

FTSE All-Share Index Fund

Investment Objective

The Fund aims to track the performance of the FTSE All-Share Index (the “Index”) before the deduction of charges and tax.

Investment Policy*

The Index represents the performance of all shares on the main market of the London Stock Exchange, as defined by the Index provider.

The Fund may invest in different types of derivatives for efficient portfolio management, including hedging. In particular the Fund may use derivatives to help it manage cash flows and dividend payments with the aim of generating returns that are consistent with the Index. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund will invest in a representative sample of the shares (equities) of companies that make up the Index and possibly some securities that are not included in the Index that are designed to help the Fund track the performance of the Index.

The Fund may not invest in all the companies of the Index to manage transaction costs or to reflect market conditions, regulations or HSBC’s banned weapons policy.

The Fund may hold cash and other funds, including funds managed by the HSBC Group, to manage day-to-day cash flow requirements.

The Fund’s performance is measured against the Index, because the Fund intends to track the performance of the Index.

*For details of the full Investment Policy and Strategy please refer to the HSBC Index Tracker Investment Funds prospectus. We have also published a Glossary of key terms used which you may wish to refer to. Both documents can be found at <https://www.assetmanagement.hsbc.co.uk/en/individual-investor/fund-centre>.

Portfolio Activity

The FTSE All-Share Index was up circa 13.0% during the reporting period. The FTSE-All Share Index is an aggregation of the FTSE 100, FTSE 250 and FTSE Small Cap indices, with the first two indices representing over 90% of the total Index weight. Hence, the performance of the FTSE 100 and 250 explain most of the performance of the FTSE All Share. Industrials, Financials and Energy were the best performing sectors, while Consumer Staples mildly weighed on returns.

UK equities fell early in the reporting period, as markets faced several headwinds in the form of falling energy and commodity prices, a strong Sterling which impacted export-based companies, and hawkish sentiment from the Bank of England (BoE). Conversely, UK equities performed well in Q3 2023, buoyed by a surge in oil prices and Sterling weakness against the US dollar, as inflation showed signs of easing through the quarter. The BoE’s decision to keep rates on hold in September surprised markets, and ended a 14-session streak of rate hikes. UK equities rose over the fourth quarter, boosted by a huge cross-asset rally in everything in November and December. Small- and mid-cap equities outperformed large-caps (which also rose), as a strong Sterling weighed on returns of larger companies. While GDP data in February confirmed a technical recession in H2 2023, consequent macro data releases were relatively upbeat, suggesting that the recession was shallow. More recently, GDP data for Q1 beat expectations, confirming the UK economy has moved out of a technical recession. The UK seems to be bottoming out and with inflationary pressures under control, we could see rate cuts materialise in line with expectations, although there is uncertainty surrounding the trajectory of the rate path. Resurgent wage growth could delay rate cuts and pose challenges for earnings.

Investment Performance

During the year under review, the value of the shares in the Fund increased by 12.57% while the value of the FTSE All-Share Index rose by 12.98%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Tracking Error

Tracking error - 0.06%

The tracking error is based on gross returns from our internal performance system using closing valuations for the period to 30.04.24.

We manage our Index funds with two equally important objectives - (1) close Index tracking and (2) minimising transaction costs. As a result of broader market dynamics tracking error has been slightly elevated over the first half of the year primarily due to the impact of the Russia-Ukraine conflict, where stocks linked to Russia were deleted from the Index (Evraz PLC and Polymetal PLC) but these positions were divested prior to Index deletion. Also, broader equity market volatility has impacted tracking error as a result of hawkish central bank messaging and action. The tracking error of the FTSE All-Share Index Fund was broadly in line with expectations.

Fund Particulars

as at 16 May 2024

	Retail Income	Retail Accumulation	Institutional Income
Price	390.6p xd	812.8p	395.2p xd
Distribution payable (on 15 July 2024) per share net	6.675316p	13.640797p	7.011191p
Current net estimated yield	3.19%	3.11%	3.32%
Annual ACD charge	0.14%	0.14%	0.00%

Fund Particulars

as at 16 May 2024

	Institutional Accumulation	Income C	Accumulation C
Price	853.1p	395.2p xd	821.9p
Distribution payable (on 15 July 2024) per share net	14.858653p	6.935569p	14.163402p
Current net estimated yield	3.23%	3.28%	3.20%
Annual ACD charge	0.00%	0.04%	0.04%

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
BERMUDA - 0.21% (0.23%)			
Basic Materials - 0.00% (0.01%)			
Petra Diamonds	221,743	90	-
Total Basic Materials		90	-
Financials - 0.21% (0.22%)			
Hiscox	304,915	3,540	0.15
Lancashire	221,286	1,372	0.06
Total Financials		4,912	0.21
Total Bermuda		5,002	0.21
CAYMAN ISLANDS - 0.04% (0.04%)			
Financials - 0.04% (0.04%)			
Dragon Capital Vietnam Enterprise Investments 'C'	162,119	978	0.04
Total Financials		978	0.04
Total Cayman Islands		978	0.04
CHANNEL ISLANDS - 5.80% (5.47%)			
Oil & Gas - 0.03% (0.05%)			
Bluefield Solar Income Fund	574,376	618	0.03
Total Oil & Gas		618	0.03
Basic Materials - 2.38% (2.32%)			
Centamin	1,051,957	1,315	0.06
Glencore	11,158,925	54,439	2.32
Total Basic Materials		55,754	2.38
Industrials - 1.41% (1.08%)			
Experian Group	842,882	31,617	1.35
International Workplace Group	668,909	1,371	0.06
Total Industrials		32,988	1.41
Consumer Services - 0.42% (0.49%)			
PPHE Hotel Group	15,570	226	0.01
Wizz Air Holdings	72,467	1,607	0.07
WPP Group	951,100	8,039	0.34
Total Consumer Services		9,872	0.42
Financials - 1.56% (1.53%)			
3i Infrastructure	572,219	1,963	0.08
Aberdeen Asian Income Fund	156,721	339	0.01
^Alcentra European Floating Rate Income Fund	11,374	-	-
Apax Global Alpha	420,659	656	0.03
BH Macro	351,425	1,235	0.05
BMO Commercial Property Trust	501,539	405	0.02
Chrysalis Investments	587,316	543	0.02
CQS New City High Yield Fund	647,572	329	0.01
Digital 9 Infrastructure	859,145	201	0.01

