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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder Income Maximiser (the 'Fund') aims to provide income and capital growth by investing in equity and equity-related securities of UK companies. The Fund aims to deliver an income of 7% per year but this is not guaranteed and could change depending on market conditions.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of UK companies which are selected for their long term income and capital growth potential. These are companies that are incorporated, headquartered or have their principal business activities in the UK.

The Fund focuses on companies that have certain "Value" characteristics. Value is assessed by looking at indicators such as cash flows, dividends and earnings to identify securities which the Investment Manager believes have been undervalued by the market.

To seek to enhance the yield, the Investment Manager selectively sells short dated call options over individual securities, portfolios of securities or indices held by the Fund, by agreeing strike prices above which potential capital growth is sold.

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

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

The Fund's investment strategy will typically underperform a similar portfolio without derivatives in periods when the underlying stock prices are rising, and outperform when the underlying stock prices are falling.

With effect from 13 January 2023 the Fund's Investment objective and policy changed, previously it was:

The Fund aims to provide income and capital growth by investing in equity and equity-related securities of UK companies. The Fund aims to deliver an income of 7% per year but this is not guaranteed and could change depending on market conditions.

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Fund characteristics

The Fund's performance should be assessed against the income target of 7% per year, and compared against the FTSE All Share (Gross Total Return) index and the Investment Association UK Equity Income sector average return. The target benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmarks have been selected because the Investment Manager and the Manager believe that each of these benchmarks is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Review of Investment Activities

From 31 August 2022 to 31 August 2023, the price of Z Accumulation units on a dealing price basis rose by 8.91%¹. In comparison, the FTSE All Share Index and the Investment Association UK Equity Income sector average return delivered a total return of 5.23% and a total return of 3.83%² respectively. The Fund's performance should also be assessed against the income target of 7% per year. The Fund has announced three of its four quarterly distributions for the year³ ending 30 November 2023, so far distributing 5.83% for the Z Income units⁴.

The Fund outperformed the broader market over the period under review.

Retailer Marks & Spencer Group performed well on the back of strong results, although the strong operational performance is yet to be reflected in profitability. Ongoing investment in its turnaround will, in time, be reflected in the bottom line and in the meantime has allowed the company to restore dividend payments. Power supplier Centrica was another top contributor as was J Sainsbury which rebounded from a difficult 2022 when rapidly increasing inflation, the cost-of-living crisis and recessionary fears had weighed on sentiment. On the negative side, US drugs group Pfizer, miner South32 and telecoms group BT Group detracted from performance.

We initiated positions in German tyre maker Continental and paper & packaging company Mondi, a decent quality business which enjoys good cash conversion and a strong balance sheet. We initiated a new position in French-listed mobile-telecommunications provider Orange which is a well-diversified multi-national business with a strong balance sheet. We reduced the position in Rolls-Royce Holdings as it is getting closer to fair value. The shares have performed well as fundamental improvements in the operating environment for the business (lots of new orders) have come through.

The option strategy produces an enhanced income by exchanging some of the potential capital growth on selected holdings (above a certain level) in return for an upfront cash payment on a regular rolling basis. Our aim is to sell just enough potential growth across the portfolio to meet the target, while still benefiting from the first phase of any share price increase. With the underlying dividends increasing, we have been able to reduce the amount of income we generate from the option strategy – reducing this can help the Fund to capture a greater share of any upside should the underlying shares perform well.

Typically, the behaviour of the strategy means that, while continuing to generate the enhanced income, the options can be positive for performance when share prices are falling, flat or gently rising, and will typically detract from overall performance when share prices are rising fast. Over the past year, the options have been a positive contributor to performance even as the Fund has risen in value.

We are confident that our focus on cheap stocks (within a cheap market) and minimising fundamental risks will be rewarded with significant outperformance. Counterintuitively, the pervading malaise towards UK equities gives us confidence that the risk/reward equation is favourable for patient long-term investors such as ourselves.

Fund Manager:

Global Value Team

The Global Value Team, specifically Kevin Murphy and Andy Evans, are responsible for stock selection in the underlying portfolio. The Global Value team has over 130 years of combined investment experience. Kevin has managed assets in a value style for 16 years and has managed the equity portfolio for Schroder Income Maximiser since 2010. Kevin is Co-head of the Global Value Team, which consists of nine investment professionals who manage both value and income orientated portfolios across UK, European, Global and Emerging Market Equities. Andy has 20 years of investment experience and has always invested both in the UK and European equity markets. Two Investment Directors also support the team.

Structured Fund Management Team

Schroders' Structured Fund Management Team includes Jeegar Jagani, CFA, Scott Thomson, Ghokhulan Manickavasagar and Kaarthi Chandrasegaram, reporting into Mike Hodgson, Head of Risk Managed Investments & Structured Funds. Scott and Jeegar have managed the option overlay strategy since 2009 and 2012 respectively, and were joined by Ghokhulan in 2017 and Kaarthi in 2019. Mike and the team have over 90 years of combined investment experience in derivatives and structuring, including the management of the £2.8 billion Maximiser range (as at 30 June 2023). The Maximiser range consists of eight listed funds and segregated mandates, all of which apply a two-step income enhancement strategy investing in equities.

¹ The dealing price of Z Accumulation units reflects the reinvestment of the distributions.

² Source: Refinitiv Eikon Datastream.

³ The Fund's income target year runs from 1 December to 30 November.

⁴ For the Z Income units where distributions are taken out of the Fund and not reinvested.

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

Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The Fund's risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment. For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com.

Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and the net capital gains on the property of the Fund for the year.

In preparing the accounts the Manager is responsible for:

- 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 Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's 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 Fund 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 Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

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

J. Rainbow

Directors

20 December 2023

P. Chislett

Report of the Trustee

Statement of the Trustee's responsibilities in respect of the Scheme and report of the Trustee to the unitholders of the Schroder Income Maximiser ('the Fund') for the Year ended 31 August 2023.

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

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

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

The Trustee must ensure that:

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

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

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

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

J.P. Morgan Europe Limited

Trustee
Bournemouth
20 September 2023

Independent Auditor's Report to the Unitholders of Schroder Income Maximiser

Opinion

We have audited the financial statements of Schroder Income Maximiser (the 'Fund') for the year ended 31 August 2023 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Table for the Fund and the accounting policies set out on page 24.

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 Fund as at 31 August 2023 and of the net revenue and the net capital gains on the property of the Fund for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, 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 Fund 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 Manager has prepared the financial statements on the going concern basis as they do not intend to liquidate the Fund or to cease their operations, and as they have concluded that the Fund's 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 Manager's conclusions, we considered the inherent risks to the Fund's business model and analysed how those risks might affect the Fund's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- 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 Fund's 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 Fund will continue in operation.

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 Fund'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 Manager, the Trustee, the Administrator and the Investment Adviser; and
- Reading 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 Manager 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 Fund 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.

Independent Auditor's Report to the Unitholders of Schroder Income Maximiser (continued)

Secondly, the Fund 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 Fund'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.

Other information

The Manager 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 Manager'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 Fund have not been kept; or
- the financial statements are not in agreement with the accounting records.

Manager's responsibilities

As explained more fully in its statement set out on page 6, the Manager 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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Fund 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 Fund's unitholders, 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 section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Fund's unitholders 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 Fund and the Fund's unitholders 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

20 December 2023

Comparative Table

Financial year to 31 August	A Accumulation units			A Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	118.61	114.71	86.03	34.04	35.61	28.71
Return before operating charges*	8.96	5.92	30.37	1.15	1.92	9.90
Operating charges	(0.01)	(2.02)	(1.69)	–	(0.61)	(0.53)
Return after operating charges*	8.95	3.90	28.68	1.15	1.31	9.37
Distributions**	(4.18)	(9.53)	(7.60)	(1.16)	(2.88)	(2.47)
Retained distributions**	4.18	9.53	7.60	–	–	–
Closing net asset value	127.56	118.61	114.71	34.03	34.04	35.61
*after direct transaction costs of	(0.12)	(0.12)	(0.10)	(0.03)	(0.04)	(0.03)
Performance						
Return after charges (%)	7.55	3.40	33.34	3.38	3.68	32.64
Other information						
Closing net asset value (£000's)	51,139	50,068	54,977	34,812	55,475	33,052
Closing number of units	40,091,853	46,770,455	47,928,294	102,290,070	147,073,387	92,818,643
Operating charges (%)	1.66	1.66	1.66	1.66	1.66	1.66
Direct transaction costs (%)***	0.10	0.10	0.10	0.10	0.10	0.10
Prices						
Highest dealing price	135.90p	130.00p	115.40p	38.40p	39.77p	36.52p
Lowest dealing price	109.20p	110.40p	78.88p	31.39p	34.27p	26.31p

Comparative Table

(continued)

