

Legal & General Multi Manager Income Trust

Annual Manager's Report
for the year ended
15 January 2019



Contents

	Page Number
Manager's Investment Report*	2
Authorised Status*	4
Directors' Statement	4
Statement of the Manager's Responsibilities	5
Statement of the Trustee's Responsibilities	6
Report of the Trustee	7
Portfolio Statement*	8
Independent Auditor's 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	29
Trust Information*	33
Risk and Reward Profile (unaudited)*	40
General Information (unaudited)*	41

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

Manager's Investment Report

Investment Objective and Policy

The Trust's investment objective is to achieve a high income with some potential for capital growth.

The Trust aims to invest in a wide range of Collective Investment Schemes including unregulated 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 fell by 6.25% compared to the IA Mixed Investment 20-60% Shares sector average return, on a Total Return basis, of -4.71%. (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

Although the global economy as a whole continued to grow during the review year, growth became less synchronised and more uneven across countries and regions, with an increased loss of momentum towards the end of the year. This was caused by escalating trade tensions between the US and China and concerns that the Federal Reserve had tightened monetary policy too aggressively, both of which served to unsettle investors, with the VIX Index (a volatility measure) reaching its highest level during the year since 2015. In Europe, Brexit continued to dominate the headlines in the UK, whilst in Italy, the reaction in the markets to a new populist government evoked memories of the Eurozone sovereign debt crisis.

In this environment, the 'safe haven' appeal of major government bond markets led to their outperformance versus the MSCI World Index (in Sterling terms), despite central banks having embarked on a programme to withdraw the extraordinary monetary support that has been in place since the global financial crisis. Within equity markets, Developed markets outperformed Emerging markets, with the latter being negatively impacted by a stronger US Dollar and mounting worries around the risk of protectionist trade policies. Elsewhere, having risen to its highest level in four years in early October, the oil price then declined sharply driven in part by increased levels of supply, notably US inventories, ending the period at \$52.1 per barrel.

Trust Review

The Trust underperformed its sector over the review year. In terms of fund selection, the key laggards were J O Hambro Capital Management Japan, Nordea Global High Yield Bond and BlackRock Emerging Markets Local Currency Bond, although these losses were offset somewhat by the holdings in Schroder Recovery and First State Global - Asian Equity Plus. With regards to asset allocation, the Trust benefitted from its overweight position in Alternative Assets, including exposure to Infrastructure

Manager's Investment Report continued

and Property, but the underweight position in UK fixed income and cash proved negative for relative performance.

We launched new positions in Artemis UK Select and Metropole Euro SRI during the year, in order to provide some additional style biases within the overall portfolio, whilst also taking a new position in the Legal & General Global Real Estate Dividend Index Fund to replace our existing ETF exposure to the asset class.

Outlook

The economic expansion of the last decade has been a consistent tailwind for financial assets. A key danger going forward is a potential collision between tighter monetary policy, a cyclical slowdown and the structural headwinds of deteriorating demographics and high debt. As such, we think on-going volatility, rather than a sharp bull or bear market, is a likely regime for the period ahead.

Whilst the UK economy was relatively stable during 2018, with the labour market strengthening, supported by a benign global growth backdrop which allowed the Bank of England to raise interest rates for the first time in a decade, it is clear that the country has suffered a bout of idiosyncratic economic weakness since the middle of 2016 which has weighed on the exchange rate and interest rates. Although the outlook looks similarly clouded by chronic political uncertainty, our base case continues to be that Parliament will eventually pass a Brexit deal which would moderate the uncertainty.

The outlook for fixed income and currency markets is largely shaped by the policy options available to central banks. The rate differential between the US and other markets is likely to widen further, risking another bout of US Dollar appreciation and yield increases during the year. However, we are sceptical about how much further US exceptionalism can run, in particular against the backdrop of focus switching to the 2020 Presidential election and beyond.

Legal & General Investment Management Limited
(Investment Adviser)
11 February 2019

Authorised Status

Authorised Status

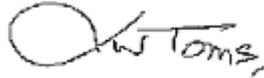
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a Non-UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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)



L. W. Toms
(Director)

Legal & General (Unit Trust Managers) Limited
11 March 2019

Statement of Responsibilities

Statement of the Manager's Responsibilities

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

In preparing the financial statements, the Manager is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, the Prospectus and the COLL Rules.

