Annual Long Report and Audited Financial Statements
Year ended
30 April 2024

AXA Framlington UK Smaller Companies Fund

Issued by AXA Investment Managers UK Ltd authorised and regulated by the Financial Conduct Authority

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* These collectively comprise the Authorised Fund Manager's ("the Manager's") Report for the Trust.

More detailed information about AXA Investment Managers' UK funds is available on the Fund Centre of our website where you can find the Prospectus, Key Investor Information Document (KIID), annual reports and monthly fund factsheets at https://retail.axa-im.co.uk/fund-centre

Fund Objective & Investment Policy

The aim of AXA Framlington UK Smaller Companies Fund ("the Fund') is to provide long-term capital growth over a period of 5 years or more.

The Fund has at least 70% of its investments in shares of companies domiciled, incorporated or having significant business in the UK which the Manager believes will provide above-average returns. The Fund invests primarily (meaning at least 70% of its assets) in small companies. The Manager selects shares based upon analysis of a company's financial status, quality of its management, expected profitability and prospects for growth.

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may take into consideration the FTSE Small Cap Ex Investment Trusts index. The FTSE Small Cap Ex Investment Trusts index is designed to measure the performance of small market capitalisation companies on the London Stock Exchange main market. This index best represents a core component of the Managers' investment universe.

This Fund is actively managed in reference to the FTSE Small Cap Ex Investment Trusts index, which may be used by investors to compare the Fund's performance.

AXA Framlington UK Smaller Companies Fund ("the Fund") is authorised and regulated by the Financial Conduct Authority.

Investment Review

As we approach the European Championships it seems appropriate to use a footballing metaphor to summarise the year under review; this was very much to be a 'game of two halves'. The first half; tough, challenging, with our asset class largely friendless and languishing in the shadow of the larger cap indices. The second half saw green shoots, with an improving economic backdrop complemented by a marked acceleration in M&A that highlighted the valuation anomalies seen across the market cap spectrum. While it was disappointing to underperform the comparative benchmark for the year, it was pleasing to deliver strong absolute and relative returns for H2 over which time the Fund was up 18.8% in contrast to the comparator benchmark which was up 16.5%.

Top Ten Holdings as at 30 April 2024	%
Hostelworld Group *Consumer Discretionary*	2.56
Zotefoams *Basic Materials*	2.47
Aptitude Software Group *Technology*	2.14
Alpha Group *Financials*	2.09
Loungers *Consumer Discretionary*	2.06
NCC Group *Technology*	2.05
Ricardo *Industrials*	2.05
PayPoint *Industrials*	2.03
Robert Walters *Industrials*	2.03
PRS REIT *Real Estate*	2.02

The year saw a transformed outlook for inflation and interest rates. Having been 8.7% in May 2023, UK Consumer Price Index (CPI) had fallen to 3.2% by April 2024. Pressures remain in the system. The service sector saw 6% inflation in May driven in part by rents rising 9.2%, which is the fastest rate of growth since 2015. However, the overall picture was more subdued, and the expectation of interest rate cuts through the rest of 2024 have risen. Gilt yields fell to 3.5% in December against a calendar year high of 4.75% helping drive mortgage rates down from their peak.

A further fillip to the consumer was the substantial reduction in energy costs. The collapse in the gas price filtered through to the energy price cap with regulator Ofgem confirming a price cap equivalent to a £1,568 for a typical dual fuel household for Q3 2024. For three quarters, from the end of 2022 to mid-2023, the typical bill was at the effective cap rate of £2,500. This 37% reduction has contributed to a return to real income growth. The ASDA Income Tracker highlighted this improvement in domestic finances. In May 2024 household disposable income hit a 30-month high as the cost of living pressures eased and incomes were boosted by wage increases as well as a recent reduction in national insurance contributions, a rise in the national living wage and an uplift in state pension payments.

Against this improving backdrop it is little surprise that confidence has picked up. Consumer confidence as measured by Deloitte moved higher for the sixth consecutive quarter this Spring. The outlook will likely be further supported by the average price of new homes entering the market moving higher by 1.1%. Business confidence is also surging. The Lloyds Business Barometer, which surveyed 1,200 companies in May, found confidence at an eight-year high driven by rises in both trading prospects and the assessment of the economy. Helpfully staffing level expectations were the most positive since 2018, with over half of firms planning to increase headcount in the next twelve months.

By the end of the period under review these factors were translating into positive equity market momentum. On 22nd April the FTSE 100 hit a new all-time high, surpassing a previous record achieved in February 2023. Three days later a further high was set as the wave of takeover activity swept into the mega caps as Anglo American revealed it had rejected a £31bn mega-deal with rival BHP plc. While the small and mid-caps have enjoyed material moves higher over the period under review, they continue to trade well below previous highs that they achieved in September 2021. Our comparative benchmark remains over 17% away from its record, while the AIM 100 is over 40% off its previous peak.

An improving outlook coupled with continued weak sentiment towards domestic equities has emboldened corporate acquirers. 2023 was characterised by a spate of deals. By our estimates there were 42 takeovers. These were largely targeted at the bottom end of the market spectrum with the median market cap of all targets of just under £200m. Just two FTSE 250 companies were acquired. Fast forward to the first five months of 2024 and we have already seen approaches for 33 companies. While we do not expect all these deals to reach completion, what is most stark is that a

Investment Review (Continued)

staggering 14 FTSE 250 companies have received bids. The clear message is that valuation anomalies persist and the conviction and confidence of suitors to act has surged.

The Fund has benefited from this bid activity. Over the course of the year under review the Fund saw four companies agree to takeovers. Instem, a provider of IT solutions to the global health and life sciences community was the first go, bought by a US private equity firm for a 40% premium. DX Group, a parcels and logistics network operator, attracted a bid from private equity at a 36% premium. The business was performing strongly following the demise of peer Tufnells, from whom it had taken key operating sites and people. Kin and Carta, a digital transformation specialist, and Restaurant Group, the owner of the Brunning & Price pubs business and Wagamama brand, were both bought in October also falling into the hands of private equity acquirers.

In a period of continued investment outflows these realisations have provided firepower for new names to enter the portfolio. Disappointingly, despite the improving backdrop investor sentiment has remain low and UK equity focused funds have continued to see divestments. Calastone have recorded 36 months of consecutive withdrawals, with May 2024 seeing the second worst on record. In the absence of positive 'flow' deal activity has sadly been a core component to enabling investment managers to bring new blood into the portfolio.

New names introduced into the portfolio over the period include Pinewood Technologies, which has been part of UK-listed auto dealer Pendragon since 1998. Following the sale of Pendragon's primary operating business to the US-listed Lithia Motors and the return of capital to holders, the essential rump (Pinewood) has become the listed entity. The company is a leader in the dealer management systems business, helping auto dealers with an end-to-end solution for buying, pricing, inventory management and administration. It offers a cutting-edge software as a service (SaaS) solution in contrast to its largely legacy on-premise peer group and it has a customer base in 21 countries with 30,000 users. It is hoped that the removing the conflict of being owned by a competitor can open up new auto-dealership opportunities in the UK, and its joint venture with Lithia in the US can help the business open up a market that Jefferies estimate to be worth £2.6bn and growing 10%.

