

First State Investments ICVC

Annual Report

31 July 2016

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Authorised Corporate Director's Report

We are pleased to present the Annual Report and Audited Financial Statements for First State Investments ICVC (the "Company"), which provides information on each of the 24 sub-funds of the Company (each a "Fund") for the year ended 31 July 2016. The Report of the Company's independent auditors which is unqualified is set out on pages 7-8.

In this document we provide a review of selected financial markets followed by detailed information on each of the Funds. This information includes an investment report, performance summary, top 10 holdings, country breakdowns, and financial statements of each Fund.

We hope that you find this report informative and that it answers any questions you may have about your investment with First State Investments ICVC. If you have any additional queries in relation to your investment, or one of our Funds, please contact our Client Services team on 0800 587 4141 (+44 131 525 8870 if calling from outside the UK).

Information about the Company

The Company is an open-ended investment company with variable capital. The Company is structured as an umbrella company authorised as a UCITS scheme and operates under chapter 5 of the Collective Investment Schemes Sourcebook (the "Sourcebook").

Different Funds may be established from time to time by First State Investments (UK) Limited, the Authorised Corporate Director of the Company (the "Authorised Corporate Director" or the "ACD"), with the approval of the Financial Conduct Authority (the "FCA") and the agreement of the Company's Depositary, State Street Trustees Limited (the "Depositary"). Each Fund may issue different classes of share and within each class there may be different types of share. Further classes and types of share may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. On the introduction of any new Fund, share class or type of share, a revised Prospectus will be prepared setting out the relevant details of each Fund or class.

Each Fund is invested as if it were individually authorised as the type of scheme known as a UCITS scheme, as specified in the Sourcebook. For investment purposes, 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 investment policy applicable to that Fund. The shareholders are not liable for the debts of the Company.

Changes to the Prospectus and Instrument of Incorporation since 31 July 2015

During the year and up to the date of this report, the following changes were made to the Company which were reflected in the Prospectus and/or Instrument of Incorporation:

- The FCA approved an update to the Prospectus and the Instrument of Incorporation on 3 August 2015, the main updates to the Prospectus were:
 - o Change of investment policy of the First State Asia All-Cap Fund;
 - o Change of investment policy of the First State Asia Focus Fund;
 - o Change of name, investment policy and addition of three hedged share classes of the First State Japan Equity Fund and corresponding amendments to the Prospectus;
 - o Deletion of the sentence "Investors will be treated as retail clients for the purpose of dealing in Shares" in the section headed "Buying, selling, converting and switching shares";
 - o Amendment of the current Annual Management Charge and the Maximum initial Charge for Class A (Hedged) GBP of the First State Global Property Securities Fund;
 - o Inclusion of the Nairobi Securities Exchange as an eligible securities market for the First State Global Emerging Markets Sustainability Fund.
- The main update to the Instrument of Incorporation on 3 August 2015 was :
 - o to reflect the change of name for First State Japan Focus Fund.
- The FCA approved an update to the Prospectus on 17 October 2015, the main updates to the Prospectus were:
 - o changing the Depositary from National Westminster Bank Plc to State Street Trustees Limited and the amendments to the sections "Material Contracts" (under the title "General Information"), "Fees and Expenses relating to the Depositary" (under the title "Fees and Expenses"), and "The Depositary" (under the title "Management and Administration") to reflect this change;
 - o amendment to the investment objective and policy of the First State Diversified Growth Fund;
 - o the deletion of the reference to the custodian agreement from the section "Material Contracts" under the title "General Information";
 - o deletion of the section "The Custodian" and the corresponding section "Terms of appointment" from the section "Management and Administration".

Authorised Corporate Director's Report

(continued)

- The main update to the Instrument of Incorporation on 17 October 2015 was:
 - o to amend it to reflect the change of investment objective of the Diversified Growth Fund.
- The FCA approved an update to the Prospectus on 2 November 2015, the main updates to the Prospectus were:
 - o to change the names of 11 funds throughout the Prospectus as required. The Funds that were amended were as follows:

Existing name of Fund	New name of Fund
First State Asia Pacific Fund	Stewart Investors Asia Pacific Fund
First State Asia Pacific Leaders Fund	Stewart Investors Asia Pacific Leaders Fund
First State Asia Pacific Sustainability Fund	Stewart Investors Asia Pacific Sustainability Fund
First State Global Emerging Markets Fund	Stewart Investors Global Emerging Markets Fund
First State Global Emerging Markets Leaders Fund	Stewart Investors Global Emerging Markets Leaders Fund
First State Global Emerging Markets Sustainability Fund	Stewart Investors Global Emerging Markets Sustainability Fund
First State Indian Subcontinent Fund	Stewart Investors Indian Subcontinent Fund
First State Latin America Fund	Stewart Investors Latin America Fund
First State Worldwide Equity Fund	Stewart Investors Worldwide Equity Fund
First State Worldwide Leaders Fund	Stewart Investors Worldwide Leaders Fund
First State Worldwide Sustainability Fund	Stewart Investors Worldwide Sustainability Fund

- o amendments to the sub-section "The Investment Manager" of section "Management and Administration" of the Prospectus in order to: (i) list the two investment teams which provide portfolio management services to the Funds, (ii) give a description of which team is responsible for each Fund and (iii) specify which entity ultimately owns the Investment Manager and Sub-Investment Managers respectively;
- o additional amendments for clarification in relation to the change of name of the Funds, including reordering the Funds so that they are in alphabetical order where relevant throughout the Prospectus.
- The main update to the Instrument of Incorporation on 2 November 2015 was:
 - o the change of name of 11 Funds throughout the Instrument of Incorporation, as required, including the reordering of the list of Funds in Part 1 of the Schedule so that the Funds are in alphabetical order.
- The FCA approved an update to the Prospectus on 16 November 2015, the main updates to the Prospectus were:
 - o an amendment to reflect the change of investment objective of the First State Diversified Growth Fund, and the inclusion of 4% in the objective;
 - o amendments in the appendices of Appendix I for the First State Asia All-Cap Fund, the First State Asia Focus Fund and the First State Japan Focus Fund, in order to reflect that the Annual Management Charge for these Funds, as defined in the Prospectus, is taken from income; and also to reflect the income allocation dates.
- The main update to the Instrument of Incorporation on 16 November 2015 was:
 - o to reflect the change of investment objective and policy of the First State Diversified Growth Fund.
- The FCA approved an update to the Prospectus on 27 November 2015, the main updates to the Prospectus were:
 - o to terminate the First State Global Interest Rates and Currency Fund;
 - o addition of wording in relation to Stock Connect in risk factor E "Investment in China A Shares Risk", and corresponding updates of the Fund Risk Table and of risk factor D ("China Market Risk");
 - o addition of a new section "The Foreign Account Tax Compliance Act and similar measures" under the heading "Taxation" of the Prospectus, replacing the previous sections "US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act ("FATCA")" and "Other United Kingdom Agreements";