Statement of Responsibilities continued

Statement of the Trustee's Responsibilities

The Depositary in its capacity as Trustee of Legal & General Multi Manager Income 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 Income Trust ("the Trust") for the year ended 15 January 2019

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 SE UK Branch
UK Trustee and Depositary Services
11 March 2019

Portfolio Statement

Portfolio Statement as at 15 January 2019

All investments are in investment grade securities or collective investment schemes unless otherwise stated. The percentages in brackets show the equivalent holdings at 15 January 2018.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Funds investing in overseas shares — 38.19% (42.46%)		
3,213,491	BlackRock European Dynamic Fund 'FD' Acc	4,865,226	3.63
116,732	First State Global - Asian Equity Plus Fund 'I' Inc	4,500,834	3.35
225,253	Goldman Sachs Global Small Cap Core Equity Portfolio 'I' Inc	2,277,305	1.70
63,191	Goldman Sachs India Equity 'I' Inc	866,983	0.65
291,466	Guinness Global Energy Fund 'A' Acc	1,615,023	1.20
660,804	J O Hambro Capital Management Japan Fund 'A' Inc	1,483,505	1.11
2,544,141	Lazard Global Listed Infrastructure Equity Fund 'Stg£ Institutional' Inc	3,858,954	2.88
1,573,578	Lazard Global Listed Infrastructure Equity Fund 'US\$ Hedged Institutional' Acc	3,413,262	2.54
5,464,963	Legal & General Global Emerging Markets Index Fund 'I' Inc	2,984,963	2.22
4,630,076	Legal & General Global Real Estate Dividend Index Fund 'L' Inc	2,864,165	2.13
3,018,479	Legal & General US Index Trust 'I' Inc	12,167,487	9.07
41,400	Legg Mason Western Asset Structured Opportunities 'Hedged US\$' Inc	3,244,982	2.42
2,778,192	Man GLG Continental European Growth Fund 'CH' Acc	3,311,604	2.47
7,856	Metropole Funds - Metropole Euro SRI 'A' Acc	1,974,300	1.47
815,100	MI Somerset Global Emerging Markets Fund 'B' Inc	1,811,221	1.35
		51,239,814	38.19
	Funds investing in overseas fixed interest securities — 37.51% (38.00%)		
335,848	BlackRock Emerging Markets Local Currency Bond Fund 'D3' Inc	4,149,300	3.09
1,932,831	Investec Emerging Markets Local Currency Debt Fund 'A' Inc	1,757,137	1.31
26,562	iShares Core £ Corporate Bond UCITS ETF Inc	3,704,071	2.76
48,375	JPMorgan Global Corporate Bond Fund GBP (Hedged) 'C' Inc	2,992,455	2.23
20,627,550	Legal & General Emerging Markets Government Bond (US\$) Index Fund 'L' Inc	11,064,618	8.25
9,040,285	Legal & General Global Inflation Linked Bond Index Fund 'L' Inc	4,620,490	3.44

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Funds investing in overseas fixed interest securities — (cont.)		
3,095,414	Legal & General Short Dated Sterling Corporate Bond Index Fund 'L' Inc	1,564,113	1.17
46,451	MI TwentyFour AM Dynamic Bond Fund 'I' Inc	4,918,591	3.67
702,146	Neuberger Berman Global Bond Absolute Return Fund '15' Acc	7,098,700	5.29
837,223	Nordea Global High Yield Bond Fund HBI GBP Acc	8,455,948	6.30
		50,325,423	37.51
	Funds investing in UK shares — 12.83% (12.36%)		
2,502,178	Artemis Income Fund 'I' Inc	5,600,124	4.17
274,262	Artemis UK Select Fund 'I' Inc	1,242,628	0.93
1,600,893	Janus Henderson UK Property PAIF 'I' Inc	1,845,670	1.38
1,210,013	Merian UK Mid Cap Fund 'U1' Acc	1,801,709	1.34
9,569,107	Schroder Recovery Fund 'L' Acc	6,718,470	5.01
		17,208,601	12.83
	GOVERNMENT BONDS — 2.33% (1.49%)		
EUR872,000	Hellenic Republic Government Bond 3.375% 15/02/2025 ¹	752,689	0.56
USD3,008,000	United States Treasury Inflation Indexed Bonds 1% 15/02/2046	2,373,259	1.77
		3,125,948	2.33
	FUTURES CONTRACTS — 0.47% (0.42%)		
27	Australia 10 Year Future Expiry March 2019	27,646	0.02
39	E-Mini Russell 2000 Index Future Expiry March 2019	104,463	0.08
(20)	E-Mini S&P 500 Future Expiry March 2019	(60,730)	(0.05)
83	MSCI Emerging Markets Index Future Expiry March 2019	99,351	0.07
9	NASDAQ 100 E-Mini Future Expiry March 2019	26,416	0.02
14	SFE SPI 200 Index Future Expiry March 2019	47,010	0.04
(49)	SGX Nifty 50 Index Future Expiry January 2019	(3,825)	—
22	STOXX 600 Utilities Index Future Expiry March 2019	2,356	—
116	STOXX Europe Small 200 Index Future Expiry March 2019	50,061	0.04
41	TOPIX Future Expiry March 2019	28,726	0.02
48	AUD/USD Currency Future Expiry March 2019	1,276	—
22	CAD/USD Currency Future Expiry March 2019	19,013	0.01

