

Legal & General Multi Manager Balanced Trust
**Annual Manager's Report
for the year ended
15 January 2018**

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DAY
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Contents

	Page Number
Manager's Investment Report*	2
Authorised Status*	5
Directors' Statement	5
Statement of the Manager's Responsibilities	6
Statement of the Trustee's Responsibilities	7
Report of the Trustee	8
Portfolio Statement*	9
Independent Auditors' Report	11
Statement of Total Return	14
Statement of Change in Net Assets attributable to Unitholders	14
Balance Sheet	15
Notes to the Financial Statements	16
Distribution Tables	28
Trust Information*	30
Risk and Reward Profile*	37
General Information*	38

* These collectively comprise the Authorised Fund Manager's Report.

Manager's Investment Report

Investment Objective and Policy

With effect from 6 June 2017, the Trust's Investment Objective and Policy has changed (please see Significant Changes section on page 41).

Prior to 6 June 2017

The investment objective is to achieve long-term capital growth, whilst at the same time safeguarding against excessive risks.

The Trust aims to invest in a wide range of Collective Investment Schemes and will pursue an active asset allocation policy across all countries, currencies and sector representations.

The Trust may also invest directly in transferable securities, money market instruments, derivatives, near cash, cash and deposits.

From 6 June 2017

The investment objective is to achieve long-term capital growth, whilst at the same time safeguarding against excessive risks.

The Trust aims to invest in a wide range of Collective Investment Schemes and will pursue an active asset allocation policy across all countries, currencies and sector representations. The Collective Investment Schemes that the Trust invests in may be actively or passively managed and may include the Collective Investment Schemes of the Manager.

The Trust may also invest directly in transferable securities, money market instruments, near cash, cash and deposits. The Trust will use derivatives for efficient portfolio management purposes only.

Manager's Investment Report

During the year under review, the bid price of the Trust's R-Class accumulation units rose by 10.05% compared to the IMA Mixed Investment 40-85% Shares sector average return, on a Total Return basis, of 9.23% (Source: Lipper, using selling prices, net income reinvested, in Sterling terms, no initial charge).

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Market/Economic Review

Politics dominated headlines over the year under review, with the official inauguration of President Trump in the US; elections in Netherlands, France, Japan and the UK and a snap Catalan regional election which followed an illegal referendum. Towards the end of the period, Congress approved the Trump administration's tax reforms, which included a cut in the main rate of corporation tax from 35% to 21%.

Against this backdrop, the period was characterised by historically low levels of volatility, as inflationary pressures remained subdued and positive economic data helped equity markets deliver robust returns. In this environment, the MSCI World Index (in Sterling terms) outperformed cash and government bonds, and Emerging Markets outperformed Developed markets, aided by a cyclical upturn in the Chinese economy.

Manager's Investment Report continued

Within commodities, WTI Oil reversed its first-half weakness to record an increase of 12% over the period, on the back of strong demand growth and lower OPEC production, more than offsetting a rise in the production in US shale oil, with the commodity ending the year at \$64.4 per barrel. Meanwhile Gold's safe-haven attributes and a weaker US Dollar helped it reach \$1,339.9/oz by the end of the period, which also constituted a rise of 12%.

Trust Review

The Trust outperformed its sector over the period. In terms of fund selection, the key performers were Old Mutual UK Mid-Cap, Blackrock European Dynamic and Lazard Global Listed Infrastructure, although these gains were offset somewhat by the holdings in Schroder Recovery, Invesco Perpetual Income and Stewart Investors Asia Pacific Leaders. With regards to asset allocation, the Trust benefitted from its overweight position to Asian (excluding Japanese) equities and a bias away from the UK within the fixed income part of the portfolio, although the portfolio's underweight position in European equities detracted from relative performance.

Activity within the portfolio included selling out of Old Mutual UK Alpha and Invesco Perpetual Income within our UK equities exposure, and replacing them with new investments in Evenlode Income and Artemis Income; the latter being a fund we have held for some time in another of our portfolios. We also took a new position in a European Utilities ETF, in order to provide some exposure to an inflation-protected cashflow, and reinvested in Goldman Sachs India, based on our positive view on the country, as well as launching new positions in Goldman Sachs Global Small Cap and Blackrock Emerging Markets LC Bond. Elsewhere, we sold out of the Legal & General All Stocks Gilt Index Trust and invested in some currency futures, in order to manage the overall currency exposure of the Trust.

Outlook

From a political standpoint, our most immediate concern is a potential move of the US towards a more protectionist agenda and the renegotiation of the North American Free Trade Agreement (NAFTA), although we are also cognisant that the biggest political risk for 2018 could be in relation to an event not scheduled on the calendar, such as China's leadership's prioritisation of 'stability at all costs' – a theme identified at last year's National Congress. Elsewhere, whilst the European electoral calendar is comparatively quiet in 2018 with the Italian election in the spring, Latin America will again be under the political spotlight with Mexico, Brazil, Colombia and Venezuela all holding presidential elections.

In the UK, Brexit uncertainty remains a drag on business investment and we consider it likely that this persists through 2018, although whilst negotiations could remain tense up until March 2019, we believe that both sides have an incentive to avoid a disruptive split with their largest export partner. In the US, markets will need to adjust to the policy priorities and communication style of Jerome Powell as the new chair of the Federal Reserve, and turnover on the committee could lead to a fundamentally different perspective on their monetary policy outlook. In China, even though we remain aware of the build-up of debt, we believe that associated risks should be relatively manageable over the next two to three years.

Manager's Investment Report continued

Overall, we expect another strong year for global growth, however, given the potential sources of downside risk in 2018, such as the tightening of QE, combined with structural headwinds for growth such as debt and demographics, we are expecting to lower our equity exposure as we go further into the year.