- o update of the section "The Authorised Corporate Director" under the heading "General Information" of the Prospectus in order to reflect the current list of directors representing the ACD, and their respective updated biographies;
- The main update to the Instrument of Incorporation on 27 November 2015 was:
 - o insertion of a note specifying that the First State Global Interest Rates and Currency Fund is in the process of termination in Part 1 of its Schedule.
- The FCA approved an update to the Prospectus on 5 February 2016, the main update to the Prospectus was:
 - o to remove the mandatory 4% initial charge on the First State Asia Focus Fund.
- The FCA approved an update to the Prospectus on 25 February 2016, the main update to the Prospectus was:
 - o to remove the mandatory 4% initial charge on the First State Greater China Growth Fund which had been in place from 1 January 2012.
- The FCA approved an update to the Prospectus on 12 May 2016, the main updates to the Prospectus were:
 - o to terminate the First State Global Agribusiness Fund;
 - o to amend the investment policy of the Stewart Investors Asia Pacific Fund, including language on economic exposure and the clarification of the term Australasia;
 - o to amend the investment policy of the Stewart Investors Asia Pacific Leaders Fund, including language on economic exposure and the consideration to companies that are positioned to benefit from and contribute to the sustainable development of the countries in which they operate;
 - o to amend the investment policy of the Stewart Investors Asia Pacific Sustainability Fund including language on economic exposure and the clarification of the term Australasia;
 - o to amend the investment policy of the Stewart Investors Indian Subcontinent Fund to include the consideration of companies that are positioned to benefit from and contribute to the sustainable development of the countries in which they operate;
 - o to reflect the appointment of A Hilderly to the ACD;
 - o to update the Prospectus in relation to UCITS V;
 - o the amendment to the Depositary Agreement under Material Contracts under the heading "General Information" of the Prospectus;
 - o to update the table reflecting the annual dilution adjustments made;
 - o updates to the section "Fees and Expenses" in relation to the Depositary Fee;
 - o to update the Prospectus in relation to the repeal of the EU Tax Savings Directive;
 - o to amend the section "Taxation" to reflect the repeal of the EU Savings Directive;
 - o under the section "Management and Administration" to include the remuneration policy of the ACD;
 - o under the section "Management and Administration" to include new language under the heading "The Depositary";
 - o under the section "Management and Administration" to include new language under the heading "Conflicts of Interest";
 - o under the section "Management and Administration" to include new language under the heading "Delegation";
 - o to amend the "Fund Performance Information and Investor Risk Profile" under Appendix I;
 - o to amend Appendix II reflecting the markets in a more transparent manner as well as the inclusion of Egypt as a Eligible Security Market for the First State Emerging Markets Local Currency Bond Fund; and
 - o a new Appendix IV to list sub-custodians.
- The main update to the Instrument of Incorporation on 12 May 2016 was:
 - o insertion of a note specifying that the First State Agribusiness Fund is in the process of termination in Part 1 of its Schedule.
- The FCA approved an update to the Prospectus on 13 June 2016, the main updates to the Prospectus were:
 - o to amend Appendix II to correctly reflect the Eligible Securities Markets that the First State Emerging Markets Bond Fund and the First State Emerging Markets Local Currency Bond Fund may deal through.

- We hope that you find this Annual Report informative. If you have any queries in relation to your investment please contact our Client Services team on 0800 587 4141, for international clients +44 (0) 131 525 8870.
- Also, a copy of the long form Annual Report and Accounts may be obtained by calling our Client Services team or by writing to them at Client Services, First State Investments (UK) Limited, 23 St Andrew Square, Edinburgh EH2 1BB.
- A copy of the Prospectus is available on request.

The Investment Manager

As at the date of this Report, First State Investment Management (UK) Limited, the investment manager of the Company (the "Investment Manager") has delegated the investment management of the following Funds:

(a) the First State Global Resources Fund, the First State Asian Property Securities Fund, the First State Global Property Securities Fund, the First State Global Listed Infrastructure Fund, the First State Global Agribusiness Fund, the Stewart Investors Asia Pacific Sustainability Fund, the Stewart Investors Asia Pacific Leaders Fund, the Stewart Investors Global Emerging Markets Sustainability Fund and the Stewart Investors Worldwide Sustainability Fund to Colonial First State Asset Management (Australia) Limited, a company registered in Australia, by agreement dated 8 September 2006 as amended;

(b) the First State Greater China Growth Fund, the First State Asia All-Cap Fund, the First State Asia Focus Fund and the First State Japan Focus Fund to First State Investments (Hong Kong) Limited, a company registered in Hong Kong, by agreement dated 24 October 2003 as amended; and

(c) the Stewart Investors Global Emerging Markets Leaders Fund, the Stewart Investors Indian Subcontinent Fund, Stewart Investors Worldwide Equity Fund, the First State Global Interest Rates and Currency Fund and the Stewart Investors Worldwide Leaders Fund to First State Investments (Singapore), a company registered in Singapore, by agreement dated 7 January 2013 as amended.

Remuneration

Quantitative remuneration disclosures required under the UCITS Directive will be available from 31st July 2017, following the conclusion of this performance period, as prior to this date the information will not provide materially relevant and clear information to investors about how the remuneration policy of the Company operates in line with the requirements of the UCITS directive.

Cross Holdings

There were no shares in any Fund held by other funds of the ICVC, during the period covered by this report.

Statement of the Authorised Corporate Director's Responsibilities in Respect of the Financial Statements of the Company

The Open-Ended Investment Companies Regulations 2001 (SI 2001/1228, as amended) (the "OEIC Regulations") and the Sourcebook require the ACD to prepare financial statements for each annual and half-yearly accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the financial position of the Company and of its net revenue and the net capital gains on the property of the Company 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 disclosure requirements of the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014 (the "IMA SORP 2014");
- comply with the Prospectus, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the Financial Statements as prepared comply with the above requirements;
- make judgements and estimates which are reasonable and prudent;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation; and
- keep proper accounting records and manage the Company in accordance with the Sourcebook, the Instrument of Incorporation and the Prospectus. The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Authorised Corporate Director

This report has been approved by the Authorised Corporate Director, First State Investments (UK) Limited, and signed on its behalf in accordance with the requirements of the OEIC Regulations and the Sourcebook.

K Lakhani
Director
First State Investments (UK) Limited
12 October 2016

Statement of Depositary's Responsibilities

for the year ended 31 July 2016

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the FCA Sourcebook, the Open Ended Investment Companies Regulations 2001 (SI 2001/1228 as amended), the Financial Services and Markets Act 2000, the Company's Instrument of Incorporation and Prospectus, in relation to the pricing of, and dealings in shares in the Company, the application of the income of the Company, and the investment and borrowing powers applicable to the Company.

Depositary's Report

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 Authorised Corporate Director:

- has carried out the creation, cancellation and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the Sourcebook and, where applicable, the OEIC Regulations, the Instrument of Incorporation and Prospectus of the Company; and
- has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited

Edinburgh

12 October 2016

Independent Auditors' Report to the Shareholders of First State Investments ICVC

for the year ended 31 July 2016

Report on the financial statements

Our opinion

In our opinion, First State Investments ICVC's financial statements, (the "financial statements of the Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 July 2016 and of the net revenue / (expenses) and the net capital gains/(losses) of 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, the Statement of Recommended Practice for Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

This opinion is to be read in the context of what we say in the remainder of this report.

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 First State Global Interest Rates and Currency Fund and First State Global Agribusiness Fund, for which the Authorised Corporate Director has confirmed their intention to terminate within one year of the date of approval of the financial statements. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements for these sub-funds have been prepared on a basis other than going concern as described in note 1 to the financial statements. No adjustments have been required in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the termination or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

What we have audited

First State Investments ICVC (the "Company") is an umbrella fund with a number of sub-funds. The financial statements of the Company, included within the Annual Report (the "Annual Report") comprise the financial statements of each of the sub-funds, which are prepared by First State Investments (UK) Limited (the "Authorised Corporate Director"), and comprise for each of the sub-funds:

- the balance sheets as at 31 July 2016;
- the statement of total return for the year then ended;
- the statement of change in net assets attributable to shareholders for the year then ended;
- summary of significant accounting policies applicable to all sub-funds and notes to the financial statements of individual sub-funds, which include other explanatory information; and
- the distribution tables.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (the "Statement of Recommended Practice for UK Authorised Funds"), the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

In applying the financial reporting framework, the Authorised Corporate Director has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on matters prescribed 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; and
- the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Propriety of accounting records and information and explanations received

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

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

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Authorised Corporate Director

As explained more fully in the Authorised Corporate Director's Responsibilities Statement set out on page 5, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's and each of the Company's sub-funds circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Authorised Corporate Director; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
12 October 2016

Notes:

- (a) The maintenance and integrity of the First State website is the responsibility of the Authorised Corporate Director; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Summary of Significant Accounting Policies applicable to all sub-funds

as at 31 July 2016

1. Accounting and distribution policies applicable to all Funds

(a) Basis of accounting

The Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association (IMA) in May 2014 (SORP 2014), and United Kingdom Generally Accepted Accounting Practice.