Financial year to 31 August	L Accumulation units			L Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	74.08	71.17	53.03	38.22	39.72	31.80
Return before operating charges*	6.11	3.55	18.66	1.56	2.07	10.97
Operating charges	–	(0.64)	(0.52)	–	(0.35)	(0.31)
Return after operating charges*	6.11	2.91	18.14	1.56	1.72	10.66
Distributions**	(2.62)	(5.93)	(4.70)	(1.31)	(3.22)	(2.74)
Retained distributions**	2.62	5.93	4.70	–	–	–
Closing net asset value	80.19	74.08	71.17	38.47	38.22	39.72
*after direct transaction costs of	(0.08)	(0.08)	(0.06)	(0.04)	(0.04)	(0.04)
Performance						
Return after charges (%)	8.25	4.09	34.21	4.08	4.33	33.52
Other information						
Closing net asset value (£000's)	37,575	32,601	30,453	265,530	260,523	254,135
Closing number of units	46,856,882	44,008,499	42,786,611	690,267,207	681,553,806	639,813,702
Operating charges (%)	0.84	0.84	0.84	0.84	0.84	0.84
Direct transaction costs (%)***	0.10	0.10	0.10	0.10	0.10	0.10
Prices						
Highest dealing price	85.16p	80.90p	71.56p	43.25p	44.49p	40.70p
Lowest dealing price	68.24p	68.50p	48.67p	35.26p	38.23p	29.19p

Comparative Table

(continued)

Financial year to 31 August	Q Income units			S Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	38.84	40.31	32.24	38.07	39.47	31.52
Return before operating charges*	1.62	2.09	11.10	1.64	2.03	10.86
Operating charges	–	(0.29)	(0.25)	–	(0.22)	(0.19)
Return after operating charges*	1.62	1.80	10.85	1.64	1.81	10.67
Distributions**	(1.33)	(3.27)	(2.78)	(1.30)	(3.21)	(2.72)
Closing net asset value	39.13	38.84	40.31	38.41	38.07	39.47
*after direct transaction costs of	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Performance						
Return after charges (%)	4.17	4.47	33.65	4.31	4.59	33.85
Other information						
Closing net asset value (£000's)	2,275	2,031	3,998	4,199	4,326	7,653
Closing number of units	5,813,313	5,229,941	9,917,889	10,933,280	11,361,945	19,391,387
Operating charges (%)	0.69	0.69	0.69	0.54	0.54	0.54
Direct transaction costs (%)***	0.10	0.10	0.10	0.10	0.10	0.10
Prices						
Highest dealing price	43.96p	45.17p	41.30p	43.11p	44.25p	40.44p
Lowest dealing price	35.83p	38.80p	29.59p	35.13p	38.00p	28.94p

Comparative Table (continued)

Financial year to 31 August	Z Accumulation units			Z Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	94.57	90.92	67.77	41.32	42.96	34.41
Return before operating charges*	7.75	4.53	23.88	1.64	2.25	11.88
Operating charges	–	(0.88)	(0.73)	–	(0.41)	(0.36)
Return after operating charges*	7.75	3.65	23.15	1.64	1.84	11.52
Distributions**	(3.35)	(7.58)	(6.00)	(1.41)	(3.48)	(2.97)
Retained distributions**	3.35	7.58	6.00	–	–	–
Closing net asset value	102.32	94.57	90.92	41.55	41.32	42.96
*after direct transaction costs of	(0.10)	(0.10)	(0.08)	(0.04)	(0.04)	(0.04)
Performance						
Return after charges (%)	8.19	4.01	34.16	3.97	4.28	33.48
Other information						
Closing net asset value (£000's)	70,908	67,619	65,196	227,366	225,104	264,817
Closing number of units	69,300,903	71,497,913	71,711,217	547,156,879	544,848,210	616,488,074
Operating charges (%)	0.91	0.91	0.91	0.91	0.91	0.91
Direct transaction costs (%)***	0.10	0.10	0.10	0.10	0.10	0.10
Prices						
Highest dealing price	108.70p	103.30p	91.41p	46.73p	48.10p	44.02p
Lowest dealing price	87.12p	87.50p	62.20p	38.11p	41.35p	31.58p

** These figures have been rounded to 2 decimal places.

*** Direct transaction costs have been stated after deducting the proportion of the amounts collected from dilution adjustments.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a unit class of a Fund based on the financial year's expenses and may vary from year to year. It includes charges such as the Fund's Annual Management Charge, Registrar fees, Safe custody fees, Trustee's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are units of another Fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit www.schroders.com.

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

Portfolio Statement

	Holding at 31.8.23	Market Value £000's	% of net assets
Equities 99.29% (100.85%)			
Basic Materials 6.28% (8.47%)			
Anglo American	767,406	16,116	2.32
Rio Tinto	356,927	17,391	2.51
South32	5,833,411	10,080	1.45
		43,587	6.28
Consumer Discretionary 18.22% (14.17%)			
Bellway	376,015	8,032	1.16
Continental	244,543	14,411	2.08
Currys	12,710,421	6,355	0.92
ITV	25,777,559	18,245	2.63
Kingfisher	5,710,139	13,362	1.92
Marks & Spencer Group	10,431,337	23,648	3.41
Pearson	1,845,405	15,483	2.23
Taylor Wimpey	10,741,239	12,272	1.77
WPP	1,902,593	14,566	2.10
		126,374	18.22
Consumer Staples 11.58% (12.55%)			
British American Tobacco	675,240	17,705	2.55
Imperial Brands	1,092,349	19,547	2.82
J Sainsbury	8,972,822	24,227	3.49
Tesco	7,104,703	18,877	2.72
		80,356	11.58
Energy 9.99% (12.24%)			
BP	4,224,105	20,593	2.97
Eni	2,025,481	24,781	3.57
Shell	990,756	23,892	3.45
		69,266	9.99
Financials 25.64% (27.28%)			
Aviva	4,960,210	18,611	2.68
Barclays	13,409,230	19,760	2.85
Direct Line Insurance Group	9,264,643	15,013	2.16
HSBC Holdings	4,253,478	24,802	3.58
Legal & General Group	7,449,107	16,284	2.35
Lloyds Banking Group	35,940,627	15,222	2.19
M&G	9,606,743	18,325	2.64
NatWest Group	6,614,203	15,239	2.20
Standard Chartered	2,839,081	20,203	2.91
TP ICAP Group	6,398,548	10,564	1.52
Vanquis Banking Group	3,716,312	3,850	0.56
		177,873	25.64
Health Care 7.29% (8.84%)			
GSK	1,182,573	16,424	2.37
Pfizer	414,558	11,657	1.68
Sanofi	113,229	9,566	1.38
Viatis	1,514,434	12,943	1.86
		50,590	7.29

	Holding at 31.8.23	Market Value £000's	% of net assets
Industrials 6.82% (3.96%)			
International Distributions Services	7,297,335	17,732	2.56
Mondi	959,947	12,614	1.82
Rolls-Royce Holdings	1,192,232	2,649	0.38
Travis Perkins	1,659,596	14,299	2.06
		47,294	6.82
Real Estate 5.21% (2.88%)			
British Land	5,806,663	18,790	2.71
Land Securities Group	2,880,765	17,354	2.50
		36,144	5.21
Technology 2.68% (2.80%)			
Intel	683,687	18,609	2.68
		18,609	2.68
Telecommunications 5.58% (4.65%)			
BT Group	10,480,730	12,110	1.74
Orange	1,350,721	11,984	1.73
Vodafone Group	20,002,806	14,642	2.11
		38,736	5.58
Utilities 0.00% (3.01%)			
Equities total		688,829	99.29
Forward Foreign Currency Contracts 0.00% ((0.66)%)			
Options (0.48)% ((0.30)%)			
Written Options (0.48)% ((0.30)%)			
Anglo American Call 28.465 06/09/2023	(54,258)	0	0.00
Anglo American Call 23.041 13/09/2023	(57,865)	(2)	0.00
Anglo American Call 27.322 20/09/2023	(51,066)	0	0.00
Anglo American Call 26.596 04/10/2023	(53,194)	0	0.00
Anglo American Call 27.037 18/10/2023	(47,391)	(1)	0.00
Anglo American Call 28.91 25/10/2023	(47,908)	0	0.00
Anglo American Call 25.688 08/11/2023	(51,665)	(7)	0.00
Anglo American Call 25.527 22/11/2023	(57,865)	(13)	0.00
Anglo American Call 25 29/11/2023	(53,814)	(18)	0.00
Aviva Call 4.363 06/09/2023	(432,126)	0	0.00
Aviva Call 4.104 13/09/2023	(462,287)	0	0.00
Aviva Call 4.185 20/09/2023	(406,707)	0	0.00