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Fidelity Emerging Market Investment Trust	83,761	598	0.03
Foresight Solar Fund	523,110	470	0.02
GCP Asset Backed Income Fund	396,159	274	0.01
GCP Infrastructure Investments	801,190	611	0.03
HarbourVest Global Private Equity	71,539	1,631	0.07
Henderson Far East Income	145,969	344	0.01
Hipgnosis Songs Fund	1,153,407	1,165	0.05
International Distributions Services	363,863	192	0.01
International Public Partnership	1,770,056	2,287	0.10
JLEN Environmental Assets Group	596,724	533	0.02
JPMorgan Global Core	241,397	196	0.01
JTC	175,288	1,651	0.07
Man Group	1,220,950	3,167	0.13
NB Private Equity Partners	41,573	673	0.03
NextEnergy Solar Fund	512,936	399	0.02
Pershing Square Holdings	135,178	5,486	0.23
Phoenix Spree REIT	115,926	178	0.01
Picton Property Income	541,275	372	0.02
^Raven Property Group	214,321	-	-
Real Estate Credit Investments	210,616	246	0.01
Regional REIT	339,335	84	-
Renewables Infrastructure Group	2,323,618	2,403	0.10
Ruffer	349,084	955	0.04
Schroder Oriental Income Fund	225,999	609	0.03
Schroder Real Estate Investment Trust	466,850	210	0.01
Sequoia Economic Infrastructure Income Fund	1,570,254	1,281	0.05
Sirius Real Estate	1,140,838	1,124	0.05
Starwood European Real Estate	248,498	229	0.01
Syncona	414,523	463	0.02
TP ICAP	691,141	1,496	0.06
TwentyFour Income	721,417	740	0.03
UK Commercial Property REIT	676,460	492	0.02
VinaCapital Vietnam Opportunity Fund	147,155	720	0.03
Total Financials		36,950	1.56
Total Channel Islands		136,182	5.80

GERMANY - 0.11% (0.09%)

Consumer Services - 0.11% (0.09%)

TUI	411,135	2,430	0.11
Total Consumer Services		2,430	0.11
Total Germany		2,430	0.11

GIBRALTAR - 0.01% (0.01%)

Consumer Services - 0.01% (0.01%)

Evoke	343,310	302	0.01
Total Consumer Services		302	0.01
Total Gibraltar		302	0.01

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
IRELAND - 1.90% (3.01%)			
Industrials - 0.71% (1.79%)			
DCC	89,402	5,346	0.23
Grafton Group	224,066	2,187	0.09
Smurfit Kappa Group	239,441	9,118	0.39
Total Industrials		16,651	0.71
Consumer Goods - 0.06% (0.05%)			
C&C Group	352,636	611	0.03
Greencore Group	456,204	633	0.03
Total Consumer Goods		1,244	0.06
Consumer Services - 1.13% (1.17%)			
Flutter Entertainment	160,549	26,603	1.13
Total Consumer Services		26,603	1.13
Total Ireland		44,498	1.90
ISLE OF MAN - 0.25% (0.44%)			
Consumer Services - 0.19% (0.36%)			
Entain	567,676	4,447	0.19
Total Consumer Services		4,447	0.19
Technology - 0.06% (0.08%)			
Playtech	294,671	1,423	0.06
Total Technology		1,423	0.06
Total Isle of Man		5,870	0.25
ISRAEL - 0.07% (0.06%)			
Financials - 0.07% (0.06%)			
Plus500	73,006	1,621	0.07
Total Financials		1,621	0.07
Total Israel		1,621	0.07
LUXEMBOURG - 0.25% (0.23%)			
Consumer Services - 0.21% (0.19%)			
B&M European Value Retail	912,551	4,880	0.21
Total Consumer Services		4,880	0.21
Financials - 0.04% (0.04%)			
BBGI Global Infrastructure	671,687	927	0.04
Total Financials		927	0.04
Total Luxembourg		5,807	0.25
NETHERLANDS - 0.02% (0.02%)			
Industrials - 0.02% (0.02%)			
RHI Magnesita	14,951	549	0.02
Total Industrials		549	0.02
Total Netherlands		549	0.02

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
SINGAPORE - 0.01% (0.00%)			
Industrials - 0.01% (0.02%)			
XP Power	20,011	226	0.01
Total Industrials		226	0.01
Total Singapore		226	0.01
SPAIN - 0.26% (0.24%)			
Consumer Services - 0.26% (0.24%)			
International Consolidated Airlines Group	3,361,318	6,119	0.26
Total Consumer Services		6,119	0.26
Total Spain		6,119	0.26
SWITZERLAND - 0.21% (0.21%)			
Consumer Goods - 0.21% (0.21%)			
Coca-Cola HBC	179,939	4,999	0.21
Total Consumer Goods		4,999	0.21
Total Switzerland		4,999	0.21
UNITED KINGDOM - 88.46% (87.59%)			
Oil & Gas - 10.86% (10.72%)			
BP	15,343,591	76,250	3.25
Capricorn Energy	94,926	172	0.01
Diversified Energy	36,257	398	0.02
Energear Oil & Gas	127,192	1,503	0.06
EnQuest	1,454,971	229	0.01
Harbour Energy	571,949	1,732	0.07
Hunting	121,306	537	0.02
Ithaca Energy	99,025	116	0.01
John Wood Group	634,538	1,177	0.05
Shell	5,978,098	171,482	7.30
Tullow Oil	1,823,810	673	0.03
Volusion Group	169,739	782	0.03
Total Oil & Gas		255,051	10.86
Basic Materials - 4.89% (4.74%)			
Anglo American	1,109,939	29,125	1.24
Antofagasta	315,002	7,207	0.31
Croda International	126,875	6,195	0.26
Elementis	531,765	770	0.03
Endeavour Mining	168,652	2,936	0.13
Ferrexpo	229,229	108	-
Fresnillo	172,337	1,025	0.04
Hochschild Mining	530,329	846	0.04
Johnson Matthey	162,446	3,023	0.13
Mondi	400,276	6,392	0.27
Rio Tinto	1,001,850	55,322	2.35
Synthomer	122,661	374	0.02
Treant	52,670	257	0.01
Victrex	81,732	1,056	0.05
Zotefoams	42,269	201	0.01
Total Basic Materials		114,837	4.89

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Industrials - 9.62% (8.10%)			
Ashtead Group	401,310	24,416	1.04
Babcock International Group	453,845	2,387	0.10
BAE Systems	2,804,057	38,219	1.63
Balfour Beatty	486,066	1,862	0.08
Bodycote International	223,673	1,682	0.07
Breedon Group	290,258	1,139	0.05
Bunzl	319,235	9,922	0.42
Capita	1,596,845	224	0.01
Chemring Group	261,630	1,016	0.04
Clarkson	24,311	997	0.04
CMC Markets	92,302	245	0.01
Coats Group	1,475,756	1,274	0.05
De La Rue	153,354	146	0.01
Diploma	117,934	4,859	0.21
Discoverie Group	87,574	640	0.03
Essentra	275,597	507	0.02
Forterra	176,466	305	0.01
Galliford Try	87,373	229	0.01
Genuit Group	221,092	1,013	0.04
Halma	348,369	8,204	0.35
Hays	1,510,300	1,562	0.07
Henry Boot	75,512	149	0.01
Hill & Smith Holdings	75,284	1,470	0.06
Howden Joinery Group	489,433	4,522	0.19
Ibstock	523,584	817	0.03
IMI	231,920	4,388	0.19
IntegraFin Holdings	326,631	978	0.04
Intertek Group	148,378	7,276	0.31
Keller	66,078	909	0.04
Kier Group	379,721	559	0.02
MacFarlane Group	96,751	121	0.01
Marshalls	224,725	707	0.03
Mears Group	95,560	368	0.02
Melrose	1,210,203	7,438	0.32
Mitie Group	1,273,316	1,543	0.07
MJ Gleeson	42,694	231	0.01
Morgan Advanced Materials	254,454	831	0.04
Morgan Sindall	41,432	1,017	0.04
Norcros	80,255	169	0.01
Oxford Instruments	51,866	1,245	0.05
PageGroup	279,111	1,340	0.06
Paypoint	66,035	354	0.02
QinetiQ	485,454	1,775	0.08
Redde Northgate	222,174	949	0.04
Redrow	246,666	1,778	0.08
Renishaw	32,788	1,315	0.06
Rentokil Initial	2,317,969	9,923	0.42