Legal & General Investment Management Limited
(Investment Adviser)
8 February 2018

Authorised Status

Authorised Status

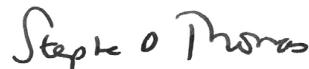
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a Non-UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven
(Director)



S. D. Thomas
(Director)

Legal & General (Unit Trust Managers) Limited
6 March 2018

Statement of Responsibilities

Statement of the Manager's Responsibilities

The Manager of the Trust is required by the FCA Collective Investment Schemes sourcebook (COLL) to prepare financial statements for each accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the net revenue and the net capital gains or losses on the Scheme property for the accounting period, and the financial position of the Trust at the end of that period. In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable;
- state whether applicable Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Trust will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Trust in accordance with the Trust Deed, the Prospectus and the COLL, maintain proper accounting records to enable them to ensure that the financial statements comply with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014 and the COLL and take in these respects reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Responsibilities continued

Statement of the Trustee's Responsibilities

The Depositary in its capacity as Trustee of Legal & General Multi Manager Balanced Trust must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, and, from 22 July 2014 the Investment Funds 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 Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

Report of the Trustee

Report of the Trustee to the Unitholders of the Legal & General Multi Manager Balanced Trust ("the Trust") for the year ended 15 January 2018

The Depositary also has a duty to take reasonable care to ensure that Trust is managed in accordance with the Scheme documents and the Regulations 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 AIFM:

- (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.

Northern Trust Global Services Limited
UK Trustee and Depositary Services
6 March 2018

Portfolio Statement

Portfolio Statement as at 15 January 2018

All investments are in collective investment schemes unless otherwise stated. The percentages in brackets show the equivalent holdings at 15 January 2017.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
Funds investing in overseas shares — 58.49% (48.63%)			
1,151,877 Blackrock European Dynamic Fund 'FD' Acc			
54,413	Goldman Sachs Global Small Cap Core Equity Portfolio 'I' Acc	594,191	2.27
26,597	Goldman Sachs India Equity 'I' Inc	422,619	1.61
97,320	Guinness Global Energy Fund 'A' Acc	615,806	2.35
5,365	iShares STOXX Europe 600 Utilities UCITS ETF	136,630	0.52
564,976	J O Hambro Capital Management Japan Fund 'A' Inc	1,558,768	5.95
329,100	Lazard Global Listed Infrastructure Equity Fund 'Stg£ Institutional' Acc	605,906	2.31
247,979	Lazard Global Listed Infrastructure Equity Fund 'US\$ Hedged Institutional' Acc	512,580	1.96
899,695	Legal & General Global Emerging Markets Index Fund 'I' Inc	546,565	2.09
1,198,467	Legal & General Global Real Estate Dividend Index Fund 'L' Inc	712,609	2.72
993,217	Legal & General US Index Trust 'I' Inc	4,052,326	15.47
2,730	Legg Mason Western Asset Structured Opportunities 'Premier Class US\$' Acc	241,358	0.92
607,729	Man GLG Continental European Growth Fund 'CH' Acc	791,264	3.02
299,610	MI Somerset Global Emerging Markets Fund 'B' Acc	839,481	3.20
31,594	Nikko AM Japan Focus Fund 'A' Inc	391,448	1.49
181,433	Stewart Investors Asia Pacific Leaders Fund 'B' Acc	1,290,026	4.92
		15,327,362	58.49
Funds investing in overseas fixed interest securities — 18.38% (21.75%)			
48,909	Blackrock Emerging Markets Local Currency Bond Fund 'D2'	979,526	3.74
6,078	JPM Global Corporate Bond Fund GBP (Hedged) 'C' Inc	405,178	1.55
2,005,871	Legal & General Emerging Markets Government Bond (US\$) Index Fund 'L' Inc	1,083,170	4.13
3,439	MI Dynamic Bond Fund 'I' Inc	390,338	1.49
96,528	Neuberger Berman Global Bond Absolute Return Fund 'I5' Acc	1,018,370	3.89

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
Funds investing in overseas fixed interest securities — (cont.)			
87,955	Nordea Global High Yield Bond Fund HBI GBP Acc	936,721	3.58
		4,813,303	18.38
Funds investing in UK shares — 18.09% (25.68%)			
661,112	Artemis Income Fund 'I' Inc	1,679,357	6.41
199,031	Henderson UK Property PAIF 'I' Acc	272,812	1.04
189,065	Old Mutual UK Mid Cap Fund 'U1' Acc	334,512	1.28
2,820,122	Schroder Recovery Fund 'L' Acc	2,052,485	7.83
137,896	TB Evenlode Income Fund 'C' Acc	399,953	1.53
		4,739,119	18.09
Funds investing in UK fixed interest securities — 0.00% (2.51%)			
FUTURES CONTRACTS — 0.31% (0.00%)			
14	CME E-Mini Russell 200 Index Future Expiry March 2018	39,140	0.15
24	STOXX Europe Small 200 Index Future Expiry March 2018	10,772	0.04
(8)	EUR/USD Currency Future Expiry March 2018	(25,234)	(0.10)
33	GBP/USD Currency Future Expiry March 2018	52,597	0.20
4	JPY/USD Currency Future Expiry March 2018	5,958	0.02
17	USD/KRW Currency Future Expiry February 2018	(1,057)	—
		82,176	0.31
Portfolio of investments¹			
Net other assets²			
Total net assets			
		24,961,960	95.27
		1,239,515	4.73
		£26,201,475	100.00%

¹ Including investment liabilities.

² Includes £700,373 of nominal in the LGIM Sterling Liquidity Fund Class 1 which is shown as a cash equivalent in the balance sheet of the Trust.

Total purchases for the year: £8,260,729.

Total sales for the year: £10,810,976.

