

Legal & General All Stocks Gilt Index Trust

**Annual Manager's Report
for the year ended
25 May 2018**

**EVERY
DAY
MATTERS.®**



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	10
Statement of Total Return	12
Statement of Change in Net Assets attributable to Unitholders	12
Balance Sheet	13
Notes to the Financial Statements	14
Distribution Tables	25
Trust Information*	27
Risk and Reward Profile*	36
General Information*	37

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

Manager's Investment Report

Investment Objective and Policy

The investment objective of this 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.

Manager's Investment Report

During the year under review, the bid price of the Trust's I-Class accumulation units fell by 1.12%. 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 and adjusted for Trust charges and taxation. On this basis over the review year, the Trust fell by 0.69%, compared with the Index fall of 0.60% (Source: Bloomberg), producing a tracking difference of -0.09%.

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.

The FTSE Actuaries UK Conventional Gilts All Stocks Index is calculated by FTSE International Limited ("FTSE"). FTSE does not sponsor, endorse or promote this product.

All copyright in the Index values and constituent list belongs to FTSE.

Legal & General has obtained full licence from FTSE to use such copyright in the creation of this product.

"FTSE™", "FT-SE®" and "Footsie®" are trademarks of the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited ("FTSE") under license.

Market/Economic Review

The global economic background has improved over the past twelve months, led by solid growth in the major developed economies, although recent indicators suggest there has been some loss of momentum, particularly in Europe. Despite a rise in commodity prices, with the oil price (Brent crude) recovering to \$79 per barrel in May 2018, its highest level since 2014, inflationary pressures worldwide have remained subdued by historical standards.

In the US, economic activity remains in good shape, underpinned by improving consumer and business sentiment, a strong labour market and a recovery in the energy sector. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates three times over the last twelve months. The Fed also began unwinding its asset purchase programme, known as quantitative easing (QE), in October 2017. In December, Congress approved the Trump administration's tax reforms which include a cut in the main rate of corporation tax from 35% to 21%.

The Eurozone economy grew at its fastest pace for a decade in 2017, although there has been some loss of momentum in recent months, with a slowdown in Germany and France, the region's two largest economies. The European Central Bank (ECB) announced it would reduce its monthly asset purchase programme with effect from 2018, but with inflation remaining subdued the ECB has signalled monetary policy will remain accommodative.

In the UK, both economic and political uncertainty have heightened over the last 12 months, as the June 2017 general election resulted in a hung parliament and Brexit negotiations began. The Bank of England voted to increase interest rates to 0.5% in

Manager's Investment Report continued

November 2017, removing the emergency support announced in August 2016, in the wake of the EU referendum. The UK economy grew at its slowest pace for six years during the first quarter of 2018.

Returns from bond markets have been disappointing over the last 12 months, although a marked rise in equity market volatility in early 2018 highlighted the 'safe haven' appeal of government bonds. In the US, investors have discounted Fed rate hikes and looser fiscal policy. In the UK, inflation peaked at over 3% in November and declined towards the BoE's 2% target. As a result, Index-linked gilts underperformed conventional securities. The Bank's decision to add high quality corporate bonds to its QE programme sparked an upsurge in new issuance in the sterling-denominated market in 2017. Although the BoE has completed its purchases of corporate bonds, the asset class continued to attract investors, as yields on government bonds remained unattractively low.

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 29 gilt auctions and two syndications, raising a total of £75.9 billion for government funding. The bonds issued by syndication were a tap of the 2.5% Treasury Gilt 2065 for £4 billion nominal in September and the issue of £6 billion nominal of the new 1.625% Treasury Gilt 2071. Two new bonds were issued by auction. The 0.75% Treasury Gilt 2023 was issued for approximately £3.2 billion nominal in July, and was the subject of eight further auctions over the year. The 1.625% Treasury Gilt 2028 was issued for approximately £2.9 billion nominal in March, and was the subject of two further auctions over the year. Three bonds were redeemed: the 8.75% Treasury Gilt August 2017, the 1% Treasury Gilt September 2017 and the 5% Treasury Gilt March 2018. Each auction, syndication and redemption resulted in a change to the constituent weightings of the benchmark Index and required the Trust to be rebalanced in line with the revised Index distribution.

