.56%	0.56%	0.56%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	107.90	105.30	127.70
Lowest share price	98.15	96.86	92.70

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	101.27	94.89	116.17
Return before operating charges*	13.34	6.49	(21.16)
Operating charges	(0.12)	(0.11)	(0.12)
Return after operating charges*	13.22	6.38	(21.28)
Distributions on accumulation shares	(6.50)	(5.56)	(4.28)
Retained distributions on accumulation shares	6.50	5.56	4.28
Closing net asset value per share	114.49	101.27	94.89
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	13.05%	6.72%	(18.32)%
Other information			
Closing net asset value (£'000)	2,364	2,091	6,046
Closing number of shares	2,064,566	2,064,566	6,371,638
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	117.20	104.30	119.20
Lowest share price	101.70	94.57	89.38

Comparative Tables (continued)

Class Y Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	109.86	103.21	126.68
Return before operating charges*	14.47	7.06	(23.04)
Operating charges	(0.45)	(0.41)	(0.43)
Return after operating charges*	14.02	6.65	(23.47)
Distributions on accumulation shares	(7.04)	(6.00)	(4.66)
Retained distributions on accumulation shares	7.04	6.00	4.66
Closing net asset value per share	123.88	109.86	103.21
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.76%	6.44%	(18.53)%
Other information			
Closing net asset value (£'000)	50,751	31,428	82,935
Closing number of shares	40,966,673	28,608,432	80,354,234
Operating charges	0.37%	0.37%	0.37%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	126.80	113.30	129.90
Lowest share price	110.30	102.90	97.23

Class Y Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	83.82	83.19	106.38
Return before operating charges*	10.94	5.71	(18.97)
Operating charges	(0.33)	(0.32)	(0.36)
Return after operating charges*	10.61	5.39	(19.33)
Distributions on income shares	(5.25)	(4.76)	(3.86)
Closing net asset value per share	89.18	83.82	83.19
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.66%	6.48%	(18.17)%
Other information			
Closing net asset value (£'000)	63,924	41,904	24,116
Closing number of shares	71,681,604	49,991,551	28,989,950
Operating charges	0.37%	0.37%	0.37%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	92.71	90.21	109.10
Lowest share price	84.16	82.91	79.33

Class Z Accumulation

Change in net assets per share	31/10/24** (p)
Opening net asset value per share	100.00
Return before operating charges*	(0.50)
Operating charges	(0.07)
Return after operating charges*	(0.57)
Distributions on accumulation shares	(1.17)
Retained distributions on accumulation shares	1.17
Closing net asset value per share	99.43
* after direct transaction costs of:	–
Performance	
Return after charges	(0.57)%
Other information	
Closing net asset value (£'000)	7
Closing number of shares	6,944
Operating charges	0.35%
Direct transaction costs	–
Prices[^]	
Highest share price	101.80
Lowest share price	99.93

** Class Z Accumulation launched on 20 August 2024.

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	85.29	84.68	108.32
Return before operating charges*	11.14	5.82	(19.30)
Operating charges	(0.33)	(0.36)	(0.41)
Return after operating charges*	10.81	5.46	(19.71)
Distributions on income shares	(5.35)	(4.85)	(3.93)
Closing net asset value per share	90.75	85.29	84.68
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	12.67%	6.45%	(18.20)%
Other information			
Closing net asset value (£'000)	500,081	338,622	217,568
Closing number of shares	551,075,268	397,040,180	256,943,866
Operating charges	0.35% [#]	0.41%	0.41%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	94.34	91.81	111.10
Lowest share price	85.63	84.39	80.75

[#] The FMF was reduced from 0.41% to 0.35% on 18 December 2023.

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Commercial Mortgage Backed Securities – 4.75% (31/10/23 – 5.27%)							
£1,225,000	British Land 5.264% 24/9/2035	1,165	0.08	£5,589,000	AXA 5.625% variable 16/1/2054	5,425	0.38
£5,891,000	Canary Wharf Finance FRN 22/10/2037	4,624	0.32	€4,255,000	AXA 6.375% variable perpetual	3,820	0.27
£4,753,000	Canary Wharf Finance II (A7) FRN 22/10/2037	3,981	0.28	\$9,936,000	AXA 6.379% variable perpetual	8,484	0.59
£10,300,000	Equity Release FRN 14/7/2045	5,959	0.42	€3,609,000	AXA 1.875% variable 10/7/2042	2,621	0.18
£8,816,000	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058*	5,866	0.41	£4,295,000	AXA variable perpetual	4,278	0.30
£4,400,000	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058*	2,533	0.18	\$2,466,000	AXA variable perpetual	1,784	0.12
£7,896,000	Income Contingent Student Loan 2.5% 24/7/2056	4,371	0.30	£4,000,000	Barclays 3.75% variable 22/11/2030	3,914	0.27
£9,479,000	Income Contingent Student Loan 2.5% 24/7/2058	5,528	0.39	\$22,860,000	Barclays 6.278% variable perpetual	18,379	1.28
£2,911,000	Last Mile Logistics CMBS 2023-1 17/8/2033	2,922	0.20	£6,717,000	Barclays 8.407% variable 14/11/2032	7,132	0.50
£8,910,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	6,347	0.44	£4,509,000	Barclays 8.5% variable perpetual	4,626	0.32
£4,300,000	PCL Funding IX FRN 16/7/2029	4,308	0.30	£295,000	Barclays 8.875% variable perpetual	306	0.02
£7,713,000	Sage AR Funding FRN 17/11/2051	7,665	0.53	£1,953,000	Barclays 9.25% variable perpetual	2,058	0.14
£2,500,000	Stark Financing 2023-1 DAC FRN 17/8/2033	2,510	0.18	€16,360,000	Barclays Bank 4.75% variable perpetual	13,401	0.93
£3,450,000	Taurus FRN 17/5/2030	3,452	0.24	£5,050,000	BAT International Finance 4% 23/11/2055	3,358	0.23
£1,484,000	UK Logistics 2024-1 FRN 17/5/2034	1,489	0.10	£2,152,000	Bat International Finance 5.75% 5/7/2040	2,012	0.14
£5,420,000	Vantage Data Centers Jersey Borrower 6.172% 28/5/2039	5,458	0.38	£2,674,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	1,924	0.13
Total Commercial Mortgage Backed Securities		68,178	4.75	£3,354,000	Blackstone Property Partners Europe 2.625% 20/10/2028	3,001	0.21
Corporate Bonds – 92.19% (31/10/23 – 91.97%)				£11,966,000	Blackstone Property Partners Europe 4.875% 29/4/2032	11,092	0.77
€4,000,000	3i Group 4.875% 14/6/2029	3,522	0.25	£943,000	Blend Funding 2.984% 15/3/2036	732	0.05
£474,000	AA Bond 5.5% 31/7/2050	466	0.03	£3,600,000	BNP Paribas 2% variable 24/5/2031	3,405	0.24
£848,000	AA Bond 6.85% 31/7/2050	855	0.06	£4,346,000	BP Capital Markets 4.25% variable perpetual	4,189	0.29
£939,000	AA Bond 7.375% 31/7/2050	969	0.07	€2,400,000	BPCE 2.125% variable 13/10/2046	1,735	0.12
£3,240,000	AA Bond 8.45% 31/7/2050	3,401	0.24	£2,100,000	BPCE 2.5% variable 30/11/2032	1,896	0.13
£1,304,000	AA Bond 3.25% 31/7/2050	1,156	0.08	£2,200,000	BPCE 5.375% 22/10/2031	2,169	0.15
£7,414,000	AANDNZ Banking Group 1.809% variable 16/9/2031	6,911	0.48	£7,632,000	British Land 5.264% 24/9/2035	7,261	0.51
£5,100,000	Aberdeen 5.25% variable perpetual	4,484	0.31	£3,257,000	British Land 5.357% 31/3/2028	3,222	0.22
€1,994,000	Achmea 5.625% variable 2/11/2044	1,752	0.12	£2,530,000	Broadgate Finance 4.821% 5/7/2036	2,446	0.17
£2,868,000	Admiral Group 8.5% 6/1/2034	3,197	0.22	£1,174,000	BWP Issuer 2.868% 30/6/2036	757	0.05
£2,879,000	Affinity Water Finance 2004 5.875% 13/7/2026	2,854	0.20	£6,206,000	Cadent Finance 5.625% 11/1/2036	6,055	0.42
£3,000,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036*	2,702	0.19	£2,000,000	Cadent Finance 5.75% 14/3/2034	2,002	0.14
€5,370,000	Akelius Residential Property 2.249% variable 17/5/2081	4,373	0.30	£8,450,000	Canary Wharf Finance 5.952% 22/10/2037	4,491	0.31
£9,671,000	Akelius Residential Property 2.375% 15/8/2025	9,421	0.66	£2,325,000	Centrica 6.5% variable 21/5/2055	2,370	0.17
\$3,600,000	Allianz SE 3.2% variable perpetual	2,397	0.17	£5,899,000	Channel Link Enterprises Finance FRN 30/12/2050	4,342	0.30
£2,750,000	Annington Funding 2.924% 6/10/2051	1,509	0.11	£2,350,000	Cheltenham & Gloucester 11.75% perpetual	3,883	0.27
£4,461,000	Annington Funding 3.184% 12/7/2029	3,971	0.28	£5,470,000	Close Brothers Finance 1.625% 3/12/2030	4,116	0.29
£1,700,000	Annington Funding 3.685% 12/7/2034	1,394	0.10	£1,600,000	Close Brothers Finance 2.75% 19/10/2026	1,478	0.10
£1,721,000	Annington Funding 3.935% 12/7/2047	1,200	0.08	£7,683,000	Close Brothers Group 2% variable 11/9/2031	6,273	0.44
£4,710,000	Annington Funding 4.75% 9/8/2033	4,250	0.30	£2,481,000	Close Brothers Group 7.75% 14/6/2028	2,466	0.17
£881,000	APT Pipelines 3.125% 18/7/2031	762	0.05	£2,297,000	Close Brothers Group 11.125% variable perpetual	2,121	0.15
\$5,401,000	Argentum Netherlands 4.625% variable perpetual	4,159	0.29	£3,283,000	Comcast Corporation 5.25% 26/9/2040	3,169	0.22
£2,831,000	Aroundtown 3.625% 10/4/2031	2,379	0.17	£1,916,000	Community Finance 5.017% 31/7/2034	1,871	0.13
£4,384,000	Aroundtown Finance 8.625% variable perpetual	4,053	0.28	£5,461,000	Connect M77 GSO 5.404% 31/3/2034	3,089	0.22
£7,650,000	Arqiva Finance 4.882% 31/12/2032	4,204	0.29	£21,413,000	Co-operative Bank Finance 6% variable 6/4/2027	21,541	1.50
£3,767,000	Arqiva Financing 5.34% 30/12/2037	3,697	0.26	£8,685,000	Co-operative Bank Finance 9.5% VRN 24/5/2028	9,448	0.66
£1,800,000	Arqiva Financing 7.21% 30/6/2045	1,897	0.13	£4,493,000	Co-operative Wholesale Society 7.5% Step 8/7/2026	4,584	0.32
£6,054,000	Aspire Defence Finance 4.674% 31/3/2040	4,355	0.30	£4,245,000	CPUK Finance 3.588% 28/2/2042	4,183	0.29
£17,550,000	Assicurazioni Generali 6.269% perpetual	17,633	1.23	£1,700,000	Credit Agricole 1.874% variable 9/12/2031	1,571	0.11
€3,872,000	Athora Holding 5.875% 10/9/2034	3,288	0.23	£1,200,000	Credit Agricole 7.5% variable perpetual	1,214	0.08
€1,606,000	Athora Netherlands 5.375% variable 31/8/2032	1,366	0.10	£2,735,000	Credit Agricole 7.5% variable perpetual	2,764	0.19
€2,293,000	Athora Netherlands 7% variable perpetual	1,939	0.14	£2,451,000	Credit Suisse Group 7.375% variable 7/9/2033	2,723	0.19
£60,000	Aviva 6.125% variable 14/11/2036	61	–	\$1,800,000	Credit Suisse Group 7.5% variable perpetual*	–	–
£6,001,000	Aviva 6.125% variable 12/9/2054	5,888	0.41	£1,000,000	CYBG 4% variable 3/9/2027	977	0.07
£2,960,000	Aviva 6.875% variable 27/11/2053	3,067	0.21	£3,750,000	Daily Mail & General 6.375% 21/6/2027	3,600	0.25
£5,827,000	Aviva 6.875% variable 20/5/2058	5,919	0.41	£7,700,000	Delamare Finance 5.5457% 19/2/2029	3,589	0.25
£2,800,000	Aviva 6.875% variable perpetual	2,746	0.19	£8,525,000	Derby Healthcare 5.564% 30/6/2041	7,463	0.52
\$1,722,000	AXA 4.5% perpetual	1,219	0.09	£2,400,000	Deutsche Bank AG 7.125% variable perpetual	2,348	0.16
				£9,881,000	Direct Line Insurance 4% 5/6/2032	8,334	0.58
				\$8,318,000	Dresdner Funding Trust 8.151% 30/6/2031	7,183	0.50
				£4,797,000	DWR Cymru Financing 2.375% 31/3/2034	3,468	0.24
				£1,441,000	DWR Cymru Financing 2.5% 31/3/2036	1,066	0.07
				£1,607,000	DWR Cymru Financing 5.75% 10/9/2044	1,578	0.11

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 92.19% (31/10/23 – 91.97%) – continued				£2,704,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	2,748	0.19
£3,188,000	East Japan Railway 5.562% 4/9/2054	3,109	0.22	£3,539,000	Lloyds Banking Group 1.985% variable 15/12/2031	3,297	0.23
£7,700,000	Electricite de France 5.875% variable perpetual	7,382	0.51	£1,357,000	Lloyds Banking Group 8.5% variable perpetual	1,400	0.10
£13,800,000	Electricite de France 6% 23/1/2114	12,209	0.85	£4,000,000	Lloyds Banking Group FRN 6/11/2026	4,011	0.28
£3,800,000	Electricite de France 7.375% variable perpetual	3,886	0.27	£2,354,000	Logicor 2019 1.875% 17/11/2031	2,208	0.15
\$1,234,000	Electricite de France 9.125% variable perpetual	1,087	0.08	£4,410,000	London Quadrant Housing Trust 2% 31/3/2032	3,520	0.25
£2,800,000	Engie 5.75% 28/10/2050	2,674	0.19	£3,100,000	Longstone 4.896% 19/4/2036	2,837	0.20
£4,042,000	Equity Release Funding No.3 5.05% 26/4/2033	3,360	0.23	£9,245,000	Longstone Finance 4.791% 19/4/2036	2,840	0.20
£3,200,000	Eskmuir Group Finance 4.255% 12/12/2047*	1,952	0.14	£2,748,000	M&G 5% variable 20/7/2055	2,509	0.17
£4,482,000	Esure Group 6% variable perpetual	3,911	0.27	£2,730,000	M&G 5.625% variable 20/10/2051	2,613	0.18
£2,962,000	Esure Group 12% variable 20/12/2033	3,262	0.23	£18,985,000	M&G 5.7% variable 19/12/2063	17,802	1.24
£6,870,000	Eversholt Funding 2.742% 30/6/2040	4,659	0.32	£4,650,000	Marstons Issuer FRN 15/10/2031	1,818	0.13
£1,790,000	Eversholt Funding 3.529% 7/8/2042	1,384	0.10	£18,325,000	Meadowhall Finance 4.986% 12/1/2032	7,811	0.54
£5,600,000	Eversholt Funding 6.697% 22/2/2035	4,385	0.31	£5,430,000	Meadowhall Finance FRN 12/7/2037	3,082	0.21
£3,172,000	Folio Residential Finance 1.246% 31/10/2037	2,811	0.20	£4,012,000	Mercantile Investment Trust 6.125% 25/2/2030	4,077	0.28
£4,225,000	Freshwater Finance 4.556% 3/4/2036	3,667	0.26	£1,286,098	Metrocentre New Money Note Sonia + 11% PIK 6/12/2023*	1,248	0.09
£7,209,000	Freshwater Finance 5.182% 20/4/2035	6,565	0.46	£2,144,000	MIELI London 4.82% 12/8/2027*	2,065	0.14
£2,484,000	Gatwick Funding 5.5% 4/4/2042	2,364	0.16	£14,248,000	Mitchells & Butler 6.013% 15/12/2028	8,224	0.57
£5,098,000	GB Social Housing 5.193% 12/2/2038	4,784	0.33	£7,412,000	Mitchells & Butlers (A1N) FRN 15/12/2030	2,183	0.15
£683,000	General Electric Capital 4.875% 18/9/2037	614	0.04	£7,660,000	Mitchells & Butlers (A4) FRN 15/12/2028	3,273	0.23
£2,440,000	Genfinance II 6.064% 21/12/2039	2,490	0.17	£4,496,000	Mitchells & Butlers 5.574% 15/12/2030	913	0.06
£4,581,000	Grainger 3% 3/7/2030	3,961	0.28	£13,000,000	Mitchells & Butlers Finance FRN 15/12/2030	2,896	0.20
£1,372,000	Grainger 3.375% 24/4/2028	1,273	0.09	£2,784,000	Mitchells & Butlers FRN 15/12/2033	2,037	0.14
£12,729,000	Great Rolling Stock 6.875% 27/7/2035	6,624	0.46	£4,469,000	Morgan Stanley 5.213% variable 24/10/2035	4,335	0.30
£4,948,000	Greene King Finance 3.593% 15/3/2035	3,718	0.26	£3,394,000	Morgan Stanley 5.789% variable 18/11/2033	3,494	0.24
£2,200,000	Greene King Finance 5.106% 15/3/2034	1,713	0.12	£4,124,000	Morhomes 3.4% 19/2/2040	3,208	0.22
£2,941,000	GreenSquareAccord 5.25% 30/11/2047	2,650	0.18	£2,329,000	MPT Operating Partnership 3.375% 24/4/2030	1,590	0.11
£4,306,000	Guinness Trust 7.5% 30/11/2037	3,394	0.24	£4,646,000	MPT Operating Partnership 3.692% 5/6/2028	3,608	0.25
£5,373,000	Gwyn y Môr OFTO 2.778% 17/2/2034	2,842	0.20	€4,000,000	Muenchener Rueckversicherung 3.25% variable 26/5/2049	3,307	0.23
£5,410,767	Harbour Funding 5.28% 31/3/2044	5,225	0.36	£8,522,000	National Australia Bank 1.699% variable 15/9/2031	7,938	0.55
£1,345,000	Hastoe Capital 5.6% 27/3/2042	1,290	0.09	£1,400,000	National Exhibition Center 7.5625% 30/9/2027	1,401	0.10
£3,685,554	Haven Funding 8.125% 30/9/2037	3,365	0.23	£8,471,000	National Express 4.25% variable perpetual	7,749	0.54
£2,506,000	Heathrow Funding 2.625% 16/3/2028	2,280	0.16	€2,275,000	NatWest Group 1.043% variable 14/9/2032	1,784	0.12
£4,426,000	Heathrow Funding 5.875% 13/5/2041	4,391	0.31	£11,855,000	NatWest Group 2.105% variable 28/11/2031	11,084	0.77
£2,903,000	Heathrow Funding 6.45% 10/12/2031	3,048	0.21	£2,131,000	NatWest Group 7.416% variable 6/6/2033	2,231	0.16
£4,083,000	Heathrow Funding 7.075% variable 4/8/2028	4,316	0.30	£1,740,000	Northumbrian Water Finance 6.375% 28/10/2034	1,765	0.12
£2,200,000	Heinz (HJ) Finance 6.25% 18/2/2030	2,270	0.16	£775,000	Octagon Healthcare 5.333% 31/12/2035	512	0.04
£2,421,000	Hexagon Housing Association 3.625% 22/4/2048	1,656	0.12	£1,900,000	Opus Chartered variable 31/3/2025	167	0.01
£8,456,000	High Speed Rail Finance 4.375% 1/11/2038	7,670	0.53	£5,925,000	OSB Group 6% variable perpetual	5,574	0.39
£1,910,000	Home Group 8.75% 11/5/2037	2,252	0.16	£2,887,000	OSB Group 8.875% variable 16/1/2030	3,134	0.22
£8,652,000	HSBC 5.375% variable 4/11/2030	8,584	0.60	£3,186,000	OSB Group 9.993% variable 27/7/2033	3,464	0.24
£25,792,000	HSBC 5.844% variable perpetual	26,718	1.86	£4,427,980	Peel Land & Property Investments 8.375% Step 30/4/2040	4,448	0.31
£1,851,000	HSBC 6.25% 30/1/2041	1,834	0.13	£1,270,000	Peel South East 10% 30/4/2026	1,288	0.09
£2,326,000	HSBC 8.201% variable 16/11/2034	2,531	0.18	£1,884,000	Pension Insurance 6.875% 15/11/2024	1,883	0.13
£12,147,000	IG Group 3.125% 18/11/2028	10,674	0.74	£4,370,000	Pension Insurance 8% 13/11/2033	4,687	0.33
£5,100,000	ING Groep NV 6.25% variable 20/5/2033	5,165	0.36	£8,774,000	Peterborough Progress Health 5.581% 2/10/2042	5,728	0.40
€3,098,000	Intermediate Capital Group 1.625% 17/2/2027	2,489	0.17	£761,000	Phoenix Group Holdings 5.75% variable perpetual	704	0.05
€6,000,000	Intermediate Capital Group 2.5% 28/1/2030	4,642	0.32	£4,668,000	Places for People Homes 6.625% 30/9/2038	3,304	0.23
£8,309,000	Intu Metrocentre Finance 4.125% 6/12/2028	5,415	0.38	£6,043,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	5,011	0.35
£12,653,000	Investec 1.875% variable 16/7/2028	11,419	0.80	£10,274,000	Premiertel 6.175% 8/5/2032	6,882	0.48
£4,891,000	Investec 2.625% variable 4/1/2032	4,503	0.31	£4,127,000	Principality Building Society 8.625% 12/7/2028	4,442	0.31
£2,279,000	Investec 9.125% variable 6/3/2033	2,446	0.17	£310,000	PRS Finance 1.75% 24/11/2026	260	0.02
£1,057,000	Investec 10.5% variable perpetual	1,141	0.08	£2,000,000	Prudential 5.875 11/5/2029	2,045	0.14
£3,805,000	John Lewis 4.25% 18/12/2034	2,874	0.20	£5,000,000	Prudential 6.125% 19/12/2031	5,120	0.36
£674,000	John Lewis 6.125% 21/1/2025	674	0.05				
£4,865,000	JRP Group 9% 26/10/2026	5,206	0.36				
£876,000	Jupiter Fund Management 8.875% variable 27/7/2030	878	0.06				
£4,375,000	Just Group 6.875% 30/3/2035	4,346	0.30				
£5,037,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	3,169	0.22				
€1,400,000	Koninklijke KPN 3.875% 16/2/2036	1,201	0.08				
£26,209,000	Legal & General 5.5% variable 27/6/2064	24,338	1.70				

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 92.19% (31/10/23 – 91.97%) – continued				£2,157,000	Telereal Securitisation 3.5625% 10/12/2036	1,921	0.13
£7,646,000	QBE Insurance 2.5% variable 13/9/2038	6,752	0.47	£2,099,700	Telereal Securitisation 3.5625% 10/12/2036	1,874	0.13
£3,790,000	Quadrant Housing 7.93% Step 10/2/2033	2,926	0.20	£2,960,000	Telereal Securitisation 4.9741% 10/12/2033	863	0.06
£2,269,000	RAC Bond 8.25% 6/5/2046	2,440	0.17	£7,841,000	Telereal Securitisation 5.4252% 10/12/2033	5,949	0.41
£1,944,000	Radian Capital 6% 5/3/2042	1,882	0.13	£4,348,000	Telereal Securitisation 5.634% 10/12/2031	4,273	0.30
£2,393,000	Realty Income 5.25% 4/9/2041	2,232	0.16	£9,676,000	Telereal Securitisation 6.1645% 10/12/2033	7,497	0.52
\$2,905,000	Reynolds American 8.125% 1/5/2040	2,668	0.19	£5,300,000	Telereal Securitisation FRN 10/12/2033	4,096	0.29
£4,811,000	RMPA Services 5.337% 30/9/2038	2,975	0.21	£4,913,000	Telereal Securitisation FRN 10/12/2033	3,481	0.24
£1,372,000	Rothsay Life 3.375% 12/7/2026	1,328	0.09	£5,250,000	Telereal Securitisation FRN 10/12/2033	1,498	0.10
£6,300,000	Rothsay Life 5% variable perpetual	5,103	0.36	£8,465,000	Tesco Property 5.6611% 13/10/2041	7,575	0.53
£6,297,000	Rothsay Life 6.875% variable perpetual	6,140	0.43	£6,990,000	Tesco Property 5.744% Sink 13/4/2040	6,022	0.42
£3,734,000	Rothsay Life 7.019% 10/12/2034	3,816	0.27	£4,000,000	Tesco Property 5.8006% 13/10/2040	3,518	0.25
\$6,520,000	Rothschild & Co Continuation FRN perpetual	3,981	0.28	£683,000	Tesco Property 6.0517% 13/10/2039	492	0.03
£6,851,000	Royal Bank of Scotland 3.622% variable 14/8/2030	6,771	0.47	£4,508,000	Tesco Property Finance 6 5.4111% 13/7/2044	3,737	0.26
£1,511,000	RSA Insurance 5.125% variable 10/10/2045	1,497	0.10	£6,260,000	Tesco Property Finance 7.6227% 13/7/2039	5,211	0.36
£3,459,000	RSL Finance 6.625% 31/3/2038	2,741	0.19	£3,860,000	Thames Water 6.75% 16/11/2028	3,078	0.21
£3,918,000	Sainsburys Bank 10.5% variable 12/3/2033	4,429	0.31	£5,343,000	Thames Water Kemble Finance 4.625% 19/5/2026	206	0.01
£11,107,000	Saltaire Finance 4.818% 1/12/2033	11,055	0.77	£9,471,000	Thames Water Utilities 7.738% 9/4/2058	8,015	0.56
£1,714,000	Sampo Oyj 2.5% variable 3/9/2052	1,290	0.09	£11,196,000	Thames Water Utilities 7.75% 30/4/2044	9,139	0.64
£1,240,850	Sanctuary 8.375% 1/9/2031	1,002	0.07	£2,273,000	Thames Water Utilities Finance 7.125% 30/4/2031	1,831	0.13
£6,500,000	Santander 10.0625% perpetual	9,425	0.66	£4,064,000	THFC Funding 5.2% 11/10/2043	3,826	0.27
£5,029,000	Santander UK 7.098% variable 16/11/2027	5,182	0.36	£4,430,000	Time Warner Cable 5.75% 2/6/2031	4,221	0.29
£8,000,000	Santander UK FRN 12/3/2026	8,010	0.56	CAD10,000,000	Toronto-Dominion Bank 3.6% 31/10/2081	4,954	0.35
£5,500,000	Santander UK FRN 12/7/2027	5,517	0.38	£1,612,000	TP ICAP 2.625% 18/11/2028	1,413	0.10
£4,814,000	Saxon Weald Capital 5.375% 6/6/2042	4,601	0.32	£5,729,000	TP ICAP 5.25% 29/5/2026	5,697	0.40
\$5,308,000	Scentre Group 5.125% variable 24/9/2080	4,047	0.28	£908,000	TP ICAP Finance 7.875% 17/4/2030	966	0.07
£4,545,000	Schroders 6.346% variable 18/7/2034	4,580	0.32	£3,890,000	Trafford Centre 6.5% 28/7/2033	2,321	0.16
\$5,000,000	SCOR 5.25% variable perpetual	3,407	0.24	£8,000,000	Trafford Centre FRN 28/7/2035	6,403	0.45
£3,500,000	Scot Roads Partnership Finance 5.591% 16/3/2045	3,085	0.21	£8,189,000	TSB Bank FRN 11/9/2029	8,193	0.57
£1,494,000	Scottish Widows 7% 16/6/2043	1,545	0.11	\$1,666,000	UBS Group AG 9.25% variable perpetual	1,500	0.10
£4,220,000	Severn Trent Water Utilities 4.875% 24/1/2042	3,738	0.26	£2,980,000	Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX*	1,664	0.12
£4,782,000	Skipton Building Society 6.25% variable 25/4/2029	4,884	0.34	£4,060,000	Unifund 5.32% 7/12/2047	3,299	0.23
£7,998,000	Society of Lloyds 4.875% variable 7/2/2047	7,834	0.55	£12,741,000	UPP Bond Issuer 4.9023% 28/2/2040	9,401	0.65
£4,915,000	South West Water Finance 6.375% 5/8/2041	4,981	0.35	£2,340,000	Vattenfall AB 2.5% variable 29/6/2083	2,076	0.14
£2,074,000	Southern Water Services Finance 1.625% 30/3/2027	1,737	0.12	£1,986,000	Vattenfall AB 6.875% variable 17/8/2083	2,035	0.14
£6,431,000	Southern Water Services Finance 2.375% 28/5/2028	5,252	0.37	£3,650,000	Virgin Money 2.625% variable 19/8/2031	3,468	0.24
£19,309,000	Southern Water Services Finance 3% 28/5/2037	12,889	0.90	£4,088,000	Virgin Money 3.375% variable 24/4/2026	4,047	0.28
£3,185,000	Southern Water Services Finance 6.64% 31/3/2026	2,955	0.21	£3,600,000	Virgin Money 5.125% variable 11/12/2030	3,576	0.25
£4,210,000	SSE 3.74% variable perpetual	4,106	0.29	£2,530,000	Virgin Money 8.25% variable perpetual	2,588	0.18
£2,283,000	St James Oncology Financing 2.804% 31/3/2037	1,339	0.09	£2,940,000	Virgin Money 11% variable perpetual	3,326	0.23
\$24,700,000	Standard Chartered 6.409% variable perpetual	17,600	1.23	£16,705,000	Virgin Money 7.625% variable 23/8/2029	17,948	1.25
\$7,865,000	Standard Chartered 7.014% variable perpetual	6,504	0.45	£2,700,000	Vonovia 5.5% 18/1/2036	2,588	0.18
\$3,500,000	Standard Life Aberdeen 4.25% variable 30/6/2028	2,584	0.18	\$4,400,000	Vontobel Holding 9.68% variable perpetual	3,750	0.26
£2,069,000	Stirling Water Seafield 5.822% 26/9/2026	303	0.02	£1,280,000	Wessex Water Services Finance 5.125% 31/10/2032	1,201	0.08
£4,654,000	Summit Finance 6.484% 31/3/2028	1,120	0.08	£10,159,000	Westfield Stratford City 1.642% 4/8/2031	9,444	0.66
£7,352,000	Sunderland 6.38% 31/3/2042	7,061	0.49	£2,388,000	White City Property 5.1202% 17/4/2035	1,700	0.12
£7,179,000	SW Finance I 7% 16/4/2040	6,188	0.43	£3,000,000	Worcestershire Hospital 5.87% 31/12/2030	1,248	0.09
£6,990,000	SW Finance I 7.375% 12/12/2041	6,151	0.43	£4,843,000	Yorkshire Building Society 3.375% variable 13/9/2028	4,527	0.32
£9,307,000	Swan Housing Capital 3.625% 5/3/2048	6,777	0.47	£3,685,000	Yorkshire Water 6.375% 19/8/2039	3,575	0.25
£2,000,000	Swedbank 7.272% variable 15/11/2032	2,076	0.14	£5,510,000	Yorkshire Water 6.6011% 17/4/2031	5,541	0.39
£902,000	TC Dudgeon OFTO 3.158% 12/11/2038	637	0.04	£750,000	Yorkshire Water Finance 1.75% 27/10/2032	544	0.04
\$4,090,000	Telefonica Europe 8.25% 15/9/2030	3,657	0.25	£1,887,000	Yorkshire Water Finance 5.25% 28/4/2030	1,804	0.13
£9,523,000	Telereal Secured Finance 4.01% 10/12/2033	4,356	0.30	£1,275,000	Yorkshire Water Finance 5.5% 28/4/2035	1,163	0.08
£4,562,000	Telereal Securitisation 1.3657% 10/12/2033	2,369	0.17	£2,826,000	Yorkshire Water Services 2.75% 18/4/2041	1,785	0.12
£2,710,000	Telereal Securitisation 1.9632% variable 10/12/2033	2,583	0.18	£2,500,000	Yorkshire Water Services 4.965% 13/6/2033	2,220	0.15
£5,321,000	Telereal Securitisation 3.507% variable 10/12/2033	4,895	0.34	\$6,081,000	Zurich Finance 3% variable 19/4/2051	4,103	0.29
				£1,934,000	Zurich Finance 5.125% variable 23/11/2052	1,840	0.13
Total Corporate Bonds						1,323,736	92.19

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Preference Bonds – 1.26% (31/10/23 – 1.13%)			
£3,817,535	Lloyds Bank 9.25% Non Cumulative Preference Perpetual	5,287	0.37
£2,449,000	National Westminster Bank 9% Preference perpetual	3,429	0.24
£6,041,952	Santander UK Preference 10.375% perpetual	9,305	0.65
Total Corporate Preference Bonds		18,021	1.26
Government Bonds – 0.35% (31/10/23 – 0.00%)			
£7,000,000	Affordable Housing Finance 2.893% 11/8/2045	5,091	0.35
Total Government Bonds		5,091	0.35
Index Linked Bonds – 0.30% (31/10/23 – 0.52%)			
£2,750,000	Coventry & Rugby 3.246% IL 30/6/2040	2,503	0.17
£3,440,000	Road Management Services 3.642% IL 31/3/2028*	1,814	0.13
Total Index Linked Bonds		4,317	0.30
Supranational Bonds – 0.65% (31/10/23 – 0.00%)			
\$12,520,000	African Development Bank 5.75% variable perpetual	9,407	0.65
Total Supranational Bonds		9,407	0.65
Forward Currency Contracts – (0.36)% (31/10/23 – 0.02%)			
	Buy €6,000,000 & Sell £5,018,318†	65	0.01
	Buy £6,455,853 & Sell CAD11,511,000†	15	–
	Buy £57,571,472 & Sell €68,958,000†	(849)	(0.06)
	Buy £141,048,284 & Sell \$187,209,000†	(4,602)	(0.32)
	Buy \$20,740,000 & Sell £15,988,270†	148	0.01
Total Forward Currency Contracts		(5,223)	(0.36)
Futures – (0.54)% (31/10/23 – (0.05)%)			
(95)	EURO-Bund Future December 2024	75	0.01
1,848	ICF Long Gilt Future December 2024	(7,883)	(0.55)
Total Futures		(7,808)	(0.54)
Total value of investments[^]		1,415,719	98.60
Net other assets		20,130	1.40
Total net assets		1,435,849	100.00

* Level 3 asset

† Unlisted

[^] Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
Saltaire Finance 4.818% 1/12/2033	52,670
Co-operative Bank Finance 9.5% VRN 24/5/2028	19,347
Standard Chartered 6.409% variable perpetual	18,509
Virgin Money 7.625% variable 23/8/2029	16,531
Co-operative Bank Finance 6% variable 6/4/2027	15,512
HSBC Holdings 10.176% variable perpetual	13,409
Thames Water Utilities 7.75% 30/4/2044	11,101
Southern Water Services Finance 3% 28/5/2037	9,779
African Development Bank 5.75% variable perpetual	9,359
Close Brothers Group 2% variable 11/9/2031	9,075
Subtotal	175,292
Total cost of purchases, including the above, for the year	744,423

Significant Sales

	Proceeds £'000
Saltaire Finance 4.818% 1/12/2033	41,097
HSBC 8.201% variable 16/11/2034	20,684
HSBC Holdings 10.176% variable perpetual	15,941
Aviva 6.875% variable 20/5/2058	15,697
Credit Suisse Group 7.75% 10/3/2026	13,723
AXA 6.6862% variable perpetual	10,526
Co-operative Bank Finance 9.5% VRN 24/5/2028	10,030
Rothesay Life 5.5% variable 17/9/2029	8,714
Credit Suisse Group 7.375% variable 7/9/2033	8,582
Centrica 5.25% variable 10/4/2075	8,371
Subtotal	153,365
Total proceeds from sales, including the above, for the year	512,007

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	75,138	7,152
Revenue	3	77,533	60,880
Expenses	4	(6,339)	(5,590)
Interest payable and similar charges		(21)	(28)
Net revenue before taxation		71,173	55,262
Taxation	5	(9)	–
Net revenue after taxation		71,164	55,262
Total return before distributions		146,302	62,414
Distributions	6	(77,502)	(60,852)
Change in net assets attributable to shareholders from investment activities		68,800	1,562

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		1,429,053	1,125,137
Current assets:			
Debtors	7	31,116	28,010
Cash and bank balances	8	31,969	16,148
Total assets		1,492,138	1,169,295
Liabilities			
Investment liabilities		13,334	1,581
Creditors:			
Bank overdraft		2,311	8,682
Other creditors	9	29,409	14,069
Distribution payable		11,235	8,494
Total liabilities		56,289	32,826
Net assets attributable to shareholders		1,435,849	1,136,469

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	1,136,469	1,008,345
Amounts receivable on creation of shares	344,168	308,209
Amounts payable on cancellation of shares	(152,536)	(216,401)
	191,632	91,808
Dilution adjustment charged	1,143	1,870
Change in net assets attributable to shareholders from investment activities	68,800	1,562
Retained distribution on accumulation shares	37,799	32,877
Unclaimed distributions	6	7
Closing net assets attributable to shareholders	1,435,849	1,136,469

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	71,796	7,844
Derivative securities	(1,433)	(3,285)
Currency losses	(1,693)	(1,247)
Activity fees	–	(13)
Forward currency contracts	6,468	3,853
Net capital gains	75,138	7,152

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
UK dividends	1,377	980
Interest on debt securities	75,582	59,461
Bank interest	261	180
Interest received on amounts held with brokers	212	202
Stock lending income	101	57
Total revenue	77,533	60,880

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	6,339	5,590
Total expenses	6,339	5,590

* Audit fee £13,603 (31/10/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Irrecoverable overseas tax	9	–
Total tax charge for the year	9	–

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	71,173	55,262
Corporation tax at 20% (31/10/23: 20%)	14,235	11,052

Effects of:

Revenue not subject to taxation	(275)	(196)
Irrecoverable overseas tax	9	–
Tax deductible interest distributions	(13,960)	(10,856)
Total tax charge for the year	9	–

Authorised Open Ended Investment Companies are exempt from tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £1,000 (31/10/23: £1,000) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
First Interim	8,781	7,797
Second Interim	9,226	7,504
Third Interim	9,237	8,724
Final	10,555	8,852
	37,799	32,877
Income shares		
First Interim	9,472	6,340
Second Interim	10,176	6,595
Third Interim	10,492	7,915
Final	11,235	8,494
	41,375	29,344
Net distributions for the year	79,174	62,221
Add: Amounts deducted on cancellation of shares	1,209	1,174
Deduct: Amounts received on the creation of shares	(2,881)	(2,543)
Gross interest distributions for the year	77,502	60,852

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	71,164	55,262
Expenses charged to capital	6,339	5,590
Movement in Net Income Property	(1)	–
Gross interest distributions for the year	77,502	60,852

Details of the distribution per share are set out on pages 79 to 82.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	4,476	2,947
Sales awaiting settlement	1,728	3,011
Foreign exchange sales awaiting settlement	1	–
Accrued revenue	24,911	22,052
Total debtors	31,116	28,010

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	17,253	995
Amounts held at futures clearing houses and brokers	14,716	15,153
Total cash and bank balances	31,969	16,148

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	1,178	6,947
Purchases awaiting settlement	27,648	6,631
Accrued expenses	583	491
Total other creditors	29,409	14,069

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

10. Reconciliation of number of shares

	Class A Income	Class M Accumulation
Opening shares at 01/11/23	25,038,102	397,857,297
Shares issued	2,195,040	61,909,103
Shares cancelled	(5,886,897)	(43,045,432)
Shares converted	(59,615)	(951,430)
Closing shares at 31/10/24	21,286,630	415,769,538

	Class M Income	Class S Accumulation
Opening shares at 01/11/23	155,307,222	2,064,566
Shares issued	23,943,735	–
Shares cancelled	(31,719,074)	–
Shares converted	(80,226)	–
Closing shares at 31/10/24	147,451,657	2,064,566

	Class Y Accumulation	Class Y Income
Opening shares at 01/11/23	28,608,432	49,991,551
Shares issued	14,862,851	23,995,045
Shares cancelled	(2,504,610)	(2,304,992)
Shares converted	–	–
Closing shares at 31/10/24	40,966,673	71,681,604

	Class Z Accumulation*	Class Z Income
Opening shares at 01/11/23	–	397,040,180
Shares issued	6,944	202,018,435
Shares cancelled	–	(49,717,840)
Shares converted	–	1,734,493
Closing shares at 31/10/24	6,944	551,075,268

* Class Z Accumulation launched on 20 August 2024.

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £2,716,000 (31/10/23: £4,491,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 0.00% (31/10/23: 0.00%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

Certain directors or close family members of directors of the Authorised Corporate Director own shares in the Fund. Shares held are noted below:

Sub-fund	Shares held
Royal London Corporate Bond Fund	3,996

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £25,000 (Gross: £126,000) (31/10/23: £14,000 (Gross: £71,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £53,318,000 (31/10/23: £36,633,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Cash	–	6,434
Bonds	58,812	33,855

The aggregate value of collateral held at the balance sheet date was £58,812,000 (31/10/23: £40,289,000).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

13. Stock lending activities – continued

Collateral may be in the form of cash, UK gilts, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Barclays Bank, BNP Paribas London, Deutsche Bank, HSBC Bank Jefferies Financial Group, JP Morgan Securities, Morgan Stanley & Co International and Royal Bank of Canada.

14. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on pages 66 to 69, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	67	318
Citigroup Global Markets	12	(5)
JP Morgan	(114)	–
Royal Bank of Canada	(4,010)	(13)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 71. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	1,445,081	1,138,137
Canadian dollar	(3,008)	–
Euro	(28)	(981)
US dollar	(6,196)	(687)
Total	1,435,849	1,136,469

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £923,000 (31/10/23: £167,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £923,000 (31/10/23: £167,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £141,572,000 (31/10/23: £112,356,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £141,572,000 (31/10/23: £112,356,000). These calculations assume all other variables remain constant.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	562,184	697,033	46,729	1,305,946
Canadian dollar	5,023	–	16	5,039
Euro	37,474	15,142	694	53,310
US dollar	102,765	23,077	2,001	127,843
Total	707,446	735,252	49,440	1,492,138

31 Oct 2023				
Sterling	478,927	528,808	38,981	1,046,716
Euro	29,745	12,155	733	42,633
US dollar	67,858	9,790	2,298	79,946
Total	576,530	550,753	42,012	1,169,295

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	2,311	42,410	44,721
Canadian dollar	–	1,592	1,592
Euro	–	849	849
US dollar	–	9,127	9,127
Total	2,311	53,978	56,289

31 Oct 2023			
Sterling	8,682	23,513	32,195
Euro	–	115	115
US dollar	–	516	516
Total	8,682	24,144	32,826

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £6,972,000 (31/10/23: £6,563,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £3,828,000 (31/10/23: £4,154,000).

A change of 3% in the prevailing interest rates would result in a change of 0.16% (31/10/23: 0.18%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.05% (31/10/23: 0.06%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,044,806	72.76	798,668	70.27
Investments of below investment grade	203,929	14.20	152,818	13.44
Unrated bonds	161,994	11.28	159,649	14.05
Total bonds	1,410,729	98.24	1,111,135	97.76
Forward currency contracts – assets	228	0.02	314	0.03
Corporate preference shares	18,021	1.26	12,812	1.13
Futures – assets	75	0.01	876	0.08
Investments as shown in the balance sheet	1,429,053	99.53	1,125,137	99.00
Forward currency contracts – liabilities	(5,451)	(0.38)	(124)	(0.01)
Futures – liabilities	(7,883)	(0.55)	(1,457)	(0.13)
Total value of investments	1,415,719	98.60	1,123,556	98.86

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

16. Portfolio transaction costs

For the year ended 31 October 2024

Analysis of total purchases costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	744,237	–	–	–	–	–	–	744,237
Corporate actions	186	–	–	–	–	–	–	186
Total	744,423	–		–		–		744,423

Analysis of total sales costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	431,923	–	–	–	–	–	–	431,923
Corporate actions	80,084	–	–	–	–	–	–	80,084
Total	512,007	–		–		–		512,007

The Fund had paid £13,000 as commission on derivative transactions for the year ended 31/10/24.

Commissions, taxes and fees as % of average net assets

Commissions	0.00%
Taxes	0.00%
Other expenses	0.00%

For the year ended 31 October 2023

Analysis of total purchases costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	669,673	–	–	–	–	–	–	669,673
Corporate actions	138	–	–	–	–	–	–	138
Total	669,811	–		–		–		669,811

Analysis of total sales costs	Value £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%	Total £'000
Bond transactions	434,862	–	–	–	–	–	–	434,862
Corporate actions	102,145	–	–	–	–	–	–	102,145
Total	537,007	–		–		–		537,007

The Fund had paid £12,000 as commission on derivative transactions for the year ended 31/10/23.

Commissions, taxes and fees as % of average net assets

Commissions	0.00%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.78% (31/10/23: 1.06%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Equities	18,021	–	–	18,021
Bonds	–	1,390,886	19,843	1,410,729
Derivatives	75	228	–	303
Total	18,096	1,391,114	19,843	1,429,053
Investment liabilities				
Derivatives	(7,883)	(5,451)	–	(13,334)
Total	(7,883)	(5,451)	–	(13,334)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Equities	12,812	–	–	12,812
Bonds	–	1,089,671	21,464	1,111,135
Derivatives	876	314	–	1,190
Total	13,688	1,089,985	21,464	1,125,137
Investment liabilities				
Derivatives	(1,457)	(124)	–	(1,581)
Total	(1,457)	(124)	–	(1,581)

At the current year end, the level 3 asset held were the following debt securities:

Aggregate Micro Power Infrastructure No.2 8% 17/10/2036, Credit Suisse Group 7.5% variable perpetual, Eskmuir Group Finance 4.255% 12/12/2047, Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Metrocentre New Money Note Sonia + 11% PIK 6/12/2023, MIELI London 4.82% 12/8/2027, Road Management Services 3.642% IL 31/3/2028 and Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX.

