

Legal & General All Stocks Gilt Index Trust

**Annual Manager's Report**  
**for the year ended**  
**25 May 2019**





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

# Manager's Investment Report

## Investment Objective and Policy

The objective of the Trust is to track the total return of UK Government Securities as represented by the FTSE Actuaries UK Conventional Gilts All Stocks Index after adjustment for management charges and taxation, by investment in a representative sample of stocks.

For the purposes of Efficient Portfolio Management, any of the forms of derivative in the Prospectus may be effected.

## Manager's Investment Report

During the year under review, the bid price of the Trust's I-Class accumulation units rose by 4.58%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 12 noon. Therefore, for tracking purposes, the Trust has been revalued using closing prices. On this basis over the review year, the Trust performance was 4.68%, compared with the Index performance of 4.69% (Source: Bloomberg), producing a tracking difference of -0.01%.

**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.**

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## Market/Economic Review

Bond markets gained ground through the review year, as the marked rise in equity market volatility during the fourth quarter of 2018, and more recently in May 2019, highlighted the 'safe haven' appeal of major government bond markets. Although the Bank of England increased interest rates in August 2018 from 0.5% to 0.75%, there were no further hikes during the review year. The weakness of Sterling, given ongoing uncertainty over the outcome of Brexit negotiations, was also an important feature of gilt markets during the year.

## Trust Review

All investment activity was prompted either by unit holder investment or redemption, or by changes in the profile of the benchmark.

During the review year there were 25 gilt auctions and two syndications, raising a total of £74.7 billion for government funding. The bonds issued by syndication were a tap of the 1.63% Treasury Gilt 2071 for £5.25 billion nominal in October and the issue of £4.75 billion nominal of the new 1.63% Treasury Gilt 2054 in April. Two new bonds were issued by auction. The 1% Treasury Gilt 2024 was issued for £2.75 billion nominal in July, and was the subject of seven further auctions over the year. The 1.75% Treasury Gilt 2049 was issued for £2.5 billion nominal in March, and was the subject of two further auctions over the year. Two bonds were redeemed: the 1.25% Treasury Gilt July 2019 and the 4.50% Treasury Gilt March 2019. Each auction, syndication and redemption resulted in a change to the constituent weightings of the benchmark Index

## Manager's Investment Report continued

and required the Trust to be rebalanced in line with the revised Index distribution.

The Trust experienced net positive cash flow during the year. The cash flows were used to adjust the Trust's holdings in such a way so as to ensure the Trust maintained the Index distribution at all times.

### **Outlook**

For the longer term, we retain a bias towards being long duration as we remain cautious about global growth and the ability of a highly leveraged global economy to withstand higher interest rates. We still believe that any uncertainty or progress in Brexit negotiations will be the leading driver of relative UK government bond performance during 2019 versus the rest of the world.

Legal & General Investment Management Limited  
(Investment Adviser)  
17 June 2019

## Authorised Status

### Authorised Status

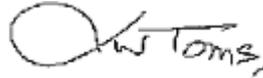
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

### 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  
15 July 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 applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the 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 All Stocks Gilt Index Trust must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

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

## Report of the Trustee

### **Report of the Trustee to the Unitholders of the Legal & General All Stocks Gift Index Trust ("the Trust") for the year ended 25 May 2019**

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

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

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

Northern Trust Global Services SE UK Branch  
UK Trustee and Depositary Services  
15 July 2019

## Portfolio Statement

### Portfolio Statement as at 25 May 2019

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 25 May 2018.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>GOVERNMENT BONDS</b>		
	<b>— 96.81% (97.16%)</b>		
	<b>Short Dated — 28.90% (29.56%)</b>		
GBP23,965,896	United Kingdom Gilt 1.75% 22/07/2019	24,001,557	2.21
GBP21,791,728	United Kingdom Gilt 3.75% 07/09/2019	21,971,771	2.03
GBP23,808,174	United Kingdom Gilt 4.75% 07/03/2020	24,553,846	2.26
GBP23,396,674	United Kingdom Gilt 2% 22/07/2020	23,742,734	2.19
GBP17,624,170	United Kingdom Gilt 3.75% 07/09/2020	18,305,609	1.69
GBP25,066,583	United Kingdom Gilt 1.5% 22/01/2021	25,414,607	2.34
GBP17,394,918	United Kingdom Gilt 8% 07/06/2021	19,980,847	1.84
GBP20,711,028	United Kingdom Gilt 3.75% 07/09/2021	22,167,283	2.04
GBP27,541,810	United Kingdom Gilt 4% 07/03/2022	30,097,690	2.78
GBP20,716,461	United Kingdom Gilt 0.5% 22/07/2022	20,619,342	1.90
GBP21,278,958	United Kingdom Gilt 1.75% 07/09/2022	22,031,999	2.03
GBP22,637,084	United Kingdom Gilt 0.75% 22/07/2023	22,694,967	2.09
GBP19,020,064	United Kingdom Gilt 2.25% 07/09/2023	20,271,736	1.87
GBP17,460,000	United Kingdom Gilt 1% 22/04/2024	17,692,009	1.63
		<b>313,545,997</b>	<b>28.90</b>
	<b>Medium Dated — 16.87% (17.01%)</b>		
GBP18,667,939	United Kingdom Gilt 2.75% 07/09/2024	20,628,633	1.90
GBP27,307,971	United Kingdom Gilt 5% 07/03/2025	33,885,150	3.12
GBP19,285,349	United Kingdom Gilt 2% 07/09/2025	20,772,751	1.92
GBP18,631,092	United Kingdom Gilt 1.5% 22/07/2026	19,534,700	1.80
GBP18,228,770	United Kingdom Gilt 1.25% 22/07/2027	18,765,425	1.73
GBP22,405,882	United Kingdom Gilt 4.25% 07/12/2027	28,651,163	2.64
GBP18,380,000	United Kingdom Gilt 1.625% 22/10/2028	19,457,436	1.79
GBP14,591,257	United Kingdom Gilt 6% 07/12/2028	21,310,560	1.97
		<b>183,005,818</b>	<b>16.87</b>
	<b>Long Dated — 51.04% (50.59%)</b>		
GBP24,288,610	United Kingdom Gilt 4.75% 07/12/2030	33,969,200	3.13
GBP25,903,145	United Kingdom Gilt 4.25% 07/06/2032	35,454,619	3.27