The Trust experienced net negative 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

We remain cautious about global growth and the ability of a highly-leveraged global economy to withstand higher interest rates. However, we expect higher US and Eurozone core inflation to test the market's belief that inflationary pressure will be low for an extended period. These higher inflation expectations should push up interest rates. Versus the rest of the world, we still believe that Brexit negotiations will be a leading driver of relative performance during 2018. However, with parliament unlikely to have a meaningful vote until October, the potential for material news (in either direction) seems limited during the summer.

Legal & General Investment Management Limited
(Investment Adviser)
19 June 2018

Authorised Status

Authorised Status

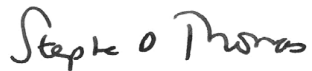
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

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



A. J. C. Craven
(Director)



S. D. Thomas
(Director)

Legal & General (Unit Trust Managers) Limited
13 July 2018

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 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 2018

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 PLC
UK Trustee and Depositary Services
13 July 2018

Portfolio Statement

Portfolio Statement as at 25 May 2018

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 25 May 2017.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	GOVERNMENT BONDS		
	— 97.16% (97.73%)		
	Short Dated — 29.56% (31.29%)		
GBP20,104,229	United Kingdom Gilt 1.25% 22/07/2018	20,128,113	2.13
GBP25,426,161	United Kingdom Gilt 4.5% 07/03/2019	26,203,438	2.77
GBP24,215,896	United Kingdom Gilt 1.75% 22/07/2019	24,532,543	2.59
GBP19,671,728	United Kingdom Gilt 3.75% 07/09/2019	20,459,404	2.16
GBP21,178,174	United Kingdom Gilt 4.75% 07/03/2020	22,709,779	2.40
GBP21,006,674	United Kingdom Gilt 2% 22/07/2020	21,576,312	2.28
GBP16,084,170	United Kingdom Gilt 3.75% 07/09/2020	17,188,493	1.81
GBP21,176,583	United Kingdom Gilt 1.5% 22/01/2021	21,583,195	2.28
GBP16,564,918	United Kingdom Gilt 8% 07/06/2021	20,144,481	2.13
GBP18,111,028	United Kingdom Gilt 3.75% 07/09/2021	19,826,686	2.09
GBP24,031,810	United Kingdom Gilt 4% 07/03/2022	26,843,532	2.83
GBP19,236,461	United Kingdom Gilt 0.5% 22/07/2022	18,886,742	1.99
GBP19,288,958	United Kingdom Gilt 1.75% 07/09/2022	19,933,961	2.10
		280,016,679	29.56
	Medium Dated — 17.01% (14.99%)		
GBP17,322,084	United Kingdom Gilt 0.75% 22/07/2023	17,037,222	1.80
GBP17,420,064	United Kingdom Gilt 2.25% 07/09/2023	18,479,831	1.95
GBP17,437,939	United Kingdom Gilt 2.75% 07/09/2024	19,135,069	2.02
GBP23,247,971	United Kingdom Gilt 5% 07/03/2025	29,034,530	3.07
GBP18,235,349	United Kingdom Gilt 2% 07/09/2025	19,256,583	2.03
GBP17,281,092	United Kingdom Gilt 1.5% 22/07/2026	17,549,053	1.85
GBP15,608,770	United Kingdom Gilt 1.25% 22/07/2027	15,387,250	1.62
GBP20,115,882	United Kingdom Gilt 4.25% 07/12/2027	25,266,212	2.67
		161,145,750	17.01
	Long Dated — 50.59% (51.45%)		
GBP5,160,000	United Kingdom Gilt 1.625% 22/10/2028	5,216,234	0.55
GBP12,341,257	United Kingdom Gilt 6% 07/12/2028	17,802,547	1.88