Independent Auditors' Report

Independent auditors' report to the Unitholders of Legal & General Multi Manager Balanced Trust

Report on the audit of the financial statements

Opinion

In our opinion, Legal & General Multi Manager Balanced Trust's financial statements:

- give a true and fair view of the financial position of the Trust as at 15 January 2018 and of the net revenue and, the net capital gains on its scheme property for the year then ended; and
- have been properly prepared 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", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Manager's Report (the "Annual Report"), which comprise: the balance sheet as at 15 January 2018; the statement of total return, and the statement of change in net assets attributable to unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the Authorised Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Fund Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Independent Auditors' Report continued

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Fund Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Authorised Fund Manager's Report

In our opinion, the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Fund Manager for the financial statements

As explained more fully in the Authorised Fund Manager's Responsibilities Statement set out on page 6, the Authorised Fund Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Fund Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Fund Manager is responsible for assessing the Trust'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 Authorised Fund Manager either intend to wind up or terminate the Trust, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Independent Auditors' Report continued

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

Use of this report

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
6 March 2018

Financial Statements

Statement of Total Return for the year ended 15 January 2018

	Notes	£	15/01/18	£	15/01/17	£
Income						
Net capital gains	3		2,287,537		3,818,507	
Revenue	4	467,446		612,708		
Expenses	5	(293,829)		(275,332)		
Interest payable and similar charges	7	(227)		(541)		
Net revenue before taxation		173,390		336,835		
Taxation	6	—		(7,717)		
Net revenue after taxation for the year			173,390		329,118	
Total return before distributions			2,460,927		4,147,625	
Distributions	7	(173,398)			(333,528)	
Change in net assets attributable to Unitholders from investment activities			£2,287,529		£3,814,097	

Statement of Change in Net Assets attributable to Unitholders for the year ended 15 January 2018

		£	15/01/18	£	15/01/17	£
Opening net assets attributable to Unitholders			25,547,633		23,728,166	
Amounts received on issue of units		1,703,774		1,464,272		
Amounts paid on cancellation of units		(3,501,245)		(3,774,351)		
			(1,797,471)		(2,310,079)	
Change in net assets attributable to Unitholders from investment activities			2,287,529		3,814,097	
Retained distributions on accumulation units		163,784			315,449	
Closing net assets attributable to Unitholders			£26,201,475		£25,547,633	

Financial Statements continued

Balance Sheet as at 15 January 2018

	Notes	15/01/18 £	15/01/17 £
ASSETS			
Fixed assets:			
Investments		24,988,251	25,181,997
Current assets:			
Debtors	8	63,699	197,720
Cash and bank balances	9	582,130	217,151
Cash equivalents	9	700,373	—
Total assets		26,334,453	25,596,868
LIABILITIES			
Investment liabilities		(26,291)	—
Creditors:			
Bank overdrafts	9	(69,934)	—
Distributions payable		(5,334)	(8,211)
Other creditors	10	(31,419)	(41,024)
Total liabilities		(132,978)	(49,235)
Net assets attributable to Unitholders		£26,201,475	£25,547,633

Notes to the Financial Statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The principal accounting policies which have been applied consistently are set out below.

(b) Functional and Presentation Currency

The functional and presentation currency of the Trust is Sterling.

(c) Recognition of revenue

Revenue from distribution and accumulation units in Collective Investment Schemes is recognised when the distribution is quoted ex-dividend.

Equalisation on distributions received from Collective Investment Schemes is treated as capital property of the Trust.

Rebates received from underlying Collective Investment Schemes are treated as revenue or capital depending on the treatment of the Manager's fees in the underlying Trust.

Revenue from offshore funds is recognised when it is reported.

Revenue from derivative instruments is treated in accordance with note 2(i).

All other revenue is recognised on an accruals basis.

(d) Treatment of expenses

All expenses (other than those relating to the purchase and sale of investments) are charged against revenue on an accruals basis.

Prior to 6 June 2017, in addition to the fund management fee, the Manager was entitled to a performance fee. From 6 June 2017, the Performance fee was removed (See Significant changes on page 41). No performance fee was charged in the current or preceding year.

(e) Distribution Policy

The policy is to distribute all available revenue, after deduction of those expenses which are chargeable in calculating the distribution. In order to conduct a controlled dividend flow, interim distributions will be at the Manager's discretion, up to a maximum of the distributable revenue for the period. All remaining revenue is distributed in accordance with the COLL.

Fund management fees are deducted from revenue for the purpose of calculating the distribution.

Distributions which have remained unclaimed by Unitholders for over six years are credited to the capital property of the Trust.

Notes to the Financial Statements continued

2. Summary of Significant Accounting Policies continued

(f) Basis of valuation of investments

All investments are valued at their fair value as at 12 noon on 15 January 2018, being the last working day of the accounting year. The fair value for units in Collective Investment Schemes is the cancellation price or bid price for dual priced funds and single price for single priced funds. The fair value for derivative instruments is the cost of closing out the contract at the balance sheet date.

Where values cannot be readily determined, the securities are valued at the Manager's best assessment of their fair and reasonable value.

(g) Taxation

Provision is made for taxation at current rates on the excess of investment revenue over expenses.

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

(h) Foreign exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at 12 noon on 15 January 2018, being the last working day of the accounting year.

(i) Derivative Instruments

The Trust may make use of financial derivative instruments for Efficient Portfolio Management (EPM) purposes. EPM aims to reduce risk, reduce costs, or generate additional capital or income for the Trust with an acceptably low level of risk.

These aims allow for tactical asset allocation, which is a temporary switch in investment exposure through the use of derivatives rather than trading the underlying securities.

Derivative instruments held within the Trust have been accounted for and taxed in accordance with the Statement of Recommended Practice for Authorised Funds (IA SORP 2014). Returns on derivative transactions have been treated as either revenue or capital depending on the motives and circumstances on acquisition.

Notes to the Financial Statements continued

3. Net capital gains

	15/01/18	15/01/17
	£	£
The net capital gains during the year comprise:		
Non-derivative securities (unrealised)	1,074,547	3,403,287
Non-derivative securities (realised) ¹	1,000,667	403,370
Derivative securities (unrealised)	82,176	—
Derivative securities (realised)	109,360	—
Forward currency contracts	(34)	—
Currency gains/(losses)	9,757	(10,068)
Management fee rebates	<u>11,064</u>	<u>21,918</u>
Net capital gains	<u>2,287,537</u>	<u>3,818,507</u>

¹ The realised gains on investments in the accounting year include amounts previously recognised as unrealised gains in the prior accounting year.