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Ricardo	55,059	276	0.01
Robert Walters	61,675	226	0.01
Rolls-Royce	7,700,106	32,841	1.40
Rotork	792,014	2,674	0.11
Royal Mail	613,968	1,930	0.08
RS Group	436,438	3,581	0.15
Senior	411,774	700	0.03
Serco Group	995,661	1,841	0.08
Severfield	226,049	158	0.01
Smith (DS)	1,164,834	4,284	0.18
Smiths Group	317,198	5,497	0.23
Spectris	91,960	3,035	0.13
Speedy Hire	135,565	37	-
Spirax-Sarco Engineering	66,686	6,432	0.27
SThree	117,818	511	0.02
Travis Perkins	198,782	1,651	0.07
Trifast	108,579	79	-
TT Electronics	178,566	274	0.01
Tyman	184,837	706	0.03
Vesuvius	204,380	1,011	0.04
Videndum	55,458	154	0.01
Weir Group	236,319	4,986	0.21
Total Industrials		225,904	9.62
Consumer Goods - 12.66% (15.15%)			
Associated British Foods	309,033	8,375	0.36
Aston Martin Lagonda Global	274,388	396	0.02
Bakkavor Group	174,623	217	0.01
Barr (AG)	86,242	495	0.02
Barratt Developments	894,683	4,570	0.19
Bellway	112,127	3,106	0.13
British American Tobacco	1,851,534	45,659	1.94
Britvic	224,442	2,283	0.10
Burberry Group	324,100	3,570	0.15
Cranswick	48,498	2,117	0.09
Crest Nicholson	227,362	497	0.02
DFS Furniture	192,105	219	0.01
Diageo	2,033,227	56,991	2.43
Dowlais Group	1,262,135	983	0.04
Dr. Martens	532,038	428	0.02
Games Workshop	31,058	3,137	0.13
Headlam Group	72,713	115	-
Hilton Food Group	73,595	679	0.03
Imperial Brands	806,296	16,013	0.68
Persimmon	291,600	4,287	0.18
Photo-Me International	192,140	323	0.01
Pinewood Technologies Group	120,796	397	0.02
Premier Foods	627,923	1,057	0.05

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Reckitt Benckiser	658,978	30,280	1.29
SSP Group	726,215	1,476	0.06
Tate & Lyle	372,795	2,487	0.11
Taylor Wimpey	3,163,235	4,650	0.20
TI Fluid Systems	323,241	453	0.02
Ultimate Products	44,114	64	-
Unilever	2,282,591	98,129	4.18
Vistry Group	317,031	4,093	0.17
Total Consumer Goods		297,546	12.66
Healthcare - 10.71% (10.89%)			
AstraZeneca	1,359,218	165,417	7.04
ConvaTec Group	1,472,147	3,916	0.17
Genus	60,453	1,145	0.05
GSK	3,700,515	67,072	2.85
Hikma Pharmaceuticals	146,902	2,979	0.13
Indivior	105,700	1,464	0.06
~#NMC Health	63,925	-	-
Oxford Biomedica	87,651	282	0.01
PureTech Health	224,748	500	0.02
Smith & Nephew	805,625	8,217	0.35
Spire Healthcare	287,557	752	0.03
Total Healthcare		251,744	10.71
Consumer Services - 10.06% (9.14%)			
4imprint Group	26,099	1,618	0.07
AO World	288,008	312	0.01
Ascential	321,645	1,018	0.04
ASOS	58,764	215	0.01
Berkeley	95,168	5,034	0.21
Bloomsbury Publishing	75,780	433	0.02
Carnival (London listed)	137,113	1,468	0.06
Compass Group	1,573,517	35,420	1.51
Currys	856,415	607	0.03
Domino's Pizza	469,402	1,618	0.07
Dunelm Group	140,472	1,423	0.06
easyJet	588,423	3,115	0.13
FirstGroup	637,838	1,091	0.05
Fraser's Group	124,083	1,022	0.04
Fuller Smith & Turner A	40,792	260	0.01
Future	107,275	933	0.04
Greggs	92,989	2,589	0.11
Gym Group	196,743	228	0.01
Haleon	6,067,427	20,101	0.85
Hollywood Bowl Group	144,861	480	0.02
Inchcape	343,110	2,755	0.12
Informa	1,255,658	10,588	0.45
InterContinental Hotels	150,540	11,769	0.50

Portfolio Statement

as at 15 May 2024

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ITV	3,498,980	2,740	0.12
JD Sports Fashion	2,242,328	2,844	0.12
Kingfisher	1,692,047	4,550	0.19
Marks & Spencer	1,807,306	4,983	0.21
Marston's	708,968	252	0.01
Mitchells & Butlers	278,208	712	0.03
Moneysupermarket.com	497,196	1,145	0.05
Motorpoint Group	103,059	145	0.01
National Express	484,694	320	0.01
Next	111,612	10,418	0.44
Ocado Group	558,143	2,026	0.09
On The Beach Group	151,195	206	0.01
Pearson	625,503	6,157	0.26
Pets at Home Group	444,045	1,309	0.05
Rank Group	188,226	168	0.01
Reach	305,435	246	0.01
RELX	1,743,926	60,375	2.57
Sainsbury (J)	1,594,260	4,419	0.19
Tesco	6,448,619	20,036	0.85
Topps Tiles	329,664	144	0.01
Watches of Switzerland Group	184,042	621	0.03
Wetherspoon (JD)	85,764	669	0.03
Whitbread	179,543	5,587	0.24
WHSmith	122,680	1,390	0.06
Wickes Group	260,283	381	0.02
XPS Pensions Group	160,940	420	0.02
Total Consumer Services		236,360	10.06
Telecommunications - 1.06% (1.45%)			
Airtel Africa	1,025,605	1,236	0.05
BT Group	5,729,230	6,483	0.28
Helios Towers	708,433	782	0.03
Telecom Plus	63,931	1,146	0.05
Vodafone Group	20,100,896	15,293	0.65
Total Telecommunications		24,940	1.06
Utilities - 3.51% (3.67%)			
Centrica	4,898,395	7,061	0.30
Drax Group	422,704	2,327	0.10
Luceco	96,678	177	0.01
National Grid	3,418,751	38,837	1.65
Penon	255,558	1,840	0.08
Renewi	72,889	441	0.02
Severn Trent	239,303	6,344	0.27
SSE	1,002,997	18,671	0.79
United Utilities	618,531	6,875	0.29
Total Utilities		82,573	3.51

