



ANNUAL REPORT & ACCOUNTS

For the year ended
30 September 2018

Janus Henderson
— INVESTORS —

Janus Henderson OEIC
(formerly Henderson OEIC)

Who are Janus Henderson Investors?

Janus Henderson Investors exists to help clients achieve their long-term financial goals.

Formed in 2017 from the merger between Janus Capital Group and Henderson Group, we are committed to adding value through active management. For us, active is more than our investment approach – it is the way we translate ideas into action, how we communicate our views and the partnerships we build in order to create the best outcomes for clients.

We are proud to offer a highly diversified range of products, harnessing the intellectual capital of some of the industry's most innovative and formative thinkers. Our expertise encompasses the major asset classes, we have investment teams situated around the world and we serve intermediary, institutional and individual investors globally. As at 30 September 2018, we had approximately US\$378bn in assets under management, more than 2,000 employees and offices in 28 cities worldwide. Headquartered in London, we are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

At Janus Henderson, we believe in the sharing of expert insight for better investment and business decisions. We call this ethos *Knowledge. Shared. Knowledge. Shared* is reflected both in how our investment teams interact and in our commitment to empowering clients in their decision-making. In our view, knowledge is powerful when it is shared.

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Authorised Corporate Director's (ACD) report for the year ended 30 September 2018

We are pleased to present the Annual Report and Accounts for Janus Henderson OEIC (formerly Henderson OEIC) (the 'Company') for the year ended 30 September 2018.

Authorised status

The company is an open-ended investment company with variable capital incorporated in Scotland under registered number SI3 and authorised by the Financial Conduct Authority (FCA) with effect from 26 May 1998.

Shareholders are not liable for the debts of the company.

The company is structured as an umbrella company comprising 2 sub-funds ('funds'). The assets of each fund will be treated as separate from those of every other fund and will be invested in accordance with the investment objective and policy applicable to that fund.

The objectives of each fund are stated within the pages of this report relating to that fund.

The company is a UCITS Scheme complying with chapter 5 of the Collective Investment Scheme Sourcebook (COLL) issued by the Financial Conduct Authority.

Fund liabilities

Each fund is treated as a separate entity and is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against that fund.

Other information

On 4 June 2015, the ACD transferred the assets and liabilities of Henderson European Special Situations fund by a Scheme of Arrangement into FP CRUX European Special Situations Fund.

On 15 December 2017, the Company changed its name from Henderson OEIC to Janus Henderson OEIC and Henderson Global Financials Fund changed its name to Janus Henderson Global Financials Fund.

Director's statement

In accordance with the requirements of the Collective Investment Schemes sourcebook as issued and amended by the Financial Conduct Authority, I hereby certify the investment report and financial statements on behalf of the Directors of Henderson Investment Funds Limited.



R Chaudhuri
(Director)

14 December 2018

Authorised Corporate Director's (ACD) report (continued)

Service providers

	Name	Address	Regulator
Authorised Corporate Director (ACD)	Henderson Investment Funds Limited Member of the Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531. Telephone – 020 7818 1818 Dealing – 0845 608 8703 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the ACD	C Chaloner (to 28.09.18) R Chaudhuri A Crooke (from 08.06.18) G Foggin H J de Sausmarez G Kitchen (to 31.03.18) P Wagstaff (to 26.09.18)		
Investment Manager	Henderson Global Investors Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Shareholder Administrator	DST Financial Services International Limited and DST Financial Services Europe Limited	DST House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Independent Auditor	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Statement of Authorised Corporate Director's (ACD) responsibilities

for the year ended 30 September 2018

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland), of the Company and of its revenue/expenditure for the year. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA) in May 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements, as prepared by Henderson Investment Funds Limited, comply with the above requirements;
- make best judgements and estimates that are reasonable; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, Prospectus and the OEIC Regulations. The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The ACD confirms that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 September 2018. The ACD also confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis with the exception of the one sub-fund listed on the Basis of preparation note on page 7. The Henderson European Special Situations Fund has been prepared on a basis other than going concern as it merged with FP CRUX European Special Situations Fund on 4 June 2015.

Statement of Depositary's responsibilities and report of the Depositary to the shareholders of Janus Henderson OEIC (the 'Company') for the year ended 30 September 2018

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Company's Instrument of Incorporation 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 Company and its investors.

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

The Depositary must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
London
14 December 2018

Independent auditors' report to the shareholders of Janus Henderson OEIC (the 'Company')

for the year ended 30 September 2018

Report on the audit of the financial statements

Opinion

In our opinion, Janus Henderson OEIC's financial statements:

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 30 September 2018 and of the net revenue and the net capital gains on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Janus Henderson OEIC (the 'company') is an Open Ended Investment Company (OEIC) with 2 sub-funds. The financial statements of the company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report & Accounts (the 'Annual Report'), which comprise: the balance sheets as at 30 September 2018; the statement of total return and the statement of change in net assets attributable to shareholders for the year then ended; the distribution tables; aggregated notes to the financial statements and the notes to the financial statements.

Basis for opinion

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

Independence

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

Emphasis of Matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the basis of accounting for Henderson European Special Situations Fund which ceased investment activity on 4 June 2015 by transferring the assets and liabilities of Henderson European Special Situations Fund by a Scheme of Arrangement to FP CRUX European Special Situations Fund. The fund has remained open to recover outstanding withholding tax claims which will be paid to FP CRUX European Special Situations Fund. The fund will be wound up when these are recovered and paid. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements for this sub-fund have been prepared on a basis other than going concern as described in Note 1. Costs in relation to the termination of the fund will be met by the ACD of the FP Crux European Special Situations Fund. No adjustments were necessary in the sub-fund's financial statements to adjust the assets or liabilities to their realisable values or to reclassify long-term assets and liabilities as current assets and liabilities.

Conclusions relating to going concern

With the exception of the circumstances described in the Emphasis of Matter – Basis of preparation paragraph above regarding the sub-fund, Henderson European Special Situations Fund, we have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's or any of the sub-funds' ability to continue as a going concern.

Reporting on other information

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

Independent auditors' report to the shareholders of Janus Henderson OEIC (the 'Company')

(continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's (ACD) report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's (ACD) responsibilities set out on page 3, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the company or individual sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

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

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
14 December 2018

1 Accounting policies

(a) Basis of preparation

The financial statements of Janus Henderson OEIC (formerly Henderson OEIC) (the 'Company') comprise the financial statements of each of the funds. They have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (IMA) in May 2014 (the 'SORP'), the Financial Reporting Standard 102 ('FRS 102'), the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') and the Company's Instrument of Incorporation.

The financial statements for Janus Henderson Global Financials Fund have been prepared on a going concern basis which is consistent with the prior year financial statements.

On 4 June 2015 the Authorised Corporate Director (ACD) transferred the assets and liabilities of Henderson European Special Situations Fund by a Scheme of Arrangement to FP CRUX European Special Situations Fund. The fund has remained open to recover outstanding withholding tax claims which will be paid to FP CRUX European Special Situations Fund. The fund will be wound up when these have been recovered and paid to FP CRUX European Special Situations Fund. Accordingly the going concern basis of preparation is no longer appropriate for the fund and its financial statements have been prepared on a basis other than going concern. Accruals have been recorded for costs of keeping the fund open until termination. Costs in relation to the termination of the fund will be met by the ACD of the FP CRUX European Special Situations Fund. No adjustments have been required to bring assets and liabilities to their realisable value or to reclassify long-term assets and liabilities as current assets and liabilities. The prior year comparative figures for this fund have been prepared on a basis other than going concern.

(b) Basis of valuation of investments

The valuation of listed investments has been at fair value, which is generally deemed to be bid market price, excluding any accrued interest in the case of debt securities, at close of business on the last valuation day of the accounting year (28 September 2018) in accordance with the provisions of the scheme particulars.

Suspended, defaulted, delisted, unquoted or manually priced securities are valued by the ACD taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

(c) Revenue recognition

Dividends receivable from quoted equity and non equity shares are credited to revenue, when the security is quoted ex-dividend. Dividends on unquoted stocks are credited to revenue when the dividend is announced.

Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Bank interest is recognised on an accruals basis.