4. Revenue

	15/01/18	15/01/17
	£	£
UK Franked distributions		
Interest distributions	221,053	247,785
Management fee rebates	114,447	157,150
Taxable overseas distributions	11,154	5,805
Non-taxable overseas distributions	72,462	144,633
Futures revenue	44,338	56,534
Bank interest	<u>3,631</u>	—
	<u>361</u>	<u>801</u>
	<u>467,446</u>	<u>612,708</u>

5. Expenses

	15/01/18	15/01/17
	£	£
Payable to the Manager, associates of the Manager and agents of either of them:		
Fund management fees	<u>293,829</u>	<u>275,332</u>
Total expenses	<u>293,829</u>	<u>275,332</u>

Audit fees of £12,108 plus VAT on Audit fees of £2,422 have been borne by the Manager out of its fund management fee. In the prior year, the total audit fee was £11,755 plus VAT of £2,351.

Notes to the Financial Statements continued

6. Taxation

(a) Analysis of taxation charge in year

	15/01/18	15/01/17
	£	£
Irrecoverable income tax	—	7,717
Current tax [note 6(b)]	—	7,717
Deferred tax [note 6(c)]	—	—
Total taxation	—	7,717

(b) Factors affecting taxation charge for the year

The current tax charge excludes capital gains and losses for the reason that Authorised Unit Trusts are not subject to Corporation Tax on these items. Current tax differs from taxation assessed on net revenue before taxation as follows:

Net revenue before taxation	173,390	336,835
Net revenue before taxation multiplied by the applicable rate of Corporation tax of 20% (2017: 20%)	34,678	67,367
Effects of:		
Capitalised revenue subject to taxation	2,213	4,384
Revenue not subject to taxation	(53,078)	(60,864)
Irrecoverable income tax	—	7,717
Excess management expenses not utilised	16,187	(10,887)
Current tax	—	7,717

(c) Provision for deferred tax

There is no deferred tax provision in the current or preceding year. At the year end there is a potential deferred tax asset of £69,165 (15 January 2017: £52,978) due to surplus management expenses.

It is unlikely the Trust will generate sufficient taxable profits in the future to utilise this amounts and therefore no deferred tax asset has been recognised (15 January 2017: same).

Notes to the Financial Statements continued

7. Distributions

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

	15/01/18	15/01/17
	£	£
Interim distribution	33,340	105,028
Final distribution	<u>136,971</u>	<u>222,410</u>
	170,311	327,438
Add: Revenue deducted on cancellation of units	4,684	9,732
Less: Revenue received on creation of units	(1,597)	(3,642)
Distributions for the year	173,398	333,528
Interest payable and similar charges		
Bank overdraft interest	227	541
	<u>173,625</u>	<u>334,069</u>

The differences between the net revenue after taxation and the distributions for the year are as follows:

	15/01/18	15/01/17
	£	£
Net revenue after taxation for the year	173,390	329,118
Equalisation effect of conversions	8	8,794
Tax relief on capital expenses	<u>—</u>	<u>(4,384)</u>
Distributions for the year	173,398	333,528

8. Debtors

	15/01/18	15/01/17
	£	£
Accrued revenue	55,857	70,197
Amounts receivable for creation of units	2,000	105,703
CIS tax recoverable	2,439	13,598
Management fee rebates	<u>3,403</u>	<u>8,222</u>
	63,699	197,720

Notes to the Financial Statements continued

9. Net uninvested cash

	15/01/18 £	15/01/17 £
Amounts held at futures clearing houses and brokers	87,593	—
Cash and bank balances	494,537	217,151
Amounts due to futures clearing houses and brokers	(68,135)	—
Bank overdrafts	(1,799)	—
Cash equivalents	700,373	—
Net uninvested cash	<u>1,212,569</u>	<u>217,151</u>

10. Other creditors

	15/01/18 £	15/01/17 £
Accrued expenses	11,456	34,771
Amounts payable for cancellation of units	14,962	4,556
Purchases awaiting settlement	5,001	1,697
	<u>31,419</u>	<u>41,024</u>

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (15 January 2017: same).

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks

The investments of a Trust in financial securities and derivatives are subject to normal market fluctuations and other risks inherent in investing in such instruments. Legal & General (Unit Trust Managers) Limited (UTM) is the Authorised Fund Manager and has responsibility for ensuring appropriate risk management processes are implemented for each Unit Trust.

The UTM Board has delegated the risk oversight function to the Fund Manager Oversight Committee (FMOC), a committee of the Legal & General Investment Management (Holdings) Limited (LGIMH) Board that meets monthly. The primary objective of the FMOC is to ensure proper oversight of the investment management activities and associated services performed by LGIM, its delegates and other Fund Managers, under the Investment Management Agreement (IMA), on behalf of UTM in its capacity as Authorised Fund Manager. The committee consists of senior members of LGIMH and members of the UTM Board. Other senior staff members are also in attendance, as required by the agenda.

Each Trust has Investment Guidelines, an Investment Objective and Investment Restrictions, against which the fund manager will operate. These are set out in Schedule 1 of the IMA between LGIM and UTM. The Schedule is maintained by each fund manager, reviewed by the LGIM Operational Risk and Compliance Teams and approved senior members of LGIMH on behalf of the UTM board. The Schedule provides the detail needed to determine the risk profile for each fund. Fund managers are not permitted to invest into any new instruments without first gaining approval from UTM.

The Investment Objective and Policy of this Trust is detailed on page 2.

(a) Market Risk arising from other price risk

Market Risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar instruments traded in the market.