Portfolio Statement

as at 15 May 2024

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Financials - 23.62% (22.48%)			
3i Group	888,874	26,355	1.12
Aberdeen Diversified Income and Growth Trust	248,388	202	0.01
Aberdeen New India Investment Trust	58,203	433	0.02
Aberdeen Standard Asia Focus	154,187	436	0.02
Aberforth Smaller Companies	75,877	1,143	0.05
Admiral Group	281,673	7,532	0.32
AEW UK REIT	91,514	80	-
AJ Bell	292,134	1,043	0.04
Alliance Trust	265,186	3,336	0.14
Allianz Technology Trust	347,980	1,268	0.05
Artemis Alpha Trust	121,698	441	0.02
Ashmore Group	446,452	894	0.04
Asia Dragon Trust	153,857	626	0.03
Assura REIT	2,851,761	1,239	0.05
AVI Global Trust	430,691	1,068	0.05
AVI Japan Opportunity	33,218	42	-
Aviva	2,511,257	12,368	0.53
Baillie Gifford China Growth Trust	41,993	94	-
Baillie Gifford European Growth Trust	389,250	389	0.02
Baillie Gifford Japan Investment Trust	87,525	643	0.03
Baillie Gifford Shin Nippon	288,382	328	0.01
Baillie Gifford UK Growth Fund	143,311	248	0.01
Baillie Gifford US Growth Trust	314,989	622	0.03
Bank of Georgia	31,568	1,294	0.06
Bankers Investment Trust	1,145,481	1,333	0.06
Barclays	13,819,469	29,449	1.25
Brunner	27,164	365	0.02
BB Healthcare Trust	407,807	586	0.03
Beazley	592,249	4,007	0.17
Big Yellow Group REIT	167,200	1,976	0.08
Biotech Growth Trust	31,743	317	0.01
BlackRock Greater Europe Investment Trust	101,038	645	0.03
BlackRock Latin American Investment Trust	30,847	122	0.01
BlackRock Smaller Companies	48,073	711	0.03
BlackRock Sustainable American Income Trust	87,726	179	0.01
BlackRock Throgmorton Trust	99,660	616	0.03
BlackRock World Mining Investment Trust	183,440	1,132	0.05
BMO Global Smaller Companies	514,366	856	0.04
Bridgepoint	232,641	544	0.02
British Land REIT	827,705	3,387	0.14
Brown Advisory US Smaller Companies	16,169	216	0.01
C C Japan Income And Growth Trust	147,847	285	0.01
Caledonia Investments	31,409	1,084	0.05
Capital & Regional PLC	24,070	13	-
Capital Gearing Trust	20,883	998	0.04
Chesnara	163,418	409	0.02
City Natural Resources High Yield Trust	26,454	51	-

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
City of London Investment Trust	472,549	2,018	0.09
Close Brothers	140,976	684	0.03
CLS Holdings	157,583	150	0.01
CT Private Equity Trust	62,019	287	0.01
CT UK Capital and Income Investment Trust	101,821	343	0.01
Custodian REIT	438,304	333	0.01
Derwent London REIT	100,559	2,297	0.10
Direct Line Insurance	1,202,958	2,365	0.10
Dunedin Income Growth Investment Trust	145,853	422	0.02
Ecofin Global Utilities & Infrastructure Trust	128,215	237	0.01
Edinburgh Investment Trust	190,579	1,405	0.06
Edinburgh Worldwide Investment Trust	385,166	562	0.02
Empiric Student Property	565,944	534	0.02
European Assets Trust	365,966	329	0.01
European Opportunities Trust	63,623	578	0.02
Fidelity Asian Values Investment Trust	61,405	330	0.01
Fidelity China Special Situations Trust	388,337	928	0.04
Fidelity European Values Investment Trust	382,818	1,570	0.07
Fidelity Japanese Values Investment Trust	131,758	229	0.01
Fidelity Special Values Investment Trust	220,248	678	0.03
Finsbury Growth & Income Investment Trust	184,880	1,590	0.07
Foreign & Colonial Investment Trust	481,645	5,048	0.22
Grainger Trust	664,482	1,804	0.08
Great Portland Real Estate Investment Trust	199,965	860	0.04
Greencoat UK Wind	2,153,955	3,100	0.13
GSF	376,473	242	0.01
Hammerson	3,660,202	1,042	0.04
Hargreaves Lansdown	350,985	3,164	0.14
Harworth Group	236,449	325	0.01
Helical	106,859	251	0.01
Henderson European Focus Trust	242,468	466	0.02
Henderson Eurotrust	194,581	314	0.01
Henderson High Income Trust	161,720	269	0.01
Henderson International Income Trust	177,926	301	0.01
Henderson Smaller Companies Investment Trust	114,920	975	0.04
Herald Investment Trust	51,820	1,135	0.05
HgCapital Trust	401,523	1,969	0.08
+HICL Infrastructure	1,887,428	2,356	0.10
*Home REIT	1,604,207	446	0.02
+HSBC Holdings	17,581,477	123,352	5.25
ICG Enterprise Trust	64,293	760	0.03
IG Group	319,204	2,515	0.11
Impact Healthcare REIT	321,605	285	0.01
Impax Environmental Markets	346,092	1,398	0.06
Intermediate Capital	255,753	5,724	0.24
^#Intu Properties	648,327	-	-
Invesco Asia Trust	53,196	174	0.01
Invesco Perpetual UK Smaller Companies Investment Trust	57,017	237	0.01