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>Long Dated — (cont.)</b>			
GBP23,476,517	United Kingdom Gilt 4.5% 07/09/2034	33,864,876	3.12
GBP22,783,839	United Kingdom Gilt 4.25% 07/03/2036	32,619,622	3.01
GBP14,730,896	United Kingdom Gilt 1.75% 07/09/2037	15,455,803	1.42
GBP17,896,356	United Kingdom Gilt 4.75% 07/12/2038	28,032,852	2.58
GBP16,574,733	United Kingdom Gilt 4.25% 07/09/2039	24,679,778	2.28
GBP18,429,139	United Kingdom Gilt 4.25% 07/12/2040	27,822,471	2.56
GBP19,439,197	United Kingdom Gilt 4.5% 07/12/2042	30,963,375	2.85
GBP19,941,167	United Kingdom Gilt 3.25% 22/01/2044	26,916,587	2.48
GBP20,224,490	United Kingdom Gilt 3.5% 22/01/2045	28,590,593	2.64
GBP16,784,748	United Kingdom Gilt 4.25% 07/12/2046	26,974,567	2.49
GBP17,744,135	United Kingdom Gilt 1.5% 22/07/2047	17,599,059	1.62
GBP4,150,000	United Kingdom Gilt 1.75% 22/01/2049	4,362,567	0.40
GBP13,920,420	United Kingdom Gilt 4.25% 07/12/2049	23,201,164	2.14
GBP16,881,315	United Kingdom Gilt 3.75% 22/07/2052	26,882,566	2.48
GBP1,645,000	United Kingdom Gilt 1.625% 22/10/2054	1,712,083	0.16
GBP19,972,504	United Kingdom Gilt 4.25% 07/12/2055	35,706,443	3.29
GBP14,525,832	United Kingdom Gilt 1.75% 22/07/2057	15,795,172	1.46
GBP17,216,666	United Kingdom Gilt 4% 22/01/2060	30,740,839	2.83
GBP14,621,950	United Kingdom Gilt 2.5% 22/07/2065	19,903,062	1.83
GBP13,946,170	United Kingdom Gilt 3.5% 22/07/2068	24,077,839	2.22
GBP7,845,000	United Kingdom Gilt 1.625% 22/10/2071	8,461,272	0.78
		553,786,409	51.04
<b>Portfolio of investments</b>		1,050,338,224	96.81
<b>Net other assets</b>		34,607,505	3.19
<b>Total net assets</b>		£1,084,945,729	100.00%

Total purchases for the year: £229,037,972.

Total sales for the year: £120,674,580.

# Independent Auditor's Report

## Independent auditor's report to the Unitholders of Legal & General All Stocks Gilt Index Trust ('the Trust')

### **Opinion**

We have audited the financial statements of the Trust for the year ended 25 May 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 15 to 16.

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 25 May 2019 and of the net revenue and the net capital gains 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 Manager 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](http://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.

Jatin Patel  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square,  
London E14 5GL  
15 July 2019

## Financial Statements

### Statement of Total Return for the year ended 25 May 2019

Notes	25/05/19		25/05/18	
	£	£	£	£
<b>Income</b>				
Net capital gains/ (losses)	3	34,068,944		(30,292,147)
Revenue	4	13,558,880	16,107,955	
Expenses	5	(1,408,005)	(1,560,666)	
Interest payable and similar charges	7	(14,610)	(151)	
<b>Net revenue before taxation</b>		<u>12,136,265</u>	<u>14,547,138</u>	
Taxation	6	—	—	
<b>Net revenue after taxation for the year</b>		<u>12,136,265</u>	<u>14,547,138</u>	
<b>Total return before distributions</b>		<u>46,205,209</u>	<u>(15,745,009)</u>	
Distributions	7	(12,841,067)	(15,327,815)	
<b>Change in net assets attributable to Unitholders from investment activities</b>		<u><b>£33,364,142</b></u>	<u><b>£(31,072,824)</b></u>	