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
FUTURES CONTRACTS — (cont.)			
(9)	CHF/USD Currency Future Expiry March 2019	(2,158)	—
5	EUR/GBP Currency Future Expiry March 2019	(10,781)	(0.01)
(12)	EUR/USD Currency Future Expiry March 2019	(3,341)	—
252	GBP/USD Currency Future Expiry March 2019	284,460	0.21
18	JPY/USD Currency Future Expiry March 2019	1,253	—
25	RUB/USD Currency Future Expiry March 2019	(4,859)	—
94	USD/KRW Currency Future Expiry January 2019	(1,435)	—
6	USD/NOK Currency Future Expiry March 2019	21,627	0.02
		<hr/> 626,529	<hr/> 0.47
	Portfolio of investments^{2,3}	122,526,315	91.33
	Net other assets	11,633,713	8.67
	Total net assets	<hr/> £134,160,028	<hr/> 100.00%

¹ These are sub-investment grade fixed interest securities and represent 0.56% of the net assets of the Trust.

² Including investment liabilities.

³ Includes £5,047,882 of nominals in the LGIM Liquidity Fund which is shown as a cash equivalent in the balance sheet of the Trust.

Total purchases for the year: £14,707,041.

Total sales for the year: £34,023,119.

Independent Auditor's Report

Independent auditor's report to the Unitholders of Legal & General Multi Manager Income Trust ('the Trust')

Opinion

We have audited the financial statements of the Trust for the year ended 15 January 2019 which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Tables for the Trust and the accounting policies set out on pages 16 to 18.

In our opinion, the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Trust as at 15 January 2019 and of the net revenue and the net capital losses on the property of the Trust for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to UK Authorised Funds, and the COLL Rules.

Basis for opinion

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

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

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Trust's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Trust's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a trust and this is particularly the case in relation to Brexit.

Going concern

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

Independent Auditor's Report continued

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Manager's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Other information

The Manager (Legal & General (Unit Trust Managers) Limited) is responsible for the other information presented in the Annual Manager's Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

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

Matters on which we are required to report by exception

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

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

Manager's responsibilities

As explained more fully in their statement set out on page 5, the Manager is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report continued

Auditor's responsibilities

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

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

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

This report is made solely to the Trust's unitholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Trust's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square,
London E14 5GL
11 March 2019

Financial Statements

Statement of Total Return for the year ended 15 January 2019

Notes	15/01/19		15/01/18	
	£	£	£	£
Income				
Net capital (losses)/ gains	3	(11,893,504)		10,132,766
Revenue	4	4,492,409		4,054,663
Expenses	5	(1,328,100)		(1,444,464)
Interest payable and similar charges	7	(2,390)		(7,425)
Net revenue before taxation		<u>3,161,919</u>		<u>2,602,774</u>
Taxation	6	(361,631)		(215,764)
Net revenue after taxation for the year		<u>2,800,288</u>		<u>2,387,010</u>
Total return before distributions		<u>(9,093,216)</u>		<u>12,519,776</u>
Distributions	7	(4,128,376)		(3,831,268)
Change in net assets attributable to Unitholders from investment activities		<u>£(13,221,592)</u>		<u>£8,688,508</u>

Statement of Change in Net Assets attributable to Unitholders for the year ended 15 January 2019

	15/01/19		15/01/18	
	£	£	£	£
Opening net assets attributable to Unitholders		158,244,098		161,684,851
Amounts received on issue of units		3,119,892		4,500,469
Amounts paid on cancellation of units		(15,304,202)		(17,897,923)
		<u>(12,184,310)</u>		<u>(13,397,454)</u>
Change in net assets attributable to Unitholders from investment activities		<u>(13,221,592)</u>		<u>8,688,508</u>
Retained distributions on accumulation units		1,321,832		1,268,184
Unclaimed distributions		—		9
Closing net assets attributable to Unitholders		<u>£134,160,028</u>		<u>£158,244,098</u>

Financial Statements continued

Balance Sheet as at 15 January 2019

	Notes	15/01/19 £	15/01/18 £
ASSETS			
Fixed assets:			
Investments		122,613,444	150,059,192
Current assets:			
Debtors	8	470,331	552,602
Cash and bank balances	9	8,007,331	2,736,372
Cash equivalents	9	5,047,882	7,003,711
Total assets		<u>136,138,988</u>	<u>160,351,877</u>
LIABILITIES			
Investment liabilities		(87,129)	(150,745)
Creditors:			
Bank overdrafts	9	(58,029)	(394,862)
Distributions payable		(1,087,117)	(1,034,674)
Other creditors	10	(746,685)	(527,498)
Total liabilities		<u>(1,978,960)</u>	<u>(2,107,779)</u>
Net assets attributable to Unitholders		<u>£134,160,028</u>	<u>£158,244,098</u>

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 Management 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

Bond revenue is accounted for on an effective yield basis, calculated with reference to the purchase price. If the Manager believes that future commitments will not be met due to the bond issuer showing signs of financial distress, revenue accruals will be discounted. Any resultant revenue from these issues will then be treated on a receipts basis.

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.