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Investec	632,689	3,530	0.15
IP Group	882,509	464	0.02
JPMorgan China Growth & Income	93,569	235	0.01
JPMorgan American Investment Trust	174,005	1,716	0.07
JPMorgan Asia Growth & Income	81,454	299	0.01
JPMorgan Claverhouse Investment Trust	84,279	625	0.03
JPMorgan Emerging Markets Investment Trust	1,106,362	1,188	0.05
JPMorgan European Discovery Trust	150,278	724	0.03
JPMorgan European Growth & Income	377,986	414	0.02
JPMorgan Global Emerging Markets Fund	269,942	371	0.02
JPMorgan Global Growth & Income trust	400,171	2,257	0.10
JPMorgan Indian Investment Trust	68,279	652	0.03
JPMorgan Japanese Investment Trust	143,772	742	0.03
JPMorgan Smaller Companies Investment Trust	120,123	398	0.02
JPMorgan US Smaller Companies	34,045	138	0.01
Jupiter Fund Management	390,084	336	0.01
Just Group	973,108	983	0.04
Keystone Investment Trust	63,719	141	0.01
Land Securities	665,479	4,555	0.19
Law Debenture	116,342	1,038	0.04
Legal & General	5,455,390	13,731	0.58
Life Science REIT	321,903	122	0.01
Lindsell Train	143	114	0.01
Liontrust Asset Management	56,122	408	0.02
Lloyds Banking Group	58,341,756	31,796	1.35
London Stock Exchange Group	429,594	39,170	1.67
Londonmetric Property	1,745,469	3,655	0.16
Lowland Investment Company	243,559	313	0.01
LSL Property Services	99,772	302	0.01
M&G	1,946,766	4,038	0.17
Martin Currie Global Portfolio	79,422	302	0.01
Merchants Trust	131,952	777	0.03
Metro Bank Holdings	146,626	51	-
Mid Wynd International Investment Trust	49,153	386	0.02
Molten Ventures	135,887	431	0.02
Monks Investment Trust	190,196	2,252	0.10
Montanaro UK Smaller Companies Trust	142,413	154	0.01
Murray Income Trust	104,724	937	0.04
Murray International	568,354	1,455	0.06
NatWest Group	4,954,102	16,165	0.69
Network International	427,192	1,675	0.07
NewRiver REIT	334,686	249	0.01
Ninety One	323,720	572	0.02
Octopus Renewables Infrastructure Trust	563,324	423	0.02
OSB Group	451,728	2,037	0.09
Pacific Assets Trust	119,226	447	0.02
Pacific Horizon Investment Trust	82,917	534	0.02
Pantheon Infrastructure	493,291	417	0.02

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Pantheon International	425,627	1,411	0.06
Paragon Banking Group	246,958	1,794	0.08
Personal Assets Trust	333,600	1,633	0.07
Petershill Partners	276,854	554	0.02
Phoenix Group Holdings	668,517	3,440	0.15
Polar Capital Global Financials Trust	289,806	489	0.02
Polar Capital Global Healthcare Growth & Income Trust	111,483	412	0.02
Polar Capital Technology Trust	113,223	3,448	0.15
Primary Health Properties	1,240,766	1,204	0.05
Prudential	2,531,390	20,347	0.87
Quilter	1,242,564	1,389	0.06
Rathbone Group	59,081	1,049	0.04
RIT Capital Partners	111,390	2,139	0.09
Riverstone Energy	27,759	254	0.01
Sabre Insurance	187,511	302	0.01
Safestore Holdings REIT	198,093	1,681	0.07
Saga	94,938	119	0.01
Savills	123,244	1,440	0.06
Schroder Asia Pacific Investment Trust	158,359	836	0.04
Schroder Asian Total Return Investment Company	96,355	436	0.02
Schroder Income Growth Investment Trust	63,776	184	0.01
Schroder Japan Growth Investment Trust	113,403	290	0.01
Schroder UK Mid Cap Fund	37,628	227	0.01
Schroders	781,961	2,931	0.12
Schroders Capital Global Innovation Trust	682,331	81	-
Scottish American Investment Trust	170,394	886	0.04
Scottish Mortgage Investment Trust	1,294,523	11,604	0.49
Scottish Oriental Smaller Companies Trust	22,207	305	0.01
SDCL Energy Efficiency Income Trust	1,019,246	682	0.03
Secure Trust Bank	22,657	159	0.01
Securities Trust of Scotland	151,685	338	0.01
Segro REIT	1,203,204	11,262	0.48
Shaftesbury Capital	1,513,593	2,134	0.09
Smithson Investment Trust	139,436	1,988	0.08
St James's Place Capital	502,339	2,437	0.10
Standard Chartered	2,011,887	15,576	0.66
Standard Life Aberdeen	1,654,475	2,596	0.11
Standard Life Aberdeen European REIT	336,565	205	0.01
Standard Life UK Smaller Companies	90,355	450	0.02
Supermarket Income REIT	1,178,363	897	0.04
Target Healthcare REIT	627,383	529	0.02
TBC Bank Group	48,467	1,221	0.05
Temple Bar Investment Trust	409,868	1,121	0.05
Templeton Emerging Markets Investment Trust	1,010,763	1,670	0.07
The Mercantile Investment Trust	714,742	1,701	0.07
The North American Income Trust	139,905	407	0.02
The PRS	526,637	430	0.02
TR European Growth Trust	383,616	713	0.03

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
TR Property Investment Trust	314,348	1,052	0.04
Triple Point Social Housing REIT	335,758	204	0.01
Tritax Big Box REIT	1,732,032	2,851	0.12
Tritax EuroBox	693,818	429	0.02
Unite Group	309,917	3,009	0.13
Urban Logistics REIT	699,784	851	0.04
Utilico Emerging Markets Trust	157,854	371	0.02
Vanquis Banking Group	244,109	143	0.01
VH Global Sustainable	382,440	294	0.01
Virgin Money	998,438	2,141	0.09
Warehouse REIT	391,423	334	0.01
Witan Investment Trust	591,736	1,592	0.07
Workspace Group REIT	140,903	786	0.03
Worldwide Healthcare Trust	530,930	1,864	0.08
Total Financials		554,827	23.62
Technology - 1.47% (1.25%)			
Auction Technology	84,388	415	0.02
Auto Trader Group	814,521	6,156	0.26
Baltic Classifieds	283,660	668	0.03
Bytes Technology Group	201,016	1,064	0.05
Computacenter	66,167	1,800	0.08
Darktrace	365,138	2,183	0.09
FDM Group	81,927	340	0.01
Kainos Group	93,231	981	0.04
Moonpig	250,530	388	0.02
NCC Group	260,105	355	0.01
Rightmove	729,559	3,985	0.17
Sage Group	942,295	11,284	0.48
Softcat	115,797	1,905	0.08
Spirent Communications	519,265	987	0.04
Trainline	425,960	1,387	0.06
Trustpilot	308,736	665	0.03
Total Technology		34,563	1.47
Total United Kingdom		2,078,345	88.46
Forwards Foreign Exchange Contracts - 0.00% (0.00%)			
#GBP Forward Currency Contract 5/7/2024	GBP 6,641,109	81	-
#USD Forward Currency Contract 5/7/2024	(USD 8,300,000)		
Total Forward Foreign Exchange Contracts		81	-
Futures - 0.03% (0.00%)			
ICF FTSE 100 Index Future June 2024	622	610	0.03
ICF FTSE 250 Index Future June 2024	154	95	-
Total Futures		705	0.03

Portfolio Statement

as at 15 May 2024

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Portfolio of investments		2,293,714	97.63
Net other assets		55,712	2.37
Net assets		2,349,426	100.00

+Investment managed by the ACD/HSBC Group

#Unlisted

^Priced at zero - minimal prospect of recovering value

~Value less than £1,000

*Suspended

Figures in brackets denote the comparative percentage holdings as at 15 May 2023.