The assets held by the Trust can be seen in the Portfolio Statement starting on page 9. Movements in the prices of these investments result in movements in the performance of the Trust. The Manager adheres to the investment guidelines established in the Trust Deed, the Prospectus, the COLL and the Trust's IOG, and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

At 15 January 2018, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £1,248,098 (15 January 2017: £1,259,100).

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks continued

(b) Interest Rate Risk

Interest Rate Risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The Trust's only interest bearing financial instruments were its bank balances and overdraft facilities as disclosed in note 9. Cash is deposited and overdraft facilities utilised on normal commercial terms and earn or bear interest based on LIBOR or its overseas equivalent.

In the event of a change in interest rates, there would be no material impact upon the assets of the Trust.

(c) Foreign Currency Risk

Foreign Currency Risk is the risk of movements in the value of financial instruments as a result of fluctuations in exchange rates. This risk may be managed by the use of forward currency contracts or currency futures as necessary.

As this Trust invests in other collective investment schemes that hold investment instruments in overseas financial securities, there is currency risk in respect of the financial instruments held by those schemes.

Forward currency contracts and currency futures were utilised during the current year but not the preceding year.

At 15 January 2018, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £5,888 (15 January 2017: £8,798).

The direct foreign currency profile of the Trust's net assets at the balance sheet date was:

15/01/18 Currency	Net foreign currency assets		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Euro	(857)	147	(710)
Japanese Yen	329	—	329
South Korean Won	(111)	—	(111)
US Dollar	(1,307)	2,388	1,081

15/01/17 Currency	Net foreign currency assets		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
US Dollar	—	880	880

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks continued

(d) Credit Risk

Credit Risk is the risk of suffering financial loss as a result of a counterparty to a financial transaction being unable to fulfil their financial obligations as they fall due.

As this Trust invests in Collective Investment Schemes, there is credit risk in respect of the assets held by these Schemes.

This risk is managed by appraising the credit profile of financial instruments and issuers in line with the Trust's investment objective and policy.

(e) Liquidity Risk

Liquidity Risk relates to the capacity to meet liabilities as they fall due. The primary source of this risk to the Trust is the liability to Unitholders for any cancellation of units.

The Trust can also be exposed to liquidity risk through its commitments under derivative contracts, whereby additional margin payments or collateral payments may need to be posted with the counterparty or clearing house.

This risk is minimised by holding a large proportion of readily realisable assets, cash balances and via access to overdraft facilities.

(f) Derivative Risk - Sensitivity Analysis

Derivative Risk arises from uncertainty about future market movements. This risk is managed by the policies shown within Market risk.

At the balance sheet date the Trust made use of the following derivatives:

Futures

Futures are used to adjust the effective equity exposure of the Trust in a cost effective manner. The effect of these instruments was to increase the exposure of the Trust by £1,136,190 (15 January 2017: £nil), representing 4.34% of the net asset value (15 January 2017: 0.00%).

This results in an effective equity exposure at the year end of 99.61% (15 January 2017: 0.00%) of net assets, which means that the gains or losses of the Trust will be 0.9961 (15 January 2017: nil) times the gains or losses if the Trust was fully invested in equities.

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks continued

(g) Fair Value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no material difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

The Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Management Association in May 2014 requires the classification of the Trust's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Trust's financial instruments as at the balance sheet date were:

15/01/18 Basis of Valuation	Assets £	Liabilities £
Level 1 - Quoted Prices	245,097	(26,291)
Level 2 - Observable Market Data	24,743,154	—
Level 3 - Unobservable Data	—	—
Total	24,988,251	(26,291)

15/01/17 Basis of Valuation	Assets £	Liabilities £
Level 1 - Quoted Prices	—	—
Level 2 - Observable Market Data	25,181,997	—
Level 3 - Unobservable Data	—	—
Total	25,181,997	—

Level 1

The unadjusted quoted price in an active market for assets or liabilities that the entity can access at the measurement date.

Level 2

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

Level 3

Valuation techniques using unobservable inputs.

13. Portfolio transaction costs

As the Trust mainly invests in assets that are not subject to commissions or taxes, there are no transaction costs (15 January 2017: same).

Total purchases for the year: £8,260,729
(15 January 2017: £8,547,068)

Total sales for the year: £10,810,976
(15 January 2017: £10,663,827)

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.21% (15 January 2017: 0.14%).

Notes to the Financial Statements continued

14. Unit classes

A list of unit classes in issue and the fund management fee on each unit class can be found on page 38. The net asset value per unit of each unit class and the number of units in each class are given in the comparative tables on pages 31 to 36. The distributions per unit class are given in the distribution tables on pages 28 and 29. All classes have the same rights on winding up.

R-Class	Distribution	Accumulation
Opening Units	1,010,490	25,416,169
Units issued	122,558	1,882,321
Units cancelled	(170,296)	(2,956,473)
Units converted	—	(21,214)
Closing Units	962,752	24,320,803

F-Class	Distribution	Accumulation
Opening Units	1,478	157,024
Units issued	53,922	1,301
Units cancelled	—	(54,711)
Units converted	—	—
Closing Units	55,400	103,614

I-Class	Distribution	Accumulation
Opening Units	347,502	7,712,476
Units issued	15,529	173,347
Units cancelled	(44,245)	(1,356,176)
Units converted	—	20,800
Closing Units	318,786	6,550,447

15. Ultimate controlling party and related party transactions

The Manager is regarded as a related party to the Trust because it provides key management personnel services to the Trust. The ultimate controlling party of the Manager is Legal & General Group Plc. Subsidiaries of Legal & General Group Plc are also considered related parties to the Trust.

Legal & General (Unit Trust Managers) Limited acts as the principal on all the transactions of the units in the Trust. The aggregated monies received through creations or paid on cancellations are disclosed in the statement of change in net assets attributable to unitholders.