AdvancedAdvT is also a new name to both the market and this Fund. It was formed as an investment vehicle led by Vin Murria, a dynamic business leader who has a strong track record having ran Advanced Computer Software from 2008 when it was a cash shell until 2015 when it was sold for $1.1bn. At the time of our investment the company is comprised of five small software businesses it had recently acquired from Capita, a sizeable holding in publicly listed M&C Saachi, as well as about £50m of cash. The former Capita assets, which are in the healthcare compliance and workforce management space, are already benefiting from some love and attention which they lacked under prior ownership. Relationships are being deepened, businesses are receiving real sales and marketing investment and pricing power is being explored. We believe it is an interesting environment to be looking for interesting acquisitions which could transform the profile of the businesses. We take great heart from the 13% holding that executive management hold; our interests are truly aligned.

It is pleasing to report that consistent operational execution is finally being rewarded with some recognition in share price performance. Loungers, the all-day café/restaurant operator, gave a full year trading update for the period to 21 April 2024, which revealed strong performance over a period which saw them open 36 new sites. Sales for the full year were up 25%, with like-for-like sales up 7.5%. Encouragingly earnings before interest, tax, depreciation and amortisation (EBITDA) will come in ahead of forecasts following an easing of inflationary cost pressures. The company floated in 2019 at 200p when it had 146 sites. Five years on it has 257 sites and is now self-funding its sizeable rollout. The experience of the past five years shows not only how powerful the business model is, but how the offer resonates with the consumer. Yet until November 2023 the shares were still below the float price. Progress is now being made and there is scope to take the offer to over 500 sites; we remain confident of further share price progress.

Our investment in System1 highlights the benefit of being able to appraise the micro-cap market in a measured manner. The company, whose skillset enables companies to measure and predict their marketing effectiveness, saw its shares rise over 100% during the year. We first invested in the company in November 2021 when the market capitalisation was around £40m. We saw the potential for the growth in the 'creative effectiveness' platform to overshadow the legacy and

Investment Review (Continued)

volatile traditional marketing consultancy business. Over the past two years the large advertisers such as Tesco and Aldi have recognised that measuring emotion is helping give them the most accurate predictions of the business impact of creativity. Such new accounts have helped drive 42% growth in platform revenues for the year to 31 March 2024, with group gross margins surging to 87%. The shares were up 118% over the year under review.

There have also been setbacks. Shares of Serica Energy fell over 20%. The company experienced some production challenges that led to guidance being cut. Additionally, forecasts were reduced on commodity price weakness with natural gas continuing to weaken over the year. Thankfully the acquisition of Tailwind Energy that completed in March 2023 significantly enhanced the oil exposure in the portfolio. This diversification gave the business some resilience in a tough period. However, the real damage to the stock and the sector was done by Westminster. The Government elected to keep its supposed 'Windfall' Profit tax, long after the gas price collapse left it unjustified. Secondly, the Labour Party announced that if elected it would not only increase the rate of tax from 75% to 78% but halt the issue of new licences for exploration and drilling and significantly reduce the amount of capital relief on investment compared to the current regime. Such short-sighted policies are undermining confidence in a critical sector that still supports over 100,000 jobs. It will drive a greater reliance on imported production, which as David Latin the Serica Chairman highlighted in his Final Results in late April 2024 "can be easily interrupted, pays no UK taxes, sustains no UK jobs and often involves greater carbon emissions."

OUTLOOK

We believe the stars are finally aligning for the UK equities. Some key foundation stones are falling into place for a sustained improvement in sentiment. There is no single specific catalyst for this shift, rather a range of factors coalescing to leave a more positive outlook than we have witnessed for some time. The improving macro has already been discussed, with real income growth contributing to a pick-up in consumer and business sentiment. UK indices remain discounted relative to their history. The FTSE 250, in which 17% of this Fund is invested, is trading at a c.17% discount to its historical long-term average price/earnings (PE) multiple according to HSBC. The pricing anomalies are driving an historic level of M&A. In early June the FTSE SmallCap Index (ex-investment companies) traded at sub 10x P/E for 2025 according to Liberum. Indeed, HSBC data suggests that small-cap valuations continue to compress as earnings growth over the past year has outpaced market returns.

Other long-term headwinds appear to be abating. The Capital Market Industry Taskforce (CMIT) highlights that UK pension investment in UK equities has collapsed by 89% over the last 25 years, representing a withdrawal of £1.9 trillion from the domestic stock market. Data from the Office of National Statistics paints a similar picture. In 1990 pension funds and insurance companies held about 52% of UK listed equities; in 2022, the latest figure available, the proportion had fallen to 4%. As HSBC highlight, it is difficult to prove cause and effect as equity markets are affected by many factors, but such sustained selling pressure has been deeply unhelpful for market performance. With so little left to sell, this decades long over-hang seems close to an end.

Encouragingly there is a cross-party recognition that Government policy should play a part in not just arresting a slide in equity market participation, but in reversing it. A consultation has been launched that would require UK pension fund managers to declare their level of UK investments. Such a nudge into introducing new disclosures might help, but there is no doubt more attractive tax incentives would do more. Additionally, the Chancellor announced the launch of a new British ISA, a £5,000 allowance on top of the existing £20,000 to invest in the UK only. With Office of National Statistics (ONS) data revealing that 800,000 made the full subscription in 2021, there is a substantial cohort of investees. Labour published a document titled 'Financing Growth: Labour's Plan for Financial Services' in early 2024 outlining some of their policy initiatives. Most interestingly was the move to create a British 'Tibi' scheme. Based on a French drive to enhance domestic investment this would look to increase investment into UK growth assets, primarily venture capital, small-cap growth equity and infrastructure investment. The scheme, conceived by economist Philippe Tibi, has been hugely successful raising €30 billion since 2019.

Investment Review (Continued)

Actions of course speak louder than words and while we are impatient to see tangible progress on some of these initiatives, a pending election was always likely to stall progress; with election day now set for 4th July, a moment of political clarity is drawing close. Whether the Conservatives experience 'Starmergeddon' and Labour enjoy the landslide currently forecast remains to be seen. One key outcome will be an extended period of stability that will engender long-term, strategic thinking. We have seen little of that over the past term, with three Prime Ministers and five Chancellors in short order. This dramatic pace of change has been even greater at ministerial level and its effects are greatly destabilising. In the reshuffle of November 2023 Lee Rowley was the 16th housing minister to be appointed since the Conservatives took power in 2010. With an average tenure of about 10 months there should be little surprise that a minister has little incentive to address fundamental issues in a sector that is suffering from a series of challenges, from structural under-supply to quality and affordability issues. Companies make long-term investment decisions based on stable and consistent policy. This extreme political volatility dating back to the Brexit vote in 2016 has greatly contributed to a vacuum in coherent policy that has undermined not only business confidence investment, but the nation's global credibility and reputation.

A window of opportunity exists to entice investors back into small-caps. Over the past four years our passion for investing at the bottom of the market cap spectrum has never dimmed, but our pursuit never felt more lonely. Risk aversion, volatility, poor liquidity and ultimately poor returns have contributed to small-cap investing feeling more niche and esoteric. But we are convinced the audience will return as the market once again generates returns that remind investors of the potential of small-cap and the Alternative investment Market (AIM), as well as the prospects of a return to seeing fundamental stories rewarded for success. So, while such 'greed' will prove a powerful motive, it is equally true that a 'fear' of missing out will ensure that AllCap Investors move down the market cap spectrum, international investors will reappraise the UK and the retail and wealth management community increases their allocation to UK listed equities. With a fog lifting we are excited by what the next year could hold.