Unless otherwise stated, all investments are listed equities.

The counterparty for futures is HSBC Bank.

Counterparty for forward foreign exchange contract is Merrill Lynch.

Comparative Tables

for the year ended 15 May 2024

Retail Income	15.5.24	15.5.23	15.5.22
Change in net assets per share			
Opening net asset value per share	359.00p	346.60p	339.00p
Return before operating charges*	44.43p	24.99p	19.51p
Operating charges**	(0.59p)	(0.57p)	(0.56p)
Return after operating charges*	43.84p	24.42p	18.95p
Distributions on income shares	(12.44p)	(12.02p)	(11.35p)
Closing net asset value per share	390.40p	359.00p	346.60p
*after direct transaction costs of:***	0.18p	0.25p	0.45p
Performance			
Return after charges	12.21%	7.05%	5.59%
Other information			
Closing net asset value	£234,049	£196,625	£125,044
Closing number of shares	59,954	54,778	36,079
Operating charges - OCF	0.16%****	0.22%	0.23%
Direct transaction costs	0.05%	0.07%	0.13%
Prices			
Highest share price	399.00p	372.40p	366.90p
Lowest share price	336.80p	321.20p	325.70p

Retail Accumulation	15.5.24	15.5.23	15.5.22
Change in net assets per share			
Opening net asset value per share	722.50p	674.20p	638.60p
Return before operating charges*	91.09p	49.44p	36.68p
Operating charges**	(1.19p)	(1.14p)	(1.08p)
Return after operating charges*	89.90p	48.30p	35.60p
Distributions on accumulation shares	(25.25p)	(23.59p)	(21.58p)
Retained distributions on accumulation shares	25.25p	23.59p	21.58p
Closing net asset value per share	812.40p	722.50p	674.20p
*after direct transaction costs of:***	0.38p	0.49p	0.87p
Performance			
Return after charges	12.44%	7.16%	5.57%
Other information			
Closing net asset value	£152,370,866	£121,254,088	£19,322,736
Closing number of shares	18,755,904	16,783,264	2,865,983
Operating charges - OCF	0.16%****	0.22%	0.23%
Direct transaction costs	0.05%	0.07%	0.13%
Prices			
Highest share price	816.30p	736.60p	702.30p
Lowest share price	677.80p	624.80p	623.40p

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

****From May 2024, the operating charges % excludes the cost of investing in underlying closed ended investments. For this accounting period 15.5.24, this cost was 0.05%.

Comparative Tables

for the year ended 15 May 2024

Institutional Income	15.5.24	15.5.23	15.5.22
Change in net assets per share			
Opening net asset value per share	363.20p	350.70p	343.00p
Return before operating charges*	44.98p	25.24p	19.78p
Operating charges**	(0.09p)	(0.08p)	(0.08p)
Return after operating charges*	44.89p	25.16p	19.70p
Distributions on income shares	(13.09p)	(12.66p)	(12.00p)
Closing net asset value per share	395.00p	363.20p	350.70p
*after direct transaction costs of:***	0.19p	0.25p	0.46p
Performance			
Return after charges	12.36%	7.17%	5.74%
Other information			
Closing net asset value	£113,293,961	£125,006,757	£249,676,326
Closing number of shares	28,681,334	34,421,343	71,200,242
Operating charges - OCF	0.02%****	0.08%	0.09%
Direct transaction costs	0.05%	0.07%	0.13%
Prices			
Highest share price	403.90p	376.90p	371.40p
Lowest share price	340.80p	325.10p	329.70p

Institutional Accumulation	15.5.24	15.5.23	15.5.22
Change in net assets per share			
Opening net asset value per share	757.30p	705.70p	667.40p
Return before operating charges*	95.58p	51.76p	38.45p
Operating charges**	(0.18p)	(0.16p)	(0.15p)
Return after operating charges*	95.40p	51.60p	38.30p
Distributions on accumulation shares	(27.55p)	(25.71p)	(23.55p)
Retained distributions on accumulation shares	27.55p	25.71p	23.55p
Closing net asset value per share	852.70p	757.30p	705.70p
*after direct transaction costs of:***	0.39p	0.52p	0.91p
Performance			
Return after charges	12.60%	7.31%	5.74%
Other information			
Closing net asset value	£49,173,962	£48,078,636	£25,844,032
Closing number of shares	5,766,794	6,348,841	3,662,212
Operating charges - OCF	0.02%****	0.08%	0.09%
Direct transaction costs	0.05%	0.07%	0.13%
Prices			
Highest share price	856.80p	771.80p	735.00p
Lowest share price	710.60p	654.40p	652.30p

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

****From May 2024, the operating charges % excludes the cost of investing in underlying closed ended investments. For this accounting period 15.5.24, this cost was 0.05%.

Comparative Tables

for the year ended 15 May 2024

Income C	15.5.24	15.5.23	15.5.22
Change in net assets per share			
Opening net asset value per share	363.20p	350.70p	343.00p
Return before operating charges*	44.98p	25.24p	19.78p
Operating charges**	(0.23p)	(0.22p)	(0.22p)
Return after operating charges*	44.75p	25.02p	19.56p
Distributions on income shares	(12.95p)	(12.52p)	(11.86p)
Closing net asset value per share	395.00p	363.20p	350.70p
*after direct transaction costs of:***	0.19p	0.25p	0.46p
Performance			
Return after charges	12.32%	7.13%	5.70%
Other information			
Closing net asset value	£458,520,133	£456,375,428	£443,252,081
Closing number of shares	116,082,319	125,662,507	126,407,639
Operating charges - OCF	0.06% ****	0.12%	0.13%
Direct transaction costs	0.05%	0.07%	0.13%
Prices			
Highest share price	403.90p	376.90p	371.40p
Lowest share price	340.80p	25.10p	329.60p

Accumulation C	15.5.24	15.5.23	15.5.22
Change in net assets per share			
Opening net asset value per share	729.90p	680.50p	643.90p
Return before operating charges*	92.07p	49.84p	37.02p
Operating charges**	(0.47p)	(0.44p)	(0.42p)
Return after operating charges*	91.60p	49.40p	36.60p
Distributions on accumulation shares	(26.25p)	(24.51p)	(22.44p)
Retained distributions on accumulation shares	26.25p	24.51p	22.44p
Closing net asset value per share	821.50p	729.90p	680.50p
*after direct transaction costs of: ***	0.38p	0.49p	0.88p
Performance			
Return after charges	12.55%	7.26%	5.68%
Other information			
Closing net asset value	£1,575,833,295	£1,482,900,912	£1,353,760,491
Closing number of shares	191,819,512	203,174,025	198,949,369
Operating charges - OCF	0.06% ****	0.12%	0.13%
Direct transaction costs	0.05%	0.07%	0.13%
Prices			
Highest share price	825.40p	744.00p	708.70p
Lowest share price	684.80p	630.90p	629.00p

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

****From May 2024, the operating charges % excludes the cost of investing in underlying closed ended investments. For this accounting period 15.5.24, this cost was 0.05%.