Equalisation amounts relating to creations and cancellations of units are shown within note 7. Fees received by the Authorised Fund Manager from the Trust plus any rebates paid by the Authorised Fund Manager to the Trust are shown within notes 3, 4 and 5 as applicable. Any outstanding fees, amounts outstanding on creations or cancellations of units in the Trust, or rebates receivable by the Trust from the Manager are shown within notes 8 and 10 as applicable.

At the year end, the Manager and its associates held 0.00% (0.03% as at 15 January 2017) of the Trust's units in issue.

Notes to the Financial Statements continued

16. Post balance sheet market movements

As at the close of business on the balance sheet date the Net Asset Value per R-Class distribution unit was 74.86p. The Net Asset Value per R-Class distribution unit for the Trust as at 12 noon on 2 March 2018 was 72.27p. This represents a decrease of 3.58% from the year end value.

Distribution Tables

Distribution Tables for the year ended 15 January 2018

Group 1: units purchased prior to a distribution period.

Group 2: units purchased during a distribution period.

Equalisation is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. As capital it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

Interim dividend distribution in pence per unit			Period 16/01/17 to 15/07/17	
	Revenue	Equalisation	Distribution	Distribution
R-Class				
Distribution Units			15/09/17	15/09/16
Group 1	0.0621	—	0.0621	0.2442
Group 2	—	0.0621	0.0621	0.2442
R-Class				
Accumulation Units			15/09/17	15/09/16
Group 1	0.0676	—	0.0676	0.2598
Group 2	0.0321	0.0355	0.0676	0.2598
F-Class				
Distribution Units			15/09/17	15/09/16
Group 1	0.0730	—	0.0730	0.2456
Group 2	—	0.0730	0.0730	0.2456
F-Class				
Accumulation Units			15/09/17	15/09/16
Group 1	0.0806	—	0.0806	0.2599
Group 2	0.0173	0.0633	0.0806	0.2599
I-Class				
Distribution Units			15/09/17	15/09/16
Group 1	0.1986	—	0.1986	0.3696
Group 2	0.0715	0.1271	0.1986	0.3696
I-Class				
Accumulation Units			15/09/17	15/09/16
Group 1	0.2168	—	0.2168	0.4000
Group 2	0.1387	0.0781	0.2168	0.4000

Distribution Tables continued

				Period
				16/07/17 to 15/01/18
		Revenue	Equalisation	Distribution
R-Class				15/03/18
Distribution Units				15/03/17
Group 1		0.3614	—	0.3614
Group 2		0.2609	0.1005	0.3614
R-Class				Distribution
Accumulation Units		Revenue	Equalisation	15/03/18
Group 1		0.3887	—	0.3887
Group 2		0.2675	0.1212	0.3887
F-Class				Distribution
Distribution Units		Revenue	Equalisation	15/03/18
Group 1		0.4169	—	0.4169
Group 2		0.2998	0.1171	0.4169
F-Class				Distribution
Accumulation Units		Revenue	Equalisation	15/03/18
Group 1		0.4486	—	0.4486
Group 2		0.1485	0.3001	0.4486
I-Class				Distribution
Distribution Units		Revenue	Equalisation	15/03/18
Group 1		0.5092	—	0.5092
Group 2		0.2602	0.2490	0.5092
I-Class				Distribution
Accumulation Units		Revenue	Equalisation	15/03/18
Group 1		0.5592	—	0.5592
Group 2		0.3197	0.2395	0.5592
				15/03/17

Trust Information (unaudited)

The Comparative Tables on pages 31 to 36 give the performance of each active share class in the Trust.

The ‘Return after charges’ disclosed in the Comparative Tables is calculated as the return after operating charges per unit divided by the opening net asset value per unit. It differs from the Trust’s performance disclosed in the Manager’s report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Trust.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the ‘dealing spread’ – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by a fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

Trust Information (unaudited) continued

Comparative Tables

R-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/18 (pence per unit)	15/01/17 (pence per unit)	15/01/16 (pence per unit)
Opening net asset value per unit	68.43	58.44	61.06
Return before operating charges*	8.14	11.95	(0.94)
Operating charges (calculated on average price)	(1.29)	(1.15)	(1.16)
Return after operating charges*	6.85	10.80	(2.10)
Distributions on income units	(0.42)	(0.81)	(0.52)
Closing net asset value per unit	74.86	68.43	58.44
* after direct transaction costs of:	—	—	0.01

Performance

Return after charges	10.01%	18.48%	(3.44)%
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Other Information

Closing net asset value (£)	720,721	691,511	623,095
Closing number of units	962,752	1,010,490	1,066,245
Operating charges [†]	1.81%	1.83%	1.86%
Direct transaction costs	0.00%	0.00%	0.01%

Prices

Highest unit price	75.63p	72.70p	69.85p
Lowest unit price	67.35p	55.94p	58.19p

[†] Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Trust Information (unaudited) continued

Comparative Tables continued

R-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/18 (pence per unit)	15/01/17 (pence per unit)	15/01/16 (pence per unit)
Opening net asset value per unit	73.66	62.16	64.37
Return before operating charges*	8.72	12.73	(0.99)
Operating charges (calculated on average price)	(1.39)	(1.23)	(1.22)
Return after operating charges*	7.33	11.50	(2.21)
Distributions	(0.46)	(0.87)	(0.55)
Retained distributions on accumulation units	0.46	0.87	0.55
Closing net asset value per unit	80.99	73.66	62.16
* after direct transaction costs of:	—	—	0.01

Performance

Return after charges	9.95%	18.50%	(3.43)%
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Other Information

Closing net asset value (£)	19,696,558	18,720,467	18,160,057
Closing number of units	24,320,803	25,416,169	29,215,235
Operating charges [†]	1.81%	1.83%	1.86%
Direct transaction costs	0.00%	0.00%	0.01%

Prices

Highest unit price	81.43p	77.60p	73.64p
Lowest unit price	72.45p	59.49p	61.39p

[†] Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Trust Information (unaudited) continued