At the prior year end, the level 3 assets held were the following debt securities:

Aggregate Micro Power Infrastructure No.2 8% 17/10/2036, Credit Suisse Group 7.5% variable perpetual, Eskmuir Group Finance 4.255% 12/12/2047, Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Hemingway Properties 10.375% 31/7/2024, Metrocentre New Money Note Sonia + 11% PIK 6/12/2024, MIELI London 4.82% 12/8/2027, Road Management Services 3.642% IL 31/3/2028, Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX.

18. Events after the balance sheet date

To ensure maximum value for shareholders there will be two share class conversions on 16 January 2025. Y Accumulation and Y Income shares conversion into Z Accumulation and Z Income shares respectively.

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
Class A Income				
Group 1	1.2172	–	1.2172	1.0596
Group 2	0.3359	0.8813	1.2172	1.0596
Class M Accumulation				
Group 1	2.1225	–	2.1225	1.7469
Group 2	1.1461	0.9764	2.1225	1.7469
Class M Income				
Group 1	1.4990	–	1.4990	1.3013
Group 2	0.6723	0.8267	1.4990	1.3013
Class S Accumulation				
Group 1	1.5538	–	1.5538	1.2728
Group 2	1.5538	0.0000	1.5538	1.2728
Class Y Accumulation				
Group 1	1.6849	–	1.6849	1.3519
Group 2	0.9626	0.7223	1.6849	1.3519
Class Y Income				
Group 1	1.2857	–	1.2857	1.1157
Group 2	0.6816	0.6041	1.2857	1.1157
Class Z Income				
Group 1	1.3081	–	1.3081	1.1352
Group 2	0.3795	0.9286	1.3081	1.1352

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Second Interim**

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class A Income				
Group 1	1.2399	–	1.2399	1.0589
Group 2	0.5642	0.6757	1.2399	1.0589
Class M Accumulation				
Group 1	2.1936	–	2.1936	1.7681
Group 2	0.9631	1.2305	2.1936	1.7681
Class M Income				
Group 1	1.5274	–	1.5274	1.3028
Group 2	0.7817	0.7457	1.5274	1.3028
Class S Accumulation				
Group 1	1.6075	–	1.6075	1.2899
Group 2	1.6075	0.0000	1.6075	1.2899
Class Y Accumulation				
Group 1	1.7421	–	1.7421	1.4016
Group 2	0.7770	0.9651	1.7421	1.4016
Class Y Income				
Group 1	1.3106	–	1.3106	1.1157
Group 2	0.5878	0.7228	1.3106	1.1157
Class Z Income				
Group 1	1.3335	–	1.3335	1.1356
Group 2	0.9031	0.4304	1.3335	1.1356

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Third Interim**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 July 2024

	Net income	Equalisation	Distribution paid 30/09/24	Distribution paid 29/09/23
Class A Income				
Group 1	1.2229	–	1.2229	1.1813
Group 2	0.7267	0.4962	1.2229	1.1813
Class M Accumulation				
Group 1	2.1965	–	2.1965	1.9980
Group 2	1.1475	1.0490	2.1965	1.9980
Class M Income				
Group 1	1.5069	–	1.5069	1.4479
Group 2	0.7042	0.8027	1.5069	1.4479
Class S Accumulation				
Group 1	1.6114	–	1.6114	1.4594
Group 2	1.6114	0.0000	1.6114	1.4594
Class Y Accumulation				
Group 1	1.7453	–	1.7453	1.5838
Group 2	0.7867	0.9586	1.7453	1.5838
Class Y Income				
Group 1	1.2938	–	1.2938	1.2440
Group 2	0.6106	0.6832	1.2938	1.2440
Class Z Income				
Group 1	1.3165	–	1.3165	1.2668
Group 2	0.6013	0.7152	1.3165	1.2668

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 August 2024

Group 2: Shares purchased between 1 August 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class A Income				
Group 1	1.2874	–	1.2874	1.2213
Group 2	0.7311	0.5563	1.2874	1.2213
Class M Accumulation				
Group 1	2.3462	–	2.3462	2.0972
Group 2	0.9628	1.3834	2.3462	2.0972
Class M Income				
Group 1	1.5870	–	1.5870	1.5038
Group 2	0.7631	0.8239	1.5870	1.5038
Class S Accumulation				
Group 1	1.7232	–	1.7232	1.5333
Group 2	1.7232	0.0000	1.7232	1.5333
Class Y Accumulation				
Group 1	1.8651	–	1.8651	1.6640
Group 2	0.8724	0.9927	1.8651	1.6640
Class Y Income				
Group 1	1.3632	–	1.3632	1.2891
Group 2	0.5354	0.8278	1.3632	1.2891
Class Z Accumulation*				
Group 1	1.1671	–	1.1671	n/a
Group 2	0.0296	1.1375	1.1671	n/a
Class Z Income				
Group 1	1.3871	–	1.3871	1.3117
Group 2	0.4943	0.8928	1.3871	1.3117

* Class Z Accumulation launched on 20 August 2024.

Royal London Index Linked Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Index Linked Fund, Class M Accumulation	4.90	-35.72	-26.55
Royal London Index Linked Fund, Class M Income	5.01	-35.71	-26.56
Royal London Index Linked Fund, Class R Accumulation	5.20	-35.22	-25.61
FTSE® Actuaries UK Index Linked All Stocks*	5.19	-35.78	-28.46
IA UK Index Linked Gilt Total Return (TR)	4.98	-38.87	-30.17

Class A Income merged into Class M Income on 21 March 2022.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund's return was broadly in line with the benchmark over the period.

Market overview

For much of the past year or so, market focus has been on high inflation across developed economies, with an expectation that this would fall and allow central banks to cut interest rates early and often. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting in the summer, with the European Central Bank cutting rates in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has been uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

For index-linked market, yields have fallen (and prices therefore risen) with the move towards lower interest rates. However, the path of bond yields has been far from smooth – with volatility high due to changing expectations. Perhaps the best example of this was in the final part of the period, where bond yields rose sharply due to the UK budget and US election result.

Portfolio commentary

Our interest rate positioning was the main positive for the Fund during the review period. Sometimes referred to as 'duration' positioning, the Fund can go long duration, which will help performance when bond yields are falling, or short duration, if the manager thinks yields will rise. At the start of the review period, we felt that yields were too high and that expectations of the number of interest rate falls were too conservative. This helped performance in the final months of 2023. For most of 2024, we had a bias towards a long duration position (ie positioned for lower yields) which has generally been helpful, although we have altered this position through the period to reflect what we felt were yields overshooting as rates expectations switched between too optimistic and too pessimistic.

Manager's Investment Report (continued)

Investment outlook

We expect markets to remain volatile around economic data points and envisage to continue trading interest rate exposure tactically – looking to take advantage of market over-reactions to positive/negative news. As yields have risen following the UK budget, US election, and decisions from the Federal Reserve and Bank of England, we will have added to exposure where we believe there is longer term value.

We have moved from peak optimism at the end of 2023 where economists were calling for 5-6 rate cuts in the US in 2024. We then reached peak pessimism as the same economists were calling for only one cut. The weakness in data in August/September has pushed markets to price in again excessive rate cuts which we believe to be unjustified.

Towards the end of the period, long-dated bond yields rose more than short-dated bonds. We expect this to reverse somewhat in the next few months in the UK, as we expect increased government issuance to be focused on short maturities (with that increased supply pushing prices down and therefore yields higher) – issuance at longer maturities to be slightly reduced to do lower demand from pension funds.

Paul Rayner

Fund Manager

Royal London Asset Management Limited

31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class A Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22** (p)
Opening net asset value per share	–	–	326.28
Return before operating charges*	–	–	(19.94)
Operating charges	–	–	(0.46)
Return after operating charges*	–	–	(20.40)
Distributions on income shares	–	–	–
Cancellation price	–	–	(305.88)
Closing net asset value per share	–	–	–
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	–	–	(6.25)%
Other information			
Closing net asset value (£'000)	–	–	–
Closing number of shares	–	–	–
Operating charges	–	–	–
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	–	–	341.70
Lowest share price	–	–	305.90

** Class A Income merged into Class M Income on 21 March 2022.

Class M Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	115.22	127.89	187.13
Return before operating charges*	6.78	(12.30)	(58.71)
Operating charges	(0.37)	(0.37)	(0.53)
Return after operating charges*	6.41	(12.67)	(59.24)
Distributions on accumulation shares	(0.97)	(3.58)	–
Retained distributions on accumulation shares	0.97	3.58	–
Closing net asset value per share	121.63	115.22	127.89
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.56%	(9.91)%	(31.66)%
Other information			
Closing net asset value (£'000)	79,999	68,509	81,526
Closing number of shares	65,771,058	59,460,987	63,748,985
Operating charges	0.30%	0.30%	0.30%#
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	129.50	137.10	200.60
Lowest share price	115.10	112.10	104.50

The FMF was reduced from 0.36% to 0.30% on 23 March 2022.

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	195.36	223.50	327.04
Return before operating charges*	11.59	(21.52)	(102.59)
Operating charges	(0.63)	(0.65)	(0.95)
Return after operating charges*	10.96	(22.17)	(103.54)
Distributions on income shares	(1.53)	(5.97)	–
Closing net asset value per share	204.79	195.36	223.50
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.61%	(9.92)%	(31.66)%
Other information			
Closing net asset value (£'000)	56,832	71,953	87,725
Closing number of shares	27,750,641	36,831,452	39,250,015
Operating charges	0.30%	0.30%	0.30%#
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	219.60	239.60	350.70
Lowest share price	195.90	194.30	182.50

The FMF was reduced from 0.36% to 0.30% on 23 March 2022.

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	78.90	87.38	127.56
Return before operating charges*	4.65	(8.41)	(40.09)
Operating charges	(0.07)	(0.07)	(0.09)
Return after operating charges*	4.58	(8.48)	(40.18)
Distributions on accumulation shares	(0.85)	(2.65)	–
Retained distributions on accumulation shares	0.85	2.65	–
Closing net asset value per share	83.48	78.90	87.38
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.80%	(9.70)%	(31.50)%
Other information			
Closing net asset value (£'000)	291,625	279,131	198,581
Closing number of shares	349,350,083	353,772,733	227,250,065
Operating charges	0.08%	0.08%	0.08%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	88.71	93.69	136.80
Lowest share price	78.85	76.78	71.36

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Government Bonds – 1.64% (31/10/23 – 0.00%)			
£7,202,000	UK Treasury 0.625% 31/07/2035	4,869	1.14
£10,000	UK Treasury 0.875% 31/07/2033	8	–
£4,430,000	UK Treasury 1.5% 31/7/2053	2,150	0.50
Total Government Bonds		7,027	1.64
Government Index-Linked Bonds – 98.27% (31/10/23 – 99.19%)			
AUD5,020,000	Government of Australia 0.25% 21/11/2032	2,606	0.61
AUD6,696,000	Government of Australia 2% 21/8/2035	4,546	1.06
AUD5,200,000	Government of Australia 2.5% 20/9/2030	3,974	0.93
£2,641,000	Network Rail 1.375% 22/11/2037	5,030	1.17
£907,714	UK Treasury 0.125% 22/3/2026	1,353	0.32
£20,110,907	UK Treasury 0.125% 10/8/2028	27,739	6.47
£11,150,777	UK Treasury 0.125% 22/3/2029	17,970	4.19
£2,235,479	UK Treasury 0.125% 22/11/2036	3,020	0.71
£14,627,000	UK Treasury 0.125% 22/3/2039	16,464	3.84
£8,316,000	UK Treasury 0.125% 10/8/2041	9,569	2.23
£15,945,476	UK Treasury 0.125% 22/3/2044	19,985	4.66
£4,556,000	UK Treasury 0.125% 22/3/2046	5,192	1.21
£16,565,892	UK Treasury 0.125% 10/8/2048	17,072	3.99
£10,304,193	UK Treasury 0.125% 22/3/2051	9,501	2.22
£9,330,058	UK Treasury 0.125% 22/3/2058	9,299	2.17
£11,342,000	UK Treasury 0.125% 22/11/2065	10,413	2.43
£14,142,536	UK Treasury 0.125% 22/3/2068	13,306	3.11
£14,160,000	UK Treasury 0.25% 22/3/2052	16,327	3.81
£7,137,021	UK Treasury 0.375% 22/3/2062	8,291	1.94
£14,049,206	UK Treasury 0.5% 22/3/2050	20,185	4.71
£13,423,160	UK Treasury 0.625% 22/3/2040	22,079	5.15
£29,797,000	UK Treasury 0.625% 22/3/2045	27,164	6.34
£15,129,993	UK Treasury 0.75% 22/11/2033	15,767	3.68
£12,179,876	UK Treasury 0.75% 22/3/2034	20,238	4.72
£31,000	UK Treasury 0.75% 22/11/2047	50	0.01
£8,890,000	UK Treasury 1.125% 22/11/2037	17,237	4.02
£6,680,359	UK Treasury 1.25% 22/11/2027	13,750	3.21
£18,423,930	UK Treasury 1.25% 22/11/2032	34,517	8.06
£11,069,000	UK Treasury 1.25% 22/11/2054	10,653	2.49
£4,303,725	UK Treasury 1.25% 22/11/2055	8,211	1.92
\$1,000	UK Treasury 1.75% 15/1/2034*	1	–
£5,340,000	UK Treasury 2% 26/1/2035	13,013	3.04
£4,852,000	UK Treasury 4.125% 22/7/2030	16,509	3.85
Total Government Index-Linked Bonds		421,031	98.27
Forward Currency Contracts – 0.01% (31/10/23 – (0.02)%)			
	Buy AUD5,453,000 & Sell £2,762,498*	17	–
	Buy €5,907,997 & Sell £4,936,989*	62	0.02
	Buy £14,050,207 & Sell AUD27,302,488*	133	0.03
	Buy £4,966,172 & Sell €5,945,635*	(65)	(0.02)
	Buy £12,324,460 & Sell \$16,071,939*	(178)	(0.04)
	Buy \$15,913,192 & Sell £12,309,336*	70	0.02
Total Forward Currency Contracts		39	0.01
Total value of investments**		428,097	99.92
Net other assets		359	0.08
Total net assets		428,456	100.00

* Unlisted

** Including investment liabilities

* Value less than £1,000

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 0.75% 22/11/2033	241,850
UK Treasury 0.125% 22/3/2026	163,972
UK Treasury 0.125% 22/3/2029	89,056
UK Treasury 1.25% 22/11/2032	59,639
UK Treasury 0.125% 22/3/2051	47,843
UK Treasury 0.125% 22/3/2024	43,712
UK Treasury 0.75% 22/3/2034	33,486
UK Treasury 1.75% 7/9/2037	33,243
UK Treasury 0.125% 22/3/2039	31,911
UK Treasury 1.125% 22/11/2037	29,835
Subtotal	774,547
Total cost of purchases, including the above, for the year	1,335,824

Significant Sales

	Proceeds £'000
UK Treasury 0.75% 22/11/2033	266,096
UK Treasury 0.125% 22/3/2026	180,425
UK Treasury 0.125% 22/3/2029	112,124
UK Treasury 0.125% 22/3/2051	49,559
UK Treasury 0.125% 22/3/2024	45,809
UK Treasury 0.125% 22/3/2044	43,942
UK Treasury 0.125% 22/3/2046	33,939
UK Treasury 1.75% 7/9/2037	33,302
UK Treasury 0.125% 22/11/2036	31,513
UK Treasury 0.125% 22/3/2039	27,760
Subtotal	824,469
Total proceeds from sales, including the above, for the year	1,345,861

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains/ (losses)	2	6,863	(78,701)
Revenue	3	18,637	35,246
Expenses	4	(683)	(627)
Interest payable and similar charges		(5)	(2)
Net revenue before taxation		17,949	34,617
Taxation	5	–	–
Net revenue after taxation		17,949	34,617
Total return before distributions		24,812	(44,084)
Distributions	6	(4,106)	(11,966)
Change in net assets attributable to shareholders from investment activities		20,706	(56,050)

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		428,340	416,264
Current assets:			
Debtors	7	10,699	10,587
Cash and bank balances	8	604	64
Total assets		439,643	426,915
Liabilities			
Investment liabilities		243	167
Creditors:			
Other creditors	9	10,518	5,552
Distribution payable		426	1,603
Total liabilities		11,187	7,322
Net assets attributable to shareholders		428,456	419,593

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	419,593	367,832
Amounts receivable on creation of shares	65,899	168,282
Amounts payable on cancellation of shares	(81,378)	(71,903)
	(15,479)	96,379
Dilution adjustment charged	37	262
Change in net assets attributable to shareholders from investment activities	20,706	(56,050)
Retained distribution on accumulation shares	3,599	11,170
Closing net assets attributable to shareholders	428,456	419,593

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains/(losses)

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	6,234	(78,958)
Currency losses	(148)	(60)
Forward currency contracts	777	317
Net capital gains/(losses)	6,863	(78,701)

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	18,479	35,140
Bank interest	154	92
Stock lending income	4	14
Total revenue	18,637	35,246

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	683	627
Total expenses	683	627

* Audit fee £13,284 (31/10/23: £22,650) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax at 20%	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	17,949	34,617
Corporation tax at 20% (31/10/23: 20%)	3,590	6,923
Effects of:		
Utilisation of excess management expenses	-	(1,887)
Tax deductible interest distributions	(821)	(506)
Tax relief on index-linked gilts	(2,769)	(4,530)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £17,341,000 (31/10/23: £17,341,000) in relation to non-trading deficits £17,341,000 (31/10/23: £17,341,000). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	–	2,995
Final	3,599	8,175
	3,599	11,170
Income shares		
Interim	–	444
Final	426	1,603
	426	2,047
Net distributions for the year	4,025	13,217
Add: Amounts deducted on cancellation of shares	265	596
Deduct: Amounts received on the creation of shares	(184)	(1,847)
Gross interest distributions for the year	4,106	11,966

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	17,949	34,617
Indexation not distributed	(13,843)	(22,651)
Gross interest distributions for the year	4,106	11,966

Details of the distribution per share are set out on page 94.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	31	707
Sales awaiting settlement	9,722	9,033
Accrued revenue	946	847
Total debtors	10,699	10,587

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	604	64
Total cash and bank balances	604	64

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	67	358
Purchases awaiting settlement	10,376	5,120
Foreign exchange purchases awaiting settlement	19	20
Accrued expenses	56	54
Total other creditors	10,518	5,552

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/11/23	59,460,987	36,831,452
Shares issued	16,891,132	6,263,034
Shares cancelled	(10,560,235)	(15,356,124)
Shares converted	(20,826)	12,279
Closing shares at 31/10/24	65,771,058	27,750,641

	Class R Accumulation
Opening shares at 01/11/23	353,772,733
Shares issued	38,781,920
Shares cancelled	(43,204,570)
Closing shares at 31/10/24	349,350,083

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £92,000 (31/10/23: £295,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 42.04% (31/10/23: 44.22%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £1,000 (Gross: £5,000) (31/10/23: £4,000 (Gross: £18,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £nil (31/10/23: £2,752,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	–	2,907

The aggregate value of collateral held at the balance sheet date was £nil (31/10/23: £2,907,000).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 86, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	164	1
Goldman Sachs	9	–
JP Morgan	(22)	–
Royal Bank of Canada	(28)	(99)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 88. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The proportion of the Fund's assets denominated in currencies other than sterling is considered insignificant, therefore, no currency sensitivity has been disclosed in these financial statements.

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £786,000 (31/10/23: £9,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £786,000 (31/10/23: £9,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £42,810,000 (31/10/23: £41,610,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £42,810,000 (31/10/23: £41,610,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	410,508	7,027	2,803	420,338
Australian dollar	11,125	–	2,943	14,068
US dollar	1	–	5,236	5,237
Total	421,634	7,027	10,982	439,643
31 Oct 2023				
Sterling	400,725	–	6,676	407,401
Australian dollar	10,826	–	38	10,864
Canadian dollar	6	–	–	6
Euro	2,019	–	2	2,021
US dollar	2,690	–	3,933	6,623
Total	416,266	–	10,649	426,915

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	10,924	10,924
Australian dollar	–	19	19
Euro	–	65	65
US dollar	–	179	179
Total	–	11,187	11,187
31 Oct 2023			
Sterling	–	3,234	3,234
Australian dollar	–	2	2
Euro	–	25	25
US dollar	–	4,061	4,061
Total	–	7,322	7,322

Due to no Floating Rate Note stocks being held, there is no requirement to calculate interest sensitivity (31/10/23: same).

A change of 3% in the prevailing interest rates would result in a change of 0.46% (31/10/23: 0.45%) to the value of the Fund. A change of 1% in the prevailing interest rates would result in a change of 0.16% (31/01/23: 0.15%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	428,058	99.91	416,202	99.19
Total bonds	428,058	99.91	416,202	99.19
Forward currency contracts – assets	282	0.07	62	0.02
Investments as shown in the balance sheet	428,340	99.98	416,264	99.21
Forward currency contracts – liabilities	(243)	(0.06)	(167)	(0.04)
Total value of investments	428,097	99.92	416,097	99.17

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

16. Portfolio transaction costs

	31 Oct 2024 £'000	31 Oct 2023 £'000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	1,335,824	1,296,513
Total sales	1,345,861	1,199,665

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.17% (31/10/23: 0.25%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	428,058	–	428,058
Derivatives	–	282	–	282
Total	–	428,340	–	428,340
Investment liabilities				
Derivatives	–	(243)	–	(243)
Total	–	(243)	–	(243)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	416,202	–	416,202
Derivatives	–	62	–	62
Total	–	416,264	–	416,264
Investment liabilities				
Derivatives	–	167	–	167
Total	–	167	–	167

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24*	Distribution paid 30/06/23
Class M Accumulation				
Group 1	0.0000	–	0.0000	0.9512
Group 2	0.0000	0.0000	0.0000	0.9512
Class M Income				
Group 1	0.0000	–	0.0000	1.6225
Group 2	0.0000	0.0000	0.0000	1.6225
Class R Accumulation				
Group 1	0.0000	–	0.0000	0.7839
Group 2	0.0000	0.0000	0.0000	0.7839

* Revenue is computed on an effective yield basis, including the exclusion of any amount attributable to the change in the retail price index during the period on gilts held, as permitted by COLL 6.8.3 R. This amount is instead treated as capital in nature.

Final

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Accumulation				
Group 1	0.9668	–	0.9668	2.6294
Group 2	0.5762	0.3906	0.9668	2.6294
Class M Income				
Group 1	1.5345	–	1.5345	4.3519
Group 2	0.9358	0.5987	1.5345	4.3519
Class R Accumulation				
Group 1	0.8483	–	0.8483	1.8688
Group 2	0.5049	0.3434	0.8483	1.8688

Royal London UK Government Bond Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London UK Government Bond Fund, Class M Accumulation	6.05	-20.02	-19.33
Royal London UK Government Bond Fund, Class M Income	6.12	-20.01	-19.27
Royal London UK Government Bond Fund, Class R Accumulation	6.31	-19.45	-18.15
Royal London UK Government Bond Fund, Class S Accumulation	6.30	-19.46	-18.18
Royal London UK Government Bond Fund, Class X Income	6.17	-19.83	-18.80
Royal London UK Government Bond Fund, Class Z Income	6.14	-19.89	-19.05
FTSE® Actuaries UK Conventional Gilts All Stocks Index*	5.56	-22.96	-22.77
IA UK Gilt Total Return (TR)	5.52	-23.39	-22.96

Class S Accumulation launched on 16 April 2019 and Class X Income launched on 31 July 2019. Class A Income merged into Class M Income on 21 March 2022.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund outperformed its benchmark in the period under review, and was ahead of peers. In the longer three-year and five-year periods, the Fund remains ahead of both benchmark and peers.

Market overview

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Government bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in the expectation that interest rates would be cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period broadly where they started, with UK gilt markets returning 5.6% for the period.

Portfolio commentary

We have seen yields come under pressure at both shorter and longer maturities. In UK markets, the new Labour government's first Budget kept gilts volatile. Heading into the Budget, gilts were underperforming European peers, with an expectation that increased government spending will lead to increased bond supply. Following the Budget, gilt yields moved higher.

This move was likely spurred by the Office of Budget Responsibility's (OBR) assessment that the budget would likely see borrowing up, inflation up, but economic growth lower over the medium term.

The Fund ended the period with a bias towards lower yields, which detracted from performance towards the end of the period but has generally been positive over the period. The Fund can also have biases towards or against certain maturities. This has generally been positive for performance. For instance, we had a bias for 30-year year gilts to outperform 15-year equivalents, while we also had a bias for 5-year gilts to outperform 10-years gilts. We will continue to tactically trade the volatility seen in markets.

Manager's Investment Report (continued)

Investment outlook

In the UK, the market is now assuming base rates have peaked at 5.25% and falling to a level of around 3.75% by the end of 2025. The market will be paying close attention to the economic data as well as the actions of other central banks to determine whether a further rate cut is warranted. We also note that the BoE's footprint on the gilt market will be significantly reduced; with only £13bn of active sales for the next 12 months, which is a significant reduction from the prior year.

The bigger concerns for the market however revolve around two consequences of announced government policy: inflation and borrowing. There is a risk that the combination of an increase in the national living wage, tax on national insurance contributions, and previously announced labour market reforms, place upward pressure on inflation. That has put pressure on the shorter dated part of bond markets, especially given that markets were expecting the BoE to be cutting rates throughout much of next year.

Ben Nicholl
Fund Manager
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class A Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22** (p)
Opening net asset value per share	–	–	89.84
Return before operating charges*	–	–	(5.56)
Operating charges	–	–	(0.22)
Return after operating charges*	–	–	(5.78)
Distributions on income shares	–	–	–
Cancellation price	–	–	(84.06)
Closing net asset value per share	–	–	–
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	–	–	(6.43)%
Other information			
Closing net asset value (£'000)	–	–	–
Closing number of shares	–	–	–
Operating charges	–	–	–
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	–	–	93.59
Lowest share price	–	–	83.74

** Class A Income terminated on 21 March 2022.

Class M Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	97.18	102.41	129.50
Return before operating charges*	6.48	(4.93)	(26.67)
Operating charges	(0.31)	(0.30)	(0.42)
Return after operating charges*	6.17	(5.23)	(27.09)
Distributions on accumulation shares	(4.29)	(3.69)	(1.61)
Retained distributions on accumulation shares	4.29	3.69	1.61
Closing net asset value per share	103.35	97.18	102.41
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.35%	(5.11)%	(20.92)%
Other information			
Closing net asset value (£'000)	228,242	152,315	155,377
Closing number of shares	220,854,307	156,741,574	151,721,668
Operating charges	0.30%	0.30%	0.30%#
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	108.20	107.50	134.90
Lowest share price	97.07	95.50	92.06

The FMF was reduced from 0.45% to 0.30% on 21 March 2022.

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	76.94	84.22	108.10
Return before operating charges*	5.15	(4.01)	(22.19)
Operating charges	(0.24)	(0.25)	(0.35)
Return after operating charges*	4.91	(4.26)	(22.54)
Distributions on income shares	(3.36)	(3.02)	(1.34)
Closing net asset value per share	78.49	76.94	84.22
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.38%	(5.06)%	(20.85)%
Other information			
Closing net asset value (£'000)	34,393	22,146	15,699
Closing number of shares	43,820,499	28,782,426	18,639,712
Operating charges	0.30%	0.30%	0.30%#
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	84.72	88.44	112.60
Lowest share price	78.20	77.81	76.38

The FMF was reduced from 0.45% to 0.30% on 21 March 2022.

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	85.86	90.29	113.86
Return before operating charges*	5.72	(4.35)	(23.48)
Operating charges	(0.08)	(0.08)	(0.09)
Return after operating charges*	5.64	(4.43)	(23.57)
Distributions on accumulation shares	(3.79)	(3.26)	(1.42)
Retained distributions on accumulation shares	3.79	3.26	1.42
Closing net asset value per share	91.50	85.86	90.29
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.57%	(4.91)%	(20.70)%
Other information			
Closing net asset value (£'000)	476,711	426,569	531,966
Closing number of shares	521,012,621	496,820,762	589,182,476
Operating charges	0.08%#	0.09%	0.09%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	95.78	94.82	118.70
Lowest share price	85.77	84.37	81.15

The FMF was reduced from 0.09% to 0.08% on 30 September 2024.

Comparative Tables (continued)

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	82.23	86.47	109.06
Return before operating charges*	5.48	(4.16)	(22.50)
Operating charges	(0.08)	(0.08)	(0.09)
Return after operating charges*	5.40	(4.24)	(22.59)
Distributions on accumulation shares	(3.63)	(3.12)	(1.36)
Retained distributions on accumulation shares	3.63	3.12	1.36
Closing net asset value per share	87.63	82.23	86.47
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.57%	(4.90)%	(20.71)%
Other information			
Closing net asset value (£'000)	4	4	4
Closing number of shares	5,000	5,000	5,000
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	91.73	90.82	113.70
Lowest share price	82.14	80.81	77.73

Class X Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	71.61	78.34	100.44
Return before operating charges*	4.79	(3.73)	(20.62)
Operating charges	(0.19)	(0.19)	(0.23)
Return after operating charges*	4.60	(3.92)	(20.85)
Distributions on income shares	(3.13)	(2.81)	(1.25)
Closing net asset value per share	73.08	71.61	78.34
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.42%	(5.00)%	(20.76)%
Other information			
Closing net asset value (£'000)	33,699	27,858	29,563
Closing number of shares	46,112,578	38,904,094	37,736,224
Operating charges	0.25%	0.25%	0.25%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	78.85	82.27	104.70
Lowest share price	72.78	72.42	71.05

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	67.65	74.01	94.96
Return before operating charges*	4.51	(3.53)	(19.53)
Operating charges	(0.18)	(0.18)	(0.24)
Return after operating charges*	4.33	(3.71)	(19.77)
Distributions on income shares	(2.96)	(2.65)	(1.18)
Closing net asset value per share	69.02	67.65	74.01
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.40%	(5.01)%	(20.82)%
Other information			
Closing net asset value (£'000)	352,021	150,685	42,232
Closing number of shares	510,062,480	222,743,123	57,064,227
Operating charges	0.25%	0.25%	0.25% [#]
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	74.42	77.72	98.92
Lowest share price	68.70	68.41	67.12

[#] The FMF was reduced from 0.35% to 0.25% on 21 March 2022.

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Certificates of Deposit – 0.44% (31/10/23 – 1.78%)			
£5,000,000	Credit Industrial et Commercial 5.37% 14/2/2025	5,005	0.44
Total Certificates of Deposit		5,005	0.44
Corporate Bonds – 0.43% (31/10/23 – 1.73%)			
£5,788,000	PRS Finance 1.75% 24/11/2026	4,850	0.43
Total Corporate Bonds		4,850	0.43
Government Bonds – 101.44% (31/10/23 – 94.67%)			
AUD76,955,000	Government of Australia 1.75% 21/6/2051	20,612	1.83
£59,582,333	UK Treasury 0.00% 3/2/2025	58,841	5.23
£24,820,000	UK Treasury 0.625% 31/7/2035	16,779	1.49
£1	UK Treasury 0.875% 22/10/2029*	–	–
£130,460,000	UK Treasury 0.875% 31/7/2033	97,606	8.68
£60,241,000	UK Treasury 0.875% 31/1/2046	28,916	2.57
£105,816,000	UK Treasury 1% 31/1/2032	84,294	7.49
£175,882,000	UK Treasury 1.25% 22/10/2041	105,258	9.36
£46,152,000	UK Treasury 1.25% 31/7/2051	21,507	1.91
£35,052,000	UK Treasury 1.5% 22/7/2047	19,061	1.69
£120,697,000	UK Treasury 1.5% 31/7/2053	58,587	5.21
£34,828,000	UK Treasury 1.625% 22/10/2054	17,313	1.54
£24,726,000	UK Treasury 1.625% 22/10/2071	10,734	0.95
£68,071,000	UK Treasury 1.75% 7/9/2037	49,624	4.41
£35,550,000	UK Treasury 1.75% 22/1/2049	20,021	1.78
£28,811,000	UK Treasury 1.75% 22/7/2057	14,503	1.29
£32,607,000	UK Treasury 2.5% 22/7/2065	19,527	1.74
£20,348,000	UK Treasury 3.5% 22/10/2025	20,124	1.79
£104,566,000	UK Treasury 3.75% 7/3/2027	102,975	9.15
£31,310,000	UK Treasury 4% 22/10/2063	26,910	2.39
£184,462,000	UK Treasury 4.125% 29/1/2027	183,225	16.29
£97,950,000	UK Treasury 4.125% 22/7/2029	97,151	8.63
£67,357,000	UK Treasury 4.5% 7/6/2028	67,682	6.02
Total Government Bonds		1,141,250	101.44
Forward Currency Contracts – 0.02% (31/10/23 – (0.02)%)			
	Buy €6,191,405 & Sell £5,173,687*	65	–
	Buy £21,824,350 & Sell AUD42,438,420*	192	0.02
	Buy £5,157,788 & Sell €6,154,392*	(50)	–
	Buy £2,280,151 & Sell \$2,959,668*	(22)	–
	Buy \$3,018,414 & Sell £2,324,149*	24	–
Total Forward Currency Contracts		209	0.02
Total value of investments**		1,151,314	102.33
Net other liabilities		(26,244)	(2.33)
Total net assets		1,125,070	100.00

* Value less than £1,000

* Unlisted

** Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 0.5% 31/1/2029	201,122
UK Treasury 4.125% 29/1/2027	172,216
UK Treasury 1.75% 7/9/2037	151,659
UK Treasury 3.75% 7/3/2027	133,354
UK Treasury 1.25% 22/10/2041	126,972
UK Treasury 1.5% 31/7/2053	116,623
UK Treasury 4.125% 22/7/2029	113,144
UK Treasury 0.875% 31/7/2033	95,964
UK Treasury 1% 31/1/2032	94,784
UK Treasury 4.5% 7/6/2028	70,620
Subtotal	1,276,458
Total cost of purchases, including the above, for the year	1,921,514

Significant Sales

	Proceeds £'000
UK Treasury 0.5% 31/1/2029	342,312
UK Treasury 1.75% 7/9/2037	151,189
UK Treasury 4.125% 29/1/2027	124,769
UK Treasury 3.5% 22/10/2025	91,117
UK Treasury 1.5% 31/7/2053	72,044
UK Treasury 1.125% 31/1/2039	71,918
UK Treasury 0.25% 31/1/2025	52,101
UK Treasury 1.25% 22/7/2027	43,607
UK Treasury 0.625% 31/7/2035	40,885
UK Treasury 1.25% 31/7/2051	37,832
Subtotal	1,027,774
Total proceeds from sales, including the above, for the year	1,563,187

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains/ (losses)	2	12,789	(76,828)
Revenue	3	40,132	30,360
Expenses	4	(1,775)	(1,363)
Interest payable and similar charges		(11)	(32)
Net revenue before taxation		38,346	28,965
Taxation	5	–	–
Net revenue after taxation		38,346	28,965
Total return before distributions		51,135	(47,863)
Distributions	6	(40,121)	(30,327)
Change in net assets attributable to shareholders from investment activities		11,014	(78,190)

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		1,151,386	765,459
Current assets:			
Debtors	7	28,601	58,826
Cash and bank balances	8	5,320	9,700
Total assets		1,185,307	833,985
Liabilities			
Investment liabilities		72	200
Creditors:			
Bank overdraft		–	204
Other creditors	9	51,041	48,168
Distribution payable		9,124	5,836
Total liabilities		60,237	54,408
Net assets attributable to shareholders		1,125,070	779,577

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	779,577	774,841
Amounts receivable on creation of shares	581,425	458,229
Amounts payable on cancellation of shares	(274,897)	(398,971)
	306,528	59,258
Dilution adjustment charged	87	371
Change in net assets attributable to shareholders from investment activities	11,014	(78,190)
Retained distribution on accumulation shares	27,864	23,296
Unclaimed distributions	–	1
Closing net assets attributable to shareholders	1,125,070	779,577

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains/(losses)

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	11,617	(78,582)
Derivative securities	–	66
Currency gains/(losses)	111	(955)
Forward currency contracts	1,061	2,643
Net capital gains/(losses)	12,789	(76,828)

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	39,631	29,903
Bank interest	435	274
Stock lending income	66	183
Total revenue	40,132	30,360

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,775	1,363
Total expenses	1,775	1,363

* Audit fee £13,656 (31/12/23: £22,650) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	–	–
Total tax charge for the year	–	–

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	38,346	28,965
Corporation tax at 20% (31/10/23: 20%)	7,669	5,793

Effects of:

Tax deductible interest distributions	(7,663)	(5,687)
Tax relief on index-linked gilts	(6)	(106)
Total tax charge for the year	–	–

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £1,225,000 (31/10/23: £1,225,000) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	12,883	6,938
Final	14,981	16,358
	27,864	23,296
Income shares		
Interim	5,783	1,834
Final	9,124	5,836
	14,907	7,670
Net distributions for the year	42,771	30,966
Add: Amounts deducted on cancellation of shares	3,208	2,233
Deduct: Amounts received on the creation of shares	(5,858)	(2,872)
Gross interest allocation for the year	40,121	30,327

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	38,346	28,965
Movement in income carried forward	–	(1)
Expenses charged to capital	1,775	1,363
Gross interest allocation for the year	40,121	30,327

Details of the distribution per share are set out on pages 108 and 109.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	1,395	53,144
Sales awaiting settlement	19,504	1,353
Foreign exchange sales awaiting settlement	–	3
Accrued revenue	7,702	4,326
Total debtors	28,601	58,826

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	5,320	9,634
Amounts held at futures clearing houses and brokers	–	66
Total cash and bank balances	5,320	9,700

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	3,805	730
Purchases awaiting settlement	47,064	47,332
Accrued expenses	172	106
Total other creditors	51,041	48,168

10. Reconciliation of number of shares

	Class M Accumulation	Class M Income
Opening shares at 01/11/23	156,741,574	28,782,426
Shares issued	132,753,073	18,839,072
Shares cancelled	(68,608,214)	(3,798,752)
Shares converted	(32,126)	(2,247)
Closing shares at 31/10/24	220,854,307	43,820,499

	Class R Accumulation	Class S Accumulation
Opening shares at 01/11/23	496,820,762	5,000
Shares issued	105,783,231	–
Shares cancelled	(81,591,372)	–
Closing shares at 31/10/24	521,012,621	5,000

	Class X Income	Class Z Income
Opening shares at 01/11/23	38,904,094	222,743,123
Shares issued	15,293,922	458,676,892
Shares cancelled	(8,082,438)	(171,410,347)
Shares converted	(3,000)	52,812
Closing shares at 31/10/24	46,112,578	510,062,480

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £2,582,000 (31/10/23: £52,309,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 20.81% (31/10/23: 19.02%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £17,000 (Gross: £83,000) (31/10/23: £46,000 (Gross: £229,000) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £715,000 (31/10/23: £65,229,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	767	68,157

The aggregate value of collateral held at the balance sheet date was £767,000 (31/10/23: £68,157,000).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Barclays Capital Securities and BNP Paribas London.

14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 99, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	–	33
Citigroup Global Markets	42	–
Goldman Sachs	1	–
JP Morgan	134	–
Royal Bank of Canada	32	4

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 101. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	1,125,725	779,947
Australian dollar	(734)	(270)
Canadian dollar	–	1
Euro	32	(67)
US dollar	47	(34)
Total	1,125,070	779,577

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by (£66,000) (31/10/23: (£37,000)). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by (£66,000) (31/10/23: (£37,000)). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £115,131,000 (31/10/23: £76,526,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £115,131,000 (31/10/23: £76,526,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	5,318	1,130,493	28,404	1,164,215
Australian dollar	–	20,612	478	21,090
Euro	1	–	–	1
US dollar	1	–	–	1
Total	5,320	1,151,105	28,882	1,185,307
31 Oct 2023				
Sterling	9,632	738,004	58,429	806,065
Australian dollar	–	20,604	402	21,006
Canadian dollar	1	–	–	1
Euro	67	–	–	67
US dollar	–	6,818	28	6,846
Total	9,700	765,426	58,859	833,985

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	(60,165)	(60,165)
Euro	–	(50)	(50)
US dollar	–	(22)	(22)
Total	–	(60,237)	(60,237)
31 Oct 2023			
Sterling	(67)	(52,518)	(52,585)
Australian dollar	(103)	(1,511)	(1,614)
Euro	–	(25)	(25)
US dollar	(34)	(150)	(184)
Total	(204)	(54,204)	(54,408)

Due to no Floating Rate Note stocks being held, there is no requirement to calculate interest sensitivity (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

Interest rate risk profile of financial assets and financial liabilities – continued

A change of 3% in the prevailing interest rates would result in a change of 0.26% (31/10/2023: 0.27%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.08% (31/10/2023: 0.09%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,146,100	101.87	751,516	96.40
Total bonds	1,146,100	101.87	751,516	96.40
Certificates of deposit	5,005	0.44	13,910	1.78
Forward currency contracts – assets	281	0.02	33	–
Investments as shown in the balance sheet	1,151,386	102.33	765,459	98.18
Forward currency contracts – liabilities	(72)	–	(200)	(0.02)
Total value of investments	1,151,314	102.33	765,259	98.16

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

16. Portfolio transaction costs

For the year ended 31 October 2024

	31 Oct 2024 £000	31 Oct 2023 £000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total Bond purchases transactions	1,916,514	1,623,923
Total cash and deposits purchase transactions	5,000	13,822
Total Bond sales transactions	1,549,187	1,549,012
Total cash and deposits sales transactions	14,000	19,893

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.08% (31/10/23: 0.06%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	1,146,100	–	1,146,100
Certificate of deposit	–	5,005	–	5,005
Derivatives	–	281	–	281
Total	–	1,151,386	–	1,151,386
Investment liabilities				
Derivatives	–	(72)	–	(72)
Total	–	(72)	–	(72)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	751,516	–	751,516
Certificate of deposit	–	13,910	–	13,910
Derivatives	–	33	–	33
Total	–	765,459	–	765,459
Investment liabilities				
Derivatives	–	(200)	–	(200)
Total	–	(200)	–	(200)

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class M Accumulation				
Group 1	2.0900	–	2.0900	0.9463
Group 2	1.2552	0.8348	2.0900	0.9463
Class M Income				
Group 1	1.6550	–	1.6550	0.7782
Group 2	0.9307	0.7243	1.6550	0.7782
Class R Accumulation				
Group 1	1.8466	–	1.8466	0.8348
Group 2	0.8886	0.9580	1.8466	0.8348
Class S Accumulation				
Group 1	1.7685	–	1.7685	0.7994
Group 2	1.7685	0.0000	1.7685	0.7994
Class X Income				
Group 1	1.5407	–	1.5407	0.7240
Group 2	0.6930	0.8477	1.5407	0.7240
Class Z Income				
Group 1	1.4593	–	1.4593	0.6839
Group 2	0.9932	0.4661	1.4593	0.6839

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Accumulation				
Group 1	2.1969	–	2.1969	2.7464
Group 2	0.6534	1.5435	2.1969	2.7464
Class M Income				
Group 1	1.7047	–	1.7047	2.2377
Group 2	0.8525	0.8522	1.7047	2.2377
Class R Accumulation				
Group 1	1.9441	–	1.9441	2.4261
Group 2	0.8883	1.0558	1.9441	2.4261
Class S Accumulation				
Group 1	1.8618	–	1.8618	2.3224
Group 2	1.8618	0.0000	1.8618	2.3224
Class X Income				
Group 1	1.5871	–	1.5871	2.0824
Group 2	1.1459	0.4412	1.5871	2.0824
Class Z Income				
Group 1	1.4988	–	1.4988	1.9673
Group 2	0.6339	0.8649	1.4988	1.9673

Royal London Short Term Fixed Income Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Short Term Fixed Income Fund, Class R Accumulation	5.86	11.52	12.96
Royal London Short Term Fixed Income Fund, Class S Accumulation	5.86	11.52	12.96
Royal London Short Term Fixed Income Fund, Class S Income	5.85	11.52	12.96
Royal London Short Term Fixed Income Fund, Class X Accumulation	5.77	–	–
Royal London Short Term Fixed Income Fund, Class X Income	5.81	11.25	12.51
Royal London Short Term Fixed Income Fund, Class Y Accumulation	5.74	11.13	12.29
Royal London Short Term Fixed Income Fund, Class Y Income	5.73	11.12	12.28
Royal London Short Term Fixed Income Fund, Class Z Income	5.86	11.52	12.95
Sterling Overnight Index Average Rate (SONIA)*	5.15	10.60	10.99
Sterling Overnight Index Average Rate (SONIA) +0.5% p.a.*	5.65	12.10	13.49

Class M Income shares were converted into Class Y Income shares 2 November 2022. The performance history of Class Y Income shares has been adopted.

Class X Accumulation launched 31 March 2023.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund outperformed its benchmark over the period.

Market overview

For much of the past year or so, market focus has been on high inflation across developed economies, with an expectation that this would fall and allow central banks to cut interest rates early and often. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting in the summer, with the European Central Bank cutting rates in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has been uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

In money markets, rates have come down slightly reflecting Bank of England policy. SONIA started the review period at 5.19% and fell to 4.95% at the end. Two-year gilt yields – an indication of market expectations of future interest rates, started at 4.67% and ended at 4.45%, having been as low as 3.54% – with gilt yields rising late on due to concerns over increased borrowing by the new government.

Portfolio commentary

The Fund performed well over the period, with contributions from exposure to traditional money market instruments such as certificates of deposit and treasury bills, while our exposure to covered bonds also helped. Performance within our money market exposure was positive. We generally had a bias towards extending maturities to take advantage of attractive yields on offer, and also benefited from the general fall in yields later in the period. Covered bonds still account for the majority of non-money market exposure. These were helpful for returns over period as these pay a premium over SONIA, while the high level of yield in the portfolio also helped produce strong returns.

Manager's Investment Report (continued)

Portfolio commentary – continued

Given the volatility in longer rates and the relatively muted issuance, we have focused on short-dated treasury bills and CDs, preferring to add names with modest yield premium to SONIA but also strong credit, ESG and governance characteristics, rather than chase yield at the expense of quality. However, later in the period, with rate expectations swinging between overly positive to overly negative, we looked for opportunistic purchases of longer paper – typically in the one-year area, through names such as DNB, HSBC and Toronto-Dominion Bank.

Within covered exposure, earlier in the period we were happy to take profits on a number of holdings close to maturity where the additional yield available had fallen, including Toronto-Dominion, Bank of Nova Scotia and National Australia Bank, but adding new issues of covered bonds where these had an attractive premium over SONIA, with examples including three-year Toronto-Dominion and Federation des Caisses Desjardins (CCDJ), as well as five-year bonds from Leeds Building Society and TSB.