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
Aviva Call 4.123 04/10/2023	(423,653)	0	0.00	BP Call 5.075 13/09/2023	(381,931)	(15)	0.00
Aviva Call 4.198 18/10/2023	(371,803)	0	0.00	BP Call 5.109 20/09/2023	(346,351)	(17)	0.00
Aviva Call 4.277 25/10/2023	(408,443)	0	0.00	BP Call 5.021 04/10/2023	(360,782)	(45)	(0.01)
Aviva Call 4.109 08/11/2023	(406,595)	(4)	0.00	BP Call 5.189 18/10/2023	(316,626)	(25)	(0.01)
Aviva Call 4.167 22/11/2023	(462,287)	(4)	0.00	BP Call 5.265 25/10/2023	(347,830)	(24)	(0.01)
Aviva Call 4.063 29/11/2023	(423,725)	(13)	0.00	BP Call 5.439 08/11/2023	(375,110)	(15)	0.00
Barclays Call 1.795 06/09/2023	(945,146)	0	0.00	BP Call 5.24 22/11/2023	(381,931)	(44)	(0.01)
Barclays Call 1.606 13/09/2023	(1,011,114)	0	0.00	BP Call 5.421 29/11/2023	(360,844)	(25)	(0.01)
Barclays Call 1.697 20/09/2023	(889,549)	0	0.00	British American Tobacco Call 27.477 06/09/2023	(37,623)	0	0.00
Barclays Call 1.648 04/10/2023	(926,614)	(2)	0.00	British American Tobacco Call 26.363 13/09/2023	(51,019)	(12)	0.00
Barclays Call 1.834 18/10/2023	(908,082)	0	0.00	British American Tobacco Call 27.297 20/09/2023	(35,410)	(2)	0.00
Barclays Call 1.837 25/10/2023	(920,836)	0	0.00	British American Tobacco Call 26.844 04/10/2023	(36,886)	(4)	0.00
Barclays Call 1.679 08/11/2023	(993,058)	(10)	0.00	British American Tobacco Call 27.632 18/10/2023	(32,862)	(2)	0.00
Barclays Call 1.638 22/11/2023	(1,011,114)	(23)	(0.01)	British American Tobacco Call 27.952 25/10/2023	(33,323)	(2)	0.00
Barclays Call 1.706 29/11/2023	(940,322)	(12)	0.00	British American Tobacco Call 27.276 08/11/2023	(35,937)	(7)	0.00
Bellway Call 26.221 06/09/2023	(26,503)	0	0.00	British American Tobacco Call 26.874 22/11/2023	(51,019)	(20)	0.00
Bellway Call 23.453 13/09/2023	(28,353)	(1)	0.00	British American Tobacco Call 27.46 29/11/2023	(47,351)	(13)	0.00
Bellway Call 22.809 04/10/2023	(25,983)	(7)	0.00	British Land Call 3.864 06/09/2023	(254,636)	0	0.00
Bellway Call 25.795 18/10/2023	(19,529)	(1)	0.00	British Land Call 3.696 13/09/2023	(204,798)	0	0.00
Bellway Call 26.005 25/10/2023	(25,527)	(2)	0.00	British Land Call 3.586 20/09/2023	(308,317)	0	0.00
Bellway Call 25.601 08/11/2023	(18,132)	(3)	0.00	British Land Call 3.641 04/10/2023	(321,163)	0	0.00
Bellway Call 23.997 22/11/2023	(22,684)	(9)	0.00	British Land Call 4.14 18/10/2023	(330,279)	0	0.00
Bellway Call 24.881 29/11/2023	(20,224)	(7)	0.00				
BP Call 5.273 06/09/2023	(367,998)	0	0.00				

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
British Land Call 3.907 25/10/2023	(326,253)	0	0.00	Currys Call 0.634 20/09/2023	(441,109)	0	0.00
British Land Call 3.849 08/11/2023	(214,500)	0	0.00	Currys Call 0.679 18/10/2023	(550,281)	0	0.00
British Land Call 3.833 22/11/2023	(284,324)	0	0.00	Currys Call 0.662 25/10/2023	(484,277)	0	0.00
British Land Call 3.551 29/11/2023	(261,717)	(6)	0.00	Currys Call 0.596 29/11/2023	(216,717)	(1)	0.00
BT Group Call 1.659 06/09/2023	(604,417)	0	0.00	Direct Line Insurance Group Call 1.804 06/09/2023	(354,069)	0	0.00
BT Group Call 1.278 13/09/2023	(646,603)	0	0.00	Direct Line Insurance Group Call 1.928 13/09/2023	(181,118)	0	0.00
BT Group Call 1.493 20/09/2023	(568,863)	0	0.00	Direct Line Insurance Group Call 1.704 20/09/2023	(504,830)	(5)	0.00
BT Group Call 1.35 04/10/2023	(592,565)	(1)	0.00	Direct Line Insurance Group Call 1.621 04/10/2023	(459,122)	(22)	(0.01)
BT Group Call 1.429 18/10/2023	(580,714)	(1)	0.00	Direct Line Insurance Group Call 1.8 18/10/2023	(241,161)	(3)	0.00
BT Group Call 1.441 25/10/2023	(588,870)	(1)	0.00	Direct Line Insurance Group Call 1.872 25/10/2023	(220,053)	(2)	0.00
BT Group Call 1.403 08/11/2023	(635,056)	(5)	0.00	Direct Line Insurance Group Call 1.852 08/11/2023	(286,624)	(4)	0.00
BT Group Call 1.395 22/11/2023	(646,603)	(9)	0.00	Direct Line Insurance Group Call 2.013 22/11/2023	(433,778)	(2)	0.00
BT Group Call 1.433 29/11/2023	(601,331)	(7)	0.00	Direct Line Insurance Group Call 1.945 29/11/2023	(289,620)	(3)	0.00
Continental Call 77.966 06/09/2023	(14,102)	0	0.00	Eni Call 14.24 06/09/2023	(194,434)	(51)	(0.01)
Continental Call 73.773 13/09/2023	(15,086)	0	0.00	Eni Call 14.863 13/09/2023	(183,508)	(7)	0.00
Continental Call 78.721 20/09/2023	(13,273)	0	0.00	Eni Call 13.962 20/09/2023	(156,854)	(63)	(0.01)
Continental Call 79.548 04/10/2023	(13,826)	0	0.00	Eni Call 14.269 04/10/2023	(163,390)	(49)	(0.01)
Continental Call 83.25 18/10/2023	(13,549)	0	0.00	Eni Call 14.406 18/10/2023	(160,122)	(47)	(0.01)
Continental Call 84.246 25/10/2023	(13,739)	0	0.00	Eni Call 14.563 25/10/2023	(167,783)	(45)	(0.01)
Continental Call 79.809 08/11/2023	(14,817)	(4)	0.00	Eni Call 15.004 08/11/2023	(189,698)	(35)	(0.01)
Continental Call 79.422 22/11/2023	(15,086)	(7)	0.00	Eni Call 14.876 22/11/2023	(183,508)	(39)	(0.01)
Continental Call 78.072 29/11/2023	(14,030)	(10)	0.00	Eni Call 14.987 29/11/2023	(167,861)	(34)	(0.01)
Currys Call 0.611 06/09/2023	(359,060)	0	0.00	GSK Call 14.628 06/09/2023	(68,198)	0	0.00
				GSK Call 14.419 13/09/2023	(72,958)	0	0.00

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
GSK Call 14.562 20/09/2023	(64,186)	0	0.00	International Distributions Services Call 2.852 13/09/2023	(107,480)	0	0.00
GSK Call 14.586 04/10/2023	(66,861)	(2)	0.00	International Distributions Services Call 2.651 20/09/2023	(290,789)	(4)	0.00
GSK Call 14.637 18/10/2023	(65,523)	(4)	0.00	International Distributions Services Call 2.72 04/10/2023	(176,459)	(4)	0.00
GSK Call 14.828 25/10/2023	(66,444)	(3)	0.00	International Distributions Services Call 3.228 18/10/2023	(225,823)	0	0.00
GSK Call 14.796 08/11/2023	(71,655)	(7)	0.00	International Distributions Services Call 3.277 25/10/2023	(238,581)	0	0.00
GSK Call 14.747 22/11/2023	(72,958)	(9)	0.00	International Distributions Services Call 3.263 08/11/2023	(91,045)	0	0.00
GSK Call 14.653 29/11/2023	(67,850)	(12)	0.00	International Distributions Services Call 2.902 22/11/2023	(117,461)	(4)	0.00
HSBC Holdings Call 6.609 06/09/2023	(388,377)	0	0.00	International Distributions Services Call 2.848 29/11/2023	(135,633)	(7)	0.00
HSBC Holdings Call 6.336 13/09/2023	(355,721)	0	0.00	ITV Call 0.785 13/09/2023	(754,915)	0	0.00
HSBC Holdings Call 6.616 20/09/2023	(365,531)	0	0.00	ITV Call 0.827 20/09/2023	(981,925)	0	0.00
HSBC Holdings Call 6.637 04/10/2023	(380,761)	0	0.00	ITV Call 0.795 04/10/2023	(561,965)	(1)	0.00
HSBC Holdings Call 6.693 18/10/2023	(306,314)	(1)	0.00	ITV Call 0.802 18/10/2023	(794,150)	(1)	0.00
HSBC Holdings Call 6.729 08/11/2023	(365,431)	(2)	0.00	ITV Call 0.836 25/10/2023	(737,469)	0	0.00
HSBC Holdings Call 6.378 22/11/2023	(355,721)	(15)	0.00	ITV Call 0.855 08/11/2023	(926,236)	0	0.00
HSBC Holdings Call 6.382 29/11/2023	(325,391)	(16)	0.00	ITV Call 0.811 29/11/2023	(540,195)	(2)	0.00
Imperial Brands Call 18.498 06/09/2023	(93,792)	(1)	0.00	J Sainsbury Call 2.908 06/09/2023	(823,786)	0	0.00
Imperial Brands Call 18.536 13/09/2023	(100,338)	(4)	0.00	J Sainsbury Call 2.839 13/09/2023	(388,158)	(1)	0.00
Imperial Brands Call 18.775 20/09/2023	(88,275)	(3)	0.00	J Sainsbury Call 2.864 20/09/2023	(775,328)	(2)	0.00
Imperial Brands Call 18.804 04/10/2023	(91,953)	(9)	0.00	J Sainsbury Call 2.933 04/10/2023	(518,170)	(2)	0.00
Imperial Brands Call 19.138 18/10/2023	(80,699)	(7)	0.00	J Sainsbury Call 3.083 18/10/2023	(576,510)	0	0.00
Imperial Brands Call 19.558 25/10/2023	(81,832)	(4)	0.00				
Imperial Brands Call 19.472 08/11/2023	(88,251)	(12)	0.00				
Imperial Brands Call 19.103 22/11/2023	(100,338)	(29)	(0.01)				
Imperial Brands Call 18.856 29/11/2023	(93,313)	(22)	0.00				