Comparative Tables continued

F-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/18 (pence per unit)	15/01/17 (pence per unit)	15/01/16 (pence per unit)
Opening net asset value per unit	68.40	58.44	61.04
Return before operating charges*	8.16	11.93	(0.92)
Operating charges (calculated on average price)	(1.22)	(1.16)	(1.16)
Return after operating charges*	6.94	10.77	(2.08)
Distributions on income units	(0.49)	(0.81)	(0.52)
Closing net asset value per unit	74.85	68.40	58.44
* after direct transaction costs of:	—	—	0.01

Performance

Return after charges	10.15%	18.43%	(3.41)%
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Other Information

Closing net asset value (£)	41,448	1,011	12,021
Closing number of units	55,400	1,478	20,569
Operating charges [†]	1.71%	1.83%	1.86%
Direct transaction costs	0.00%	0.00%	0.01%

Prices

Highest unit price	75.68p	69.23p	66.54p
Lowest unit price	67.34p	55.94p	58.19p

[†] Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Trust Information (unaudited) continued

Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/18 (pence per unit)	15/01/17 (pence per unit)	15/01/16 (pence per unit)
Opening net asset value per unit	73.68	62.18	64.39
Return before operating charges*	8.71	12.73	(0.99)
Operating charges (calculated on average price)	(1.30)	(1.23)	(1.22)
Return after operating charges*	7.41	11.50	(2.21)
Distributions	(0.53)	(0.87)	(0.55)
Retained distributions on accumulation units	0.53	0.87	0.55
Closing net asset value per unit	81.09	73.68	62.18
* after direct transaction costs of:	—	—	0.01

Performance

Return after charges	10.06%	18.49%	(3.43)%
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Other Information

Closing net asset value (£)	84,023	115,701	96,767
Closing number of units	103,614	157,024	155,617
Operating charges [†]	1.71%	1.83%	1.86%
Direct transaction costs	0.00%	0.00%	0.01%

Prices

Highest unit price	81.53p	73.93p	70.16p
Lowest unit price	72.48p	59.51p	61.42p

[†] Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Trust Information (unaudited) continued

Comparative Tables continued

I-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/18 (pence per unit)	15/01/17 (pence per unit)	15/01/16 (pence per unit)
Opening net asset value per unit	68.41	58.42	61.06
Return before operating charges*	8.15	11.97	(0.95)
Operating charges (calculated on average price)	(1.01)	(0.90)	(0.92)
Return after operating charges*	7.14	11.07	(1.87)
Distributions on income units	(0.71)	(1.08)	(0.77)
Closing net asset value per unit	74.84	68.41	58.42
* after direct transaction costs of:	—	—	0.01

Performance

Return after charges	10.44%	18.95%	(3.06)%
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Other Information

Closing net asset value (£)	238,578	237,718	205,443
Closing number of units	318,786	347,502	351,662
Operating charges [†]	1.42%	1.44%	1.47%
Direct transaction costs	0.00%	0.00%	0.01%

Prices

Highest unit price	75.76p	69.35p	66.58p
Lowest unit price	67.34p	55.94p	58.23p

[†] Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Trust Information (unaudited) continued

Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/18 (pence per unit)	15/01/17 (pence per unit)	15/01/16 (pence per unit)
Opening net asset value per unit	74.96	63.01	65.00
Return before operating charges*	8.89	12.93	(1.01)
Operating charges (calculated on average price)	(1.11)	(0.98)	(0.98)
Return after operating charges*	7.78	11.95	(1.99)
Distributions	(0.78)	(1.17)	(0.82)
Retained distributions on accumulation units	0.78	1.17	0.82
Closing net asset value per unit	82.74	74.96	63.01
* after direct transaction costs of:	—	—	0.01

Performance

Return after charges	10.38%	18.97%	(3.06)%
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Other Information

Closing net asset value (£)	5,420,127	5,781,225	4,630,783
Closing number of units	6,550,447	7,712,476	7,348,723
Operating charges [†]	1.42%	1.44%	1.47%
Direct transaction costs	0.00%	0.00%	0.01%

Prices

Highest unit price	83.19p	75.21p	70.88p
Lowest unit price	73.75p	60.33p	62.16p

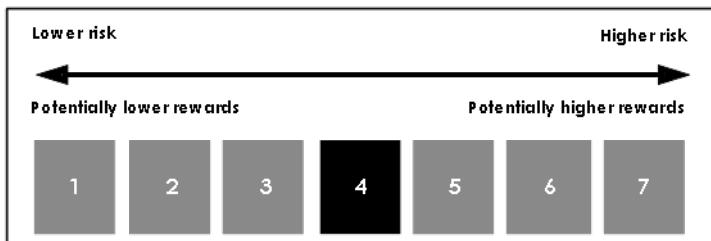
[†] Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Risk and Reward Profile (unaudited)



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category is based on the rate at which the value of the Trust has moved up and down in the past.
- This Trust is in category four because it invests, through other funds, in a variety of investments. A mixture of higher risk investments and lower risk investments has a balancing effect. Company shares and sub-investment grade bonds generally provide higher rewards and higher risks whereas investment grade bonds and cash generally provide lower rewards and lower risks.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

General Information (unaudited)

Constitution

Launch date:	25 April 2008	
Year end:	15 January	
Period end dates for distributions:	15 January, 15 July	
Distribution dates:	15 March, 15 September	
Minimum initial lump sum investment:	R-Class	£500
	F-Class*	£500
	I-Class	£1,000,000
Minimum monthly contributions:	R-Class	£10
	F-Class*	£50
	I-Class	N/A
Valuation point:	12 noon	
Fund management fees:	R-Class	Annual 1.23%
	F-Class*	Annual 1.08%† (1.23% prior to 6 June 2017)
	I-Class	Annual 0.84%
Initial charges:	R-Class	Nil‡
	F-Class*	Nil
	I-Class	Nil

* F-Class units are only available to:

- (i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Trust and
- (ii) authorised intermediaries or distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

† With effect from 6 June 2017 - See Significant Changes on page 41.