Investment outlook

As we enter the final months of 2024, the market focus has moved from when markets will first cut interest rates, to the scale and timetable of those cuts. As we saw at the start of 2024, markets have generally been overly aggressive in their expectations. We have generally been more cautious. Our caution reflects that while headline inflation may have come down, service and wage inflation are still generally at levels that are not normally consistent with significant rate cuts. After a decade that includes a world-wide pandemic, a European land war, and the election of a TV reality star as US president, perhaps there is no 'normal' to fall back on, but we are certainly more cautious about the rate outlook.

In general, we have been cautious during the past few months on both maturity and credit risk – in essence having a bias towards shorter dated, higher quality securities. We remain comfortable with this approach, given our view that credit risk within the very short-dated space is not particularly well rewarded, and are therefore to have higher than normal exposure to areas such as treasury bills or gilts.

Craig Inches and Tony Cole
Fund Managers
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the authors' own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23** (p)	31/10/22 (p)
Opening net asset value per share	–	101.32	102.08
Return before operating charges*	–	0.06	0.35
Operating charges	–	–	(0.26)
Return after operating charges*	–	0.06	0.09
Distributions on income shares	–	–	(0.85)
Cancellation price		(101.38)	–
Closing net asset value per share	–	–	101.32
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	–	0.06%	0.09%
Other information			
Closing net asset value (£'000)	–	–	24,723
Closing number of shares	–	–	24,400,759
Operating charges	–	–	0.25%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	–	101.38	102.20
Lowest share price	–	101.38	101.55

** Class M Income merged into Class Y Income on 1 November 2022.

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	107.94	102.78	102.47
Return before operating charges*	6.37	5.19	0.34
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	6.34	5.16	0.31
Distributions on accumulation shares	(6.11)	(4.73)	(1.08)
Retained distributions on accumulation shares	6.11	4.73	1.08
Closing net asset value per share	114.28	107.94	102.78
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.87%	5.02%	0.30%
Other information			
Closing net asset value (£'000)	2,469,568	2,601,064	4,087,179
Closing number of shares	2,160,955,826	2,409,722,180	3,976,479,397
Operating charges	0.04%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	114.30	107.98	102.82
Lowest share price	107.99	102.83	102.27

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	107.05	101.94	101.62
Return before operating charges*	6.32	5.14	0.35
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	6.29	5.11	0.32
Distributions on accumulation shares	(6.06)	(4.69)	(1.07)
Retained distributions on accumulation shares	6.06	4.69	1.07
Closing net asset value per share	113.34	107.05	101.94
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.88%	5.01%	0.31%
Other information			
Closing net asset value (£'000)	167,980	159,678	88,634
Closing number of shares	148,210,987	149,162,407	86,950,845
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	113.36	107.09	101.98
Lowest share price	107.10	101.98	101.42

Class S Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	99.96	99.54	100.29
Return before operating charges*	5.78	4.96	0.33
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	5.75	4.93	0.30
Distributions on income shares	(5.54)	(4.51)	(1.05)
Closing net asset value per share	100.17	99.96	99.54
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.75%	4.95%	0.30%
Other information			
Closing net asset value (£'000)	16,264	51,767	46,941
Closing number of shares	16,235,444	51,789,519	47,157,144
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	101.59	101.68	100.43
Lowest share price	100.13	99.58	99.79

Comparative Tables (continued)

Class X Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23** (p)
Opening net asset value per share	103.04	100.00
Return before operating charges*	6.08	3.10
Operating charges	(0.12)	(0.06)
Return after operating charges*	5.96	3.04
Distributions on accumulation shares	(5.74)	(3.14)
Retained distributions on accumulation shares	5.74	3.14
Closing net asset value per share	109.00	103.04
* after direct transaction costs of:	–	–
Performance		
Return after charges	5.78%	3.04%
Other information		
Closing net asset value (£'000)	193,022	111,325
Closing number of shares	177,081,626	108,042,168
Operating charges	0.11%	0.11%
Direct transaction costs	–	–
Prices[^]		
Highest share price	109.02	103.08
Lowest share price	103.09	100.00

** Class X Accumulation launched on 31 March 2023.

Class X Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	99.90	99.53	100.27
Return before operating charges*	5.83	4.91	0.34
Operating charges	(0.11)	(0.11)	(0.11)
Return after operating charges*	5.72	4.80	0.23
Distributions on income shares	(5.46)	(4.43)	(0.97)
Closing net asset value per share	100.16	99.90	99.53
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.73%	4.82%	0.23%
Other information			
Closing net asset value (£'000)	122,313	91,948	84,066
Closing number of shares	122,118,851	92,036,621	84,466,293
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	101.56	101.61	100.40
Lowest share price	100.07	99.57	99.77

Class Y Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	109.88	104.76	104.56
Return before operating charges*	6.50	5.28	0.36
Operating charges	(0.17)	(0.16)	(0.16)
Return after operating charges*	6.33	5.12	0.20
Distributions on accumulation shares	(6.08)	(4.69)	(0.98)
Retained distributions on accumulation shares	6.08	4.69	0.98
Closing net asset value per share	116.21	109.88	104.76
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.76%	4.89%	0.19%
Other information			
Closing net asset value (£'000)	545,283	560,749	693,117
Closing number of shares	469,218,892	510,313,445	661,627,135
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	116.23	109.92	104.80
Lowest share price	109.94	104.80	104.31

Class Y Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	100.04	99.62	100.37
Return before operating charges*	5.78	4.96	0.34
Operating charges	(0.15)	(0.15)	(0.15)
Return after operating charges*	5.63	4.81	0.19
Distributions on income shares	(5.42)	(4.39)	(0.94)
Closing net asset value per share	100.25	100.04	99.62
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.63%	4.83%	0.19%
Other information			
Closing net asset value (£'000)	421,255	487,995	371,236
Closing number of shares	420,186,383	487,814,458	372,642,584
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	101.64	101.73	100.49
Lowest share price	100.21	99.66	99.86

Comparative Tables (continued)

Class Z Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23** (p)	31/10/22 (p)
Opening net asset value per share	–	108.72	108.39
Return before operating charges*	–	2.50	0.36
Operating charges	–	(0.02)	(0.03)
Return after operating charges*	–	2.48	0.33
Distributions on accumulation shares	–	(1.84)	(1.14)
Retained distributions on accumulation shares	–	1.84	1.14
Cancellation price	–	(111.20)	–
Closing net asset value per share	–	–	108.72
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	–	2.28%	0.30%
Other information			
Closing net asset value (£'000)	–	–	88
Closing number of shares	–	–	80,845
Operating charges	–	–	0.03%
Direct transaction costs	–	–	–
Prices*			
Highest share price	–	111.20	108.76
Lowest share price	–	108.77	108.18

** Class Z Accumulation closed on 2 May 2023.

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	100.68	100.26	101.01
Return before operating charges*	5.83	4.99	0.34
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	5.80	4.96	0.31
Distributions on income shares	(5.58)	(4.54)	(1.06)
Closing net asset value per share	100.90	100.68	100.26
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	5.76%	4.95%	0.31%
Other information			
Closing net asset value (£'000)	3,003	2,997	2,985
Closing number of shares	2,976,891	2,976,891	2,976,891
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices*			
Highest share price	102.33	102.42	101.15
Lowest share price	100.85	100.30	100.51

^ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Certificates of Deposit – 35.62% (31/10/23 – 43.87%)			
£125,000,000	Australia and New Zealand 0% 1/5/2025	122,062	3.10
£50,000,000	Citibank 5.3% 7/11/2024	50,003	1.27
£10,000,000	Commonwealth Bank of Australia 30/9/2025	10,000	0.25
£20,000,000	Cooperatieve Rabobank 4/11/2024	20,000	0.51
£20,000,000	Cooperatieve Rabobank 4.77% 24/3/2025	19,999	0.51
£50,000,000	Cooperatieve Rabobank 5.17% 2/1/2025	50,021	1.27
£50,000,000	Cooperatieve Rabobank 5.26% 23/6/2025	50,133	1.27
£10,000,000	Credit Agricole 5.245% 24/2/2025	10,007	0.25
£50,000,000	Credit Industrial et Commercial 5.32% 10/2/2025	50,037	1.27
£5,000,000	Credit Industrial et Commercial 5.37% 14/2/2025	5,005	0.13
£86,000,000	DNB Bank 4.77% 19/8/2025	86,001	2.18
£50,000,000	DNB Bank 5.50% 22/11/2024	50,015	1.27
£100,000,000	DZ Bank 5.26% 8/11/2024	100,007	2.54
£50,000,000	HSBC Bank 13/5/2025	50,016	1.27
£40,000,000	HSBC Bank 4/8/2025	40,012	1.02
£65,000,000	ING Bank 0% 17/2/2025	64,066	1.63
£25,000,000	ING Bank 0% 21/2/2025	24,628	0.63
£50,000,000	ING Bank 0% 23/5/2025	48,697	1.24
£57,000,000	National Australia Bank 5.2% 23/5/2025	57,092	1.45
£30,000,000	National Australia Bank 5.28% 13/1/2025	30,022	0.76
£65,000,000	National Bank of Abu Dhabi 5.80% 8/11/2024	65,012	1.65
£40,000,000	National Bank of Canada 5.36% 6/6/2025	40,128	1.02
£50,000,000	National Westminster Bank 0% 19/3/2025	49,118	1.25
£50,000,000	National Westminster Bank 5.28% 20/1/2025	50,035	1.27
£25,000,000	Natixis 4.94% 24/1/2025	25,004	0.63
£12,500,000	NatWest Markets 0% 27/3/2025	12,266	0.31
£25,000,000	NatWest Markets 0% 8/5/2025	24,405	0.62
£2,500,000	Nordea Bank 0% 22/11/2024	2,493	0.06
£60,000,000	Nordea Bank 5.27% 24/2/2025	60,065	1.52
£20,000,000	Nordea Bank 5.315% 18/2/2025	20,028	0.51
£2,500,000	Nordea Bank Abp 4.825% 3/4/2025	2,501	0.06
£40,000,000	Nordea Bank Abp 4.835% 1/4/2025	39,986	1.02
£40,000,000	Toronto-Dominion Bank 0% 6/5/2025	39,033	0.99
£10,000,000	Toronto-Dominion Bank 5.15% 21/7/2025	10,019	0.25
£25,000,000	Toronto-Dominion Bank 5.3% 29/4/2025	25,039	0.64
Total Certificates of Deposit		1,402,955	35.62
Commercial Papers – 6.13% (31/10/23 – 1.42%)			
£1,000,000	Australia and New Zealand Banking Group 0% 3/2/2025	988	0.02
£1,000,000	Australia and New Zealand Banking Group 0% 28/2/2025	984	0.02
£9,000,000	Australia and New Zealand Banking Group 0% 3/6/2025	8,751	0.22
£5,500,000	DZ Bank 0% 29/1/2025	5,436	0.14
£25,000,000	Macquarie Bank 0% 12/2/2025	24,654	0.63
£1,000,000	Macquarie Bank 0% 19/3/2025	982	0.02
£75,000,000	Macquarie Bank 0% 10/6/2025	72,861	1.85
£25,000,000	Macquarie Bank 0% 3/11/2025	23,865	0.61
£5,000,000	Skandinaviska Enskilda Banken 0% 25/11/2024	4,984	0.13
£45,000,000	Swedbank 0% 4/11/2024	44,976	1.14
£45,000,000	Swedbank 0% 8/10/2025	43,138	1.10
£10,000,000	Westpac Banking Corporation 19/2/2025	9,857	0.25
Total Commercial Papers		241,476	6.13
Corporate Bonds – 56.01% (31/10/23 – 54.39%)			
£112,800,000	Aareal Bank FRN 29/4/2025	112,982	2.87
£75,000,000	Bank of Montreal FRN 9/6/2025	75,214	1.91
£95,000,000	Bank of Montreal FRN 15/9/2026	95,948	2.44
£47,500,000	Bank of Nova Scotia FRN 9/11/2024	47,504	1.21
£103,917,000	Bank of Nova Scotia FRN 22/6/2026	104,868	2.66
£5,000,000	Banque Fédérative du Crédit Mutuel FRN 26/1/2025	5,001	0.13
£90,323,000	Canadian Imperial Bank of Commerce FRN 23/6/2026	91,160	2.31
£74,182,000	Canadian Imperial Bank of Commerce FRN 10/10/2029	74,184	1.88
£35,070,000	Clydesdale Bank FRN 22/3/2026	35,193	0.89

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£45,455,000	Commonwealth Bank of Australia FRN 17/10/2027	45,480	1.15
£26,500,000	CPPIB Capital FRN 15/6/2026	26,879	0.68
£105,485,000	DBS Bank FRN 17/11/2025	106,177	2.70
£40,385,000	DBS Bank FRN 17/11/2026	40,547	1.03
£33,537,000	DBS Bank FRN 14/5/2027	33,595	0.85
£56,500,000	Federation des Caisses Desjardins FRN 30/11/2026	56,692	1.44
£94,101,000	Federation des Caisses Desjardins FRN 12/10/2028	94,283	2.39
£54,750,000	Leeds Building Society FRN 15/9/2026	54,954	1.40
£37,941,000	Leeds Building Society FRN 4/4/2029	37,983	0.96
£3,000,000	Lloyds Bank FRN 6/11/2026	3,009	0.08
£81,967,000	National Australia Bank FRN 17/6/2026	82,208	2.09
£104,270,000	National Bank of Canada FRN 5/5/2026	105,141	2.67
£13,129,000	Nationwide Building Society FRN 20/4/2026	13,179	0.33
£12,500,000	OP Corporate Bank FRN 18/11/2025	12,570	0.32
£87,300,000	Royal Bank of Canada FRN 13/7/2026	88,117	2.24
£10,000,000	Royal Bank of Canada FRN 22/10/2026	10,107	0.26
£30,000,000	Royal Bank of Canada FRN 18/3/2027	30,086	0.76
£50,000,000	Royal Bank of Canada FRN 18/1/2028	50,282	1.28
£52,174,000	Santander UK PLC FRN 12/07/2027	52,333	1.33
£17,187,000	Skipton Building Society FRN 22/10/2028	17,267	0.44
£109,615,000	Toronto-Dominion Bank FRN 18/1/2027	110,060	2.79
£138,329,000	TSB Bank FRN 14/2/2027	138,794	3.52
£22,779,000	TSB Bank FRN 11/9/2029	22,789	0.58
£20,634,000	UK Municipal Bonds Agency Finance FRN 12/3/2025	20,624	0.52
£161,669,000	United Overseas Bank FRN 21/9/2026	163,278	4.15
£12,455,000	United Overseas Bank FRN 13/9/2027	12,463	0.32
£22,300,000	Westpac Banking Corporation FRN 16/3/2026	22,475	0.57
£105,498,000	Westpac Banking Corporation FRN 3/7/2028	105,599	2.68
£6,989,000	Yorkshire Building Society FRN 24/5/2029	6,988	0.18
Total Corporate Bonds		2,206,013	56.01
Government Bonds – 1.43% (31/10/23 – 0.80%)			
£22,000,000	UK Treasury Bill 0% 11/11/2024	21,962	0.56
£10,000,000	UK Treasury Bill 0% 3/2/2025	9,876	0.25
£25,000,000	UK Treasury Bill 0% 17/2/2025	24,647	0.62
Total Government Bonds		56,485	1.43
Total value of investments		3,906,929	99.19
Net other assets		31,759	0.81
Total net assets		3,938,688	100.00

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

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
Australia and New Zealand 0% 1/5/2025	118,692
Toronto-Dominion Bank FRN 18/1/2027	109,640
Westpac Banking Corporation FRN 3/7/2028	105,513
BNP Paribas 5.38% 15/7/2024	100,000
DZ Bank 5.26% 8/11/2024	100,000
Federation des Caisses Desjardins FRN 12/10/2028	94,173
Credit Agricole 5.33% 17/6/2024	90,000
DNB Bank 4.77% 19/8/2025	86,000
Canadian Imperial Bank of Commerce FRN 10/10/2029	74,182
Macquarie Bank 0% 10/6/2025	71,191
Subtotal	949,391
Total cost of purchases, including the above, for the year	2,845,494

Significant Sales

	Proceeds £'000
Deutsche Pfandbriefbank FRN 26/4/2024	132,700
National Stock Exchange 5.32% 17/5/2024	100,000
Lloyds Bank Corporate Markets SONIA 14/8/2024	100,000
BNP Paribas 5.38% 15/7/2024	99,999
Toronto-Dominion Bank 5.18% 15/4/2024	99,897
Credit Agricole 5.33% 17/6/2024	90,000
Santander UK FRN 12/3/2026	80,015
Cooperative Rabobank 4.83% 1/11/2023	75,000
ING Bank 0.00% 3/5/2024	75,000
DNB Bank 6.16% 8/8/2024	75,000
Subtotal	927,611
Total proceeds from sales, including the above, for the year	3,056,759

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	8,717	22,465
Revenue	3	219,821	202,258
Expenses	4	(2,598)	(2,849)
Interest payable and similar charges		(8)	(18)
Net revenue before taxation		217,215	199,391
Taxation	5	–	–
Net revenue after taxation		217,215	199,391
Total return before distributions		225,932	221,856
Distributions	6	(217,215)	(199,394)
Change in net assets attributable to shareholders from investment activities		8,717	22,462

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		3,906,929	4,086,890
Current assets:			
Debtors	7	42,639	48,180
Cash and bank balances	8	21,450	2,018
Total assets		3,971,018	4,137,088
Liabilities			
Creditors:			
Other creditors	10	24,945	59,005
Distribution payable		7,385	10,560
Total liabilities		32,330	69,565
Net assets attributable to shareholders		3,938,688	4,067,523

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	4,067,523	5,398,969
Amounts receivable on creation of shares	602,017	1,176,363
Amounts payable on cancellation of shares	(924,296)	(2,693,604)
	(322,279)	(1,517,241)
Dilution adjustment charged	64	852
Change in net assets attributable to shareholders from investment activities	8,717	22,462
Retained distribution on accumulation shares	184,663	162,481
Closing net assets attributable to shareholders	3,938,688	4,067,523

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	8,717	22,465
Net capital gains	8,717	22,465

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	216,837	199,121
Bank interest	82	74
Deposit interest	2,889	3,023
Stock lending income	13	40
Total revenue	219,821	202,258

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	2,598	2,849
Total expenses	2,598	2,849

* Audit fee £15,702 (31/10/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	217,215	199,391
Corporation tax at 20% (31/10/23: 20%)	43,443	39,878
Effects of:		
Tax deductible interest distributions	(43,443)	(39,878)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/ (losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset in relation to surplus management expenses (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
First Interim	44,097	34,174
Second Interim	47,455	32,580
Third Interim	48,705	38,862
Final	44,406	56,865
	184,663	162,481
Income shares		
First Interim	7,444	3,833
Second Interim	8,103	5,843
Third Interim	8,105	7,827
Final	7,385	10,560
	31,037	28,063
Net distributions for the year	215,700	190,544
Add: Amounts deducted on cancellation of shares	6,622	15,292
Deduct: Amounts received on the creation of shares	(5,107)	(6,442)
Net distributions for the year	217,215	199,394

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	217,215	199,391
Movement in income carried forward	–	3
Net distributions for the year	217,215	199,394

Details of the distribution per share are set out on pages 123 to 126.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	926	–
Accrued revenue	41,713	48,180
Total debtors	42,639	48,180

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	21,450	2,018
Total cash and bank balances	21,450	2,018

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	849	10,776
Purchases awaiting settlement	23,865	48,000
Accrued expenses	231	229
Total other creditors	24,945	59,005

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

10. Reconciliation of number of shares

	Class R Accumulation
Opening shares at 01/11/23	2,409,722,180
Shares issued	84,828,022
Shares cancelled	(333,594,376)
Shares converted	–
Closing shares at 31/10/24	2,160,955,826

	Class S Accumulation	Class S Income
Opening shares at 01/11/23	149,162,407	51,789,519
Shares issued	17,636,465	3,358,895
Shares cancelled	(18,587,885)	(38,912,970)
Shares converted	–	–
Closing shares at 31/10/24	148,210,987	16,235,444

	Class X Accumulation	Class X Income
Opening shares at 01/11/23	108,042,168	92,036,621
Shares issued	86,797,418	66,476,530
Shares cancelled	(17,757,960)	(36,383,802)
Shares converted	–	(10,498)
Closing shares at 31/10/24	177,081,626	122,118,851

	Class Y Accumulation	Class Y Income
Opening shares at 01/11/23	510,313,445	487,814,458
Shares issued	170,844,189	135,563,348
Shares cancelled	(211,938,742)	(203,201,912)
Shares converted	–	10,489
Closing shares at 31/10/24	469,218,892	420,186,383

	Class Z Income
Opening shares at 01/11/23	2,976,891
Shares issued	–
Shares cancelled	–
Shares converted	–
Closing shares at 31/10/24	2,976,891

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £154,000 (31/10/23: £11,005,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 57.16% (31/10/23: 56.87%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £3,000 (Gross: £17,000) (31/10/23: £10,000 (Gross: £50,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £99,26,000 (31/10/23: £5,013,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024 Collateral Held £'000	31 Oct 2023 Collateral Held £'000
Bonds	11,011	4,065
Cash	–	1,317

The aggregate value of collateral held at the balance sheet date was £11,011,000 (31/10/23: £5,382,000).

Collateral may be in the form of cash, UK gilts, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Barclays Bank, BNP Paribas London, JP Morgan Securities, Merrill Lynch International, Morgan Stanley & Co International and RBC Europe Limited.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

14. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 117. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As all of the assets of the Fund are sterling denominated, there is no exposure to foreign currency.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £390,693,000 (31/10/23: £408,689,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £390,693,000 (31/10/23: £408,689,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	2,207,438	1,422,982	340,598	3,971,018
Total	2,207,438	1,422,982	340,598	3,971,018
31 Oct 2023*				
Sterling	2,206,028	1,792,551	138,509	4,137,088
Total	2,206,028	1,792,551	138,509	4,137,088

* PY figures restated.

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	32,330	32,330
Total	–	32,330	32,330
31 Oct 2023			
Sterling	–	69,565	69,565
Total	–	69,565	69,565

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £65,857,000 (31/10/23: £65,778,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £21,952,000 (31/10/23: £21,926,000).

A change of 3% in the prevailing interest rates would result in a change of nil (31/10/23: nil) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of nil (31/10/23: nil) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		30 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	2,214,994	56.23	2,196,685	54.01
Unrated bonds	47,504	1.21	47,984	1.18
Total bonds	2,262,498	57.44	2,244,669	55.19
Certificates of deposit	1,402,955	35.62	1,784,392	43.87
Commercial paper	241,476	6.13	57,829	1.42
Investments as shown in the balance sheet	3,906,929	99.19	4,086,890	100.48

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Portfolio transaction costs

	31 Oct 2024 £'000	31 Oct 2023 £'000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	2,845,494	4,365,879
Total sales	3,056,759	5,529,714

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.04% (31/10/23: 0.07%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	2,262,498	–	2,262,498
Certificates of deposit	–	1,402,955	–	1,402,955
Commercial paper	–	241,476	–	241,476
Total	–	3,906,929	–	3,906,929

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	2,244,669	–	2,244,669
Certificates of deposit	–	1,784,392	–	1,784,392
Commercial paper	–	57,829	–	57,829
Total	–	4,086,890	–	4,086,890

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
Class R Accumulation				
Group 1	1.4277	–	1.4277	0.7703
Group 2	0.4093	1.0184	1.4277	0.7703
Class S Accumulation				
Group 1	1.4159	–	1.4159	0.7640
Group 2	1.4159	0.0000	1.4159	0.7640
Class S Income				
Group 1	1.3229	–	1.3229	0.7460
Group 2	0.4129	0.9100	1.3229	0.7460
Class X Accumulation*				
Group 1	1.3418	–	1.3418	–
Group 2	0.6103	0.7315	1.3418	–
Class X Income				
Group 1	1.3017	–	1.3017	0.7256
Group 2	0.5911	0.7106	1.3017	0.7256
Class Y Accumulation				
Group 1	1.4198	–	1.4198	0.7531
Group 2	0.5456	0.8742	1.4198	0.7531
Class Y Income				
Group 1	1.2932	–	1.2932	0.7162
Group 2	0.8016	0.4916	1.2932	0.7162
Class Z Accumulation**				
Group 1	–	–	–	0.8150
Group 2	–	–	–	0.8150
Class Z Income				
Group 1	1.3324	–	1.3324	0.7514
Group 2	1.3324	0.0000	1.3324	0.7514

* Class X Accumulation launched on 31 March 2023.

** Class Z Accumulation closed on 2 May 2023.

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Second Interim**

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class R Accumulation				
Group 1	1.5598	–	1.5598	0.9718
Group 2	0.3720	1.1878	1.5598	0.9718
Class S Accumulation				
Group 1	1.5471	–	1.5471	0.9638
Group 2	1.5471	0.0000	1.5471	0.9638
Class S Income				
Group 1	1.4257	–	1.4257	0.9342
Group 2	1.4257	0.0000	1.4257	0.9342
Class X Accumulation				
Group 1	1.4679	–	1.4679	0.3253
Group 2	0.5589	0.9090	1.4679	0.3253
Class X Income				
Group 1	1.4050	–	1.4050	0.9146
Group 2	0.2274	1.1776	1.4050	0.9146
Class Y Accumulation				
Group 1	1.5543	–	1.5543	0.9589
Group 2	0.5889	0.9654	1.5543	0.9589
Class Y Income				
Group 1	1.3968	–	1.3968	0.9054
Group 2	0.8152	0.5816	1.3968	0.9054
Class Z Accumulation*				
Group 1	–	–	–	1.0281
Group 2	–	–	–	1.0281
Class Z Income				
Group 1	1.4360	–	1.4360	0.9409
Group 2	1.4360	0.0000	1.4360	0.9409

* Class Z Accumulation closed on 2 May 2023.

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Third Interim**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 July 2024

	Net income	Equalisation	Distribution paid 30/09/24	Distribution paid 29/09/23
Class R Accumulation				
Group 1	1.6101	–	1.6101	1.1964
Group 2	0.6691	0.9410	1.6101	1.1964
Class S Accumulation				
Group 1	1.5967	–	1.5967	1.1866
Group 2	0.5902	1.0065	1.5967	1.1866
Class S Income				
Group 1	1.4509	–	1.4509	1.1391
Group 2	1.4509	0.0000	1.4509	1.1391
Class X Accumulation				
Group 1	1.5148	–	1.5148	1.1207
Group 2	0.6840	0.8308	1.5148	1.1207
Class X Income				
Group 1	1.4301	–	1.4301	1.1182
Group 2	0.7414	0.6887	1.4301	1.1182
Class Y Accumulation				
Group 1	1.6036	–	1.6036	1.1858
Group 2	0.5636	1.0400	1.6036	1.1858
Class Y Income				
Group 1	1.4214	–	1.4214	1.1096
Group 2	0.6728	0.7486	1.4214	1.1096
Class Z Income				
Group 1	1.4613	–	1.4613	1.1475
Group 2	1.4613	0.0000	1.4613	1.1475

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 August 2024

Group 2: Shares purchased between 1 August 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class R Accumulation				
Group 1	1.5099	–	1.5099	1.7942
Group 2	0.8807	0.6292	1.5099	1.7942
Class S Accumulation				
Group 1	1.4980	–	1.4980	1.7793
Group 2	0.2459	1.2521	1.4980	1.7793
Class S Income				
Group 1	1.3415	–	1.3415	1.6896
Group 2	1.3415	0.0000	1.3415	1.6896
Class X Accumulation				
Group 1	1.4191	–	1.4191	1.6923
Group 2	0.6709	0.7482	1.4191	1.6923
Class X Income				
Group 1	1.3211	–	1.3211	1.6681
Group 2	0.3631	0.9580	1.3211	1.6681
Class Y Accumulation				
Group 1	1.5013	–	1.5013	1.7924
Group 2	0.8017	0.6996	1.5013	1.7924
Class Y Income				
Group 1	1.3122	–	1.3122	1.6602
Group 2	0.4866	0.8256	1.3122	1.6602
Class Z Income				
Group 1	1.3514	–	1.3514	1.7017
Group 2	1.3514	0.0000	1.3514	1.7017

Royal London International Government Bond Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London International Government Bond Fund, Class M Income	7.91	-3.32	-1.08
Royal London International Government Bond Fund, Class R Accumulation	8.13	-2.59	0.18
Royal London International Government Bond Fund, Class S Income	8.18	-2.61	0.13
JP Morgan Global Bond Index ex UK Traded TR GBP Hedged*	7.82	-6.06	-4.43
IA Global Government Bond Total Return (TR)	3.23	-7.79	-9.94

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund was in line with its benchmark during the period under review but was well ahead of peers. For the longer three-year and five-year periods, the Fund outperformed both the benchmark and peers.

Market overview

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Government bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in the expectation that interest rates would be cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period broadly where they started.

Portfolio commentary

We have seen the majority of government bond markets rally strongly over the latter parts of the period under review, as economic data began to soften and numerous central banks embarked on easing programs.

As a result, our duration (interest rate) stance has been a positive contributor to performance but some of this has been given back as markets continued to price further policy easing measures by the major central banks. The exceptions to this being the Bank of Japan (where further policy tightening is the most likely next move) and the Australian central bank, where future policy path is less clear, given the mixed picture of incoming inflation and employment data.

July proved to be somewhat of a turning point for markets, as US data (in particular in relation to prices) saw some signs of softening, with official numbers coming in below market consensus expectations. This saw the market re-assess the future policy path of the Fed, believing that they would need to begin easing to stave off any recessionary threat.

Our curve exposure, a preference for shorter dated bonds over longer dated equivalents, proved to be a positive contributor to performance in the final months of the period, with the positive contributions from US and European curve positioning offsetting the flattening exposure (which would be positive if longer-dated outperformed short dated) in Japan.

Manager's Investment Report (continued)

Investment outlook

We feel that the market may have got a little ahead of itself as regards the pace of additional easing, and a number of markets now look on the rich side of fair value. We are still seeing large moves post any data surprises and volatility remains elevated. To reflect this, we have taken the Fund to a broadly duration neutral stance overall and trimmed curve exposures. Against this, we added to inflation exposure going into a period which promises more central bank action, heightened geopolitical risk and a potentially market moving US election.

Shallow recessions are possible but are unlikely to be deep enough at this stage to ease the excessive tightness seen in labour markets. Central banks are likely to continue on current rate cutting cycles, but with yields below base rates in all markets, this is well priced.

Gareth Hill
Fund Manager
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	97.92	100.89	114.09
Return before operating charges*	8.38	(0.14)	(11.42)
Operating charges	(0.31)	(0.31)	(0.32)
Return after operating charges*	8.07	(0.45)	(11.74)
Distributions on income shares	(3.09)	(2.52)	(1.46)
Closing net asset value per share	102.90	97.92	100.89
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.24%	(0.45)%	(10.29)%
Other information			
Closing net asset value (£'000)	813,614	541,985	432,799
Closing number of shares	790,689,333	553,484,836	429,000,030
Operating charges	0.30%	0.30%	0.30%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	106.80	105.00	115.50
Lowest share price	97.90	98.78	100.40

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	100.44	100.67	111.96
Return before operating charges*	8.65	(0.18)	(11.24)
Operating charges	(0.06)	(0.05)	(0.05)
Return after operating charges*	8.59	(0.23)	(11.29)
Distributions on accumulation shares	(3.20)	(2.53)	(1.44)
Retained distributions on accumulation shares	3.20	2.53	1.44
Closing net asset value per share	109.03	100.44	100.67
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.55%	(0.23)%	(10.08)%
Other information			
Closing net asset value (£'000)	411,094	362,199	284,511
Closing number of shares	377,044,698	360,612,811	282,622,599
Operating charges	0.09% [#]	0.05%	0.05%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	111.40	104.90	113.40
Lowest share price	100.40	99.89	99.31

[#] The FMF was increased from 0.05% to 0.09% on 30 September 2024.

Class S Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	90.93	93.46	105.43
Return before operating charges*	7.77	(0.13)	(10.56)
Operating charges	(0.06)	(0.06)	(0.06)
Return after operating charges*	7.71	(0.19)	(10.62)
Distributions on income shares	(2.87)	(2.34)	(1.35)
Closing net asset value per share	95.77	90.93	93.46
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.48%	(0.20)%	(10.07)%
Other information			
Closing net asset value (£'000)	5	5	5
Closing number of shares	5,000	5,000	5,000
Operating charges	0.05%	0.05%	0.05%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	99.42	97.37	106.80
Lowest share price	90.91	91.72	92.99

Class X Accumulation

Change in net assets per share	31/10/24** (p)
Opening net asset value per share	100.00
Return before operating charges*	(1.81)
Operating charges	(0.02)
Return after operating charges*	(1.83)
Distributions on accumulation shares	(0.26)
Retained distributions on accumulation shares	0.26
Closing net asset value per share	98.17
* after direct transaction costs of:	–
Performance	
Return after charges	(1.83)%
Other information	
Closing net asset value (£'000)	5
Closing number of shares	5,000
Operating charges	0.20%
Direct transaction costs	–
Prices[^]	
Highest share price	99.79
Lowest share price	98.18

** Class X Accumulation launched on 2 October 2024.

Comparative Tables (continued)

Class X Income

	31/10/24** (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges*	(1.81)
Operating charges	(0.02)
Return after operating charges*	(1.83)
Distributions on income shares	(0.26)
Closing net asset value per share	97.91
* after direct transaction costs of:	–
Performance	
Return after charges	(1.83)%
Other information	
Closing net asset value (£'000)	5
Closing number of shares	5,000
Operating charges	0.20%
Direct transaction costs	–
Prices^	
Highest share price	99.79
Lowest share price	98.18

** Class X Income launched on 2 October 2024.

^ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Government Bonds – 93.89% (31/10/23 – 94.27%)							
€17,556,280	Federal Republic of Germany 0% 15/8/2031	12,753	1.04	€12,934,000	Government of Spain 0.6% 31/10/2029	9,874	0.81
€2,094,905	Federal Republic of Germany 0% 15/8/2050	917	0.07	€8,146,000	Government of Spain 1% 31/10/2050	3,891	0.32
€10,366,000	Federal Republic of Germany 0% 15/8/2052	4,316	0.35	€15,056,000	Government of Spain 1.45% 30/4/2029	12,078	0.99
€2,264,886	Federal Republic of Germany 0.25% 15/2/2029	1,765	0.14	€7,634,000	Government of Spain 1.50% 30/4/2027	6,291	0.51
€7,961,411	Federal Republic of Germany 0.5% 15/2/2028	6,377	0.52	€8,350,000	Government of Spain 1.95% 30/7/2030	6,763	0.55
€3,906,021	Federal Republic of Germany 1% 15/5/2038	2,712	0.22	€891,000	Government of Spain 2.9% 31/10/2046	676	0.06
€7,499,147	Federal Republic of Germany 1.3% 15/10/2027	6,175	0.50	€12,497,000	Government of Spain 3.45% 31/10/2034	10,860	0.89
€6,267,696	Federal Republic of Germany 2.5% 15/8/2054	5,173	0.42	€13,637,000	Government of Spain 3.55% 31/10/2033	11,984	0.98
€4,567,000	Federal Republic of Germany 2.6% 15/5/2041	3,839	0.31	€5,636,000	Government of Spain 4.7% 30/7/2041	5,495	0.45
€2,000	Federal Republic of Germany 4.75% 4/7/2040	2	–	SEK7,225,000	Government of Sweden 1% 12/11/2026	516	0.04
AUD10,336,000	Government of Australia 0.5% 21/9/2026	4,931	0.40	€19,306,000	Republic of Italy 1.45% 1/3/2036	12,974	1.06
AUD10,900,000	Government of Australia 1% 21/12/2030	4,590	0.37	€21,262,000	Republic of Italy 2.5% 1/12/2032	16,888	1.38
AUD43,467,000	Government of Australia 1.75% 21/6/2051	11,642	0.95	€9,553,000	Republic of Italy 3.15% 15/11/2031	7,981	0.65
AUD9,607,000	Government of Australia 3.75% 21/5/2034	4,616	0.38	€15,656,000	Republic of Italy 3.5% 15/2/2031	13,410	1.09
AUD14,666,000	Government of Australia 4.25% 21/6/2034	7,333	0.60	€7,033,000	Republic of Italy 4.05% 30/10/2037	6,104	0.50
AUD2,701,000	Government of Australia 4.75% 21/6/2054	1,329	0.11	€5,715,000	Republic of Italy 4.3% 1/10/2054	4,874	0.40
€1,268,000	Government of Belgium 0.4% 22/6/2040	697	0.06	€5,477,000	Republic of Italy 4.45% 1/9/2043	4,855	0.40
€108,000	Government of Belgium 1.9% 22/6/2038	78	0.01	€72,000	Republic of Italy 4.5% 1/10/2053	64	0.01
CAD7,833,000	Government of Canada 1.5% 1/6/2031	3,950	0.32	£24,700,000	UK Treasury 3.5% 22/10/2025	24,428	1.99
CAD11,306,000	Government of Canada 1.5% 1/12/2031	5,649	0.46	£19,668,000	UK Treasury 5% 7/3/2025	19,675	1.61
CAD2,898,000	Government of Canada 2.25% 1/6/2029	1,571	0.13	\$95,284,300	US Treasury 0.625% 30/11/2027	66,633	5.44
€12,940,328	Government of France 0.75% 25/5/2028	10,234	0.84	\$17,595,200	US Treasury 0.625% 15/5/2030	11,293	0.92
€1,021,000	Government of France 0.75% 25/5/2053	435	0.04	\$24,709,300	US Treasury 0.625% 15/8/2030	15,718	1.28
€2,091,000	Government of France 1% 25/5/2027	1,700	0.14	\$43,642,300	US Treasury 0.75% 31/3/2026	32,335	2.64
€6,721,991	Government of France 1.25% 25/5/2038	4,400	0.36	\$27,683,100	US Treasury 0.75% 30/4/2026	20,456	1.67
€7,286,192	Government of France 1.5% 25/5/2031	5,666	0.46	\$20,337,000	US Treasury 1.125% 15/2/2031	13,178	1.08
€3,576,989	Government of France 2.5% 25/5/2030	2,978	0.24	\$40,909,700	US Treasury 1.125% 15/5/2040	19,862	1.62
€8,134,167	Government of France 2.5% 25/5/2043	5,975	0.49	\$781,700	US Treasury 1.25% 15/8/2031	502	0.04
€8,862,732	Government of France 2.75% 25/2/2029	7,492	0.61	\$10,812,400	US Treasury 1.25% 15/5/2050	4,226	0.35
€10,146,000	Government of France 3% 25/11/2034	8,471	0.69	\$20,776,500	US Treasury 1.375% 31/10/2028	14,515	1.19
€2,651,491	Government of France 3% 25/6/2049	2,056	0.17	\$11,435,400	US Treasury 1.375% 15/11/2031	7,357	0.60
€1,518,501	Government of France 3.25% 25/5/2055	1,195	0.10	\$18,838,000	US Treasury 1.5% 15/2/2030	12,800	1.05
€6,491,000	Government of France 4% 25/4/2055	5,873	0.48	\$33,646,800	US Treasury 1.625% 30/9/2026	24,970	2.04
¥499,800,000	Government of Japan 0.005% 1/6/2025	2,549	0.21	\$30,539,600	US Treasury 1.75% 31/12/2026	22,592	1.84
¥2,102,800,000	Government of Japan 0.1% 20/6/2028	10,593	0.86	\$47,167,400	US Treasury 1.875% 15/2/2051	21,617	1.76
¥2,459,950,000	Government of Japan 0.1% 20/3/2029	12,323	1.01	\$19,871,900	US Treasury 2% 15/8/2025	15,172	1.24
¥3,868,950,000	Government of Japan 0.1% 20/3/2031	19,126	1.56	\$29,736,100	US Treasury 2.125% 15/5/2025	22,844	1.87
¥1,990,050,000	Government of Japan 0.4% 20/3/2025	10,172	0.83	\$39,610,000	US Treasury 2.25% 15/11/2024	30,780	2.51
¥1,530,350,000	Government of Japan 0.4% 20/3/2036	7,231	0.59	\$1,928,800	US Treasury 2.25% 15/11/2025	1,469	0.12
¥1,530,600,000	Government of Japan 0.4% 20/3/2039	6,808	0.56	\$2,458,700	US Treasury 2.25% 15/8/2046	1,288	0.11
¥1,285,500,000	Government of Japan 0.5% 20/12/2041	5,481	0.45	\$3,516,900	US Treasury 2.375% 15/5/2029	2,536	0.21
¥1,165,000,000	Government of Japan 0.6% 20/6/2050	4,213	0.34	\$21,717,200	US Treasury 2.75% 15/2/2028	16,168	1.32
¥3,966,650,000	Government of Japan 0.8% 20/3/2048	15,817	1.29	\$39,707,700	US Treasury 2.75% 31/5/2029	29,067	2.37
¥4,216,600,000	Government of Japan 1.2% 20/12/2034	22,029	1.80	\$41,386,700	US Treasury 2.875% 15/5/2032	29,359	2.40
¥95,900,000	Government of Japan 1.4% 20/3/2055	403	0.03	\$17,230,800	US Treasury 2.875% 15/5/2049	9,977	0.81
¥1,579,650,000	Government of Japan 1.8% 20/9/2030	8,629	0.70	\$21,013,900	US Treasury 3% 15/2/2049	12,471	1.02
¥4,614,150,000	Government of Japan 1.8% 20/3/2054	21,583	1.76	\$6,234,700	US Treasury 3.125% 15/11/2041	4,054	0.33
¥411,550,000	Government of Japan 1.9% 20/3/2029	2,225	0.18	\$19,018,000	US Treasury 3.125% 15/8/2044	11,916	0.97
¥981,800,000	Government of Japan 2.2% 20/3/2028	5,305	0.43	\$5,136,000	US Treasury 3.375% 15/5/2044	3,359	0.27
¥1,020,100,000	Government of Japan 2.2% 20/3/2031	5,727	0.47	\$8,419,100	US Treasury 3.375% 15/11/2048	5,357	0.44
¥1,123,550,000	Government of Japan 2.4% 20/3/2048	6,193	0.51	\$10,972,000	US Treasury 3.5% 15/2/2039	7,745	0.63
€8,837,497	Government of Netherlands 0% 15/7/2031	6,325	0.52	\$8,870,500	US Treasury 3.625% 15/8/2043	6,056	0.49
€2,900,752	Government of Netherlands 0.5% 15/1/2040	1,756	0.14	\$7,517,300	US Treasury 3.625% 15/2/2044	5,110	0.42
€3,004,000	Government of Netherlands 2% 15/1/2054	2,149	0.18	\$39,837,200	US Treasury 3.875% 31/3/2025	30,905	2.52
NOK84,506,000	Government of Norway 3.625% 13/4/2034	5,858	0.48	\$31,929,300	US Treasury 4% 29/2/2028	24,722	2.02
€9,747,000	Government of Spain 0% 31/1/2028	7,577	0.62	\$5,996,400	US Treasury 4% 15/11/2052	4,286	0.35
				\$55,914,500	US Treasury 4.125% 30/9/2027	43,498	3.55
				\$19,216,000	US Treasury 4.375% 15/5/2034	15,052	1.23
				\$9,231,000	US Treasury 4.375% 15/5/2041	7,105	0.58
				\$6,214,300	US Treasury 4.625% 15/2/2040	4,935	0.40
				Total Government Bonds		1,149,928	93.89
				Government Index-Linked Bonds – 7.40% (31/10/23 – 5.60%)			
				¥4,452,600,000	Government of Japan 0.1% IL 10/3/2026	25,612	2.09
				€29,928,000	Republic of Italy 1.4% IL 26/5/2025	25,286	2.06
				€19,320,000	Republic of Italy 1.6% IL 22/11/2028	16,052	1.31
				\$18,468,200	US Treasury 2.125% IL 15/4/2029	14,774	1.21
				\$11,243,900	US Treasury 2.125% IL 15/2/2054	8,876	0.73
				Total Government Index-Linked Bonds		90,600	7.40
				Supranational Bonds – 0.71% (31/10/23 – 0.69%)			
				€10,138,000	European Union 3.375% 4/11/2042	8,665	0.71
				Total Supranational Bonds		8,665	0.71

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Forward Currency Contracts – (1.67)% (31/10/23 – (0.62)%)			
	Buy AUD2,000,000 & Sell £1,013,173*	6	–
	Buy CAD15,920,000 & Sell £8,835,918*	62	–
	Buy €8,497,000 & Sell £7,095,445*	94	0.01
	Buy £36,628,082 & Sell AUD71,288,500*	290	0.02
	Buy £20,434,833 & Sell CAD36,782,000*	(123)	(0.01)
	Buy £315,401,017 & Sell €376,438,000*	(3,129)	(0.26)
	Buy £200,118,417 & Sell ¥37,945,070,000*	5,286	0.43
	Buy £5,988,203 & Sell NOK85,267,000*	(26)	–
	Buy £529,558 & Sell SEK7,174,000*	7	–
	Buy £654,115,700 & Sell \$870,548,000*	(23,083)	(1.88)
	Buy ¥297,370,000 & Sell £1,517,804*	9	–
	Buy \$19,000,000 & Sell £14,575,251*	205	0.02
Total Forward Currency Contracts		(20,402)	(1.67)
Futures – (0.10)% (31/10/23 – (0.06)%)			
	516 CBT US 5YR Note December 2024	(843)	(0.07)
	241 CBT US 10YR Note December 2024	(565)	(0.04)
	188 EUX EURO-BOBL Future December 2024	5	–
	(214) EUX EURO-BTP Future December 2024	250	0.02
	185 EUX EURO-Bund Future December 2024	(102)	(0.01)
	(38) EUX EURO-BUXL 30YR BND December 2024	(14)	–
Total Futures		(1,269)	(0.10)
Total value of investments**		1,227,522	100.23
Net other liabilities		(2,799)	(0.23)
Total net assets		1,224,723	100.00

* Unlisted

** Including investment liabilities

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

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
US Treasury 2.75% 31/5/2029	48,498
UK Treasury 0.25% 31/1/2025	46,856
UK Treasury 3.5% 22/10/2025	30,688
US Treasury 0.625% 30/11/2027	28,565
US Treasury 2.125% IL 15/4/2029	26,732
Government of Japan 1.8% 20/3/2054	24,183
Government of Australia 4.25% 21/6/2034	21,872
US Treasury 1.875% 15/2/2051	21,823
UK Treasury 5% 7/3/2025	20,156
Government of Japan 0.1% 20/3/2031	19,208
Subtotal	288,581
Total cost of purchases, including the above, for the year	1,078,468

Significant Sales

	Proceeds £'000
UK Treasury 0.25% 31/1/2025	47,272
US Treasury 2.75% 31/5/2029	36,220
Government of France 0% 25/11/2031	20,106
Republic of Italy 1.45% 15/11/2024	17,936
Government of Japan 0.4% 20/3/2025	17,296
Republic of Italy 0.95% 1/6/2032	17,168
US Treasury 1.625% 15/2/2026	15,976
Government of France 1.5% 25/5/2031	15,929
Government of Spain 3.25% 30/4/2034	14,829
Government of Canada 1.5% 1/6/2031	14,610
Subtotal	217,342
Total cost of purchases, including the above, for the year	734,193

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains/ (losses)	2	50,777	(28,024)
Revenue	3	32,222	21,051
Expenses	4	(2,237)	(1,674)
Interest payable and similar charges		(10)	(27)
Net revenue before taxation		29,975	19,350
Taxation	5	9	–
Net revenue after taxation		29,984	19,350
Total return before distributions		80,761	(8,674)
Distributions	6	(32,221)	(21,024)
Change in net assets attributable to shareholders from investment activities		48,540	(29,698)

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		1,255,407	911,171
Current assets:			
Debtors	7	11,035	8,762
Cash and bank balances	8	7,102	7,134
Total assets		1,273,544	927,067
Liabilities			
Investment liabilities		27,885	8,089
Creditors:			
Bank overdraft		1,843	2,648
Other creditors	9	6,408	4,384
Distribution payable		12,685	7,757
Total liabilities		48,821	22,878
Net assets attributable to shareholders		1,224,723	904,189

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	904,189	717,315
Amounts receivable on creation of shares	369,220	266,525
Amounts payable on cancellation of shares	(109,179)	(59,020)
	260,041	207,505
Dilution adjustment charged	36	126
Change in net assets attributable to shareholders from investment activities	48,540	(29,698)
Retained distribution on accumulation shares	11,917	8,941
Closing net assets attributable to shareholders	1,224,723	904,189

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains/(losses)

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	(15,043)	(59,435)
Derivative securities	1,712	(3)
Currency losses	(3,365)	(10,368)
Forward currency contracts	67,473	41,782
Net capital gains/(losses)	50,777	(28,024)

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	31,725	20,803
Bank interest	249	133
Deposit interest	27	–
Stock lending income	221	115
Total revenue	32,222	21,051

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	2,237	1,674
Total expenses	2,237	1,674

* Audit fee £13,390 (31/10/23: £22,650) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Reclaimable tax written off	(10)	–
Windfall overseas tax recovered	1	–
Total tax charge for the year	(9)	–

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	29,975	19,350
Corporation tax at 20% (31/10/23: 20%)	5,995	3,870
Effects of:		
Tax deductible interest distributions	(5,992)	(3,765)
Tax relief on index-linked gilts	(3)	(105)
Reclaimable tax written off	(10)	–
Windfall overseas tax recovered	1	–
Total tax charge for the year	(9)	–

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset in relation to surplus management expenses (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	5,609	3,833
Final	6,308	5,108
	11,917	8,941
Income shares		
Interim	10,499	5,535
Final	12,685	7,757
	23,184	13,292
Net distributions for the year	35,101	22,233
Add: Amounts deducted on cancellation of shares	863	462
Deduct: Amounts received on the creation of shares	(3,743)	(1,671)
Gross interest distributions for the year	32,221	21,024

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	29,984	19,350
Expenses charged to capital	2,237	1,674
Gross interest distributions for the year	32,221	21,024

Details of the distribution per share are set out on page 141.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	1,468	–
Sales awaiting settlement	1,981	3,770
Foreign exchange sales awaiting settlement	12	–
Accrued revenue	7,549	4,991
Overseas withholding tax recoverable	25	1
Total debtors	11,035	8,762

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	2,573	2,740
Amounts held at futures clearing houses and brokers	4,529	4,394
Total cash and bank balances	7,102	7,134

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	155	446
Purchases awaiting settlement	6,013	3,783
Accrued expenses	240	155
Total other creditors	6,408	4,384

10. Reconciliation of number of shares

	Class M Income	Class R Accumulation
Opening shares at 01/11/23	553,484,836	360,612,811
Shares issued	312,161,983	48,095,240
Shares cancelled	(74,957,486)	(31,663,353)
Closing shares at 31/10/24	790,689,333	377,044,698

	Class S Income
Opening shares at 01/11/23	5,000
Shares issued	–
Shares cancelled	–
Closing shares at 31/10/24	5,000

	Class X* Accumulation	Class X* Income
Opening shares at 01/11/23	–	–
Shares issued	5,000	5,000
Shares cancelled	–	–
Closing shares at 31/10/24	5,000	5,000

* Class X Accumulation and X Income launched on 2 October 2024.