Dan Harlow
Thursday 13th June 2024

Source of all performance data: AXA Investment Managers, Morningstar to 30 April 2024.

Past performance is not a guide to future performance. All performance figures calculated as follows: Single Priced NAV (Net Asset Value) with net income reinvested, net of fees in GBP, gross of tax. Performance is representative of Z Acc Class.

Portfolio Changes

For the year ended 30 April 2024

Major Purchases	Cost (£'000)
PayPoint	2,063
PRS REIT	1,794
Pinewood Technologies Group	1,671
NCC Group	1,663
NewRiver REIT	1,532
MJ Gleeson	1,381
NIOX GROUP	1,207
Kin & Carta	1,173
Forterra	1,124
Tatton Asset Management	1,091
Other purchases	8,292
Total purchases for the year	22,991

Major Sales	Proceeds (£'000)
DX Group	3,087
Hollywood Bowl Group	2,724
Dechra Pharmaceuticals	2,515
Instem	2,020
CVS Group	1,873
YouGov	1,595
Trustpilot Group	1,488
Cerillion	1,439
Kin & Carta	1,431
accesso Technology Group	1,252
Other sales	22,933
Total sales for the year	42,357

Managing Risks

Past performance is not a guide to future performance. The price of units and the revenue from them can go down as well as up and investors may not get back the amount originally invested. An initial charge is usually made when you purchase units. Changes in exchange rates will affect the value of Fund investments overseas. Investment in smaller companies and newer markets offers the possibility of higher returns but may also involve a higher degree of risk.

The Fund is managed in accordance with the objective set out on page 3. By investing in financial markets there are associated risks and the following paragraphs explain the Manager's approach to managing those risks.

RISK PROFILE

The Fund invests predominantly in UK listed smaller capitalisation companies. Such companies' stocks have the possibility of higher returns than larger capitalisation company stocks but their value can fluctuate more in value and as a result involve a higher degree of risk. Investors should consider carefully whether this investment risk is suitable for them. The value of investments and the revenue from them is not guaranteed and can go down as well as up.

EQUITY RISK

The value of shares in which the Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the Fund's investment objectives and investment policy.

SMALLER COMPANIES RISK

Investments in smaller companies offers the possibility of higher return but also involve a higher degree of risk than investment in well established, larger companies. The shares of smaller companies can be more volatile which may lead to increased volatility in the Price of the Units of the Fund.

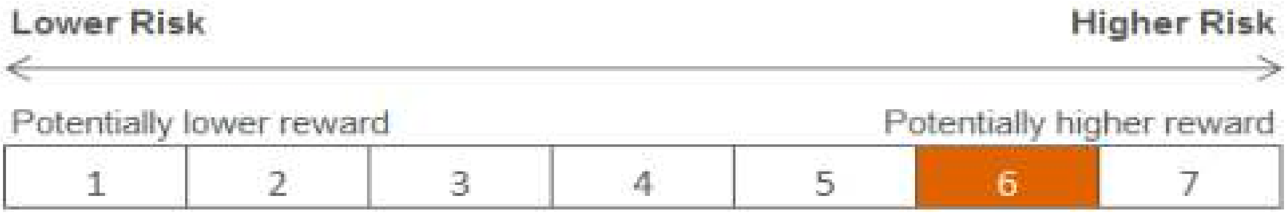
This is an inherent risk for funds invested within smaller companies. Investment guidelines (including diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with the Fund's investment objectives and investment policy.

STOCK LENDING RISK

The Fund may participate in a stock lending programme managed by an affiliate of the Manager (acting as stock lending agent) for the purpose of lending the Fund's securities via entering into a stock lending authorisation agreement. If the Fund engages in stock lending it will be exposed to counterparty credit risk in that the borrower may default on a loan, become insolvent or otherwise be unable to meet, or refuse to honour, its obligations to return loaned or equivalent securities. In this event, the relevant Fund could experience delays in recovering the loaned securities, may not be able to recover the loaned securities and may incur a capital loss which might result in a reduction in the net asset value of the relevant Fund. The Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will be requested to post collateral, in the form of cash or debt or equity securities, as from time to time set out in the relevant stock lending agreement, and will forfeit its collateral if it defaults on the transaction. If a counterparty defaults and fails to return equivalent securities to those loaned, the Fund may suffer a loss equal to any shortfall between the value of the realised collateral and the market value of the replacement securities. Such collateral shortfall may arise as a result of inaccurate pricing of the collateral, unfavourable market movements in the value of the collateral, or a lack of liquidity in the market on which the collateral is traded. If the relevant transaction with a counterparty is not fully collateralised, then the Fund's credit exposure to the counterparty in such circumstances will be higher than if the transaction had been fully collateralised. When entering into stock lending the Fund may also be exposed to settlement risk (i.e. the possibility that one or more parties to the transactions will fail to deliver the assets at agreed-upon time) and legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable. In addition to the specific risks identified above stock lending carry other risks, as described in this Risk Factors section, notably (i) counterparty risk, ii) custody insolvency and iii) liquidity risk.

For Stock Lending the risks are partially mitigated by: (i) the lending agent seeking to lend only to counterparties who are considered to have a strong financial standing; (ii) the requirement to receive collateral of good quality and liquidity (the anticipated ability to sell the collateral if needed) covering the value of assets lent, and this amount being regularly reviewed to reflect any market movement in the value of assets lent and received; (iii) carrying out the transaction under legal documentation corresponding to recognised market standards; (iv) limiting the amount of lending to individual counterparties; (v) ensuring the terms of the loan allow it to be requested to be recalled at any time.

RISK AND REWARD PROFILE



The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile.The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free. There has been no change from prior year.

WHY IS THIS FUND IN THIS CATEGORY?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which may be subject to sudden and significant variation, which may result in substantial gains or losses.

ADDITIONAL RISKS

<u>Liquidity risk:</u> Under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, smaller company shares may trade infrequently and in small volumes and corporate and emerging market bonds may be affected by the demand in the market for such securities carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The Manager may be forced to buy or sell such investments as a consequence of unitholders buying or selling units in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Monthly monitoring is conducted, using an in-house liquidity tool, to ensure a high degree of confidence that fund liquidity will meet the Fund's expected liquidity requirements. Any concerns indicated by the tool are analysed by the Manager's risk team who may also discuss the results with portfolio management staff, or other senior professionals within the firm, as needed, to ensure an appropriate scrutiny.

Based on the analysis, the Manager believes that the liquidity profile of the Fund is appropriate.

Further explanation of the risks associated with an investment in this Fund can be found in the prospectus.