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
Long Dated — (cont.)			
GBP22,273,610	United Kingdom Gilt 4.75% 07/12/2030	30,272,242	3.20
GBP23,113,145	United Kingdom Gilt 4.25% 07/06/2032	30,590,710	3.23
GBP20,426,517	United Kingdom Gilt 4.5% 07/09/2034	28,441,637	3.00
GBP19,618,839	United Kingdom Gilt 4.25% 07/03/2036	27,099,188	2.86
GBP8,120,896	United Kingdom Gilt 1.75% 07/09/2037	8,053,168	0.85
GBP16,296,356	United Kingdom Gilt 4.75% 07/12/2038	24,614,864	2.60
GBP14,704,733	United Kingdom Gilt 4.25% 07/09/2039	21,067,471	2.22
GBP16,149,139	United Kingdom Gilt 4.25% 07/12/2040	23,437,568	2.47
GBP17,809,197	United Kingdom Gilt 4.5% 07/12/2042	27,240,378	2.88
GBP18,191,167	United Kingdom Gilt 3.25% 22/01/2044	23,448,778	2.48
GBP17,884,490	United Kingdom Gilt 3.5% 22/01/2045	24,161,713	2.55
GBP14,844,748	United Kingdom Gilt 4.25% 07/12/2046	22,856,726	2.41
GBP16,034,135	United Kingdom Gilt 1.5% 22/07/2047	14,916,812	1.57
GBP12,355,420	United Kingdom Gilt 4.25% 07/12/2049	19,713,196	2.08
GBP15,571,315	United Kingdom Gilt 3.75% 22/07/2052	23,628,349	2.49
GBP17,002,504	United Kingdom Gilt 4.25% 07/12/2055	29,065,032	3.07
GBP9,765,832	United Kingdom Gilt 1.75% 22/07/2057	9,994,626	1.06
GBP15,556,666	United Kingdom Gilt 4% 22/01/2060	26,572,015	2.80
GBP12,856,950	United Kingdom Gilt 2.5% 22/07/2065	16,614,188	1.75
GBP12,861,170	United Kingdom Gilt 3.5% 22/07/2068	21,183,067	2.24
GBP3,296,000	United Kingdom Gilt 1.625% 22/10/2071	3,335,137	0.35
		479,325,646	50.59
Portfolio of investments		920,488,075	97.16
Net other assets		26,927,714	2.84
Total net assets		£947,415,789	100.00%

Total purchases for the year: £185,505,174.

Total sales for the year: £395,817,248.

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 2018 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 14 to 15.

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 2018 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.

Going concern

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

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.

Independent Auditor's Report continued

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.

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.

Jatin Patel
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square,
E14 5GL London
13 July 2018

Financial Statements

Statement of Total Return for the year ended 25 May 2018

Notes	25/05/18		25/05/17	
	£	£	£	£
Income				
Net capital (losses)/ gains	3	(30,292,147)		62,941,907
Revenue	4	16,107,955	19,610,447	
Expenses	5	(1,560,666)	(1,672,095)	
Interest payable and similar charges	7	(151)	(2,973)	
Net revenue before taxation		<u>14,547,138</u>	<u>17,935,379</u>	
Taxation	6	—	—	
Net revenue after taxation for the year		<u>14,547,138</u>	<u>17,935,379</u>	
Total return before distributions		<u>(15,745,009)</u>	<u>80,877,286</u>	
Distributions	7	(15,327,815)	(18,771,404)	
Change in net assets attributable to Unitholders from investment activities		<u>£(31,072,824)</u>	<u>£62,105,882</u>	

Statement of Change in Net Assets attributable to Unitholders for the year ended 25 May 2018

	25/05/18		25/05/17	
	£	£	£	£
Opening net assets attributable to Unitholders		1,202,456,619		1,144,266,101
Amounts received on issue of units		138,963,559	422,118,357	
Amounts paid on cancellation of units		(314,150,327)	(433,890,589)	
Amounts paid on in-specie transactions		<u>(55,674,944)</u>	<u>—</u>	
		(230,861,712)	(11,772,232)	
Change in net assets attributable to Unitholders from investment activities		<u>(31,072,824)</u>	<u>62,105,882</u>	
Retained distributions on accumulation units		6,883,169	7,856,868	
Unclaimed distributions		<u>10,537</u>	<u>—</u>	
Closing net assets attributable to Unitholders		<u>£947,415,789</u>	<u>£1,202,456,619</u>	

Financial Statements continued

Balance Sheet as at 25 May 2018

	Notes	25/05/18 £	25/05/17 £
ASSETS			
Fixed assets:			
Investments		920,488,075	1,175,102,875
Current assets:			
Debtors	8	8,503,226	11,430,774
Cash and bank balances	9	<u>22,231,728</u>	<u>21,200,876</u>
Total assets		<u>951,223,029</u>	<u>1,207,734,525</u>
LIABILITIES			
Creditors:			
Distributions payable		(3,543,403)	(4,517,502)
Other creditors	10	<u>(263,837)</u>	<u>(760,404)</u>
Total liabilities		<u>(3,807,240)</u>	<u>(5,277,906)</u>
Net assets attributable to Unitholders		<u>£947,415,789</u>	<u>£1,202,456,619</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.