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £1,073,000 (31/10/23: £601,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 24.55% (31/10/23: 29.96%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £56,000 (Gross: £277,000) (31/10/23: £29,000 (Gross: £144,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £185,410,000 (31/10/23: £134,732,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024 Collateral Held £'000	31 Oct 2023 Collateral Held £'000
Bonds	195,861	142,058

The aggregate value of collateral held at the balance sheet date was £195,861,000 (31/10/23: £142,058,000).

Collateral may be in the form of cash, UK gilts, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure. The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Banco Santander, BNP Paribas London, Citigroup Global Markets, Goldman Sachs International, HSBC Bank and JP Morgan Securities.

14. Financial Derivatives

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying security, index or other appropriate source.

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on pages 131 and 132, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	5,663	1,532
Citigroup	(133)	–
Goldman Sachs	(26)	–
JP Morgan	(2,893)	7
Royal Bank of Canada	49	(7,132)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 134. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	1,234,580	908,775
Australian dollar	(325)	(657)
Canadian dollar	(656)	99
Euro	(1,567)	(896)
Japanese yen	(1,017)	(1,311)
Norwegian krone	(6,048)	–
Swedish krona	(2)	(33)
US dollar	(242)	(1,788)
Total	1,224,723	904,189

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £986,000 (31/10/23: £459,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £986,000 (31/10/23: £459,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £122,752,000 (31/10/23: £90,308,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £122,752,000 (31/10/23: £90,308,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	1,302	44,102	4,049	49,453
Australian dollar	170	34,441	672	35,283
Canadian dollar	–	11,170	82	11,252
Euro	44,634	262,815	2,440	309,889
Japanese yen	25,612	166,407	5,556	197,575
Norwegian krone	–	5,858	121	5,979
Swedish krona	–	516	12	528
US dollar	25,984	633,284	4,317	663,585
Total	97,702	1,158,593	17,249	1,273,544
31 Oct 2023				
Sterling	1,993	–	88	2,081
Australian dollar	218	23,208	269	23,695
Canadian dollar	–	21,828	431	22,259
Euro	26,946	183,814	4,997	215,757
Japanese yen	26,723	127,927	1,668	156,318
Swedish krona	–	417	11	428
US dollar	1,918	501,396	3,215	506,529
Total	57,798	858,590	10,679	927,067

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

Interest rate risk profile of financial assets and financial liabilities – continued

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	1,595	13,080	14,675
Canadian dollar	248	123	371
Euro	–	3,244	3,244
Norwegian krone	–	6,039	6,039
US dollar	–	24,492	24,492
Total	1,843	46,978	48,821
31 Oct 2023			
Sterling	35	8,400	8,435
Canadian dollar	253	–	253
Euro	–	5,362	5,362
US dollar	2,360	6,468	8,828
Total	2,648	20,230	22,878

Due to no Floating Rate Note stocks being held, there is no requirement to calculate interest sensitivity (31/10/23: same).

A change of 3% in the prevailing interest rates would result in a change of 0.20% (31/10/23: 0.21%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.06% (31/10/23: 0.07%) to the value of the Fund.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,249,193	102.00	909,254	100.56
Total bonds	1,249,193	102.00	909,254	100.56
Forward currency contracts – assets	5,959	0.48	1,824	0.21
Futures – assets	255	0.02	93	0.01
Investments as shown in the balance sheet	1,255,407	102.50	911,171	100.78
Forward currency contracts – liabilities	(26,361)	(2.15)	(7,417)	(0.83)
Futures – liabilities	(1,524)	(0.12)	(672)	(0.07)
Total value of investments	1,227,522	100.23	903,082	99.88

* Ratings supplied by S&P, followed by Moody's.

16. Portfolio transaction costs

	31 Oct 2024 £'000	31 Oct 2023 £'000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	1,078,468	1,043,884
Total sales	734,193	784,172

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.07% (31/10/23: 0.08%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	1,249,193	–	1,249,193
Derivatives	255	5,959	–	6,214
Total	255	1,255,152	–	1,255,407
Investment liabilities				
Derivatives	(1,524)	(26,361)	–	(27,885)
Total	(1,524)	(26,361)	–	(27,885)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	909,254	–	909,254
Derivatives	93	1,824	–	1,917
Total	93	911,078	–	911,171
Investment liabilities				
Derivatives	(672)	(7,417)	–	(8,089)
Total	(672)	(7,417)	–	(8,089)

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class M Income				
Group 1	1.4846	–	1.4846	1.1196
Group 2	0.3770	1.1076	1.4846	1.1196
Class R Accumulation				
Group 1	1.5237	–	1.5237	1.1179
Group 2	0.7973	0.7264	1.5237	1.1179
Class S Income				
Group 1	1.3794	–	1.3794	1.0376
Group 2	1.3794	0.0000	1.3794	1.0376

Final

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Income				
Group 1	1.6043	–	1.6043	1.4014
Group 2	0.7606	0.8437	1.6043	1.4014
Class R Accumulation				
Group 1	1.6729	–	1.6729	1.4163
Group 2	0.8115	0.8614	1.6729	1.4163
Class S Income				
Group 1	1.4926	–	1.4926	1.3008
Group 2	1.4926	0.0000	1.4926	1.3008
Class X Accumulation*				
Group 1	0.2592	–	0.2592	–
Group 2	0.2592	0.0000	0.2592	–
Class X Income*				
Group 1	0.2592	–	0.2592	–
Group 2	0.0822	0.1770	0.2592	–

* Class X Accumulation and X Income launched on 2 October 2024.

Royal London Diversified Asset-Backed Securities Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Diversified Asset-Backed Securities Fund, Class R Accumulation	10.00	18.07	29.03
Royal London Diversified Asset-Backed Securities Fund, Class S Accumulation	10.10	18.16	29.12
Royal London Diversified Asset-Backed Securities Fund, Class Z Accumulation	9.68	16.84	26.51
Royal London Diversified Asset-Backed Securities Fund, Class Z Income	9.48	–	–
Sterling Overnight Index Average Rate (SONIA)*	5.15	10.60	10.99
Sterling Overnight Index Average Rate (SONIA) +2% p.a.	7.15	16.60	20.99

Class Z Income launched 29 November 2021.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund delivered strong returns in the period under review, outperforming its benchmark. The Fund also remains ahead of its benchmark for the longer three-year and five-year periods.

Market overview

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Corporate bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in anticipation of interest rates being cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period lower than they started, boosting sterling corporate bond returns to +8.4% for the period.

Portfolio commentary

Returns were driven by the portfolio's yield and tightening of credit spreads (the extra yield on corporate bonds over equivalent gilts). Strongest performance came from financials, insurance, and real estate bonds, while our holdings in the water utility sector underperformed.

In particular, our financial and insurance holdings benefited from our exposure to subordinated bonds while our holdings in Co-operative Bank bonds benefited from the proposed takeover by the higher rated Coventry Building Society continued to progress. Further contributing to performance during the 12 months was selected tenders, such as Just Group and Aviva towards the end of the period, with the companies buying back bonds at above market levels.

Our secured holdings again performed well and remain a key element of our portfolio, playing a significant role in our approach, enhancing returns whilst dampening the impact of idiosyncratic risk. In addition, the creditor control effective protections afford us means that, on occasion, issuers will choose to pay up to remove these controls. For instance, during the period, the UK pub company, Stonegate, took the decision to repurchase its Unique Pub securitisation at a material premium as part of a wider refinancing exercise. Unique was one of the largest holdings in the Fund, reflecting its extremely low leverage, strong covenants and excess yield; precisely the reasons it was ripe for early redemption. We will continue to seek out and embed under-valued secured bonds into the Fund, happy to earn the excess income or benefit from the capital gain of early redemption.

Manager's Investment Report (continued)

Portfolio commentary – continued

We remain selective in terms of adding securitisation positions, maintaining a clear focus on senior bonds and where we can receive additional return for less conventional collateral. One example was our purchase of a senior CMBS position, Hera Financing 2024-1A, which is secured on flexible office space in London with around 4x coverage from the value of the pledged assets. Despite this low leverage and AAA rating we were able to buy the bonds at Sonia+1.9%.

The main detractor to performance came from the water sector with bonds in Thames Water and Southern Water weaker. This followed a harsher than expected draft outcome of the regulatory review by Ofwat, and resultant rating agency downgrades. We continuously review the holdings given clear uncertainties, and engage with issuers and Ofwat, the sector regulator, on a regular basis. While this specific underperformance is disappointing, the overall Fund performance does highlight the benefit of diversification in our approach. The underperformance in the water sector was more than offset by other secured bonds. In addition, we did take the opportunity to add to the sector selectively, where valuations appeared attractive and via new issuance.

Investment outlook

The US election result has seen government bond yields rise, compounding the move higher in UK gilt yields seen following the Budget in late October. We think that the Bank of England will continue to cut interest rates over the next twelve months but that the pace will be slower than previously expected given the economic boost arising from higher government spending plans.

We have a preference to be long duration given current yields but see an environment that requires considerable tactical agility rather than taking strong strategic positions.

We believe that sterling investment grade all-in yields are attractive, helped by the move higher in government yields. Credit spreads continue to compensate investors for default risk but the move lower through the year has taken valuations, on this basis, to levels last seen in 2021. This tempers the expected degree of outperformance over government bonds.

We target a material yield premium over the market level in our sterling credit strategies. As ever, the risks inherent in our investment grade credit portfolios are mitigated by maintaining significant diversification, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark, achieved with superior downside protections, will generate outperformance.

Shalin Shah
Fund Manager
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	119.48	108.83	111.31
Return before operating charges*	12.09	10.72	(2.41)
Operating charges	(0.08)	(0.07)	(0.07)
Return after operating charges*	12.01	10.65	(2.48)
Distributions on accumulation shares	(6.04)	(6.70)	(3.55)
Retained distributions on accumulation shares	6.04	6.70	3.55
Closing net asset value per share	131.49	119.48	108.83
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	10.05%	9.79%	(2.23)%
Other information			
Closing net asset value (£'000)	18,092	21,002	13,724
Closing number of shares	13,759,547	17,577,472	12,610,351
Operating charges	0.10% [#]	0.06%	0.06%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	132.40	120.50	113.10
Lowest share price	119.50	107.70	108.10

[#] The FMF changed from 0.06% to 0.10% on 30 September 2024.

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	118.35	107.80	110.25
Return before operating charges*	11.98	10.62	(2.38)
Operating charges	(0.08)	(0.07)	(0.07)
Return after operating charges*	11.90	10.55	(2.45)
Distributions on accumulation shares	(5.92)	(6.64)	(3.52)
Retained distributions on accumulation shares	5.92	6.64	3.52
Closing net asset value per share	130.25	118.35	107.80
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	10.05%	9.79%	(2.22)%
Other information			
Closing net asset value (£'000)	49,492	43,968	50,426
Closing number of shares	37,997,449	37,151,258	46,776,929
Operating charges	0.06%	0.06%	0.06%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	131.20	119.40	112.00
Lowest share price	118.30	106.70	107.00

Class Z Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	143.06	130.79	134.24
Return before operating charges*	14.46	12.86	(2.88)
Operating charges	(0.65)	(0.59)	(0.57)
Return after operating charges*	13.81	12.27	(3.45)
Distributions on accumulation shares	(6.62)	(7.55)	(3.78)
Retained distributions on accumulation shares	6.62	7.55	3.78
Closing net asset value per share	156.87	143.06	130.79
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	9.65%	9.38%	(2.57)%
Other information			
Closing net asset value (£'000)	229,183	162,905	136,171
Closing number of shares	146,096,640	113,872,307	104,116,980
Operating charges	0.43%	0.43%	0.43%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	158.00	144.30	136.20
Lowest share price	143.10	129.40	129.90

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	98.11	94.66	100.00
Return before operating charges*	9.66	9.21	(2.47)
Operating charges	(0.43)	(0.42)	(0.38)
Return after operating charges*	9.23	8.79	(2.85)
Distributions on income shares	(4.37)	(5.34)	(2.49)
Closing net asset value per share	102.97	98.11	94.66
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	9.41%	9.29%	(2.85)%
Other information			
Closing net asset value (£'000)	1,893	18	2
Closing number of shares	1,838,417	17,928	2,500
Operating charges	0.43%	0.43%	0.43%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	104.80	100.60	101.20
Lowest share price	98.41	93.90	94.96

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Commercial Mortgage Backed Securities – 10.42% (31/10/23 – 10.45%)			
£1,674,000	Asimi Funding 2024 FRN 16/9/2031	1,319	0.44
£1,696,000	Atom Mortgage Securities FRN 22/7/2031	1,294	0.43
£1,542,000	Canary Wharf Finance II (A7) FRN 22/10/2037	1,291	0.43
£3,110,000	Deco 2019-RAM DAC FRN 7/8/2030	860	0.29
£2,800,000	Equity Release FRN 14/7/2045	1,620	0.54
£1,117,000	Exmoor Funding 2024-1 FRN 25/3/2094	1,109	0.37
£2,760,664	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058*	1,837	0.62
£2,100,000	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058*	1,209	0.40
£1,069,000	Hera Financing 2024-1 DAC FRN 17/11/2034	1,069	0.36
£2,426,000	Income Contingent Student Loan 2.5% 24/7/2056	1,343	0.45
£1,837,000	Income Contingent Student Loan 2.5% 24/7/2058	1,071	0.36
£1,710,000	Last Mile Logistics CMBS 2023-1 17/8/2033	1,717	0.58
£1,433,000	Mitchells & Butlers FRN 15/12/2033	1,048	0.35
£4,045,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	2,882	0.97
£1,480,000	Sage AR Funding FRN 17/11/2030	1,477	0.49
£2,680,000	Sage AR Funding FRN 17/11/2051	2,663	0.89
£1,000,000	Stark Financing 2023-1 DAC FRN 17/8/2033	1,004	0.34
£1,799,000	Taurus FRN 17/5/2030	1,800	0.60
£1,900,000	Taurus FRN 17/5/2031	1,880	0.63
£282,000	Together Asset Backed Securitisation FRN 12/7/2063	94	0.03
£840,000	UK Logistics 2024-1 DAC FRN 17/5/2034	843	0.28
£1,690,000	Vantage Data Centers Jersey Bo 6.172% 28/5/2039	1,702	0.57

Total Commercial Mortgage Backed Securities 31,132 10.42

Corporate Bonds – 79.16% (31/10/23 – 80.44%)			
£1,377,800	A2D Funding II 4.5% 30/9/2026	1,343	0.45
£800,000	A2Dominion Housing 3.5% 15/11/2028	737	0.25
£355,000	AA Bond 6.85% 31/7/2050	358	0.12
£342,000	AA Bond 7.375% 31/7/2050	353	0.12
£311,000	AA Bond 8.45% 31/7/2050	326	0.11
£175,000	AA Bond Co Ltd 3.25% 31/7/2050	155	0.05
£1,516,000	Aberdeen 5.25% variable perpetual	1,333	0.45
£600,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036*	540	0.18
£630,000	Akelius Residential Property 2.375% 15/8/2025	614	0.21
£808,000	Anglian Water Osprey Financing 4% 8/3/2026	758	0.25
£643,000	Anglian Water Services Financing 5.875% 20/6/2031	642	0.21
£2,150,000	Annes Gate Property 5.661% 30/6/2031	2,101	0.70
£350,000	Annington Funding 3.685% 12/7/2034	287	0.10
£543,000	Annington Funding 3.935% 12/7/2047	379	0.13
£486,000	Annington Funding 4.75% 9/8/2033	439	0.15
£2,220,000	Arqiva Finance 4.882% 31/12/2032	1,220	0.41
£1,710,000	Arqiva Financing 5.34% 30/12/2037	1,678	0.56
£560,000	Arqiva Financing 7.21% 30/6/2045	590	0.20
£1,070,000	Artesian Finance 6% 30/9/2033	1,044	0.35
£550,000	Assicurazioni Generali 6.269% perpetual	553	0.18
€778,000	Athora Holding 875% 10/9/2034	661	0.22
€300,000	Athora Netherlands 7% variable perpetual	254	0.08
£10,000	Aviva 6.125% variable 14/11/2036	10	–
£566,000	Aviva 6.875% variable 27/11/2053	586	0.20
\$320,000	AXA 4.5% perpetual	227	0.08
\$900,000	AXA 6.379% variable perpetual	768	0.26
\$547,000	AXA FRN perpetual	396	0.13
\$4,620,000	Barclays 6.278% variable perpetual	3,714	1.24
€2,640,000	Barclays Bank 4.75% variable perpetual	2,162	0.72

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£350,000	BAT International Finance 4% 23/11/2055	233	0.08
£1,443,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	1,038	0.35
£1,711,000	Blackstone Property Partners Europe 2.625% 20/10/2028	1,531	0.51
£1,481,000	Blackstone Property Partners Europe 4.875% 29/4/2032	1,373	0.46
£644,000	Blend Funding 2.467% 16/6/2063	320	0.11
£350,000	Blend Funding 2.984% 15/3/2036	272	0.09
£3,649,000	British Land 5.264% 24/9/2035	3,472	1.16
£705,000	British Land 5.357% 31/3/2028	697	0.23
£664,814	British Land 5.357% 31/3/2028	658	0.22
£2,930,000	Broadgate 4.999% 5/10/2033	2,664	0.89
£1,095,000	Broadgate Finance 4.821% 5/7/2036	1,059	0.35
£205,000	Broadgate Finance 4.851% 5/4/2033	164	0.05
£1,135,000	Broadgate Financing 5.098% 5/4/2035	901	0.30
£767,000	BWP Issuer 2.868% 30/6/2036	495	0.17
£2,960,000	Canary Wharf Finance 5.952% 22/10/2037	1,573	0.53
£1,153,000	Canary Wharf Finance FRN 22/10/2037	905	0.30
£1,731,000	Canary Wharf Finance II (C2) FRN 22/10/2037	1,363	0.46
£8,690,000	Canary Wharf Finance II 6.455% 22/10/2033	498	0.17
£150,000	Canary Wharf Finance II 6.8% 22/10/2033	64	0.02
£226,000	Centrica 6.5% VRN 21/5/2055	230	0.08
£2,557,000	Channel Link Enterprises Finance FRN 30/12/2050	1,882	0.63
£2,014,000	Charm Finance 3.509% 12/4/2048	1,332	0.45
£500,000	Cheltenham & Gloucester 11.75% perpetual	826	0.28
£700,000	Close Brothers Finance 1.625% 3/12/2030	527	0.18
£300,000	Close Brothers Finance 2.75% 19/10/2026	277	0.09
£600,000	Close Brothers Group 2% variable 11/9/2031	490	0.16
£197,000	Close Brothers Group 7.75% 14/6/2028	196	0.07
£713,000	Close Brothers Group 11.125% variable perpetual	658	0.22
£1,991,000	Connect M77 GSO 5.404% 31/3/2034	1,126	0.38
£2,579,000	Co-operative Bank Finance 6% variable 6/4/2027	2,594	0.87
£2,195,000	CoOperative Bank Finance 9.5% variable 24/5/2028	2,388	0.80
£958,000	CPUK Finance 3.588% 28/2/2042	944	0.32
£900,000	CPUK Finance 3.69% 28/2/2047	834	0.28
£315,000	CPUK Finance 4.5% 28/8/2027	300	0.10
£450,000	Daily Mail & General 6.375% 21/6/2027	432	0.14
£1,400,000	Delamare Finance 5.5457% 19/2/2029	653	0.22
£610,000	Delamare Finance 6.067% 19/2/2029	618	0.21
£2,648,000	Derby Healthcare 5.564% 30/6/2041	2,318	0.78
£500,000	Deutsche Bank AG 7.125% variable perpetual	489	0.16
£1,308,000	Direct Line Insurance 4% 5/6/2032	1,103	0.37
\$1,618,000	Dresdner Funding Trust 8.151% 30/6/2031	1,397	0.47
£590,000	DWR Cymru Financing UK 2.375% 31/3/2034	427	0.14
£935,000	DWR Cymru Financing UK 5.75% 10/9/2044	918	0.31
£2,300,000	Electricite de France 5.875% variable perpetual	2,205	0.74
£600,000	Electricite de France 6% 23/1/2114	531	0.18
£700,000	Electricite de France SA 7.375% variable perpetual	716	0.24
£600,000	Engie 5.75% 28/10/2050	573	0.19
£3,355,000	Equity Release Funding 5.7% 26/2/2031	1,191	0.40
£1,082,000	Equity Release Funding 5.88% 26/5/2032	511	0.17
£1,555,000	Equity Release Funding No.3 5.05% 26/4/2033	1,292	0.43
£650,000	Eskmuir Group Finance 4.255% 12/12/2047*	396	0.13

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 79.16% (31/10/23 – 80.44%) – continued				£1,042,000	M&G 5.625% variable 20/10/2051	997	0.33
£250,000	Esure Group 6% variable perpetual	218	0.07	£1,207,000	Majedie Investments 7.25% 31/3/2025	1,208	0.40
£1,536,000	Eversholt Funding 2.742% 30/6/2040	1,042	0.35	£545,000	Marstons Issuer 5.1576% variable 15/10/2027	228	0.08
£1,222,000	Eversholt Funding 6.697% 22/2/2035	957	0.32	£2,900,000	Marstons Issuer FRN 15/10/2031	1,134	0.38
£1,050,000	Exchequer Partnership 5.396% 13/7/2036	724	0.24	£3,740,000	Meadowhall Finance 4.986% 12/1/2032	1,594	0.53
£2,432,000	Folio Residential Finance 1.246% 31/10/2037	2,155	0.72	£1,975,000	Meadowhall Finance FRN 12/7/2037	1,121	0.37
£659,175	Freshwater Finance 4.556% 3/4/2036	572	0.19	£300,700	Mercantile Investment Trust 4.25% perpetual*	241	0.08
£2,109,000	Freshwater Finance 5.182% 20/4/2035	1,920	0.64	£2,237,000	Mercantile Investment Trust 6.125% 25/2/2030	2,273	0.76
£889,100	Fuller Smith & Turner 6.875% 30/4/2028	925	0.31	£1,000,000	Merchants Trust 5.875% 20/12/2029	1,004	0.34
£500,000	General Electric Capital 5.625% 16/9/2031	493	0.17	£226,958	Metrocentre New Money Note Sonia + 11% PIK 6/12/2023*	220	0.07
£300,000	Grainger 3.375% 24/4/2028	278	0.09	£559,000	MIELI London Ltd 4.82% 12/8/2027*	538	0.18
£2,125,000	Grand Union Group Funding 4.625% 4/12/2043	1,761	0.59	£4,210,000	Mitchells & Butler 6.013% 15/12/2028	2,430	0.81
£1,317,101	Great Portland Estates 5.625% 31/1/2029	1,301	0.44	£2,864,000	Mitchells & Butlers (A1N) FRN 15/12/2030	843	0.28
£808,000	Great Rolling Stock 6.5% 5/4/2031	574	0.19	£2,839,000	Mitchells & Butlers (A4) FRN 15/12/2028	1,213	0.41
£1,719,000	Great Rolling Stock 6.875% 27/7/2035	895	0.30	£4,195,000	Mitchells & Butlers 5.574% 15/12/2030	852	0.29
£1,912,000	Greene King 5.318% 15/9/2031	930	0.31	\$2,539,000	Mitchells and Butlers Finance FRN 15/12/2030	566	0.19
£1,899,000	Greene King Finance 3.593% 15/3/2035	1,427	0.48	£611,000	Mondelez International 4.5% 3/12/2035	545	0.18
£1,003,000	Greene King Finance 4.0643% 15/3/2035	563	0.19	£662,000	Morhomes 3.4% 19/2/2040	515	0.17
£710,000	Greene King Finance 5.106% 15/3/2034	553	0.18	£340,000	MPT Operating Partnership 3.375% 24/4/2030	232	0.08
£801,000	GreenSquareAccord 5.25% 30/11/2047	722	0.24	£650,000	MPT Operating Partnership 3.692% 5/6/2028	505	0.17
£2,082,973	Grosvenor UK Finance 6.5% 29/9/2026	2,125	0.71	£300,000	National Australia Bank 1.699% variable 15/9/2031	279	0.09
£1,690,560	Guinness Trust 7.5% 30/11/2037	1,332	0.45	£2,291,000	National Express 4.25% variable perpetual	2,096	0.70
£1,100,000	Gwynt y Môr OFTO 2.778% 17/2/2034	582	0.19	£1,651,000	NatWest Group 2.105% variable 28/11/2031	1,544	0.52
£2,032,340	Harbour Funding 5.28% 31/3/2044	1,962	0.66	£460,000	NatWest Group 7.416% variable 6/6/2033	482	0.16
£982,676	Haven Funding 8.125% 30/9/2037	897	0.30	€499,000	NN Group 6.375% variable perpetual	435	0.15
£170,000	HBOS 5.75% variable perpetual	167	0.06	£883,000	Octagon Healthcare 5.333% 31/12/2035	584	0.20
£363,000	Heathrow Funding 2.625% 16/3/2028	330	0.11	£300,000	Opus Chartered variable 31/3/2025	26	0.01
£499,000	Heinz (HJ) Finance 6.25% 18/2/2030	515	0.17	£1,132,000	OSB Group 6% variable perpetual	1,065	0.36
£1,240,000	Hexagon Housing Association 3.625% 22/4/2048	848	0.28	£518,000	OSB Group 8.875% variable 16/1/2030	562	0.19
£500,000	Home Group 8.75% 11/5/2037	589	0.20	£593,000	OSB Group 9.993% variable 27/7/2033	645	0.22
£3,121,000	HSBC 5.844% variable perpetual	3,233	1.08	£1,000,567	Peel Land & Property Investments 8.375% Step 30/4/2040	1,005	0.34
£1,040,000	IG GROUP 3.125% 18/11/2028	914	0.31	£458,774	Peel South East 10% 30/4/2026	465	0.16
£995,000	Integrated Accommodation Service 6.48% 31/3/2029	278	0.09	£566,000	Pension Insurance Corp 8% 13/11/2033	607	0.20
£2,347,000	Intu Metrocentre Finance 4.125% 6/12/2028	1,530	0.51	£4,673,000	Peterborough Progress Health 5.581% 2/10/2042	3,051	1.02
£930,000	Investec 1.875% variable 16/7/2028	839	0.28	£491,000	Places for People Homes 6.625% 30/9/2038	348	0.12
£100,000	Investec 2.625% variable 4/1/2032	92	0.03	£576,000	PMF 2024-1 FRN 16/7/2060	573	0.19
£373,000	Investec 9.125% variable 6/3/2033	400	0.13	£1,398,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	1,159	0.39
£750,000	John Lewis 4.25% 18/12/2034	566	0.19	£1,600,000	Premier Transmission Finance 5.2022% 31/3/2030	523	0.17
£550,000	John Lewis 6.125% 21/1/2025	550	0.18	£1,380,000	Premiertel 5.683% 8/8/2029	623	0.21
£900,000	JRP Group 9% 26/10/2026	963	0.32	£2,254,000	Premiertel 6.175% 8/5/2032	1,510	0.51
£122,000	Jupiter Fund Management 8.875% variable 27/7/2030	122	0.04	£773,000	Principality Building Society 8.625% 12/7/2028	832	0.28
£525,000	Just Group 6.875% 30/3/2035	522	0.17	£589,000	QBE Insurance 2.5% variable 13/9/2038	520	0.17
£650,000	Just Group 8.125% 26/10/2029	696	0.23	£1,750,000	Quadrant Housing 7.93% Step 10/2/2033	1,351	0.45
£506,000	Land Securities 5.391% variable 31/3/2027	505	0.17	£752,000	Radian Capital 6% 5/3/2042	728	0.24
£730,000	Land Securities 5.396% variable 31/7/2032	731	0.24	£1,273,000	Retail Charity Bonds 4.4% 30/4/2027	1,244	0.42
£1,359,000	Land Securities Capital Markets 2.75% 22/9/2059	782	0.26	£545,000	Rothsay Life 7.019% 10/12/2034	557	0.19
£1,744,000	Law Debenture 6.125% 12/10/2034*	1,770	0.59	\$1,390,000	Rothschild Co Continuation Finance BV FRN perpetual	849	0.28
£3,830,000	Legal & General 5.5% variable 27/6/2064	3,557	1.19	£1,234,000	RSL Finance 6.625% 31/3/2038	978	0.33
£611,000	Lendinvest Secured Income II 11.5% 3/10/2026	620	0.21	£1,500,000	Sage AR Funding No 1 FRN 17/11/2030	1,497	0.50
£257,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	261	0.09	£807,000	Sainsburys Bank 10.5% variable 12/3/2033	912	0.31
£480,000	Lloyds Banking Group 6% variable perpetual	439	0.15	£828,600	Sanctuary 8.375% 1/9/2031	669	0.22
£1,600,000	Logicor 2019 1.875% 17/11/2031	1,501	0.50	£450,000	Santander 10.0625% perpetual	653	0.22
£961,000	London Merchant Securities 6.5% 16/3/2026	969	0.32	£2,052,000	Saxon Weald Capital 5.375% 6/6/2042	1,961	0.66
£2,170,000	Longstone 4.896% 19/4/2036	1,986	0.66				
£90,000	Longstone Finance 4.774% 19/4/2036	84	0.03				
£3,535,000	Longstone Finance 4.791% 19/4/2036	1,086	0.36				
£100,000	M&G 5% variable 20/7/2055	91	0.03				

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 79.16% (31/10/23 – 80.44%) – continued							
£347,000	Schroders 6.346% variable 18/7/2034	350	0.12	£716,000	Uliving@essex3 LLP New Issue 2.72% 31/8/2066 Fix*	400	0.13
£500,000	Scot Roads Partnership Finance 5.591% 16/3/2045	441	0.15	£1,061,000	Unifund 5.32% 7/12/2047	862	0.29
£630,000	Scottish Investment Trust 5.75% 17/4/2030	623	0.21	£2,987,000	UPP Bond Issuer 4.9023% 28/2/2040	2,204	0.74
£1,423,500	Scottish Mortgage Investment Trust 12% 30/6/2026	1,565	0.52	£595,000	Varsity Funding 8.7915% Step 24/7/2026*	47	0.02
£850,000	Society of Lloyds 4.875% variable 7/2/2047	833	0.28	£265,000	Vattenfall AB 6.875% variable 17/8/2083	272	0.09
£1,123,000	South West Water Finance 6.375% 5/8/2041	1,138	0.38	£793,000	Virgin Money 2.625% variable 19/8/2031	753	0.25
£1,500,000	Southern Water Services Finance 2.375% 28/5/2028	1,225	0.41	£590,000	Virgin Money UK 11% variable perpetual	667	0.22
£2,321,000	Southern Water Services Finance 3% 28/5/2037	1,549	0.52	£1,000,000	Virgin Money UK 7.625% variable 23/8/2029	1,074	0.36
£1,019,000	Southern Water Services Finance 6.64% 31/3/2026	945	0.32	£2,980,000	Viridis European Loan Conduit No FRN 22/7/2029	2,619	0.88
£397,000	SSE 3.74% variable perpetual	387	0.13	\$1,000,000	Vontobel Holding AG 9.68% variable perpetual	852	0.29
£649,000	St James Oncology Financing 2.804% 31/3/2037	381	0.13	£798,000	Wessex Water 5.75% 14/10/2033	773	0.26
\$3,100,000	Standard Chartered 6.409% variable perpetual	2,209	0.74	£1,034,000	Wessex Water Services Finance 1.25% 12/1/2036	643	0.21
\$130,000	Standard Chartered 7.014% variable perpetual	108	0.04	£2,781,000	Westfield Stratford City 1.642% 4/8/2031	2,585	0.87
£797,000	Stirling Water Seafield 5.822% 26/9/2026	117	0.04	£1,385,000	White City Property 5.1202% 17/4/2035	986	0.33
£2,179,000	Summit Finance 6.484% 31/3/2028	525	0.18	£400,000	Worcestershire Hospital 5.87% 31/12/2030	166	0.06
£1,969,000	Sunderland 6.38% 31/3/2042	1,891	0.63	£1,050,000	Yorkshire Water 6.6011% 17/4/2031	1,056	0.35
£1,476,000	SW Finance I 7% 16/4/2040	1,272	0.43	£1,383,000	Yorkshire Water Finance 2.75% 18/4/2041	874	0.29
£1,397,000	SW Finance I 7.375% 12/12/2041	1,229	0.41	£614,000	Yorkshire Water Finance 5.25% 28/4/2030	587	0.20
£1,520,000	Swan Housing Capital 3.625% 5/3/2048	1,107	0.37	£319,000	Yorkshire Water Finance 5.5% 28/4/2035	291	0.10
£2,595,000	Telereal Secured Finance 4.01% 10/12/2033	1,187	0.40				
£870,000	Telereal Securitisation 1.3657% 10/12/2033	452	0.15	Total Corporate Bonds		236,426	79.16
£1,094,000	Telereal Securitisation 1.9632% variable 10/12/2033	1,043	0.35	Corporate Preference Bonds – 0.21% (31/10/23 – 0.00%)			
£1,132,000	Telereal Securitisation 3.507% variable 10/12/2033	1,041	0.35	£250,000	Lloyds Bank 9.25% Non Cumulative Preference Perpetual	346	0.12
£2,300,000	Telereal Securitisation 4.9741% 10/12/2033	670	0.22	£197,000	National Westminster Bank 9% Preference perpetual	276	0.09
£2,701,000	Telereal Securitisation 5.3887% 10/12/2033	967	0.32	Total Corporate Preference Bonds		622	0.21
£742,000	Telereal Securitisation 5.4252% 10/12/2033	563	0.19	Government Bonds – 2.23% (31/10/23 – 0.45%)			
£937,000	Telereal Securitisation 5.634% 10/12/2031	921	0.31	£6,250,000	UK Treasury 3.5% 22/10/2025	6,181	2.07
£2,308,000	Telereal Securitisation 6.1645% 10/12/2033	1,788	0.60	£650,000	United Mexican States 5.625% 19/3/2114	477	0.16
£1,750,000	Telereal Securitisation FRN 10/12/2033	499	0.17	Total Government Bonds		6,658	2.23
£4,014,000	Telereal Securitisation FRN 10/12/2033	2,844	0.95	Index Linked Bonds – 0.82% (31/10/23 – 0.10%)			
£600,000	Telereal Securitisation FRN 10/12/2033	464	0.16	£1,000,000	DWR Cymru Finance 4.377% IL 31/3/2026	2,272	0.76
£1,013,000	Tesco Property 5.4111% 13/7/2044	840	0.28	£350,000	Road Management Services 3.642% IL 31/3/2028*	184	0.06
£500,000	Tesco Property 5.6611% 13/10/2041	447	0.15	Total Index Linked Bonds		2,456	0.82
£450,000	Tesco Property 5.744% Sink 13/4/2040	388	0.13	Public Authorities – 2.25% (31/10/23 – 0.99%)			
£1,400,000	Tesco Property 5.8006% 13/10/2040	1,231	0.41	£2,481,000	Highways 2021 FRN 18/11/2026	2,476	0.83
£731,000	Thames Water 5.125% 28/9/2037	578	0.19	£1,507,000	PCL Funding VIII FRN 15/5/2028	1,515	0.51
£280,000	Thames Water 6.75% 16/11/2028	223	0.07	£2,709,000	PCL Funding IX FRN 16/7/2029	2,714	0.91
£694,000	Thames Water Kemble Finance 4.625% 19/5/2026	27	0.01	Total Public Authorities		6,705	2.25
£2,367,000	Thames Water Utilities 7.738% 9/4/2058	2,003	0.67	Return Swaps – 0.04% (31/10/23 – 0.12%)			
£2,961,000	Thames Water Utilities 7.75% 30/4/2044	2,417	0.81	£22,971,497	TRS 4.58% 28/3/2025 Fixed	22,972	7.69
CAD2,100,000	Toronto-Dominion Bank 3.6% variable 31/10/2081	1,040	0.35	(£24,000,000)	TRS 28/3/2025 Floating	(22,862)	(7.65)
£200,000	Town Centre 5.375% 20/11/2031	170	0.06	Total Return Swaps		110	0.04
£330,000	TP ICAP 5.25% 29/5/2026	328	0.11	Supranational Bonds – 0.68% (31/10/23 – 0.00%)			
£291,000	TP ICAP Finance 7.875% 17/4/2030	310	0.10	\$2,700,000	African Development Bank 5.75% variable perpetual	2,029	0.68
£750,000	Trafford Centre 6.5% 28/7/2033	448	0.15	Total Supranational Bonds		2,029	0.68
£1,120,000	Trafford Centre 7.03% 28/1/2029	292	0.10				
£3,400,000	Trafford Centre FRN 28/7/2035	2,721	0.91				

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Overnight Index Swaps – 3.67% (31/10/23 – 3.87%)			
(£2,000,000)	OIS 3.54% 22/5/2073	163	0.06
(£5,000,000)	OIS 0.744% 13/11/2034	1,550	0.52
(£10,000,000)	OIS 0.9% 19/6/2034	2,602	0.87
(£7,000,000)	OIS 0.77% 19/6/2028	893	0.30
(£5,000,000)	OIS 0.715% 07/4/2030	923	0.31
(£2,000,000)	OIS 0.622% 01/11/2071	1,472	0.49
(£11,000,000)	OIS 4.271% 27/11/2028	39	0.01
(£2,000,000)	OIS 3.963% 27/11/2053	66	0.02
(£2,000,000)	OIS 3.7113% 28/11/2073	102	0.03
(£1,000,000)	OIS 3.961% 28/11/2053	34	0.01
(£15,000,000)	OIS 3.854% 11/12/2043	716	0.24
(£4,000,000)	OIS 3.471% 02/1/2054	474	0.16
(£20,000,000)	OIS 3.33% 02/1/2031	1,064	0.36
(£5,000,000)	OIS 3.546% 11/1/2034	244	0.08
(£20,000,000)	OIS 4.116% 27/3/2027	191	0.06
(£4,400,000)	OIS 3.742% 09/8/2039	182	0.06
(£3,000,000)	OIS 3.798% 09/10/2034	63	0.02
£3,000,000	OIS SONIA 09/10/2034	(9)	–
(£9,000,000)	OIS 3.789% 25/10/2030	121	0.04
£9,000,000	OIS SONIA 25/10/2030	(7)	–
(£9,500,000)	OIS 3.844% 25/10/2028	103	0.03
£9,500,000	OIS SONIA 25/10/2028	(8)	–
(£8,500,000)	OIS 4.032% 31/10/2031	(8)	–
Total Overnight Index Swaps		10,970	3.67
Forward Currency Contracts – (0.16)% (31/10/23 – 0.01%)			
	Buy £566,531 & Sell CAD1,007,000†	3	–
	Buy £3,586,512 & Sell €4,291,590†	(49)	(0.02)
	Buy £14,931,685 & Sell \$19,769,358†	(449)	(0.15)
	Buy \$3,300,000 & Sell £2,543,939†	23	0.01
Total Forward Currency Contracts		(472)	(0.16)
Total value of investments**		296,636	99.32
Net other assets		2,024	0.68
Total net assets		298,660	100.00

* Level 3 asset

** Including investment liabilities

† Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 1% 31/1/2032	18,121
UK Treasury 3.5% 22/10/2025	6,162
UK Treasury 3.75% 22/10/2053	5,779
Unique Pub Finance 5.659% 30/6/2027	3,705
UK Treasury 4.75% 22/10/2043	3,618
Thames Water Utilities 7.75% 30/4/2044	2,954
Viridis European Loan Conduit No FRN 22/7/2029	2,874
PCL Funding IX FRN 16/7/2029	2,713
Co-operative Bank Finance 6% variable 6/4/2027	2,548
HSBC Capital Funding Lp 10.176% variable perpetual	2,425
Subtotal	50,899
Total cost of purchases, including the above, for the year	178,856

Significant Sales

	Proceeds £'000
UK Treasury 1% 31/1/2032	18,073
Unique Pub Finance 5.659% 30/6/2027	6,567
UK Treasury 3.75% 22/10/2053	5,624
UK Treasury 4.75% 22/10/2043	3,644
HSBC Capital Funding Lp 10.176% variable perpetual	2,536
AA Bond 6.269% 2/7/2043	2,157
London & Quadrant 2% 31/3/2032	1,693
M&G 5.7% variable 19/12/2063	1,606
Aviva 6.875% variable 20/5/2058	1,603
Magenta 2020 FRN 20/12/2029	1,514
Subtotal	45,017
Total proceeds from sales, including the above, for the year	113,184

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	12,107	7,266
Revenue	3	13,089	12,902
Expenses	4	(914)	(671)
Interest payable and similar charges		(9)	(9)
Net revenue before taxation		12,166	12,222
Taxation	5	(2)	–
Net revenue after taxation		12,164	12,222
Total return before distributions		24,271	19,488
Distributions	6	(12,164)	(12,222)
Change in net assets attributable to shareholders from investment activities		12,107	7,266

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		297,166	220,738
Current assets:			
Debtors	7	4,879	6,199
Cash and bank balances	8	2,763	3,803
Total assets		304,808	230,740
Liabilities			
Investment liabilities		530	975
Creditors:			
Bank overdraft		1,544	–
Other creditors	9	4,053	1,872
Distribution payable		21	–
Total liabilities		6,148	2,847
Net assets attributable to shareholders		298,660	227,893

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	227,893	200,323
Amounts receivable on creation of shares	86,018	52,403
Amounts payable on cancellation of shares	(40,097)	(44,619)
	45,921	7,784
Dilution adjustment charged	311	289
Change in net assets attributable to shareholders from investment activities	12,107	7,266
Retained distribution on accumulation shares	12,428	12,231
Closing net assets attributable to shareholders	298,660	227,893

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	10,031	662
Derivative securities	2,009	6,606
Currency losses	(30)	(34)
Activity fees	–	(7)
Forward currency contracts	97	39
Net capital gains	12,107	7,266

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
UK dividends	29	–
Interest on debt securities	12,861	12,810
Bank interest	190	84
Stock lending income	9	8
Total revenue	13,089	12,902

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	914	671
Total expenses	914	671

* Audit fee £13,390 (31/10/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Irrecoverable overseas tax	2	–
Total tax charge for the year	2	–

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	12,166	12,222
Corporation tax at 20% (31/10/23: 20%)	2,433	2,444

Effects of:

Revenue not subject to taxation	(6)	–
Irrecoverable overseas tax	2	–
Tax deductible interest distributions	(2,427)	(2,444)
Total tax charge for the year	2	–

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/ (losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset in relation to surplus management expenses (31/10/23: same).