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
J Sainsbury Call 3.13 25/10/2023	(440,064)	0	0.00	Legal & General Group Call 2.56 06/09/2023	(525,049)	0	0.00
J Sainsbury Call 2.973 08/11/2023	(495,641)	(9)	0.00	Legal & General Group Call 2.454 13/09/2023	(561,695)	0	0.00
J Sainsbury Call 2.843 22/11/2023	(463,101)	(28)	(0.01)	Legal & General Group Call 2.399 20/09/2023	(494,163)	0	0.00
J Sainsbury Call 2.888 29/11/2023	(397,446)	(20)	0.00	Legal & General Group Call 2.426 04/10/2023	(514,753)	0	0.00
Kingfisher Call 2.654 06/09/2023	(402,477)	0	0.00	Legal & General Group Call 2.581 18/10/2023	(504,458)	0	0.00
Kingfisher Call 2.565 13/09/2023	(366,622)	0	0.00	Legal & General Group Call 2.614 25/10/2023	(511,543)	0	0.00
Kingfisher Call 2.556 20/09/2023	(378,802)	(1)	0.00	Legal & General Group Call 2.508 08/11/2023	(551,665)	0	0.00
Kingfisher Call 2.554 04/10/2023	(394,586)	(2)	0.00	Legal & General Group Call 2.393 22/11/2023	(561,695)	(5)	0.00
Kingfisher Call 2.778 18/10/2023	(386,694)	0	0.00	Legal & General Group Call 2.422 29/11/2023	(522,368)	(4)	0.00
Kingfisher Call 2.868 25/10/2023	(392,125)	0	0.00	Lloyds Banking Group Call 0.506 06/09/2023	(2,533,265)	0	0.00
Kingfisher Call 2.677 08/11/2023	(422,880)	(3)	0.00	Lloyds Banking Group Call 0.46 13/09/2023	(2,710,077)	0	0.00
Kingfisher Call 2.581 22/11/2023	(430,569)	(11)	0.00	Lloyds Banking Group Call 0.485 20/09/2023	(2,384,250)	0	0.00
Kingfisher Call 2.587 29/11/2023	(400,423)	(12)	0.00	Lloyds Banking Group Call 0.517 18/10/2023	(2,433,921)	0	0.00
Land Securities Group Call 6.62 06/09/2023	(166,132)	0	0.00	Lloyds Banking Group Call 0.512 25/10/2023	(2,468,106)	(1)	0.00
Land Securities Group Call 6.779 13/09/2023	(80,035)	0	0.00	Lloyds Banking Group Call 0.487 08/11/2023	(2,661,683)	(5)	0.00
Land Securities Group Call 6.313 20/09/2023	(156,359)	(4)	0.00	Lloyds Banking Group Call 0.484 22/11/2023	(2,710,077)	(9)	0.00
Land Securities Group Call 6.482 04/10/2023	(162,874)	(4)	0.00	Lloyds Banking Group Call 0.487 29/11/2023	(2,520,336)	(9)	0.00
Land Securities Group Call 7.275 18/10/2023	(151,920)	0	0.00	M&G Call 2.346 06/09/2023	(824,866)	0	0.00
Land Securities Group Call 7.258 25/10/2023	(161,858)	0	0.00	M&G Call 2.073 13/09/2023	(524,215)	(1)	0.00
Land Securities Group Call 7.079 08/11/2023	(99,278)	(1)	0.00	M&G Call 2.242 20/09/2023	(776,345)	0	0.00
Land Securities Group Call 6.662 22/11/2023	(144,609)	(11)	0.00	M&G Call 2.04 04/10/2023	(617,446)	(3)	0.00
Land Securities Group Call 6.649 29/11/2023	(132,869)	(10)	0.00	M&G Call 2.178 18/10/2023	(620,536)	(1)	0.00
				M&G Call 2.285 25/10/2023	(663,696)	0	0.00
				M&G Call 2.158 08/11/2023	(553,582)	(2)	0.00

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
M&G Call 2.117 22/11/2023	(575,956)	(6)	0.00	Mondi Call 14.469 29/11/2023	(67,316)	(7)	0.00
M&G Call 2.088 29/11/2023	(415,547)	(7)	0.00	NatWest Group Call 2.906 06/09/2023	(593,346)	0	0.00
Marks & Spencer Group Call 2.168 06/09/2023	(683,514)	(97)	(0.02)	NatWest Group Call 2.584 13/09/2023	(680,099)	0	0.00
Marks & Spencer Group Call 2.5 13/09/2023	(342,836)	0	0.00	NatWest Group Call 2.68 20/09/2023	(558,443)	0	0.00
Marks & Spencer Group Call 2.092 20/09/2023	(732,926)	(164)	(0.03)	NatWest Group Call 2.694 04/10/2023	(581,712)	(1)	0.00
Marks & Spencer Group Call 2.119 04/10/2023	(494,601)	(103)	(0.02)	NatWest Group Call 2.919 18/10/2023	(610,797)	0	0.00
Marks & Spencer Group Call 2.234 18/10/2023	(584,602)	(74)	(0.01)	NatWest Group Call 2.74 25/10/2023	(619,376)	(3)	0.00
Marks & Spencer Group Call 2.264 25/10/2023	(517,475)	(60)	(0.01)	NatWest Group Call 2.726 08/11/2023	(667,954)	(7)	0.00
Marks & Spencer Group Call 2.253 08/11/2023	(525,358)	(76)	(0.01)	NatWest Group Call 2.66 22/11/2023	(634,759)	(16)	0.00
Marks & Spencer Group Call 2.451 22/11/2023	(799,682)	(41)	(0.01)	NatWest Group Call 2.735 29/11/2023	(573,451)	(11)	0.00
Marks & Spencer Group Call 2.515 29/11/2023	(586,141)	(22)	0.00	Orange Call 11.442 06/09/2023	(116,064)	0	0.00
Marks & Spencer Group Call 2.515 29/11/2023	(586,141)	(22)	0.00	Orange Call 10.857 13/09/2023	(124,072)	0	0.00
Mondi Call 13.629 06/09/2023	(40,272)	0	0.00	Orange Call 11.049 20/09/2023	(109,237)	0	0.00
Mondi Call 13.872 13/09/2023	(71,045)	0	0.00	Orange Call 11.21 04/10/2023	(113,788)	(1)	0.00
Mondi Call 12.845 20/09/2023	(61,145)	(23)	(0.01)	Orange Call 11.285 18/10/2023	(111,512)	(1)	0.00
Mondi Call 13.376 04/10/2023	(63,692)	(12)	0.00	Orange Call 11.253 25/10/2023	(112,994)	(2)	0.00
Mondi Call 14.266 18/10/2023	(62,418)	(3)	0.00	Orange Call 10.993 08/11/2023	(121,856)	(11)	0.00
Mondi Call 14.519 25/10/2023	(64,702)	(2)	0.00	Orange Call 11.001 22/11/2023	(111,109)	(12)	0.00
Mondi Call 14.206 08/11/2023	(69,776)	(7)	0.00	Orange Call 10.846 29/11/2023	(115,385)	(19)	0.00
Mondi Call 14.17 22/11/2023	(71,045)	(10)	0.00	Pearson Call 9.229 06/09/2023	(177,372)	0	0.00
				Pearson Call 9.289 20/09/2023	(166,938)	0	0.00
				Pearson Call 9.494 04/10/2023	(173,894)	(2)	0.00