Overseas REIT income is disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Dividends received from US REITs are allocated between revenue and capital for distribution purposes. The split is based on the year end tax reporting data issued by the US REIT. Where the split of revenue and capital has not been announced at the accounting date, a provisional split will be used. The provision is calculated on the prior year's aggregated dividend split for each US REIT.

Stock lending revenue is accounted for on an accruals basis, net of bank and agent fees.

Special dividends are recognised as either revenue or capital depending on the nature and circumstances of the dividends receivable.

Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. The revenue forms part of any distribution.

If any revenue receivable at the Balance sheet date is not considered recoverable, a provision is made for the relevant amount.

(d) Treatment of expenses (including ACD expenses)

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

Annual Management Charge (AMC)

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company property, calculated as a percentage of the relevant value of the property of each class of each fund. The AMC is accrued on a daily basis by reference to the net asset value of each share class on that dealing day and the amount due for each month is payable on the last working day of the month.

Aggregated notes to the financial statements (continued)

1 Accounting policies (continued)

(d) Treatment of expenses (including ACD expenses) (continued)

Annual Management Charge (AMC) (continued)

The investment objective of Janus Henderson Global Financials Fund concentrates on the generation of income as a higher priority than capital growth. The ACD and Depositary have agreed that 100% of the AMC for this fund is to be taken to capital for the purpose of calculating the distribution, as permitted by the OEIC regulations and in accordance with the Prospectus. The distribution currently payable reflects this treatment together with any associated tax effect.

General Administration Charge

All fees with the exception of the AMC, Depositary, professional fees and safe custody fees have been replaced by a single ad valorem charge, the General Administration Charge (GAC). The ACD believes that this creates more efficiency around the charging process than more traditional methods. The GAC is calculated as a percentage of the scheme property and the amount each share class in each fund will pay will depend on the costs attributable to each share class based on whether the class is a 'retail' class or an 'Institutional' class. The GAC accrues on a daily basis and is payable to the ACD by each share class monthly.

Allocation of revenue and expenses to multiple share classes

With the exception of the AMC and the GAC which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

(e) Exchange rates

Foreign currency transactions are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies at the end of the accounting year are translated into sterling at the exchange rates prevailing at close of business on the last valuation day of the accounting year.

(f) Taxation

Provision is made for tax at the current rates on the excess of taxable revenue over allowable expenses, with relief for overseas taxation taken where appropriate.

Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses.

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent it is regarded as more likely than not that there will be taxable profits against which the future reversal of underlying timing differences can be offset.

(g) Cash flow statement

The funds are not required to produce a cash flow statement as they meet the exemption criteria set out in FRS 102 7.1A as the funds' investments are highly liquid, are carried at market value and a Statement of change in net assets attributable to shareholders is provided for each fund.

(h) Treatment of derivatives

Derivative transactions are accounted for on a trade date basis. Where such transactions are used to protect or enhance revenue and the circumstances support it, the revenue and expenses derived there from are included in Revenue in the Statement of total return on an accruals basis. Where such transactions are used to protect or enhance capital and the circumstances support it, the gains and losses derived there from are included in Net capital gains/(losses) in the Statement of total return.

Forward foreign currency contracts

Open forward currency contracts are shown in the portfolio statement at fair value and the net gains/(losses) are reflected in Forward currency contracts in Net capital gains/(losses) on investments.

(i) Dilution adjustment

Janus Henderson Global Financials Fund is priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment when there is a large volume of deals and, in accordance with the FCA regulations, to pay this amount into the fund. In particular the ACD reserves the right to make such an adjustment in the following circumstances:

- On a fund experiencing large levels of net purchases (i.e. purchases less redemptions), relative to its size;
- On a fund experiencing large levels of net redemptions (i.e. redemptions less purchases), relative to its size;
- In any other case where the ACD is of the opinion that the interests of existing or continuing shareholders and potential investors require the imposition of a dilution adjustment.

Aggregated notes to the financial statements (continued)

2 Distribution Policy

The distribution policy of Janus Henderson Global Financials Fund is to distribute/accumulate all available revenue, after the deduction of expenses properly chargeable against revenue, subject to any of the AMC or other expense which may currently be transferred to capital. The fund pays dividend distributions.

Revenue attributed to accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

Gains and losses on investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.

When the revenue from investments exceeds the expenses, a distribution will be made. Should expenses exceed revenue there will be no distribution and the shortfall will be transferred from capital at the year end.

Janus Henderson Global Financial Fund makes both annual for all share classes (31 January) and semi-annual for income only share classes (30 November and 31 May) distributions to shareholders.

In the event that the income yielded is low (generally less than 1% p.a.) the ACD has the discretion not to make an income allocation in respect of a particular interim income allocation date and instead to hold over that payment until the final income allocation date.

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the funds.

Equalisation

Income equalisation only applies to Class A income of Janus Henderson Global Financials Fund.

Equalisation applies only to shares purchased during the distributions period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

3 Risk

In pursuing its investment objective the funds hold a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from the funds' operations. The funds may also enter into derivatives for the purpose of efficient portfolio management (EPM) only.

The risk management policy and process for the funds is designed to satisfy the regulatory requirements for UCITS; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the funds is documented within the ACD's Risk Management Policy and Process document, which outlines for each main risk category the controls and risk measures in place, including stress tests for assessing sensitivity to the most relevant risks. This risk framework includes setting of limits and monitoring against those limits.

In the normal course of business, the funds' activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest. These financial risks: market risk (comprising currency risk, interest rate risk and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the funds, reference should be made to the Prospectus; investors and prospective investors are recommended to discuss all potential risks with their own legal, tax and financial advisors.

The risk management systems to which the Janus Henderson Risk, Compliance and Operations teams have access for independent monitoring and risk measurement purposes include:

- Charles River system's Compliance module for investment restrictions monitoring;
- Nasdaq Bwise operational risk database;
- RiskMetrics, UBS Delta, Style Research, FinAnalytica and Barra Aegis for market risk measurement; and
- Bloomberg for market data and price checking.

These are supplemented by an in-house development, the Janus Henderson Derivatives Risk and Compliance database.

(a) Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in the funds attributable to changes in market variables such as interest rates, foreign exchange rates or an issuer's creditworthiness.

Aggregated notes to the financial statements (continued)

3 Risk (continued)

(a) Market risk (continued)

The investments of the funds are subject to normal market fluctuations and other risks inherent in investing in securities, collective investment schemes, money market instruments, cash and deposits and derivatives in pursuance of the investment objectives and policies. Whilst equity investments carry potential for attractive returns over the longer term, the volatility of these returns can also be relatively high. Additionally, the Janus Henderson Global Financials Fund invests in stocks from specialist sector which can increase volatility.

The funds may use derivatives instruments solely for the purpose of efficient portfolio management, and they are not intended to increase the risk profile of a fund. Efficient portfolio management (EPM) is used by the funds to reduce risk and/or costs in the funds and to produce additional capital or income in the funds. The funds may use derivatives (including options, futures, forward transactions and contracts for difference), borrowing, cash holding and stock lending for efficient portfolio management. It is not intended that using derivatives for efficient portfolio management will increase the volatility of the funds and indeed EPM is intended to reduce volatility. In adverse situations, however, a fund's use of derivatives may become ineffective in EPM and a fund may suffer significant loss as a result.

The funds do not employ significant leverage.

Currency risk

Currency risk is the risk that the value of the funds' investments will fluctuate as a result of changes in foreign currency exchange rates. Where a proportion of a fund's assets and income may be denominated in currencies other than sterling (the fund's functional currency in which results are reported), the fund's total return and balance sheet can be significantly affected by currency fluctuations. This risk is managed by the Investment Manager using hedging transactions in line with each fund's investment objective, powers and limits, though this will not eliminate the relevant fund's currency risk.

Please refer to the individual funds' accounts for details of currency risk exposure.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Some securities such as bonds are directly impacted by interest rate movements but others are indirectly affected.

Please refer to the individual funds' account for details of interest rate risk exposure.

Other market price risk

Other market price risk is the risk that the value of the funds' investments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. The risk arises mainly from uncertainty about future prices of financial instruments the funds might hold. It represents the potential loss the funds might suffer through holding market positions in the face of price movements. The funds' investment portfolios are exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objectives and policies as set out in the Prospectus.