### Statement of Change in Net Assets attributable to Unitholders for the year ended 25 May 2019

	25/05/19		25/05/18	
	£	£	£	£
<b>Opening net assets attributable to Unitholders</b>		947,415,789		1,202,456,619
<b>Amounts received on issue of units</b>		202,557,364		138,963,559
<b>Amounts paid on cancellation of units</b>		(99,338,429)		(314,150,327)
<b>Amounts paid on in-specie transactions</b>		(5,264,158)		(55,674,944)
		<u>97,954,777</u>		<u>(230,861,712)</u>
<b>Change in net assets attributable to Unitholders from investment activities</b>		<u>33,364,142</u>		<u>(31,072,824)</u>
<b>Retained distributions on accumulation units</b>		6,210,525		6,883,169
<b>Unclaimed distributions</b>		496		10,537
<b>Closing net assets attributable to Unitholders</b>		<u><b>£1,084,945,729</b></u>		<u><b>£947,415,789</b></u>

## Financial Statements continued

### Balance Sheet as at 25 May 2019

	Notes	25/05/19 £	25/05/18 £
<b>ASSETS</b>			
<b>Fixed assets:</b>			
Investments		1,050,338,224	920,488,075
<b>Current assets:</b>			
Debtors	8	9,958,401	8,503,226
Cash and bank balances	9	<u>29,010,652</u>	<u>22,231,728</u>
<b>Total assets</b>		<b><u>1,089,307,277</u></b>	<b><u>951,223,029</u></b>
<b>LIABILITIES</b>			
<b>Creditors:</b>			
Distributions payable		(3,502,062)	(3,543,403)
Other creditors	10	<u>(859,486)</u>	<u>(263,837)</u>
<b>Total liabilities</b>		<b><u>(4,361,548)</u></b>	<b><u>(3,807,240)</u></b>
<b>Net assets attributable to Unitholders</b>		<b><u>£1,084,945,729</u></b>	<b><u>£947,415,789</u></b>

# 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.

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.

### (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.

50% of the fund management fee (FMF) is charged to capital and 50% is charged to revenue for the purpose of calculating the distribution. The 50% of the FMF taken to capital 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 24 May 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.

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

## Notes to the Financial Statements continued

### 2. Summary of Significant Accounting Policies continued

#### (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.

### 3. Net capital gains/(losses)

	25/05/19	25/05/18
	£	£
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	34,068,944	(30,292,147)
Net capital gains/(losses)	<u>34,068,944</u>	<u>(30,292,147)</u>

### 4. Revenue

	25/05/19	25/05/18
	£	£
Bond interest	13,506,021	16,094,920
Bank interest	52,859	13,035
	<u>13,558,880</u>	<u>16,107,955</u>

### 5. Expenses

	25/05/19	25/05/18
	£	£
Payable to the Manager, associates of the Manager and agents of either of them:		
Fund management fees	1,408,005	1,560,666
Total expenses	<u>1,408,005</u>	<u>1,560,666</u>

Audit fees of £111,300 plus VAT of £2,260 have been borne by the Manager out of its fund management fee. In the prior year, the total audit fee was £111,000 plus VAT of £2,200.

## Notes to the Financial Statements continued

### 6. Taxation

#### (a) Analysis of taxation charge in year

	25/05/19	25/05/18
	£	£
Corporation tax	—	—
Current tax [note 6(b)]	—	—
Deferred tax [note 6(c)]	—	—
Total taxation	—	—

#### (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	12,136,265	14,547,138
Net revenue before taxation multiplied by the applicable rate of Corporation tax of 20% (2018: 20%)	2,427,253	2,909,428
<b>Effects of:</b>		
Interest distributions deductible for tax purposes	(2,427,253)	(2,909,428)
Current tax	—	—

#### (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:

	25/05/19	25/05/18
	£	£
Interim distribution	6,416,133	7,810,678
Final distribution	<u>6,824,670</u>	<u>6,384,347</u>
	13,240,803	14,195,025
Add: Revenue deducted on cancellation of units	276,343	1,439,986
Add: Revenue deducted on in-specie transactions	12,764	178,963
Less: Revenue received on creation of units	<u>(688,843)</u>	<u>(486,159)</u>
<b>Distributions for the year</b>	<b>12,841,067</b>	<b>15,327,815</b>
<b>Interest payable and similar charges</b>		
Bank overdraft interest	<u>14,610</u>	<u>151</u>
	<u>12,855,677</u>	<u>15,327,966</u>

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

	25/05/19	25/05/18
	£	£
Net revenue after taxation for the year	12,136,265	14,547,138
Add: Expenses charged to capital	704,003	780,333
Equalisation effect of conversions	<u>799</u>	<u>344</u>
<b>Distributions for the year</b>	<b>12,841,067</b>	<b>15,327,815</b>

### 8. Debtors

	25/05/19	25/05/18
	£	£
Accrued revenue	9,184,456	8,480,226
Amounts receivable for creation of units	<u>773,945</u>	<u>23,000</u>
	<u>9,958,401</u>	<u>8,503,226</u>

## Notes to the Financial Statements continued

### 9. Net uninvested cash

	25/05/19	25/05/18
	£	£
Cash and bank balances	<u>29,010,652</u>	<u>22,231,728</u>
Net uninvested cash	<u>29,010,652</u>	<u>22,231,728</u>

### 10. Other creditors

	25/05/19	25/05/18
	£	£
Accrued expenses	104,911	92,847
Amounts payable for cancellation of units	—	170,990
Purchases awaiting settlement	<u>754,575</u>	<u>—</u>
	<u>859,486</u>	<u>263,837</u>

### 11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (25 May 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 25 May 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 £52,516,911 (25 May 2018: £46,024,404).