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
Pearson Call 9.727 18/10/2023	(151,882)	(3)	0.00	Sanofi Call 103.173 18/10/2023	(7,668)	(5)	0.00
Pearson Call 9.96 25/10/2023	(148,725)	(2)	0.00	Sanofi Call 104.229 25/10/2023	(7,775)	(4)	0.00
Pearson Call 9.608 08/11/2023	(173,939)	(8)	0.00	Sanofi Call 103.96 08/11/2023	(8,385)	(8)	0.00
Pearson Call 9.339 22/11/2023	(189,752)	(20)	0.00	Sanofi Call 106.155 22/11/2023	(8,538)	(7)	0.00
Pearson Call 9.373 29/11/2023	(176,466)	(20)	0.00	Sanofi Call 105.109 29/11/2023	(7,940)	(9)	0.00
Rio Tinto Call 55.393 06/09/2023	(30,742)	0	0.00	Shell Call 25.063 06/09/2023	(86,313)	(1)	0.00
Rio Tinto Call 50.856 13/09/2023	(32,785)	(8)	0.00	Shell Call 24.961 13/09/2023	(89,581)	(9)	0.00
Rio Tinto Call 55.787 20/09/2023	(28,933)	0	0.00	Shell Call 25.396 20/09/2023	(81,235)	(6)	0.00
Rio Tinto Call 54.359 04/10/2023	(30,139)	(4)	0.00	Shell Call 25.02 04/10/2023	(84,620)	(26)	(0.01)
Rio Tinto Call 55.699 18/10/2023	(29,536)	(4)	0.00	Shell Call 25.58 18/10/2023	(74,264)	(17)	0.00
Rio Tinto Call 57.493 25/10/2023	(26,738)	(2)	0.00	Shell Call 25.928 25/10/2023	(81,582)	(16)	0.00
Rio Tinto Call 54.956 08/11/2023	(28,836)	(12)	0.00	Shell Call 26.24 08/11/2023	(87,981)	(21)	0.00
Rio Tinto Call 54.988 22/11/2023	(29,360)	(17)	0.00	Shell Call 25.685 22/11/2023	(89,581)	(38)	(0.01)
Rio Tinto Call 54.522 29/11/2023	(30,490)	(24)	(0.01)	Shell Call 26.219 29/11/2023	(75,792)	(24)	(0.01)
Rolls-Royce Group Call 1.849 06/09/2023	(403,137)	(147)	(0.02)	South32 Call 2.366 06/09/2023	(183,461)	0	0.00
Rolls-Royce Group Call 1.898 20/09/2023	(131,220)	(42)	(0.01)	South32 Call 2.416 20/09/2023	(146,011)	0	0.00
Rolls-Royce Group Call 1.814 04/10/2023	(317,095)	(129)	(0.02)	South32 Call 2.38 04/10/2023	(179,413)	0	0.00
Rolls-Royce Group Call 1.791 18/10/2023	(340,780)	(149)	(0.02)	South32 Call 2.41 18/10/2023	(141,613)	0	0.00
Sanofi Call 101.986 06/09/2023	(7,981)	0	0.00	South32 Call 2.514 25/10/2023	(139,608)	0	0.00
Sanofi Call 101.407 13/09/2023	(8,538)	(1)	0.00	South32 Call 2.484 08/11/2023	(111,778)	0	0.00
Sanofi Call 104.402 20/09/2023	(7,511)	0	0.00	South32 Call 2.517 22/11/2023	(109,314)	0	0.00
Sanofi Call 104.014 04/10/2023	(7,824)	(2)	0.00	Standard Chartered Call 8.106 06/09/2023	(194,097)	0	0.00
				Standard Chartered Call 8.186 13/09/2023	(265,135)	(7)	0.00
				Standard Chartered Call 8.214 20/09/2023	(182,679)	(9)	0.00

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets		Holding at 31.8.23	Market Value £000's	% of net assets
Standard Chartered Call 8.151 04/10/2023	(190,291)	(16)	0.00	Tesco Call 2.751 29/11/2023	(606,919)	(28)	(0.01)
Standard Chartered Call 8.458 18/10/2023	(186,485)	(15)	0.00	TP ICAP Group Call 1.911 13/09/2023	(126,481)	0	0.00
Standard Chartered Call 8.551 25/10/2023	(168,093)	(14)	0.00	TP ICAP Group Call 1.756 20/09/2023	(225,877)	(3)	0.00
Standard Chartered Call 8.974 08/11/2023	(303,639)	(21)	0.00	TP ICAP Group Call 1.868 18/10/2023	(212,920)	(2)	0.00
Standard Chartered Call 8.846 22/11/2023	(265,135)	(25)	(0.01)	TP ICAP Group Call 1.839 25/10/2023	(225,160)	(4)	0.00
Standard Chartered Call 8.832 29/11/2023	(242,528)	(25)	(0.01)	TP ICAP Group Call 1.918 29/11/2023	(95,561)	(2)	0.00
Taylor Wimpey Call 1.318 06/09/2023	(757,093)	0	0.00	Travis Perkins Call 10.115 06/09/2023	(44,763)	0	0.00
Taylor Wimpey Call 1.291 13/09/2023	(662,674)	0	0.00	Travis Perkins Call 9.176 20/09/2023	(84,106)	(4)	0.00
Taylor Wimpey Call 1.22 20/09/2023	(712,558)	(3)	0.00	Travis Perkins Call 9.426 04/10/2023	(38,770)	(2)	0.00
Taylor Wimpey Call 1.19 04/10/2023	(742,248)	(14)	0.00	Travis Perkins Call 9.643 29/11/2023	(34,218)	(5)	0.00
Taylor Wimpey Call 1.313 18/10/2023	(727,403)	(1)	0.00	Vanquis Banking Group Call 2.231 20/09/2023	(86,426)	0	0.00
Taylor Wimpey Call 1.347 25/10/2023	(603,507)	0	0.00	Vanquis Banking Group Call 2.156 25/10/2023	(110,719)	0	0.00
Taylor Wimpey Call 1.312 08/11/2023	(650,841)	(2)	0.00	Vodafone Group Call 0.921 06/09/2023	(722,279)	0	0.00
Taylor Wimpey Call 1.289 22/11/2023	(589,044)	(3)	0.00	Vodafone Group Call 0.813 13/09/2023	(1,236,559)	0	0.00
Taylor Wimpey Call 1.264 29/11/2023	(616,278)	(6)	0.00	Vodafone Group Call 0.887 20/09/2023	(679,792)	0	0.00
Tesco Call 2.789 06/09/2023	(610,033)	0	0.00	Vodafone Group Call 0.839 04/10/2023	(708,117)	(1)	0.00
Tesco Call 2.625 13/09/2023	(652,610)	(35)	(0.01)	Vodafone Group Call 0.881 18/10/2023	(693,954)	(1)	0.00
Tesco Call 2.726 20/09/2023	(574,148)	(8)	0.00	Vodafone Group Call 0.925 25/10/2023	(703,701)	(1)	0.00
Tesco Call 2.638 04/10/2023	(598,071)	(45)	(0.01)	Vodafone Group Call 0.895 08/11/2023	(758,893)	(4)	0.00
Tesco Call 2.7 18/10/2023	(586,110)	(24)	(0.01)	Vodafone Group Call 0.892 22/11/2023	(1,236,559)	(10)	0.00
Tesco Call 2.793 25/10/2023	(594,342)	(11)	0.00	Vodafone Group Call 0.882 29/11/2023	(1,275,178)	(8)	0.00
Tesco Call 2.66 08/11/2023	(640,957)	(46)	(0.01)	WPP Call 9.479 06/09/2023	(146,295)	0	0.00
Tesco Call 2.673 22/11/2023	(584,427)	(44)	(0.01)				

Portfolio Statement (continued)

	Holding at 31.8.23	Market Value £000's	% of net assets
WPP Call 8.179 13/09/2023	(174,765)	0	0.00
WPP Call 9.383 20/09/2023	(137,689)	0	0.00
WPP Call 9.249 04/10/2023	(143,426)	0	0.00
WPP Call 9.454 18/10/2023	(156,956)	0	0.00
WPP Call 9.272 25/10/2023	(159,161)	0	0.00
WPP Call 8.731 08/11/2023	(171,644)	(3)	0.00

	Holding at 31.8.23	Market Value £000's	% of net assets
WPP Call 8.304 22/11/2023	(174,765)	(17)	0.00
WPP Call 8.35 29/11/2023	(162,529)	(16)	0.00
Written Options total		(3,312)	(0.48)
Options total		(3,312)	(0.48)
Portfolio of investments		685,517	98.81
Net other assets		8,287	1.19
Net assets attributable to unitholders		693,804	100.00

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

Statement of Total Return

For the year ended 31 August 2023

		2023	2022
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	9,562	(24,024)
Revenue	3	57,464	63,143
Expenses	4	(7,110)	(7,185)
Net revenue before taxation		50,354	55,958
Taxation	5	(3,706)	(4,407)
Net revenue after taxation		46,648	51,551
Total return before distributions		56,210	27,527
Distributions	6	(52,330)	(57,297)
Change in net assets attributable to unitholders from investment activities		3,880	(29,770)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 August 2023

	2023	2022
	£000's	£000's
Opening net assets attributable to unitholders	697,747	714,281
Amounts receivable on issue of units	41,559	73,584
Amounts payable on cancellation of units	(61,194)	(72,824)
	(19,635)	760
Dilution adjustment	1	64
Change in net assets attributable to unitholders from investment activities	3,880	(29,770)
Retained distribution on Accumulation units	11,811	12,412
Closing net assets attributable to unitholders	693,804	697,747

Balance Sheet

As at 31 August 2023

		2023	2022
	Notes	£000's	£000's
Assets			
Investments		688,829	704,014
Current assets			
Debtors	8	7,603	11,088
Cash and bank balances		13,348	6,045
Total assets		709,780	721,147
Liabilities			
Investment liabilities		(3,312)	(7,045)
Creditors			
Distributions payable		(10,708)	(14,009)
Other creditors	9	(1,956)	(2,346)
Total liabilities		(15,976)	(23,400)
Net assets attributable to unitholders		693,804	697,747

Notes to the Accounts

For the year ended 31 August 2023

1 Accounting policies

Basis of preparation

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

The Manager has undertaken a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months after the financial statements are signed and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

Revenue

Dividends receivable from equity investments are recognised net of attributable tax credits and are credited to revenue when they are first quoted ex-dividend.