(b) Credit and counterparty risk

Credit and counterparty risk is the risk of loss resulting from the possibility that the counterparty to a transaction may default on its obligations prior to the settlement of the transaction's cashflow.

Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds may only buy and sell investments through brokers which have been approved by the ACD as acceptable counterparties and limits are set and monitored to cover the exposure to any individual broker. Changes in broker's financial ratings are periodically reviewed by the Janus Henderson Credit Risk Forum along with set limits and new counterparty approval.

The fund's assets that are held with the banks could be exposed to credit risk. The banks used by the funds and ACD are subject to regular reviews. Only counterparties that have been approved by Janus Henderson's Credit Risk Forum are used for derivative transactions and stock lending, as detailed in the individual funds' accounts.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

Please refer to the individual funds' accounts for details of credit and counterparty risk exposure.

(c) Liquidity risk

Liquidity risk is the risk that a position in the funds' portfolios cannot be sold, liquidated or closed out at limited cost in an adequately short timeframe and that the ability of the funds to meet their settlement obligations is thereby compromised.

The funds are generally able to realise cash quickly to meet their liabilities. The main liquidity requirements of the funds include the redemption of any shares that a shareholder wishes to sell. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

Aggregated notes to the financial statements (continued)

3 Risk (continued)

(c) Liquidity risk (continued)

The ACD manages the funds' cash positions to ensure they can meet their liabilities. The ACD receives daily reports of subscriptions and redemptions enabling the ACD to raise cash from the funds' portfolios in order to meet redemption requests. In addition the ACD monitors the market liquidity of all securities, seeking to ensure the funds maintain sufficient liquidity to meet known and potential redemption activity. The funds' cash balances are monitored daily by the ACD. When investments cannot be realised in time to meet any potential liability, the funds may borrow up to 10% of their value to ensure settlement.

Please refer to the individual funds' accounts for details of liquidity risk exposure.

4 Cross-holdings

There were no cross-holdings within the funds of Janus Henderson OEIC at the year-end (2017:nil).

Henderson European Special Situations Fund

Authorised Corporate Director's (ACD) report for the year ended 30 September 2018

On 4 June 2015, the ACD transferred the assets and liabilities of Henderson European Special Situations fund by a Scheme of Arrangement into FP CRUX European Special Situations Fund.

The fund has remained open to recover outstanding withholding tax reclaims which will be paid to FP CRUX European Special Situations Fund. The fund will be wound up when these are recovered.

As there has been no significant activity in the year, standard disclosure relating to the Risk and reward profile, Significant purchases and sales, Comparative tables and Distribution table have not been presented within the financial statements.

Investment objective and policy up to 4 June 2015

The fund aims to achieve long term capital growth by investing in European (excluding the UK) equities of companies in special situations.

The fund aims to achieve its objective primarily through investment in equity securities of European (excluding the UK) companies in special situations where it is believed the company is considered undervalued as well as in other European (excluding the UK) equities to mitigate the volatility of the Fund. The Fund will be able to invest without restriction by market cap or sector.

The fund may also invest in other transferable securities, units or shares in collective investment schemes, money market instruments, cash and near cash, and deposits. Derivatives and forward transactions will be invested in by the Fund for the purposes of efficient portfolio management only.

Investors should note that while the investment objective of the fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

Performance summary

	30 Sep 14 - 04 Jun 15*	30 Sep 13 - 30 Sep 14
	%	%
Henderson European Special Situations Fund	18.5	0.8
FTSE World Europe ex UK Index	12.0	6.2

Source: Morningstar, NAV to NAV and net of fees as at 12 noon valuation point, GBP, based on performance of Class A accumulation.

* The fund closed following its merger with FP CRUX European Special Situations Fund on 4 June 2015.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Statement of total return for the year ended 30 September 2018

	Note	2018		2017	
		£000	£000	£000	£000
Income					
Net capital gains	2		-		8
Revenue	3	(8)		60	
Expenses	4	<u>-</u>	<u>-</u>		
Net (expense)/revenue before taxation		(8)		60	
Taxation	5	<u>-</u>	<u>-</u>	<u>(89)</u>	
Net expense after taxation			<u>(8)</u>		<u>(29)</u>
Total return before distributions			(8)		(21)
Distributions			-		-
Change in net assets attributable to shareholders from investment activities			<u>(8)</u>		<u>(21)</u>

Statement of change in net assets attributable to shareholders for the year ended 30 September 2018

		2018		2017	
		£000	£000	£000	£000
Opening net assets attributable to shareholders			-		- ¹
Movement in balance payable to FP CRUX European Special Situations Fund		<u>8</u>	<u>8</u>	<u>21</u>	<u>21</u>
Change in net assets attributable to shareholders from investment activities			(8)		(21)
Closing net assets attributable to shareholders		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

¹ The fund closed following its merger with FP CRUX European Special Situations Fund on 4 June 2015.

Balance sheet as at 30 September 2018

	Note	2018 £000	2017 £000
Assets:			
Current assets:			
Debtors	6	151	298
Cash and bank balances	7	1,732	1,650
Total assets		1,883	1,948
Liabilities:			
Creditors:			
Bank overdrafts		1,471	1,471
Other creditors	8	412	477
Total liabilities		1,883	1,948
Net assets attributable to shareholders		-	-

Notes to the financial statements for the year ended 30 September 2018

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the fund's aggregated notes to the financial statements.

2 Net capital gains

Net capital gains on investments during the year comprise:

	2018 £000	2017 £000
Other currency gains	-	8
Net capital gains	-	8

3 Revenue

	2018 £000	2017 £000
Bank interest	1	1
Interest on overseas withholding tax	-	51
Overseas withholding tax revaluation	(9)	8
Total revenue	(8)	60

4 Expenses

There were no expenses in the current year (2017:nil).

The current audit fee is £3,934 (2017: £3,879). Provisions for audit and third party administration expenses in relation to the winding up of Henderson European Special Situations Fund following the fund's merger with FP CRUX European Special Situations Fund on 4 June 2015 were accrued in the year to 30 September 2015.

5 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2018 £000	2017 £000
Current tax		
Overseas withholding tax	-	89
Total tax (note 5b)	-	89

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2017: 20%). The differences are explained below:

	2018 £000	2017 £000
Net (expense)/revenue before taxation	(8)	60
Corporation tax at 20% (2017: 20%)	(2)	12
Effects of:		
Non taxable overseas withholding tax reclaims	-	(2)
Overseas withholding tax	2	89
Unused management expenses	-	(10)
Tax charge for the year (note 5a)	-	89

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

Notes to the financial statements (continued)

5 Taxation (continued)

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2017: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £7,057,697 (2017: £7,057,844) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

Withholding tax reclaims

The fund has filed withholding tax reclaims in respect of withholding tax applied on French dividends during the years 2010 to 2012. No amounts have been received during the year in relation to these claims (2017: £291,245) and no interest on reclaims has been received (2017: £51,380). The legal costs of pursuing these claims has been borne by the fund.

6 Debtors

	2018	2017
	£000	£000
Overseas withholding tax reclaimable	151	298
Total debtors	151	298

7 Cash and bank balances

	2018	2017
	£000	£000
Cash and bank balances	1,732	1,650
Total cash and bank balances	1,732	1,650

8 Other creditors

	2018	2017
	£000	£000
Amounts due to FP CRUX European Special Situations Fund - unfunded ¹	260	321
Accrued other expenses	152	156
Total other creditors	412	477

¹ The amount payable to FP CRUX European Special Situations Fund includes an accrued balance for withholding tax reclaimable, which has been translated into sterling at the year end exchange rate. The ACD will pay out these amounts to FP CRUX European Special Situations Fund when they have been received from the tax authorities.

9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

10 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. There were no transactions with the ACD in the current or prior year and there were no balances with the ACD held at the end of the current or the prior year.

11 Shareholders' funds

The fund is in the process of terminating and has no shareholders at the year end (2017: nil).