Fund Information

FIVE YEAR PERFORMANCE

In the five years to 30 April 2024, the price of Z Accumulation units, with net income reinvested, rose by +0.52%. The FTSE Small Cap Ex Inv.Trusts – Total Return increased by +34.21% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, fell by -1.78%. %. (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

FIVE YEAR DISCRETE PERFORMANCE (DISCRETE YEARS TO LATEST REPORTING DATE)

Date	AXA Framlington UK Smaller Companies Z Acc	FTSE Small Cap (X It) TR
30 Apr 2019 to 30 Apr 2020	-13.16%	-20.77%
30 Apr 2020 to 30 Apr 2021	+66.88%	+69.52%
30 Apr 2021 to 30 Apr 2022	-18.52%	-1.49%
30 Apr 2022 to 30 Apr 2023	-20.34%	-8.88%
30 Apr 2023 to 30 Apr 2024	+6.86%	+11.32%

Source: AXA Investment Managers & Morningstar. Basis: single price basis (NAV) with net income reinvested for Accumulation units, net of fees in GBP.

Past performance is not a guide to future performance.

YIELD

D Inc	0.76%
D Acc	0.76%
R Inc	0.39%
R Acc	0.39%
Z Inc	1.09%
Z Acc	1.08%

CHARGES

	Initial Charge	Annual Management Charge
D Unit Classes	Nil	1.10%
R Unit Classes	Nil	1.50%
Z Unit Classes	Nil	0.75%

ONGOING CHARGES*

D Inc	1.19%
D Acc	1.19%
R Inc	1.58%
R Acc	1.59%
Z Inc	0.84%
Z Acc	0.84%

*Ongoing Charges are sourced from the Fund's latest Key Investor Information Document (KIID), found here:
https://funds.axa-im.co.uk/en/adviser/fund/axa-framlington-uk-smaller-companies-fund-z-income-gbp/#documents

For more information on AXA's fund charges and costs please use the following link:
https://retail.axa-im.co.uk/fund-charges-and-costs

UNIT TRUST INDIVIDUAL SAVINGS ACCOUNTS

The AXA Framlington UK Smaller Companies Fund is available as a Stocks and Shares ISA through the AXA Investment Managers Stocks and Shares ISA.

THE TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

From June 2023 the FCA has introduced requirements for Managers of UK UCITS to report annually on a broad set of climate related disclosures that can promote more informed investment decisions. The reporting includes data relating to greenhouse gas emissions, carbon emissions, carbon footprint, and weighted carbon intensity. You can find a copy of the latest TCFD report for Fund AXA Framlington UK Smaller Companies Fund here:
https://funds.axa-im.co.uk/en/adviser/fund/axa-framlington-uk-smaller-companies-fund-z-income-gbp/#documents

Comparative Tables

	D Inc~		D Acc~	
Change in net assets per unit	30/04/2024 (p)	30/04/2023 (p)	30/04/2024 (p)	30/04/2023 (p)
Opening net asset value per unit†	258.96	309.10	272.27	323.20
Return before operating charges^	19.04	(45.79)	20.12	(47.85)
Operating charges	(3.05)	(2.94)	(3.20)	(3.08)
Return after operating charges^	15.99	(48.73)	16.92	(50.93)
Distributions	(2.10)	(1.41)	(2.20)	(1.48)
Retained distributions on accumulation units	-	-	2.20	1.48
Closing net asset value per unit†	**272.85**	**258.96**	**289.19**	**272.27**
*^after direct transaction costs of:	0.32	0.24	0.33	0.25
Performance				
Return after charges	6.17%	-15.77%	6.21%	-15.76%
Other Information				
Closing net asset value† (£'000)	202	176	4,643	3,277
Closing number of units	73,896	68,057	1,605,421	1,203,682
Operating charges	1.19%	1.18%	1.19%	1.18%
Direct transaction costs*	0.12%	0.09%	0.12%	0.09%
Prices				
Highest unit price #	276.80	313.90	291.90	328.20
Lowest unit price #	231.70	244.30	243.60	255.40

Comparative Tables (Continued)

	R Inc			R Acc		
Change in net assets per unit	30/04/2024 (p)	30/04/2023 (p)	30/04/2022 (p)	30/04/2024 (p)	30/04/2023 (p)	30/04/2022 (p)
Opening net asset value per unit†	258.99	326.73	404.09	271.23	341.76	422.52
Return before operating charges^	19.10	(63.01)	(71.05)	20.00	(66.01)	(74.15)
Operating charges	(4.11)	(4.31)	(6.31)	(4.26)	(4.52)	(6.61)
Return after operating charges^	14.99	(67.32)	(77.36)	15.74	(70.53)	(80.76)
Distributions	(1.07)	(0.42)	-	(1.12)	(0.44)	-
Retained distributions on accumulation units	-	-	-	1.12	0.44	-
Closing net asset value per unit†	**272.91**	**258.99**	**326.73**	**286.97**	**271.23**	**341.76**
*^after direct transaction costs of:	0.32	0.24	0.15	0.33	0.25	0.16
Performance						
Return after charges	5.79%	-20.60%	-19.14%	5.80%	-20.64%	-19.11%
Other Information						
Closing net asset value† (£'000)	654	1,366	2,132	13,531	19,102	37,303
Closing number of units	239,535	527,651	652,508	4,715,094	7,042,641	10,915,115
Operating charges	1.59%	1.58%	1.58%	1.59%	1.58%	1.58%
Direct transaction costs*	0.12%	0.09%	0.04%	0.12%	0.09%	0.04%
Prices						
Highest unit price #	276.30	328.00	443.80	289.60	343.00	464.10
Lowest unit price #	231.30	243.90	315.00	242.20	255.00	329.40

Comparative Tables (Continued)

	Z Inc			Z Acc		
Change in net assets per unit	30/04/2024 (p)	30/04/2023 (p)	30/04/2022 (p)	30/04/2024 (p)	30/04/2023 (p)	30/04/2022 (p)
Opening net asset value per unit†	149.36	188.52	231.54	267.71	334.67	410.83
Return before operating charges^	10.97	(36.43)	(41.03)	19.86	(64.64)	(72.78)
Operating charges	(1.24)	(1.31)	(1.90)	(2.23)	(2.32)	(3.38)
Return after operating charges^	9.73	(37.74)	(42.93)	17.63	(66.96)	(76.16)
Distributions	(1.73)	(1.42)	(0.09)	(3.12)	(2.53)	(0.16)
Retained distributions on accumulation units	-	-	-	3.12	2.53	0.16
Closing net asset value per unit†	**157.36**	**149.36**	**188.52**	**285.34**	**267.71**	**334.67**
*^after direct transaction costs of:	0.18	0.14	0.09	0.33	0.25	0.16
Performance						
Return after charges	6.51%	-20.02%	-18.54%	6.59%	-20.01%	-18.54%
Other Information						
Closing net asset value† (£'000)	8,885	9,439	19,134	69,614	80,211	125,267
Closing number of units	5,646,751	6,319,279	10,149,401	24,397,345	29,961,781	37,430,081
Operating charges	0.84%	0.83%	0.83%	0.84%	0.83%	0.83%
Direct transaction costs*	0.12%	0.09%	0.04%	0.12%	0.09%	0.04%
Prices						
Highest unit price #	159.90	189.30	255.00	288.00	336.00	452.50
Lowest unit price #	133.90	141.20	181.70	239.90	250.70	322.30

† Valued at bid-market prices.

High and low price disclosures are based on quoted unit prices. Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

~ D unit classes launched as at 25 May 2022, figures in the table have been annualised, where appropriate.