All of the sub-funds' Financial Statements were prepared on a going concern basis, with the exception of First State Global Interest Rates and Currency Fund, which was terminated on 6th October 2015 and the First State Global Agribusiness Fund, which was terminated on 3rd May 2016 and therefore the financial statements of these funds have been prepared on a basis other than going concern. In applying this basis of preparation, the assets and liabilities of these Funds continue to be stated at their fair values which materially equate to their residual values. No adjustments were necessary in the Funds' financial statements to reduce assets to their realisable values, to provide for liabilities arising from the termination and to reclassify fixed assets and long-term liabilities as current assets and liabilities of these Funds.

Adoption of IMA SORP 2014

Changes in presentation

The presentation of these financial statements has been changed from the previous period to comply with the requirements of IMA SORP 2014. These changes include:

- o The removal of the aggregated financial statements;
- o The inclusion of details on any cross holdings within the ICVC;
- o Amendments to labelling of line items within the Financial Statements;
- o Amendments to the content and format of the Comparative Table;
- o Amendments to the content and format of the portfolio transaction costs disclosures;
- o The inclusion of the shareholders' funds reconciliation;
- o The inclusion of the fair value hierarchy of the portfolio.

The ACD has elected to early adopt the amendments to FRS 102 in respect of the fair value hierarchy disclosure requirements for financial instruments held at fair value as permitted for authorised funds.

(b) Basis of valuation of investments

The value of the Funds as at 31 July 2016 was calculated using the bid market value of investments as at 12:00 midday on 29 July 2016, net of any accrued interest. Investments for which published market values are not available are included at the Authorised Corporate Director's valuation.

Open forward currency contracts are shown in the Portfolio Statement and are valued using quoted forward rate.

Over the Counter (OTC) derivatives (including Cross Currency Swaps) are held at fair value.

Gains and losses, including exchange differences in the valuation of investments held at the balance sheet date, including unrealised exchange differences, are treated as capital.

(c) Exchange rates

Amounts in overseas currencies are translated at the exchange rates ruling at the close of business on 29 July 2016. Transactions denominated in foreign currencies are converted to sterling at the exchange rate ruling at the date of the transaction.

(d) Distribution policy

The whole of the Fund's revenue after expenses must be distributed at the end of its financial year. Interim distributions will usually be for the whole of the revenue, after charging expenses determined at the end of the interim accounting period. The Authorised Corporate Director may, however, in exceptional circumstances distribute a lesser amount, for the interim period.

First State Emerging Markets Bond Fund, First State Emerging Markets Local Currency Bond Fund and First State Global Interest Rates and Currency Fund satisfied the qualifying investments test of Section 19 The Authorised Investment Funds (Tax) Regulations 2006 (S2006/964) throughout the period. All distributions made are therefore made as interest distributions.

All the other Funds make dividend distributions.

Summary of Significant Accounting Policies applicable to all sub-funds

(continued)

as at 31 July 2016

(e) Recognition of revenue

Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis. UK dividends are shown net of tax credits.

Dividends from US Real Estate Investment Trusts ("REITs") are recognised as distributable revenue when the securities are quoted ex-dividend. On receipt of the capital/revenue split in the following calendar year, the allocation of the dividend is adjusted within the Financial Statements.

Dividends from UK Real Estate Investment Trusts ("UK REITs") are recognised as distributable revenue when the securities are quoted ex-dividend.

Dividends received from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs' tax-exempt rental business is colloquially known as PID revenue and is taxable in the hands of each Fund. A UK REIT may also carry out activities that give rise to taxable profits and gains. It is from these that the REIT will make a Non-PID distribution. These are treated for tax purposes in the same way as dividends from UK companies.

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. This revenue forms part of any distribution. In the case of enhanced scrip dividends, the amount by which such dividends exceed the cash dividends is treated as capital and does not form part of the distribution.

The treatment of special dividends and share buy backs is determined on a case by case basis, taking into account whether the event is income or capital by nature. The tax treatment will follow the treatment of the principal amounts.

Interest on deposits and fixed interest securities are recognised as earned. Revenue from debt securities is accounted for on an effective yield basis.

Applying effective yield to the revenue calculation may result in either higher or lower revenue depending whether Funds hold more bonds purchased at a discount or purchased at a premium. Where the Funds hold more bonds purchased at a discount than at a premium, income will be higher.

Where the full initial charge is levied on investment into any Fund that is soft closed (soft closed meaning that the Fund can still be accessed by investors, however, a charge is levied in an attempt to control the size of a Fund by discouraging inflows) in the interests of protecting existing investors' returns, the Investment Manager has paid this in to the relevant Fund. This is recognised on a cash basis for the individual share classes of the soft closed Funds. Prior to it being paid into the Fund, the Investment Manager will exercise discretion on whether to donate some or all of this revenue to charity or reimburse back to the Funds for the benefit of the existing shareholders.

(f) Treatment of expenses

All expenses, other than those relating to transaction fees and Stamp Duty Reserve Tax, are charged against the revenue property of the Fund. In the case of First State Asian Property Securities Fund, First State Global Property Securities Fund, First State Global Listed Infrastructure Fund, First State Emerging Markets Bond Fund and First State Emerging Markets Local Currency Bond Fund, all expenses are borne by the capital property of the Fund for distribution purposes. Management, registrar and dealing fees are charged directly to the share classes to which they relate. Other expenses are charged on a proportional basis.

(g) Taxation

Provision is made for corporation tax at the current rate on the excess of taxable revenue over allowable expenses. UK dividend revenue is disclosed net of any related tax credits. Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the taxation note.

Tax is calculated using the marginal basis i.e. the tax effect of revenue and expenditure is allocated between capital and income on the same basis as the particular item to which it relates. Deferred taxation is provided for on all timing differences that have originated but not reversed at the balance sheet date. Deferred taxation is not recognised on permanent differences. Any liability to deferred tax is provided at the average rate of tax enacted, or substantively enacted. Deferred tax assets are only recognised where it is more likely than not that there will be suitable taxable profits against which the future reversal of underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted to reflect the time value of money. Withholding tax on accrued overseas dividends is netted off against accrued revenue in the debtors note.

(h) Equalisation

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

as at 31 July 2016

(i) Dilution adjustment

On 1st February 2005 single swinging pricing was adopted for the Funds of the Company. The ACD reserves the right at its sole discretion to impose a dilution adjustment.

For example:

- (a) on a Fund experiencing net purchases (i.e. purchases less redemptions) as this could lead to trading which results in a dilutive effect;
- (b) on a Fund experiencing net redemptions (i.e. redemptions less purchases) as this could lead to trading which results in a dilutive effect;
- (c) where there may be a dilutive effect which, in the opinion of the ACD, requires the application of a dilution adjustment in the interests of existing/continuing shareholders and potential shareholders.

See the Prospectus for full details.

(j) Stamp Duty Reserve Tax (SDRT)

SDRT is charged at a maximum of 0.5% of the value of shares redeemed. Although the Authorised Corporate Director has the power to impose SDRT at the time of the share transaction, it is not the Authorised Corporate Director's policy to impose the charge to shareholders at that point. Instead, the SDRT will be charged by the Depositary to the Fund. However, in certain circumstances the Authorised Corporate Director does reserve the right at the time of dealing to charge shareholders. The SDRT is either reduced or does not apply if the Fund holds overseas investments or certain other classes of securities.

Prior to 30 March 2014 SDRT was charged at a maximum of 0.5% of the value of shares redeemed. From 30 March 2014, no SDRT is charged on the surrender of shares in each Fund, with the exception of surrenders in respect of which a shareholder receives a non-pro rata in specie redemption resulting in a transfer of underlying assets. In this instance, the SDRT will be a liability of the recipient of the underlying assets.