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/fund-information/daily-fund-prices immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 8:30am to 6:00pm, Monday to Friday.

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at www.legalandgeneral.com. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

ISA Status

This Trust may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

Call charges will vary. We may record and monitor calls.

General Information (unaudited) continued

Prospectus and Manager's Reports

The Manager will send to all persons on the Unitholder Register annual and interim short form reports.

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

Call charges will vary. We may record and monitor calls.

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Trust. Where the Manager operates a box through which unit subscriptions and unit redemptions are netted into a single trade instruction to the Trustee, the netting reduces the actual transaction costs and this generates a revenue to the Manager. The revenue generated from this activity is calculated on a monthly basis and returned to the Trust in the form of a payment from the Manager. This provides an enhanced return to the Trust, though the size of any return will be dependent on the size of subscriptions and redemptions.

Leverage

In accordance with the requirements of AIFMD regulations, the AIFMD must set a maximum level of leverage for the Trust and report to investors the total amount of leverage employed by the Trust. Arrangements must also be in place to ensure compliance with the leverage limits.

The leverage limits and the actual leverage employed at the balance sheet date were:

Leverage Limit	Gross	Commitment
L&G Multi Manager Balanced Trust	300%	200%

Actual	Gross	Commitment
L&G Multi Manager Balanced Trust	111%	105%

General Information (unaudited) continued

Remuneration Disclosure

In accordance with the Alternative Investment Fund Managers Directive (AIFMD), the Legal & General Multi Manager Balanced Trust, as an Alternative Investment Fund (AIF), is required to disclose the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the Alternative Investment Fund Manager (AIFM) to its staff, the number of beneficiaries, and, where relevant, carried interest paid by the AIF.

The following provides information on the remuneration of persons whose professional activities have a material impact on the management company and the funds managed by it as at 31 December 2016. At the time of publishing, figures as at 31 December 2017 were not available. We shall publish this data in the Trust's interim report due to be published in September 2018.

Controlled Functions

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Fund (Pro-rated) (£'000)
16	3,278	5,980	6

Material Risk Takers

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Fund (Pro-rated) (£'000)
25	2,921	4,252	5

Controlled Functions

As at 31 December 2016, Legal & General Unit Trust Managers Limited (UTM) engaged the services of five employees of Legal & General Investment Management (Holdings) Limited (LGIMH), plus a further two employees of Legal & General Resources (LGR) to act as Directors. In addition, one LGIMH employee plus one LGR employee were also engaged in Director Services during the year, but resigned in 2016. UTM also engaged the services of a further five LGIMH employees and a further two L&G Resources (LGR) employees to act in a variety of Controlled Functions, including Chief Compliance Officer, Money Laundering Reporting Officer, Client Asset Oversight, Systems and Controls Functions and Significant Management Functions. These employees were also engaged by other companies in the L&G Group. The aggregate remuneration received by these individuals, for all their services across the L&G Group, is disclosed in the table above. We have pro-rated the remuneration figures by the Net Asset Value of the AIF as a percentage of the total assets under management of UTM.

Material Risk Takers

As at the 31 December 2016, UTM engaged the services of Legal & General Investment Management's Asset Allocation Investment Team, which consists of 25 investment professionals located in our London Office. The team includes a variety of Fund Managers, Analysts and Support Staff, with the Fund Managers empowered to take discretionary investment management decisions on behalf of the Trust. The team is also engaged in managing other Legal & General Funds/Schemes and is also engaged by other companies in the L&G Group. The aggregate remuneration received by the members of the team, for all their services across the L&G Group, is disclosed in the table above. We have pro-rated the remuneration figures by the Net Asset Value of the AIF as a percentage of the total assets under management of the Investment Team.

General Information (unaudited) continued

Significant Changes

Change to Investment Policy

As disclosed on page 2, the Trust changed its investment policy on 6 June 2017.

Change of FMF for F-Class

With effect from 6 June 2017, the Fund Management Fee (FMF) has been reduced for the F-Class from 1.23% to 1.08%.

Removal of Performance Fee

Prior to this change, a performance fee applied to R-Class only, however, this performance fee will no longer apply from 6 June 2017. The performance fee was an additional charge payable from the property of the Trust, if the Trust met specific performance targets. The removal of this fee will simplify our charges.

Removal of the Initial Charge for R-Class

With effect from 6 June 2017, the initial charge for R-Class units has been removed. Prior to this change, the initial charge was 5%. The removal of the initial charge will provide better value for investors, as there is no longer a cost of setting up the investment.

Removal of Initial Commission

With effect from 6 June 2017, initial commission will no longer be paid on the Trust. The initial commission was intended to reflect the costs incurred by the product provider and the intermediary for setting up and selling the business, however, Legal & General no longer consider it appropriate to continue to pay commission on such transactions.

General Information (unaudited) continued

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited

Registered in England and Wales No. 01009418

Registered office:

One Coleman Street,

London EC2R 5AA

Telephone: 0370 050 3350

Authorised and regulated by the Financial Conduct Authority

Directors of the Manager

R. M. Bartley

A. J. C. Craven

S. Hynes

H. Morrissey (appointed 5 July 2017)

H. Solomon

S. D. Thomas

L. W. Toms

A. R. Toutouchi*

M. J. Zinkula

*Non-executive Director

Secretary

J. McCarthy

Registrar

Legal & General (Unit Trust Managers) Limited

P.O. Box 6080,

Wolverhampton WV1 9RB

Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956

Enquiries: 0370 050 0955

Registration: 0370 050 0955

Call charges will vary. We may record and monitor calls.

Trustee

Northern Trust Global Services Limited

Trustee and Depositary Services

50 Bank Street,

Canary Wharf,

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London SE1 2RT

Investment Adviser

Legal & General Investment Management Limited

One Coleman Street,

London EC2R 5AA

Authorised and regulated by the Financial Conduct Authority

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Financial Conduct Authority**

Legal & General
(Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
www.legalandgeneral.com