## 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 is exposed to interest rate risk through its holdings in debt securities. The market value of debt securities and any floating rate payments from debt securities held (and interest rate swaps) may fluctuate as a result of changes in interest rates. This risk is managed by the active monitoring and adjustment of the investments held by the Trust, in line with the stated investment objective and policy of the Trust.

At 25 May 2019, if interest rates on the Trust increased or decreased by 1 basis point, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £1,253,112 (25 May 2018: £1,076,264). This represents the Manager's best estimate of a reasonable possible shift in interest rates, having regard to historical volatility of those rates.

The interest rate profile of the Trust's net assets and liabilities at the balance sheet date was:

	Total	Floating	Fixed	No
	£'000	rate	rate	interest
25/05/19	£'000	£'000	£'000	£'000
Portfolio	1,050,338	—	1,050,338	—
Other assets	38,969	29,011†	—	9,958
Other liabilities	(4,361)	—	—	(4,361)
<b>Total</b>	<b>1,084,946</b>	<b>29,011</b>	<b>1,050,338</b>	<b>5,597</b>

	Total	Floating	Fixed	No
	£'000	rate	rate	interest
25/05/18	£'000	£'000	£'000	£'000
Portfolio	920,488	—	920,488	—
Other assets	30,735	22,232†	—	8,503
Other liabilities	(3,807)	—	—	(3,807)
<b>Total</b>	<b>947,416</b>	<b>22,232</b>	<b>920,488</b>	<b>4,696</b>

† The Trust's other assets with floating rate is represented by its bank balances. Cash is deposited on normal commercial terms and earn or bear interest based on LIBOR.

Currency	Fixed Rate Financial Assets			
	Weighted average Interest rate %		Weighted average Period for which Rate is fixed Years	
	25/05/19	25/05/18	25/05/19	25/05/18
Sterling	1.10	1.33	15.98	15.76

The bonds shown in the Portfolio Statement with open maturity dates are assumed to mature on 31 December 2049 for the purpose of calculating the weighted average period for which the rate is fixed.

## Notes to the Financial Statements continued

### 12. Financial Instruments and Associated Risks continued

#### (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.

At the year end the Trust had no significant exposures to currencies other than Sterling (25 May 2018: same).

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

#### (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. At the balance sheet date none of the bonds held by the Trust's had low credit ratings (sub-investment grade).

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.

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

## Notes to the Financial Statements continued

### 12. Financial Instruments and Associated Risks continued

#### (f) 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:

<b>25/05/19</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Basis of Valuation</b>	<b>£</b>	<b>£</b>
Level 1 - Quoted Prices	1,050,338,224	—
Level 2 - Observable Market Data	—	—
Level 3 - Unobservable Data	—	—
<b>Total</b>	<b>1,050,338,224</b>	<b>—</b>

<b>25/05/18</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Basis of Valuation</b>	<b>£</b>	<b>£</b>
Level 1 - Quoted Prices	920,488,075	—
Level 2 - Observable Market Data	—	—
Level 3 - Unobservable Data	—	—
<b>Total</b>	<b>920,488,075</b>	<b>—</b>

#### 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 (25 May 2018: same).

Total purchases for the year: £229,037,972  
(25 May 2018: £185,505,174)

Total sales for the year: £120,674,580, including in-specie of £5,244,060  
(25 May 2018: £395,817,248, including in-specie of £54,192,647)

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.07% (25 May 2018: 0.05%).

## 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 29 to 39. The distributions per unit class are given in the distribution tables on pages 26 and 27. All classes have the same rights on winding up.

<b>R-Class</b>	<b>Distribution</b>	<b>Accumulation</b>
Opening Units	—	—
Units issued	141,908	4,379,330
Units cancelled	(18,207)	(1,326,434)
Units converted	(500)	497
Closing Units	123,201	3,053,393

<b>F-Class</b>	<b>Distribution</b>	<b>Accumulation</b>
Opening Units	1,079	141,562
Units issued	—	53,154
Units cancelled	—	(14,302)
Units converted	—	—
Closing Units	1,079	180,414

<b>I-Class</b>	<b>Distribution</b>	<b>Accumulation</b>
Opening Units	333,787,326	180,949,979
Units issued	56,413,716	40,059,039
Units cancelled	(36,677,799)	(10,489,409)
Units converted	(4,435,611)	(1,077,969)
Closing Units	349,087,632	209,441,640

<b>C-Class</b>	<b>Distribution</b>	<b>Accumulation</b>
Opening Units	96,309,570	11,221,747
Units issued	12,125,877	12,018,689
Units cancelled	(18,536,939)	(5,778,981)
Units converted	1,955,848	2,443,313
Closing Units	91,854,356	19,904,768

<b>L-Class</b>	<b>Accumulation</b>
Opening Units	—
Units issued	2,000
Units cancelled	—
Units converted	—
Closing Units	2,000

## Notes to the Financial Statements continued

### 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 2.77% (3.94% as at 25 May 2018) of the Trust's units in issue.

### 16. Post balance sheet market movements

As at the close of business on the balance sheet date the Net Asset Value per I-Class distribution unit was 125.64p. The Net Asset Value per I-Class distribution unit for the Trust as at 12 noon on 11 July 2019 was 127.80p. This represents an increase of 1.72% from the year end value.