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 is charged to capital and 50% is charged to revenue for the purpose of calculating the distribution.

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

(f) Basis of valuation of investments

All investments are valued at their fair value as at 12 noon on 25 May 2018, 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 (losses)/gains

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

Non-derivative securities

Net capital (losses)/gains

25/05/18	25/05/17
£	£
(30,292,147)	62,941,907
<u>(30,292,147)</u>	<u>62,941,907</u>

4. Revenue

Bond interest

Bank interest

25/05/18	25/05/17
£	£
16,094,920	19,597,991
13,035	12,456
<u>16,107,955</u>	<u>19,610,447</u>

5. Expenses

Payable to the Manager, associates of the Manager and agents of either of them:

Fund management fees

Total expenses

25/05/18	25/05/17
£	£
1,560,666	1,672,095
<u>1,560,666</u>	<u>1,672,095</u>

Audit fees of £11,000 plus VAT of £2,200 have been borne by the Manager out of its fund management fee. In the prior year, the total audit fee was £9,190 plus VAT of £1,838.

Notes to the Financial Statements continued

6. Taxation

(a) Analysis of taxation charge in year

	25/05/18	25/05/17
	£	£
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	14,547,138	17,935,379
Net revenue before taxation multiplied by the applicable rate of Corporation tax of 20% (2017: 20%)	2,909,428	3,587,076
Effects of:		
Interest distributions deductible for tax purposes	(2,909,428)	(3,587,076)
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:

	25/05/18	25/05/17
	£	£
Interim distribution	7,810,678	7,502,446
Final distribution	6,384,347	8,796,177
	<u>14,195,025</u>	<u>16,298,623</u>
Add: Revenue deducted on cancellation of units	1,439,986	1,633,620
Add: Revenue deducted on in-specie transactions	178,963	—
Less: Revenue received on creation of units	(486,159)	(1,218,249)
Income tax withheld	—	2,057,410
Distributions for the year	15,327,815	18,771,404
Interest payable and similar charges		
Bank overdraft interest	151	2,973
	<u>15,327,966</u>	<u>18,774,377</u>

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

	25/05/18	25/05/17
	£	£
Net revenue after taxation for the year	14,547,138	17,935,379
Add: Expenses charged to capital	780,333	836,047
Equalisation effect of conversions	344	(22)
Distributions for the year	15,327,815	18,771,404

8. Debtors

	25/05/18	25/05/17
	£	£
Accrued revenue	8,480,226	10,735,743
Amounts receivable for creation of units	23,000	695,031
	<u>8,503,226</u>	<u>11,430,774</u>

Notes to the Financial Statements continued

9. Net uninvested cash

	25/05/18	25/05/17
	£	£
Cash and bank balances	<u>22,231,728</u>	<u>21,200,876</u>
Net uninvested cash	<u>22,231,728</u>	<u>21,200,876</u>

10. Other creditors

	25/05/18	25/05/17
	£	£
Accrued expenses	92,847	114,302
Amounts payable for cancellation of units	170,990	357,898
Purchases awaiting settlement	—	<u>288,204</u>
	<u>263,837</u>	<u>760,404</u>

11. Contingent liabilities and outstanding commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (25 May 2017: same).

Notes to the Financial Statements continued

12. Financial Instruments and Associated Risks

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

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

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

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

(a) Market Risk arising from other price risk

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

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

The assets held by the Trust can be seen in the Portfolio Statement starting on page 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 2018, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £46,024,404 (25 May 2017: £58,755,144).

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 2018, 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 £1,076,264 (25 May 2017: £1,334,727). 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 £'000	Floating rate £'000	Fixed rate £'000	No interest £'000
25/05/18				
Portfolio	920,488	—	920,488	—
Other assets	30,735	22,232†	—	8,503
Other liabilities	(3,807)	—†	—	(3,807)
Total	947,416	22,232	920,488	4,696

	Total £'000	Floating rate £'000	Fixed rate £'000	No interest £'000
25/05/17				
Portfolio	1,175,103	—	1,175,103	—
Other assets	32,632	21,201†	—	11,431
Other liabilities	(5,278)	—†	—	(5,278)
Total	1,202,457	21,201	1,175,103	6,153

† The Trust's floating rate other assets and liabilities are represented by its bank balances and overdraft facilities. Cash is deposited, and overdraft facilities utilised, 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	
	25/05/18	25/05/17	25/05/18	25/05/17
Sterling	1.33	0.97	15.76	15.66

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 2017: same).