Notes to the Financial Statements continued

2. Summary of Significant Accounting Policies continued

(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 capital for the purpose of calculating the distribution. This increases the amount of the distribution paid, but reduces the capital growth potential of the Trust. Marginal tax relief is not accounted for in determining the distribution.

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

(f) Basis of Valuation of Investments

All investments are valued at their fair value as at 12 noon on 15 January 2019, being the last working day of the accounting year. The fair value for non-derivative securities is bid market price, excluding any accrued interest. 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 on the last working day of the accounting year.

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 2019, being the last working day of the accounting year.

Notes to the Financial Statements continued

2. Summary of Significant Accounting Policies continued

(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.

3. Net capital (losses)/gains

	15/01/19	15/01/18
	£	£
The net capital (losses)/gains during the year comprise:		
Non-derivative securities (unrealised)	(11,090,932)	843,934
Non-derivative securities (realised) ¹	1,793,629	7,892,190
Derivative securities (unrealised)	(35,715)	662,244
Derivative securities (realised)	(2,657,235)	679,035
Forward currency contracts	—	(3,493)
Currency gains/(losses)	47,930	(15,259)
Management fee rebates	48,819	74,115
Net capital (losses)/gains	<u>(11,893,504)</u>	<u>10,132,766</u>

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

4. Revenue

	15/01/19	15/01/18
	£	£
Bond Interest	86,732	26,104
UK Franked distributions	935,573	918,386
Interest distributions	1,053,052	1,218,590
Management fee rebates	53,310	58,765
Taxable overseas distributions	1,689,827	1,089,643
Non-taxable overseas distributions	532,103	678,890
Futures revenue	121,234	61,581
Bank interest	20,578	2,704
	<u>4,492,409</u>	<u>4,054,663</u>

Notes to the Financial Statements continued

5. Expenses

	15/01/19	15/01/18
	£	£
Payable to the Manager, associates of the Manager and agents of either of them:		
Fund management fees	1,328,100	1,444,464
Total expenses	<u>1,328,100</u>	<u>1,444,464</u>

Audit fees of £9,800 plus VAT of £1,960 have been borne by the Manager out of its fund management fee. In the prior year, the total audit fee was £12,108 plus VAT of £2,422.

6. Taxation

(a) Analysis of taxation charge in year

	15/01/19	15/01/18
	£	£
Corporation tax	349,572	215,764
Irrecoverable income tax	12,059	—
Current tax [note 6(b)]	361,631	215,764
Deferred tax [note 6(c)]	—	—
Total taxation	<u>361,631</u>	<u>215,764</u>

(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	<u>3,161,919</u>	<u>2,602,774</u>
Net revenue before taxation multiplied by the applicable rate of Corporation tax of 20% (2018: 20%)	632,384	520,555
Effects of:		
Capitalised revenue subject to taxation	9,763	14,823
Revenue not subject to taxation	(292,575)	(319,614)
Irrecoverable income tax	12,059	—
Current tax	<u>361,631</u>	<u>215,764</u>

(c) Provision for deferred tax

There is no deferred tax provision in the current or preceding year.

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:

	15/01/19	15/01/18
	£	£
First interim distribution	743,992	401,644
Second interim distribution	837,491	1,054,560
Third interim distribution	914,506	797,205
Final distribution	<u>1,595,499</u>	<u>1,546,925</u>
	4,091,488	3,800,334
Add: Revenue deducted on cancellation of units	48,262	45,867
Less: Revenue received on creation of units	<u>(11,374)</u>	<u>(14,933)</u>
Distributions for the year	<u>4,128,376</u>	<u>3,831,268</u>
Interest payable and similar charges		
Bank overdraft interest	<u>2,390</u>	<u>7,425</u>
	<u>4,130,766</u>	<u>3,838,693</u>

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

	15/01/19	15/01/18
	£	£
Net revenue after taxation for the year	2,800,288	2,387,010
Add: Expenses charged to capital	1,328,100	1,444,464
Equalisation effect of conversions	<u>(12)</u>	<u>(206)</u>
Distributions for the year	<u>4,128,376</u>	<u>3,831,268</u>

8. Debtors

	15/01/19	15/01/18
	£	£
Accrued revenue	415,826	510,316
Amounts receivable for creation of units	22,920	1,996
CIS tax recoverable	5,453	21,005
Management fee rebates	<u>26,132</u>	<u>19,285</u>
	<u>470,331</u>	<u>552,602</u>

Notes to the Financial Statements continued

9. Net uninvested cash

	15/01/19	15/01/18
	£	£
Amounts held at futures clearing houses and brokers	846,671	537,458
Cash and bank balances	7,160,660	2,198,914
Amounts due to futures clearing houses and brokers	(54,740)	(364,255)
Bank overdrafts	(3,289)	(30,607)
Cash equivalents	<u>5,047,882</u>	<u>7,003,711</u>
Net uninvested cash	<u>12,997,184</u>	<u>9,345,221</u>

10. Other creditors

	15/01/19	15/01/18
	£	£
Accrued expenses	49,507	59,087
Amounts payable for cancellation of units	432,606	327,647
Corporation tax payable	<u>264,572</u>	<u>140,764</u>
	<u>746,685</u>	<u>527,498</u>

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (15 January 2018: 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 8. 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 2019, 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 £6,126,316 (15 January 2018: £7,495,422).