Portfolio Statement

AXA Framlington UK Smaller Companies Fund portfolio as at 30 April 2024 consisted of the following investments, which are ordinary shares unless otherwise stated.

Holding		Market value £'000	Total net assets (%)
	BASIC MATERIALS: 4.53% (30/04/2023: 4.62%)		
	Chemicals: 1.84% (30/04/2023: 1.84%)		
765,026	Dyson Group[1]	-	-
370,830	Treatt	1,797	1.84
		1,797	1.84
	Industrial Materials: 2.69% (30/04/2023: 2.64%)		
69,758	James Cropper	219	0.22
624,429	Zotefoams	2,410	2.47
		2,629	2.69
	Industrial Metals & Mining: 0.00% (30/04/2023: 0.14%)		
	CONSUMER DISCRETIONARY: 24.57% (30/04/2023: 26.11%)		
	Consumer Services: 0.00% (30/04/2023: 2.42%)		
	Household Goods & Home Constructions: 1.68% (30/04/2023: 0.00%)		
331,371	MJ Gleeson	1,640	1.68
		1,640	1.68
	Leisure Goods: 4.07% (30/04/2023: 4.12%)		
17,679	Games Workshop Group	1,739	1.78
840,913	Gear4Music	1,177	1.21
398,468	Team17 Group	1,056	1.08
		3,972	4.07
	Media: 6.84% (30/04/2023: 7.05%)		
205,880	Future	1,336	1.37
475,397	STV Group	1,112	1.14
353,896	System1 Group	1,592	1.63
517,525	Wilmington	1,868	1.92
85,099	YouGov	757	0.78
		6,665	6.84

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	Personal Goods: 0.66% (30/04/2023: 1.13%)		
1,149,554	Inspecs Group	644	0.66
		644	**0.66**
	Retailers: 1.27% (30/04/2023: 0.69%)		
807,501	Moonpig Group	1,226	1.26
973,671	Samarkand Group	10	0.01
		1,236	**1.27**
	Travel & Leisure: 10.05% (30/04/2023: 10.70%)		
1,075,537	Cake Box	1,775	1.82
1,566,547	Gym Group	1,742	1.79
509,213	Hollywood Bowl Group	1,772	1.82
1,554,468	Hostelworld Group	2,495	2.56
846,267	Loungers	2,014	2.06
		9,798	**10.05**
	ENERGY: 1.41% (30/04/2023: 1.31%)		
	Alternative Energy: 0.00% (30/04/2023: 0.00%)		
104,595	Invinity Energy Systems Warrant 16/12/24[1]	-	-
		-	-
	Oil, Gas & Coal: 1.41% (30/04/2023: 1.31%)		
704,367	Serica Energy	1,371	1.41
		1,371	**1.41**
	FINANCIALS: 10.83% (30/04/2023: 9.62%)		
	Finance & Credit Services: 1.65% (30/04/2023: 1.86%)		
2,372,295	Trufin	1,613	1.65
		1,613	**1.65**

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	Investment Banking & Brokerage: 9.18% (30/04/2023: 7.76%)		
99,515	Alpha Group	2,040	2.09
424,408	Aquis Exchange	1,952	2.00
399,955	Foresight Group	1,744	1.79
225,126	JTC	1,934	1.98
228,374	Tatton Asset Management	1,283	1.32
		8,953	9.18
	HEALTH CARE: 6.25% (30/04/2023: 7.14%)		
	Health Care Providers: 0.00% (30/04/2023: 0.02%)		
	Medical Equipment & Services: 5.17% (30/04/2023: 3.67%)		
890,182	Advanced Medical Solutions Group	1,681	1.72
1,644,399	Creo Medical Group	584	0.60
5,339,433	EKF Diagnostics	1,500	1.54
1,840,581	NIOX GROUP	1,274	1.31
		5,039	5.17
	Pharmaceuticals & Biotechnology: 1.08% (30/04/2023: 3.45%)		
962,868	Eco Animal Health Group	1,049	1.08
		1,049	1.08
	INDUSTRIALS: 20.09% (30/04/2023: 21.47%)		
	Aerospace & Defense: 1.94% (30/04/2023: 1.84%)		
497,404	Chemring Group	1,890	1.94
		1,890	1.94
	Construction & Materials: 5.31% (30/04/2023: 4.37%)		
636,318	Forterra	1,075	1.10
449,404	Ricardo	2,000	2.05
482,786	Severfield	326	0.33
413,978	Volution Group	1,782	1.83
		5,183	5.31

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	Electronic & Electrical Equipment: 3.19% (30/04/2023: 3.75%)		
200,016	DiscoverIE Group	1,464	1.50
1,029,950	Luceco	1,650	1.69
		3,114	3.19
	Industrial Engineering: 1.04% (30/04/2023: 0.00%)		
56,081	AB Dynamics	1,009	1.04
		1,009	1.04
	Industrial Support Services: 8.61% (30/04/2023: 9.84%)		
701,912	Fonix Mobile	1,685	1.73
376,411	PayPoint	1,984	2.03
214,249	Restore	493	0.51
485,244	Robert Walters	1,980	2.03
321,371	RWS	557	0.57
414,645	Science Group	1,700	1.74
		8,399	8.61
	Industrial Transportation: 0.00% (30/04/2023: 1.67%)		
	REAL ESTATE: 6.97% (30/04/2023: 3.89%)		
	Real Estate Investment & Services: 1.90% (30/04/2023: 2.43%)		
1,416,187	Harworth Group	1,855	1.90
		1,855	1.90
	Real Estate Investment Trust: 5.07% (30/04/2023: 1.46%)		
1,794,168	Empiric Student Property	1,615	1.66
1,786,904	NewRiver REIT	1,351	1.39
2,476,053	PRS REIT	1,966	2.02
		4,932	5.07

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	TECHNOLOGY: 22.70% (30/04/2023: 23.23%)		
	Software & Computer Services: 21.68% (30/04/2023: 21.11%)		
400,000	6356095 Canada* [1]	-	-
221,448	accesso Technology Group	1,470	1.51
703,613	AdvancedAdvT	936	0.96
685,440	Aptitude Software Group	2,091	2.14
120,363	Cerillion	1,866	1.91
328,422	Eagle Eye Solutions Group	1,544	1.58
438,170	GB Group	1,259	1.29
438,902	IQGEO Group	1,843	1.89
556,276	Kooth	1,535	1.57
1,464,795	NCC Group	2,001	2.05
1,240,432	Netcall	1,092	1.12
1,273,176	Oxford Metrics	1,350	1.38
230,704	Pinewood Technologies Group	787	0.81
200,111	Tracsis	1,701	1.74
882,525	Trustpilot Group	1,687	1.73
		21,162	21.68
	Technology Hardware & Equipment: 1.02% (30/04/2023: 2.12%)		
665,288	Nexteq	998	1.02
		998	1.02
Investments as shown in the balance sheet		94,948	97.35
Net current assets		2,581	2.65
Total net assets		97,529	100.00

* Formerly Excapsa Software.

[1] Nil valued/delisted/suspended securities not approved within the meaning of the Collective Investment Schemes Sourcebook. The regulations permit a maximum of 10% of the Fund to be invested in unapproved securities. Securities classed as unapproved are those which are not admitted to an official listing in a member state or traded on under the rules of an eligible securities market, as laid down in the Prospectus.