(k) Derivative Financial Instruments

The treatment of the returns on forward currency contracts depend upon the nature of the transaction. Where these transactions are used to protect or enhance revenue, the revenue and expenses are included within net revenue in the Statement of Total Return.

Where the transactions are used to protect or enhance investments, the gains/losses are treated as capital and included within gains/losses on investments in the Statement of Total Return. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value.

(l) Foreign currency translation

Items included in the Company's financial statements are measured using the primary economic environment in which it operates (the "functional currency"). The functional currencies of each Fund are GBP with the exception of First State Emerging Markets Local Currency Bond Fund and First State Global Interest Rates and Currency Fund which have adopted USD as their functional currency.

The Company has adopted GBP as the presentation currency for the Company as a whole. The Company's results and financial position are translated from the respective Fund's functional currency to the Company's presentation currency, as follows:

- (a) assets and liabilities, including net assets attributable to shareholders, are translated at the closing rate at the balance sheet date;
- (b) proceeds from subscriptions and amounts paid on redemption of shares are translated at average rates, which approximate the rates prevailing at the dates of the transactions; and
- (c) income and expenses are translated at average exchange rates.

Other Matters

Retail Distribution Review

Following the Financial Conduct Authority's recent "Retail Distribution Review" a total of 8,006 conversions were made from A to B share classes for an aggregate amount of approximately £1,777.1 million across all Funds of First State Investments ICVC during the period 1 August 2015 to 31 July 2016 (1 August 2014 to 31 July 2015 5,082 conversions and £1,634.2 million).

High Court Claim

In December 2006, the European Court of Justice found that the taxation by HMRC of portfolio dividends received from entities situated in EU/EEA countries prior to 1 July 2009 was discriminatory. In addition the same court found in November 2012 that the differing taxation of UK and foreign dividends (both from EU member states and third countries) is contrary to EU law. Judgement, however, is still to be given in the UK courts in respect of the test litigation case (Franked Income Investment Group). The Company has made claims against HMRC to recover tax paid in the circumstances outlined above, however it should be noted that the interest which each Fund has in these claims has not been recognised in the financial statements as the timing and amount of any benefit is uncertain. In the event claims are successful, any monies awarded by the court will be paid to the relevant Funds as a windfall to those shareholders who remain in the Fund at the date of payment of the claims.

Summary of Significant Accounting Policies applicable to all sub-funds

(continued)

as at 31 July 2016

Foreign Retrospective Tax Claims

A number of the First State Investments ICVC Funds are in the process of reclaiming tax, retrospectively for the last 5 years, with the local tax authorities in France, Taiwan and Belgium. On receipt, these amounts will be treated as windfall amounts in to the Funds and will form part of any distributable income. During the financial period, four sub-funds (Stewart Investors Indian Subcontinent Fund, Stewart Investors Asia Pacific Sustainability Fund, Stewart Investors Asia Pacific Fund and Stewart Investors Global Emerging Markets Sustainability Fund) in the Company received assessments from the Indian tax authorities regarding Minimum Alternative Tax ('MAT'). These assessments were appealed, as the Company believes MAT should not apply to foreign portfolio investors/foreign institutional investors with no permanent establishment in India. In September 2015, the Indian Government released a statement agreeing that Indian MAT should not apply to investors such as the Company and that the Government will amend legislation or issue a circular to reflect this. No provision for MAT has been recognised in the NAV of any of the four Funds.

First State Asia All-Cap Fund

Authorised Fund Manager's Report

for the period 26 October 2015 to 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

At least 80% of the net assets of the Fund will be invested in equities issued by companies that are established, operating or have their economic activity mainly in the Asia Pacific region (excluding Japan, including Australasia) and which are listed, traded or dealt in on Regulated Markets worldwide and in equity related instruments listed, traded or dealt in on Regulated Markets worldwide which provide exposure to the Asia Pacific region.

Up to 20% of the net assets of the Fund may be invested in other equities and equity related instruments which are listed, traded or dealt in on Regulated Markets worldwide.

In order to gain exposure to these types of equities and equity related instruments, up to 10% of the net assets of the Fund may be invested in other collective investment schemes, including in collective investment schemes managed by the ACD or its associates ("Associated Schemes"), and/or other Funds of the Company ("Second Funds").

Investment may be in cash or near cash.

The Fund may use derivatives for Efficient Portfolio Management purposes only.

- Clarification point: "Australasia" refers to Australia, New Zealand and other South East Asian countries.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same; it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The MSCI Asia Pacific ex Japan index gained 17.6% in sterling terms in the 12 months to the end of July 2016. Returns in sterling were exaggerated by significant sterling weakness post the 'Brexit' vote. New Zealand was the best performing market over the year, gaining 67.2% as the economy started to pick up. Indonesia also outperformed, rising by 38.8% as the government announced economic stimulus packages to boost the economy. Meanwhile, the China market lagged, increasing by 4.7% over the year in sterling terms. Weakness was driven by concerns over poor economic data and potential depreciation in the Chinese currency following the surprise devaluation in August last year.

Outlook

Little has changed in our outlook for Asian markets, which remains uncertain. Despite the increasing prevalence of negative interest rates in developed markets, global growth remains muted. This lack of growth has resulted in challenging export conditions for Asian corporates. Low, and particularly negative, interest rates are likely to have many unforeseen consequences, but for now there are few inflationary pressures. If anything, the build-up of debt may become deflationary as cash flows are directed towards debt repayment. While inflation remains muted, in Asia interest rate cuts are more likely than increases, as central banks look to stimulate domestic economies and avoid currency strength. Due to the short time period since the launch of the fund, we have not included performance-related commentary in this instance.

Authorised Fund Manager's Report

(continued)

for the period 26 October 2015 to 31 July 2016

Cumulative performance as at 31 July 2016

We are not in a position to provide performance data as the fund was launched to the market on 26 October 2015. This will be provided in future reports once the fund has attained a track record of one year.

Ten largest holdings

Stock name	31 July 2016 % of Fund
First State Indian Subcontinent Fund 3 Accumulation USD	8.03
Taiwan Semiconductor Manufacturing	4.86
CSL	4.68
HDFC Bank ADR	3.96
CK Hutchison Holdings	3.76
Towngas China	3.16
Brambles	3.01
Dr Reddy's Laboratories ADR	2.78
Delta Electronics	2.60
Tong Ren Tang Technologies 'H' Shares	2.47

Types of shares

Accumulation.

First State Asia-All Cap Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED STATES	33	0.85
260 Baidu ADR	33	0.85
IRELAND	312	8.03
20,292 First State Indian Subcontinent Fund 3 Accumulation USD†	312	8.03
JAPAN	324	8.32
100 Keyence	53	1.36
3,900 MISUMI Group	54	1.39
1,800 Pigeon	34	0.87
200 Ryohin Keikaku	34	0.87
400 Shimano	48	1.23
300 SMC	60	1.54
2,300 SMS	41	1.06
AUSTRALIA	343	8.82
15,309 Brambles	117	3.01
2,700 CSL	182	4.68
8,390 ResMed CDI	44	1.13
BANGLADESH	37	0.95
3,000 Marico Bangladesh	37	0.95
CHINA	411	10.59
270,000 China BlueChemical 'H' Shares	41	1.06
47,000 China Mengniu Dairy	60	1.54
9,400 China South Publishing & Media Group	20	0.52
14,000 ENN Energy Holdings	50	1.29
22,000 Fuyao Glass Industry Group 'H' Shares	42	1.08
86,100 Luthai Textile 'B' Shares	85	2.19
5,300 Shanghai International Airport 'A' Shares	17	0.44
80,000 Tong Ren Tang Technologies 'H' Shares	96	2.47
HONG KONG	529	13.60
4,000 AAC Technologies Holdings	28	0.72
52,000 Aeon Stores Hong Kong	33	0.85
14,600 AIA Group	69	1.77
6,500 ASM Pacific Technology	37	0.95
16,500 CK Hutchison Holdings	146	3.76
26,000 CSPC Pharmaceutical Group	17	0.44
35,000 Sun Art Retail Group	18	0.46
267,987 Towngas China	123	3.16
40,000 Vitasoy International Holdings	58	1.49
INDIA	318	8.18
3,263 Dr Reddy's Laboratories ADR	108	2.78
2,937 HDFC Bank ADR	154	3.96
4,410 Infosys ADR	56	1.44
INDONESIA	76	1.95
250,600 BFI Finance Indonesia	39	1.00
567,500 Hero Supermarket	37	0.95
MALAYSIA	36	0.93
10,000 Public Bank	36	0.93