Forward currency contracts were not utilised during the current or 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:

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

25/05/17	Assets	Liabilities
Basis of Valuation	£	£
Level 1 - Quoted Prices	1,175,102,875	—
Level 2 - Observable Market Data	—	—
Level 3 - Unobservable Data	—	—
Total	1,175,102,875	—

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 2017: same).

Total purchases for the year: £185,505,174
(25 May 2017: £421,442,780)

Total sales for the year: £395,817,248
(25 May 2017: £428,742,796)

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.05% (25 May 2017: 0.04%).

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 37. 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 28 to 35. The distributions per unit class are given in the distribution tables on pages 25 and 26. All classes have the same rights on winding up.

F-Class	Distribution	Accumulation
Opening Units	3,554	147,299
Units issued	90	11,919
Units cancelled	(22,647)	(17,656)
Units converted	20,082	—
Closing Units	1,079	141,562

M-Class	Distribution	Accumulation
Opening Units	167,409,447	199,358,300
Units issued	12,962,536	6,650,335
Units cancelled	(21,291,668)	(16,785,074)
Units converted	(159,080,315)	(189,223,561)
Closing Units	—	—

I-Class	Distribution	Accumulation
Opening Units	164,133,010	52,883,882
Units issued	41,981,768	15,014,402
Units cancelled	(27,397,326)	(75,661,180)
Units converted	155,069,874	188,712,875
Closing Units	333,787,326	180,949,979

C-Class	Distribution	Accumulation
Opening Units	160,598,685	11,818,322
Units issued	16,139,051	2,197,503
Units cancelled	(85,543,322)	(2,674,437)
Units converted	5,115,156	(119,641)
Closing Units	96,309,570	11,221,747

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 3.94% (3.41% as at 25 May 2017) 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 accumulation unit was 220.35p. The Net Asset Value per I-Class accumulation unit for the Trust as at 12 noon on 11 July 2018 was 222.30p. This represents an increase of 0.88% from the year end value.

Distribution Tables

Distribution Tables for the year ended 25 May 2018

Group 1: units purchased prior to a distribution period.

Group 2: units purchased during a distribution period.

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

Interim Interest distribution in pence per unit			Period	
			26/05/17	to 24/11/17 ¹
F-Class			Distribution	Distribution
Distribution Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	0.7934	0.7546
Group 2	—	0.7934	0.7934	0.7546
F-Class			Distribution	Distribution
Accumulation Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	1.4281	1.3244
Group 2	0.7771	0.6510	1.4281	1.3244
M-Class			Distribution	Distribution
Distribution Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	0.8739	0.8118
Group 2	0.5034	0.3705	0.8739	0.8118
M-Class			Distribution	Distribution
Accumulation Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	1.5607	1.4299
Group 2	0.7985	0.7622	1.5607	1.4299
I-Class			Distribution	Distribution
Distribution Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	0.8739	0.8120
Group 2	0.4909	0.3830	0.8739	0.8120
I-Class			Distribution	Distribution
Accumulation Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	1.5607	1.4309
Group 2	0.6365	0.9242	1.5607	1.4309
C-Class			Distribution	Distribution
Distribution Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	0.8906	0.8257
Group 2	0.5188	0.3718	0.8906	0.8257
C-Class			Distribution	Distribution
Accumulation Units			24/01/18¹	25/01/17
Group 1	Revenue	Equalisation	1.5921	1.4582
Group 2	0.8019	0.7902	1.5921	1.4582

¹ To facilitate the closure of M-Class, the Trust's interim accounting date and distribution payment date were moved to 24 November 2017 and 24 January 2018 respectively.