## Distribution Tables

### Distribution Tables for the year ended 25 May 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.

Interim Interest distribution in pence per unit			Period	
			26/05/18	to 25/11/18
<b>R-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	0.2700	N/A
Group 2	0.1524	0.1176	0.2700	N/A
<b>R-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	0.2696	N/A
Group 2	0.0857	0.1839	0.2696	N/A
<b>F-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	0.7340	0.7934
Group 2	—	0.7340	0.7340	0.7934
<b>F-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	1.3187	1.4281
Group 2	0.9447	0.3740	1.3187	1.4281
<b>M-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	N/A	0.8739
Group 2	N/A	N/A	N/A	0.8739
<b>M-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	N/A	1.5607
Group 2	N/A	N/A	N/A	1.5607
<b>I-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	0.8029	0.8739
Group 2	0.4404	0.3625	0.8029	0.8739
<b>I-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	1.4539	1.5607
Group 2	0.6701	0.7838	1.4539	1.5607
<b>C-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	0.8198	0.8906
Group 2	0.3845	0.4353	0.8198	0.8906
<b>C-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/01/19</b>	<b>24/01/18</b>
Group 1	Revenue	Equalisation	1.4862	1.5921
Group 2	0.6753	0.8109	1.4862	1.5921

## Distribution Tables continued

Final Interest distribution in pence per unit			Period	
			26/11/18	to 25/05/19
<b>R-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	0.2743	—	0.2743	N/A
Group 2	0.1380	0.1363	0.2743	N/A
<b>R-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	0.2758	—	0.2758	N/A
Group 2	0.1199	0.1559	0.2758	N/A
<b>F-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	0.7145	—	0.7145	0.7488
Group 2	—	0.7145	0.7145	0.7488
<b>F-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	1.3039	—	1.3039	1.3428
Group 2	0.6748	0.6291	1.3039	1.3428
<b>I-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	0.7906	—	0.7906	0.8201
Group 2	0.2903	0.5003	0.7906	0.8201
<b>I-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	1.4412	—	1.4412	1.4755
Group 2	0.6905	0.7507	1.4412	1.4755
<b>C-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Distribution Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	0.8074	—	0.8074	0.8366
Group 2	0.3495	0.4579	0.8074	0.8366
<b>C-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	1.4738	—	1.4738	1.5064
Group 2	0.7767	0.6971	1.4738	1.5064
<b>L-Class</b>			<b>Distribution</b>	<b>Distribution</b>
<b>Accumulation Units</b>			<b>25/07/19</b>	<b>25/07/18</b>
	<b>Revenue</b>	<b>Equalisation</b>		
Group 1	0.0610	—	0.0610	N/A
Group 2	—	0.0610	0.0610	N/A

In the above tables, a distribution pay rate of N/A denotes that the class was not in existence as at the applicable XD date, and therefore no distribution was made. Please refer to the comparative tables on pages 29 to 39 for the launch date or closure date of these classes.

## Trust Information

The Comparative Tables on pages 29 to 39 give the performance of each active unit 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.

## Trust Information continued

### Comparative Tables

#### R-Class Distribution Units

##### Change in Net Asset Value per Unit

Accounting Period ending	01/06/18 to 25/05/19 <sup>1</sup> (pence per unit)
Opening net asset value per unit	50.00
Return before operating charges*	1.92
Operating charges (calculated on average price)	(0.26)
Return after operating charges*	1.66
Distributions on income units <sup>^</sup>	(0.54)
Closing net asset value per unit	51.12
* after direct transaction costs of:	—

#### Performance

Return after charges	3.32%
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#### Other Information

Closing net asset value (£)	62,980
Closing number of units	123,201
Operating charges <sup>†</sup>	0.53%
Direct transaction costs	0.00%

#### Prices

Highest unit price	51.46p
Lowest unit price	48.30p

<sup>1</sup> R-Class units launched on 1 June 2018.

<sup>^</sup> Distributions on income units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

**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.**

## Trust Information continued

### Comparative Tables continued

#### R-Class Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Period ending	01/06/18 to 25/05/19 <sup>1</sup> (pence per unit)
Opening net asset value per unit	50.00
Return before operating charges*	1.94
Operating charges (calculated on average price)	(0.26)
Return after operating charges*	1.68
Distributions <sup>^</sup>	(0.55)
Retained distributions on accumulation units <sup>^</sup>	0.55
Closing net asset value per unit	51.68
* after direct transaction costs of:	—

#### Performance

Return after charges	3.36%
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#### Other Information

Closing net asset value (£)	1,577,950
Closing number of units	3,053,393
Operating charges <sup>†</sup>	0.53%
Direct transaction costs	0.00%

#### Prices

Highest unit price	51.74p
Lowest unit price	48.30p

<sup>1</sup> R-Class units launched on 1 June 2018.