First State Asia-All Cap Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
PHILIPPINES	280	7.20
33,470 BDO Unibank	61	1.57
180,100 DMCI Holdings	38	0.98
189,400 Manila Water	79	2.03
72,300 Robinsons Land	37	0.95
5,820 SM Investments	65	1.67
SINGAPORE	195	5.02
12,900 Dairy Farm International Holdings	65	1.67
3,800 Haw Par	19	0.49
15,026 Oversea-Chinese Banking	73	1.88
42,740 Raffles Medical Group	38	0.98
SOUTH KOREA	246	6.32
914 AMOREPACIFIC Group Preference Shares	40	1.03
1,300 Koh Young Technology	41	1.05
57 LG Chem	9	0.23
176 LG Household & Health Care Preference Shares	70	1.80
3,050 LG Preference Shares	86	2.21
SRI LANKA	45	1.16
100,668 Hemas Holdings	45	1.16
TAIWAN	594	15.28
12,000 Advantech	71	1.83
8,000 Asustek Computer	53	1.36
25,365 Delta Electronics	101	2.60
22,000 Godex International	30	0.77
7,000 Makalot Industrial	27	0.69
21,000 Posiflex Technology	85	2.19
46,000 Taiwan Semiconductor Manufacturing	189	4.86
19,000 Wistron NeWeb	38	0.98
THAILAND	111	2.85
40,800 Delta Electronics Thailand	63	1.62
11,000 Kasikornbank	48	1.23
Portfolio of investments	3,890	100.05
Net other assets	(2)	(0.05)
Total net assets	3,888	100.00

All investments held are listed, unless otherwise stated.

For the purposes of this portfolio holdings analysis, securities are shown based on their country of listing.

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as CDIs represent Chess Depositary Interests.

† This investment is a related party (see note 13).

There are no comparatives for this statement as this fund launched on 26 October 2015.

First State Asia All-Cap Fund

Comparative table

for the period 26 October 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(p)

Share class B Accumulation

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	21.29
Operating charges	(1.26)
Return after operating charges*	20.03
Closing net asset value per share (p)	120.03
Retained distributions on accumulation shares*	0.49
*after direct transaction costs of:	0.15

Performance

Return after charges (%)	20.03%
--------------------------	--------

Other information

Closing net asset value (£'000)	3,887
Closing number of shares	3,238,286
Operating charges	1.60%
Direct transaction costs	0.14%

Prices

Highest share price	121.19
Lowest share price	93.00

Share class B Accumulation was launched on 26 October 2015.

First State Asia All-Cap Fund

Comparative table

(continued)

for the period 26 October 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(c)

Share class B Accumulation (EUR share class)

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	3.61
Operating charges	(1.38)
Return after operating charges*	2.23
Closing net asset value per share (c)	102.23

Retained distributions on accumulation shares*	-
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*after direct transaction costs of:	0.14
-------------------------------------	------

Performance

Return after charges (%)	2.23%
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Other information

Closing net asset value (€'000)	1
Closing number of shares	1,050
Operating charges	1.86%
Direct transaction costs	0.14%

Prices

Highest share price	104.05
Lowest share price	86.07

Share class B Accumulation (EUR share class) was launched on 26 October 2015.

First State Asia All-Cap Fund

Statement of Total Return

for the period 26 October 2015 to 31 July 2016

	Notes	31 July 2016 £'000	£'000
Income			
Net capital gains	2		633
Revenue	3	59	
Expenses	4	(36)	
Interest payable and similar charges		-	
Net revenue before taxation		23	
Taxation	5	(7)	
Net revenue after taxation			16
Total return before distribution			649
Distribution	6		(16)
Change in net assets attributable to shareholders from investment activities			633

Statement of Change in Net Assets Attributable to Shareholders

for the period 26 October 2015 to 31 July 2016

	31 July 2016 £'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on issue of shares	3,242	
Less: Amounts payable on cancellation of shares	(3)	
		3,239
Change in net assets attributable to shareholders from investment activities		633
Retained distribution on accumulation shares		16
Closing net assets attributable to shareholders		3,888

No comparatives are shown as the fund was launched 26 October 2015.

Notes to the Financial Statements are on pages 21 to 26.

First State Asia All-Cap Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000
Assets		
Fixed assets		
Investments		3,890
Current assets		
Debtors	8	13
Cash and bank balances		26
Total assets		3,929
Liabilities		
Creditors		
Other creditors	9	(41)
Total liabilities		(41)
Net assets attributable to shareholders		3,888

No comparatives are shown as the fund was launched 26 October 2015.

Notes to the Financial Statements are on pages 21 to 26.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the period comprise:

	31 July 2016 £'000
Non-derivative securities	633
Net capital gains	<u>633</u>

3. Revenue

	31 July 2016 £'000
Overseas non-taxable revenue	54
Overseas scrip dividends	5
Total revenue	<u>59</u>

4. Expenses

	31 July 2016 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:	
ACD's periodic charge	30
ACD's periodic charge rebate	(47)
	<u>(17)</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:	
Depositary's fees	<u>2</u>
Other expenses:	
Audit fee	9
Other expenses	42
	<u>51</u>
Total expenses	<u>36</u>

as at 31 July 2016

5. Taxation31 July 2016
£'000**(a) Analysis of charge in period:**

Irrecoverable overseas tax

7

(b) Factors affecting current tax charge for the period:

The tax assessed for the period is equal to the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20%. The differences are explained below:

Net revenue before taxation

23

Corporation tax of 20%

5

Effects of:

Non taxable scrip dividends*

(1)

Overseas non-taxable revenue*

(11)

Movement in excess management expenses

7

Irrecoverable overseas tax

7

Current tax charge for period (note 5a)

7

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current year.

(d) Factors that may affect future tax charges:

At the period end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £7,311 this relates to surplus management expenses. No deferred tax asset was recognised in the current year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distribution

The distribution takes account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprises:

31 July 2016
£'000

Final distribution

16

Net distribution for the period

16

Details of the distributions per share are set out in the Distribution Tables on page 27.

7. Movement between net revenue and net distribution31 July 2016
£'000

Net revenue after taxation

16

Net distribution for the period

16

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000
Accrued revenue	5
Accrued ACD's periodic charge rebate	8
Total debtors	<u>13</u>

9. Creditors

	31 July 2016 £'000
Purchases awaiting settlement	5
Accrued expenses	36
Total creditors	<u>41</u>

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases 31 July 2016 £'000	Sales 31 July 2016 £'000
Equities	3,330	(334)
Collective Investment Schemes	260	(8)
Trades in the period before transaction costs	<u>3,590</u>	<u>(342)</u>
Commissions		
Equities	3	-
Taxes		
Equities	1	-
Total costs	<u>4</u>	<u>-</u>
Total net trades in the period after transaction costs	<u>3,594</u>	<u>(342)</u>

Total transaction cost expressed as a percentage of asset type cost:

	Purchases 31 July 2016 %	Sales 31 July 2016 %
Commissions		
Equities	0.09	-
Taxes		
Equities	0.03	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %
Commissions	0.09
Taxes	0.03
Total costs	<u>0.12</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.43%.

as at 31 July 2016

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities and no commitments.