It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
First Interim	2,987	2,812
Second Interim	3,446	2,316
Third Interim	2,742	3,440
Final	3,253	3,663
	12,428	12,231
Income shares		
First Interim	2	–
Second Interim	18	–
Third Interim	15	–
Final	21	–
	56	–
Net distributions for the year	12,484	12,231
Add: Amounts deducted on cancellation of shares	291	295
Deduct: Amounts received on the creation of shares	(611)	(304)
Gross interest distributions for the year	12,164	12,222

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	12,164	12,222
Gross interest distributions for the year	12,164	12,222

Details of the distribution per share are set out on pages 157 and 158.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	412	988
Sales awaiting settlement	687	134
Accrued revenue	3,780	5,077
Total debtors	4,879	6,199

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	2,763	3,232
Swaps collateral	–	571
Total cash and bank balances	2,763	3,803

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	382	–
Purchases awaiting settlement	3,582	1,809
Accrued expenses	89	63
Total other creditors	4,053	1,872

10. Reconciliation of number of shares

	Class R Accumulation	Class S Accumulation
Opening shares at 01/11/23	17,577,472	37,151,258
Shares issued	–	11,235,320
Shares cancelled	(3,817,925)	(10,389,129)
Closing shares at 31/10/24	13,759,547	37,997,449

	Class Z Accumulation	Class Z Income
Opening shares at 01/11/23	113,872,307	17,928
Shares issued	46,856,238	2,020,265
Shares cancelled	(14,631,905)	(199,776)
Closing shares at 31/10/24	146,096,640	1,838,417

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £59,000 (31/10/23: £925,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 4.44% (31/10/23: 7.10%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit

Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £2,000 (Gross: £11,000) (31/10/23: £2,000 (Gross: £10,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £1,105,988 (31/10/23: £3,005,384).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	1,435	3,681

The aggregate value of collateral held at the balance sheet date was £1,435,329 (31/10/23: £3,680,564).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were HSBC Bank, JP Morgan Securities, Merrill Lynch International and Morgan Stanley & Co International.

14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were forward currency contracts, overnight index swaps and total return swaps.

Details of the individual contracts are shown on the portfolio statement on pages 145 to 148, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Citigroup	(22)	–
Barclays Bank	–	19
Royal Bank of Canada	(331)	12

Counterparty	Overnight index swaps	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Citigroup	1,801	–
BNP Paribas	183	–
HSBC Bank	1,550	1,733
JP Morgan	6,297	5,955
UBS AG	1,139	1,129

Counterparty	Total Return Swaps	
	31 Oct 2024 £'000	31 Oct 2023 £'000
HSBC Bank	–	724
Citigroup	110	(459)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was bilateral collateral held in respect of the above derivatives (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 150. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The proportion of the Fund's asset denominated in currencies other than sterling is considered insignificant, therefore, no currency sensitivity has been disclosed in these financial statements.

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £1,005,000 (31/10/23: £4,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £1,005,000 (31/10/23: £4,000).

These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £29,664,000 (31/10/23: £21,976,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £29,664,000 (31/10/23: £21,976,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	105,726	174,171	16,577	296,474
Canadian dollar	1,054	–	3	1,057
Euro	2,852	661	27	3,540
US dollar	617	2,868	252	3,737
Total	110,249	177,700	16,859	304,808
31 Oct 2023				
Sterling	72,804	137,213	16,366	226,383
Euro	385	263	3	651
US dollar	3,600	–	106	3,706
Total	76,789	137,476	16,475	230,740

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	1,544	2,737	4,281
Canadian dollar	–	348	348
Euro	–	49	49
US dollar	–	1,470	1,470
Total	1,544	4,604	6,148
31 Oct 2023			
Sterling	–	2,747	2,747
Euro	–	4	4
US dollar	–	96	96
Total	–	2,847	2,847

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £3,086,000 (31/10/23: £2,559,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/01/24, would change by £1,681,000 (31/01/23: £1,525,000).

A change of 3% in the prevailing interest rates would result in a change of 0.15% (31/10/23: 0.02%) to the value of the Fund. A change of 1% in the prevailing interest rates would result in a change of 0.05% (31/10/23: 0.01%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

Interest rate risk profile of financial assets and financial liabilities – continued

	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Credit breakdown*				
Investments of investment grade	188,727	63.19	140,443	61.62
Investments of below investment grade	37,776	12.65	22,259	9.77
Unrated bonds	58,903	19.72	47,948	21.04
Total bonds	285,406	95.56	210,650	92.43
Swaps – assets	11,112	3.71	10,056	4.41
Corporate preference shares	622	0.21	–	–
Forward currency contracts – assets	26	0.01	32	0.01
Investments as shown in the balance sheet	297,166	99.49	220,738	96.85
Swaps – liabilities	(32)	–	(974)	(0.42)
Forward currency contracts – liabilities	(498)	(0.17)	(1)	–
Total value of investments	296,636	99.32	219,763	96.43

* Ratings supplied by S&P, followed by Moody's.

Global Exposure

The use of derivatives (whether for hedging or investment purposes) may give rise to an additional leveraged exposure, any such additional exposure will be monitored using the Value at Risk (“VaR”) methodology in accordance with UCITS requirements.

The VaR approach represents a statistical method for calculating the loss potential on the basis of value changes in the entire Fund.

The Royal London Diversified Asset-Backed Securities Fund will use the “Absolute VaR” model which aims to ensure that on any day, the value at risk of the Fund, measured using a 20 business day holding period, using a one-tailed confidence interval of 99% and a medium term historical observation period of at least 1 year, will be no greater than 10% of the Net Asset Value of the Fund.

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations, including the following:

- the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;

- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive (in the case of probability-based methods, such as VaR, profits and losses are almost certain to exceed the reported amount with a frequency depending on the confidence interval chosen); and
- future market conditions could vary significantly from those experienced in the past.

The following table shows the minimum, maximum, year end and average Absolute VaR for the Fund for the financial year ended 2024 and financial year ended 2023. These figures have been derived from the daily historical VaR calculations, with the gross leverage presented as at financial year ended 31 October 2024 and the year ended 31 October 2023.

	Financial year ended	
	31 Oct 2024	31 Oct 2023
Max VaR	2.34%	3.32%
Min VaR	1.50%	1.73%
Average VaR	1.70%	2.85%

16. Portfolio transaction costs

	31 Oct 2024 £'000	31 Oct 2023 £'000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	178,823	164,579
Total Corporate actions	38,090	39,716
Total sales	75,127	104,565

At the balance sheet date the portfolio dealing spread was 0.80% (31/10/23: 1.08%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Equities	622	–	–	622
Bonds	–	278,024	7,382	285,406
Derivatives	–	11,138	–	11,138
Total	622	289,162	7,382	297,166
Investment liabilities				
Derivatives	–	(530)	–	(530)
Total	–	(530)	–	(530)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	201,918	8,732	210,650
Derivatives	–	10,088	–	10,088
Total	–	212,006	8,732	220,738
Investment liabilities				
Derivatives	–	(975)	–	(975)
Total	–	(975)	–	(975)

At the current year end, the level 3 assets held were the following

Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Varsity Funding 8.7915% Step 24/7/2026, Aggregate Micro Power Infrastructure No.2 8% 17/10/2036, MIELI London 4.82% 12/8/2027, Eskmuir Group Finance 4.255% 12/12/2047, Road Management Services 3.642% IL 31/3/2028, Metrocentre New Money Note Sonia + 11% PIK 6/12/2023, Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX, Mercantile Investment Trust 4.25% perpetual and Law Debenture 6.125% 12/10/2034.

At the prior year end, the level 3 assets held were the following

Deco 2019-RAM DAC FRN 7/8/2030, Finance for Residence Social Housing 'A1' 8.369% 4/10/2058, Finance for Residence Social Housing 'A2' 8.569% 5/10/2058, Varsity Funding 8.7915% Step 24/7/2026, Aggregate Micro Power Infrastructure No.2 8% 17/10/2036, MIELI London 4.82% 12/8/2027, Eskmuir Group Finance 4.255% 12/12/2047, Charm Finance 3.509% 12/4/2048, Road Management Services 3.642% IL 31/3/2028, Metrocentre New Money Note Sonia + 11% PIK 6/12/2023, Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX, Mercantile Investment Trust 4.25% perpetual and Law Debenture 6.125% 12/10/2034.

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
Class R Accumulation				
Group 1	1.5212	–	1.5212	1.5348
Group 2	1.5212	0.0000	1.5212	1.5348
Class S Accumulation				
Group 1	1.4407	–	1.4407	1.5201
Group 2	0.6594	0.7813	1.4407	1.5201
Class Z Accumulation				
Group 1	1.6382	–	1.6382	1.7203
Group 2	0.7477	0.8905	1.6382	1.7203
Class Z Income				
Group 1	1.0209	–	1.0209	1.2432
Group 2	0.1837	0.8372	1.0209	1.2432

Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class R Accumulation				
Group 1	1.6964	–	1.6964	1.3218
Group 2	1.6964	0.0000	1.6964	1.3218
Class S Accumulation				
Group 1	1.6803	–	1.6803	1.3061
Group 2	1.6803	0.0000	1.6803	1.3061
Class Z Accumulation				
Group 1	1.8927	–	1.8927	1.4642
Group 2	0.7812	1.1115	1.8927	1.4642
Class Z Income				
Group 1	1.2861	–	1.2861	1.0411
Group 2	0.4991	0.7870	1.2861	1.0411

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Third Interim**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 July 2024

	Net income	Equalisation	Distribution paid 30/09/24	Distribution paid 29/09/23
Class R Accumulation				
Group 1	1.2925	–	1.2925	1.8463
Group 2	1.2925	0.0000	1.2925	1.8463
Class S Accumulation				
Group 1	1.2803	–	1.2803	1.8298
Group 2	0.2527	1.0276	1.2803	1.8298
Class Z Accumulation				
Group 1	1.4034	–	1.4034	2.0983
Group 2	0.2891	1.1143	1.4034	2.0983
Class Z Income				
Group 1	0.9398	–	0.9398	1.4745
Group 2	0.2758	0.6640	0.9398	1.4745

Final

Group 1: Shares purchased prior to 1 August 2024

Group 2: Shares purchased between 1 August 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class R Accumulation				
Group 1	1.5288	–	1.5288	1.9982
Group 2	1.5288	0.0000	1.5288	1.9982
Class S Accumulation				
Group 1	1.5189	–	1.5189	1.9793
Group 2	1.5189	0.0000	1.5189	1.9793
Class Z Accumulation				
Group 1	1.6874	–	1.6874	2.2624
Group 2	0.4501	1.2373	1.6874	2.2624
Class Z Income				
Group 1	1.1198	–	1.1198	1.5768
Group 2	0.4282	0.6916	1.1198	1.5768

Royal London Short Duration Gilts Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Short Duration Gilts Fund, Class M Income	4.54	2.65	2.44
Royal London Short Duration Gilts Fund, Class N Accumulation	4.78	–	–
Royal London Short Duration Gilts Fund, Class R Accumulation	4.67	3.23	3.43
Royal London Short Duration Gilts Fund, Class S Income	4.77	3.33	3.55
Royal London Short Duration Gilts Fund, Class Z Income	4.62	2.86	2.78
FTSE® Actuaries UK Conventional Gilts up to 5 Years Index*	4.50	1.43	0.96
IA UK Gilt Total Return (TR)	5.52	-23.39	-22.96

Class N Accumulation launched 18 August 2023.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund's return was broadly in line with the benchmark over the period.

Market overview

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Government bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in the expectation that interest rates would be cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period broadly where they started, with UK gilt markets returning 5.6% for the period.

Portfolio commentary

We have seen yields come under pressure at both shorter and longer maturities. In UK markets, the new Labour government's first Budget kept gilts volatile. Heading into the Budget, gilts were underperforming European peers, with an expectation that increased government spending will lead to increased bond supply. Following the Budget, gilt yields moved higher.

This move was likely spurred by the Office of Budget Responsibility's (OBR) assessment that the budget would likely see borrowing up, inflation up, but economic growth lower over the medium term.

The Fund ended the period with a bias towards lower yields, which detracted from performance towards the end of the period but has generally been positive over the period. Our relative value position has also been positive for performance. Our overweighting in certain 2027 and 2029 bonds proved beneficial for performance as they outperformed versus neighbouring bonds. The Fund remains biased towards the higher yielding high coupon bonds in the shorter dated part of the market. We will continue to tactically trade the volatility seen in markets.

Manager's Investment Report (continued)

Investment outlook

In the UK, the market is now assuming base rates have peaked at 5.25% and falling to a level of around 3.75% by the end of 2025. The market will be paying close attention to the economic data as well as the actions of other central banks to determine whether a further rate cut is warranted. We also note that the BoE's footprint on the gilt market will be significantly reduced; with only £13bn of active sales for the next 12 months, which is a significant reduction from the prior year.

The bigger concerns for the market however revolve around two consequences of announced government policy: inflation and borrowing. There is a risk that the combination of an increase in the national living wage, tax on national insurance contributions, and previously announced labour market reforms, place upward pressure on inflation. That has put pressure on the shorter dated part of bond markets, especially given that markets were expecting the Bank of England to be cutting rates throughout much of next year.

Ben Nicholl
Fund Manager
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	93.72	94.86	99.70
Return before operating charges*	4.57	2.27	(3.53)
Operating charges	(0.28)	(0.27)	(0.28)
Return after operating charges*	4.29	2.00	(3.81)
Distributions on income shares	(3.99)	(3.14)	(1.03)
Closing net asset value per share	94.02	93.72	94.86
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.58%	2.11%	(3.82)%
Other information			
Closing net asset value (£'000)	499,316	531,939	405,812
Closing number of shares	531,063,948	567,570,855	427,787,909
Operating charges	0.29%	0.29%	0.29%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	97.14	96.74	100.50
Lowest share price	93.72	92.10	92.91

Class N Accumulation**

Change in net assets per share	31/10/24 (p)	31/10/23 (p)
Opening net asset value per share	102.41	100.00
Return before operating charges*	5.04	2.42
Operating charges	(0.04)	(0.01)
Return after operating charges*	5.00	2.41
Distributions on accumulation shares	(4.41)	(0.83)
Retained distributions on accumulation shares	4.41	0.83
Closing net asset value per share	107.41	102.41
* after direct transaction costs of:	–	–
Performance		
Return after charges	4.88%	2.41%
Other information		
Closing net asset value (£'000)	349,249	224,581
Closing number of shares	325,147,815	219,297,795
Operating charges	0.04%	0.04%
Direct transaction costs	–	–
Prices[^]		
Highest share price	108.60	102.60
Lowest share price	102.40	100.00

** Class N Accumulation launched on 18 August 2023.

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	100.52	98.24	101.95
Return before operating charges*	4.95	2.37	(3.62)
Operating charges	(0.09)	(0.09)	(0.09)
Return after operating charges*	4.86	2.28	(3.71)
Distributions on accumulation shares	(4.33)	(3.28)	(1.05)
Retained distributions on accumulation shares	4.33	3.28	1.05
Closing net asset value per share	105.38	100.52	98.24
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.83%	2.32%	(3.64)%
Other information			
Closing net asset value (£'000)	248,513	258,659	430,413
Closing number of shares	235,825,727	257,314,502	438,119,037
Operating charges	0.08%#	0.09%	0.09%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	106.60	100.70	102.80
Lowest share price	100.50	96.88	95.47

The FMF was reduced from 0.09% to 0.08% on 30 September 2024.

Class S Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	94.35	95.29	99.93
Return before operating charges*	4.60	2.29	(3.54)
Operating charges	(0.07)	(0.07)	(0.07)
Return after operating charges*	4.53	2.22	(3.61)
Distributions on income shares	(4.02)	(3.16)	(1.03)
Closing net asset value per share	94.86	94.35	95.29
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.80%	2.33%	(3.61)%
Other information			
Closing net asset value (£'000)	5	5	5
Closing number of shares	5,000	5,000	5,000
Operating charges	0.07%	0.07%	0.07%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	97.98	97.23	100.80
Lowest share price	94.35	92.65	93.31

Comparative Tables (continued)

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	94.34	95.42	100.21
Return before operating charges*	4.59	2.29	(3.54)
Operating charges	(0.21)	(0.21)	(0.22)
Return after operating charges*	4.38	2.08	(3.76)
Distributions on income shares	(4.02)	(3.16)	(1.03)
Closing net asset value per share	94.70	94.34	95.42
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.64%	2.18%	(3.75)%
Other information			
Closing net asset value (£'000)	321,895	316,571	373,128
Closing number of shares	339,893,545	335,577,487	391,048,508
Operating charges	0.22%	0.22%	0.22%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	97.84	97.33	101.10
Lowest share price	94.34	92.68	93.44

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Certificates of Deposit – 0.00% (31/10/23 – 1.08%)			
Commercial Mortgage Backed Securities – 0.00% (31/10/23 – 0.05%)			
Corporate Bonds – 3.50% (31/10/23 – 2.78%)			
£2,500,000	Bank of Nova Scotia FRN 9/11/2024†	2,500	0.18
£1,400,000	Banque Federative du Credit Mutuel 1.875% 26/10/2028	1,243	0.09
£3,636,000	Commonwealth Bank of Australia FRN 17/10/2027	3,638	0.26
£1,615,000	DBS Bank FRN 17/11/2026	1,621	0.11
£6,403,000	DNB Bank 1.375% variable 2/12/2025	6,382	0.45
£3,583,000	Leeds Building Society 1.375% 6/10/2027	3,228	0.23
£6,038,000	Lloyds Bank 5.125% 7/3/2025	6,036	0.43
£2,459,000	National Australia Bank FRN 17/6/2026	2,466	0.17
£1,650,000	Nordea Bank Abp 6% variable 2/6/2026	1,657	0.12
£4,447,000	OP Corporate Bank 3.375% 14/1/2026	4,367	0.31
£5,598,000	PRS Finance 1.75% 24/11/2026	4,691	0.33
£2,765,000	Royal Bank of Canada 1% 9/9/2026	2,574	0.18
£2,593,000	Royal Bank of Canada FRN 27/1/2025	2,593	0.18
£2,014,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	2,032	0.14
£1,818,000	TSB Bank FRN 14/2/2027	1,824	0.13
£2,715,000	Westpac Banking Corporation FRN 3/7/2028	2,718	0.19
Total Corporate Bonds		49,570	3.50
Government Bonds – 99.37% (31/10/23 – 96.23%)			
£642,000	Development Bank of Japan 4.5% 6/6/2025	640	0.05
£1,900,000	Dexia Credit Local 1.25% 21/7/2025	1,851	0.13
£1,341,000	KfW 1.125% 4/7/2025	1,309	0.09
£26,666,666	UK Treasury 0% 3/2/2025	26,335	1.86
£126,000,000	UK Treasury 0.5% 31/1/2029	108,162	7.62
£233,000,000	UK Treasury 3.5% 22/10/2025	230,433	16.24
£213,000,000	UK Treasury 3.75% 7/3/2027	209,758	14.78
£260,300,000	UK Treasury 4.125% 29/1/2027	258,554	18.22
£318,004,000	UK Treasury 4.125% 22/7/2029	315,409	22.23
£235,472,000	UK Treasury 4.5% 7/6/2028	236,607	16.67
£21,000,000	UK Treasury 5% 7/3/2025	21,007	1.48
Total Government Bonds		1,410,065	99.37
Forward Currency Contracts – 0.00% (31/10/23 – (0.02)%)			
Total value of investments			
		1,459,635	102.87
Net other liabilities			
		(40,657)	(2.87)
Total net assets			
		1,418,978	100.00

† Unlisted

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

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 0.5% 31/1/2029	771,870
UK Treasury 4.125% 22/7/2029	465,556
UK Treasury 3.75% 7/3/2027	310,494
UK Treasury 4.5% 7/6/2028	240,497
UK Treasury 4.125% 29/1/2027	160,653
UK Treasury 3.5% 22/10/2025	132,178
UK Treasury 0.625% 7/6/2025	103,997
UK Treasury 5% 7/3/2025	97,215
UK Treasury 1% 22/4/2024	68,866
UK Treasury 0.125% 31/1/2024	55,397
Subtotal	2,406,723
Total cost of purchases, including the above, for the year	2,564,386

Significant Sales

	Proceeds £'000
UK Treasury 0.5% 31/1/2029	861,903
UK Treasury 0.25% 31/1/2025	211,623
UK Treasury 4.125% 29/1/2027	197,639
UK Treasury 3.5% 22/10/2025	158,008
UK Treasury 4.125% 22/7/2029	147,112
UK Treasury 0.625% 7/6/2025	105,138
UK Treasury 3.75% 7/3/2027	101,542
UK Treasury 1% 22/4/2024	99,157
UK Treasury 0.125% 31/1/2028	92,913
UK Treasury 0.125% 31/1/2024	82,956
Subtotal	2,057,991
Total proceeds from sales, including the above, for the year	2,466,162

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains/ (losses)	2	8,159	(11,799)
Revenue	3	57,830	40,017
Expenses	4	(2,564)	(2,536)
Interest payable and similar charges		(34)	(34)
Net revenue before taxation		55,232	37,447
Taxation	5	–	–
Net revenue after taxation		55,232	37,447
Total return before distributions		63,391	25,648
Distributions	6	(57,796)	(39,983)
Change in net assets attributable to shareholders from investment activities		5,595	(14,335)

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		1,459,635	1,333,685
Current assets:			
Debtors	7	14,274	18,990
Cash and bank balances	8	1,984	21,518
Total assets		1,475,893	1,374,193
Liabilities			
Investment liabilities		–	274
Creditors:			
Bank overdraft		–	153
Other creditors	9	39,368	25,864
Distribution payable		17,547	16,147
Total liabilities		56,915	42,438
Net assets attributable to shareholders		1,418,978	1,331,755

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	1,331,755	1,209,358
Amounts receivable on creation of shares	344,978	676,206
Amounts payable on cancellation of shares	(286,477)	(550,721)
	58,501	125,485
Dilution adjustment charged	25	236
Change in net assets attributable to shareholders from investment activities	5,595	(14,335)
Retained distribution on accumulation shares	23,102	11,011
Closing net assets attributable to shareholders	1,418,978	1,331,755

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains/(losses)

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	7,787	(12,995)
Currency losses	(274)	(1,222)
Forward currency contracts	646	2,418
Net capital gains/(losses)	8,159	(11,799)

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	56,928	39,209
Bank interest	748	432
Stock lending income	154	376
Total revenue	57,830	40,017

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	2,564	2,536
Total expenses	2,564	2,536

* Audit fee £13,443 (31/10/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	55,232	37,447
Corporation tax at 20% (31/10/23: 20%)	11,046	7,489
Effects of:		
Tax deductible interest distributions	(11,046)	(7,236)
Tax relief on index-linked gilts	-	(253)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset in relation to surplus management expenses (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	10,603	4,363
Final	12,499	6,648
	23,102	11,011
Income shares		
Interim	16,695	11,618
Final	17,547	16,147
	34,242	27,765
Net distributions for the year	57,344	38,776
Add: Amounts deducted on cancellation of shares	3,463	5,116
Deduct: Amounts received on the creation of shares	(3,011)	(3,909)
Gross interest distributions for the year	57,796	39,983

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	55,232	37,447
Expenses charged to capital	2,564	2,536
Gross interest distributions for the year	57,796	39,983

Details of the distribution per share are set out on pages 171 and 172.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	1,273	121
Sales awaiting settlement	–	13,960
Accrued revenue	13,001	4,909
Total debtors	14,274	18,990

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	1,984	21,365
Amounts held at futures clearing houses and brokers	–	153
Total cash and bank balances	1,984	21,518

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	1,008	12,788
Purchases awaiting settlement	38,137	12,850
Accrued expenses	223	226
Total other creditors	39,368	25,864

10. Reconciliation of number of shares

	Class M Income	Class N Accumulation
Opening shares at 01/11/23	567,570,855	219,297,795
Shares issued	103,852,147	110,151,375
Shares cancelled	(140,359,054)	(4,301,355)
Closing shares at 31/10/24	531,063,948	325,147,815

	Class R Accumulation	Class S Income
Opening shares at 01/11/23	257,314,502	5,000
Shares issued	27,214,865	–
Shares cancelled	(48,703,640)	–
Closing shares at 31/10/24	235,825,727	5,000

	Class Z Income
Opening shares at 01/11/23	335,577,487
Shares issued	108,516,800
Shares cancelled	(104,200,742)
Closing shares at 31/10/24	339,893,545

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £49,000 (31/10/23: £12,893,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 12.84% (31/10/23: 15.23%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £38,000 (Gross: £192,000) (31/10/23: £94,000 (Gross: £470,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £108,275,901 (31/10/23: £181,850,518).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	115,611	186,267

The aggregate value of collateral held at the balance sheet date was £115,611,000 (31/10/23: £186,267,000).

Collateral may be in the form of cash, UK gilts, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Bank of Nova Scotia, Barclays Bank, Merrill Lynch and Morgan Stanley & Co International.

14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

There were no derivatives held at the year end. The types of derivatives held at the previous year end were forward currency contracts. The total position held by the counterparty at the previous year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	–	26
Royal Bank of Canada	–	23

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 165. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	1,418,975	1,332,013
Australian dollar	–	(385)
Canadian dollar	1	1
Euro	1	153
US dollar	1	(27)
Total	1,418,978	1,331,755

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £nil (31/10/23: (£26,000)). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £nil (31/10/23: (£26,000)). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £145,963,000 (31/10/23: £133,341,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £145,963,000 (31/10/23: £133,341,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	27,380	1,434,235	14,275	1,475,890
Canadian dollar	1	–	–	1
Euro	1	–	–	1
US dollar	1	–	–	1
Total	27,383	1,434,235	14,275	1,475,893

31 Oct 2023				
Sterling	36,638	1,274,935	30,789	1,342,362
Australian dollar	1	19,394	139	19,534
Canadian dollar	1	–	–	1
Euro	153	–	–	153
US dollar	1	12,093	49	12,143
Total	36,794	1,306,422	30,977	1,374,193

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	56,915	56,915
Total	–	56,915	56,915

31 Oct 2023			
Sterling	–	42,164	42,164
US dollar	–	274	274
Total	–	42,438	42,438

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £523,000 (31/10/23: £222,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £174,000 (31/10/23: £74,000).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

A change of 3% in the prevailing interest rates would result in a change of 0.08% (31/10/23: 0.08%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.02% (31/10/23: 0.03%) to the value of the Fund.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,459,365	102.87	1,318,566	99.01
Unrated bonds	–	–	639	0.05
Total bonds	1,459,365	102.87	1,319,205	99.06
Certificates of deposit	–	–	14,431	1.08
Forward currency contracts – assets	–	–	49	–
Investments as shown in the balance sheet	1,459,365	102.87	1,333,685	100.14
Forward currency contracts – liabilities	–	–	(274)	(0.02)
Total value of investments	1,459,365	102.87	1,333,411	100.12

* Ratings supplied by S&P, followed by Moody's.

16. Portfolio transaction costs

	31 Oct 2024 £000	31 Oct 2023 £000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total Bond purchases transactions	2,564,386	2,656,897
Total cash and deposits purchase transactions	–	14,335
Total Bond sales transactions	2,451,395	2,523,096
Total cash and deposits sales transactions	14,767	–

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.07% (31/10/23: 0.04%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	1,459,635	–	1,459,635
Total	–	1,459,635	–	1,459,635

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	1,319,205	–	1,319,205
Certificate of deposit	–	14,431	–	14,431
Derivatives	–	49	–	49
Total	–	1,333,685	–	1,333,685
Investment liabilities				
Derivatives	–	(274)	–	(274)
Total	–	(274)	–	(274)

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class M Income				
Group 1	1.9793	–	1.9793	1.3535
Group 2	1.0963	0.8830	1.9793	1.3535
Class N Accumulation*				
Group 1	2.1641	–	2.1641	N/A
Group 2	1.5993	0.5648	2.1641	N/A
Class R Accumulation				
Group 1	2.1239	–	2.1239	1.4024
Group 2	0.6435	1.4804	2.1239	1.4024
Class S Income				
Group 1	1.9935	–	1.9935	1.3604
Group 2	1.9935	0.0000	1.9935	1.3604
Class Z Income				
Group 1	1.9927	–	1.9927	1.3617
Group 2	0.9044	1.0883	1.9927	1.3617

* Class N Accumulation launched on 18 August 2023 hence has no comparative.

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Income				
Group 1	2.0092	–	2.0092	1.7836
Group 2	1.1142	0.8950	2.0092	1.7836
Class N Accumulation				
Group 1	2.2458	–	2.2458	0.8297
Group 2	1.2721	0.9737	2.2458	0.8297
Class R Accumulation				
Group 1	2.2036	–	2.2036	1.8766
Group 2	0.7261	1.4775	2.2036	1.8766
Class S Income				
Group 1	2.0258	–	2.0258	1.7946
Group 2	2.0258	0.0000	2.0258	1.7946
Class Z Income				
Group 1	2.0233	–	2.0233	1.7949
Group 2	1.2167	0.8066	2.0233	1.7949

Royal London Short Term Fixed Income Enhanced Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year return %	3 year return %	5 year return %
Royal London Short Term Fixed Income Enhanced Fund, Class R Accumulation	6.72	10.63	12.69
Royal London Short Term Fixed Income Enhanced Fund, Class S Accumulation	6.74	10.65	12.71
Royal London Short Term Fixed Income Enhanced Fund, Class S Income	6.72	10.63	12.68
Royal London Short Term Fixed Income Enhanced Fund, Class Y Accumulation	6.56	10.13	11.84
Royal London Short Term Fixed Income Enhanced Fund, Class Y Income	6.56	10.13	11.84
Royal London Short Term Fixed Income Enhanced Fund, Class Z Accumulation	6.73	10.67	12.35
Sterling Overnight Index Average Rate (SONIA)	5.15	10.60	10.99
Sterling Overnight Index Average Rate (SONIA) +1% p.a.*	6.15	13.60	15.99

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund outperformed its benchmark over the period.

Market overview

For much of the past year or so, market focus has been on high inflation across developed economies, with an expectation that this would fall and allow central banks to cut interest rates early and often. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting in the summer, with the European Central Bank cutting rates in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has been uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

In money markets, rates have come down slightly reflecting Bank of England policy. SONIA started the review period at 5.19% and fell to 4.95% at the end. Two-year gilt yields – an indication of market expectations of future interest rates, started at 4.67% and ended at 4.45%, having been as low as 3.54% – with gilt yields rising late on due to concerns over increased borrowing by the new government.

Portfolio commentary

The Fund performed well over the period, with contributions from exposure to traditional money market instruments such as certificates of deposit and treasury bills, while our exposure to covered bonds and selected short dated corporate bonds also helped. Performance within our money market exposure was positive. We generally had a bias towards extending maturities to take advantage of attractive yields on offer. The high level of yield in the portfolios has helped produce strong returns for the period, as did our exposure to short-dated high quality corporate bonds, which performed well.

We continued to use short-dated gilts to maintain interest rate exposure and benefit from the higher yields on offer as the market continued to change expectations of future rate moves. When short-dated yields are more volatile, this is an effective way to benefit from this volatility given these are liquid and cost-efficient.

In short-dated credit, we added a new issue of senior bonds from Nordea and ING at above-market yields and subordinated bonds from Credit Agricole at very attractive levels. Covered bonds from favoured issuers are always attractive for the Fund, and remain an area of interest. Issuance remains light, but we did buy a new issue five-year covered bond from TSB, while also adding new issue three-year covered bonds from United Overseas Bank.

Manager's Investment Report (continued)

Investment outlook

As we enter the final months of 2024, the market focus has moved from when markets will first cut interest rates, to the scale and timetable of those cuts. As we saw at the start of 2024, markets have generally been overly aggressive in their expectations. We have generally been more cautious. Our caution reflects that while headline inflation may have come down, service and wage inflation are still generally at levels that are not normally consistent with significant rate cuts. After a decade that includes a world-wide pandemic, a European land war, and the election of a TV reality star as US president, perhaps there is no 'normal' to fall back on, but we are certainly more cautious about the rate outlook.

In general, we have been cautious during the past few months on both maturity and credit risk – in essence having a bias towards shorter dated, higher quality securities. We remain comfortable with this approach, given our view that credit risk within the very short-dated space is not particularly well rewarded, and are therefore to have higher than normal exposure to areas such as treasury bills or gilts.

Craig Inches and Tony Cole

Fund Managers

Royal London Asset Management Limited

31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the authors' own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	107.75	102.05	103.91
Return before operating charges*	7.24	5.73	(1.83)
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	7.21	5.70	(1.86)
Distributions on accumulation shares	(5.18)	(3.96)	(1.36)
Retained distributions on accumulation shares	5.18	3.96	1.36
Closing net asset value per share	114.96	107.75	102.05
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.69%	5.59%	(1.79)%
Other information			
Closing net asset value (£'000)	535,793	766,017	868,855
Closing number of shares	466,069,274	710,928,283	851,368,248
Operating charges	0.035%#	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	115.26	107.75	104.28
Lowest share price	107.83	102.22	100.86

The FMF was changed from 0.03% to 0.035% on 30 September 2024.

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	106.70	101.06	102.90
Return before operating charges*	7.20	5.67	(1.81)
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	7.17	5.64	(1.84)
Distributions on accumulation shares	(5.14)	(3.92)	(1.35)
Retained distributions on accumulation shares	5.14	3.92	1.35
Closing net asset value per share	113.87	106.70	101.06
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.72%	5.58%	(1.79)%
Other information			
Closing net asset value (£'000)	109,949	59,939	8,899
Closing number of shares	96,560,045	56,175,192	8,805,774
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	114.17	106.70	103.27
Lowest share price	106.78	101.22	99.88

Class S Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	98.51	96.86	99.94
Return before operating charges*	6.52	5.38	(1.75)
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	6.49	5.35	(1.78)
Distributions on income shares	(4.66)	(3.70)	(1.30)
Closing net asset value per share	100.34	98.51	96.86
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.59%	5.52%	(1.78)%
Other information			
Closing net asset value (£'000)	3,403	37,431	318,217
Closing number of shares	3,391,835	37,998,717	328,518,056
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	101.77	99.80	100.30
Lowest share price	98.63	97.02	96.22

Class Y Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	109.75	104.11	106.17
Return before operating charges*	7.37	5.83	(1.87)
Operating charges	(0.20)	(0.19)	(0.19)
Return after operating charges*	7.17	5.64	(2.06)
Distributions on accumulation shares	(5.11)	(3.87)	(1.23)
Retained distributions on accumulation shares	5.11	3.87	1.23
Closing net asset value per share	116.92	109.75	104.11
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.53%	5.42%	(1.94)%
Other information			
Closing net asset value (£'000)	149,189	105,887	221,881
Closing number of shares	127,597,632	96,476,721	213,121,493
Operating charges	0.18%	0.18%	0.18%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	117.24	109.75	106.52
Lowest share price	109.83	104.28	102.91

Comparative Tables (continued)

Class Y Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	97.26	95.64	98.68
Return before operating charges*	6.44	5.31	(1.72)
Operating charges	(0.18)	(0.18)	(0.18)
Return after operating charges*	6.26	5.13	(1.90)
Distributions on income shares	(4.45)	(3.51)	(1.14)
Closing net asset value per share	99.07	97.26	95.64
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.44%	5.36%	(1.93)%
Other information			
Closing net asset value (£'000)	424,912	454,579	808,725
Closing number of shares	428,888,143	467,384,182	845,592,703
Operating charges	0.18%	0.18%	0.18%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	100.45	98.50	99.01
Lowest share price	97.39	95.79	94.98

Class Z Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	110.73	104.87	106.76
Return before operating charges*	7.44	5.88	(1.87)
Operating charges	(0.02)	(0.02)	(0.02)
Return after operating charges*	7.42	5.86	(1.89)
Distributions on accumulation shares	(5.34)	(4.08)	(1.41)
Retained distributions on accumulation shares	5.34	4.08	1.41
Closing net asset value per share	118.15	110.73	104.87
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.70%	5.59%	(1.77)%
Other information			
Closing net asset value (£'000)	3	3	2
Closing number of shares	2,359	2,359	2,359
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	118.47	110.73	107.14
Lowest share price	110.81	105.03	103.64

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Certificates of Deposit – 15.23% (31/10/23 – 31.29%)							
£10,000,000	Commonwealth Bank of Australia 30/9/2025	10,000	0.82	£15,000,000	Canadian Imperial Bank of Commerce FRN 9/6/2025	15,047	1.23
£15,000,000	Co-operative Rabobank 4.77% 24/3/2025	14,999	1.23	£10,210,000	Canadian Imperial Bank of Commerce FRN 23/6/2026	10,305	0.84
£5,000,000	Co-operative Rabobank 5.26% 23/6/2025	5,013	0.41	£13,091,000	Canadian Imperial Bank of Commerce FRN 10/10/2029	13,091	1.07
£14,000,000	DNB Bank 4.77% 19/8/2025	14,000	1.14	£2,705,000	Close Brothers Group 2% variable 11/9/2031	2,209	0.18
£15,000,000	DZ Bank 4.93% 17/2/2025	15,005	1.23	£3,299,000	Close Brothers Group 7.75% 14/6/2028	3,279	0.27
£15,000,000	DZ Bank 5.18% 20/5/2025	15,020	1.23	£714,000	Commonwealth Bank of Australia FRN 16/1/2025	713	0.06
£20,000,000	HSBC Bank 4/8/2025	20,006	1.64	£9,091,000	Commonwealth Bank of Australia FRN 17/10/2027	9,096	0.74
£15,000,000	ING Bank 0% 17/2/2025	14,784	1.21	£3,835,000	Coventry Building Society 5.875% variable 12/3/2030	3,865	0.32
£1,000,000	ING Bank 0% 23/5/2025	974	0.08	£6,620,000	Coventry Building Society 7% variable 7/11/2027	6,816	0.56
£1,000,000	National Australia Bank 5.2% 23/5/2025	1,002	0.08	£4,000,000	Credit Agricole 5.75% 9/11/2034	3,940	0.32
£1,000,000	National Australia Bank 5.28% 13/1/2025	1,001	0.08	£4,925,000	Danske Bank AS 4.625% variable 13/4/2027	4,901	0.40
£10,000,000	National Bank of Abu Dhabi 5.80% 8/11/2024	10,002	0.82	£23,097,000	DBS Bank FRN 17/11/2025	23,249	1.90
£20,000,000	Natixis 4.94% 24/1/2025	20,003	1.63	£10,100,000	Deutsche Bank 2.625% 16/12/2024	10,064	0.82
£15,000,000	NatWest Markets 0% 27/3/2025	14,719	1.20	£10,000,000	Deutsche Pfandbriefbank FRN 1/9/2026	9,968	0.82
£2,500,000	Nordea Bank Abp 0% 22/11/2024	2,493	0.20	£15,397,000	DNB Bank 1.375% variable 2/12/2025	15,346	1.25
£2,500,000	Nordea Bank Abp 4.825% 3/4/2025	2,500	0.20	£8,236,000	DNB Bank 2.625% variable 10/6/2026	8,106	0.66
£10,000,000	Nordea Bank Abp 4.835% 1/4/2025	9,997	0.82	£2,116,000	DNB Bank 4% variable 17/8/2027	2,072	0.17
£10,000,000	Toronto-Dominion Bank 0% 6/5/2025	9,758	0.80	£15,000,000	Federation des Caisses Desjardins FRN 30/11/2026	15,051	1.23
£5,000,000	Toronto-Dominion Bank 5.18% 13/5/2025	5,006	0.41	£11,374,000	Goldman Sachs Group 1% variable 16/12/2025	11,314	0.92
Total Certificates of Deposit		186,282	15.23	£17,000,000	Heathrow Funding 6.75% 3/12/2028	17,490	1.43
Commercial Mortgage Backed Securities – 4.89% (31/10/23 – 5.22%)				£19,081,000	HSBC 1.75% variable 24/7/2027	17,971	1.47
£7,891,000	Atom Mortgage Securities DAC FRN 22/7/2031	6,022	0.49	£11,303,000	Industrial Commercial Bank of China 1.625% 28/12/2025	10,813	0.88
£2,653,000	Exmoor Funding FRN 25/3/2094	2,635	0.22	£11,200,000	ING Groep 5% variable 30/8/2026	11,184	0.91
£4,718,000	Frost CMBS 2021 1 DAC FRN 22/11/2026	4,567	0.37	£3,000,000	ING Groep NV 4.875% 2/10/2029	2,960	0.24
£6,650,000	Highways 2021 FRN 18/11/2026	6,636	0.54	£19,609,000	JP Morgan Chase 0.991% variable 28/4/2026	19,227	1.57
£4,331,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	3,085	0.25	£8,600,000	KBC Group 1.25% variable 21/9/2027	7,992	0.65
£8,080,000	PCL Funding VIII FRN 15/5/2028	8,121	0.66	£2,000,000	KBC Group 6.151% variable 19/3/2034	2,021	0.17
£8,007,000	PCL Funding IX FRN 16/7/2029	8,022	0.66	£3,400,000	Kering 5.125% 23/11/2026	3,401	0.28
£1,921,000	PMF 2024-1 FRN 16/7/2060	1,911	0.16	£18,184,000	Leeds Building Society 1.375% 6/10/2027	16,381	1.34
£5,660,000	Sage AR Funding FRN 17/11/2030	5,650	0.46	£1,799,000	Leeds Building Society FRN 15/1/2025	1,800	0.15
£4,500,000	Taurus 2021-1 FRN 17/5/2031	4,453	0.36	£5,059,000	Leeds Building Society FRN 4/4/2029	5,065	0.41
£7,162,000	Taurus CMBS FRN 17/5/2030	7,166	0.59	£7,000,000	Legal & General 5.375% variable 27/10/2045	6,980	0.57
£4,703,000	Together Asset Backed Securitisation FRN 12/7/2063	1,573	0.13	£4,718,000	Lloyds Bank 1.985% variable 15/12/2031	4,395	0.36
Total Commercial Mortgage Backed Securities		59,841	4.89	£6,210,000	Metropolitan Life Global Funding 4.125% 2/9/2025	6,165	0.50
Commercial Paper – 4.03% (31/10/23 – 0.33%)				£3,000,000	Mitchells & Butlers (A1N) FRN 15/12/2030	883	0.07
£1,000,000	Australia and New Zealand Banking Group 0% 28/2/2025	984	0.08	£10,967,000	Mitchells & Butlers (A4) FRN 15/12/2028	4,683	0.38
£1,000,000	Australia and New Zealand Banking Group 0% 3/2/2025	988	0.08	£4,871,000	National Australia Bank 1.699% variable 15/9/2031	4,537	0.37
£1,000,000	Australia and New Zealand Banking Group 0% 3/6/2025	972	0.08	£26,159,000	National Australia Bank FRN 4/2/2025	26,179	2.14
£5,500,000	DZ Bank 0% 29/1/2025	5,436	0.45	£9,016,000	National Australia Bank FRN 17/6/2026	9,042	0.74
£10,000,000	Macquarie Bank 0% 12/2/2025	9,862	0.81	£18,250,000	Nationwide Building Society FRN 24/2/2031	18,067	1.48
£1,000,000	Macquarie Bank 0% 19/3/2025	982	0.08	£7,552,000	NatWest Group 2.105% variable 28/11/2031	7,061	0.58
£20,000,000	Macquarie Bank 0% 18/8/2025	19,264	1.58	£2,532,000	NatWest Group 5.642% VRN 17/10/2034	2,484	0.20
£1,000,000	Skandinaviska Enskilda Banken 0% 25/11/2024	997	0.08	£11,700,000	NatWest Markets 6.625% 22/6/2026	11,979	0.98
£5,000,000	Swedbank 0% 08/10/2025	4,793	0.39	£700,000	New York Life Global Funding 1.25% 17/12/2026	650	0.05
£5,000,000	Westpac Banking Corp 19/2/2025	4,929	0.40	£10,000,000	NIE Finance 2.5% 27/10/2025	9,735	0.80
Total Commercial Paper		49,207	4.03	£6,500,000	Nordea Bank Abp 4.5% 12/10/2029	6,361	0.52
Corporate Bonds – 61.81% (31/10/23 – 57.49%)				£4,951,000	Nordea Bank Abp 6% variable 2/6/2026	4,972	0.41
£9,600,000	Aareal Bank AG FRN 29/4/2025	9,615	0.79	£1,146,000	Northern Powergrid Yorkshire 2.5% 1/4/2025	1,132	0.09
£6,830,000	Australia & New Zealand Banking 1.809% variable 16/9/2031	6,367	0.52	£12,500,000	OP Corporate Bank FRN 18/11/2025	12,570	1.03
£10,200,000	Banco Santander SA 3.125% variable 6/10/2026	10,006	0.82	£3,471,000	Principality Building Society 8.625% 12/7/2028	3,736	0.31
£15,000,000	Banco Santander SA FRN 17/4/2025	15,003	1.23	£38,941,000	Royal Bank of Canada 1% 9/9/2026	36,250	2.96
£5,000,000	Bank of Montreal 5.125% 10/10/2028	5,015	0.41	£2,000,000	Royal Bank of Scotland 2.875% variable 19/9/2026	1,958	0.16
£15,000,000	Bank of Montreal FRN 15/9/2026	15,150	1.24	£10,069,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	10,160	0.83
£10,000,000	Bank of Nova Scotia 9/11/2024	10,001	0.82				
£936,000	Bank of Nova Scotia FRN 14/3/2025	939	0.08				
£11,513,000	Bank of Nova Scotia FRN 22/6/2026	11,618	0.95				
£12,800,000	Banque Federative Du Credit Mutuel 5% 19/1/2026	12,784	1.05				
£17,200,000	BNP Paribas 2% variable 24/5/2031	16,268	1.33				