<sup>^</sup> Retained distributions on accumulation units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

**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.**

## Trust Information continued

### Comparative Tables continued

#### F-Class Distribution Units

##### Change in Net Asset Value per Unit

Accounting Year ending	25/05/19 (pence per unit)	25/05/18 (pence per unit)	25/05/17 (pence per unit)
Opening net asset value per unit	121.04	124.20	117.90
Return before operating charges*	5.70	(1.17)	8.55
Operating charges (calculated on average price)	(0.45)	(0.45)	(0.46)
Return after operating charges*	5.25	(1.62)	8.09
Distributions on income units <sup>^</sup>	(1.45)	(1.54)	(1.79)
Closing net asset value per unit	124.84	121.04	124.20
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	4.34%	(1.30)%	6.86%
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#### Other Information

Closing net asset value (£)	1,347	1,306	4,414
Closing number of units	1,079	1,079	3,554
Operating charges <sup>†</sup>	0.37%	0.37%	0.37%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest unit price	125.70p	125.10p	131.00p
Lowest unit price	117.90p	118.10p	117.90p

<sup>^</sup> Distributions on income units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

**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.**

## Trust Information continued

### Comparative Tables continued

#### F-Class Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Year ending	25/05/19 (pence per unit)	25/05/18 (pence per unit)	25/05/17 (pence per unit)
Opening net asset value per unit	218.24	221.05	207.08
Return before operating charges*	10.32	(2.01)	15.11
Operating charges (calculated on average price)	(0.82)	(0.80)	(0.81)
Return after operating charges*	9.50	(2.81)	14.30
Distributions <sup>^</sup>	(2.62)	(2.77)	(3.14)
Retained distributions on accumulation units <sup>^</sup>	2.62	2.77	2.81
Closing net asset value per unit	227.74	218.24	221.05
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	4.35%	(1.27)%	6.91%
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#### Other Information

Closing net asset value (£)	410,872	308,940	325,598
Closing number of units	180,414	141,562	147,299
Operating charges <sup>†</sup>	0.37%	0.37%	0.37%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest unit price	227.90p	222.70p	230.20p
Lowest unit price	212.60p	211.70p	207.10p

<sup>^</sup> Retained distributions on accumulation units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

**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.**

## Trust Information continued

### Comparative Tables continued

#### M-Class Distribution Units

#### Change in Net Asset Value per Unit

Accounting Period ending	25/11/17 to 25/05/19 (pence per unit)	26/05/17 to 24/11/17 <sup>1</sup> (pence per unit)	26/05/16 to 25/05/17 (pence per unit)
Opening net asset value per unit	—	124.67	118.20
Return before operating charges*	—	(1.55)	8.59
Operating charges (calculated on average price)	—	(0.09)	(0.19)
Return after operating charges*	—	(1.64)	8.40
Distributions on income units <sup>^</sup>	—	(0.87)	(1.93)
Closing net asset value per unit	—	122.16	124.67
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	—	(1.32)%	7.11%
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#### Other Information

Closing net asset value (£)	—	—	208,715,874
Closing number of units	—	—	167,409,447
Operating charges <sup>†</sup>	—	0.15%	0.15%
Direct transaction costs	—	0.00%	0.00%

#### Prices

Highest unit price	—	125.70p	131.40p
Lowest unit price	—	121.10p	118.20p

<sup>1</sup> M-Class units ceased to exist on 24 November 2017. Value shown is the closing net asset value at this date.

<sup>^</sup> Distributions on income units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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## Trust Information continued

### Comparative Tables continued

#### M-Class Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Period ending	25/11/17 to 25/05/19 (pence per unit)	26/05/17 to 24/11/17 <sup>1</sup> (pence per unit)	26/05/16 to 25/05/17 (pence per unit)
Opening net asset value per unit	—	222.69	208.19
Return before operating charges*	—	(2.82)	15.19
Operating charges (calculated on average price)	—	(0.16)	(0.33)
Return after operating charges*	—	(2.98)	14.86
Distributions <sup>^</sup>	—	(1.56)	(3.41)
Retained distributions on accumulation units <sup>^</sup>	—	1.56	3.05
Closing net asset value per unit	—	219.71	222.69
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	—	(1.34)%	7.14%
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#### Other Information

Closing net asset value (£)	—	—	443,957,974
Closing number of units	—	—	199,358,300
Operating charges <sup>†</sup>	—	0.15%	0.15%
Direct transaction costs	—	0.00%	0.00%

#### Prices

Highest unit price	—	224.50p	231.50p
Lowest unit price	—	216.30p	208.20p

<sup>1</sup> M-Class units ceased to exist on 24 November 2017. Value shown is the closing net asset value at this date.