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£389).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 0.67% of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

as at 31 July 2016

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

Net foreign currency assets
31 July 2016

Currency	Total £'000
Australian dollar	343
Bangladeshi taka	37
Chinese yuan	37
Euro	1
Hong Kong dollar	904
Indonesian rupiah	76
Japanese yen	325
Malaysian ringgit	36
Philippine peso	280
Singapore dollar	130
South Korean won	247
Sri Lankan rupee	40
Taiwanese dollar	598
Thai baht	111
US dollar	729
	<hr/>
	3,894

If foreign exchange rates move by 5% then the impact on NAV will be 5.02% (£195).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £4 due at the period end.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 100.00% of the Net Asset Value of the Fund.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. Total purchases of related party securities were £260. Total sales of related party securities were £8.

as at 31 July 2016

14. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class B Accumulation (Retail):	1.25
Share class B Accumulation (EUR share class) (Institutional):	1.25

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 17 and 18.

The distributions per share class are given in the Distribution Tables on page 27.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the period:

	26 October 2015			31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share class B Accumulation (Retail)	-	3,240,285	(1,999)	- 3,238,286
Share class B Accumulation (EUR share class) (Institutional)	-	3,049	(1,999)	- 1,050

15. Fair value

	31 July 2016
	Assets Liabilities
	£'000 £'000
Valuation technique	
Level 1	3,578 -
Level 2	312 -
Level 3	- -
Total fair value	<u>3,890 -</u>

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Asia All-Cap Fund

Distribution Tables

for the period 26 October 2015 to 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares created for initial seeding of fund prior to 26 October 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 26 October 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(p)	(p)	(p)
Interim	-	-	-
Final	0.4900	-	0.4900
Group 2	(p)	(p)	(p)
Interim	-	-	-
Final	0.4900	-	0.4900

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(c)	(c)	(c)
Interim	-	-	-
Final	0.0038	-	0.0038
Group 2	(c)	(c)	(c)
Interim	-	-	-
Final	0.0038	-	0.0038

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Authorised Fund Manager's Report

for the period 24 August 2015 to 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

At least 80% of the net assets of the Fund will be invested in large and mid-capitalisation equities issued by companies that are established, operating or have their economic activity mainly in the Asia Pacific region (excluding Japan, including Australasia) and which are listed, traded or dealt in on Regulated Markets worldwide and in equity related instruments listed, traded or dealt in on Regulated Markets worldwide which provide exposure to the Asia Pacific region.

Up to 20% of the net assets of the Fund may be invested in other equities and equity related instruments which are listed, traded or dealt in on Regulated Markets worldwide.

In order to gain exposure to these types of equities and equity related instruments, up to 10% of the net assets of the Fund may be invested in other collective investment schemes, including in collective investment schemes managed by the ACD or its associates ("Associated Schemes"), and/or other Funds of the Company ("Second Funds").

Investment may be in cash or near cash.

The Fund may use derivatives for Efficient Portfolio Management purposes only.

- Clarification point: Large and mid-capitalisation typically refers to equities with a minimum market capitalisation of US\$ 1 billion. "Australasia" refers to Australia, New Zealand and other South East Asian countries.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (USD share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same; it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The MSCI Asia Pacific ex Japan index gained 17.6% in sterling terms in the 12 months to the end of July 2016. Returns in sterling were exaggerated by significant sterling weakness post the 'Brexit' vote. New Zealand was the best performing market over the year, gaining 67.2% as the economy started to pick up. Indonesia also outperformed, rising by 38.8% as the government announced economic stimulus packages to boost the economy. Meanwhile, the China market lagged, increasing by 4.7% over the year in sterling terms. Weakness was driven by concerns over poor economic data and potential depreciation in the Chinese currency following the surprise devaluation in August last year.

for the period 24 August 2015 to 31 July 2016

Outlook

Little has changed in our outlook for Asian markets, which remains uncertain. Despite the increasing prevalence of negative interest rates in developed markets, global growth remains muted. This lack of growth has resulted in challenging export conditions for Asian corporates. Low, and particularly negative, interest rates are likely to have many unforeseen consequences, but for now there are few inflationary pressures. If anything, the build-up of debt may become deflationary as cash flows are directed towards debt repayment. While inflation remains muted, in Asia interest rate cuts are more likely than increases, as central banks look to stimulate domestic economies and avoid currency strength. Due to the short time period since the launch of the fund, we have not included performance-related commentary in this instance.

Cumulative performance as at 31 July 2016

We are not in a position to provide performance data as the fund was launched to the market on 24 August 2015. This will be provided in future reports once the fund has attained a track record of one year.

Ten largest holdings

Stock name	31 July 2016 % of Fund
First State Indian Subcontinent Fund 3 Accumulation USD	7.67
Taiwan Semiconductor Manufacturing	5.26
CSL	4.90
CK Hutchison Holdings	4.36
HDFC Bank ADR	4.28
Brambles	4.13
Delta Electronics	2.55
Dr Reddy's Laboratories ADR	2.43
Delta Electronics Thailand	2.23
Advantech	2.23

Types of shares

Accumulation.

First State Asia Focus Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM	4,499	7.67
292,359 First State Indian Subcontinent Fund 3 Accumulation USD†	4,499	7.67
UNITED STATES	1,180	2.01
5,238 3M	707	1.20
3,762 Baidu ADR	473	0.81
JAPAN	4,880	8.33
25,900 Casio Computer	281	0.48
1,700 Keyence	908	1.55
67,500 MISUMI Group	942	1.61
36,900 Pigeon	699	1.19
4,000 Ryohin Keikaku	673	1.15
5,700 Shimano	680	1.16
3,500 SMC	697	1.19
AUSTRALIA	6,877	11.72
316,634 Brambles	2,425	4.13
42,731 CSL	2,873	4.90
16,125 Ramsay Health Care	724	1.23
163,193 ResMed CDI	855	1.46
CHINA	4,385	7.47
760,000 China Mengniu Dairy	963	1.64
518,000 China Oilfield Services 'H' Shares	306	0.52
129,400 China South Publishing & Media Group	278	0.47
282,000 ENN Energy Holdings	1,015	1.73
64,654 First State China 'A' Shares Income†	744	1.27
371,600 Fuyao Glass Industry Group 'H' Shares	712	1.21
138,000 Tsingtao Brewery	367	0.63
HONG KONG	9,437	16.09
104,000 AAC Technologies Holdings	737	1.26
265,800 AIA Group	1,247	2.13
103,800 ASM Pacific Technology	585	1.00
288,500 CK Hutchison Holdings	2,561	4.36
370,000 CSPC Pharmaceutical Group	242	0.41
480,700 Hong Kong & China Gas	673	1.15
19,721 Jardine Matheson Holdings	880	1.50
187,500 Link REIT**	1,056	1.80
111,750 MTR	476	0.81
612,500 Sun Art Retail Group	321	0.55
458,000 Vitasoy International Holdings	659	1.12
INDIA	4,794	8.17
43,140 Dr Reddy's Laboratories ADR	1,428	2.43
47,893 HDFC Bank ADR	2,509	4.28
68,050 Infosys ADR	857	1.46
MALAYSIA	504	0.86
138,900 Public Bank	504	0.86
PHILIPPINES	2,887	4.92
626,560 BDO Unibank	1,142	1.95
3,494,500 DMCI Holdings	733	1.25
91,275 SM Investments	1,012	1.72
SINGAPORE	4,215	7.18
239,200 Dairy Farm International Holdings	1,205	2.05
105,783 DBS Group Holdings	915	1.56
243,589 Oversea-Chinese Banking	1,177	2.01
391,000 Singapore Telecom	918	1.56

First State Asia Focus Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
SOUTH KOREA	3,427	5.84
2,842 AMOREPACIFIC Group	278	0.47
25,509 LG	1,097	1.87
842 LG Chem	139	0.24
1,283 LG Household & Health Care	876	1.49
725 Samsung Electronics Preference Shares	621	1.06
2,306 Samsung Fire & Marine Insurance	416	0.71
TAIWAN	8,126	13.84
222,000 Advantech	1,306	2.23
119,000 Asustek Computer	785	1.34
374,589 Delta Electronics	1,496	2.55
77,000 Giant Manufacturing	394	0.67
110,000 President Chain Store	676	1.15
754,000 Taiwan Semiconductor Manufacturing	3,092	5.26
243,000 Uni-President Enterprises	377	0.64
THAILAND	2,125	3.62
842,400 Delta Electronics Thailand	1,308	2.23
187,900 Kasikornbank	817	1.39
Portfolio of investments	57,336	97.72
Net other assets	1,337	2.28
Total net assets	58,673	100.00

All investments held are listed, unless otherwise stated.