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, overdraft facilities and government bonds as disclosed in note 9 and its holdings. 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 were not utilised during the current year but were the preceding year.

At 15 January 2019, 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 £84,348 (15 January 2018: £53,223).

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

15/01/19 Currency	Net foreign currency assets		Total £'000
	Monetary exposures £'000	Non-monetary exposures £'000	
Australian Dollar	2,734	75	2,809
Canadian Dollar	1,291	—	1,291
Euro	(603)	2,779	2,176
Japanese Yen	1,817	29	1,846
Norwegian Krone	(1,072)	—	(1,072)
Russian Ruble	718	—	718
South Korean Won	(661)	—	(661)
Swiss Franc	(892)	—	(892)
US Dollar	(17,242)	19,462	2,220

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks continued

(c) Foreign Currency Risk continued

15/01/18 Currency	Net foreign currency assets		Total £'000
	Monetary exposures £'000	Non-monetary exposures £'000	
Australian Dollar	1,331	(19)	1,312
Euro	(3,465)	2,104	(1,361)
Japanese Yen	1,152	—	1,152
South Korean Won	(659)	—	(659)
US Dollar	(15,384)	20,263	4,879

(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.

Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

The Trust's investments in bonds expose it to the default risk of the bond issuer with regards interest payments and principal repayments. Bond holdings with low credit ratings (sub-investment grade) are disclosed in the Portfolio Statement on pages 8 to 10.

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:

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks continued

(f) Derivative Risk - Sensitivity Analysis continued

Futures (excluding Currency Futures)

Futures are used to adjust the duration and interest rate risk of the Trust, and adjust the equities exposure of the Trust, in a cost effective manner. The effect of these instruments was to increase the exposure of the Trust to bonds and equities by £12,811,049 (15 January 2018: increase the exposure by £9,410,173), representing 9.55% of the net asset value (15 January 2018: 5.95%).

This results in an effective equity exposure at the year end of 100.88% (15 January 2018: 100.68%) of net assets, which means that the gains or losses of the Trust will be 1.0088 (15 January 2018: 1.0068) times the gains or losses if the Trust was fully invested in equities.

(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:

15/01/19	Assets	Liabilities
Basis of Valuation	£	£
Level 1 - Quoted Prices	6,790,988	(87,129)
Level 2 - Observable Market Data	115,822,456	—
Level 3 - Unobservable Data	—	—
Total	122,613,444	(87,129)

15/01/18	Assets	Liabilities
Basis of Valuation	£	£
Level 1 - Quoted Prices	10,776,196	(150,745)
Level 2 - Observable Market Data	139,282,996	—
Level 3 - Unobservable Data	—	—
Total	150,059,192	(150,745)

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.

Notes to the Financial Statements continued

13. Portfolio transaction costs

15/01/19	Value	Commissions	Taxes		Total	
Purchases	£'000	£'000	%	£'000	%	£'000
Collective Investment Schemes	11,682	—	—	—	—	11,682
Debt Securities	3,025	—	—	—	—	3,025
Total	14,707	—	—	—	—	14,707
15/01/19	Value	Commissions	Taxes		Total	
Sales	£'000	£'000	%	£'000	%	£'000
Collective Investment Schemes	31,708	(1)	—	—	—	31,707
Debt Securities	2,316	—	—	—	—	2,316
Total	34,024	(1)	—	—	—	34,023

Commissions and taxes as % of average net assets

Commissions	0.00%
Taxes	0.00%

15/01/18	Value	Commissions	Taxes		Total	
Purchases	£'000	£'000	%	£'000	%	£'000
Collective Investment Schemes	40,727	—	—	—	—	40,727
Debt Securities	2,389	—	—	—	—	2,389
Total	43,116	—	—	—	—	43,116
15/01/18	Value	Commissions	Taxes		Total	
Sales	£'000	£'000	%	£'000	%	£'000
Collective Investment Schemes	65,012	—	—	—	—	65,012
Total	65,012	—	—	—	—	65,012

Commissions and taxes as % of average net assets

Commissions	0.00%
Taxes	0.00%

Transaction costs consist of expenses incurred in the process of the purchase and sales of securities above the cost of the securities.

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.22% (15 January 2018: 0.17%).

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 41. 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 34 to 39. The distributions per unit class are given in the distribution tables on pages 29 to 32. All classes have the same rights on winding up.