Notes to the financial statements (continued)

12 Risk

Currency risk

The overseas WHT reclaimable amounts is offset by a creditor to the merger host fund and therefore any risk on foreign exchange movements is to the host fund. The fund's exposure to currency risk is therefore considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk

The fund's exposure to interest rate risk is considered significant as a large proportion of the fund's net assets is cash at bank. However floating rate interest on these balances is received on the net of the cash assets and liabilities and is immaterial. This is consistent with the exposure during the prior year.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2018				
Bank overdrafts	1,471	-	-	-
Other creditors	-	4	408	-
Total	1,471	4	408	-

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2017				
Bank overdrafts	1,471	-	-	-
Other creditors	-	4	477	-
Total	1,471	4	477	-

13 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Janus Henderson Global Financials Fund

(formerly Henderson Global Financials Fund)

Authorised Corporate Director's (ACD) report for the year ended 30 September 2018

Investment Fund Managers

John Jordan and Barrington Pitt-Miller

Investment objective and policy

To achieve long term capital growth.

The fund will invest principally in the securities of financial services companies both in the UK and internationally. In addition to ordinary shares, the fund may also invest in fixed interest securities, preference shares, debt securities convertible into ordinary stock, money-market instruments and deposits.

Performance summary

	30 Sep 17 - 30 Sep 18	30 Sep 16 - 30 Sep 17	30 Sep 15 - 30 Sep 16	30 Sep 14 - 30 Sep 15	30 Sep 13 - 30 Sep 14
	%	%	%	%	%
Janus Henderson Global Financials Fund	9.9	20.6	16.0	(2.8)	9.2
FTSE World Financials Total Return Index	7.3	24.4	21.5	0.4	9.9

Source: Morningstar, NAV to NAV and net of fees as at 12 noon valuation point, GBP, based on performance of Class A accumulation. Benchmark values are at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes

 for the year ended 30 September 2018

Largest purchases	£000	Largest sales	£000
London Stock Exchange	1,262	UniCredit	1,322
DBS Holdings	1,145	Fairfax Financial	1,244
Mitsubishi UFJ Financial	1,024	Itau Unibanco	841
Prudential	857	Intesa Sanpaolo	817
Toronto-Dominion Bank	819	Tokio Marine Holdings	646
CaixaBank	703	Beazley	624
UniCredit	597	ABN AMRO	588
Sony Financial	576	UniCredit	586
St James's Place	539	Shinhan Financial	583
Sberbank of Russia	533	Grupo Financiero Banorte	545
Total purchases	15,777	Total sales	19,036

Authorised Corporate Director's (ACD) report (continued)

Investment review

Over the year, the fund returned 9.9% (based on the performance of Class A accumulation), compared with the benchmark FTSE World Financials Total Return Index return of 7.3%.

Global growth was relatively strong over the review year. In the US, business and consumer confidence were (and remain) high. Growth improved, while unemployment continued to decline. President Donald Trump's tax reform bill was passed in late 2017 and benefited many US financials. During 2018, new legislation amended some aspects of Dodd-Frank legislation, which was passed post the 2008 financial crisis. The new legislation generally eased constraints on a range of US banks. The Federal Reserve (Fed) rose interest rates over the review year, with the 10-year Treasury yield rising from about 2.3% in September 2017 to about 3.1% at September 2018 (prices move inversely to yields), while the Fed Funds rate was increased by approximately 1% over the same period. More recently, rising interest rates and concerns about a potential trade war drove an increase in market volatility (sharper fluctuations in prices), but underlying indicators of economic health remained relatively strong.

Internationally, after a period of strong, synchronised growth, we witnessed some softening in the elevated purchasing managers' indices and a loss of momentum in economic surprise data across Europe and Asia. This weighed on rate expectations, most notably in Europe. Furthermore, the Italian election outcome and now contentious budget negotiations proved unsettling. The feared contamination manifested most acutely in Italian equity and sovereign credit markets, but extended to wider European markets given political concerns. Meanwhile, rising US rates, capital repatriation (motivated by US tax reform) and escalating US-China trade tensions culminated in emerging market currency pressures, which necessitated tightening monetary policy action (interest rate rises) by a number of central banks.

In the US, both MasterCard and Visa (each a global payment network) were significant positive contributors to the fund's performance, helped in part by strong earnings growth, robust business models and their important role in moving consumer and commercial payments to digital/card from cash/check – an opportunity we believe has a long runway. Progressive, a US auto and home insurer, was also a significant contributor, as it continued to profitably grow its insurance franchise, helped in part by its digital data, brand and scale advantages. Finally, CME, a global futures exchange and clearing house, was also strong as its earnings continued to benefit from secular tailwinds (such as the electronification of markets, a regulatory push towards more transparent and centrally cleared venues and the increasing importance of hedging via global benchmarks). CME also benefited from somewhat higher market volatility in some markets over the last year.

The biggest contributors to performance outside of the US were Sony Financial, Aroundtown, London Stock Exchange (LSE) and our structural underweight in Australia. Sony Financial enjoys a strong parent and brand; a unique life insurance distribution model that is driving impressive market share wins; and an attractive new business sales mix is lifting margins. The company continued to enjoy exceptional gearing to the Japanese Government Bonds long end, which recently began moving higher. LSE continued to deliver robust revenue momentum in its core franchises (London Clearing House and FTSE Russell), and also showed signs of improved cost discipline, which drove stronger operating margin expectations – a narrative we expect to gain traction under the new CEO. Aroundtown is a compelling real estate focused investment company that has benefited from broadly stable low yields. The company delivered double-digit net asset value growth, underpinned by attractive supply-demand trends in the German and Dutch office markets. It also has a strongly accretive acquisition strategy.

We remain constructive on the investment opportunities in global financial services, with significant earnings growth potential from moderating financial regulation and the broadening global growth backdrop. This is generally supportive to credit growth, improving asset quality and higher rates, which increase the earnings potential of many of our holdings. We also continue to believe that our holdings have significant opportunity for organic earnings growth, underpinned in part by their strong competitive advantages. Given the high returns at many of those companies, we also believe their capital return to shareholders (via dividends and buybacks) can be an important value driver.

In addition, we continue to find significant opportunities to invest in secular growth and innovation. These include the electronification of consumer and commercial payments; digitisation of significant parts of financial services, including retail banking; and the deepening of Asian and emerging markets savings. We believe the increased importance of data and the deepening penetration of financial services from low levels in India and China should also create significant opportunities in this area.

We believe that the unwinding of central bank liquidity measures will gather pace heading into 2019, which has the potential to engender bouts of volatility, as well as drive rates higher, especially if accompanied by signs of rising inflationary pressures. Banks and finance companies with sound low-cost US dollar linked deposit franchises should be a beneficiary of this upward rate trajectory, as should exchanges and capital markets firms, both absolute and relative to market.

Comparative tables for the year ended 30 September 2018

	Class A accumulation		
	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	401.41	334.42	289.32
Return before operating charges*	45.00	73.48	50.28
Operating charges	(7.24)	(6.49)	(5.18)
Return after operating charges*	37.76	66.99	45.10
Distributions on accumulation shares	(2.44)	(1.85)	(2.66)
Retained distributions on accumulation shares	2.44	1.85	2.66
Closing net asset value per share	439.17	401.41	334.42
* after direct transaction costs of:	0.23	0.71	0.82
Performance			
Return after charges	9.41%	20.03%	15.59%
Other information			
Closing net asset value (£000s)	41,696	41,371	37,866
Closing number of shares	9,494,322	10,306,317	11,322,900
Operating charges	1.71%	1.71%	1.72%
Direct transaction costs	0.05%	0.19%	0.27%
Prices			
Highest share price (pence)	448.60	410.40	340.10
Lowest share price (pence)	397.30	338.00	256.40
	Class A income		
	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	70.73	60.07	53.16
Return before operating charges*	7.85	13.14	9.11
Operating charges	(1.27)	(1.16)	(0.95)
Return after operating charges*	6.58	11.98	8.16
Distributions on income shares	(1.53)	(1.32)	(1.25)
Closing net asset value per share	75.78	70.73	60.07
* after direct transaction costs of:	0.04	0.13	0.15
Performance			
Return after charges	9.30%	19.94%	15.35%
Other information			
Closing net asset value (£000s)	594	504	486
Closing number of shares	783,152	712,638	809,290
Operating charges	1.71%	1.71%	1.72%
Direct transaction costs	0.05%	0.19%	0.27%
Prices			
Highest share price (pence)	78.40	73.07	61.90
Lowest share price (pence)	69.99	60.71	47.12