For the purposes of this portfolio holdings analysis, securities are shown based on their country of listing.

** Real Estate Investment Trust (REIT).

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as CDIs represent Chess Depositary Interests.

† This investment is a related party (see note 13).

There are no comparatives for this statement as this fund launched on 24 August 2015.

First State Asia Focus Fund

Comparative table

for the period 24 August 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(p)

Share class B Accumulation

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	36.32
Operating charges	(1.11)
Return after operating charges*	35.21
Closing net asset value per share (p)	135.21
Retained distributions on accumulation shares*	0.81
*after direct transaction costs of:	0.13

Performance

Return after charges (%)	35.21%
--------------------------	--------

Other information

Closing net asset value (£'000)	16,687
Closing number of shares	12,341,311
Operating charges	1.04%
Direct transaction costs	0.12%

Prices

Highest share price	136.40
Lowest share price	99.66

Share class B Accumulation was launched on 24 August 2015

Comparative table

(continued)

for the period 24 August 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(c)

Share class B Accumulation (EUR share class)

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	18.28
Operating charges	(0.98)
Return after operating charges*	17.30
Closing net asset value per share (c)	117.30

Retained distributions on accumulation shares*	0.72
--	------

*after direct transaction costs of:	0.13
-------------------------------------	------

Performance

Return after charges (%)	17.30%
--------------------------	--------

Other information

Closing net asset value (€'000)	49,514
Closing number of shares	42,211,296
Operating charges	0.97%
Direct transaction costs	0.12%

Prices

Highest share price	119.24
Lowest share price	97.20

Share class B Accumulation (EUR share class) was launched on 24 August 2015.

Comparative table

(continued)

for the period 24 August 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(c)

Share class B Accumulation (USD share class)

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	14.39
Operating charges	(0.94)
Return after operating charges*	13.45
Closing net asset value per share (c)	113.45

Retained distributions on accumulation shares*	0.77
--	------

*after direct transaction costs of:	0.13
-------------------------------------	------

Performance

Return after charges (%)	13.45%
--------------------------	--------

Other information

Closing net asset value (\$'000)	311
Closing number of shares	273,656
Operating charges	0.94%
Direct transaction costs	0.12%

Prices

Highest share price	114.34
Lowest share price	93.65

Share class B Accumulation (USD share class) was launched on 24 August 2015.

First State Asia Focus Fund

Statement of Total Return

for the period 24 August 2015 to 31 July 2016

	Notes	31 July 2016 £'000	£'000
Income			
Net capital gains	2		13,851
Revenue	3	823	
Expenses	4	(394)	
Interest payable and similar charges		(4)	
Net revenue before taxation		425	
Taxation	5	(70)	
Net revenue after taxation			355
Total return before distribution			14,206
Distribution	6		(355)
Change in net assets attributable to shareholders from investment activities			13,851

Statement of Change in Net Assets Attributable to Shareholders

for the period 24 August 2015 to 31 July 2016

	31 July 2016 £'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on issue of shares	49,458	
Less: Amounts payable on cancellation of shares	(5,097)	
		44,361
Dilution adjustment		103
Change in net assets attributable to shareholders from investment activities		13,851
Retained distribution on accumulation shares		358
Closing net assets attributable to shareholders		58,673

No comparatives are shown as the fund was launched 24 August 2015.

Notes to the Financial Statements are on pages 37 to 42.

First State Asia Focus Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000
Assets		
Fixed assets		
Investments		57,336
Current assets		
Debtors	8	124
Cash and bank balances		1,285
Total assets		58,745
Liabilities		
Creditors		
Other creditors	9	(72)
Total liabilities		(72)
Net assets attributable to shareholders		58,673

No comparatives are shown as the fund was launched 24 August 2015.

Notes to the Financial Statements are on pages 37 to 42.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the period comprise:

	31 July 2016 £'000
Non-derivative securities	13,719
Forward foreign exchange currency contracts	4
Currency gains	128
Net capital gains	<u>13,851</u>

3. Revenue

	31 July 2016 £'000
Overseas non-taxable revenue	790
Property revenue from overseas REITs	30
Interest from bank deposits	3
Total revenue	<u>823</u>

4. Expenses

	31 July 2016 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:	
ACD's periodic charge	<u>319</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:	
Depositary's fees	<u>7</u>
Other expenses:	
Audit fee	9
Registrar fees	7
Safe custody charges	3
Other expenses	49
	<u>68</u>
Total expenses	<u>394</u>

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

31 July 2016
£'000

(a) Analysis of charge in period:

Irrecoverable overseas tax

70

(b) Factors affecting current tax charge for the period:

The tax assessed for the period is equal to the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20%. The differences are explained below:

Net revenue before taxation

425

Corporation tax of 20%

85

Effects of:

Overseas non-taxable revenue*

(158)

Movement in excess management expenses

73

Irrecoverable overseas tax

70

Current tax charge for period (note 5a)

70

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current year.

(d) Factors that may affect future tax charges:

At the period end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £72,963 this relates to surplus management expenses. No deferred tax asset was recognised in the current year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distribution

The distribution takes account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprises:

31 July 2016
£'000

Final distribution

358

Add: revenue deducted on cancellation of shares

12

Deduct: revenue received on issue of shares

(15)

Net distribution for the period

355

Details of the distributions per share are set out in the Distribution Tables on page 43.

7. Movement between net revenue and net distribution

31 July 2016
£'000

Net revenue after taxation

355

Net distribution for the period

355

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000
Amounts receivable for issue of shares	59
Accrued revenue	65
Total debtors	<u>124</u>

9. Creditors

	31 July 2016 £'000
Accrued expenses	72
Total creditors	<u>72</u>

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases 31 July 2016 £'000	Sales 31 July 2016 £'000
Equities	47,140	3,581
Commissions		
Equities	29	(4)
Taxes		
Equities	15	(2)
Total costs	<u>44</u>	<u>(6)</u>
Total net trades in the period after transaction costs	<u>47,184</u>	<u>3,575</u>

Total transaction cost expressed as a percentage of asset type cost:

	Purchases 31 July 2016 %	Sales 31 July 2016 %
Commissions		
Equities	0.06	0.11
Taxes		
Equities	0.03	0.06

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %
Commissions	0.08
Taxes	0.04
Total costs	<u>0.12</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.23%.

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities and no commitments.

as at 31 July 2016

12. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£5,734).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 2.19% of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) *Analysis of the Fund's currency exposure*

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

Net foreign currency assets
31 July 2016

Currency	Total £'000
Australian dollar	6,877
Chinese yuan	278
Euro	438
Hong Kong dollar	11,926
Japanese yen	4,887
Malaysian ringgit	504
Philippine peso	2,887
Singapore dollar	3,011
South Korean won	3,429
Taiwanese dollar	8,186
Thai baht	2,124
US dollar	13,560
	<u>58,107</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.95% (£2,905).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £39 due at the period end.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. Total purchases of related party securities were £4,059. Total sales of related party securities were £nil.

14. Share classes

The Fund has three share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class B Accumulation (Retail):	0.85
Share class B Accumulation (EUR share class) (Institutional):	0.85
Share class B Accumulation (USD share class) (Institutional):	0.85

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 32 to 34.