Interest receivable from bank balances is accounted for on an accruals basis.

Option premiums received by the Fund are amortised to revenue over the period to maturity where the option is out of the money at the time the contract is written. Option premium is taken to capital for options that are in the money at the time of writing.

Special dividends

Special dividends are treated as revenue or capital depending on the facts of each particular case.

Equalisation

Equalisation on distributions received by the Fund is deducted from the cost of investments. As such the equalisation on distributions received by the Fund does not form part of the Fund's distribution.

Expenses

Expenses of the Fund are initially charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Fund. All expenses except for professional fee are accounted for on an accruals basis.

Taxation

Corporation tax is provided for on the revenue liable to corporation tax less deductible expenses. The tax effect of different items of revenue or expenses is allocated between revenue and capital using the marginal basis.

Deferred taxation is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences regarded as permanent. Any liability to deferred taxation is provided for at the average rate of taxation expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Distributions

The revenue available for distribution is the total revenue earned by the Fund, less deductible expenses and taxation charged to revenue.

For Accumulation units this revenue is not distributed but automatically reinvested in the Fund and is reflected in the value of these units.

For the purpose of calculating the distribution, the Fund allocates the Schroders annual charge to capital, thereby increasing the amount available for distribution.

Dilution adjustment

In certain circumstances the Manager may apply a dilution adjustment on subscriptions and redemptions of units. If applied, the dilution adjustment is paid to the Fund. See Prospectus for further details.

Valuation

With the exception of forward foreign currency contracts which have been valued at the Fund's valuation point (12:00) on the last working day of the accounting period, all other investments held by the Fund have been valued at market value at 18:00 on the last working day of the accounting period. Market value is defined by the Statement of Recommended Practice as fair value which generally is the bid value of each security and the offer value for short positions. Non-exchange traded derivatives, including swaps and contracts for difference, are priced at fair value using valuation models and data sourced from market data providers and/or information provided by the relevant third party brokers.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate prevailing on the date of the transaction. Assets and liabilities valued in foreign currencies have been translated into sterling at the exchange rates prevailing at the balance sheet date.

Notes to the Accounts

For the year ended 31 August 2023 (continued)

2 Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	2023	2022
	£000's	£000's
Non-derivative securities	20,058	14,067
Derivative contracts	(11,344)	(28,950)
Forward foreign currency contracts	(125)	(10,085)
Foreign currency gains	973	944
Net capital gains/(losses)	9,562	(24,024)

3 Revenue

	2023	2022
	£000's	£000's
UK dividends	26,266	29,625
Overseas dividends	8,490	7,520
Real estate income distributions	1,936	1,153
Bank interest	417	7
Net revenue return from derivative contracts	20,355	24,838
Total revenue	57,464	63,143

4 Expenses

	2023	2022
	£000's	£000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Schroders Annual Charge ^{1,2}	7,102	7,182
Safe custody fees	–	1
Other expenses:		
Interest payable	8	2
Total expenses	7,110	7,185

1 The Schroders Annual Charge has been reduced by Nil (2022 – £13) to ensure the Q Income unit class does not exceed the expenses cap.

2 Audit fees including VAT for the financial year ending 2023 were £10,301 (2022 – £12,876).

5 Taxation

(a) Analysis of the tax charge for the year

	2023	2022
	£000's	£000's
Corporation tax	3,120	3,763
Overseas withholding tax	586	644
Total tax (Note 5(b))	3,706	4,407

Corporation tax has been provided for at a rate of 20% (2022 – 20%).

Notes to the Accounts

For the year ended 31 August 2023 (continued)

(b) Factors affecting the total tax charge for the year

The tax assessed for the year is different from that calculated with the standard rate of corporation tax for authorised unit trusts of 20% (2022 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2023 £000's	2022 £000's
Net revenue before taxation	50,354	55,958
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	10,071	11,192
Effects of:		
Revenue not subject to corporation tax	(6,951)	(7,429)
Overseas withholding tax	586	644
Total tax charge for the year (Note 5(a))	3,706	4,407

6 Distributions

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

	2023 £000's	2022 £000's
Quarterly Dividend distribution	9,530	10,615
Interim Dividend distribution	9,674	10,663
Quarterly Dividend distribution	19,108	18,347
Final Dividend distribution	13,843	17,921
	52,155	57,546
Add: Revenue deducted on cancellation of units	611	652
Deduct: Revenue received on issue of units	(436)	(901)
Distributions	52,330	57,297
Net revenue after taxation	46,648	51,551
Expenses taken to capital	7,102	7,183
Marginal tax relief adjustment	(1,421)	(1,436)
Movement in undistributed revenue	-	(1)
Equalisation on conversions	1	-
Distributions	52,330	57,297

Details of the distributions per unit are set out in the Distribution Tables on pages 32 to 34.

7 Fair value hierarchy

Instruments held at the year end are presented in line with amendments to FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland's Fair value hierarchy disclosures.

	2023		2022	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	688,829	-	703,702	-
Level 2: Observable market data	-	(3,312)	312	(7,045)
Level 3: Unobservable data	-	-	-	-
Total	688,829	(3,312)	704,014	(7,045)

Level 1: Unadjusted quoted price in an active market for an identical instrument.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1.

Level 3: Valuation techniques using unobservable inputs.

Notes to the Accounts

For the year ended 31 August 2023 (continued)

Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the Manager has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The Manager of the Fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other assumptions that are considered reasonable under the circumstances. The estimates and the assumptions used are under continuous review by the Manager with particular attention paid to the carrying value of the investments.

8 Debtors

	2023	2022
	£000's	£000's
Amounts receivable for issue of units	110	1,249
Sales awaiting settlement	1,436	1,281
Accrued revenue	5,764	8,234
Overseas withholding tax recoverable	293	258
Income tax recoverable	–	66
Total debtors	7,603	11,088

9 Other creditors

	2023	2022
	£000's	£000's
Amounts payable for cancellation of units	1,063	444
Purchases awaiting settlement	270	466
Accrued expenses	577	615
Corporation tax payable	46	821
Total other creditors	1,956	2,346

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022 – Nil).

11 Related party transactions

The Manager provides key management personnel services for the Fund and is therefore considered a related party.

Amounts paid during the year or due to the Manager at the balance sheet date are disclosed under Expenses and Other creditors in the Notes to the Accounts.

The Manager acts as principal on all transactions of units in the Fund. The aggregate monies paid through the issue and cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the Notes to the Accounts. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Units held or managed by the Manager or associates of the Manager as a percentage of the Fund's net asset value at the balance sheet date were 0.73% (2022 – 0.95%).

12 Unit classes

At the reporting date the Fund had eight unit classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each unit class can be found in the prospectus.

The closing net asset value of each unit class, the closing net asset value per unit and the closing number of units in issue are given in the Comparative Table on pages 10 to 13.

The distributions per unit class are given in the Distribution Tables on pages 32 to 34.

All classes have the same rights on winding up.

13 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, derivative, foreign currency, liquidity and interest rate risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year and the prior year.

Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the unitholders would increase or decrease by approximately £68,551,700 (2022 – £69,696,900).

Notes to the Accounts

For the year ended 31 August 2023 (continued)

Derivative risk

Where a Fund trades in derivatives to achieve its investment objective, this involves a higher degree of risk and may lead to a higher volatility in the unit prices of the Fund. The Manager employs a risk management process to allow the Manager to measure derivative and forward positions and their contribution to the overall risk profile of the Fund. As part of this risk management process the Manager conducts daily value at risk analysis of the Fund and performs both stress and back testing of the Fund.

Foreign currency risk

Revenue received in other currencies is translated to sterling on or near the date of receipt. The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Currency risk profile

The currency risk profile of the Fund's net assets and liabilities at the balance sheet date was as follows:

Currency	2023 £000's	2022 £000's
Euro	61,009	1,546
Sterling	588,970	695,806
US dollar	43,825	395

At the year end date, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the unitholders will increase or decrease by approximately £10,483,400 (2022 - £194,100).

Liquidity risk

The primary source of this risk to the Fund is the liability to unitholders for any cancellation of units. This risk is minimised by holding cash, readily realisable securities and access to overdraft facilities up to the amount prescribed by the Collective Investment Schemes sourcebook.

Interest rate risk

Interest rate risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in interest rates.

Interest receivable on bank deposits positions will be affected by fluctuations in interest rates.

At the year end date 1.92% (2022 - 0.87%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the Sterling Overnight Index Average Rate or its international equivalent.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Derivatives

During the year the Fund entered into derivative contracts for the efficient management of the Fund.

Global risk exposure

Commitment approach

When using derivatives, the Manager uses a risk management process that enables it to monitor the risk of a Fund's derivative positions. The global risk exposure of a Fund is calculated daily either by means of the commitment approach or the Value-at-Risk (VaR) approach.