<sup>^</sup> Retained distributions on accumulation units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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## Trust Information continued

### Comparative Tables continued

#### I-Class Distribution Units

##### Change in Net Asset Value per Unit

Accounting Year ending	25/05/19 (pence per unit)	25/05/18 (pence per unit)	25/05/17 (pence per unit)
Opening net asset value per unit	121.69	124.70	118.23
Return before operating charges*	5.72	(1.14)	8.59
Operating charges (calculated on average price)	(0.18)	(0.18)	(0.19)
Return after operating charges*	5.54	(1.32)	8.40
Distributions on income units <sup>^</sup>	(1.59)	(1.69)	(1.93)
Closing net asset value per unit	125.64	121.69	124.70
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	4.55%	(1.06)%	7.10%
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#### Other Information

Closing net asset value (£)	438,589,084	406,197,136	204,679,242
Closing number of units	349,087,632	333,787,326	164,133,010
Operating charges <sup>†</sup>	0.15%	0.15%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest unit price	126.50p	125.70p	131.50p
Lowest unit price	118.60p	118.80p	118.20p

<sup>^</sup> Distributions on income units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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## Trust Information continued

### Comparative Tables continued

#### I-Class Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Year ending	25/05/19 (pence per unit)	25/05/18 (pence per unit)	25/05/17 (pence per unit)
Opening net asset value per unit	220.35	222.83	208.32
Return before operating charges*	10.43	(2.15)	15.20
Operating charges (calculated on average price)	(0.33)	(0.33)	(0.33)
Return after operating charges*	10.10	(2.48)	14.87
Distributions <sup>^</sup>	(2.90)	(3.04)	(3.41)
Retained distributions on accumulation units <sup>^</sup>	2.90	3.04	3.05
Closing net asset value per unit	230.45	220.35	222.83
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	4.58%	(1.11)%	7.14%
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#### Other Information

Closing net asset value (£)	482,656,451	398,716,800	117,843,722
Closing number of units	209,441,640	180,949,979	52,883,882
Operating charges <sup>†</sup>	0.15%	0.15%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest unit price	230.60p	224.60p	231.70p
Lowest unit price	214.80p	213.60p	208.30p

<sup>^</sup> Retained distributions on accumulation units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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## Trust Information continued

### Comparative Tables continued

#### C-Class Distribution Units

##### Change in Net Asset Value per Unit

Accounting Year ending	25/05/19 (pence per unit)	25/05/18 (pence per unit)	25/05/17 (pence per unit)
Opening net asset value per unit	121.89	124.88	118.36
Return before operating charges*	5.74	(1.14)	8.60
Operating charges (calculated on average price)	(0.12)	(0.12)	(0.12)
Return after operating charges*	5.62	(1.26)	8.48
Distributions on income units <sup>^</sup>	(1.63)	(1.73)	(1.96)
Closing net asset value per unit	125.88	121.89	124.88
* after direct transaction costs of:	—	—	—

##### Performance

Return after charges	4.61%	(1.01)%	7.16%
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##### Other Information

Closing net asset value (£)	115,623,221	117,394,867	200,550,001
Closing number of units	91,854,356	96,309,570	160,598,685
Operating charges <sup>†</sup>	0.10%	0.10%	0.10%
Direct transaction costs	0.00%	0.00%	0.00%

##### Prices

Highest unit price	126.70p	125.90p	131.60p
Lowest unit price	118.80p	118.90p	118.30p

<sup>^</sup> Distributions on income units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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## Trust Information continued

### Comparative Tables continued

#### C-Class Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Year ending	25/05/19 (pence per unit)	25/05/18 (pence per unit)	25/05/17 (pence per unit)
Opening net asset value per unit	220.97	223.21	208.57
Return before operating charges*	10.46	(2.02)	15.22
Operating charges (calculated on average price)	(0.22)	(0.22)	(0.22)
Return after operating charges*	10.24	(2.24)	15.00
Distributions <sup>^</sup>	(2.96)	(3.10)	3.47
Retained distributions on accumulation units <sup>^</sup>	2.96	3.10	3.11
Closing net asset value per unit	231.21	220.97	223.21
* after direct transaction costs of:	—	—	—

#### Performance

Return after charges	4.63%	(1.00)%	7.19%
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#### Other Information

Closing net asset value (£)	46,022,806	24,796,740	26,379,794
Closing number of units	19,904,768	11,221,747	11,818,322
Operating charges <sup>†</sup>	0.10%	0.10%	0.10%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest unit price	231.30p	225.10p	232.00p
Lowest unit price	215.50p	214.20p	208.50p

<sup>^</sup> Retained distributions on accumulation units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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## Trust Information continued

### Comparative Tables continued

#### L-Class Accumulation Units

##### Change in Net Asset Value per Unit

Accounting Period ending	25/04/19 to 25/05/19 <sup>1</sup> (pence per unit)
Opening net asset value per unit	50.00
Return before operating charges*	0.90
Operating charges (calculated on average price)	—
Return after operating charges*	0.90
Distributions <sup>^</sup>	(0.06)
Retained distributions on accumulation units <sup>^</sup>	0.06
Closing net asset value per unit	50.90
* after direct transaction costs of:	—

#### Performance

Return after charges	1.80%
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#### Other Information

Closing net asset value (£)	1,018
Closing number of units	2,000
Operating charges <sup>†</sup>	0.03%
Direct transaction costs	0.00%

#### Prices

Highest unit price	50.93p
Lowest unit price	49.86p

<sup>1</sup> L-Class units launched on 25 April 2019.