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 61.81% (31/10/23 – 57.49%) – continued			
£26,960,000	Skipton Building Society 2% variable 2/10/2026	26,154	2.14
£8,000,000	Swedbank 7.272% variable 15/11/2032	8,302	0.68
£10,000,000	Telereal Securitisation FRN 10/12/2033	2,854	0.23
£2,500,000	Telereal Securitisation FRN 10/12/2033	1,932	0.16
£3,668,000	Toronto-Dominion Bank 2.875% 5/4/2027	3,480	0.28
£20,000,000	Toronto-Dominion Bank FRN 12/6/2028	20,090	1.64
£5,000,000	Toronto-Dominion Bank FRN 11/6/2029	5,001	0.41
£8,046,000	TSB Bank FRN 14/2/2027	8,073	0.66
£5,695,000	TSB Bank FRN 11/9/2029	5,697	0.47
£15,317,000	UK Municipal Bonds Agency Finance FRN 12/3/2025	15,309	1.25
£4,500,000	Unite USAF II 3.921% 30/6/2030	4,452	0.36
£13,867,000	United Overseas Bank Ltd 21/9/2026	14,005	1.14
£12,455,000	United Overseas Bank FRN 13/9/2027	12,463	1.02
£10,900,000	Westfield Stratford City 1.642% 4/8/2031	10,132	0.83
£27,149,000	Westpac Banking Corp FRN 3/7/2028	27,175	2.22
£3,495,000	Yorkshire Building Society FRN 24/5/2029	3,495	0.29
Total Corporate Bonds		756,096	61.81
Government Bonds – 14.49% (31/10/23 – 2.59%)			
£120,000,000	UK Gilt 4.125% 22/7/2029	119,021	9.73
£1,000,000	UK Treasury 0% 11/11/2024	998	0.08
£48,000,000	UK Treasury 0% 3/2/2025	47,403	3.87
£10,000,000	UK Treasury 0% 17/2/2025	9,859	0.81
Total Government Bonds		177,281	14.49
Total value of investments		1,228,707	100.45
Net other liabilities		(5,458)	(0.45)
Total net assets		1,223,249	100.00

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

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Gilt 0.5% 31/1/2029	337,345
UK Gilt 4.125% 22/7/2029	305,328
UK Treasury 0% 3/2/2025	48,839
Westpac Banking Corp FRN 3/7/2028	27,149
UK Treasury 0% 11/11/2024	24,696
HSBC Bank 4/8/2025	20,000
Natixis 4.94% 24/1/2025	20,000
Macquarie Bank 0% 18/8/2025	19,084
DZ Bank 5.18% 20/5/2025	15,000
DZ Bank 4.93% 17/2/2025	15,000
Subtotal	832,441
Total cost of purchases, including the above, for the year	1,129,693

Significant Sales

	Proceeds £'000
UK Gilt 0.5% 31/1/2029	376,534
UK Gilt 4.125% 22/7/2029	185,396
NSE 4.72% 22/2/2024	50,000
Lloyds Bank Corporate Markets 5.7916% 14/8/2024	50,000
Toronto-Dominion Bank 5.38% 22/5/2024	49,990
Commonwealth Bank of Australia FRN 16/1/2025	35,069
Skandinaviska Enskilda Banken 6.28% 2/8/2024	30,027
Commonwealth Bank of Australia 5.70% 30/4/2024	25,003
Credit Industrial et Commercial 0% 20/2/2024	25,000
Swedbank 0% 1/8/2024	25,000
Subtotal	852,019
Total proceeds from sales, including the above, for the year	1,309,494

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	23,382	32,458
Revenue	3	57,639	68,235
Expenses	4	(1,184)	(2,020)
Interest payable and similar charges		(12)	(4)
Net revenue before taxation		56,443	66,211
Taxation	5	–	–
Net revenue after taxation		56,443	66,211
Total return before distributions		79,825	98,669
Distributions	6	(56,443)	(66,207)
Change in net assets attributable to shareholders from investment activities		23,382	32,462

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		1,228,707	1,380,033
Current assets:			
Debtors	7	11,918	20,643
Cash and bank balances	8	18,434	36,220
Total assets		1,259,059	1,436,896
Liabilities			
Other creditors	10	31,019	6,757
Distribution payable		4,791	6,283
Total liabilities		35,810	13,040
Net assets attributable to shareholders		1,223,249	1,423,856

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	1,423,856	2,226,579
Amounts receivable on creation of shares	282,121	603,315
Amounts payable on cancellation of shares	(541,871)	(1,471,841)
	(259,750)	(868,526)
Dilution adjustment charged	301	1,128
Change in net assets attributable to shareholders from investment activities	23,382	32,462
Retained distribution on accumulation shares	35,460	32,213
Closing net assets attributable to shareholders	1,223,249	1,423,856

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	23,382	32,458
Net capital gains	23,382	32,458

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	55,882	65,730
Bank interest	87	105
Deposit interest	1,607	2,352
Stock lending income	63	48
Total revenue	57,639	68,235

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,184	2,020
Total expenses	1,184	2,020

* Audit fee £13,550 (31/10/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	56,443	66,211
Corporation tax at 20% (31/10/23: 20%)	11,289	13,242

Effects of:

Tax deductible interest distributions	(11,289)	(13,163)
Tax relief on index-linked gilts	-	(79)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/ (losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset in relation to surplus management expenses (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
First Interim	9,831	7,224
Second Interim	8,759	5,960
Third Interim	7,839	6,996
Final	9,031	12,033
	35,460	32,213
Income shares		
First Interim	5,832	7,148
Second Interim	4,539	7,594
Third Interim	4,344	7,687
Final	4,791	6,283
	19,506	28,712
Net distributions for the year	54,966	60,925
Add: Amounts deducted on cancellation of shares	3,354	9,311
Deduct: Amounts received on the creation of shares	(1,877)	(4,029)
Gross interest distributions for the year	56,443	66,207

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	56,443	66,211
Equalisation on conversion	–	(4)
Gross interest distributions for the year	56,443	66,207

Details of the distribution per share are set out on pages 186 to 189.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	554	638
Sales awaiting settlement	–	4,106
Accrued revenue	11,364	15,899
Total debtors	11,918	20,643

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	18,434	36,220
Total cash and bank balances	18,434	36,220

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	767	–
Purchases awaiting settlement	30,146	6,617
Accrued expenses	106	140
Total other creditors	31,019	6,757

10. Reconciliation of number of shares

	Class R Accumulation	Class S Accumulation
Opening shares at 01/11/23	710,928,283	56,175,192
Shares issued	21,639,841	84,025,583
Shares cancelled	(266,498,850)	(43,640,730)
Closing shares at 31/10/24	466,069,274	96,560,045

	Class S Income	Class Y Accumulation
Opening shares at 01/11/23	37,998,717	96,476,721
Shares issued	–	69,377,111
Shares cancelled	(34,606,882)	(38,256,200)
Closing shares at 31/10/24	3,391,835	127,597,632

	Class Y Income	Class Z Accumulation
Opening shares at 01/11/23	467,384,182	2,359
Shares issued	86,533,246	–
Shares cancelled	(125,029,285)	–
Closing shares at 31/10/24	428,888,143	2,359

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £318,000 (31/10/23: £498,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 31.23% (31/10/23: 43.53%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

Certain directors or close family members of directors of the Authorised Corporate Director own shares in the Fund. Shares held are noted below:

Sub-fund	Shares held
Royal London Short Term Fixed Income Enhanced Fund	4,258

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £16,000 (Gross: £79,000) (31/10/23: £12,000 (Gross: £60,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £25,174,000 (31/10/23: £41,466,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	27,134	44,606
Cash	–	509

The aggregate value of collateral held at the balance sheet date was £27,134,000 (31/10/23: £45,115,000).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were Deutsche Bank, Goldman Sachs, HSBC Bank, JP Morgan Securities, Merrill Lynch, Morgan Stanley & Co International, Nomura International and RBC Europe Limited.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

14. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 180. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

All of the assets of the Fund are sterling denominated, there is no exposure to foreign currency.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £122,871,000 (31/10/23: £138,003,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £122,871,000 (31/10/23: £138,003,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	633,914	564,020	61,125	1,259,059
Total	633,914	564,020	61,125	1,259,059
31 Oct 2023*				
Sterling	650,301	637,484	149,111	1,436,896
Total	650,301	637,484	149,111	1,436,896

* PY figures restated.

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	35,810	35,810
Total	–	35,810	35,810
31 Oct 2023			
Sterling	–	13,040	13,040
Total	–	13,040	13,040

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £12,387,000 (31/10/23: £13,341,000). Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £4,129,000 (31/10/24: £4,447,000).

A change of 3% in the prevailing interest rates would result in a change of 0.06% (31/10/23: 0.01%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.00% (31/10/23: 0.00%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	966,847	79.02	893,306	62.73
Unrated bonds	26,371	2.17	36,545	2.57
Total bonds	993,218	81.19	929,851	65.30
Certificates of deposit	186,282	15.23	445,441	31.29
Commercial paper	49,207	4.03	4,741	0.33
Total value of investments	1,228,707	100.45	1,380,033	96.92

* Ratings supplied by S&P, followed by Moody's.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Portfolio transaction costs

There were no transaction costs for the year ended 31 October 2024 (31/10/23: same).

For the year ended 31 October 2024

	31 Oct 2024 £000	31 Oct 2023 £000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total Bond purchases transactions	881,283	661,496
Total cash and deposits purchase transactions	248,410	849,189
Total Bond sales transactions	818,733	1,280,574
Total cash and deposits sales transactions	468,044	863,607
Total corporate actions sales transactions	22,717	62,474

At the balance sheet date the portfolio dealing spread was 0.10% (31/10/23: 0.15%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

16. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	993,218	–	993,218
Certificates of deposit	–	186,282	–	186,282
Commercial paper	–	49,207	–	49,207
Total	–	1,228,707	–	1,228,707

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	929,851	–	929,851
Certificates of deposit	–	445,441	–	445,441
Commercial paper	–	4,741	–	4,741
Total	–	1,380,033	–	1,380,033

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 28/03/24	Distribution paid 31/03/23
Class R Accumulation				
Group 1	1.3018	–	1.3018	0.7103
Group 2	0.6966	0.6052	1.3018	0.7103
Class S Accumulation				
Group 1	1.2893	–	1.2893	0.7033
Group 2	0.2941	0.9952	1.2893	0.7033
Class S Income				
Group 1	1.1903	–	1.1903	0.6741
Group 2	1.1903	0.0000	1.1903	0.6741
Class Y Accumulation				
Group 1	1.2838	–	1.2838	0.6845
Group 2	0.6416	0.6422	1.2838	0.6845
Class Y Income				
Group 1	1.1380	–	1.1380	0.6290
Group 2	0.4984	0.6396	1.1380	0.6290
Class Z Accumulation				
Group 1	1.3413	–	1.3413	0.7322
Group 2	1.3413	0.0000	1.3413	0.7322

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Second Interim**

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class R Accumulation				
Group 1	1.3165	–	1.3165	0.8513
Group 2	0.3109	1.0056	1.3165	0.8513
Class S Accumulation				
Group 1	1.3039	–	1.3039	0.8433
Group 2	0.1874	1.1165	1.3039	0.8433
Class S Income				
Group 1	1.1888	–	1.1888	0.8026
Group 2	1.1888	0.0000	1.1888	0.8026
Class Y Accumulation				
Group 1	1.2986	–	1.2986	0.8290
Group 2	0.6283	0.6703	1.2986	0.8290
Class Y Income				
Group 1	1.1375	–	1.1375	0.7569
Group 2	0.6083	0.5292	1.1375	0.7569
Class Z Accumulation				
Group 1	1.3560	–	1.3560	0.8779
Group 2	1.3560	0.0000	1.3560	0.8779

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Third Interim**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 July 2024

	Net income	Equalisation	Distribution paid 30/09/24	Distribution paid 29/09/23
Class R Accumulation				
Group 1	1.2519	–	1.2519	0.9981
Group 2	0.5919	0.6600	1.2519	0.9981
Class S Accumulation				
Group 1	1.2401	–	1.2401	0.9882
Group 2	1.2401	0.0000	1.2401	0.9882
Class S Income				
Group 1	1.1177	–	1.1177	0.9330
Group 2	1.1177	0.0000	1.1177	0.9330
Class Y Accumulation				
Group 1	1.2309	–	1.2309	0.9766
Group 2	0.5258	0.7051	1.2309	0.9766
Class Y Income				
Group 1	1.0660	–	1.0660	0.8844
Group 2	0.4344	0.6316	1.0660	0.8844
Class Z Accumulation				
Group 1	1.2904	–	1.2904	1.0284
Group 2	1.2904	0.0000	1.2904	1.0284

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 August 2024

Group 2: Shares purchased between 1 August 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class R Accumulation				
Group 1	1.3139	–	1.3139	1.3959
Group 2	0.7027	0.6112	1.3139	1.3959
Class S Accumulation				
Group 1	1.3019	–	1.3019	1.3824
Group 2	0.7496	0.5523	1.3019	1.3824
Class S Income				
Group 1	1.1605	–	1.1605	1.2929
Group 2	1.1605	0.0000	1.1605	1.2929
Class Y Accumulation				
Group 1	1.2933	–	1.2933	1.3809
Group 2	0.5684	0.7249	1.2933	1.3809
Class Y Income				
Group 1	1.1080	–	1.1080	1.2391
Group 2	0.3683	0.7397	1.1080	1.2391
Class Z Accumulation				
Group 1	1.3555	–	1.3555	1.4377
Group 2	1.3555	0.0000	1.3555	1.4377

Royal London Cautious Managed Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Royal London Cautious Managed (A Acc)	9.80	3.52	10.63
Cautious Managed Composite Benchmark*	9.13	2.75	9.13
IA Mixed Investment 0-35% Shares Total Return (TR)	11.20	-0.20	6.98

* The Fund has a custom composite benchmark comprised of equities, gilts and cash indices.

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

During the year under review, the Fund broadly tracked its composite benchmark. In the longer three-year and five-year periods the Fund has outperformed both the benchmark and peers.

Market overview

For much of the past year or so, market focus has been on the inflationary backdrop across developed economies, with an expectation that inflation would ease from high levels, allowing central banks to cut interest rates sharply to less restrictive levels. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting in the summer, with the European Central Bank starting its cutting cycle in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has remained uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

There were positive returns from both global equities and sterling corporate bonds over the period. Equity markets were led by interest in areas such as artificial intelligence, while bank stocks also performed well on the expectation of pickup in business activity amid falling interest rates. Returns in corporate bonds were driven largely by the attractive yield on the asset class, with bond yields having risen on the back of central bank rate hikes over the past couple years.

Manager's Investment Report (continued)

Portfolio commentary

Global equities continued to see gains over the 12-month period, recording a more than 30% gain in local currency terms. While geopolitical developments and fears that US economy might be rolling over in the summer period added some volatility, equity markets benefitted from strong corporate earnings, expectations of policy loosening to come and an overall resilient macro picture.

We remain overweight stocks and have recently added to our position as investor sentiment reached overly depressed levels ahead of the US election, while our Investment Clock (a model that combines various economic signals to give indications to help investment decisions) is moving towards signalling a 'Recovery' environment. Inflation has receded from recent highs and central banks are now cutting rates globally, which should provide a further boost to business confidence and company earnings. Recovery tends to be the best time of the cycle for equity market returns and we expect strong fundamentals to support risk assets such as equities from here.

US equities have been exceptionally strong over the past 12 months, outperforming most other major regions by a wide margin. This has been boosted by strong earnings growth and hype around the AI sector, with the largest, fastest-growing stocks leading the rally. We have benefitted from an overweight in US equities in this environment and also from being overweight growth sectors like information technology and consumer discretionary as they have fared better than more defensive counterparts in a 'risk on' environment.

Elsewhere, we have seen emerging market shares continue to underperform amid a weak domestic demand backdrop in China as the property crisis continues to loom despite efforts from the authorities to stimulate the economy. Having outperformed at the start of the period, Japanese equities have been more lacklustre later in the period, as Bank of Japan has signalled a start to a rate hiking cycle; this has put an end to yen weakness that was boosting Japanese exporters before.

Investment outlook

The pandemic ushered in a new era of 'spikeflation' characterised by periodic spikes in inflation and shorter boom-bust cycles. Stronger than expected US growth and trouble in the middle east could challenge the consensus view that inflation will drop quickly to target levels, creating two-way risk for bonds. We've been overweight equities most of the time since 2022. We moved to a neutral stance ahead of the summer and have been adding back amid the recent market volatility with our Investment Clock moving towards Recovery and the Fed starting to ease policy. We see a soft landing in the world economy, which should benefit stocks, but geopolitical risk could create volatility along the way.

And while credit spreads are tight and government bonds are vulnerable to inflation spikes, real yields are now back in positive territory at 1-2%, which we believe suggests fair value versus real GDP growth and a decent bond market return over the medium term if inflation shocks don't materialise.

Trevor Greetham, Hiroki Hashimoto and Simon Rubingh
Fund Managers
Royal London Asset Management Limited
31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the authors' own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Table

Class A Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	120.37	116.80	127.70
Return before operating charges*	12.73	4.41	(10.04)
Operating charges	(0.90)	(0.84)	(0.86)
Return after operating charges*	11.83	3.57	(10.90)
Distributions on accumulation shares	(5.24)	(3.36)	(1.90)
Retained distributions on accumulation shares	5.24	3.36	1.90
Closing net asset value per share	132.20	120.37	116.80
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	9.83%	3.06%	(8.54)%
Other information			
Closing net asset value (£'000)	156,954	165,439	189,177
Closing number of shares	118,720,375	137,447,844	161,964,836
Operating charges	0.70%	0.70%	0.70%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	133.80	122.50	129.90
Lowest share price	120.20	117.00	112.60

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Bond Collective Investment Schemes – 74.91% (31/10/23 – 79.47%)			
4,903,137	Royal London Diversified Asset-Backed Securities Fund R Acc [†]	6,473	4.12
11,928,573	Royal London Investment Grade Short Dated Credit Fund R Acc [†]	13,527	8.62
14,999,058	Royal London Short Duration Gilts Fund R Acc [†]	15,816	10.08
10,193,250	Royal London Short Term Fixed Income Fund R Acc [†]	11,651	7.42
19,463,817	Royal London Short-Term Money Market Fund R Acc [†]	21,939	13.98
22,253,785	Royal London Sterling Credit Fund R Acc [†]	26,206	16.70
23,956,670	Royal London UK Government Bond Fund R Acc [†]	21,962	13.99
Total Bond Collective Investment Schemes		117,574	74.91
Equity Collective Investment Schemes – 24.18% (31/10/23 – 20.67%)			
1,030,027	Royal London Asia Pacific ex Japan Tilt Fund R Acc [†]	1,551	0.99
4,133,781	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc [†]	5,453	3.47
1,787,029	Royal London Europe ex UK Equity Tilt Fund R Acc [†]	2,932	1.87
1,592,811	Royal London Japan Equity Tilt Fund R Acc [†]	2,052	1.31
10,089,702	Royal London UK Broad Equity Tilt Fund R Acc [†]	12,187	7.77
6,301,864	Royal London US Equity Tilt Fund R Acc [†]	13,770	8.77
Total Equity Collective Investment Schemes		37,945	24.18
Total value of investments		155,519	99.09
Net other assets		1,435	0.91
Total net assets		156,954	100.00

[†] Related party

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

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
Royal London UK Government Bond Fund	21,805
Royal London Short-Term Money Market Fund	9,956
Royal London Emerging Markets ESG Leaders Equity Tracker Fund	7,900
Royal London Japan Equity Tilt Fund	6,923
Royal London Europe ex UK Equity Tilt Fund	6,288
Royal London Asia Pacific ex Japan Tilt Fund	5,671
Royal London US Equity Tilt Fund	5,169
Royal London Short Term Fixed Income Fund	5,067
Royal London UK Broad Equity Tilt Fund	4,692
Royal London Short Duration Gilts Fund	33
Subtotal	73,504
Total cost of purchases, including the above, for the year	73,504

Significant Sales

	Proceeds £'000
Royal London Short-Term Money Market Fund	21,340
Royal London UK Government Bond Fund	18,740
Royal London Short Term Fixed Income Fund	10,122
Royal London Japan Equity Tilt Fund	8,767
Royal London US Equity Tilt Fund	7,437
Royal London Europe ex UK Equity Tilt Fund	7,086
Royal London UK Broad Equity Tilt Fund	7,067
Royal London Emerging Markets ESG Leaders Equity Tracker Fund	5,330
Royal London Sterling Credit Fund	4,868
Royal London Asia Pacific ex Japan Tilt Fund	4,740
Subtotal	95,497
Total proceeds from sales, including the above, for the year	100,196

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024		31 Oct 2023	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	2		9,868		1,840
Revenue	3	6,834		5,076	
Expenses	4	(1,148)		(1,252)	
Interest payable and similar charges		(2)		–	
Net revenue before taxation		5,684		3,824	
Taxation	5	–		–	
Net revenue after taxation			5,684		3,824
Total return before distributions			15,552		5,664
Distributions	6		(6,832)		(5,076)
Change in net assets attributable to shareholders from investment activities			8,720		588

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024		31 Oct 2023	
		£'000	£'000	£'000	£'000
Assets					
Investments			155,519		165,675
Current assets:					
Debtors	7		27		16
Cash and bank balances	8		1,547		–
Total assets			157,093		165,691
Liabilities					
Creditors:					
Bank overdraft			–		7
Other creditors	9		139		245
Total liabilities			139		252
Net assets attributable to shareholders			156,954		165,439

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024		31 Oct 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		165,439		189,177
Amounts receivable on creation of shares	18		22	
Amounts payable on cancellation of shares	(23,444)		(28,969)	
		(23,426)		(28,947)
Change in net assets attributable to shareholders from investment activities		8,720		588
Retained distribution on accumulation shares		6,221		4,621
Closing net assets attributable to shareholders		156,954		165,439

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	9,812	1,779
Management fee rebates	56	61
Net capital gains	9,868	1,840

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Distributions from UK regulated collective investment schemes:		
Franked investment income	674	787
Unfranked investment income	43	26
Interest distribution	6,017	4,194
Bank interest	63	29
Management fee rebates	37	40
Total revenue	6,834	5,076

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,148	1,252
	1,148	1,252

* Audit fee £13,284 (31/10/23: £15,106) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	5,684	3,824
Corporation tax at 20% (31/10/23: 20%)	1,137	765

Effects of:

Revenue not subject to taxation	(135)	(158)
Taxable income charge in capital	11	12
Tax deductible interest distributions	(1,013)	(619)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/ (losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £29 (31/10/23: £29) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Final	6,221	4,621
Net distributions for the year	6,221	4,621
Add: Amounts deducted on cancellation of shares	612	455
Deduct: Amounts received on the creation of shares	(1)	–
Gross interest distributions for the year	6,832	5,076

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	5,684	3,824
Expenses charged to capital	1,148	1,252
Gross interest allocation for the year	6,832	5,076

Details of the distribution per share are set out on page 200.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accrued revenue	13	10
Income tax recoverable	14	6
Total debtors	27	16

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	1,547	–
Total cash and bank balances	1,547	–

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	45	146
Accrued expenses	94	99
Total other creditors	139	245

10. Reconciliation of number of shares

	Class A Accumulation
Opening shares at 01/11/23	137,447,844
Shares issued	14,130
Shares cancelled	(18,741,599)
Closing shares at 31/10/24	118,720,375

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £139,000 (31/10/23: £245,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

Amounts due from Royal London Unit Trust Managers Limited in respect of periodic charge rebates at the end of the year amounted to £9,000 (31/10/23: £8,000).

At the year end, 31 October 2024, 0.00% (31/10/23: 0.00%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

In the year the Fund had purchases in other Royal London products to the value of £73,504,000 (31/10/23: £61,746,000) and had sales in other Royal London products of £100,196,000 (31/10/23: £91,232,000).

The Fund at the year end, held a total value £155,519,000 (31/10/23: £165,675,000) in other Royal London Funds and a total revenue of £6,734,000 (31/10/23: £5,007,000) received during the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

13. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 195. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Royal London Cautious Managed Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £15,552,000 (31/10/23: £16,568,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £15,552,000 (31/10/23: £16,568,000). These calculations assume all other variables remain constant.

The only interest bearing assets are cash balances of £1,547,000 (31/10/23: (£7,059)) which earn interest by reference to SONIA or international equivalent.

This equates to 0.99% (2023: 0.00%) of the Net Asset Value and therefore interest rate risk is considered insignificant so no sensitivity analysis is required for current or prior year.

The majority of the other financial assets are collective investment schemes which do not pay interest, however some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

14. Portfolio transaction costs

	31 Oct 2024 £000	31 Oct 2023 £000
--	---------------------	---------------------

There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)

Total purchases	73,504	61,746
Total sales	100,196	91,232

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.00% (31/10/23: 0.00%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

15. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Pooled investment vehicles	–	155,519	–	155,519
Total	–	155,519	–	155,519

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Pooled investment vehicles	–	165,675	–	165,675
Total	–	165,675	–	165,675

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

16. Cross Holdings

Details of the Fund's cross holdings as at 31 October 2024 are as follows:

Fund	31 Oct 2024		31 Oct 2023	
	Shares	Bid Value £'000	Shares	Bid Value £'000
Royal London Diversified Asset-Backed Securities Fund	4,903,137	6,473	5,599,138	6,716
Royal London Investment Grade Short Dated Credit Fund	11,928,573	13,527	13,726,969	14,272
Royal London Short Duration Gilts Fund	14,999,058	15,816	16,754,356	16,865
Royal London Short Term Fixed Income Fund	10,193,250	11,651	14,804,988	15,986
Royal London Short-Term Money Market Fund	19,463,817	21,939	29,903,493	31,966
Royal London Sterling Credit Fund	22,253,785	26,206	26,585,754	27,644
Royal London UK Government Bond Fund	23,956,670	21,962	20,917,012	18,037

Distribution Table

For the year ended 31 October 2024

Distribution in pence per share

Final

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class A Accumulation				
Group 1	5.2403	–	5.2403	3.3623
Group 2	1.1697	4.0706	5.2403	3.3623

Royal London Investment Grade Short Dated Credit Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year return %	3 year return %	5 year return %
Royal London Investment Grade Short Dated Credit Fund, Class N Accumulation	8.98	4.59	8.55
Royal London Investment Grade Short Dated Credit Fund, Class R Accumulation	9.04	4.90	9.14
Royal London Investment Grade Short Dated Credit Fund, Class S Accumulation	9.09	4.79	9.09
Royal London Investment Grade Short Dated Credit Fund, Class Z Accumulation	8.89	4.29	–
Royal London Investment Grade Short Dated Credit Fund, Class Z Income	8.86	4.25	8.08
ICE BofAML 1-5yr Sterling Non-Gilt Index*	6.68	2.08	4.43
ICE BofAML 1-5yr Sterling Non-Gilt Index + 0.25% per rolling 3 years	6.93	2.83	5.68
IA £ Corporate Bond Total Return (TR)	9.90	-6.75	-1.28

Class Z Accumulation launched on 22 July 2021.

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund delivered strong returns in the year under review, outperforming its benchmark. The Fund also remains ahead of its benchmark for the longer three-year and five-year periods.

Market overview

We have seen the global economy survive a year of intense geopolitical risk in the Middle East; the heightened uncertainty that comes from a US presidential election; and it has weathered the quickest hiking cycles in decades, and jobless rates are still low.

Over the last 12 months, markets have been driven by the direction of inflation, interest rates and economic growth. The latter months of 2023 were characterised by expectations that inflation was coming down and that central banks would be cutting interest rates significantly in 2024. However, as 2024 progressed, those expectations changed with inflation slow to come down. The three major central banks – the US Federal Reserve, European Central Bank and Bank of England – have all started their rate cutting cycles but the path forward remains unclear.

Bond yields have been volatile over the period. Yields fell sharply into the end of 2023, in the expectation that interest rates would be cut (thus delivering positive returns), then reversed much of this move as expectations tempered, before trading in a range for the final months of the period. The net effect was that yields ended the period lower than they started, with sterling corporate bond markets returning 8.4% for the period and shorter-dated bonds returning 6.7%.

Portfolio commentary

The main driver of the Fund's outperformance was the combination of our sector allocation and stock selection. At a sector level, our underweight position in supranationals and overweight in both insurance and bank bonds were the main positives as supranationals continued to lag the wider market, having underperformed in the second half of 2023. Within banking and insurance sectors, selected tenders such as Just Group and Aviva, contributed to our outperformance, with the companies buying back bonds at above market levels.

Financials remain the focus of activity across both new issue and secondary markets. In the insurance sector, we added bonds from New York Life in the secondary market. These bonds rank alongside policyholders, offering strong downside protection and were attractively priced. We also added the new issue of subordinated bonds from Just Group, the insurer looking stronger with an improved balance sheet and solvency ratios.

Manager's Investment Report (continued)

Investment outlook

The US election result has seen government bond yields rise, compounding the move higher in UK gilt yields seen following the Budget in late October. We think that the Bank of England will continue to cut interest rates over the next twelve months but that the pace will be slower than previously expected given the economic boost arising from higher government spending plans.

We believe that sterling investment grade all-in yields are attractive, given the move higher in government yields. Credit spreads continue to compensate investors for default risk but the move lower through the year has taken valuations, on this basis, to levels seen in 2021. This tempers the expected degree of outperformance over government bonds.

We target a material yield premium over the market level in our sterling credit strategies. As ever, the risks inherent in our investment grade credit portfolios are mitigated by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark, achieved with superior downside protections, will generate outperformance.

Paola Binns

Fund Manager

Royal London Asset Management Limited

31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class N Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	107.56	101.49	111.85
Return before operating charges*	9.77	6.10	(10.33)
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	9.74	6.07	(10.36)
Distributions on accumulation shares	(5.50)	(4.26)	(2.79)
Retained distributions on accumulation shares	5.50	4.26	2.79
Closing net asset value per share	117.30	107.56	101.49
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	9.06%	5.98%	(9.26)%
Other information			
Closing net asset value (£'000)	1,375,182	932,119	723,835
Closing number of shares	1,172,343,444	866,637,925	713,243,022
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	118.50	107.80	113.00
Lowest share price	107.70	102.00	98.38

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	103.70	97.85	107.85
Return before operating charges*	9.42	5.89	(9.96)
Operating charges	(0.05)	(0.04)	(0.04)
Return after operating charges*	9.37	5.85	(10.00)
Distributions on accumulation shares	(5.30)	(4.11)	(2.69)
Retained distributions on accumulation shares	5.30	4.11	2.69
Closing net asset value per share	113.07	103.70	97.85
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	9.04%	5.98%	(9.27)%
Other information			
Closing net asset value (£'000)	756,142	722,831	375,759
Closing number of shares	668,742,912	697,073,971	383,996,919
Operating charges	0.08% [#]	0.04%	0.04%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	114.20	104.00	109.00
Lowest share price	103.90	98.32	94.86

[#] The FMF was changed from 0.04% to 0.08% on 30 September 2024.

Class S Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	102.08	96.32	106.18
Return before operating charges*	9.27	5.80	(9.82)
Operating charges	(0.04)	(0.04)	(0.04)
Return after operating charges*	9.23	5.76	(9.86)
Distributions on accumulation shares	(5.22)	(4.04)	(2.65)
Retained distributions on accumulation shares	5.22	4.04	2.65
Closing net asset value per share	111.31	102.08	96.32
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	9.04%	5.98%	(9.29)%
Other information			
Closing net asset value (£'000)	74,602	72,161	9,439
Closing number of shares	67,021,364	70,694,458	9,800,081
Operating charges	0.04%	0.04%	0.04%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	112.40	102.30	107.30
Lowest share price	102.30	96.78	93.38

Class S Income

Change in net assets per share	31/10/24** (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	90.09	88.50	100.14
Return before operating charges*	7.40	5.29	(9.12)
Operating charges	(0.03)	(0.04)	(0.04)
Return after operating charges*	7.37	5.25	(9.16)
Distributions on income shares	(3.34)	(3.66)	(2.48)
Cancellation price	94.12	–	–
Closing net asset value per share	–	90.09	88.50
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.18%	5.93%	(9.15)%
Other information			
Closing net asset value (£'000)	–	32,507	92,985
Closing number of shares	–	36,081,713	105,071,616
Operating charges	–	0.04%	0.04%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	95.22	93.05	101.20
Lowest share price	90.26	88.61	86.44

** Class S Income terminated on 12 August 2024.

Comparative Tables (continued)

Class Z Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	94.89	89.72	99.08
Return before operating charges*	8.63	5.39	(9.13)
Operating charges	(0.24)	(0.22)	(0.23)
Return after operating charges*	8.39	5.17	(9.36)
Distributions on accumulation shares	(4.85)	(3.76)	(2.47)
Retained distributions on accumulation shares	4.85	3.76	2.47
Closing net asset value per share	103.28	94.89	89.72
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.84%	5.76%	(9.45)%
Other information			
Closing net asset value (£'000)	97,453	103,939	103,444
Closing number of shares	94,362,038	109,538,749	115,301,087
Operating charges	0.24%	0.24%	0.24%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	104.30	95.14	100.10
Lowest share price	95.06	90.15	86.98

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	88.74	87.35	99.03
Return before operating charges*	7.97	5.21	(9.00)
Operating charges	(0.22)	(0.21)	(0.23)
Return after operating charges*	7.75	5.00	(9.23)
Distributions on income shares	(4.45)	(3.61)	(2.45)
Closing net asset value per share	92.04	88.74	87.35
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	8.73%	5.72%	(9.32)%
Other information			
Closing net asset value (£'000)	298,715	319,233	334,496
Closing number of shares	324,533,349	359,732,657	382,958,815
Operating charges	0.24%	0.24%	0.24%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	94.14	91.79	100.10
Lowest share price	88.90	87.34	85.33

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Fixed Income – 98.50% (31/10/23 – 98.87%)			
Commercial Mortgage Backed Securities – 2.67% (31/10/23 – 0.44%)			
£4,909,000	Asimi Funding 2024 16/09/2031	3,869	0.15
£8,051,000	Canary Wharf Finance II (A7) FRN 22/10/2037	6,743	0.26
£6,006,000	Canary Wharf Finance II (C2) FRN 22/10/2037	4,728	0.18
£5,150,000	Equity Release Funding FRN 14/7/2045	2,979	0.12
£5,864,000	Exmoor Funding 2024-1 FRN 25/03/2094	5,824	0.22
£9,045,000	Hera Financing 2024-1 DAC FRN 17/11/2034	9,045	0.35
£5,240,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	3,733	0.14
£4,803,000	PMF 2024-1 FRN 16/7/2060	4,779	0.18
£3,900,000	Sage AR Funding FRN 17/11/2030	3,893	0.15
£5,976,000	Sage AR Funding FRN 17/11/2051	5,939	0.23
£4,778,000	Stark Financing 2023-1 DAC FRN 17/8/2033	4,797	0.18
£2,369,000	Taurus CMBS FRN 17/5/2030	2,370	0.09
£5,320,000	UK Logistics 2024-1 DAC FRN 17/05/2034	5,336	0.21
£5,408,000	Vantage Data Centers Jersey Bo 6.172% 28/05/2039	5,446	0.21
Total Commercial Mortgage Backed Securities		69,481	2.67
Corporate Bonds – 95.83% (31/10/23 – 98.43%)			
£5,255,800	A2D Funding II 4.5% 30/9/2026	5,121	0.20
£12,525,000	A2Dominion Housing Group 3.5% 15/11/2028	11,534	0.44
£4,033,000	AA Bond 6.85% 31/07/2050	4,065	0.16
£6,437,000	AA Bond 7.375% 31/7/2050	6,642	0.26
£4,673,000	AA Bond 8.45% 31/7/2050	4,905	0.19
£4,648,000	Affinity Water Finance 2004 5.875% 13/7/2026	4,608	0.18
£15,297,000	Akelius Residential Property 2.375% 15/8/2025	14,902	0.57
£4,000,000	Allianz 3.5% variable perpetual	2,989	0.11
£12,318,000	Anglian Water Osprey Financing 4% 8/3/2026	11,548	0.44
£7,599,000	Annington Funding 2.646% 12/07/2025	7,446	0.29
£11,431,000	Annington Funding 3.184% 12/7/2029	10,176	0.39
£150,000	APT Pipelines 3.125% 18/7/2031	130	–
£14,475,000	APT Pipelines 3.5% 22/3/2030	13,156	0.51
£13,241,000	Arqiva Financing 4.882% 31/12/2032	7,277	0.28
£9,078,000	Arqiva Financing 5.34% 30/12/2037	8,910	0.34
£4,000,000	Arqiva Financing 7.21% 30/6/2045	4,215	0.16
£18,200,000	Assicurazioni Generali 6.269% perpetual	18,286	0.70
£8,000,000	AT&T 4.375% 14/9/2029	7,732	0.30
£10,192,000	Australia and New Zealand Banking Group 1.809% variable 16/9/2031	9,501	0.36
£1,256,000	Aviva 4.375% variable 12/9/2049	1,178	0.05
£220,000	Aviva 6.125% variable 14/11/2036	224	0.01
£14,817,000	Aviva 6.125% variable 12/09/2054	14,538	0.56
£8,012,000	AXA 6.375% variable perpetual	7,194	0.28
£7,617,000	AXA variable perpetual	7,586	0.29
£11,200,000	Banco Bilbao Vizcaya Argenta 8.25% variable 30/11/2033	12,063	0.46
£4,700,000	Banco Santander 1.5% 14/4/2026	4,466	0.17
£17,000,000	Banco Santander 2.25% variable 4/10/2032	15,412	0.59
£2,900,000	Banco Santander 3.125% variable 6/10/2026	2,845	0.11
£4,700,000	Banco Santander 4.75% variable 30/8/2028	4,654	0.18
£11,400,000	Banco Santander 5.5% 11/6/2029	11,440	0.44
£9,000,000	Bank of Montreal 15/9/2026	9,090	0.35
£5,000,000	Bank of Nova Scotia 22/6/2026	5,046	0.19
£7,800,000	Banque Federative Du Credit Mutuel 5% 19/1/2026	7,790	0.30
£8,809,000	Barclays Bank 5.75% 14/9/2026	8,850	0.34
£24,755,000	Barclays Bank 7.09% 6/11/2029	26,102	1.00
£17,735,000	Barclays Bank 8.407% 14/11/2032	18,830	0.72
£7,300,000	Bazalgette Finance 2.375% 29/11/2027	6,654	0.26
£7,428,000	Blackstone Property Partners Europe 2.625% 20/10/2028	6,646	0.26
£8,700,000	BNP Paribas 1.875% 14/12/2027	7,887	0.30
£31,000,000	BNP Paribas 2% variable 24/5/2031	29,320	1.13
£22,286,000	BP Capital Markets 4.25% variable perpetual	21,481	0.83
£5,000,000	BPCE 1% 22/12/2025	4,782	0.18
£12,100,000	BPCE 2.5% variable 30/11/2032	10,926	0.42
£7,900,000	BPCE 5.375% 22/10/2031	7,788	0.30
£12,600,000	BPCE 6% variable 29/9/2028	12,806	0.49

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£4,500,000	BPCE 6.125% 24/5/2029	4,602	0.18
£5,735,000	Broadgate 4.999% 5/10/2033	5,213	0.20
£5,635,000	BUPA Finance 5% 8/12/2026	5,579	0.21
£5,400,000	CaixaBank 4.375% variable 08/08/2036	4,592	0.18
£9,800,000	CaixaBank 6.875% variable 25/10/2033	10,056	0.39
£105,025,000	Canary Wharf Finance II 6.455% 22/10/2033	6,018	0.23
£5,717,000	Centrica 4.375% 13/3/2029	5,529	0.21
£10,626,000	Channel Link Enterprises Finance FRN 30/12/2050	7,822	0.30
£3,350,000	Close Brothers Finance 1.625% 3/12/2030	2,521	0.10
£9,967,000	Close Brothers Finance 2% variable 11/9/2031	8,138	0.31
£9,733,000	Close Brothers Group 7.75% 14/6/2028	9,673	0.37
£3,091,000	Close Brothers Group 11.125% variable perpetual	2,854	0.11
£1,700,000	Clydesdale Bank 4.625% 8/6/2026	1,695	0.06
£8,900,000	Commerzbank 1.5% 22/11/2024	8,881	0.34
£10,000,000	Commerzbank 1.75% 22/1/2025	9,919	0.38
£18,182,000	Commonwealth Bank of Australia 17/10/2027	18,192	0.70
£3,200,000	Co-operative Rabobank 1.25% 14/1/2025	3,175	0.12
£4,909,000	Coventry Building Society 5.875% variable 12/3/2030	4,947	0.19
£10,305,000	CPUK Finance 3.588% 28/2/2042	10,155	0.39
£10,050,000	CPUK Finance 3.69% 28/2/2047	9,309	0.36
£14,800,000	Credit Agricole 5.375% variable 15/1/2029	14,819	0.57
£5,500,000	Credit Agricole 5.75% variable 29/11/2027	5,535	0.21
£16,600,000	Credit Agricole 5.75% variable 09/11/2034	16,349	0.63
£2,583,000	Credit Suisse 2.125% variable 15/11/2029	2,287	0.09
£16,918,000	Credit Suisse 7% variable 30/9/2027	17,370	0.67
£11,813,000	Credit Suisse 7.75% 10/3/2026	12,194	0.47
£4,289,000	Danske Bank 2.25% 14/1/2028	4,020	0.15
£7,404,000	Danske Bank 4.625% variable 13/4/2027	7,368	0.28
£54,580,000	Delamare Finance 5.5457% 19/2/2029	25,441	0.98
£6,600,000	Deutsche Bank 2.625% 16/12/2024	6,576	0.25
£12,400,000	Deutsche Bank 4% variable 24/6/2026	12,290	0.47
£3,345,000	Digital Stout 4.25% 17/1/2025	3,337	0.13
£5,576,000	Direct Line Insurance 4% 5/6/2032	4,703	0.18
£13,331,000	DNB Bank 1.375% variable 2/12/2025	13,287	0.51
£18,467,000	DNB Bank 2.625% variable 10/6/2026	18,176	0.70
£6,219,000	DNB Bank 4% variable 17/8/2027	6,091	0.23
£9,635,000	DWR Cymru Financing 1.625% 31/3/2026	9,100	0.35
£1,795,000	Eastern Power Networks 8.5% 31/3/2025	1,814	0.07
£3,000,000	Electricite de France 5.875% 18/7/2031	3,034	0.12
£11,106,000	Electricity North West 8.875% 25/3/2026	11,630	0.45
£5,108,000	Equity Release Funding 5.7% 26/2/2031	1,813	0.07
£14,956,000	Equity Release Funding 5.88% 26/5/2032	7,061	0.27
£11,644,000	Equity Release Funding No.3 5.05% 26/4/2033	9,678	0.37
£14,807,000	Eversholt Funding 2.742% 30/6/2040	10,041	0.39
£14,997,000	Eversholt Funding 6.697% 22/2/2035	11,742	0.45
£4,125,000	First Abu Dhabi Bank 0.875% 9/12/2025	3,927	0.15
£6,897,000	First Abu Dhabi Bank 1.125% 7/9/2026	6,403	0.25
£18,786,000	Folio Residential Finance 1.246% 31/10/2037	16,649	0.64
£5,661,000	Gatwick Funding 2.5% 15/4/2032	4,950	0.19
£3,952,000	Goldman Sachs 3.625% variable 29/10/2029	3,737	0.14
£6,753,000	Goldman Sachs 7.125% 7/8/2025	6,850	0.26
£4,250,000	Grainger 3% 3/7/2030	3,675	0.14
£3,083,000	Great Portland Estates 5.375% 25/09/2031	3,006	0.12
£18,957,000	Great Rolling Stock 6.5% 5/4/2031	13,461	0.52
£17,990,000	Great Rolling Stock 6.875% 27/7/2035	9,362	0.36
£11,615,000	Greater Gabbard OFTO 4.137% 29/11/2032	6,605	0.25
£6,027,000	Greene King Finance 3.593% 15/3/2035	4,529	0.17
£7,400,000	Greene King Finance 4.0643% 15/3/2035	4,155	0.16
£5,700,000	Greene King Finance 5.106% 15/3/2034	4,437	0.17
£8,672,000	Gwynnt y Môr OFTO 2.778% 17/2/2034	4,587	0.18
£1,809,960	Haven Funding 7% 30/11/2032	1,338	0.05
£4,789,866	Haven Funding 8.125% 30/9/2037	4,373	0.17
£5,459,000	Heathrow Funding 2.625% 16/3/2028	4,966	0.19
£2,473,000	Heathrow Funding 2.75% 13/10/2031	2,214	0.09
£6,616,000	Heathrow Funding 6.45% 10/12/2031	6,947	0.27
£26,579,000	Heathrow Funding 6.75% 3/12/2028	27,345	1.05