Under the commitment approach, the global risk exposure is defined as the underlying market value of derivatives, after netting and hedging as permitted by the regulation, not exceeding the Net Asset Value of a Fund. This is typically used on Funds where derivative usage is low or Funds which limit their derivatives commitment to 100% or less of their Net Asset Value.

The global risk exposure of the Fund is calculated using the commitment approach. During the year ended 31 August 2023 the global risk exposure of the Fund did not exceed 100% of its Net Asset Value. Call options sold within the fund must be covered by ownership of the underlying equity, and controls are in place to ensure that no leverage is employed in relation to the option strategy. The lowest, highest, average and actual level of leverage for the Fund as at the balance sheet date was as follows:

Leverage

2023				2022			
Lowest	Highest	Average	Leverage 31 August	Lowest	Highest	Average	Leverage 31 August
7.11%	11.92%	9.45%	7.11%	4.90%	12.23%	8.05%	11.06%

Notes to the Accounts

For the year ended 31 August 2023 (continued)

14 Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

2023	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	135,808	61	567	136,436	0.04	0.42
Sales						
Equities	171,462	(65)	–	171,397	(0.04)	–
Total cost as a % of the Fund's average net asset value (%)		0.02	0.08			

2022	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	135,736	44	633	136,413	0.03	0.47
Sales						
Equities	173,517	(67)	–	173,450	(0.04)	–
Total cost as a % of the Fund's average net asset value (%)		0.01	0.09			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.06% (2022 – 0.05%).

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

15 Units in issue reconciliation

	Number of units in issue 31.8.22	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 31.8.23
A Accumulation units	46,770,455	2,548,254	(5,370,234)	(3,856,622)	40,091,853
A Income units	147,073,387	9,351,522	(23,661,098)	(30,473,741)	102,290,070
L Accumulation units	44,008,499	3,185,593	(6,541,821)	6,204,611	46,856,882
L Income units	681,553,806	23,257,810	(46,105,690)	31,561,281	690,267,207
Q Income units	5,229,941	1,640,182	(1,444,960)	388,150	5,813,313
S Income units	11,361,945	584,635	(1,025,273)	11,973	10,933,280
Z Accumulation units	71,497,913	5,616,787	(7,440,660)	(373,137)	69,300,903
Z Income units	544,848,210	40,260,450	(34,098,408)	(3,853,373)	547,156,879

Notes to the Accounts

For the year ended 31 August 2023 (continued)

16 Counterparty exposure

The types of derivatives held at the balance sheet date and the total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Banco Bilbao Vizcaya Argentaria										
2023	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	(6)	-	(6)
Canadian Imperial Bank of Commerce										
2023	-	-	-	-	-	-	-	(709)	-	(709)
2022	-	-	-	-	-	-	-	(80)	-	(80)
Citigroup										
2023	-	-	-	-	-	-	-	(284)	-	(284)
2022	-	-	-	-	-	-	-	(9)	-	(9)
Credit Suisse										
2023	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	(59)	-	(59)
Deutsche Bank										
2023	-	-	-	-	-	-	-	-	-	-
2022	7	-	-	-	-	-	-	-	-	7
Goldman Sachs										
2023	-	-	-	-	-	-	-	(722)	-	(722)
2022	10	-	-	-	-	-	-	(337)	-	(327)
J.P. Morgan										
2023	-	-	-	-	-	-	-	-	-	-
2022	(4,376)	-	-	-	-	-	-	(107)	-	(4,483)
Morgan Stanley										
2023	-	-	-	-	-	-	-	(682)	-	(682)
2022	-	-	-	-	-	-	-	(339)	-	(339)
Royal Bank of Canada										
2023	-	-	-	-	-	-	-	(188)	-	(188)
2022	-	-	-	-	-	-	-	(396)	-	(396)
Societe Generale										
2023	-	-	-	-	-	-	-	(79)	-	(79)
2022	-	-	-	-	-	-	-	-	-	-
State Street										
2023	-	-	-	-	-	-	-	-	-	-
2022	(181)	-	-	-	-	-	-	-	-	(181)
Toronto-Dominion Bank										
2023	-	-	-	-	-	-	-	(30)	-	(30)
2022	-	-	-	-	-	-	-	(212)	-	(212)
UBS										
2023	-	-	-	-	-	-	-	(618)	-	(618)
2022	(70)	-	-	-	-	-	-	(578)	-	(648)

At the balance sheet date no collateral was held or pledged by the Fund or on behalf of the counterparties in respect of the above.

Notes to the Accounts

For the year ended 31 August 2023 (continued)

17 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 31 August 2023, the price of each unit class has changed as follows:

	Dealing price 15.12.23	Dealing price 31.8.23	% change
A Accumulation units	136.00p	128.20p	6.08
A Income units	35.69p	34.90p	2.26
L Accumulation units	85.66p	80.62p	6.25
L Income units	40.42p	39.45p	2.46
Q Income units	41.13p	40.13p	2.49
S Income units	40.38p	39.38p	2.54
Z Accumulation units	109.30p	102.90p	6.22
Z Income units	43.65p	42.61p	2.44

Distribution Tables

Quarterly distribution for the three months ended 30 November 2022

Group 1 Units purchased prior to 1 September 2022

Group 2 Units purchased on or after 1 September 2022

	Net revenue 2022 per unit	Equalisation 2022 per unit	Distribution paid 31.1.23 per unit	Distribution paid 31.1.22 per unit
A Accumulation units				
Group 1	1.6226p	–	1.6226p	1.7533p
Group 2	0.7478p	0.8748p	1.6226p	1.7533p
A Income units				
Group 1	0.4651p	–	0.4651p	0.5445p
Group 2	0.0917p	0.3734p	0.4651p	0.5445p
L Accumulation units				
Group 1	1.0120p	–	1.0120p	1.0881p
Group 2	0.2438p	0.7682p	1.0120p	1.0881p
L Income units				
Group 1	0.5222p	–	0.5222p	0.6074p
Group 2	0.2245p	0.2977p	0.5222p	0.6074p
Q Income units				
Group 1	0.5305p	–	0.5305p	0.6164p
Group 2	0.3300p	0.2005p	0.5305p	0.6164p
S Income units				
Group 1	0.5201p	–	0.5201p	0.6035p
Group 2	0.1355p	0.3846p	0.5201p	0.6035p
Z Accumulation units				
Group 1	1.2935p	–	1.2935p	1.3897p
Group 2	0.5589p	0.7346p	1.2935p	1.3897p
Z Income units				
Group 1	0.5644p	–	0.5644p	0.6568p
Group 2	0.1916p	0.3728p	0.5644p	0.6568p

Interim distribution for the three months ended 28 February 2023

Group 1 Units purchased prior to 1 December 2022

Group 2 Units purchased on or after 1 December 2022

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution paid 30.4.23 per unit	Distribution paid 30.4.22 per unit
A Accumulation units				
Group 1	1.6740p	–	1.6740p	1.7746p
Group 2	0.7753p	0.8987p	1.6740p	1.7746p
A Income units				
Group 1	0.4756p	–	0.4756p	0.5433p
Group 2	0.2270p	0.2486p	0.4756p	0.5433p
L Accumulation units				
Group 1	1.0469p	–	1.0469p	1.1029p
Group 2	0.5615p	0.4854p	1.0469p	1.1029p

Distribution Tables

(continued)

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution paid 30.4.23 per unit	Distribution paid 30.4.22 per unit
L Income units				
Group 1	0.5349p	–	0.5349p	0.6070p
Group 2	0.2249p	0.3100p	0.5349p	0.6070p
Q Income units				
Group 1	0.5437p	–	0.5437p	0.6163p
Group 2	0.0923p	0.4514p	0.5437p	0.6163p
S Income units				
Group 1	0.5331p	–	0.5331p	0.6036p
Group 2	0.2133p	0.3198p	0.5331p	0.6036p
Z Accumulation units				
Group 1	1.3371p	–	1.3371p	1.4089p
Group 2	0.6257p	0.7114p	1.3371p	1.4089p
Z Income units				
Group 1	0.5782p	–	0.5782p	0.6565p
Group 2	0.2545p	0.3237p	0.5782p	0.6565p

Quarterly distribution for the three months ended 31 May 2023

Group 1 Units purchased prior to 1 March 2023

Group 2 Units purchased on or after 1 March 2023

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution paid 31.7.23 per unit	Distribution paid 31.7.22 per unit
A Accumulation units				
Group 1	3.3676p	–	3.3676p	3.0211p
Group 2	1.4083p	1.9593p	3.3676p	3.0211p
A Income units				
Group 1	0.9420p	–	0.9420p	0.9110p
Group 2	0.2895p	0.6525p	0.9420p	0.9110p
L Accumulation units				
Group 1	2.1097p	–	2.1097p	1.8806p
Group 2	1.0209p	1.0888p	2.1097p	1.8806p
L Income units				
Group 1	1.0610p	–	1.0610p	1.0195p
Group 2	0.4719p	0.5891p	1.0610p	1.0195p
Q Income units				
Group 1	1.0787p	–	1.0787p	1.0352p
Group 2	0.4630p	0.6157p	1.0787p	1.0352p
S Income units				
Group 1	1.0580p	–	1.0580p	1.0141p
Group 2	0.5451p	0.5129p	1.0580p	1.0141p
Z Accumulation units				
Group 1	2.6926p	–	2.6926p	2.4015p
Group 2	1.4091p	1.2835p	2.6926p	2.4015p