R-Class	Distribution	Accumulation
Opening Units	4,533,106	49,326,957
Units issued	188,329	488,375
Units cancelled	(600,108)	(7,511,313)
Units converted	130,366	(527,606)
Closing Units	4,251,693	41,776,413

F-Class	Distribution	Accumulation
Opening Units	133,907	16,815
Units issued	—	—
Units cancelled	—	—
Units converted	—	—
Closing Units	133,907	16,815

I-Class	Distribution	Accumulation
Opening Units	154,030,869	12,326,758
Units issued	3,750,717	247,994
Units cancelled	(11,081,761)	(2,000,040)
Units converted	43,264	385,493
Closing Units	146,743,089	10,960,205

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% (0.00% as at 15 January 2018) 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 59.61p. The Net Asset Value per R-Class distribution unit for the Trust as at 12 noon on 7 March 2019 was 61.55p. This represents an increase of 3.25% from the year end value.

Distribution Tables

Distribution Tables for the year ended 15 January 2019

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.

1st Interim dividend distribution in pence per unit			Period	
			16/01/18	to 15/04/18
R-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/06/18	15/06/17
Group 1	0.3125	—	0.3125	0.1586
Group 2	0.1184	0.1941	0.3125	0.1586
R-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/06/18	15/06/17
Group 1	0.4064	—	0.4064	0.2015
Group 2	0.1794	0.2270	0.4064	0.2015
F-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/06/18	15/06/17
Group 1	0.3122	—	0.3122	0.1586
Group 2	—	0.3122	0.3122	0.1586
F-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/06/18	15/06/17
Group 1	0.4073	—	0.4073	0.1998
Group 2	—	0.4073	0.4073	0.1998
I-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/06/18	15/06/17
Group 1	0.3170	—	0.3170	0.1607
Group 2	0.1765	0.1405	0.3170	0.1607
I-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/06/18	15/06/17
Group 1	0.4146	—	0.4146	0.2057
Group 2	0.3318	0.0828	0.4146	0.2057

Distribution Tables continued

2nd Interim dividend distribution in pence per unit			Period	
			16/04/18	to 15/07/18
R-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/09/18	15/09/17
Group 1	0.3572	—	0.3572	0.4244
Group 2	0.1994	0.1578	0.3572	0.4244
R-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/09/18	15/09/17
Group 1	0.4668	—	0.4668	0.5402
Group 2	0.2448	0.2220	0.4668	0.5402
F-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/09/18	15/09/17
Group 1	0.3570	—	0.3570	0.4238
Group 2	—	0.3570	0.3570	0.4238
F-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/09/18	15/09/17
Group 1	0.4680	—	0.4680	0.5413
Group 2	—	0.4680	0.4680	0.5413
I-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/09/18	15/09/17
Group 1	0.3628	—	0.3628	0.4290
Group 2	0.0795	0.2833	0.3628	0.4290
I-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/09/18	15/09/17
Group 1	0.4769	—	0.4769	0.5494
Group 2	0.3417	0.1352	0.4769	0.5494

Distribution Tables continued

3rd Interim dividend distribution in pence per unit			Period	
			16/07/18	to 15/10/18
R-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/12/18	15/12/17
Group 1	0.3979	—	0.3979	0.3267
Group 2	0.0196	0.3783	0.3979	0.3267
R-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/12/18	15/12/17
Group 1	0.5228	—	0.5228	0.4186
Group 2	0.1980	0.3248	0.5228	0.4186
F-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/12/18	15/12/17
Group 1	0.3978	—	0.3978	0.3251
Group 2	—	0.3978	0.3978	0.3251
F-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/12/18	15/12/17
Group 1	0.5245	—	0.5245	0.4195
Group 2	—	0.5245	0.5245	0.4195
I-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/12/18	15/12/17
Group 1	0.4045	—	0.4045	0.3300
Group 2	0.0727	0.3318	0.4045	0.3300
I-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/12/18	15/12/17
Group 1	0.5348	—	0.5348	0.4252
Group 2	0.1998	0.3350	0.5348	0.4252

Distribution Tables continued

Final dividend distribution in pence per unit			Period	
			16/10/18	to 15/01/19
R-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/03/19	15/03/18
Group 1	0.7294	—	0.7294	0.6426
Group 2	0.1954	0.5340	0.7294	0.6426
R-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/03/19	15/03/18
Group 1	0.9655	—	0.9655	0.8275
Group 2	0.7194	0.2461	0.9655	0.8275
F-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/03/19	15/03/18
Group 1	0.7209	—	0.7209	0.6422
Group 2	—	0.7209	0.7209	0.6422
F-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/03/19	15/03/18
Group 1	0.9549	—	0.9549	0.8296
Group 2	—	0.9549	0.9549	0.8296
I-Class			Distribution	Distribution
Distribution Units	Revenue	Equalisation	15/03/19	15/03/18
Group 1	0.7190	—	0.7190	0.6522
Group 2	0.4116	0.3074	0.7190	0.6522
I-Class			Distribution	Distribution
Accumulation Units	Revenue	Equalisation	15/03/19	15/03/18
Group 1	0.9566	—	0.9566	0.8427
Group 2	0.6794	0.2772	0.9566	0.8427

Trust Information

The Comparative Tables on pages 34 to 39 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 continued