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)	Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 95.83% (31/10/23 – 98.43%) – continued				£13,471,000	Mitchells & Butlers (A4) FRN 15/12/2028	5,755	0.22
£3,105,000	Heathrow Funding 7.075% variable 4/8/2028	3,282	0.13	£27,889,000	Mitchells & Butlers 5.574% 15/12/2030	5,664	0.22
£19,582,000	HSBC Holdings 1.75% variable 24/7/2027	18,443	0.71	£4,492,000	Mitchells & Butlers FRN 15/12/2033	3,287	0.13
£9,994,000	HSBC Holdings 3% variable 22/7/2028	9,405	0.36	£11,413,000	Mizuho Financial 5.628% 13/6/2028	11,563	0.44
£4,230,000	HSBC Holdings 5.875% variable perpetual	4,161	0.16	£14,396,000	National Australia Bank 1.699% variable 15/9/2031	13,409	0.52
£4,828,000	HSBC Holdings 6.8% variable 14/9/2031	5,134	0.20	£10,000,000	National Australia Bank FRN 17/6/2026	10,029	0.39
£30,073,000	HSBC Holdings 8.201% variable 16/11/2034	32,719	1.26	£14,898,000	National Grid Electricity Distribution 5.5% 9/5/2025	14,937	0.57
£5,730,000	Industrial Commercial Bank of China 1.625% 28/12/2025	5,481	0.21	£4,349,000	National Grid Electricity Distribution 5.875% 25/3/2027	4,397	0.17
£5,100,000	ING Groep NV 4.875% variable 2/10/2029	5,032	0.19	£8,000,000	National Grid Electricity Transmission 1.125% 7/7/2028	6,969	0.27
£5,600,000	ING Groep NV 5% variable 30/8/2026	5,592	0.21	£2,427,000	National Grid Electricity Transmission 1.375% 16/9/2026	2,264	0.09
£18,500,000	ING Groep NV 6.25% variable 20/5/2033	18,734	0.72	£4,700,000	National Grid Gas 7% 16/12/2024	4,706	0.18
£31,830,000	Integrated Accommodation Service 6.48% 31/3/2029	8,905	0.34	£5,649,000	Nationwide Building Society 6.178% variable 7/12/2027	5,756	0.22
£2,301,000	InterContinental Hotels 2.125% 24/8/2026	2,173	0.08	£3,366,000	NATS (En Route) 1.375% 31/3/2031	2,652	0.10
£9,281,000	InterContinental Hotels 3.375% 8/10/2028	8,641	0.33	£11,418,000	NatWest Group 2.105% variable 28/11/2031	10,675	0.41
£5,351,000	Intesa Sanpaolo SpA 6.5% 14/3/2029	5,502	0.21	£2,919,000	NatWest Group 3.619% variable 29/3/2029	2,772	0.11
£2,368,000	Investec 1.25% variable 11/8/2026	1,961	0.08	£8,609,000	NatWest Group 5.642% variable 17/10/2034	8,445	0.32
£20,153,000	Investec 1.875% variable 16/7/2028	18,187	0.70	£12,090,000	NatWest Group 7.416% variable 6/6/2033	12,657	0.49
£4,141,000	Investec 2.625% variable 4/1/2032	3,812	0.15	£16,400,000	NatWest Markets 6.625% 22/6/2026	16,791	0.65
£7,499,000	Investec 9.125% variable 6/3/2033	8,049	0.31	£378,000	New York Life Global Funding 1.5% 15/07/2027	346	0.01
£6,250,000	JRP Group 9% 26/10/2026	6,688	0.26	£11,250,000	New York Life Global Funding 4.35% 16/9/2025	11,185	0.43
£2,567,000	Jupiter Fund Management 8.875% variable 27/7/2030	2,573	0.10	£11,252,000	NGG Finance 5.625% variable 18/6/2073	11,244	0.43
£7,915,000	Just Group 6.875% 30/03/2035	7,863	0.30	£13,727,000	NIE Finance 2.5% 27/10/2025	13,363	0.51
£1,038,000	Just Group 8.125% 26/10/2029	1,112	0.04	£10,730,000	NIE Finance 6.375% 2/6/2026	10,938	0.42
£23,800,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	14,974	0.58	£4,500,000	NN Group 6.375% variable perpetual	3,927	0.15
£5,000,000	KBC 1.25% variable 21/9/2027	4,646	0.18	£12,041,000	Nordea Bank Abp 1.625% variable 9/12/2032	10,774	0.41
£10,000,000	KBC 5.5% variable 20/9/2028	10,082	0.39	£5,282,000	Nordea Bank Abp 6% variable 2/6/2026	5,305	0.20
£8,700,000	KBC Group 6.151% variable 19/3/2034	8,793	0.34	£21,535,000	Octagon Healthcare 5.333% 31/12/2035	14,236	0.55
£11,200,000	La Banque Postale 5.625% variable 21/9/2028	11,192	0.43	£11,229,000	OP Corporate Bank 1.375% 4/9/2026	10,487	0.40
£4,000,000	La Mondiale SAM 4.8% variable 18/1/2048	2,984	0.11	£10,884,000	OP Corporate Bank 3.375% 14/1/2026	10,689	0.41
£4,398,000	Land Securities 5.391% variable 31/3/2027	4,390	0.17	£5,678,000	OSB Group 8.875% variable 16/1/2030	6,164	0.24
£9,908,000	Land Securities Capital Markets 2.375% 29/3/2029	9,275	0.36	£6,920,000	OSB Group 9.5% variable 7/9/2028	7,497	0.29
£3,163,000	Land Securities Capital Markets 4.75% 18/9/2031	3,096	0.12	£7,281,000	OSB Group 9.993% variable 27/7/2033	7,916	0.30
£3,900,000	Legal & General 3.75% variable 26/11/2049	3,543	0.14	£9,059,000	Pacific Life Global Funding II 5.375% 30/11/2028	9,166	0.35
£12,608,000	Legal & General 5.125% variable 14/11/2048	12,352	0.47	£3,000,000	Pension Insurance 7.375% variable perpetual	2,977	0.11
£24,017,000	Legal & General 5.375% variable 27/10/2045	23,949	0.92	£10,064,000	Pension Insurance 8% 13/11/2033	10,795	0.41
£13,797,000	Legal & General 5.5% variable 27/6/2064	12,812	0.49	£11,399,000	Places for People Homes 3.625% 22/11/2028	10,666	0.41
£4,500,000	Legal & General 5.625% variable perpetual	4,095	0.16	£2,981,000	Places for People Treasury 2.875% 17/8/2026	2,849	0.11
£4,162,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	4,230	0.16	£23,073,000	Porterbrook Rail Finance 7.125% 20/10/2026	23,888	0.92
£7,550,000	Lloyds Banking Group 1.875% variable 15/1/2026	7,497	0.29	£2,583,000	Premier Transmission Finance 5.2022% 31/3/2030	844	0.03
£5,043,000	Lloyds Banking Group 1.985% variable 15/12/2031	4,698	0.18	£15,134,000	Principality Building Society 8.625% 12/7/2028	16,289	0.63
£5,038,000	Lloyds Banking Group 2% variable 12/4/2028	4,671	0.18	£10,860,000	Protective Life Global Funding 5.082% 15/4/2031	10,782	0.41
£12,623,000	Lloyds Banking Group 2.707% variable 3/12/2035	10,452	0.40	£10,697,000	Protective Life Global Funding 5.248% 13/1/2028	10,785	0.41
£14,111,000	Lloyds Banking Group 6.625% variable 2/6/2033	14,380	0.55	£4,753,000	PRS Finance 1.75% 24/11/2026	3,983	0.15
£31,478,000	Logicor 2019 1.875% 17/11/2031	29,528	1.13	£11,815,000	QBE Insurance 2.5% variable 13/9/2038	10,434	0.40
£15,549,000	London & Quadrant 2.625% 5/5/2026	14,982	0.58	£6,860,000	Quadrant Housing 7.93% Step 10/2/2033	5,296	0.20
£8,921,000	London Merchant Securities 6.5% 16/3/2026	8,994	0.35	£4,476,000	RAC Bond Co 8.25% 6/5/2046	4,813	0.18
£3,770,000	Longstone 4.896% 19/4/2036	3,450	0.13	£2,635,000	Realty Income 1.875% 14/1/2027	2,442	0.09
£55,205,000	Longstone Finance 4.791% 19/4/2036	16,958	0.65	£4,104,000	Realty Income 5% 15/10/2029	4,018	0.15
£2,344,000	M&G 5% variable 20/7/2055	2,140	0.08	£9,007,000	Rothsay Life 3.375% 12/7/2026	8,715	0.33
£22,700,000	M&G 5.625% variable 20/10/2051	21,728	0.84	£7,024,000	Rothsay Life 6.875% variable perpetual	6,848	0.26
£7,600,000	MassMutual Global Funding II 4.625% 5/10/2029	7,492	0.29	£4,294,000	Rothsay Life 7% variable 11/09/2034	3,477	0.13
£13,360,000	Meadowhall Finance FRN 12/7/2037	7,582	0.29	£7,280,000	Royal Bank of Canada 5% 24/1/2028	7,278	0.28
£3,500,000	Merck KGaA 3.875% variable 27/8/2054	2,963	0.11	£10,000,000	Royal Bank of Scotland 2.875% variable 19/9/2026	9,791	0.38
£4,603,000	Metropolitan Life Global Funding 4.125% 2/9/2025	4,570	0.18	£5,792,000	Royal Bank of Scotland 3.125% variable 28/3/2027	5,626	0.22
£14,196,000	Metropolitan Life Global Funding 4.5% 9/7/2027	14,040	0.54	£7,500,000	Royal Bank of Scotland 3.622% variable 14/8/2030	7,413	0.28
£7,145,000	Mitchells & Butlers (A1N) FRN 15/12/2030	2,104	0.08	£8,123,000	RSA Insurance 5.125% variable 10/10/2045	8,050	0.31

Portfolio Statement (continued)

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Corporate Bonds – 95.83% (31/10/23 – 98.43%) – continued			
£2,963,772	Sanctuary 8.375% 1/9/2031	2,394	0.09
£18,899,000	Santander UK 2.92% variable 8/5/2026	18,661	0.72
£1,500,000	Santander UK 3.625% 14/1/2026	1,474	0.06
£8,000,000	Santander UK 7.098% variable 16/11/2027	8,243	0.32
£15,072,000	Schroders 6.346% variable 18/7/2034	15,188	0.58
£1,798,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	1,814	0.07
£10,702,000	Skipton Building Society 2% variable 2/10/2026	10,382	0.40
£5,222,000	Skipton Building Society 6.25% variable 25/4/2029	5,334	0.20
£7,100,000	Societe Generale 5.75% variable 22/1/2032	6,975	0.27
£10,260,000	Society of Lloyds 4.875% variable 7/2/2047	10,050	0.39
£5,575,000	South East Water 5.5834% 29/3/2029	5,236	0.20
£4,869,000	South Eastern Power Networks 5.5% 5/6/2026	4,913	0.19
£5,843,000	Southern Water Services Finance 1.625% 30/3/2027	4,894	0.19
£12,000,000	Southern Water Services Finance 6.64% 31/3/2026	11,133	0.43
£2,805,000	SPD Finance UK 5.875% 17/7/2026	2,839	0.11
£15,699,000	SSE 3.74% variable perpetual	15,313	0.59
£7,200,000	SSE 4% variable perpetual	6,075	0.23
£3,692,000	Standard Chartered 3.971% variable 30/3/2026	2,854	0.11
£8,024,000	Stirling Water Seafield 5.822% 26/9/2026	1,177	0.05
£3,260,000	Sustainable Communities for Leeds Finance 5.069% 30/9/2032	1,753	0.07
£10,143,000	Svenska Handelsbanken 4.625% variable 23/8/2032	9,841	0.38
£5,915,000	Swedbank 5.875% variable 24/5/2029	6,029	0.23
£9,357,000	Swedbank 7.272% variable 15/11/2032	9,711	0.37
£5,733,000	Telefonica Emisiones 5.375% 2/2/2026	5,741	0.22
£16,358,000	Telereal Secured Finance 4.01% 10/12/2033	7,482	0.29
£9,639,000	Telereal Securitisation 1.3657% 10/12/2033	5,006	0.19
£9,057,000	Telereal Securitisation 1.9632% variable 10/12/2033	8,634	0.33
£5,007,000	Telereal Securitisation 3.507% variable 10/12/2033	4,606	0.18
£15,364,000	Telereal Securitisation 4.9741% 10/12/2033	4,478	0.17
£4,905,000	Telereal Securitisation 5.4252% 10/12/2033	3,721	0.14
£10,199,000	Telereal Securitisation 5.634% 10/12/2031	10,022	0.39
£25,736,000	Telereal Securitisation 6.1645% 10/12/2033	19,940	0.77
£6,582,000	Telereal Securitisation FRN 10/12/2033	4,664	0.18
£2,908,000	Telereal Securitisation FRN 10/12/2033	2,247	0.09
£5,200,000	Telereal Securitisation FRN 10/12/2033	1,484	0.06
£5,000,000	Tesco Property 5.744% Sink 13/4/2040	4,308	0.17
£13,162,000	Tesco Property 6.0517% 13/10/2039	9,481	0.36
£8,973,000	Tesco Property Finance 7.6227% 13/7/2039	7,470	0.29
£21,889,000	Thames Water Utilities 4% 19/6/2025	17,621	0.68
£2,580,000	Thames Water 6.75% 16/11/2028	2,057	0.08
£5,796,000	Thames Water Utilities Finance 4% 18/4/2027	3,798	0.15
£7,505,000	Thames Water Utilities Finance 7.125% 30/4/2031	6,044	0.23
£2,897,000	The UNITE Group 5.625% 25/06/2032	2,880	0.11
£5,096,000	Toronto-Dominion Bank 2.875% 5/4/2027	4,835	0.19
£4,084,000	TP ICAP 5.25% 29/5/2026	4,061	0.16
£5,649,000	TP ICAP Finance 7.875% 17/4/2030	6,011	0.23
£3,150,000	Trafford Centre 6.5% 28/7/2033	1,880	0.07
£13,650,000	Trafford Centre FRN 28/7/2035	10,924	0.42
£5,077,000	UBS AG London 1.125% 15/12/2025	4,862	0.19
£2,224,000	UBS Jersey 8.75% 18/12/2025	2,291	0.09
£9,013,000	UK Municipal Bonds Agency Finance FRN 12/3/2025	9,009	0.35
£32,984,000	Unite USAF II 3.921% 30/6/2030	32,632	1.25
£6,773,000	Vicinity Centres 3.375% 7/4/2026	6,603	0.25
£10,788,000	Virgin Money 2.625% variable 19/8/2031	10,250	0.39
£10,944,000	Virgin Money 4% variable 25/09/2026	10,808	0.42
£16,516,000	Virgin Money 5.125% variable 11/12/2030	16,407	0.63
£9,502,000	Virgin Money UK 7.625% variable 23/8/2029	10,209	0.39
£6,800,000	Volkswagen Financial Services 2.125% 18/1/2028	6,096	0.23
£4,000,000	Volkswagen Financial Services 3.25% 13/4/2027	3,791	0.15

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£3,000,000	Volkswagen Financial Services 4.25% 9/10/2025	2,964	0.11
£8,300,000	Volkswagen Financial Services 5.875% 23/5/2029	8,362	0.32
£5,800,000	Volkswagen Financial Services NV 6.5% 18/9/2027	5,923	0.23
£9,600,000	Volkswagen International Finance 3.375% 16/11/2026	9,204	0.35
£5,000,000	Volkswagen International Finance 4.375% variable perpetual	3,869	0.15
£3,900,000	Volkswagen International Finance 7.5% variable perpetual	3,543	0.14
£7,487,000	Weir Group 6.875% 14/6/2028	7,738	0.30
£4,268,000	Wells Fargo 2% 28/7/2025	4,171	0.16
£8,590,000	Wells Fargo 3.473% variable 26/4/2028	8,236	0.32
£20,239,000	Wessex Water 5.375% 10/3/2028	19,796	0.76
£18,311,000	Western Power Distribution 3.5% 16/10/2026	17,747	0.68
£13,500,000	Westfield America Management 2.125% 30/3/2025	13,314	0.51
£27,473,000	Westfield Stratford City 1.642% 4/8/2031	25,538	0.98
£4,445,000	Westpac Banking FRN 11/1/2028	4,472	0.17
£11,251,000	White City Property 5.1202% 17/4/2035	8,009	0.31
£1,790,000	Worcestershire Hospital 5.57% 31/12/2030	745	0.03
£9,056,000	Yorkshire Building Society 3.375% variable 13/9/2028	8,464	0.33
£3,660,000	Yorkshire Building Society 6.375% variable 15/11/2028	3,761	0.14
£7,829,000	Yorkshire Building Society 7.375% variable 12/9/2027	8,082	0.31
£3,713,000	Yorkshire Building Society 13.5% 1/4/2025	3,807	0.15
£6,144,000	Yorkshire Water Finance 5.25% 28/4/2030	5,873	0.23
£2,443,000	Zurich Finance 5.125% variable 23/11/2052	2,324	0.09
Total Corporate Bonds		2,493,576	95.83
Forward Currency Contracts – (0.04%) (31/10/23 – 0.00%)			
	Buy £37,838,734 & Sell €45,325,608 [†]	(560)	(0.02)
	Buy £13,644,445 & Sell \$18,170,225 [†]	(492)	(0.02)
	Buy \$3,350,000 & Sell £2,573,838 [†]	32	–
Total Forward Currency Contracts		(1,020)	(0.04)
Total value of investments[^]		2,562,037	98.46
Net other assets		40,057	1.54
Total net assets		2,602,094	100.00

[^] Including investment liabilities[†] Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 2.75% 7/9/2024	49,508
Westpac Banking FRN 3/7/2028	27,149
Barclays 7.09% variable 6/11/2029	21,253
Porterbrook Rail Finance 7.125% 20/10/2026	20,462
Commonwealth Bank of Australia FRN 17/10/2027	18,182
Credit Agricole SA 5.75% variable 9/11/2034	16,518
Schroders 6.346% variable 18/7/2034	15,278
Credit Agricole SA 5.375% variable 15/1/2029	14,860
Aviva 6.125% variable 12/9/2054	14,734
Metropolitan Life Global Funding 4.5% 9/7/2027	14,138
Subtotal	212,082
Total cost of purchases, including the above, for the year	1,110,113

Significant Sales

	Proceeds £'000
UK Treasury 2.75% 7/9/2024	49,526
Land Securities Capital Markets 1.974% 8/2/2024	28,898
AXA 6.6862% variable perpetual	28,164
Westpac Banking FRN 3/7/2028	27,180
Aviva 6.125% variable 14/11/2036	24,027
Places for People Homes 5.09% 31/7/2043	22,904
M&G 3.875% variable 20/7/2049	22,186
UBS Group AG 2.125% 12/9/2025	16,800
Stagecoach 4% 29/9/2025	16,306
Annington Funding 2.646% 12/7/2025	14,824
Subtotal	250,815
Total proceeds from sales, including the above, for the year	792,749

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains	2	87,466	26,487
Revenue	3	118,470	77,201
Expenses	4	(1,736)	(1,583)
Interest payable and similar charges		(28)	(25)
Net revenue before taxation		116,706	75,593
Taxation	5	–	–
Net revenue after taxation		116,706	75,593
Total return before distributions		204,172	102,080
Distributions	6	(118,442)	(77,176)
Change in net assets attributable to shareholders from investment activities		85,730	24,904

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		2,563,089	2,158,252
Current assets:			
Debtors	7	42,547	36,636
Cash and bank balances	8	2,223	6,221
Total assets		2,607,859	2,201,109
Liabilities			
Investment liabilities		1,052	62
Creditors:			
Other creditors	9	941	14,251
Distribution payable		3,772	4,006
Total liabilities		5,765	18,319
Net assets attributable to shareholders		2,602,094	2,182,790

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	2,182,790	1,639,958
Amounts receivable on creation of shares	472,733	740,164
Amounts payable on cancellation of shares	(243,640)	(288,117)
	229,093	452,047
Dilution adjustment charged	1,062	2,128
Change in net assets attributable to shareholders from investment activities	85,730	24,904
Retained distribution on accumulation shares	103,419	63,753
Closing net assets attributable to shareholders	2,602,094	2,182,790

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains during the year comprise:		
Non-derivative securities	85,449	25,386
Currency losses	(70)	(180)
Forward currency contracts	2,087	1,281
Net capital gains	87,466	26,487

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities	117,740	76,349
Bank interest	556	724
Stock lending income	174	128
Total revenue	118,470	77,201

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,736	1,583
Total expenses	1,736	1,583

* Audit fee £13,550 (31/12/23: £18,832) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	116,706	75,593
Corporation tax at 20% (31/10/23: 20%)	23,341	15,119
Effects of:		
Tax deductible interest distributions	(23,341)	(15,119)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is no potential deferred tax asset in relation to surplus management expenses (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
First Interim	22,881	11,291
Second Interim	24,924	14,341
Third Interim	26,897	17,504
Final	28,717	20,616
	103,419	63,752
Income shares		
First Interim	4,289	3,769
Second Interim	4,298	4,235
Third Interim	4,263	4,701
Final	3,772	4,006
	16,622	16,711
Net distributions for the year	120,041	80,463
Add: Amounts deducted on cancellation of shares	1,191	1,030
Deduct: Amounts received on the creation of shares	(2,790)	(4,317)
Gross interest distributions for the year	118,442	77,176

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	116,706	75,593
Expenses charged to capital	1,736	1,583
Gross interest distributions for the year	118,442	77,176

Class S Income terminated on 12 August 2024.

Details of the distribution per share are set out on pages 215 to 218.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	127	35
Sales awaiting settlement	–	43
Accrued revenue	42,420	36,558
Total debtors	42,547	36,636

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	2,223	6,221
Total cash and bank balances	2,223	6,221

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	679	1,211
Purchases awaiting settlement	92	12,900
Accrued expenses	170	140
Total other creditors	941	14,251

10. Reconciliation of number of shares

	Class N Accumulation	Class R Accumulation
Opening shares at 01/11/23	866,637,925	697,073,971
Shares issued	316,862,321	42,936,153
Shares cancelled	(11,156,802)	(71,267,212)
Closing shares at 31/10/24	1,172,343,444	668,742,912

	Class S Accumulation	Class S Income*
Opening shares at 01/11/23	70,694,458	36,081,713
Shares issued	–	4,953,158
Shares cancelled	(3,673,094)	(41,034,871)
Closing shares at 31/10/24	67,021,364	–

	Class Z Accumulation	Class Z Income
Opening shares at 01/11/23	109,538,749	359,732,657
Shares issued	11,472,726	56,470,077
Shares cancelled	(26,649,437)	(91,669,385)
Closing shares at 31/10/24	94,362,038	324,533,349

* Class S Income terminated on 12 August 2024.

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £722,000 (31/10/23: £1,316,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 24.76% (31/10/23: 24.83%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £43,000 (Gross: £174,000) (31/10/23: £32,000 (Gross: £128,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £118,166,000 (31/10/23: £49,263,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	131,955	52,213

The aggregate value of collateral held at the balance sheet date was £131,955,000 (31/10/23: £52,213,000).

Collateral may be in the form of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities; where the ACD approves the asset it will be held to reduce counterparty exposure.

The value of the collateral held is greater than the value of the securities on loan and is monitored as part of the efficient portfolio management process.

The counterparties at the year end were JP Morgan Securities, Deutsche Bank, Goldman Sachs International, RBC Europe Limited, Barclays Bank, BNP Paribas London, Morgan Stanley & Co International and Jefferies International Limited.

14. Financial derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on pages 205 to 207, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	–	32
Citigroup Global Markets	32	–
RBC Europe Limited	(492)	–

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: none).

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 209. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

A small proportion of the Fund's assets are denominated in currencies other than sterling. The value of the Fund's assets may be affected by currency movements.

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £132,000 (31/10/23: £87,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £132,000 (31/10/23: £87,000). These calculations assume all other variables remain constant.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £256,204,000 (31/10/23: £215,819,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £256,204,000 (31/10/23: £215,819,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	1,165,789	1,348,993	41,827	2,556,609
Euro	34,250	3,798	611	38,659
US dollar	12,450	–	141	12,591
Total	1,212,489	1,352,791	42,579	2,607,859

31 Oct 2023				
Sterling	858,184	1,273,965	36,044	2,168,193
Euro	8,800	14,946	479	24,225
US dollar	8,546	–	145	8,691
Total	875,530	1,288,911	36,668	2,201,109

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	4,713	4,713
Euro	–	560	560
US dollar	–	492	492
Total	–	5,765	5,765

31 Oct 2023			
Sterling	–	18,257	18,257
Euro	–	62	62
Total	–	18,319	18,319

Based on previous Bank of England interest rate increases, if the coupon rate of floating rate instruments was to change by 3%, the income attributable to these investments at the year end 31/10/24, would change by £5,255,000 (31/10/23: £3,866,000).

Another possible scenario would be if the coupon rate of floating rate instruments was to change by 1% in the future, the income attributable to these investments at the year end 31/10/24, would change by £1,752,000 (31/10/23: £1,850,000).

A change of 3% in the prevailing interest rates would result in a change of 0.09% (31/10/23: 0.08%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.03% (31/10/23: 0.03%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	2,396,096	92.10	2,015,242	92.32
Investments of below investment grade	33,750	1.30	4,987	0.23
Unrated bonds	133,211	5.10	137,991	6.32
Total bonds	2,563,057	98.50	2,158,220	98.87
Forward currency contracts – assets	32	–	32	–
Investments as shown in the balance sheet	2,563,089	98.50	2,158,252	–
Forward currency contracts – liabilities	(1,052)	(0.04)	(62)	–
Total value of investments	2,562,037	98.46	2,158,190	98.87

* Ratings supplied by S&P, followed by Moody's.

16. Portfolio transaction costs

	31 Oct 2024 £000	31 Oct 2023 £000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	1,110,113	1,004,322
Total corporate actions	–	109,701
Total sales	792,749	361,620

At the balance sheet date the portfolio dealing spread was 0.36% (31/10/23: 0.44%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	2,563,057	–	2,563,057
Derivatives	–	32	–	32
Total	–	2,563,089	–	2,563,089
Investment liabilities				
Derivatives	–	(1,052)	–	(1,052)
Total	–	(1,052)	–	(1,052)

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	2,158,220	–	2,158,220
Derivatives	–	32	–	32
Total	–	2,158,252	–	2,158,252
Investment liabilities				
Derivatives	–	(62)	–	(62)
Total	–	(62)	–	(62)

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 28/03/24	Distribution paid 31/03/23
Class N Accumulation				
Group 1	1.2955	–	1.2955	0.9262
Group 2	0.5968	0.6987	1.2955	0.9262
Class R Accumulation				
Group 1	1.2490	–	1.2490	0.8930
Group 2	0.3706	0.8784	1.2490	0.8930
Class S Accumulation				
Group 1	1.2295	–	1.2295	0.8790
Group 2	1.2295	0.0000	1.2295	0.8790
Class S Income				
Group 1	1.0852	–	1.0852	0.8077
Group 2	0.5008	0.5844	1.0852	0.8077
Class Z Accumulation				
Group 1	1.1427	–	1.1427	0.8186
Group 2	0.8766	0.2661	1.1427	0.8186
Class Z Income				
Group 1	1.0687	–	1.0687	0.7970
Group 2	0.4321	0.6366	1.0687	0.7970

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Second Interim**

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class N Accumulation				
Group 1	1.3393	–	1.3393	0.9815
Group 2	0.7908	0.5485	1.3393	0.9815
Class R Accumulation				
Group 1	1.2911	–	1.2911	0.9463
Group 2	0.7699	0.5212	1.2911	0.9463
Class S Accumulation				
Group 1	1.2710	–	1.2710	0.9315
Group 2	1.2710	0.0000	1.2710	0.9315
Class S Income				
Group 1	1.1089	–	1.1089	0.8484
Group 2	0.7304	0.3785	1.1089	0.8484
Class Z Accumulation				
Group 1	1.1806	–	1.1806	0.8670
Group 2	1.1806	0.0000	1.1806	0.8670
Class Z Income				
Group 1	1.0915	–	1.0915	0.8367
Group 2	0.8397	0.2518	1.0915	0.8367

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Third Interim**

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 July 2024

	Net income	Equalisation	Distribution paid 30/09/24	Distribution paid 30/09/23
Class N Accumulation				
Group 1	1.4025	–	1.4025	1.1404
Group 2	0.7394	0.6631	1.4025	1.1404
Class R Accumulation				
Group 1	1.3520	–	1.3520	1.0996
Group 2	0.6373	0.7147	1.3520	1.0996
Class S Accumulation				
Group 1	1.3308	–	1.3308	1.0824
Group 2	1.3308	0.0000	1.3308	1.0824
Class S Income				
Group 1	1.1475	–	1.1475	0.9765
Group 2	0.6555	0.4920	1.1475	0.9765
Class Z Accumulation				
Group 1	1.2356	–	1.2356	1.0069
Group 2	1.2356	0.0000	1.2356	1.0069
Class Z Income				
Group 1	1.1289	–	1.1289	0.9626
Group 2	0.5472	0.5817	1.1289	0.9626

Distribution Tables (continued)

For the year ended 31 October 2024

Distribution in pence per share**Final**

Group 1: Shares purchased prior to 1 August 2024

Group 2: Shares purchased between 1 August 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 31/12/23
Class N Accumulation				
Group 1	1.4624	–	1.4624	1.2110
Group 2	0.6422	0.8202	1.4624	1.2110
Class R Accumulation				
Group 1	1.4097	–	1.4097	1.1675
Group 2	0.4766	0.9331	1.4097	1.1675
Class S Accumulation				
Group 1	1.3878	–	1.3878	1.1492
Group 2	1.3878	0.0000	1.3878	1.1492
Class S Income*				
Group 1	–	–	–	1.0259
Group 2	–	–	–	1.0259
Class Z Accumulation				
Group 1	1.2879	–	1.2879	1.0686
Group 2	0.3255	0.9624	1.2879	1.0686
Class Z Income				
Group 1	1.1624	–	1.1624	1.0108
Group 2	0.7117	0.4507	1.1624	1.0108

* Class S Income terminated on 12 August 2024.

Royal London Short Duration Global Index Linked Fund

Manager's Investment Report

Fund performance

12 months to 31 October 2024

	1 year total return %	3 year total return %	5 year total return %
Short Duration Global Index Linked Fund, Class M Income	5.95	2.54	11.25
Short Duration Global Index Linked Fund, Class R Accumulation	6.12	3.15	12.39
Short Duration Global Index Linked Fund, Class Z Income	6.02	2.71	11.57
30% Bloomberg UKG Inflation Linked Bond 1-10yr Index, 70% Bloomberg WG Inflation Linked Bond (ex UK) 1-10yr Index (GBP Hedged)*	6.02	2.31	10.95
IA Global Inflation Linked Bond Total Return (TR)	5.21	-6.40	2.38

* Benchmark

Past performance is not necessarily a reliable indicator of future performance. The value of investments and the income from them is not guaranteed and may go down as well as up, and investors may not get back the amount originally invested.

Source: Royal London Asset Management Limited and Morningstar, as at 31 October 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at www.rlam.com.

Performance overview

The Fund's return was broadly in line with the benchmark over the period.

Market overview

For much of the past year or so, market focus has been on high inflation across developed economies, with an expectation that this would fall and allow central banks to cut interest rates early and often. However, as the year has progressed, those expectations changed. Inflation data was generally stronger than expected, meaning that central banks only started cutting in the summer, with the European Central Bank cutting rates in June, followed by the Bank of England in August and the US Federal Reserve in September. Meanwhile, the macroeconomic backdrop has been uncertain and political factors have added another element of volatility this year with elections in the US, UK and France.

For index-linked market, yields have fallen (and prices therefore risen) with the move towards lower interest rates. However, the path of bond yields has been far from smooth – with volatility high due to changing expectations. Perhaps the best example of this was in the final part of the period, where bond yields rose sharply due to the UK budget and US election result.

Portfolio commentary

Our interest rate positioning was the main positive for the Fund during the review period. Sometimes referred to as 'duration' positioning, the Fund can go long duration, which will help performance when bond yields are falling, or short duration, if the manager thinks yields will rise. At the start of the review period, we felt that yields were too high and that expectations of the number of interest rate falls were too conservative. This helped performance in the final months of 2023. For most of 2024, we had a bias towards a long duration position (ie positioned for lower yields) which has generally been helpful, although we have altered this position through the period to reflect what we felt were yields overshooting as rates expectations switched between too optimistic and too pessimistic.

Our cross-market positioning also produced modest positive results for performance. We have generally had a preference towards Australia and US over the UK. The former has been helpful due to higher yields as well as being supported by a stronger fiscal position, with Australia likely to borrow much less than the likes of the UK and US. We also had an underweight in Japan, as we expected the Bank of Japan to lift restrictions on movements in Japanese Government bonds that had kept yields artificially low. The ending of controls meant yields rose, hurting returns relative to other markets.

Manager's Investment Report (continued)

Investment outlook

We expect markets to remain volatile around economic data points and envisage to continue trading interest rate exposure tactically – looking to take advantage of market over-reactions to positive/negative news. As yields have risen following the UK budget, US election, and decisions from the Federal Reserve and Bank of England, we will have added to exposure where we believe there is longer term value.

We have moved from peak optimism at the end of 2023 where economists were calling for 5-6 rate cuts in the US in 2024. We then reached peak pessimism as the same economists were calling for only one cut. The weakness in data in August/September has pushed markets to price in again excessive rate cuts which we believe to be unjustified.

Towards the end of the period, long-dated bond yields rose more than short-dated bonds. We expect this to reverse somewhat in the next few months in the UK, as we expect increased government issuance to be focused on short maturities (with that increased supply pushing prices down and therefore yields higher) – issuance at longer maturities to be slightly reduced to do lower demand from pension funds.

Paul Rayner

Fund Manager

Royal London Asset Management Limited

31 October 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to www.rlam.com.

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at www.rlam.com.

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

Comparative Tables

Class M Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	101.44	103.40	112.28
Return before operating charges*	6.72	1.55	(4.79)
Operating charges	(0.29)	(0.28)	(0.30)
Return after operating charges*	6.43	1.27	(5.09)
Distributions on income shares	(2.19)	(3.23)	(3.79)
Closing net asset value per share	105.68	101.44	103.40
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.34%	1.23%	(4.53)%
Other information			
Closing net asset value (£'000)	185,689	222,002	284,545
Closing number of shares	175,702,356	218,861,186	275,182,536
Operating charges	0.27%	0.27%	0.27%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	108.80	107.20	116.00
Lowest share price	101.50	102.40	103.10

Class R Accumulation

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	110.65	109.12	114.10
Return before operating charges*	7.36	1.61	(4.90)
Operating charges	(0.08)	(0.08)	(0.08)
Return after operating charges*	7.28	1.53	(4.98)
Distributions on accumulation shares	(2.40)	(3.41)	(3.88)
Retained distributions on accumulation shares	2.40	3.41	3.88
Closing net asset value per share	117.93	110.65	109.12
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.58%	1.40%	(4.36)%
Other information			
Closing net asset value (£'000)	122,625	114,908	222,657
Closing number of shares	103,978,750	103,844,033	204,052,175
Operating charges	0.08% [#]	0.07%	0.07%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	119.50	113.20	118.00
Lowest share price	110.70	108.70	106.00

[#] The FMF changed from 0.07% to 0.08% effective from 30 September 2024.

Class Z Income

Change in net assets per share	31/10/24 (p)	31/10/23 (p)	31/10/22 (p)
Opening net asset value per share	102.11	104.02	112.89
Return before operating charges*	6.76	1.56	(4.87)
Operating charges	(0.23)	(0.23)	(0.24)
Return after operating charges*	6.53	1.33	(5.11)
Distributions on income shares	(2.20)	(3.24)	(3.76)
Closing net asset value per share	106.44	102.11	104.02
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	6.40%	1.28%	(4.53)%
Other information			
Closing net asset value (£'000)	159,829	229,837	294,372
Closing number of shares	150,158,185	225,084,082	282,982,245
Operating charges	0.22%	0.22%	0.22%
Direct transaction costs	–	–	–
Prices[^]			
Highest share price	109.60	107.90	116.70
Lowest share price	102.20	103.00	103.60

[^] The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

It should be noted that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

Portfolio Statement

As at 31 October 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Government Bonds – 1.15% (31/10/23 – 0.00%)			
£7,927,000	UK Treasury 0.625% 31/7/2035	5,359	1.15
Total Government Bonds		5,359	1.15
Government Index-Linked Bonds – 101.24% (31/10/23 – 100.49%)			
€2,771,000	Federal Republic of Germany 0.1% IL 15/4/2033	2,735	0.58
€5,798,953	Federal Republic of Germany 0.5% IL 15/4/2030	6,236	1.33
AUD4,997,000	Government of Australia 0.25% IL 21/11/2032	2,594	0.55
AUD7,352,000	Government of Australia 2% IL 21/8/2035	4,991	1.07
AUD10,356,000	Government of Australia 2.5% IL 20/9/2030	7,914	1.69
C\$1,203,000	Government of Canada 4.25% IL 1/12/2026	1,310	0.28
€9,253,000	Government of France 0.1% IL 1/3/2028	9,016	1.93
€10,847,000	Government of France 0.1% IL 1/3/2029	10,727	2.29
€4,978,000	Government of France 0.1% IL 25/7/2031	4,792	1.02
€1,834,000	Government of France 0.1% IL 1/3/2032	1,655	0.35
€1,749,000	Government of France 0.6% IL 25/7/2034	1,542	0.33
€2,172,724	Government of France 0.7% IL 25/7/2030	2,297	0.49
€756,911	Government of France 1.85% IL 25/7/2027	887	0.19
€3,155,000	Government of France 3.15% IL 25/7/2032	4,830	1.03
¥326700000	Government of Japan 0.3.5% IL 10/3/2025	1,864	0.40
¥1,418,900,000	Government of Japan 0.1% IL 10/3/2026	8,162	1.74
¥653,000,000	Government of Japan 0.1% IL 10/3/2027	3,827	0.82
¥1,030,400,000	Government of Japan 0.1% IL 10/3/2028	6,028	1.29
¥710,800,000	Government of Japan 0.2% IL 10/3/2030	4,239	0.91
€9,142,000	Government of Spain 0.65% IL 30/11/2027	9,634	2.06
€4,947,000	Government of Spain 0.7% IL 30/11/2033	4,987	1.07
€895,000	Government of Spain 1% IL 30/11/2030	954	0.20
SEK20,905,000	Government of Sweden 0.125% IL 1/6/2032	1,979	0.42
€4,642,000	Republic of Italy 0.4% IL 15/5/2030	4,517	0.97
€3,176,000	Republic of Italy 1.25% IL 15/9/2032	3,323	0.71
€7,462,000	Republic of Italy 1.6% IL 22/11/2028	6,200	1.32
€4,858,000	Republic of Italy 1.8% IL 15/5/2036	4,120	0.88
£37,000	UK Treasury 0.125% IL 22/3/2026	55	0.01
£10,888,000	UK Treasury 0.125% IL 10/8/2028	15,018	3.21
£14,853,843	UK Treasury 0.125% IL 22/3/2029	23,938	5.11
£20,000	UK Treasury 0.125% IL 22/11/2036	27	0.01
£19,289,838	UK Treasury 0.75% IL 22/11/2033	20,102	4.29
£4,990,000	UK Treasury 0.75% IL 22/3/2034	8,291	1.77
£25,758,296	UK Treasury 1.25% IL 22/11/2032	48,258	10.31
£6,281,000	UK Treasury 4.125% IL 22/7/2030	21,371	4.57
\$800	US Treasury 0.125% IL 15/10/2025	1	–
\$6,349,900	US Treasury 0.125% IL 15/4/2026	5,759	1.23
\$6,795,000	US Treasury 0.125% IL 15/1/2030	5,925	1.27
\$28,705,300	US Treasury 0.125% IL 15/7/2030	24,993	5.34
\$3,328,000	US Treasury 0.125% IL 15/1/2031	2,815	0.60
\$1,454,300	US Treasury 0.125% IL 15/7/2031	1,188	0.25
\$14,663,000	US Treasury 0.125% IL 15/1/2032	11,422	2.44
\$22,556,500	US Treasury 0.25% IL 15/7/2029	20,150	4.30
\$43,435,900	US Treasury 0.375% IL 15/1/2027	42,589	9.10
\$14,741,000	US Treasury 0.5% IL 15/1/2028	14,033	3.00
\$18,211,400	US Treasury 0.875% IL 15/1/2029	16,988	3.63
\$27,080,100	US Treasury 1.125% IL 15/1/2033	20,894	4.46
\$19,539,000	US Treasury 1.375% IL 15/7/2033	15,072	3.22
\$3,593,000	US Treasury 1.75% IL 15/1/2028	4,189	0.89
\$7,236,000	US Treasury 1.75% IL 15/1/2034	5,654	1.21
\$24,219,000	US Treasury 2.125% IL 15/4/2029	19,375	4.14
\$3,670,000	US Treasury 2.375% IL 15/1/2027	4,502	0.96
Total Government Index-Linked Bonds		473,969	101.24

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
Forward Currency Contracts – (1.61)% (31/10/23 – (0.69)%)			
	Buy AUD12,102,527 & Sell £6,139,456 [†]	30	0.01
	Buy C\$103,000 & Sell £57,524 ^{†*}	–	–
	Buy €29,836,350 & Sell £24,944,875 [†]	302	0.06
	Buy £21,904,904 & Sell AUD42,587,117 [†]	197	0.04
	Buy £1,314,130 & Sell C\$2,365,571 [†]	(8)	–
	Buy £101,712,528 & Sell €121,369,526 [†]	(987)	(0.21)
	Buy £25,938,264 & Sell ¥4,917,221,738 [†]	690	0.15
	Buy £205,697 & Sell NZ\$437,777 [†]	3	–
	Buy £4,235,354 & Sell SEK57,375,445 [†]	54	0.01
	Buy £229,751,668 & Sell \$305,603,637 [†]	(7,977)	(1.70)
	Buy ¥202,119,000 & Sell £1,046,726 [†]	(9)	–
	Buy NZ\$443,912 & Sell £204,557 [†]	1	–
	Buy SEK32,328,503 & Sell £2,385,296 [†]	(29)	(0.01)
	Buy \$27,478,920 & Sell £21,194,951 [†]	181	0.04
Total Forward Currency Contracts		(7,552)	(1.61)
Total value of investments[^]		471,776	100.78
Net other liabilities		(3,633)	(0.78)
Total net assets		468,143	100.00

[†] Unlisted

^{*} Value less than £1,000

[^] Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

Summary of Material Portfolio Changes

For the year ended 31 October 2024

Significant Purchases

	Cost £'000
UK Treasury 0.75% IL 22/11/2033	249,351
UK Treasury 0.125% IL 22/3/2026	131,838
UK Treasury 0.125% IL 22/3/2029	128,145
UK Treasury 1.25% IL 22/11/2032	89,854
UK Treasury 0.125% IL 22/3/2024	43,392
UK Treasury 1.75% 7/9/2037	40,561
UK Treasury 0.875% 31/7/2033	34,808
US Treasury 1.375% IL 15/7/2033	33,889
UK Treasury 0.125% IL 10/8/2028	32,215
US Treasury 1.75% IL 15/1/2034	31,668
Subtotal	815,721
Total cost of purchases, including the above, for the year	1,192,221

Significant Sales

	Proceeds £'000
UK Treasury 0.75% IL 22/11/2033	263,249
UK Treasury 0.125% IL 22/3/2026	136,295
UK Treasury 0.125% IL 22/3/2029	134,653
UK Treasury 1.25% IL 22/11/2032	53,055
UK Treasury 0.125% IL 22/3/2024	50,425
UK Treasury 1.25% IL 22/11/2027	49,003
UK Treasury 0.125% IL 10/8/2028	46,799
UK Treasury 1.75% 7/9/2037	40,539
UK Treasury 0.875% 31/7/2033	34,721
US Treasury 1.125% IL 15/1/2033	33,422
Subtotal	842,161
Total proceeds from sales, including the above, for the year	1,292,498

Financial Statements

Statement of Total Return

For the year ended 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Income			
Net capital gains/ (losses)	2	19,376	(19,270)
Revenue	3	15,876	33,686
Expenses	4	(1,073)	(1,468)
Interest payable and similar charges		(3)	(19)
Net revenue before taxation		14,800	32,199
Taxation	5	–	–
Net revenue after taxation		14,800	32,199
Total return before distributions		34,176	12,929
Distributions	6	(10,747)	(21,041)
Change in net assets attributable to shareholders from investment activities		23,429	(8,112)

Balance Sheet

As at 31 October 2024

	Note	31 Oct 2024 £'000	31 Oct 2023 £'000
Assets			
Investments		480,786	569,960
Current assets:			
Debtors	7	10,942	21,145
Cash and bank balances	8	6,168	42
Total assets		497,896	591,147
Liabilities			
Investment liabilities		9,010	4,353
Creditors:			
Other creditors	9	15,398	10,359
Distribution payable		5,345	9,688
Total liabilities		29,753	24,400
Net assets attributable to shareholders		468,143	566,747

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 October 2024

	31 Oct 2024 £'000	31 Oct 2023 £'000
Opening net assets attributable to shareholders	566,747	801,574
Amounts receivable on creation of shares	72,589	103,590
Amounts payable on cancellation of shares	(197,189)	(333,829)
	(124,600)	(230,239)
Dilution adjustment charged	76	59
Change in net assets attributable to shareholders from investment activities	23,429	(8,112)
Retained distribution on accumulation shares	2,491	3,465
Closing net assets attributable to shareholders	468,143	566,747

Notes to the Financial Statements

For the year ended 31 October 2024

1. Accounting policies

The accounting policies are set out in note 1 on pages 10 and 11.

2. Net capital gains/(losses)

	31 Oct 2024 £'000	31 Oct 2023 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	(2,175)	(43,385)
Currency gains/(losses)	2	(10,204)
Forward currency contracts	21,549	34,319
Net capital gains/(losses)	19,376	(19,270)

3. Revenue

	31 Oct 2024 £'000	31 Oct 2023 £'000
Interest on debt securities*	15,637	33,474
Bank interest	206	145
Stock lending income	33	67
Total revenue	15,876	33,686

* This includes a cash flow adjustment for inflation assumptions which is excluded from the distribution.

4. Expenses

	31 Oct 2024 £'000	31 Oct 2023 £'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director and agents of either of them:		
Fund Management Fee*	1,073	1,468
Total expenses	1,073	1,468

* Audit fee £13,390 (31/10/23: £22,650) inclusive of VAT is paid from the Fund Management Fee.

5. Taxation

a) Analysis of charge for the year

	31 Oct 2024 £'000	31 Oct 2023 £'000
Corporation tax at 20%	-	-
Total tax charge for the year	-	-

b) Factors affecting total tax charge for the year

The tax assessed for the year is lower (31/10/23: lower) than the standard rate of corporation tax in the UK for an Open Ended Investment Company.

The differences are explained below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue before taxation	14,800	32,199
Corporation tax at 20% (31/10/23: 20%)	2,960	6,440
Effects of:		
Tax deductible interest distributions	(1,935)	(3,915)
Tax relief on index-linked gilts	(1,025)	(2,525)
Total tax charge for the year	-	-

Authorised Open Ended Investment Companies are exempt from UK tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

There was no provision required for deferred tax at the balance sheet date (31/10/23: same).

d) Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £3,000 (31/10/23: £3,000) in relation to surplus management expenses £nil (31/10/23: £nil) and non-trading deficits £3,000 (31/10/23: £3,000). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

6. Distributions

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

	31 Oct 2024 £'000	31 Oct 2023 £'000
Accumulation shares		
Interim	624	1,082
Final	1,867	2,383
	2,491	3,465
Income shares		
Interim	2,035	5,769
Final	5,345	9,688
	7,380	15,457
Net distributions for the year	9,871	18,922
Add: Amounts deducted on cancellation of shares	1,200	2,590
Deduct: Amounts received on the creation of shares	(324)	(471)
Gross interest distributions for the year	10,747	21,041

Any reconciling items between the net revenue after tax and distribution paid is set out below:

	31 Oct 2024 £'000	31 Oct 2023 £'000
Net revenue after taxation	14,800	32,199
Expenses charged to capital	1,074	1,468
Indexation not distributed	(5,127)	(12,626)
Gross interest distributions for the year	10,747	21,041

Details of the distribution per share are set out on page 231.