Distribution Tables

(continued)

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution paid 31.7.23 per unit	Distribution paid 31.7.22 per unit
Z Income units				
Group 1	1.1465p	–	1.1465p	1.1022p
Group 2	0.5099p	0.6366p	1.1465p	1.1022p

Final distribution for the three months ended 31 August 2023

Group 1 Units purchased prior to 1 September 2023

Group 2 Units purchased on or after 1 September 2023

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 31.10.23 per unit	Distribution paid 31.10.22 per unit
A Accumulation units				
Group 1	2.5017p	–	2.5017p	2.9784p
Group 2	1.1398p	1.3619p	2.5017p	2.9784p
A Income units				
Group 1	0.6810p	–	0.6810p	0.8792p
Group 2	0.4150p	0.2660p	0.6810p	0.8792p
L Accumulation units				
Group 1	1.5755p	–	1.5755p	1.8617p
Group 2	0.8350p	0.7405p	1.5755p	1.8617p
L Income units				
Group 1	0.7712p	–	0.7712p	0.9880p
Group 2	0.3307p	0.4405p	0.7712p	0.9880p
Q Income units				
Group 1	0.7840p	–	0.7840p	1.0040p
Group 2	0.5259p	0.2581p	0.7840p	1.0040p
S Income units				
Group 1	0.7639p	–	0.7639p	0.9845p
Group 2	0.7639p	–	0.7639p	0.9845p
Z Accumulation units				
Group 1	2.0106p	–	2.0106p	2.3765p
Group 2	1.1914p	0.8192p	2.0106p	2.3765p
Z Income units				
Group 1	0.8333p	–	0.8333p	1.0678p
Group 2	0.3848p	0.4485p	0.8333p	1.0678p

Equalisation

Equalisation applies to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of Group 2 units and is refunded to the holders of these units as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Remuneration

UCITS remuneration disclosures for Schroder Unit Trusts Limited ('SUTL') for the year to 31 December 2022

These disclosures form part of the non-audited section of this annual report and accounts and should be read in conjunction with the Schroders plc Remuneration Report on pages 76 to 107 of the 2022 Annual Report & Accounts (available on the Group's website <https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2022/>), which provides more information on the activities of our Remuneration Committee and our remuneration principles and policies.

The UCITS Material Risk Takers ('UCITS MRTs') of SUTL are individuals whose roles within the Schroders Group can materially affect the risk of SUTL or any UCITS fund that it manages. These roles are identified in line with the requirements of the UCITS Directive and guidance issued by the European Securities and Markets Authority.

The Remuneration Committee of Schroders plc has established a remuneration policy to ensure the requirements of the UCITS Directive are met for all UCITS MRTs. The Remuneration Committee and the Board of Schroders plc review remuneration strategy at least annually. The directors of SUTL are responsible for the adoption of the remuneration policy and periodically reviewing its implementation in relation to SUTL. During 2022 the Remuneration Policy was reviewed to ensure compliance with the UCITS/AIFMD remuneration requirements and no significant changes were made.

The implementation of the remuneration policy is, at least annually, subject to independent internal review for compliance with the policies and procedures for remuneration adopted by the Board of SUTL and the Remuneration Committee. The most recent review found no fundamental issues but resulted in minor recommendations relating to process documentation.

The ratio of total costs to net income through the market cycle guides the total spend on remuneration each year. This is recommended by the Remuneration Committee to the Board of Schroders plc. This approach aligns remuneration with Schroders financial performance. In determining the remuneration spend each year, the underlying strength and sustainability of the business is taken into account, along with reports on risk, legal, compliance and internal audit matters from the heads of those areas.

The remuneration data that follows reflects amounts paid in respect of performance during 2022.

- The total amount of remuneration paid by SUTL to its staff was nil as SUTL has no employees. SUTL has two independent Non Executive Directors who receive fees in respect of their role on the Board of SUTL¹. Employees of other Schroders Group entities who serve as Directors of SUTL receive no additional fees in respect of their role on the Board of SUTL.
- The following disclosures relate to UCITS MRTs of SUTL. Most of those UCITS MRTs were employed by and provided services to other Schroders group companies and clients. In the interests of transparency, the aggregate remuneration figures that follow reflect the full remuneration for each SUTL UCITS MRT. The aggregate total remuneration paid to the 158 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2022 is £113.41 million, of which £38.94 million was paid to senior management, and £74.47 million was paid to MRTs deemed to be taking risk on behalf of SUTL or the UCITS funds that it manages and Control Function MRTs.

For additional qualitative information on remuneration policies and practices see <https://www.schroders.com/en/global/individual/corporate-transparency/disclosures/remuneration-disclosures/>.

1 The fees are not disclosed due to confidentiality and data protection considerations. The amount is not material to SUTL.

General Information

Manager

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

Investment Adviser

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

Trustee

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

Registrar

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

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Authorisation

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

Value Assessment

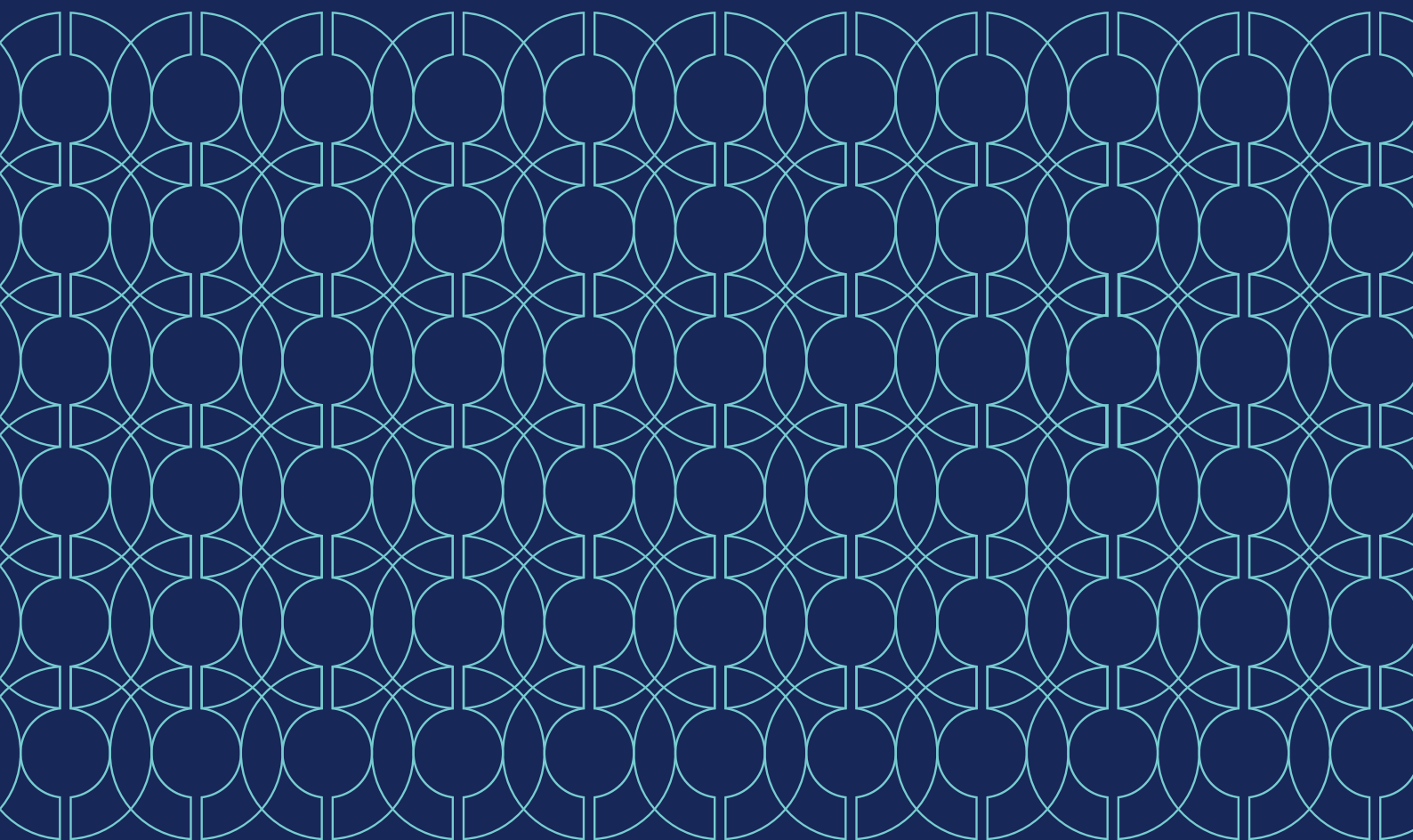
A statement on the Assessment of Value is published on the Global Fund Centre in the Fund Literature section at www.Schroders.com within 4 months of the annual 'reference date' 31 December.

Task Force on Climate-Related Financial Disclosures

A statement on the climate related financial disclosures is published at www.schroders.com/en/global/individual/corporate-transparency/tcf-entity-and-product-reports/.

Other information

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



EST. 1804

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

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