Comparative tables (continued)

	Class I accumulation		
	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	459.37	380.29	326.87
Return before operating charges*	51.66	83.71	57.14
Operating charges	(5.25)	(4.63)	(3.72)
Return after operating charges*	46.41	79.08	53.42
Distributions on accumulation shares	(5.93)	(5.23)	(5.00)
Retained distributions on accumulation shares	5.93	5.23	5.00
Closing net asset value per share	505.78	459.37	380.29
* after direct transaction costs of:	0.26	0.81	0.93

Performance

Return after charges	10.10%	20.79%	16.34%
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Other information

Closing net asset value (£000s)	20,322	18,970	16,659
Closing number of shares	4,017,931	4,129,546	4,380,714
Operating charges	1.08%	1.07%	1.09%
Direct transaction costs	0.05%	0.19%	0.27%

Prices

Highest share price (pence)	516.40	469.30	386.70
Lowest share price (pence)	456.10	384.30	290.40

	Class A Euro accumulation		
	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	570.77	475.57	411.40
Return before operating charges*	64.00	104.43	71.54
Operating charges	(10.30)	(9.23)	(7.37)
Return after operating charges*	53.70	95.20	64.17
Distributions on accumulation shares	(3.36)	(4.82)	(3.83)
Retained distributions on accumulation shares	3.36	4.82	3.83
Closing net asset value per share	624.47	570.77	475.57
* after direct transaction costs of:	0.32	1.01	1.17

Performance

Return after charges	9.41%	20.02%	15.60%
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Other information

Closing net asset value (£000s)	104	91	75
Closing number of shares	16,670	15,928	15,808
Operating charges	1.71%	1.71%	1.72%
Direct transaction costs	0.05%	0.19%	0.27%

Prices

Highest share price (Euro cents)	710.13	655.89	631.12
Lowest share price (Euro cents)	644.73	547.80	465.88

Comparative tables (continued)

	Class A US Dollar accumulation		
	2018	2017	2016
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	455.89	379.84	328.59
Return before operating charges*	51.05	83.15	57.14
Operating charges	(8.25)	(7.10)	(5.89)
Return after operating charges*	42.80	76.05	51.25
Distributions on accumulation shares	(8.70)	-	(3.01)
Retained distributions on accumulation shares	8.70	-	3.01
Closing net asset value per share	498.69	455.89	379.84
* after direct transaction costs of:	0.26	0.77	0.94
Performance			
Return after charges	9.39%	20.02%	15.60%
Other information			
Closing net asset value (£000s)	143	58	1,852
Closing number of shares	28,632	12,772	487,436
Operating charges	1.71%	1.71%	1.72%
Direct transaction costs	0.05%	0.19%	0.27%
Prices			
Highest share price (USD cents)	697.11	609.51	535.42
Lowest share price (USD cents)	610.01	485.80	421.92

Performance values are at close of business and may differ from the performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

There were no share classes launched or closed in the year.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2018 %	2017 %
Class A	1.71	1.71
Class I	1.08	1.07
Class A Euro	1.71	1.71
Class A US Dollar	1.71	1.71

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

Risk and reward profile

The fund currently has 5 types of shares in issue; A accumulation, A income, I accumulation, A Euro accumulation and A US Dollar accumulation. Each share class has the same risk and reward profile which is as follows:

The risk and reward profile for all share classes is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The risk rating for A Euro accumulation changed from 6 to 5 during the year. The risk rating for the rest of the share classes has remained the same.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

Portfolio statement as at 30 September 2018

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 99.61% (2017: 99.14%) Australia 0.00% (2017: 1.20%) Financials 0.00% (2017: 1.20%) Banks 0.00% (2017: 0.61%)		
	Financial Services 0.00% (2017: 0.59%)		
	Austria 0.88% (2017: 1.37%) Financials 0.88% (2017: 1.37%) Banks 0.88% (2017: 1.37%)		
17,335	Erste Bank	552	0.88
	Belgium 1.00% (2017: 1.04%) Financials 1.00% (2017: 1.04%) Banks 1.00% (2017: 1.04%)		
11,057	KBC Bank	631	1.00
	Brazil 0.52% (2017: 1.44%) Financials 0.52% (2017: 1.44%) Banks 0.52% (2017: 1.44%)		
38,974	Itau Unibanco	328	0.52
	Canada 4.44% (2017: 4.83%) Financials 4.44% (2017: 4.83%) Banks 3.70% (2017: 2.81%)		
10,487	Bank of Nova Scotia	479	0.76
7,966	Canadian Imperial Bank of Commerce	572	0.91
27,452	Toronto-Dominion Bank	1,278	2.03
		2,329	3.70
	Nonlife Insurance 0.74% (2017: 2.02%)		
7,308	Intact Financial	464	0.74
	China 2.08% (2017: 2.23%) Financials 2.08% (2017: 2.23%) Banks 2.08% (2017: 2.23%)		
1,958,000	China Construction Bank	1,311	2.08
	France 2.09% (2017: 3.63%) Financials 2.09% (2017: 3.63%) Banks 1.24% (2017: 1.91%)		
16,699	BNP Paribas	784	1.24
	Nonlife Insurance 0.85% (2017: 1.72%)		
25,850	AXA	533	0.85

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Germany 2.79% (2017: 3.22%)		
	Financials 2.79% (2017: 3.22%)		
	Nonlife Insurance 1.24% (2017: 1.82%)		
4,537	Allianz	777	1.24
	Real Estate Investment & Services 1.55% (2017: 1.40%)		
143,129	Aroundtown	974	1.55
	Hong Kong 3.81% (2017: 2.96%)		
	Financials 3.81% (2017: 2.96%)		
	Banks 1.55% (2017: 1.51%)		
267,500	BOC Hong Kong Holdings	973	1.55
	Life Insurance 2.26% (2017: 1.45%)		
207,200	AIA	1,419	2.26
	India 2.82% (2017: 2.85%)		
	Financials 2.82% (2017: 2.85%)		
	Banks 2.31% (2017: 1.91%)		
17,151	HDFC Bank ADS	1,237	1.98
74,958	State Bank of India	211	0.33
		1,448	2.31
	Financial Services 0.51% (2017: 0.94%)		
73,281	LIC Housing Finance	323	0.51
	Indonesia 1.05% (2017: 1.95%)		
	Financials 1.05% (2017: 1.95%)		
	Banks 1.05% (2017: 1.95%)		
4,081,535	Bank Rakyat	660	1.05
	Italy 0.45% (2017: 4.12%)		
	Financials 0.45% (2017: 4.12%)		
	Banks 0.45% (2017: 4.12%)		
83,701	Intesa Sanpaolo	164	0.26
10,398	UniCredit	120	0.19
		284	0.45
	Japan 6.04% (2017: 3.90%)		
	Financials 6.04% (2017: 3.90%)		
	Banks 2.93% (2017: 1.48%)		
384,816	Mitsubishi UFJ Financial	1,842	2.93
	Life Insurance 3.11% (2017: 1.45%)		
115,449	Sony Financial	1,952	3.11

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Nonlife Insurance 0.00% (2017: 0.97%)		
	Malaysia 0.00% (2017: 0.67%)		
	Financials 0.00% (2017: 0.67%)		
	Banks 0.00% (2017: 0.67%)		
	Mexico 0.98% (2017: 1.98%)		
	Financials 0.98% (2017: 1.98%)		
	Banks 0.98% (2017: 1.98%)		
110,892	Grupo Financiero Banorte	614	0.98
	Netherlands 0.92% (2017: 2.50%)		
	Financials 0.81% (2017: 2.50%)		
	Banks 0.81% (2017: 2.50%)		
50,811	ING	506	0.81
	Industrials 0.11% (2017: 0.00%)		
	Software & Computer Services 0.11% (2017: 0.00%)		
114	Adyen	71	0.11
	Peru 0.65% (2017: 0.86%)		
	Financials 0.65% (2017: 0.86%)		
	Banks 0.65% (2017: 0.86%)		
2,376	Credicorp	406	0.65
	Russian Federation 0.20% (2017: 0.00%)		
	Financials 0.20% (2017: 0.00%)		
	Banks 0.20% (2017: 0.00%)		
12,784	Sberbank of Russia	124	0.20
	Singapore 1.78% (2017: 0.00%)		
	Financials 1.78% (2017: 0.00%)		
	Banks 1.78% (2017: 0.00%)		
76,400	DBS Holdings	1,118	1.78
	South Korea 0.00% (2017: 1.02%)		
	Financials 0.00% (2017: 1.02%)		
	Banks 0.00% (2017: 1.02%)		
	Spain 1.65% (2017: 1.18%)		
	Financials 1.65% (2017: 1.18%)		
	Banks 1.65% (2017: 1.18%)		
165,559	Banco Santander	639	1.01
114,012	CaixaBank	400	0.64
		1,039	1.65