Statement of Total Return

For the year ended 30 April

	Notes	£'000	2024 £'000	£'000	2023 £'000
Income					
Net capital gains/(losses)	3		4,836		(36,542)
Revenue	4	2,040		2,345	
Expenses	5	(991)		(1,339)	
Interest payable and similar charges		-		-	
Net revenue before taxation		1,049		1,006	
Taxation	6	-		-	
Net revenue after taxation			1,049		1,006
Total return before distributions			**5,885**		**(35,536)**
Distributions	7		(1,049)		(1,006)
Change in net assets attributable to unitholders from investment activities			**4,836**		**(36,542)**

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30 April

	£'000	2024 £'000	£'000	2023 £'000
Opening net assets attributable to unitholders		113,571		183,836
Amounts receivable on creation of units	2,274		3,026	
Amounts payable on cancellation of units	(24,033)		(37,592)	
		(21,759)		(34,566)
Change in net assets attributable to unitholders from investment activities		4,836		(36,542)
Retained distribution on accumulation units		881		843
Closing net assets attributable to unitholders		**97,529**		**113,571**

Balance Sheet

As at 30 April

	Notes	2024 £'000	2023 £'000
ASSETS			
Fixed assets			
Investments		94,948	110,612
Current assets			
Debtors	8	3,314	1,569
Cash and bank balances	9	1,152	2,465
Total assets		99,414	114,646
LIABILITIES			
Creditors			
Distribution payable		63	49
Other creditors	10	1,822	1,026
Total liabilities		1,885	1,075
Net assets attributable to unitholders		97,529	113,571

Notes to the Financial Statements

1.1 Accounting policies

a) The Financial Statements have been prepared on a historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 ("FRS 102") and the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (''IMA'') in May 2014, and amended in June 2017. The Financial Statements have been prepared on a going concern basis. The Financial Statements are prepared in accordance with the Trust Deed and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

There are no material events that have been identified that may cast significant doubt about the Fund's ability to continue as a going concern for the next twelve months from the date these financial statements are authorised for issue. The Manager believes that the Fund has adequate resources to continue in operational existence for the foreseeable future and, they continue to adopt the going concern basis in preparing the financial statements.

b) Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted exdividend. Where such securities are not quoted, dividends are recognised when the right to receive payment is established. Dividends from Real Estate Investment Trusts ('REITs') are recognised as distributable income when the securities are quoted ex-dividend.

Special dividends and share buybacks are treated as revenue or capital depending on the facts of each particular case. It is likely that where the receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend should be treated as capital in nature so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividends should be recognised as revenue.

c) The listed investments of the Fund are valued at world close bid prices on the last business day of the accounting year. The fair value of unlisted securities, and unquoted securities where the quotation has been suspended, is estimated by the Manager, using independent sources where available.

d) The functional currency of the Fund is Sterling (GBP). Any transactions in overseas currencies are translated to Sterling at the rates of exchange ruling on the day of any such transaction. Foreign currency balances and investments priced in overseas currencies at the end of the year are converted into Sterling at the exchange rates ruling at 12 noon on the last business day of the accounting year.

e) All expenses are charged in full against revenue on an accruals basis, with the exception of transaction charges which are charged directly to capital. The Manager is entitled to receive (with effect from the dealing day on which units of any class are first allotted) an annual management charge payable on and out of the scheme property of each unit class of the Fund. The annual management charge will be based on the value of the scheme property of the Fund on the immediately preceding dealing day as determined in accordance with the Trust Deed and the Regulations for the purpose of calculating the price of units.

f) Corporation Tax is provided at 20% on revenue, after deduction of expenses. Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being disclosed in the tax note. Where overseas tax has been deducted from overseas revenue, that tax can, in some cases, be set off against Corporation Tax payable, by way of double taxation relief. Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and tax purposes. Potential future liabilities and assets are recognised where the transactions or events giving rise to them occurred before the balance sheet date. A deferred tax asset is only recognised to the extent that a timing difference will be of future benefit.

g) Bank interest is accounted for on an accruals basis.

Notes to the Financial Statements (Continued)

h) Revenue equalisation currently applies to the Fund, with the result that part of the purchase price of a unit reflects the relevant share of accrued revenue received or to be received by the Fund. This sum is returned to a unitholder with the first allocation of revenue in respect of a unit issued during a distribution period. The amount representing the revenue equalisation in the unit's price is a return of capital and is not taxable in the hands of the unitholder. The amount of revenue equalisation is calculated by dividing the aggregate of the amounts of revenue included in the price of units issued or sold to unitholders in an annual or interim distribution period by the number of those units and applying the resultant average to each of the units in question. Equalisation on distributions received is deducted from the cost of the investment.

i) With the exception of the annual management charge, which is directly attributable to individual unit classes, all revenue and expenses are allocated to unit classes pro rata to the value of the net assets of the relevant unit class on the day the revenue or expense is recognised.

j) The Fund is not required to produce a cash flow statement as it meets the exemption criteria set out in FRS102.7.IA.

1.2 Distribution policy

a) The Fund will distribute any net revenue two months after the accounting year end. Any net revenue deficit will be transferred to the capital account. The type of distribution being made by the Fund is a dividend distribution.

b) Where special dividends are treated as revenue, they are included in the amount available for distribution. The tax accounting treatment follows the principal amount.

c) If a distribution payment of the Fund remains unclaimed for a period of 6 years after it has become due, it will be forfeited and will revert to and become part of the scheme property.

d) The annual management charge is charged against revenue for the purposes of calculating the amount available for distribution.

2 Financial instruments

The analysis and tables provided below refer to the narrative disclosure on financial instruments risks on pages 9 to 10 of the Manager's Report.

Price risk sensitivity

At 30 April 2024, if the price of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, the net assets would increase or decrease by £4,747,409 (2023: £5,530,597) respectively.

Interest rate risk sensitivity

As the majority of the Fund's financial assets are non-interest bearing, the Fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates. No interest rate risk sensitivity analysis is therefore provided.

Notes to the Financial Statements (Continued)

Currency exposures

All of the financial assets for the current year are denominated in Sterling currency (as they also were in 2023), with the effect that the Fund's balance sheet and total return cannot be affected by currency movements. No sensitivity analysis is therefore provided.

3 Net capital gains/(losses)

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

	2024 £'000	2023 £'000
Gains/(losses) on non-derivative securities	4,841	(36,542)
Transaction charges	(5)	-
Net capital gains/(losses)	**4,836**	**(36,542)**

4 Revenue

	2024 £'000	2023 £'000
UK dividends	1,711	2,028
REIT dividends	153	85
Overseas dividends	124	191
Bank interest	52	41
Total revenue	**2,040**	**2,345**

5 Expenses

	2024 £'000	2023 £'000
Payable to the Manager		
Annual management charge	903	1,235
Registrar's fees	61	82
	964	**1,317**
Other expenses		
Audit fee*	11	9
Safe custody charges	6	-
Trustee's fees	10	13
	27	**22**
Total expenses	**991**	**1,339**

Expenses include irrecoverable VAT where applicable.

* Audit fees for the financial year ending 2024 were £8,900 (2023: £7,190) (excluding VAT).

6 Taxation

a) **Analysis of tax in the year:**

There is no corporation tax charge in the current year or prior year.