Comparative Tables

R-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/19 (pence per unit)	15/01/18 (pence per unit)	15/01/17 (pence per unit)
Opening net asset value per unit	65.46	62.15	55.84
Return before operating charges*	(2.98)	5.96	8.85
Operating charges (calculated on average price)	(1.07)	(1.10)	(0.99)
Return after operating charges*	(4.05)	4.86	7.86
Distributions on income units	(1.80)	(1.55)	(1.55)
Closing net asset value per unit	59.61	65.46	62.15
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(6.19)%	7.82%	14.08%
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Other Information

Closing net asset value (£)	2,534,573	2,967,551	3,231,395
Closing number of units	4,251,693	4,533,106	5,198,956
Operating charges [†]	1.69%	1.71%	1.75%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	65.75p	68.23p	66.03p
Lowest unit price	58.68p	61.19p	53.80p

[†] 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 continued

Comparative Tables continued

R-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/19 (pence per unit)	15/01/18 (pence per unit)	15/01/17 (pence per unit)
Opening net asset value per unit	85.13	78.91	69.17
Return before operating charges*	(3.91)	7.62	11.03
Operating charges (calculated on average price)	(1.40)	(1.40)	(1.29)
Return after operating charges*	(5.31)	6.22	9.74
Distributions	(2.36)	(1.99)	(1.95)
Retained distributions on accumulation units	2.36	1.99	1.95
Closing net asset value per unit	79.82	85.13	78.91
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(6.24)%	7.88%	14.08%
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Other Information

Closing net asset value (£)	33,344,665	41,992,989	44,607,263
Closing number of units	41,776,413	49,326,957	56,527,663
Operating charges†	1.69%	1.71%	1.75%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	85.81p	86.65p	83.10p
Lowest unit price	77.62p	77.67p	66.63p

† 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 continued

Comparative Tables continued

F-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/19 (pence per unit)	15/01/18 (pence per unit)	15/01/17 (pence per unit)
Opening net asset value per unit	65.45	62.08	55.81
Return before operating charges*	(3.01)	5.95	8.87
Operating charges (calculated on average price)	(0.97)	(1.03)	(1.04)
Return after operating charges*	(3.98)	4.92	7.83
Distributions on income units	(1.79)	(1.55)	(1.56)
Closing net asset value per unit	59.68	65.45	62.08
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(6.08)%	7.93%	14.03%
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Other Information

Closing net asset value (£)	79,921	87,639	42,190
Closing number of units	133,907	133,907	67,957
Operating charges [†]	1.54%	1.61%	1.75%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	65.73p	66.47p	62.86p
Lowest unit price	58.74p	61.12p	53.77p

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Trust Information continued

Comparative Tables continued

F-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/19 (pence per unit)	15/01/18 (pence per unit)	15/01/17 (pence per unit)
Opening net asset value per unit	85.39	79.08	69.30
Return before operating charges*	(3.96)	7.62	11.08
Operating charges (calculated on average price)	(1.28)	(1.31)	(1.30)
Return after operating charges*	(5.24)	6.31	9.78
Distributions	(2.35)	(1.99)	(1.95)
Retained distributions on accumulation units	2.35	1.99	1.95
Closing net asset value per unit	80.15	85.39	79.08
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(6.14)%	7.98%	14.11%
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Other Information

Closing net asset value (£)	13,478	14,358	39,137
Closing number of units	16,815	16,815	49,490
Operating charges†	1.54%	1.61%	1.75%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	86.13p	85.88p	79.31p
Lowest unit price	77.94p	77.83p	66.76p

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

Trust Information continued

Comparative Tables continued

I-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/19 (pence per unit)	15/01/18 (pence per unit)	15/01/17 (pence per unit)
Opening net asset value per unit	66.52	62.90	56.35
Return before operating charges*	(3.08)	6.05	8.95
Operating charges (calculated on average price)	(0.84)	(0.86)	(0.82)
Return after operating charges*	(3.92)	5.19	8.13
Distributions on income units	(1.80)	(1.57)	(1.58)
Closing net asset value per unit	60.80	66.52	62.90
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(5.89)%	8.25%	14.43%
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Other Information

Closing net asset value (£)	89,216,192	102,455,388	103,297,827
Closing number of units	146,743,089	154,030,869	164,214,303
Operating charges†	1.30%	1.32%	1.36%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	66.81p	67.55p	63.68p
Lowest unit price	59.81p	61.94p	54.31p

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

Trust Information continued

Comparative Tables continued

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	15/01/19 (pence per unit)	15/01/18 (pence per unit)	15/01/17 (pence per unit)
Opening net asset value per unit	87.02	80.35	70.17
Return before operating charges*	(4.07)	7.77	11.20
Operating charges (calculated on average price)	(1.10)	(1.10)	(1.02)
Return after operating charges*	(5.17)	6.67	10.18
Distributions	(2.38)	(2.02)	(1.99)
Retained distributions on accumulation units	2.38	2.02	1.99
Closing net asset value per unit	81.85	87.02	80.35
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(5.94)%	8.30%	14.51%
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Other Information