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Sweden 2.14% (2017: 2.88%)		
	Financials 2.14% (2017: 2.88%)		
	Banks 2.14% (2017: 2.88%)		
70,648	Swedbank 'A'	1,345	2.14
	Switzerland 1.11% (2017: 1.20%)		
	Financials 1.11% (2017: 1.20%)		
	Banks 1.11% (2017: 1.20%)		
57,485	UBS	699	1.11
	Thailand 0.58% (2017: 0.75%)		
	Financials 0.58% (2017: 0.75%)		
	Banks 0.58% (2017: 0.75%)		
72,700	Bangkok Bank	362	0.58
	United Kingdom 7.38% (2017: 4.46%)		
	Financials 7.38% (2017: 4.46%)		
	Banks 1.49% (2017: 1.84%)		
147,352	Standard Chartered	938	1.49
	Financial Services 1.78% (2017: 0.00%)		
24,401	London Stock Exchange	1,119	1.78
	Life Insurance 2.82% (2017: 0.71%)		
46,468	Prudential	818	1.30
83,395	St James's Place	954	1.52
		1,772	2.82
	Nonlife Insurance 1.29% (2017: 1.91%)		
142,408	Beazley	813	1.29
	United States 54.25% (2017: 46.90%)		
	Financials 53.61% (2017: 46.90%)		
	Banks 15.39% (2017: 13.83%)		
132,909	Bank of America	3,003	4.78
41,969	JPMorgan Chase	3,630	5.78
1,833	SVB Financial	437	0.69
64,532	Wells Fargo	2,601	4.14
		9,671	15.39

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Financial Services 29.07% (2017: 24.63%)			
5,122	Affiliated Managers	538	0.86
38,718	Charles Schwab	1,459	2.32
12,804	CME 'A'	1,671	2.66
4,226	Equifax	423	0.67
5,863	Focus Financial Partners	213	0.34
19,852	Intercontinental Exchange	1,140	1.81
2,269	MarketAxess	311	0.49
23,626	MasterCard	4,033	6.42
19,265	Morgan Stanley	688	1.09
3,203	S&P Global	480	0.76
6,136	State Street	394	0.63
88,391	Synchrony Financial	2,106	3.35
24,369	TD Ameritrade Holdings	987	1.57
33,315	Visa	3,833	6.10
		<u>18,276</u>	<u>29.07</u>
Nonlife Insurance 5.27% (2017: 4.55%)			
6,268	AON	739	1.18
13,261	Marsh & McLennan	841	1.34
31,790	Progressive	1,732	2.75
		<u>3,312</u>	<u>5.27</u>
Real Estate Investment & Services 0.96% (2017: 0.80%)			
17,857	CBRE 'A'	604	0.96
Real Estate Investment Trusts 2.92% (2017: 3.09%)			
7,861	American Tower	875	1.39
1,951	Equinix	648	1.03
17,848	Invitation Homes REIT	314	0.50
		<u>1,837</u>	<u>2.92</u>
Industrials 0.64% (2017: 0.00%)			
Support Services 0.64% (2017: 0.00%)			
1,300	Wex	200	0.32
2,600	Worldpay	202	0.32
		<u>402</u>	<u>0.64</u>
Investment assets		62,612	99.61
Other net assets		247	0.39
Total net assets		62,859	100.00

All investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules.

Statement of total return for the year ended 30 September 2018

	Note	2018		2017	
		£000	£000	£000	£000
Income					
Net capital gains	2		5,352		10,848
Revenue	3	1,589		1,470	
Expenses	4	(946)		(935)	
Interest payable and similar charges	5	-		(1)	
Net revenue before taxation		643		534	
Taxation	6	(166)		(124)	
Net revenue after taxation			477		410
Total return before distributions			5,829		11,258
Distributions	7		(485)		(417)
Change in net assets attributable to shareholders from investment activities			5,344		10,841

Statement of change in net assets attributable to shareholders

for the year ended 30 September 2018

	2018		2017	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		60,994		56,938
Amounts receivable on issue of shares	4,380		5,364	
Amounts payable on cancellation of shares	(8,332)		(12,557)	
		(3,952)		(7,193)
Change in net assets attributable to shareholders from investment activities		5,344		10,841
Retained distributions on accumulation shares		473		408
Closing net assets attributable to shareholders		62,859		60,994

Balance sheet as at 30 September 2018

	Note	2018 £000	2017 £000
Assets:			
Investments		62,612	60,471
Current assets:			
Debtors	8	213	177
Cash and bank balances	9	331	1,569
Total assets		63,156	62,217
Liabilities:			
Creditors:			
Bank overdrafts		35	1,070
Distributions payable		7	5
Other creditors	10	255	148
Total liabilities		297	1,223
Net assets attributable to shareholders		62,859	60,994

Notes to the financial statements for the year ended 30 September 2018

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the fund's aggregated notes to the financial statements.

2 Net capital gains

Net capital gains on investments during the year comprise:

	2018 £000	2017 £000
Forward currency contracts	(7)	(21)
Non-derivative securities	5,403	10,930
Other currency losses	(36)	(55)
Transaction costs	(8)	(6)
Net capital gains	5,352	10,848

3 Revenue

	2018 £000	2017 £000
Bank interest	2	2
Overseas dividends	1,435	1,332
Overseas REIT revenue	37	73
Stock lending revenue	5	1
UK dividends	110	62
Total revenue	1,589	1,470

4 Expenses

	2018 £000	2017 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	846	834
GAC*	86	86
	<u>932</u>	<u>920</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	5	4
Safe custody fees	7	7
	<u>12</u>	<u>11</u>
Other expenses:		
Dividend collection charges	2	3
Professional fees	-	1
	<u>2</u>	<u>4</u>
Total expenses	946	935

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £7,681 (2017: £7,458).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2018 £000	2017 £000
Interest payable	-	1
Total interest payable and similar charges	-	1

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2018 £000	2017 £000
Current tax		
Overseas withholding tax	166	124
Total tax (note 6b)	166	124

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2017: 20%). The differences are explained below:

	2018 £000	2017 £000
Net revenue before taxation	643	533
Corporation tax at 20% (2017: 20%)	129	107
Effects of:		
Irrecoverable overseas tax	166	124
Overseas dividends*	(278)	(244)
Tax effect of expensed double taxation relief	(3)	(6)
UK dividends**	(22)	(12)
Unused management expenses	174	155
Tax charge for the year (note 6a)	166	124

* Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

** As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2017: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £1,777,077 (2017: £1,602,908) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

Notes to the financial statements (continued)

7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2018	2017
	£000	£000
Interim income	5	4
Final income	7	5
Final accumulation	473	408
Total distributions	485	417
Net revenue after taxation	477	410
Annual management charge borne by the capital account	8	8
Revenue shortfall	-	(1)
Total distributions	485	417

Details of the distribution per share are set out in the distribution tables on page 41.

8 Debtors

	2018	2017
	£000	£000
Accrued revenue	59	58
Amounts receivable for issue of shares	106	11
Overseas withholding tax reclaimable	48	108
Total debtors	213	177

9 Cash and bank balances

	2018	2017
	£000	£000
Cash and bank balances	331	1,569
Total cash and bank balances	331	1,569

10 Other creditors

	2018	2017
	£000	£000
Accrued annual management charge	70	67
Accrued other expenses	14	10
Amounts payable for cancellation of shares	171	71
Total other creditors	255	148

Notes to the financial statements (continued)

11 Contingent assets, liabilities and commitments

The fund has filed a claim with HM Revenue & Customs HMRC (on the basis of the principles set out in the Franked Investment Income Group Litigation Order (FIIGLO)) for corporation tax unduly paid in respect of periods prior to 1 July 2009. The claim has been filed on the basis that the relevant UK tax legislation was in breach of EU law for these periods. A successful outcome may result in a refund of corporation tax. A contingent asset has not been recognised as the amount receivable is not certain.