Distribution Tables continued

Final Interest distribution in pence per unit			Period	
			25/11/17	to 25/05/18
F-Class			Distribution	Distribution
Distribution Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	0.7488	—	0.7488	0.8491
Group 2	—	0.7488	0.7488	0.8491
F-Class			Distribution	Distribution
Accumulation Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	1.3428	—	1.3428	1.4888
Group 2	0.6611	0.6817	1.3428	1.4888
M-Class¹			Distribution	Distribution
Distribution Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	—	—	N/A	0.9124
Group 2	—	—	N/A	0.9124
M-Class¹			Distribution	Distribution
Accumulation Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	—	—	N/A	1.6179
Group 2	—	—	N/A	1.6179
I-Class			Distribution	Distribution
Distribution Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	0.8201	—	0.8201	0.9125
Group 2	0.3237	0.4964	0.8201	0.9125
I-Class			Distribution	Distribution
Accumulation Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	1.4755	—	1.4755	1.6188
Group 2	0.7053	0.7702	1.4755	1.6188
C-Class			Distribution	Distribution
Distribution Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	0.8366	—	0.8366	0.9291
Group 2	0.3940	0.4426	0.8366	0.9291
C-Class			Distribution	Distribution
Accumulation Units			25/07/18	25/07/17
	Revenue	Equalisation		
Group 1	1.5064	—	1.5064	1.6481
Group 2	0.6901	0.8163	1.5064	1.6481

¹ M-Class units ceased to exist on 24 November 2017.

Trust Information

The Comparative Tables on pages 28 to 35 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.

Trust Information continued

Comparative Tables

F-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	25/05/18 (pence per unit)	25/05/17 (pence per unit)	25/05/16 (pence per unit)
Opening net asset value per unit	124.20	117.90	113.73
Return before operating charges*	(1.17)	8.55	6.75
Operating charges (calculated on average price)	(0.45)	(0.46)	(0.43)
Return after operating charges*	(1.62)	8.09	6.32
Distributions on income units [^]	(1.54)	(1.79)	(2.15)
Closing net asset value per unit	121.04	124.20	117.90
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.30)%	6.86%	5.56%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	1,306	4,414	4,190
Closing number of units	1,079	3,554	3,554
Operating charges [†]	0.37%	0.37%	0.37%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	125.10p	131.00p	120.00p
Lowest unit price	118.10p	117.90p	111.40p

[^] Distributions on income units are shown gross of taxation.

[†] 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.

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	25/05/18 (pence per unit)	25/05/17 (pence per unit)	25/05/16 (pence per unit)
Opening net asset value per unit	221.05	207.08	196.88
Return before operating charges*	(2.01)	15.11	11.69
Operating charges (calculated on average price)	(0.80)	(0.81)	(0.74)
Return after operating charges*	(2.81)	14.30	10.95
Distributions [^]	(2.77)	(3.14)	(3.74)
Retained distributions on accumulation units [^]	2.77	2.81	2.99
Closing net asset value per unit	218.24	221.05	207.08
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.27)%	6.91%	5.56%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	308,940	325,598	336,813
Closing number of units	141,562	147,299	162,646
Operating charges [†]	0.37%	0.37%	0.37%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	222.70p	230.20p	209.40p
Lowest unit price	211.70p	207.10p	192.80p

[^] Distributions are shown gross of taxation. The amounts shown for 'Retained distributions on accumulation units' are net of 20% income tax, except for distributions made from April 2017 onwards, which will be paid on a gross basis.

[†] 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.

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 Year ending	26/05/17 to 24/11/17 ¹ (pence per unit)	26/05/16 to 25/05/17 (pence per unit)	26/05/15 to 25/05/16 (pence per unit)
Opening net asset value per unit	124.67	118.20	113.93
Return before operating charges*	(1.55)	8.59	6.73
Operating charges (calculated on average price)	(0.09)	(0.19)	(0.17)
Return after operating charges*	(1.64)	8.40	6.56
Distributions on income units [^]	(0.87)	(1.93)	(2.29)
Closing net asset value per unit [†]	122.16	124.67	118.20
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.32)%	7.11%	5.76%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	—	208,715,874	216,083,271
Closing number of units	—	167,409,447	182,809,754
Operating charges [†]	0.15%	0.15%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	125.70p	131.40p	120.30p
Lowest unit price	121.10p	118.20p	111.60p

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

[^] Distributions on income units are shown gross of taxation.

[†] 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.