Closing net asset value (£)	8,971,199	10,726,173	10,467,039
Closing number of units	10,960,205	12,326,758	13,026,930
Operating charges†	1.30%	1.32%	1.36%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	87.88p	87.51p	80.56p
Lowest unit price	79.58p	79.10p	67.62p

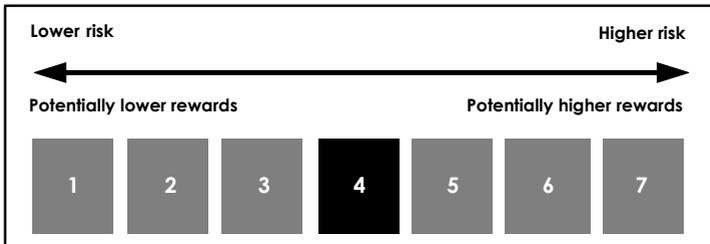
† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Trust and is 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.

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Risk and Reward Profile (unaudited)



- The Risk and Reward Indicator table demonstrates where the Trust ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is not guaranteed to remain the same and may change over time. It is based on historical data and may not be a reliable indication of the future risk profile of the Trust. The shaded area in the table above shows the Trust's ranking on the Risk and Reward Indicator.
- The Trust is in category four because the mix of different asset types in which the Trust invests has a balancing effect on the rate at which the Trust share price moves up and down. This type of fund is generally considered to be higher risk than one investing only in bonds and lower risk than one existing only in company shares.
- 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 April 15 July, 15 October
Distribution dates:	15 March, 15 June 15 September, 15 December

Minimum initial lump sum investment:

R-Class	£100
F-Class*	£500
I-Class	£1,000,000

Minimum monthly contributions:	R-Class £10 F-Class* £50 I-Class N/A
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Valuation point: 12 noon

Fund management fees:	R-Class Annual 1.18% F-Class* Annual 1.03% I-Class Annual 0.79%
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Initial charges: Nil for all existing unit classes

* F-Class units are only available to:

- (i) investors who have received advice from authorised intermediaries, platforms or other distributors in relation to their investment in units in the Trust; and
- (ii) 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.

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 Income Trust	300%	200%

Actual	Gross	Commitment
L&G Multi Manager Income Trust	133.67%	113.07%

Remuneration Disclosure

In accordance with the Alternative Investment Fund Managers Directive (AIFMD), the Legal & General Multi Manager Income 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 2017. At the time of publishing, figures as at 31 December 2018 were not available. We shall publish this data in the Trust's interim report due to be published in September 2019.

General Information (unaudited) continued

Remuneration Disclosure (continued)

Controlled Functions

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Trust (Pro-rated) (£'000)
20	4,449	8,127	43

Material Risk Takers

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£,000)	Remuneration related to this Trust (Pro-rated) (£'000)
28	3,121	5,015	54

Controlled Functions

As at 31 December 2017, Legal & General Unit Trust Managers Limited (UTM) engaged the services of six 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 there was one non-executive Director. UTM also engaged the services of a further eight LGIMH employees and a further three 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, Significant Management Functions and Customer 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 prorated 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 31 December 2017, UTM engaged the services of Legal & General Investment Management's Multi Asset Allocation Fund Investment team, which consists of 28 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 UTM 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 prorated the remuneration figures by the Net Asset Value of the AIF as a percentage of the total assets under management of the Legal & General Investment Management's Multi Asset Allocation Fund Management team.

General Information (unaudited) continued

Significant Changes

Change of Auditor

With effect from 28 April 2018, PricewaterhouseCoopers LLP ceased to be Independent Auditors of the Trust and KPMG LLP have been appointed. The change of Auditor has no impact on the way the Trust is operated.

General Data Protection Regulation (GDPR)

Legal & General takes your privacy very seriously. Under data protection legislation, we have classified ourselves as a 'data controller'. This means that we are subject to certain obligations relating to how we process personal data. These obligations include, without limitation, providing individuals with certain information regarding how we process their personal data.

We will use the personal data you have provided to us in connection with an investment in units of Legal & General Multi Manager Income Trust, including your name, age, contact details, bank account details, transactions and the invested amount, and any information regarding the dealing in units in accordance with all applicable data protection laws and our Privacy Policy which is available from 25 May 2018 at www.lgim.com/UTMprivacy (or available upon request). Our Privacy Policy sets out, amongst other things, the purpose or purposes for which your personal data is collected and intended to be processed and also contains any other information prescribed by data protection legislation.

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 (resigned 31 December 2018)
A. J. C. Craven
S. Hynes
H. Morrissey
H. Solomon
S. D. Thomas (resigned 17 October 2018)
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 SE UK Branch
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

KPMG LLP
15 Canada Square,
London E14 5GL

Investment Adviser

Legal & General Investment Management Limited
One Coleman Street,
London EC2R 5AA
Authorised and regulated by the Financial Conduct Authority

**Authorised and regulated by the
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