Notes to the Financial Statements (Continued)

b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised unit trust (20%) (2023: 20%).

The differences are explained below:

	2024 £'000	2023 £'000
Net revenue before taxation	1,049	1,006
Corporation tax at 20%	210	201
Effects of:		
Movement in excess management expenses	158	252
Revenue not subject to taxation	(368)	(453)
Total effects	(210)	(201)
Total tax charge for the year (see note 6a)	-	-

Authorised unit trusts are exempt from tax on capital gains.

c) Deferred taxation:

There is no provision required for deferred taxation at the Balance sheet date (2023: nil).

d) Factors that may affect future tax charges:

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £7,275,510 (2023: £7,117,379) relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

7 Distributions

The distributions take account of income received on the creation of units and income deducted on the cancellation of units, and comprise:

	2024 £'000	2023 £'000
Interim	391	471
Final	596	477
	987	948
Add: Income deducted on cancellation of units	79	67
Deduct: Income received on creation of units	(17)	(9)
Net distribution for the year	**1,049**	**1,006**

8 Debtors

	2024 £'000	2023 £'000
Sales awaiting settlement	2,802	1,299
Amounts receivable on creation of units	386	5
Accrued revenue	126	265
Total debtors	**3,314**	**1,569**

Notes to the Financial Statements (Continued)

9 Cash and bank balances

	2024 £'000	2023 £'000
Cash and bank balances	1,152	2,465
Total cash and bank balances	1,152	2,465

10 Other creditors

		2024 £'000	2023 £'000
Amounts payable on cancellation of units		46	291
Purchases awaiting settlement		1,678	546
Accrued expenses	- Manager	76	167
	- Other	22	22
Total other creditors		1,822	1,026

11 Unitholders' funds

The Fund currently has Six unit classes in issue.

	D Inc	D Acc	R Inc	R Acc	Z Inc	Z Acc
Opening units in issue	68,057	1,203,682	527,651	7,042,641	6,319,279	29,961,781
Units issued	6,682	590,931	99	123,384	575,815	1,187,081
Units cancelled	(843)	(189,192)	(288,215)	(2,450,931)	(1,248,343)	(6,751,517)
Unit conversions	-	-	-	-	-	-
Closing units in issue	73,896	1,605,421	239,535	4,715,094	5,646,751	24,397,345

12 Related parties

AXA Investment Managers UK Limited acts as principal on all the transactions of units in the Fund. The aggregate monies received through creations and liquidations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Note 7, amounts due to/from AXA Investment Managers UK Limited in respect of unit transactions are disclosed in Note 8 and Note 10 respectively.

At 30 April 2024, there were no unitholders that hold more than 50% of units in the Fund. Other than disclosed elsewhere in the Financial Statements, there were no transactions between the Fund and related parties during the year.

Amounts paid to AXA Investment Managers UK Limited in respect of administration and registration services are disclosed in Note 5.

Notes to the Financial Statements (Continued)

13 Portfolio transaction costs

2024

Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Equity	24,564	15	0.06	83	0.34	24,662
Total	**24,564**	**15**		**83**		**24,662**

2024

Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Equity	45,186	(27)	(0.06)	-	-	45,159
Total	**45,186**	**(27)**		**-**		**45,159**

2023

Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Equity	23,714	13	0.05	71	0.30	23,798
Total	**23,714**	**13**		**71**		**23,798**

2023

Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Equity	58,778	(36)	(0.06)	-	-	58,742
Total	**58,778**	**(36)**		**-**		**58,742**

Commission as a % of average net assets	0.04% (2023: 0.04%)
Taxes as a % of average net assets	0.09% (2023: 0.05%)

Portfolio dealing spread

The average portfolio dealing spread as at the year end was 1.86% (2023: 2.22%).

Notes to the Financial Statements (Continued)

14 Fair value disclosure

	30 April 2024		30 April 2023	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Valuation technique				
Level1^	94,948	-	110,612	-
Level2^^	-	-	-	-
Level3^^^	-	-	-	-
Total	94,948	-	110,612	-

^ 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.

The fair value of the Fund's investments has been determined using the hierarchy above.

15 Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2023: none).

16 Post balance sheet events

There are no significant post balance sheet events which require adjustment or disclosure at the year end.

Distribution Tables

For the year ended 30 April 2024

		Net revenue	Equalisation	Distribution payable/paid Current year	Prior year
D Inc					
Interim	Group 1	0.713	-	0.713	0.585
	Group 2	0.713	-	0.713	0.585
Final	Group 1	1.384	-	1.384	0.827
	Group 2	1.384	-	1.384	0.827
D Acc					
Interim	Group 1	0.745	-	0.745	0.611
	Group 2	0.323	0.422	0.745	0.611
Final	Group 1	1.460	-	1.460	0.867
	Group 2	0.460	1.000	1.460	0.867
R Inc					
Interim	Group 1	0.200	-	0.200	0.108
	Group 2	0.119	0.081	0.200	0.108
Final	Group 1	0.865	-	0.865	0.308
	Group 2	0.141	0.724	0.865	0.308
R Acc					
Interim	Group 1	0.212	-	0.212	0.113
	Group 2	0.189	0.023	0.212	0.113
Final	Group 1	0.907	-	0.907	0.323
	Group 2	-	0.907	0.907	0.323
Z Inc					
Interim	Group 1	0.674	-	0.674	0.683
	Group 2	0.389	0.285	0.674	0.683
Final	Group 1	1.061	-	1.061	0.739
	Group 2	0.457	0.604	1.061	0.739
Z Acc					
Interim	Group 1	1.208	-	1.208	1.212
	Group 2	0.577	0.631	1.208	1.212
Final	Group 1	1.911	-	1.911	1.319
	Group 2	0.715	1.196	1.911	1.319

(All figures shown in pence per unit)

Units are classified as Group 2 for the following periods in which they were acquired, thereafter they rank as Group 1 units.

Equalisation is the average amount of income included in the purchase price of Group 2 units and is refundable to holders of these units as a return of capital. Being a capital item it is not liable to income tax, but must be deducted from the cost of units for capital gains tax purposes.

The relevant periods for Group 2 units and the payment/transfer dates are shown below:

	Group 2 units from	to	Group 1 & 2 units paid/transferred
Interim	01.05.23	31.10.23	29.12.23
Final	01.11.23	30.04.24	28.06.24

DIRECTORS' APPROVAL

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL"), the contents of this report have been approved on behalf of AXA Investment Managers UK Limited by:

DocuSigned by:
574584859BD345A...
Marcello Arona
Director
Wednesday 31st July 2024

DocuSigned by:
Jane Wadia
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Jane Wadia
Director
Wednesday 31st July 2024

Statement of Manager's Responsibilities

STATEMENT OF THE MANAGER'S RESPONSIBILITIES IN RELATION TO THE REPORT AND ACCOUNTS OF THE FUND

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Authorised Fund Manager to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland), of the financial affairs of the Fund and of its revenue and expenditure and capital gains for the year.

In preparing the accounts the Manager is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice for Authorised Funds and the Trust Deed;
- follow applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the accounts prepared comply with the above requirements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

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

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 TRUSTEE TO THE UNITHOLDERS OF AXA FRAMLINGTON UK SMALLER COMPANIES FUND OF THE AXA FRAMLINGTON RANGE OF AUTHORISED UNIT TRUST SCHEMES ("THE TRUST") FOR THE YEAR END 30 APRIL 2024.