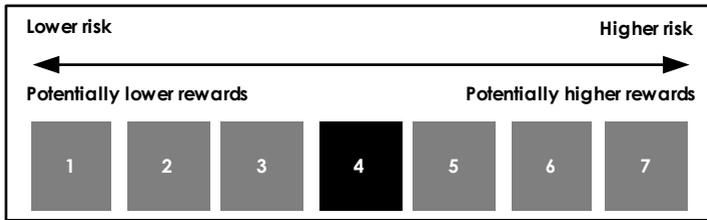
<sup>^</sup> Retained distributions on accumulation units are shown gross of taxation.

<sup>†</sup> 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 fund and is calculated based on the last period's figures.

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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 it invests in company or government bonds which are sensitive to changes in interest rates, inflation and credit. This can be driven by political and economic changes and other significant events and may cause the value to go up and down. Bonds that are closer to their maturity date tend to be more stable in value. Bonds are generally considered to be higher risk investments than cash, but lower risk than company shares.
- Even a trust in the lowest category is not a risk free investment.

## General Information (unaudited)

### Constitution

Launch date:	8 March 1981
Period end dates for distributions:	25 May, 25 November
Distribution dates:	25 July, 25 January
Minimum initial lump sum investment:	R-Class £100 F-Class* £500 I-Class £1,000,000 C-Class** £100,000,000 L-Class*** £100,000
Minimum monthly contributions:	R-Class £20 F-Class* N/A I-Class N/A C-Class** N/A L-Class*** N/A
Valuation point:	12 noon
Fund Management Fees:	R-Class Annual 0.53% F-Class* Annual 0.37% I-Class Annual 0.15% C-Class** Annual 0.10% L-Class*** Annual 0.03%
Initial charge:	Nil for all existing unit classes

\* Class F units are available to:

- (i) investors who have received advice from authorized 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.

\*\* Class C units are available to certain eligible investors who meet the criteria for investment in such units as outlined in the share class policy of the Manager, which is available to investors in the C-Class upon request. Where investors in the C-Class no longer continue to meet the criteria for investment in such units, further investment in such units may not be permitted.

\*\*\* Class L units are only available to other Legal & General funds and/or companies which have entered into agreement with the Manager or an affiliate of the Manager.

### Pricing and Dealing

The prices are published on the internet at [www.legalandgeneral.com/investments/fund-information/daily-fund-prices](http://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.

## General Information (unaudited) continued

### 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](http://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.

### 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.

### Information on Tracking Error

The 'Tracking Error' of a Trust is the measure of the volatility of the differences between the return of the Trust and the return of the benchmark Index. It provides an indication of how closely the Trust is tracking the performance of the benchmark Index after considering things such as Trust charges and taxation.

Using monthly returns, over the review year, the annualised Tracking Error of the Trust is 0.04%, whilst over the last three years to the end of May 2019, the annualised Tracking Error of the Trust is 0.07%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-0.25 % per annum.

### EU Savings Directive

The Trust has been reviewed against the requirements of the Directive 2003/48/EC on Taxation of savings in the form of interest payments (ESD), following the HM Revenue & Customs debt investment reporting guidance notes.

Under the Directive, information is collected about the payment of distributions to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with Tax authorities in those countries.

The Trust falls within the 25% debt investment reporting threshold. This means that details of all distributions and redemption proceeds paid to non UK investors will be reported by Legal & General (Unit Trust Managers) Limited to HM Revenue & Customs to be exchanged with the relevant Tax authorities.

## General Information (unaudited) continued

### Remuneration Disclosure

In accordance with the Undertakings for collective investment in transferable securities (UCITs) Directive, often referred to as the UCITs V Directive, the Legal & General All Stocks Gilt Index Trust, as a UCITs Scheme, is required to disclose the aggregate remuneration paid by the UCITs Manager and by the UCITs Scheme to Identified Staff, together with the number of beneficiaries, and, where relevant, performance fees paid by the UCITs Scheme. The aggregate amount of remuneration must be broken down by category of employees or other staff members and be split into fixed and variable remuneration.

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 2018:

### Controlled Functions

Headcount	Fixed Remuneration (£'000)	Variable Remuneration (£'000)	Remuneration related to this Trust (Pro-rated) (£'000)
36	7,644	13,053	400

### Material Risk Takers

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£'000)	Remuneration related to this Trust (Pro-rated) (£'000)
24	2,667	3,393	16

### Controlled Functions

During 2018, Legal & General Unit Trust Managers Limited (UTM) engaged the services of seven employees of Legal & General Investment Management (Holdings) Limited (LGIMH), plus a further one employee of Legal & General Resources (LGR) to act as Director. In addition, there was one non-executive Director. UTM also engaged the services of a further 24 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 pro-rated the remuneration figures by the Net Asset Value of the UCITS Funds as a percentage of the total assets under management of UTM.

### Material Risk Takers

During 2018, UTM engaged the services of Legal & General Investment Management's Index Fund Management team, which consists of 24 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 pro-rated the remuneration figures by the Net Asset Value of the UCITS Funds as a percentage of the total assets under management of the Index Fund Management team.

## **General Information (unaudited) continued**

### **Significant Change**

#### **New Unit Class: L-Class**

L-Class accumulation units were launched on 25 April 2019.

## 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**

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(Unit Trust Managers) Limited  
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London EC2R 5AA  
[www.legalandgeneral.com](http://www.legalandgeneral.com)