Statement of Total Return

for the year ended 15 May 2024

	Notes	15.5.24		15.5.23	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	2		180,934		79,562
Revenue	3	78,382		77,558	
Expenses	4	(1,424)		(1,304)	
Interest payable and similar charges		(6)		(8)	
Net revenue before taxation		76,952		76,246	
Taxation	5	969		(95)	
Net revenue after taxation			77,921		76,151
Total return before distributions			258,855		155,713
Distributions	6		(76,867)		(76,151)
Change in net assets attributable to shareholders from investment activities			181,988		79,562

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2024

	15.5.24		15.5.23	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,233,812		2,091,981
Amounts receivable on creation of shares	289,392		515,098	
Amounts payable on cancellation of shares	(414,157)		(509,718)	
		(124,765)		5,380
Dilution adjustment		1,463		1,807
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		181,988		79,562
Retained distribution on accumulation shares		56,928		55,082
Closing net assets attributable to shareholders		2,349,426		2,233,812

Balance Sheet

as at 15 May 2024

	Notes	15.5.24		15.5.23	
		£'000	£'000	£'000	£'000
Assets					
Investments			2,293,714		2,181,202
Current assets					
Debtors	8	24,420		18,176	
Cash and bank balances		42,372		48,852	
Total current assets			66,792		67,028
Total assets			2,360,506		2,248,230
Liabilities					
Investment liabilities			-		(34)
Creditors					
Distribution payable on income shares		(10,066)		(10,507)	
Other creditors	9	(1,014)		(3,877)	
Total creditors			(11,080)		(14,384)
Total liabilities			(11,080)		(14,418)
Net assets attributable to shareholders			2,349,426		2,233,812

Distribution Tables (pence per share)

for the year ended 15 May 2024

Group 1: Shares purchased prior to 16 November 2023				
Group 2: Shares purchased from 16 November 2023 to 15 May 2024				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.24</i>	<i>Distribution paid 15.7.23</i>
Retail Income				
Group 1	6.675316	-	6.675316	6.288930
Group 2	1.196731	5.478585	6.675316	6.288930
Retail Accumulation				
Group 1	13.640797	-	13.640797	12.433502
Group 2	6.963252	6.677545	13.640797	12.433502
Institutional Income				
Group 1	7.011191	-	7.011191	6.618128
Group 2	3.660346	3.350845	7.011191	6.618128
Institutional Accumulation				
Group 1	14.858653	-	14.858653	13.539568
Group 2	8.214283	6.644370	14.858653	13.539568
Income C				
Group 1	6.935569	-	6.935569	6.545335
Group 2	3.580016	3.355553	6.935569	6.545335
Accumulation C				
Group 1	14.163402	-	14.163402	12.907735
Group 2	5.200353	8.963049	14.163402	12.907735

Distribution Tables (pence per share)

for the year ended 15 May 2024

Group 1: Shares purchased prior to 16 May 2023				
Group 2: Shares purchased from 16 May 2023 to 15 November 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.1.24</i>	<i>Distribution paid 15.1.23</i>
Retail Income				
Group 1	5.760000	-	5.760000	5.730000
Group 2	5.300000	0.460000	5.760000	5.730000
Retail Accumulation				
Group 1	11.610000	-	11.610000	11.160000
Group 2	5.990000	5.620000	11.610000	11.160000
Institutional Income				
Group 1	6.080000	-	6.080000	6.040000
Group 2	1.220000	4.860000	6.080000	6.040000
Institutional Accumulation				
Group 1	12.690000	-	12.690000	12.170000
Group 2	1.860000	10.830000	12.690000	12.170000
Income C				
Group 1	6.010000	-	6.010000	5.970000
Group 2	3.400000	2.610000	6.010000	5.970000
Accumulation C				
Group 1	12.090000	-	12.090000	11.600000
Group 2	5.900000	6.190000	12.090000	11.600000

Notes to the Financial Statements

for the year ended 15 May 2024

	15.5.24 £'000	15.5.23 £'000
1. Accounting Policies		
The accounting policies are set out on pages 10 and 11.		
2. Net Capital Gains		
The net capital gains during the year comprise:		
Currency losses	(34)	(239)
Transaction charges	(9)	(1)
Capital special dividends	4,216	998
Gains on derivative contracts	3,086	4,182
(Losses)/gains on forward foreign currency contracts	(67)	117
Gains on non-derivative securities	173,742	74,505
Net capital gains	180,934	79,562
3. Revenue		
UK dividends (net)	71,766	70,812
Property investment income	2,048	1,611
Overseas dividends	3,345	4,059
Deposit interest	155	105
Bank interest	773	473
Stock dividends	56	99
Stock lending income	239	399
Total revenue	78,382	77,558
4. Expenses		
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's charge	921	810
Safe custody fee	38	33
	959	843
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	161	172
Other expenses:		
Audit fee	9	9
Report and accounts fee	1	1
Licence fee	292	279
Professional fee	2	-
	304	289
Total expenses	1,424	1,304

	15.5.24 £'000	15.5.23 £'000
5. Taxation		
a) Analysis of tax charge/(credit) in the year:		
Overseas tax	73	95
Total current tax charge for the year (note 5b)	73	95
Deferred tax (note 5c)	(1,042)	-
Total tax for the year (note 5b)	(969)	95
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower (2023: lower) than the standard rate of corporation tax in the UK for an open-ended investment company (20%). The differences are explained below:		
Net revenue before taxation	76,952	76,246
Corporation tax at 20%	15,390	15,249
Effects of:		
Revenue not subject to taxation	(15,033)	(14,994)
Irrecoverable overseas tax	73	95
Utilisation of excess management expenses	(1,399)	(255)
Total tax charge for the year (note 5a)	(969)	95
c) Provision for deferred taxation		
Provision at start of year	-	-
Deferred tax credit in profit and loss account for the year (note 5a)	1,042	-
Provision at end of year (note 5a)	1,042	-
At 15 May 2024, there is a potential deferred tax asset of £2,071,831 (15.5.23: £3,471,021) in relation to surplus management expenses of £10,359,153 (15.5.23: £17,355,105).		
6. Distributions		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Interim dividend distribution	36,657	37,457
Final dividend distribution	40,649	39,678
	77,306	77,135
Add: Amounts deducted on cancellation of shares	3,501	3,823
Deduct: Amounts received on issue of shares	(3,940)	(4,807)
Net distribution for the year	76,867	76,151
7. Movement Between Net Revenue and Distributions		
Net revenue after taxation	77,921	76,151
Equalisation on conversions	(12)	-
Deferred tax relief transferred to capital	(1,042)	-
Net distribution for the year	76,867	76,151
8. Debtors		
Amounts receivable for creation of shares	9,699	4,815
Sales awaiting settlement	568	2,032
Accrued revenue	12,668	10,579
Overseas tax recoverable	443	749
Income tax recoverable	-	1
Deferred tax	1,042	-
Total debtors	24,420	18,176
9. Other Creditors		
Amounts payable for cancellation of shares	803	3,510
Purchases awaiting settlement	-	82
Accrued expenses	211	285
Total other creditors	1,014	3,877