The Depositary in its capacity as Trustee of AXA Framlington UK Smaller Companies Fund must ensure that the Trust 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 Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

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

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust 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 Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), 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 the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

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

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

Trustee
HSBC Global Trustee & Fiduciary Services (UK)
Wednesday 31st July 2024

Report of the Independent Auditor

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE AXA FRAMLINGTON UK SMALLER COMPANIES FUND

OPINION

We have audited the financial statements of AXA Framlington UK Smaller Companies Fund ("the Fund") for the year ended 30 April 2024, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 30 April 2024 and of net revenue and net capital gains on the scheme property of the Fund for the year then ended; and

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period which is 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our audit report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE RULES OF THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK OF THE FINANCIAL CONDUCT AUTHORITY (THE "FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Trust Deed; and

- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and

- the information given in the Manager's report for the financial year for which the financial statements are prepared 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 matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit

RESPONSIBILITIES OF THE MANAGER

As explained more fully in the Manager's responsibilities statement set out on page 33, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.

- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrators and a review of the Fund's documented policies and procedures.

- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested appropriateness of management's classification for a sample of special dividends as either a capital or revenue return.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.

- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

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

USE OF OUR REPORT

This report is made solely to the Fund's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. 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.

Ernst & Young LLP
Statutory Auditor
Edinburgh
Wednesday 31st July 2024

DocuSigned by:
Ernst & Young LLP
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Further Information (Unaudited)

REMUNERATION POLICY OF THE MANAGER

The Manager has approved and adopted AXA IM's Global Remuneration Policy, in accordance with the Regulations, which is consistent with, and promotes, sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the Fund's or the Trust Deeds, and does not impair compliance of the Manager's duty to act in the best interests of each of the Fund's.

AXA IM's Global Remuneration Policy, which has been approved by the AXA IM Remuneration Committee, sets out the principles relating to remuneration within all entities of AXA IM (including the Manager) and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, employees and clients (including the Fund's). The AXA IM Remuneration Committee is responsible for determining and reviewing the AXA IM remuneration guidelines, including the AXA IM Global Remuneration Policy, as well as reviewing the annual remuneration of senior executives of the AXA IM Group and senior officers in control functions.

AXA IM provides both fixed and variable remuneration. An employee's fixed remuneration is structured to reward organizational responsibility, professional experience and the individual's capability to perform the duties of the role. Variable remuneration is based on performance and may be awarded annually on both a non-deferred and, for certain employees, a deferred basis. Non-deferred variable remuneration may be awarded in cash or, where appropriate and subject to local laws and regulation, in instruments linked to the performance of AXA IM Funds. Deferred remuneration is awarded through various instruments structured to reward medium and long-term value creation for clients and AXA IM and long-term value creation for the AXA Group. AXA IM ensures appropriate balances between fixed and variable remuneration and deferred and non-deferred remuneration.

Details of the up-to-date Global Remuneration Policy are published online at https://www.axa-im.com/remuneration. This includes the description of how remuneration and benefits are awarded for employees, and further information on the AXA IM remuneration committee. A paper copy of the up-to-date Global Remuneration Policy is also available from the Manager free of charge upon request.

In line with the requirements of the Undertakings for Collective Investments in Transferable Securities (UCITS) V, AXA Investment Managers UK Limited is required to make quantitative disclosures of remuneration. These disclosures are made in line with the currently available guidance on quantitative remuneration disclosures. The amounts shown below reflect payments made in respect of the financial year 1 January 2023 to 31 December 2023:

Total amount of remuneration paid and / or allocated globally to all staff for the year ended December 31, 2023 (1)	
Fixed Pay (2) (£'000)	250,226
Variable Pay (3) (£'000)	155,658
Number of employees (4)	2,808

(1) Excluding social charges.
(2) Fixed Pay amount is based on 2022/23 compensation review final data (This amount is different from the data from the stafflist as of 31/12/2023).
(3) Variable compensation, includes:

- the cash amounts awarded for the performance of the previous year and fully paid over the financial year under review (2023),
- eferred variable remuneration "DIP" paid over the financial year under review,
- and long-term incentives set up by the AXA Group. For shares, in this reporting are included the shares that have effectively vested over the financial year under review (2023)

(4) Number of employees includes Permanent and Temporary contracts excluding internships (based on Staff list as of 31/12/2023).

Further Information (Unaudited) (continued)

Remuneration to Identified Employee:

Aggregate amount of compensation paid and / or allocated to risk takers and senior management whose activities have a significant impact on the risk profile of investment vehicles			
	Risk Takers	Senior Management	Total
Fixed Pay and Variable Remuneration (£'000)	87,639	39,175	126,814
Number of employees	277	62	339

UK Identified Employee Remuneration:

Weighted amount of compensation paid and / or allocated to risk takers and senior management whose activities have a significant impact on the risk profile of all investment vehicles where AXA IM UK act as Authorised Fund Manager or Alternative Investment Fund Manager			
	Risk Takers	Senior Management	Total
Fixed Pay and Variable Remuneration (£'000)	3,764	1,683	5,447
Number of employees	64	15	79

THE SECURITIES FINANCING TRANSACTIONS REGULATION

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the year to 30 April 2024 and at the balance sheet date, the Fund did not use SFTs or total return swaps, as such no disclosure is required.

VALUE ASSESSMENT

It is our duty as Authorised Fund Manager (“AFM”) to act in the best interests of our investors. As part of fulfilling this duty, we need to consider whether the charges taken from our Funds are justified in the context of the overall service and value that we provide to our investors.

The FCA have introduced new rules requiring the Boards of AFMs to consider robustly and in detail whether they are delivering value for money to their investors and to explain the assessment annually in a Value Statement made available to the public.

The Value Statement report is available on the AXA IM website:
https://retail.axa-im.co.uk/fund-centre

Directory

The Manager
AXA Investment Managers UK Limited
22 Bishopsgate
London, EC2N 4BQ

Authorised and regulated by the Financial Conduct Authority.
Registered in England and Wales No. 01431068.
The company is a wholly owned subsidiary of AXA S.A., incorporated in France.
Member of the IA.

The Administrator and address for inspection of Register:
SS&C Financial Services International Limited and SS&C Financial Services Europe Limited
SS&C House
St Nicholas Lane
Basildon Essex, SS15 5FS
Authorised and regulated by the Financial Conduct Authority.

Trustee
HSBC Global Trustee & Fiduciary Services (UK)
8 Canada Square,
London, E14 5HQ
HSBC Bank plc is a subsidiary of HSBC Holdings plc.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Fund Accounting Administrator
State Street Bank & Trust Company
20 Churchill Place
London, E14 5HJ
Authorised and regulated by the Financial Conduct Authority.

Legal adviser
Eversheds LLP
One Wood Street
London, EC2V 7WS

Auditor
Ernst & Young LLP
Atria One, 144 Morrison Street
Edinburgh, EH3 8EX

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If you are calling from outside the UK, please call +44 1268 448667
Our lines are open Monday to Friday between 9am and 5:30pm
As part of our commitment to quality service, telephone calls are recorded.