7. Debtors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts receivable on creation of shares	847	52
Sales awaiting settlement	8,803	19,940
Accrued revenue	1,292	1,153
Total debtors	10,942	21,145

8. Cash and bank balances

	31 Oct 2024 £'000	31 Oct 2023 £'000
Cash and bank balances	6,168	42
Total cash and bank balances	6,168	42

9. Other creditors

	31 Oct 2024 £'000	31 Oct 2023 £'000
Amounts payable on cancellation of shares	353	3,031
Purchases awaiting settlement	14,938	7,195
Foreign exchange purchases awaiting settlement	21	27
Accrued expenses	86	106
Total other creditors	15,398	10,359

10. Reconciliation of number of shares

	Class M Income	Class R Accumulation
Opening shares at 01/11/23	218,861,186	103,844,033
Shares issued	33,210,556	8,246,253
Shares cancelled	(76,369,386)	(8,111,536)
Closing shares at 31/10/24	175,702,356	103,978,750

	Class Z Income
Opening shares at 01/11/23	225,084,082
Shares issued	26,721,113
Shares cancelled	(101,647,010)
Closing shares at 31/10/24	150,158,185

All classes within the Fund have the same rights on winding up.

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31/10/23: same).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

12. Related party transactions

The Fund's Authorised Corporate Director, Royal London Unit Trust Managers Limited, is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

Authorised Corporate Director fees charged by Royal London Unit Trust Managers Limited are shown in note 4 and details of shares created and cancelled by Royal London Unit Trust Managers Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end £409,000 (31/10/23: £3,083,000) was due from Royal London Unit Trust Managers Limited. These amounts are included in the amounts receivable for issue of units in note 7 and amounts payable for cancellation of units and accrued expenses in note 9.

At the year end, 31 October 2024, 12.14% (31/10/23: 10.60%) of the shares in issue were held by The Royal London Mutual Insurance Society Limited. Royal London Unit Trust Managers Limited is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited.

13. Stock lending activities

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £8,000 (Gross: £41,000) (31/10/23: £17,000 (Gross: £84,000)) payable to HSBC Bank plc.

The value of stock on loan at the balance sheet date was £nil (31/10/23: £35,204,000).

The collateral held by asset type at the year end is stated below:

Asset class	31 Oct 2024	31 Oct 2023
	Collateral Held £'000	Collateral Held £'000
Bonds	–	36,983

The aggregate value of collateral held at the balance sheet date was £nil (31/10/23: £36,983,000).

14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were forward currency contracts.

Details of the individual contracts are shown on the portfolio statement on page 222, and the total position held by the counterparty at the year end is summarised below:

The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward currency contracts	
	31 Oct 2024 £'000	31 Oct 2023 £'000
Barclays Bank	1,038	185
Citigroup Global Markets	–	(103)
Goldman Sachs	153	–
JP Morgan	(906)	78
Royal Bank of Canada	24	(4,043)

Eligible collateral types are approved by the ACD and may consist of cash and government bonds only as eligible collateral with respect to derivative transactions.

At 31 October 2024 there was no collateral held in respect of the above derivatives (31/10/23: £nil).

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures

Risk management policies have been set out previously under the Summary of Significant Accounting Policies.

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet on page 224. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

As most of the assets of the Fund are sterling denominated, exposure to foreign currency exchange risk is considered insignificant. The value of the Fund's assets/(liabilities) may be affected by currency movements.

Currency	31 Oct 2024 £'000	31 Oct 2023 £'000
Sterling	458,364	566,370
Australian dollar	3,042	(19)
Canadian dollar	68	42
Euro	1,273	(1,563)
Japanese yen	(87)	70
New Zealand dollar	3	21
Swedish krona	155	34
US dollar	5,325	1,792
Total	468,143	566,747

If sterling to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £978,000 (31/10/23: £38,000). If sterling to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £978,000 (31/10/23: £38,000). These calculations assume all other variables remain constant.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £47,178,000 (31/10/23: £56,561,000). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £47,178,000 (31/10/23: £56,561,000). These calculations assume all other variables remain constant.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 October 2024 compared to the previous year end was:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 Oct 2024				
Sterling	143,228	5,359	1,922	150,509
Australian dollar	15,499	–	3,297	18,796
Canadian dollar	1,310	–	22	1,332
Euro	78,453	–	274	78,727
Japanese yen	24,120	–	694	24,814
New Zealand dollar	–	–	3	3
Swedish krona	1,979	–	55	2,034
US dollar	215,549	–	6,132	221,681
Total	480,138	5,359	12,399	497,896
31 Oct 2023				
Sterling	162,079	–	12,438	174,517
Australian dollar	15,875	–	57	15,932
Canadian dollar	1,429	–	39	1,468
Euro	90,714	–	2,916	93,630
Japanese yen	19,672	–	188	19,860
New Zealand dollar	208	–	4	212
Swedish krona	5,145	–	90	5,235
US dollar	274,447	–	5,846	280,293
Total	569,569	–	21,578	591,147

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

15. Risk disclosures – continued

Interest rate risk profile of financial assets and financial liabilities – continued

Currency	Floating rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
31 Oct 2024			
Sterling	–	20,760	20,760
Australian dollar	–	18	18
Canadian dollar	–	8	8
Euro	–	987	987
US dollar	–	7,980	7,980
Total	–	29,753	29,753
31 Oct 2023			
Sterling	–	14,653	14,653
Australian dollar	–	2	2
Euro	–	772	772
US dollar	–	8,973	8,973
Total	–	24,400	24,400

Due to no Floating Rate Note stocks being held, there is no requirement to calculate interest sensitivity (31/10/23: same).

A change of 3% in the prevailing interest rates would result in a change of 0.16% (31/10/23: 0.16%) to the value of the Fund. Another possible scenario would be if a change of 1% in the prevailing interest rates would result in a change of 0.05% (31/10/23: 0.05%) to the value of the Fund.

These examples represent the ACD's best estimate of possible shifts in interest rates.

Interest rates and bond prices have an inverse relationship. As interest rates rise the value of bonds will decrease and vice versa.

Credit breakdown*	31 Oct 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	479,328	102.39	569,527	100.49
Total bonds	479,328	102.39	569,527	100.49
Forward currency contracts – assets	1,458	0.31	433	0.07
Investments as shown in the balance sheet	480,786	102.70	569,960	100.56
Forward currency contracts – liabilities	(9,010)	(1.92)	(4,353)	(0.76)
Total value of investments	471,776	100.78	565,607	99.80

* Ratings supplied by S&P, followed by Moody's.

16. Portfolio transaction costs

	31 Oct 2024 £000	31 Oct 2023 £000
There were no transaction costs for the year ended 31 October 2024 (31/10/23: same)		
Total purchases	1,192,221	1,524,427
Total sales	1,292,498	1,744,435

The Fund had no corporate actions during the year (31/10/23: none).

At the balance sheet date the portfolio dealing spread was 0.10% (31/10/23: 0.13%).

The Fund is single priced throughout the year and therefore the dealing spread is not indicative of the full year.

Notes to the Financial Statements (continued)

For the year ended 31 October 2024

17. Fair value of investments

The fair values of the Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

- 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 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.

As at the year ended 31 October 2024

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	479,328	–	479,328
Derivatives	–	1,458	–	1,458
Total	–	480,786	–	480,786
Investment liabilities				
Derivatives	–	9,010	–	9,010
Total	–	9,010	–	9,010

As at the year ended 31 October 2023

Level	1 £'000	2 £'000	3 £'000	Total £'000
Investments				
Bonds	–	569,527	–	569,527
Derivatives	–	433	–	433
Total	–	569,960	–	569,960
Investment liabilities				
Derivatives	–	4,353	–	4,353
Total	–	4,353	–	4,353

Distribution Tables

For the year ended 31 October 2024

Distribution in pence per share

Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution paid 28/06/24	Distribution paid 30/06/23
Class M Income				
Group 1	0.5540	–	0.5540	1.0521
Group 2	0.3577	0.1963	0.5540	1.0521
Class R Accumulation				
Group 1	0.6044	–	0.6044	1.1142
Group 2	0.3947	0.2097	0.6044	1.1142
Class Z Income				
Group 1	0.5578	–	0.5578	1.0587
Group 2	0.3762	0.1816	0.5578	1.0587

Final

Group 1: Shares purchased prior to 1 May 2024

Group 2: Shares purchased between 1 May 2024 and 31 October 2024

	Net income	Equalisation	Distribution payable 31/12/24	Distribution paid 29/12/23
Class M Income				
Group 1	1.6349	–	1.6349	2.1805
Group 2	0.8588	0.7761	1.6349	2.1805
Class R Accumulation				
Group 1	1.7955	–	1.7955	2.2950
Group 2	0.7918	1.0037	1.7955	2.2950
Class Z Income				
Group 1	1.6465	–	1.6465	2.1841
Group 2	0.7530	0.8935	1.6465	2.1841

Fact File

Constitution

Royal London Sterling Credit Fund

Launch date	30 October 2009		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class S	nil
		Class Z	nil
	Annual	Class M	0.53%
		Class R	0.08%
		Class S	0.05%
		Class Z	0.35%

Royal London Short-Term Money Market Fund

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates*	31 December (final)		
	30 June (interim)		
Minimum investment	Class R	n/a	
	Class S	n/a	
	Class Y	£1,000,000 (thereafter £100)	
Management charges:	Initial	Class R	nil
		Class S	nil
		Class Y	nil
	Annual	Class R	0.04%
		Class S	0.03%
		Class Y	0.10%

* From 1 November 2024 the Fund's current policy of distributing income twice a year will change to a monthly distribution policy.

Royal London Global Index Linked Fund

Launch date	27 January 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class Z	nil
	Annual	Class M	0.40%
		Class R	0.09%
		Class Z	0.30%

Fact File (continued)**Constitution** (continued)**Royal London Corporate Bond Fund**

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class A	£1,000 (thereafter £100)	
	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
	Class Y	£150,000,000 (thereafter £500,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class A	nil
		Class M	nil
		Class R	nil
		Class S	nil
		Class Y	nil
		Class Z	nil
	Annual	Class A	0.64%
		Class M	0.56%
		Class R	0.09%
		Class S	0.11%
		Class Y	0.37%
		Class Z	0.35%

Royal London Index Linked Fund

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
Management charges:	Initial	Class M	nil
		Class R	nil
	Annual	Class M	0.30%
		Class R	0.08%

Royal London UK Government Bond Fund

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
	Class X	£25,000,000 (thereafter £50,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class S	nil
		Class X	nil
		Class Z	nil
	Annual	Class M	0.30%
		Class R	0.08%
		Class S	0.10%
		Class X	0.25%
		Class Z	0.25%

Fact File (continued)**Constitution** (continued)**Royal London Short Term Fixed Income Fund**

Launch date	15 June 2011		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class M	£100,000 (thereafter £50,000)	
	Class R	n/a	
	Class S	n/a	
	Class X	£200,000,000 (thereafter £1,000,000)	
	Class Y	£1,000,000 (thereafter £50,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class S	nil
		Class X	nil
		Class Y	nil
		Class Z	nil
		Annual	Class M
	Class R	0.035%	
	Class S	0.03%	
	Class X	0.11%	
	Class Y	0.15%	
	Class Z	0.03%	

Royal London International Government Bond Fund

Launch date	4 November 2011			
Accounting end dates	31 October (final)			
	30 April (interim)			
Distribution dates	31 December (final)			
	30 June (interim)			
Minimum investment	Class A	£1,000 (thereafter £100)		
	Class M	£100,000 (thereafter £1,000)		
	Class R	n/a		
	Class S	n/a		
	Class X	n/a		
Management charges:	Initial	Class A	nil	
		Class M	nil	
		Class R	nil	
		Class S	nil	
		Class X	nil	
	Annual	Class A	0.95%	
		Class M	0.30%	
		Class R	0.09%	
		Class S	0.05%	
		Class X	0.20%	

Fact File (continued)**Constitution** (continued)**Royal London Diversified Asset-Backed Securities Fund**

Launch date	24 September 2012		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class R	n/a	
	Class S	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class R	nil
		Class S	nil
		Class Z	nil
	Annual	Class R	0.10%
		Class S	0.06%
		Class Z	0.425%

Royal London Short Term Fixed Income Enhanced Fund

Launch date	18 May 2015		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class R	n/a	
	Class S	n/a	
	Class Y	£1,000,000 (thereafter £50,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class R	nil
		Class S	nil
		Class Y	nil
		Class Z	nil
	Annual	Class R	0.035%
		Class S	0.03%
		Class Y	0.18%
		Class Z	0.03%

Royal London Short Duration Gilts Fund

Launch date	7 November 2013		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class N	n/a	
	Class R	n/a	
	Class S	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class N	nil
		Class R	nil
		Class S	nil
		Class Z	nil
	Annual	Class M	0.29%
		Class N	0.04%
		Class R	0.08%
		Class S	0.07%
		Class Z	0.22%

Royal London Cautious Managed Fund

Launch date	8 June 2015		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
Minimum investment	Class A	£5,000 (thereafter £500)	
	Class R	n/a	
Management charges:	Initial	Class A	nil
		Class R	nil
	Annual	Class A	0.70%

Fact File (continued)**Constitution** (continued)**Royal London Investment Grade Short Dated Credit Fund**

Launch date	7 December 2015		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class N	n/a	
	Class R	n/a	
	Class S	n/a	
	Class X	£150,000,000 (thereafter £500,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class N	nil
		Class R	nil
		Class S	nil
		Class X	nil
		Class Z	nil
		Annual	Class M
	Class N		0.03%
	Class R		0.08%
	Class S		0.04%
	Class X		0.175%
	Class Z		0.24%

Royal London Short Duration Global Index Linked Fund

Launch date	23 February 2016		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class Z	nil
	Annual	Class M	0.27%
		Class R	0.08%
		Class Z	0.22%

Fact File (continued)

Investment Objective and Policies

Please note that Synthetic Risk and Reward Indicators (SRRIs) are calculated on a share class basis. For SRI information in relation to a specific share class, please always refer to the relevant Key Investor Information Document (KIID) available on our website.

Royal London Sterling Credit Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing predominantly in sterling-denominated corporate bond.

The Fund's performance target is to outperform, after the deduction of charges, the Markit iBoxx Sterling Non-Gilts Total Return GBP Index (the Index) over a rolling 5-year period.

At least 80% of the Fund will be invested in investment grade corporate bonds and in index linked corporate bonds, securitisations, supranational bonds, agency bonds, floating-rate notes and asset-backed securities each denominated in sterling or hedged back to sterling. These Investments will generally be fixed-rate issues.

Up to 10% of the Fund may be invested in collective investment schemes.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by corporations are more volatile than bonds issued by governments.

Royal London Global Index Linked Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing at least 80% in index-linked bonds issued by governments globally.

The Fund's performance target is to outperform, after the deduction of charges, the Barclays World Government Inflation Linked Bond Total Return Index (GBP Hedged) (the Index) over a rolling 5-year period. The Index is regarded as a good measure of the performance of global index-linked government bonds.

The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

A limited amount of the Fund's assets may be invested in other transferable securities, money market instruments and exchange-traded funds.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Short-Term Money Market Fund

The Fund's investment objective is to preserve capital and provide an income over rolling 12-month periods by predominantly investing (at least 80%) in cash and cash equivalents.

The Fund's performance target is to outperform, after the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) over rolling 12-month periods.

At least 80% of the Fund will be invested in eligible instruments as permitted by the Money Market Funds Regulation. These will include cash, time deposits, certificates of deposit, commercial paper, floating-rate notes, and short-dated government bonds.

The Fund may also hold a small amount of the portfolio in derivatives for the purposes of Efficient Portfolio Management.

Money market instruments will have a minimum rating of A-1, P-1 or F1 or long-term equivalent.

Risk and reward profile



The Fund is ranked in risk category 1 because its share price has shown a very low level of volatility historically. As an investment, money market instruments are less volatile than bonds and shares.

Royal London Corporate Bond Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing at least 80% in sterling-denominated corporate bonds.

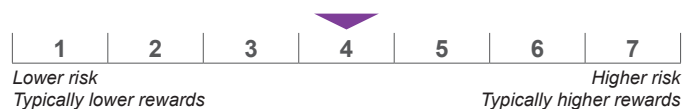
The Fund's performance target is to outperform, after the deduction of charges, the Markit iBoxx Sterling Non-Gilt Total Return GBP Index (the Index) over a rolling 5-year period.

At least 80% of the Fund will be invested in investment grade corporate bonds and in index linked corporate bonds, securitisations, supranational bonds, agency bonds, floating-rate notes and asset backed securities each denominated in sterling or hedged back to sterling. These investments will generally be fixed-rate issues

Up to 10% of the Fund may be invested in collective investment schemes.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Index Linked Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing mainly in index-linked bonds issued by the UK government, known as gilts.

The Fund's performance target is to outperform, after the deduction of charges, the FTSE® Actuaries UK Index Linked Gilts All Stock Index Total Return GBP Index (the Index) over a rolling 5-year period.

The Index is regarded as a good measure of the performance of index-linked UK government bonds.

The Index is considered an appropriate benchmark for the Fund's performance, as many of the Fund's potential investments will be included in the Index.

At least 80% of the Fund will be invested in index-linked gilts.

A limited amount of the Fund's assets may be invested in other transferable securities, money market instruments and exchange-traded funds.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 6 because its share price has shown a high level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Royal London UK Government Bond Fund

The Fund's investment objective is to achieve a total return over (combination of capital growth and income) the medium term, which should be considered as a period of 3–5 years, by predominantly investing in UK government bonds, also known as gilts.

The Fund's performance target is to outperform, after the deduction of charges, the FTSE® Actuaries UK Conventional Gilts Total Return GBP Index (the Index) over a rolling 5-year period.

The Index is regarded as a good measure of the performance of every UK government bond quoted on the London Stock Exchange.

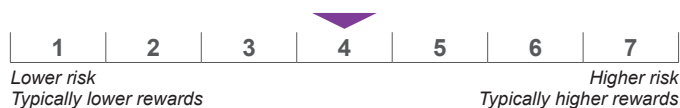
The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

At least 80% of the Fund will be invested in UK Government bonds, which are fixed-income securities issued by the UK Government, also known as gilts.

A limited amount of the Fund's assets may be invested in other transferable securities, money market instruments and exchange-traded funds.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Short Term Fixed Income Fund

The Fund's investment objective is to achieve a total return over rolling 12-month periods by mainly investing in Short Term Fixed Income Securities.

The Fund's performance target is to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) by 0.50% per annum over rolling 12-month periods.

To achieve this objective a minimum of 50% of the Fund will be invested in a combination of money market instruments, including cash, time deposits, certificates of deposit and commercial paper, floating rate notes and Government bonds.

In exceptional circumstances the Fund may invest up to 100% in money market instruments.

The Fund will also invest in a range of securities, including corporate bonds and supranational & agency bonds, covered bonds and/or transferable securities. The Fund will not invest in other funds, known as CIS.

The Fund may also make use of reverse repurchase agreements.

The Fund may also hold derivatives for the purposes of Efficient Portfolio Management only.

Risk and reward profile



The Fund is ranked in risk category 2 because its share price has shown a low level of volatility historically. As an investment, money market instruments and bonds are less volatile than shares.

Royal London International Government Bond Fund

The Fund's investment objective is to achieve a total return over the medium term, which should be considered as a period of 3-5 years, by primarily investing in government bonds globally.

The Fund's performance target is to outperform, after the deduction of charges, the JP Morgan Traded World ex UK Total Return (GBP hedged) Index (the Index) over a rolling 5-year period. The Index is regarded as a good measure of the performance of government bonds across the developed markets.

The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

At least 80% of the Fund will be invested in bonds issued by governments across the developed markets, not including the UK. The remainder of the Fund's assets may be invested in a range of other securities, including UK government bonds, supranational bonds and agency bonds. Index-linked bonds, floating-rate notes and corporate bonds, both UK and non-UK, may also be held.

A limited amount of the Fund's assets may be invested in other transferable securities and money market instruments.

It may also hold derivatives for the purpose of Efficient Portfolio Management only.

Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Diversified Asset-Backed Securities Fund

The Fund's investment objective is to achieve a positive absolute return in all market conditions over rolling 3-year periods, by predominantly investing in asset-backed securities and other sterling-denominated corporate bonds.

The Fund's performance target is to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) plus 2% per annum over rolling 3-year periods.

At least 80% of the Fund's assets will be invested in asset backed securities and other sterling corporate bonds, which will generally be fixed and floating-rate issues.

The remainder of the Fund's assets may be invested in a range of securities, including government bonds, index-linked bonds and bonds denominated in currencies other than sterling.

Up to 10% may be invested in collective investment schemes. A limited amount may also be invested in money market instruments and other transferable securities.

The Fund may also hold derivatives for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Royal London Short Duration Gilts Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3–5 years, by predominantly investing in short-duration (1-5 years) UK government bonds, which are also known as gilts.

The Fund's performance target is to outperform, after the deduction of charges, the FTSE® Actuaries UK Conventional Gilts up to 5 Years Total Return GBP Index (the Index) over a rolling 5-year period.

The Index is regarded as a good measure of the performance of short duration UK government bonds quoted on the London Stock Exchange.

The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

At least 80% of the Fund will be invested in UK government bonds, of which at least 70% will be short duration.

The Fund may also invest in a range of other securities including UK Government bonds with a longer duration, non-UK government bonds, supranational bonds and agency bonds, Index-linked bonds and corporate bonds, both UK and non-UK, may also be held. Up to 10% of the Fund's assets may be invested in other funds, known as collective investment schemes.

It may also hold derivatives for the purpose of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Short Term Fixed Income Enhanced Fund

The Fund's investment objective is to achieve a total return over rolling 12-month periods by mainly investing in short term fixed income securities.

The Fund's performance target is to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) by 1.00% over rolling 12-month periods.

To achieve this objective the Fund will invest at least 60% in short term fixed income securities using in a combination of money market instruments, including cash, time deposits, certificates of deposit, commercial paper and floating rate notes. Short term corporate bonds, covered bonds and asset backed securities will also be included.

In exceptional circumstances the Fund may invest up to 100% in money market instruments.

The Fund may also invest in a range of other securities including the use of reverse repurchase agreements. The Fund will not invest in other funds, known as CIS. The Fund may also hold derivatives for the purposes of Efficient Portfolio Management only.

Risk and reward profile



The Fund is ranked in risk category 2 because its simulated share price has shown a low level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Royal London Cautious Managed Fund

The Fund's investment objective is to achieve a total return over the course of a market cycle, which should be considered as a period of 6–7 years, by predominantly investing in other funds, known as collective investment schemes.

At least 80% of the Fund will be invested in collective investment schemes (CIS) which can invest in investment and sub-investment grade bonds, and the shares of UK and overseas companies (UK companies are those domiciled in the UK, or which have significant UK business operations). The Fund's CIS holdings will for the most part be managed by Royal London Unit Trust Managers Limited or another Royal London Group company. The Fund's manager can, however, invest a limited amount of assets in other CIS where they feel it is appropriate. And where the manager believes it is in the best interests of the Fund.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)

Investment Objective and Policies (continued)

Royal London Investment Grade Short Dated Credit Fund

The Fund's investment objective is to achieve a total return over the medium term (3–5 years) by investing predominantly in investment-grade bonds.

The Fund will seek to outperform its benchmark, after the deduction of charges, ICE Bank of America 1-5 Year Sterling Non-Gilt Index, by 0.25% per annum over rolling three year periods. The Index is regarded as a good measure of the performance of short-dated sterling denominated bonds, not including those issued by the UK government.

The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

At least 80% of the Fund will be invested in investment grade bonds of companies and other organisations (known as corporate bonds) that are listed in sterling. Of these, at least 70% will have a maturity of less than five years. Floating rate notes, asset-backed securities, supranational bonds and agency bonds are included in this segment of the Fund. The remainder of the Fund may be invested in a range of securities, including UK Government bonds and the bonds of companies and other organisations that are listed in a currency other than sterling. Bonds with a maturity greater than five years are also allowed. The Fund's bond holdings will typically be investment-grade bonds. The Fund may also invest in preference shares. A limited amount of the Fund's assets may be invested in other transferable securities.

Up to 10% of the Fund's assets may be invested in other funds, known as collective investment schemes.

The Fund may hold derivatives for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 3 because its simulated share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Royal London Short Duration Global Index Linked Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3–5 years, by predominantly investing in short-duration (1-10 years) index-linked bonds.

The Fund's performance target is to outperform, after the deduction of charges, a composite benchmark of the 30% Bloomberg UK Government Inflation Linked Bond 1-10 year Total Return GBP UK Government Inflation Linked Bond 1-10 year Index, 70% Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Total Return GBP Index (the Index) over a rolling 5-year period.

The Index is a good measure of the performance of index-linked UK government bonds and government bonds globally.

The Index is considered an appropriate benchmark for the Fund's performance, as many of the Fund's potential investments will be included in either the Bloomberg UK Government Inflation Linked Bond 1-10 year Index or the Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Total Return GBP Index.

At least 80% of the Fund will be invested in index-linked bonds. At least 70% of these investments will be made in the UK, North America and Europe, and will be sterling denominated or hedged back to sterling.

The Fund may also invest in other debt securities such as government and corporate bonds, floating rate notes and money market instruments, and also in other transferable securities, cash, near cash and collective investment schemes as the Investment Manager deems appropriate. The debt securities in which the Fund invests may be investment grade or non-investment grade.

It may hold derivatives for the purposes of Efficient Portfolio Management.

Risk and reward profile



The Fund is ranked in risk category 3 because its simulated share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

Fact File (continued)**Investment Objective and Policies** (continued)

The indicators have been calculated using historical data and may not be a reliable indication of the future risk profile of the Funds. The indicators are calculated using a standard methodology that is used by all companies offering such Funds in Europe.

The risk/reward indicators are an estimate and not a guarantee. Going forward, the Funds' actual volatility could be higher or lower, and their rated risk/reward profile could change. The lowest risk category does not mean the investment is risk free.

The Risk and Reward Profiles are published in each Fund's most recent Key Investor Information Document.

Appendix – Additional Information (unaudited)

Securities Financing Transactions

The Funds engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions 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, the Funds' involvement in and exposures related to securities lending for the period ended 31 October 2024 are detailed on the following pages.

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Sterling Credit Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	4.07%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£97,581,306	4.07%

* Total lendable assets and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

All or Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 5.50% 25/4/2029	25,008,000	24,179
Government of Japan 0.60% 20/9/2029	2,361,600,000	12,078
Government of Japan 0.005% 10/3/2033	1,087,000,000	6,036
UK Treasury 0.125% 22/3/2046	3,796,100	4,356
UK Treasury 0.125% 10/8/2048	2,867,000	2,982
Government of France 0.70% 25/7/2030	2,757,155	2,927
Government of Belgium 0.35% 22/6/2032	4,158,388	2,927
Government of France 3% 25/5/2054	3,851,430	2,927
Government of France 2% 25/11/2032	3,624,353	2,927
Government of Belgium 3.30% 22/6/2054	3,563,816	2,927

All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
JP Morgan Securities	23,788
Deutsche Bank	13,981
RBC Europe Limited	12,416
Barclays Bank	11,508
Goldman Sachs International	10,994
HSBC Bank	10,726
Citigroup Global Markets	6,791
BNP Paribas London	5,613
UBS AG	768
Morgan Stanley & Co International	724
Lloyds Bank Corporate Markets	272
	97,581

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	109,780
		109,780

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	109,780
	109,780

Currency of collateral

Currency	Fair value £'000
Sterling	14,784
Canadian dollar	90
Euro	55,965
Japanese yen	18,955
Norwegian krone	2,732
US dollar	17,254
	109,780

Appendix – Additional Information (unaudited) (continued)**Securities Financing Transactions** (continued)**Royal London Sterling Credit Fund – continued****Aggregate transaction data– continued****Maturity tenor of SFTs**

Maturity	Fair value £'000
Rolling Maturity	97,581
	97,581

Country in which counterparties are established

Counterparty
All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	236	
Agents fee	(47)	20.00%
Fund net return	189	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Corporate Bond Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	3.73%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£53,317,738	3.71%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 5.5% 25/4/2029	9,120,000	8,818
Government of Belgium 2.25% 22/6/2057	4,218,539	2,731
Government of France 0.1% 3/1/2028	2,802,632	2,731
Government of Germany 15/8/2050	5,860,598	2,583
Government of Belgium 5% 28/3/2035	2,519,389	2,575
UK Treasury 3.75% 29/1/2038	2,719,372	2,540
Government of France 2.75% 25/10/2027	2,805,264	2,389
UK Treasury 0.125% 22/11/2036	1,663,310	2,255
Government of Japan 0.005% 10/3/2033	404,900,000	2,248
UK Treasury 4% 15/2/2026	2,435,300	1,904

All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Deutsche Bank	12,849
Royal Bank of Canada	11,739
HSBC Bank	10,415
JP Morgan Securities	8,463
Barclays Bank	6,100
BNP Paribas London	2,067
Morgan Stanley & Co International	1,210
Jefferies Financial Group	475
	53,318

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	58,812
		58,812

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	58,812
	58,812

Currency of collateral

Currency	Fair value £'000
Sterling	6,128
Canadian dollar	24
Euro	37,940
Japanese yen	3,639
Norwegian krone	8
US dollar	11,073
	58,812

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	53,318
	53,318

Country in which counterparties are established

Counterparty

All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	126	
Agents fee	(25)	20.00%
Fund net return	101	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London UK Government Bond Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	0.06%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£714,731	0.06%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 0.75% 25/2/2028	241,661	194
Government of Belgium 0.1% 22/6/2030	131,245	96
Government of Netherlands 2.5% 15/7/2033	114,084	96
Republic of Finland 0% 15/9/2030	132,000	96
UK Treasury 1.625% 22/10/2071	129,676	57
UK Treasury 1.25% 22/10/2041	94,148	57
UK Treasury 3.75% 22/10/2053	68,198	57
UK Treasury 4.25% 12/7/2040	58,618	57
UK Treasury 3.75% 22/7/2052	67,029	57

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
BNP Paribas London	447
Barclays Capital Securities	268
	715

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	767
		767

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	767
	767

Currency of collateral

Currency	Fair value £'000
Sterling	285
Euro	482
	767

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	715
	715

Country in which counterparties are established

Counterparty
All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	83	
Agents fee	(17)	20.00%
Fund net return	66	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Short Term Fixed Income Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 14.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	0.25%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£9,925,839	0.25%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 5.5% 25/4/2029	5,554,000	5,370
UK Treasury 4.375% 31/7/2054	666,992	630
UK Treasury 3.34% 7/3/2027	634,698	630
UK Treasury 1.25% 22/11/2054	643,072	630
UK Treasury 4.375% 31/1/2040	638,980	625
UK Treasury 1% 7/9/2037	790,205	583
Government of Japan 0.005% 10/3/2033	98,000,000	544
Government of Japan 1% 20/3/2052	138,050,000	542
Government of Germany 15/8/2050	493,365	217
US Treasury 4.125% 31/7/2028	275,100	217

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
JPMorgan Securities	5,006
Merrill Lynch International	2,604
RBC Europe Limited	1,008
BNP Paribas London	505
Morgan Stanley & Co International	502
Barclays Bank	301
	9,926

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	11,011
		11,011

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	11,011
	11,011

Currency of collateral

Currency	Fair value £'000
Sterling	3,419
Canadian dollar	1
Euro	6,071
Japanese yen	1,086
Norwegian krone	216
US dollar	218
	11,011

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	9,926
	9,926

Country in which counterparties are established

Counterparty

All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	17	
Agents fee	(3)	20.00%
Fund net return	14	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London International Government Bond Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	14.84%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£185,409,517	15.14%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

All collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 0.125% 10/8/2028	59,709,713	82,214
UK Treasury 3.5% 22/10/2025	58,428,425	57,914
Government of Japan 0.005% 10/3/2033	3,745,800,000	20,799
Government of Austria 6.25% 15/7/2027	16,267,000	15,378
UK Treasury 0.75% 22/11/2047	3,800,000	6,222
UK Treasury 0.25% 31/7/2031	3,760,296	2,914
US Treasury 1.375% 15/7/2033	2,140,100	1,661
US Treasury 1.25% 15/4/2028	2,075,300	1,661
Government of Japan 20/2/2025	323,000,000	1,649
UK Treasury 0.125% 22/11/2036	1,215,445	1,648

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
Goldman Sachs International	78,797
Banco Santander	72,629
BNP Paribas London	19,778
HSBC Bank	7,956
Citigroup Global Markets	4,230
JP Morgan Securities	2,020
	185,410

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	195,861
		195,861

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	195,861
	195,861

Currency of collateral

Currency	Fair value £'000
Sterling	150,912
Canadian dollar	422
Euro	15,726
Japanese yen	22,448
US dollar	6,353
	195,861

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	185,410
	185,410

Country in which counterparties are established

Counterparty
All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	277	
Agents fee	(56)	20.00%
Fund net return	221	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Diversified Asset-Backed Securities Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	0.37%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£1,105,988	0.37%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

All or Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 2.75% 25/2/2030	539,657	456
Government of France 5.5% 25/4/2029	141,000	136
Government of France 25/11/2029	161,000	119
UK Treasury 4.75% 22/10/2043	105,045	105
UK Treasury 1.25% 22/11/2054	107,178	105
UK Treasury 1.75% 7/9/2037	141,646	105
UK Treasury 4.375% 31/7/2054	110,333	104
UK Treasury 4.375% 31/1/2040	101,570	99
US Treasury 4.25% 31/12/2025	50,700	40
US Treasury 1.375% 15/7/2033	51,500	40

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
Morgan Stanley & Co International	424
Merrill Lynch International	264
JP Morgan Securities	233
HSBC Bank	185
	1,106

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	1,435
		1,435

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	1,435
	1,435

Currency of collateral

Currency	Fair value £'000
Sterling	563
Euro	712
US dollar	160
	1,435

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	1,106
	1,106

Country in which counterparties are established

Counterparty
All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	11	
Agents fee	(2)	20.00%
Fund net return	9	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Short Duration Gilts Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	7.42%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£108,275,901	7.63%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

All or Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of Germany 15/5/2036	78,310,736	49,825
Government of France 1.25% 25/5/2034	26,704,148	19,312
Government of Japan 1.9% 20/9/2042	1,492,550,000	7,933
UK Treasury 3.75% 7/3/2027	6,442,729	6,395
UK Treasury 4.375% 31/7/2054	6,763,909	6,389
UK Treasury 1% 7/9/2037	8,640,562	6,379
UK Treasury 4.75% 22/10/2043	6,377,865	6,375
Government of Germany 15/2/2031	8,170,581	6,020
UK Treasury 4% 22/10/2031	4,608,179	4,542
UK Treasury 1.25% 22/11/2054	955,246	936

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
Morgan Stanley & Co International	70,649
Merrill Lynch	30,045
Bank of Nova Scotia	7,382
Barclays Bank	200
	108,276

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	115,611
		115,611

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	115,611
	115,611

Currency of collateral

Currency	Fair value £'000
Sterling	31,968
Canadian dollar	1
Euro	75,709
Japanese yen	7,933
	115,611

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	108,276
	108,276

Country in which counterparties are established

Counterparty
All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	192	
Agents fee	(38)	20.00%
Fund net return	154	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Short Term Fixed Income Enhanced Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 14.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	2.05%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£25,173,921	2.06%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

All or Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of Belgium 5% 28/3/2035	2,770,661	2,831
UK Treasury 0.125% 22/3/2039	2,466,061	2,785
Government of France 2.75% 25/10/2027	2,377,021	2,024
Government of Netherlands 2.5% 15/7/2034	1,934,996	1,627
UK Treasury 3.75% 7/3/2027	1,584,277	1,573
UK Treasury 1% 7/9/2037	2,124,725	1,569
UK Treasury 4.75% 22/10/2043	1,568,327	1,568
Government of France 5.5% 25/4/2029	1,438,000	1,390
UK Treasury 4.375% 31/1/2040	1,222,245	1,196
Government of Germany 1.8% 15/8/2053	1,423,163	1,012

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
RBC Europe Limited	13,194
Merrill Lynch	7,221
JP Morgan Securities	1,847
HSBC Bank	1,270
Nomura International	685
Deutsche Bank	465
Goldman Sachs	392
Morgan Stanley & Co International	100
	25,174

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	27,134
		27,134

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	27,134
	27,134

Currency of collateral

Currency	Fair value £'000
Sterling	11,437
Euro	12,913
Japanese yen	10
Norwegian krone	2
US dollar	2,772
	27,134

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	25,174
	25,174

Country in which counterparties are established

Counterparty
All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	79	
Agents fee	(16)	20.00%
Fund net return	63	80.00%

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Investment Grade Short Dated Credit Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 13.

Global data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	4.61%

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£118,166,025	4.54%

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration data

Top ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 2.5% 25/5/2030	31,065,000	26,186
Government of Japan 0.6% 20/9/2029	4,377,050,000	22,386
Government of France 5.5% 25/4/2029	10,681,000	10,327
Government of Belgium 0.35% 22/6/2032	8,017,843	5,644
Government of Belgium 3.0% 22/6/2033	6,513,721	5,644
Government of Belgium 3.5% 22/6/2055	6,650,429	5,644
Government of France 0.7% 25/7/2030	5,316,106	5,644
Government of Japan 0.005% 10/3/2033	910,900,000	5,058
Government of France 2.0% 25/11/2032	5,417,413	4,375
Government of Belgium 5.0% 28/3/2035	4,220,833	4,313

All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
JP Morgan Securities	34,431
Deutsche Bank	29,281
Goldman Sachs International	20,684
RBC Europe Limited	17,652
Barclays Bank	9,755
BNP Paribas London	4,665
Morgan Stanley & Co International	1,422
Jefferies International Limited	276
	118,166

Aggregate transaction data

Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	131,955
		131,955

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not rated.

Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	131,955
	131,955

Currency of collateral

Currency	Fair value £'000
Sterling	6,350
Canadian dollar	121
Euro	90,966
Japanese yen	27,444
Norwegian krone	1,976
Singapore dollar	1
US dollar	5,097
	131,955

Appendix – Additional Information (unaudited) (continued)

Securities Financing Transactions (continued)

Royal London Investment Grade Short Dated Credit Fund – continued

Aggregate transaction data – continued

Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	118,166
	118,166

Country in which counterparties are established

Counterparty

All counterparties are UK based

Return and cost

	£'000	% of overall returns
Fund gross return	217	
Agents fee	(43)	20.00%
Fund net return	174	80.00%

Remuneration Policy (unaudited)

The Authorised Corporate Director (“ACD”) of the Royal London Bond Funds ICVC, Royal London Unit Trust Managers Limited (“RLUTM”), is subject to remuneration policies, procedures and practices (together, the “Remuneration Policy”), as required under the UCITS Directive (“UCITS V”). RLUTM has appointed Royal London Asset Management Limited (“RLAM”) as the Investment Adviser to the Fund.

RLUTM and RLAM are wholly-owned subsidiaries of The Royal London Mutual Insurance Society, “the Group”. The Group maintains a “Group Remuneration Policy” that RLUTM has adopted which is consistent with and promotes sound and effective risk management. It is designed so that risk-taking is not encouraged where this is inconsistent with the risk profiles or the instrument constituting the fund or the prospectus, as applicable, of the UCITS it manages. The Group has appointed a Remuneration Committee which is made up of Non-Executive Directors and is advised by independent remuneration consultants. The Committee considers the advice by independent remuneration consultants and the implications of remuneration policies across the Group, including for RLUTM.

The Remuneration Policy is in line with the business strategy, objectives, values and the interests of the ACD and the interests of the Royal London Bond Funds ICVC and includes measures to avoid conflicts of interest. The Remuneration Policy adopts performance related pay, with salaries determined by reference to both individual performance and the external market. Total Remuneration comprises of a mix of fixed remuneration (including base salary and benefits), and variable remuneration in the form of incentives. The ratio between fixed and variable pay (both short-term and long-term incentives) is set by the Group to ensure that there is appropriate balance between the fixed and variable remuneration components. The Group Remuneration Policy applies to staff of the ACD whose professional activities have a material impact on the risk profile of the ACD or the ICVC, and ensures that an individual cannot be involved in determining or approving their own remuneration. The UCITS Directive requires RLUTM to identify employees whose professional activities have a material impact on the risk profile of the RLUTM and the Fund. Identified staff includes senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers.

The Remuneration Policy is updated annually and reviewed and approved by the Remuneration Committee. The most recent review included increases to the maximum incentive opportunities for executive directors of the Group, updates to reflect the Financial Conduct Authority’s (FCA) Consumer Duty principle and supporting rules which comes into effect in July 2023, as well as minor wording changes to improve clarity. Details of the Remuneration Policy (provided in the form of the “UCITS Summary Remuneration Policy”), includes a description on the purpose of the policy, how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits. The UCITS Summary Remuneration Policy will be made available for inspection and a paper copy may be obtained, free of charge, at the registered office of the ACD, upon request.

RLUTM has a board of directors (the “Directors”). The Directors of the Company who are also employees of the Group do not receive any remuneration in respect of their services as directors of RLUTM. The other Non-Executive Directors receive fixed remuneration in respect of their services which is set at a level determined by the Group and is not performance related. None of the Directors are currently in receipt of variable remuneration in respect of their services as Directors of RLUTM. RLUTM has no employees and therefore there are no other controlled functions, or senior management employed and paid by RLUTM. However, for the financial year ending 31 December 2023, total remuneration of £32,720,486 was paid to 48 individuals whose actions may have a material impact on the risk profile of RLUTM, of which £8,986,030 related to senior management. The fixed element of the total remuneration mentioned above is £10,709,034 and the variable element is £22,011,452. By comparison for the financial year ending 31 December 2022 total remuneration of £27,513,761 was paid to 50 individuals whose actions may have a material impact on the risk profile of RLUTM, of which £6,685,030 related to senior management. The fixed element of the total remuneration mentioned for 2022 is £10,370,339 and the variable element is £17,143,442. In addition, the ICVC does not make any payments directly to any staff of the delegates.

In accordance with the Remuneration Policy and the requirements of UCITS V, staff working for RLAM are not remunerated by the ACD but they are subject to remuneration requirements which are equally as effective as those in place under the UCITS Directive and the AIFM Remuneration Code. RLAM is also subject to the Financial Conduct Authority’s Remuneration Codes.

General Information

Pricing and dealing

The prices of shares are determined by reference to the underlying market value of the net assets of each sub-fund at the relevant valuation point.

Share prices are normally calculated daily however, if the markets are exceptionally volatile the ACD may conduct more frequent valuations to reflect any significant changes in the value of a sub-fund's underlying assets.

Dealing prices, yields and details of risks and charges are published on our website, www.rlam.com.

Dealing in shares is conducted between 9.00am and 5.00pm on a forward pricing basis.

Buying shares

Shares may be bought on any business day via an authorised intermediary or from the ACD by telephoning the Dealing desk on 03456 04 04 04*. Alternatively, an application form should be completed and sent to the ACD. Shares will be allocated at the price ruling at the next valuation point and a contract note confirming the purchase will be issued immediately thereafter.

Selling shares

Shares may be sold back to the ACD on any business day. Shares can be sold by telephone by calling the Dealing desk on 03456 04 04 04* or alternatively by putting your request in writing. The ACD will allocate the price calculated from the next valuation point and issue a contract note as evidence of the sale.

* In the interest of investors' protection all telephone calls to the Dealing desk are recorded.

Cancellation rights

Where a person purchases shares, the Conduct of Business Sourcebook (as amended from time to time) may give the investor the right to cancel the relevant purchase within 14 days of receipt of the requisite notice of a right to cancel. The right to cancel does not arise if (a) the investor is not a private customer, (b) the investor is not an execution-only customer, (c) the agreement to purchase is entered into through a direct offer financial promotion, or (d) the agreement is entered into under a customer agreement or during negotiations (which are not ISA or PEP related) intended to lead to a client agreement.

UK taxation

The Company is not subject to Capital Gains Tax.

Capital gains established when shares are sold are subject to tax, but at the present time investors are not liable unless their total gains in any tax year from all disposals of assets exceed the Capital Gains Tax annual exemption.

Investors receive a distribution of net revenue with tax credit equivalent to the lower rate of income tax. Where the distribution is retained within a sub-fund and not paid out it should be included in investors' Income Tax Return. No further liability exists if they pay at the lower or basic rate, but higher rate tax will be payable as appropriate. If investors are not liable to tax they are unable to claim repayment of the tax credit from HM Revenue & Customs. The treatment of distributions as received by corporate shareholders is detailed on the reverse of dividend warrants.

The first distribution received after purchasing shares includes an amount described as 'equalisation'. This is a repayment of capital and is, therefore, not liable to Income Tax. It should, however, be deducted from the initial cost of shares for Capital Gains Tax purposes.

Authorisation

The Company was authorised by the Financial Conduct Authority on 9 October 2009. The Company is a UCITS umbrella scheme.

Company Reports and Prospectus

Copies of the latest yearly and half yearly financial statements and copies of the Prospectus may be obtained from Royal London Unit Trust Managers Limited upon request.

Contact Us

For further information please contact:

**Royal London
Asset Management Limited**

80 Fenchurch Street
London EC3M 4BY

020 3272 5950

bdsupport@rlam.co.uk

www.rlam.com

This report is issued by Royal London Asset Management Limited on behalf of Royal London Unit Trust Managers Limited.

Bloomberg® and 30% Bloomberg UK Government Inflation Linked Bond 1-10 year Total Return and 70% Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Total Return, GBP Index are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Royal London Asset Management Limited. Bloomberg is not affiliated with Royal London Asset Management Limited, and Bloomberg does not approve, endorse, review, or recommend Royal London Bond Funds ICVC. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Royal London Bond Funds ICVC.

Information has been obtained from sources believed to be reliable but JP Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without JP Morgan's prior written approval. Copyright 2024, JP Morgan Chase & Co. All rights reserved.

Royal London Asset Management Limited is a marketing brand which includes Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority and which manages collective investment schemes, registered in England and Wales number 2372439.

This company is a subsidiary of The Royal London Mutual Insurance Society Limited, registered in England and Wales number 99064.

Registered office: 80 Fenchurch Street, London EC3M 4BY.

Ref: SREP RLAM PD 0347