There were no contingent liabilities at the current or prior year end.

12 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 30 and 31 and notes 4, 7, 8 and 10 on pages 32 to 34 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations,
- Annual management charge
- GAC

There were no material shareholders at the year end (2017: nil).

13 Shareholders' funds

The fund currently has 4 share classes available; Class A, Class I, Class A Euro and Class A US Dollar. The annual management charge on each share class is as follows:

	2018 %	2017 %
Class A	1.50	1.50
Class I	1.00	1.00
Class A Euro	1.50	1.50
Class A US Dollar	1.50	1.50

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 20 to 22. The distribution per share class is given in the distribution tables on page 41. All share classes have the same rights on winding up.

Shares reconciliation as at 30 September 2018

	Class A accumulation	Class A income	Class I accumulation
Opening number of shares	10,306,317	712,638	4,129,546
Issues during the year	444,379	85,428	444,964
Cancellations during the year	(1,201,603)	(53,862)	(598,346)
Shares converted during the year	(54,771)	38,948	41,767
Closing shares in issue	9,494,322	783,152	4,017,931
	Class A Euro accumulation	Class A US Dollar accumulation	
Opening number of shares	15,928	12,772	
Issues during the year	742	67,441	
Cancellations during the year	-	(51,581)	
Shares converted during the year	-	-	
Closing shares in issue	16,670	28,632	

Notes to the financial statements (continued)

14 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management only.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 30 September 2018 (2017: nil).

The fund had no exposure to derivatives as at 30 September 2018 (2017:nil).

15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with BNP Paribas acting as the stock lending agent in order to generate additional income.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for Stock Lending and borrowing transactions are approved by the Investment Manager and may consist of securities issued or guaranteed by a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope, generally subject to a minimum long term credit rating of at least A- by one or more major credit rating agency or listed equities on eligible markets. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102.50% to 110.00% of the value of the stock on loan.

2018 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of Nova Scotia	231	256	Equity
Credit Suisse	323	380	Equity
JP Morgan	770	856	Equity
Natixis	1,131	1,257	Equity
Société Générale	3,490	3,878	Equity
	5,945	6,627	

Recipient	Relationship	Gross income £000	Direct and indirect expenses £000	Net income £000
BNP Paribas	Stock lending agent	6	1	5

Notes to the financial statements (continued)

15 Stock lending (continued)

2017 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
ABN Amro	369	394	Equity
Deutsche Bank	587	652	Equity
Natixis	2,040	2,267	Equity
	2,996	3,313	

Recipient	Relationship	Gross income £000	Direct and indirect expenses £000	Net income £000
BNP Paribas	Stock lending agent	1	-	1

16 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principle foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

	Investment assets £000	Other net assets £000	Total net assets £000
2018			
Currency			
Canadian dollar	2,793	6	2,799
Euro	6,152	41	6,193
Hong Kong dollar	3,702	14	3,716
Indonesian rupiah	659	-	659
Indian rupee	533	-	533
Japanese yen	3,794	24	3,818
Mexican nuevo peso	614	-	614
Polish zloty	-	3	3
Singapore dollar	1,118	-	1,118
Swedish krona	1,345	-	1,345
Swiss franc	699	-	699
Thai baht	362	3	365
UK sterling	3,704	139	3,843
US dollar	37,137	17	37,154
Total	62,612	247	62,859

Notes to the financial statements (continued)

16 Risk (continued)

Currency risk (continued)

	Investment assets £000	Other net assets/ (liabilities) £000	Total net assets £000
2017			
Currency			
Australian dollar	730	-	730
Canadian dollar	2,948	4	2,952
Euro	10,402	69	10,471
Hong Kong dollar	3,169	13	3,182
Indonesian rupiah	1,190	-	1,190
Japanese yen	574	1,221	1,795
Korean won	2,382	20	2,402
Mexican nuevo peso	623	-	623
Malaysian ringgit	1,210	-	1,210
Norwegian krone	406	-	406
Polish zloty	-	14	14
Singapore dollar	-	3	3
Swedish krona	1,754	-	1,754
Swiss franc	732	8	740
Thai baht	455	-	455
UK sterling	2,722	(862)	1,860
US dollar	31,174	33	31,207
Total	60,471	523	60,994

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £59,016,000 (2017: £59,134,000). A 10% increase in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing the return for the year ended 30 September 2018 and the net assets as at 30 September 2018 by £5,901,600 (2017: £5,913,400). A 10% decrease in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of decreasing the return for the year ended 30 September 2018 and the net assets as at 30 September 2018 by £5,901,600 (2017: £5,913,400).

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

The fund has not employed significant leverage in the current or prior year.

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2018				
Bank overdrafts	35	-	-	-
Distribution payable	-	7	-	-
Other creditors	-	255	-	-
Total	35	262	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2017				
Bank overdrafts	1,070	-	-	-
Distribution payable	-	5	-	-
Other creditors	-	148	-	-
Total	1,070	153	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

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

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Fair value hierarchy

	2018		2017	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	62,612	-	60,471	-
Level 2	-	-	-	-
Level 3	-	-	-	-
	62,612	-	60,471	-

Notes to the financial statements (continued)

18 Direct transaction costs

	Purchases		Sales	
	2018 £000	2017 £000	2018 £000	2017 £000
Trades in the year				
Equities	15,755	53,841	19,047	59,733
Trades in the year before transaction costs	15,755	53,841	19,047	59,733
Transaction costs				
Commissions				
Equities	5	42	8	49
Total commissions	5	42	8	49
Taxes				
Equities	15	13	2	1
Total taxes	15	13	2	1
Other expenses				
Equities	2	9	1	2
Total other expenses	2	9	1	2
Total transaction costs	22	64	11	52
Total net trades in the year after transaction costs	15,777	53,905	19,036	59,681

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.03	0.08	0.04	0.08
Taxes				
Equities	0.10	0.02	0.01	-
Other expenses				
Equities	0.01	0.02	0.01	-
	2018 %	2017 %		

Total transaction costs expressed as a percentage of net asset value

Commissions	0.02	0.15
Taxes	0.03	0.02
Other expenses	-	0.02
Total costs	0.05	0.19

There were no in specie transfers during the year (2017: nil). There were corporate actions during the year of £2,275 (2017: £3,714).

There were no direct transaction costs associated with derivatives in the year (2017: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 30 September 2018 was 0.10% (2017: 0.07%). The portfolio dealing spread is calculated at the fund's 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 30 September 2018 (in pence per share)

Interim dividend distribution (accounting date 31 March 2018, paid on 31 May 2018)

Group 1: shares purchased prior to 1 October 2017

Group 2: shares purchased on or after 1 October 2017

	Distribution per share	Equalisation	Total distribution per share 31/05/18	Total distribution per share 31/05/17
Class A income				
Group 1	0.5605	-	0.5605	0.6040
Group 2	0.2306	0.3299	0.5605	0.6040

Final dividend distribution (accounting date 30 September 2018, paid on 30 November 2018)

Group 1: shares purchased prior to 1 April 2018

Group 2: shares purchased on or after 1 April 2018

	Distribution per share	Equalisation	Total distribution per share 30/11/18	Total distribution per share 30/11/17
Class A income				
Group 1	0.9670	-	0.9670	0.7165
Group 2	0.8049	0.1621	0.9670	0.7165

Final dividend distribution (accounting date 30 September 2018, paid on 31 January 2019)

Group 1 : shares purchased prior to 1 October 2017

Group 2 : shares purchased on or after 1 October 2017

	Distribution per share	Total distribution per share 31/01/19	Total distribution per share 31/01/18
Class A accumulation			
Group 1	2.4415	2.4415	1.8546
Group 2	2.4415	2.4415	1.8546
Class I accumulation			
Group 1	5.9305	5.9305	5.2315
Group 2	5.9305	5.9305	5.2315
Class A Euro accumulation¹			
Group 1	3.7696	3.7696	4.8203
Group 2	3.7696	3.7696	4.8203
Class A USD accumulation²			
Group 1	11.3481	11.3481	-
Group 2	11.3481	11.3481	-

¹ in Euro cents per share

² in USD cents per share

Appendix - additional information (unaudited)

Securities financing transactions

The fund engages in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the fund's involvement in and exposures related to securities lending for the year ended 30 September 2018 are detailed below.

Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the fund's assets under management (AUM) as at 30 September 2018:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson Global Financials Fund	5,945	9.49%	9.46%

Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the fund as at 30 September 2018:

Issuer	Market value of collateral received £000
Intesa Sanpaolo	404
Standard Chartered	310
Unicredit	307
Assicurazioni Generali	266
HSBC	219
JP Morgan	196
Aveva	178
Eiffage	177
Moody's	154
DCC	142

The following table details the counterparties of each type of SFTs (based on gross volume of outstanding transactions), for the fund as at 30 September 2018:

Counterparty	Market value of securities on loan £000	Settlement basis
Société Générale	3,490	Triparty
Natixis	1,131	Triparty
JP Morgan	770	Triparty
Credit Suisse	323	Triparty
Bank of Nova Scotia	231	Triparty
	5,945	

All counterparties have been included

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data

The following tables provide an analysis of the collateral received by the fund in respect of each type of SFTs as at 30 September 2018:

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
Bank of Nova Scotia	Canada	Equity	Main market listing	AUD	Triparty	BNP Paribas	6
Bank of Nova Scotia	Canada	Equity	Main market listing	CAD	Triparty	BNP Paribas	122
Bank of Nova Scotia	Canada	Equity	Main market listing	EUR	Triparty	BNP Paribas	4
Bank of Nova Scotia	Canada	Equity	Main market listing	GBP	Triparty	BNP Paribas	105
Bank of Nova Scotia	Canada	Equity	Main market listing	HKD	Triparty	BNP Paribas	1
Bank of Nova Scotia	Canada	Equity	Main market listing	USD	Triparty	BNP Paribas	18
Credit Suisse	Switzerland	Equity	Main market listing	EUR	Triparty	BNP Paribas	122
Credit Suisse	Switzerland	Equity	Main market listing	GBP	Triparty	BNP Paribas	41
Credit Suisse	Switzerland	Equity	Main market listing	HKD	Triparty	BNP Paribas	151
Credit Suisse	Switzerland	Equity	Main market listing	JPY	Triparty	BNP Paribas	37
Credit Suisse	Switzerland	Equity	Main market listing	NOK	Triparty	BNP Paribas	12
Credit Suisse	Switzerland	Equity	Main market listing	SGD	Triparty	BNP Paribas	17
JP Morgan	United States	Equity	Main market listing	CHF	Triparty	BNP Paribas	85
JP Morgan	United States	Equity	Main market listing	EUR	Triparty	BNP Paribas	304
JP Morgan	United States	Equity	Main market listing	HKD	Triparty	BNP Paribas	440
JP Morgan	United States	Equity	Main market listing	JPY	Triparty	BNP Paribas	17
JP Morgan	United States	Equity	Main market listing	SEK	Triparty	BNP Paribas	9
JP Morgan	United States	Equity	Main market listing	USD	Triparty	BNP Paribas	1
Natixis	France	Equity	Main market listing	CHF	Triparty	BNP Paribas	52
Natixis	France	Equity	Main market listing	EUR	Triparty	BNP Paribas	986
Natixis	France	Equity	Main market listing	GBP	Triparty	BNP Paribas	110
Natixis	France	Equity	Main market listing	USD	Triparty	BNP Paribas	109
Société Générale	France	Equity	Main market listing	CHF	Triparty	BNP Paribas	53
Société Générale	France	Equity	Main market listing	EUR	Triparty	BNP Paribas	1,107
Société Générale	France	Equity	Main market listing	GBP	Triparty	BNP Paribas	1,872
Société Générale	France	Equity	Main market listing	JPY	Triparty	BNP Paribas	126
Société Générale	France	Equity	Main market listing	USD	Triparty	BNP Paribas	720
							6,627

All collateral is held in segregated accounts.

The lending and collateral transactions are on an open basis and can be recalled on demand.

Re-use of collateral

The fund does not engage in any re-use of collateral.

Return and cost on securities lending activities

The following table details the fund's return and costs for each type of SFTs for the year ending 30 September 2018:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return of the securities lending agent	% return of the fund
Janus Henderson Global Financials Fund	6	1	5	15%	85%

Appendix - additional information (unaudited) (continued)

Remuneration policy

Following the implementation of the UCITS V in the UK from 18 March 2016, all authorised UCITS Management Companies are required to comply with the UCITS Remuneration Code. Under the Code, the Remuneration Committee of Janus Henderson Group plc in its oversight of Henderson Investment Funds Limited ('HIFL') must make relevant remuneration disclosures in the first full performance year following the implementation date.

The disclosures must split remuneration between fixed and variable remuneration and must break down remuneration for categories of UCITS Code Staff (defined as all staff whose professional activities have a material impact on the risk profiles of the funds it manages). The Janus Henderson Group plc Remuneration Committee approves the list of UCITS Code Staff annually. In addition, identified UCITS Code Staff are notified of their status and the associated implications annually.

Janus Henderson Global Financials Fund is managed by HIFL, which is a subsidiary of Janus Henderson Group plc.

The Remuneration Committee of Janus Henderson Group plc has established a Remuneration Policy, one of the guiding principles of which is to ensure that the remuneration of its employees is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of each AFM and the funds they manage. This policy applies to HIFL and Janus Henderson Global Financials Fund.

Further information with respect to Janus Henderson Group plc Remuneration Policy is available in Janus Henderson Group plc's annual report as at 31 December 2017.

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson Global Financials Fund	1,943	1,781
of which		
Fixed Remuneration	1,943	419
Variable Remuneration	1,933	1,362
Carried Interest	n/a	-
Janus Henderson Global Financials Fund Remuneration Code Staff	175	1,773
of which		
Senior Management (4)	27	7
Other Code Staff (5)	148	1,766

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Global Financials Fund – no attempt has been made to apportion the time spent specifically in support of Janus Henderson Global Financials Fund as this data is not captured as part of Janus Henderson Group plc's normal processes.
2. Please note that due to the employment structure and resourcing of Janus Henderson Group plc, the staff indicated in this table may provide services to other companies in Janus Henderson Group plc.
3. The remuneration disclosed is only in respect of the provision of services to Janus Henderson Global Financials Fund for the year, rather than the total remuneration for the year – for this purpose, remuneration has been apportioned between the provision of services to Janus Henderson Global Financials Fund and to other entities in Janus Henderson Group plc, as follows:
 - in respect of fixed pay and annual/long term incentive bonuses:
 - where fixed pay is directly attributable to Janus Henderson Global Financials Fund (for example, fees for HIFL board members), 100% of those fees;
 - for Investment Fund Managers, pro-rated using the average assets under management (AUM) of Janus Henderson Global Financials Fund managed by the relevant Investment Fund Manager (as a proportion of the total AUM managed by that individual) as a proxy.
 - for other individuals, pro-rated using the average AUM of Janus Henderson Global Financials Fund (as a proportion of the aggregate average AUM of Janus Henderson Group plc) as a proxy.
4. Senior Management includes the Janus Henderson Executive Committee and other Group Board members and the Board of HIFL.
5. Other Code Staff includes all other UCITS Code Staff not covered by the above, including Investment Fund Managers who manage AUM within Janus Henderson Global Financials Fund.

Further information

Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via e-mail at **support@janushenderson.com**

We may record telephone calls for our mutual protection and to improve customer service.

Important Information

Janus Henderson Investors is the name under which Janus Capital International Limited (reg no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no. 2606646), (each incorporated and registered in England and Wales with registered office at 201 Bishopsgate, London EC2M 3AE) are authorised and regulated by the Financial Conduct Authority to provide investment products and services. Henderson Management S.A. (reg no. B22848) is incorporated and registered in Luxembourg with registered office at 2 Rue de Bitbourg, L-1273 Luxembourg and authorised by the Commission de Surveillance du Secteur Financier.

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Unless otherwise stated, all data is sourced by Janus Henderson Investors.

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