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 Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	26/05/17 to 24/11/17 ¹ (pence per unit)	26/05/16 to 25/05/17 (pence per unit)	26/05/15 to 25/05/16 (pence per unit)
Opening net asset value per unit	222.69	208.19	197.54
Return before operating charges*	(2.82)	15.19	11.75
Operating charges (calculated on average price)	(0.16)	(0.33)	(0.30)
Return after operating charges*	(2.98)	14.86	11.45
Distributions [^]	(1.56)	(3.41)	(3.99)
Retained distributions on accumulation units [^]	1.56	3.05	3.19
Closing net asset value per unit ¹	219.71	222.69	208.19
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.34)%	7.14%	5.80%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	—	443,957,974	444,859,866
Closing number of units	—	199,358,300	213,677,981
Operating charges [†]	0.15%	0.15%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	224.50p	231.50p	210.40p
Lowest unit price	216.30p	208.20p	193.50p

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

[^] Distributions are shown gross of taxation. The amounts shown for 'Retained distributions on accumulation units' are net of 20% income tax, except for distributions made from April 2017 onwards, which will be paid on a gross basis.

[†] 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.

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

I-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	25/05/18 (pence per unit)	25/05/17 (pence per unit)	25/05/16 (pence per unit)
Opening net asset value per unit	124.70	118.23	113.96
Return before operating charges*	(1.14)	8.59	6.73
Operating charges (calculated on average price)	(0.18)	(0.19)	(0.17)
Return after operating charges*	(1.32)	8.40	6.56
Distributions on income units [^]	(1.69)	(1.93)	(2.29)
Closing net asset value per unit	121.69	124.70	118.23
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.06)%	7.10%	5.76%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	406,197,136	204,679,242	146,342,058
Closing number of units	333,787,326	164,133,010	123,782,059
Operating charges [†]	0.15%	0.15%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	125.70p	131.50p	120.40p
Lowest unit price	118.80p	118.20p	111.60p

[^] Distributions on income units are shown gross of taxation.

[†] 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.

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

I-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	25/05/18 (pence per unit)	25/05/17 (pence per unit)	25/05/16 (pence per unit)
Opening net asset value per unit	222.83	208.32	197.67
Return before operating charges*	(2.15)	15.20	11.75
Operating charges (calculated on average price)	(0.33)	(0.33)	(0.30)
Return after operating charges*	(2.48)	14.87	11.45
Distributions [^]	(3.04)	(3.41)	(3.99)
Retained distributions on accumulation units [^]	3.04	3.05	3.19
Closing net asset value per unit	220.35	222.83	208.32
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.11)%	7.14%	5.79%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	398,716,800	117,843,722	105,627,489
Closing number of units	180,949,979	52,883,882	50,703,340
Operating charges [†]	0.15%	0.15%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	224.60p	231.70p	210.50p
Lowest unit price	213.60p	208.30p	193.70p

[^] Distributions are shown gross of taxation. The amounts shown for 'Retained distributions on accumulation units' are net of 20% income tax, except for distributions made from April 2017 onwards, which will be paid on a gross basis.

[†] 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.

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

C-Class Distribution Units

Change in Net Asset Value per Unit

Accounting Year ending	25/05/18 (pence per unit)	25/05/17 (pence per unit)	25/05/16 (pence per unit)
Opening net asset value per unit	124.88	118.36	114.05
Return before operating charges*	(1.14)	8.60	6.74
Operating charges (calculated on average price)	(0.12)	(0.12)	(0.12)
Return after operating charges*	(1.26)	8.48	6.62
Distributions on income units [^]	(1.73)	(1.96)	(2.31)
Closing net asset value per unit	121.89	124.88	118.36
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.01)%	7.16%	5.80%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	117,394,867	200,550,001	201,599,646
Closing number of units	96,309,570	160,598,685	170,321,858
Operating charges [†]	0.10%	0.10%	0.10%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	125.90p	131.60p	120.50p
Lowest unit price	118.90p	118.30p	111.70p

[^] Distributions on income units are shown gross of taxation.

[†] 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.