10. Reconciliation of Shares

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>
Opening shares issued at 16.5.23	54,778	16,783,264	34,421,343
Share movements 16.5.23 to 15.5.24			
Shares issued	19,609	113,053	13,076,388
Shares cancelled	(14,433)	(1,922,620)	(18,730,001)
Shares converted	-	3,782,207	(86,396)
Closing shares issued at 15.5.24	59,954	18,755,904	28,681,334

	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
Opening shares issued at 16.5.23	6,348,841	125,662,507	203,174,025
Share movements 16.5.23 to 15.5.24			
Shares issued	1,604,534	8,324,960	27,015,573
Shares cancelled	(1,673,025)	(18,594,197)	(34,863,011)
Shares converted	(513,556)	689,049	(3,507,075)
Closing shares issued at 15.5.24	5,766,794	116,082,319	191,819,512

11. Ultimate Controlling Party and Related Party Transactions

The ACD is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income %</i>	<i>Retail Accumulation %</i>	<i>Institutional Income %</i>	<i>Institutional Accumulation %</i>	<i>Income C %</i>	<i>Accumulation C %</i>
As at 15.5.24	-	-	93.95	87.16	5.12	2.89
As at 15.5.23	-	-	95.07	85.35	5.01	2.94

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from the ACD (including amounts due to associates and agents) at the year end was £8,847,875 (15.5.23: £1,181,491). Further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £125,707,153 (15.5.23: £115,937,257) in Authorised Investment Funds managed by HSBC and HSBC Holdings, the parent company of the ACD. During the period, transactions in Authorised Investment Funds managed by HSBC and HSBC Holdings totalled £22,513,540 (15.5.23: £22,019,183).

Investments in related parties are disclosed in the Portfolio Statement.

12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 12 and 13.

Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets</i>		<i>Net assets</i>	
	15.5.24	<i>15.5.23</i>	15.5.24	<i>15.5.23</i>	15.5.24	<i>15.5.23</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Sterling*	2,293,633	2,181,202	48,336	46,282	2,341,969	2,227,484
Euro	-	-	919	2,938	919	2,938
Georgian lari	-	-	-	42	-	42
United States dollar	81	(34)	6,457	3,382	6,538	3,348
Total	2,293,714	2,181,168	55,712	52,644	2,349,426	2,233,812

*No currency risk as Sterling is the base currency.

Interest Rate Risk

At the year end, 1.80% (15.5.23: 2.19%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon HSBC's proprietary rates, with the exception of GBP debit rate which is linked to Bank of England rate.

13. Shareholders' Funds

This Fund has a retail share class, an institutional share class and a C share class.

The annual ACD charge on the retail share class is 0.14%, nil on the institutional share class, and 0.04% on the C share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 50 to 52. The distribution per share class is given in the Distribution Tables on pages 54 and 55.

All share classes within the OEIC have the same rights on winding up.

14. Stock Lending Activities

Revenue earned from these activities is shown in note 3 and is net of bank and agents fees amounting to £79,827 (15.5.23: £133,077) payable to HSBC Bank plc.

15. Financial Derivatives

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

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

The types of derivatives held at the year end were index futures and forward currency contracts. Details of the individual contracts are shown on the Portfolio Statement on pages 36 to 49, and the total position by the counterparty at the year end is summarised below. The underlying exposure for each category of derivatives were as follows:

Counterparty	Forward Currency £'000		Total £'000	
	2024	2023	2024	2023
Merrill Lynch	81	-	81	-

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2024, there was no collateral held in respect of the above derivatives (15.5.23: £nil).

16. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.23: none).

17. Portfolio Transaction Costs

For the year ended 15 May 2024	Purchases £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
Analysis of total purchases costs							
Equity transactions	214,655	46	0.02	926	0.43	77	0.04
Corporate actions	249	-	-	-	-	-	-
Total purchases before transaction costs	214,904	46		926		77	
Transaction costs	1,049						
Total purchases after commission, tax and fees	215,953						

	Sales £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
Analysis of total sales costs							
Equity transactions	266,235	54	0.02	-	-	-	-
Corporate actions	11,726	-	-	-	-	-	-
Total sales before transaction costs	277,961	54		-		-	
Transaction costs	(54)						
Total sales after commission, tax and fees	277,907						

The Fund had paid £14,024 as commission on purchases and sales derivative transactions for the year ended 15.5.24.

Commissions, taxes and fees as % of average net assets:

Commissions	0.01%
Taxes	0.04%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.06%, being the difference between the respective bid and offer prices for the Fund's investments.

For the year ended 15 May 2023	Purchases	Commissions		Taxes		Other Expenses	
	£'000	£'000	%	£'000	%	£'000	%
Analysis of total purchases costs							
Equity transactions	303,698	47	0.02	1,388	0.46	37	0.01
Corporate actions	2,044	-	-	-	-	-	-
Total purchases before transaction costs	305,742	47		1,388		37	
Transaction costs	1,472						
Total purchases after commission, tax and fees	307,214						

	Sales	Commissions		Taxes		Other Expenses	
	£'000	£'000	%	£'000	%	£'000	%
Analysis of total sales costs							
Equity transactions	200,783	44	0.02	-	-	1	-
Corporate actions	32,813	-	-	-	-	-	-
Total sales before transaction costs	233,596	44		-		1	
Transaction costs	(45)						
Total sales after commission, tax and fees	233,551						

The Fund had paid £17,522 as commission on purchases and sales derivative transactions for the year ended 15.5.23.

Commissions, taxes and fees as % of average net assets:

Commissions	0.01%
Taxes	0.06%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.06%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

Direct transaction costs: Broker commissions, fees and taxes.

Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

18. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices 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.

For the year ended 15 May 2024

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	2,292,482	-	446	2,292,928
Derivatives	705	81	-	786
	2,293,187	81	446	2,293,714

For the year ended 15 May 2023

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	2,180,486	-	610	2,181,096
Derivatives	106	-	-	106
	2,180,592	-	610	2,181,202
Investment Liabilities				
Derivatives	-	(34)	-	(34)
	-	(34)	-	(34)

At the current year end, the level 3 assets held was Home REIT. Home REIT was priced by the Pricing & Valuations Committee in consultation with market information and the portfolio manager.

19. Sensitivity Analysis

Price risk sensitivity:

If the price of investments at 15 May 2024 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £229,371,414 (15.5.23: £218,116,758).

Currency risk sensitivity:

If the exchange rate at 15 May 2024 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £745,718 (15.5.23: £632,786).

Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.23: no significant exposure).