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

C-Class Accumulation Units

Change in Net Asset Value per Unit

Accounting Year ending	25/05/18 (pence per unit)	25/05/17 (pence per unit)	25/05/16 (pence per unit)
Opening net asset value per unit	223.21	208.57	197.81
Return before operating charges*	(2.02)	15.22	11.77
Operating charges (calculated on average price)	(0.22)	(0.22)	(0.20)
Return after operating charges*	(2.24)	15.00	11.57
Distributions [^]	(3.10)	3.47	(4.03)
Retained distributions on accumulation units [^]	3.10	3.11	3.22
Closing net asset value per unit	220.97	223.21	208.57
* after direct transaction costs of:	—	—	—

Performance

Return after charges	(1.00)%	7.19%	5.85%
----------------------	---------	-------	-------

Other Information

Closing net asset value (£)	24,796,740	26,379,794	29,412,768
Closing number of units	11,221,747	11,818,322	14,101,816
Operating charges [†]	0.10%	0.10%	0.10%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest unit price	225.10p	232.00p	210.80p
Lowest unit price	214.20p	208.50p	193.80p

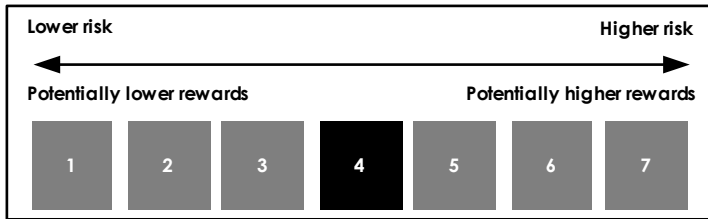
[^] Distributions are shown gross of taxation. The amounts shown for 'Retained distributions on accumulation units' are net of 20% income tax, except for distributions made from April 2017 onwards, which will be paid on a gross basis.

[†] 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.

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.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category number highlighted above reflects the rate at which the Trust's unit price has moved up and down in the past. If the Trust has less than five years' track record, the number also reflects the rate at which the Index the Trust tracks has moved up and down in the past. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money.
- 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.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

General Information

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
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%
Initial charge:	R-Class† Nil F-Class* Nil I-Class Nil C-Class** Nil

† With effect from 1 June 2018 – See Significant Changes on page 40 .

* F-Class units are only 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.

** C-Class units are only available to distributors who actively market and distribute such units (or whom the Manager believes intends to do so) and to whom the Manager has confirmed by letter that they meet 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.

General Information continued

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.

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

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 0.05%, whilst over the last three years to the end of May 2018, 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 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 2017:

Controlled Functions

Headcount	Fixed Remuneration (£'000)	Variable Remuneration (£'000)	Remuneration related to this Scheme (Pro-rated) (£'000)
32	6,726	11,997	386

Material Risk Takers

Headcount	Fixed Remuneration (£,000)	Variable Remuneration (£'000)	Remuneration related to this Trust (Pro-rated) (£'000)
22	2,281	3,000	15

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 20 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 UCITS Funds as a percentage of the total assets under management of UTM.

Material Risk Takers

As at the 31 December 2017, UTM engaged the services of Legal & General Investment Management's Index Fund Management team, which consists of 22 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 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 UCITS Funds as a percentage of the total assets under management of the Legal & General Investment Management's Index Fund Management team.

General Information continued

Significant Changes

New Unit Class: R-Class

With effect from 1 June 2018, R-Class units have launched within the Trust, with accumulation and distribution units available.

Closure of M-Class

As at 24 November 2017, the M-Class was closed. All Unitholders in the M-Class as at 24 November 2017 have been moved into the I-Class which is identical to the M-Class. The terms and charges are identical between the classes.

Change of Accounting Date

The Trust's Interim accounting date, usually 25 November, has been moved to 24 November 2017 in order to facilitate the closure of M-Class as detailed above. As such, the Trust's corresponding distribution payment date, usually 25 January was on 24 January 2018. The accounting and distribution payment dates reverted to their normal dates after this event.

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 All Stocks Gilt Index 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 continued

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
Telephone: 0370 050 3350
Authorised and regulated by the Financial Conduct Authority

Directors of the Manager

R. M. Bartley
A. J. C. Craven
S. Hynes
H. Morrissey (appointed 5 July 2017)
H. Solomon
S. D. Thomas
L. W. Toms
A. R. Toutouchi*
M. J. Zinkula

*Non-executive Director

Secretary

J. McCarthy

Registrar

Legal & General (Unit Trust Managers) Limited
P.O. Box 6080,
Wolverhampton WV1 9RB
Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956
Enquiries: 0370 050 0955
Registration: 0370 050 0955

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

Trustee

Northern Trust Global Services PLC
Trustee and Depository 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