The distributions per share class are given in the Distribution Tables on page 43.

Reconciliation of the shares movement in the period:

	24 August 2015			31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share class B Accumulation (Retail)	-	12,713,274	(371,963)	- 12,341,311
Share class B Accumulation (EUR share class) (Institutional)	-	47,740,995	(5,529,699)	- 42,211,296
Share class B Accumulation (USD share class) (Institutional)	-	275,655	(1,999)	- 273,656

Notes to the Financial Statements

(continued)

as at 31 July 2016

15. Fair value

Valuation technique	31 July 2016	
	Assets	Liabilities
	£'000	£'000
Level 1	52,093	-
Level 2	5,243	-
Level 3	-	-
Total fair value	57,336	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Asia Focus Fund

Distribution Tables

for the period 24 August 2015 to 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares created for initial seeding of fund prior to 24 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 24 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(p)	(p)	(p)
Interim	-	-	-
Final	0.8062	-	0.8062
Group 2	(p)	(p)	(p)
Interim	-	-	-
Final	0.6687	0.1375	0.8062

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(c)	(c)	(c)
Interim	-	-	-
Final	0.7229	-	0.7229
Group 2	(c)	(c)	(c)
Interim	-	-	-
Final	0.5183	0.2046	0.7229

Share class B Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(c)	(c)	(c)
Interim	-	-	-
Final	0.7653	-	0.7653
Group 2	(c)	(c)	(c)
Interim	-	-	-
Final	-	0.7653	0.7653

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests in equities issued by companies that are incorporated or listed, or which conduct the majority of their economic activity, in the Asia Pacific region (excluding Japan, including Australasia).

- Clarification point: "Australasia" refers to Australia, New Zealand and other South East Asian countries.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6
Share class A Income	1	2	3	4	5	6
Share class B Accumulation	1	2	3	4	5	6
Share class B Income	1	2	3	4	5	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same; it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 18.7% in sterling terms over the year and has provided returns of 41.5% and 62.4% over three and five years to 31 July 2016.

Performance was helped by CSL (Australia: Health Care) which gained on the back of positive results from its key business areas, including plasma products and vaccines. Brambles (Australia: Industrials) rose as it continued to deliver strong operational performance and Newcrest Mining (Australia: Materials) climbed as the gold price rose strongly over the period.

On the negative side, DBS Group (Singapore: Financials) was weak because of concerns about exposure to China and Dr Reddy's Laboratories (India: Health Care) declined as results indicated short-term weakness in their US business. Ezion (Singapore: Energy) was influenced by a subdued oil price.

Portfolio changes

Significant purchases over the period included Indoco Remedies (India: Health Care) after a meeting with the managing director confirmed the quality of the management and China Mengniu Dairy (Consumer Staples) which was attractively valued and better managed following a milk scandal in the past. We also bought Zhongsheng Group (China: Consumer Discretionary) which has quality stewards and improving operations.

We sold DBS Group (Singapore: Financials) because of worries about management strategy and Lupin (India: Health Care) on valuation concerns. We also sold XL Axiata (Indonesia: Telecom Services) because of a weak market position and concerns about the balance sheet.

Outlook

We maintain a cautious stance and continue to hold a high cash position in the portfolio. We have become less positive about the outlook for Singaporean banks given some lending policies. Quality companies across the region remain expensive in terms of valuation, although we are finding a few more ideas to investigate following research trips. We remain focused on investing in companies which should benefit from and contribute to the sustainable development of the region over the long-term.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	15.2	24.8	18.7	41.5	62.4	279.2	4,205.9
Benchmark return %	17.1	25.3	17.2	23.6	30.0	147.5	853.0
Sector return %	17.9	27.1	19.0	25.2	31.1	158.3	1,547.5
Quartile ranking	4	4	3	1	1	1	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	18.7	9.1	9.3	14.6	0.1

*Benchmark: MSCI AC Asia Pacific (ex-Japan) Index.**Sector: IA Asia Pacific (ex-Japan).**Past performance should not be used as a guide to future performance, which is not guaranteed.*

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Brambles	4.17	CSL	4.81
Oversea-Chinese Banking	4.07	Oversea-Chinese Banking	4.03
CSL	3.98	CK Hutchison Holdings	3.91
Newcrest Mining	3.56	Taiwan Semiconductor Manufacturing	3.84
Taiwan Semiconductor Manufacturing	3.49	Brambles	3.47
Standard Foods	3.03	Standard Foods	2.84
Tata Consultancy Services	2.93	AIA Group	2.54
MediaTek	2.34	Hong Kong & China Gas	2.52
Delfi	2.21	DBS Group Holdings	2.51
Cyient	2.20	Kotak Mahindra Bank	2.14

Types of shares

Income and Accumulation.

Stewart Investors Asia Pacific Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (0.53%*)‡	7,882	0.94
14,171,832 Chaarat Gold Holdings	923	0.11
2,608,695 Myanmar Investments International	2,870	0.34
869,565 Myanmar Investments International Warrants Expiry 21/06/2018	-	-
1,777,922 REA Holdings	4,089	0.49
JAPAN (0.97%*)	-	-
AUSTRALIA (12.10%*)	98,215	11.71
4,566,438 Brambles	34,969	4.17
496,733 CSL	33,397	3.98
2,096,353 Newcrest Mining	29,849	3.56
CHINA (1.00%*)	15,992	1.90
9,348,000 China Mengniu Dairy	11,851	1.41
2,611,787 Weifu High-Technology Group 'B' Shares	4,141	0.49
HONG KONG (17.99%*)	139,800	16.65
3,728,000 AIA Group	17,486	2.08
947,700 ASM Pacific Technology	5,340	0.64
7,754,000 Cathay Pacific Airways	9,527	1.14
1,960,756 CK Hutchison Holdings	17,406	2.07
13,504,000 Convenience Retail Asia	4,623	0.55
17,757,000 Greatview Aseptic Packaging	6,983	0.83
3,345,000 Hang Lung Group	8,197	0.98
12,114,502 Hong Kong & China Gas	16,970	2.02
1,390,000 Hong Kong Aircraft Engineering	6,866	0.82
41,446,000 Li & Fung	15,730	1.87
22,894,000 Public Financial Holdings	7,323	0.87
54,214,000 Singamas Container Holdings	3,871	0.46
10,000,000 Trinity	587	0.07
6,402,931 Vitasoy International Holdings	9,207	1.10
20,928,930 Zhongsheng Group Holdings	9,684	1.15
INDIA (24.20%*)	185,466	22.10
3,287,280 Cyient	18,471	2.20
490,605 Dr Reddy's Laboratories	16,285	1.94
1,272,665 Godrej Properties	5,203	0.62
1,131,631 Great Eastern Shipping	4,303	0.51
997,551 Housing Development Finance	15,539	1.85
7,043,582 Idea Cellular	8,366	1.00
7,913,409 IDFC	4,926	0.59
10,619,850 IDFC Bank	6,220	0.74
2,571,461 Indoco Remedies	8,978	1.07
584,712 Infosys	7,121	0.85
556,271 Infosys ADR	7,003	0.83
989,048 Kotak Mahindra Bank	8,549	1.02
823,260 Mahindra Lifespace Developers	4,127	0.49
3,299,577 Marico	10,616	1.26
1,706,180 S H Kelkar	4,921	0.59
437,173 Shriram Transport Finance	6,336	0.76
828,739 Tata Consultancy Services	24,598	2.93
7,952,367 Tata Global Beverages	12,829	1.53
223,524 Trent	4,639	0.55
792,829 Tube Investments of India	4,931	0.59
163,763 United Breweries	1,505	0.18

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
INDONESIA (1.49%*)	-	-
PHILIPPINES (1.71%*)	12,675	1.51
327,710 Ayala	4,592	0.55
19,337,200 Manila Water	8,083	0.96
SINGAPORE (15.90%*)	109,072	12.99
3,101,200 Bukit Sembawang Estates	8,747	1.04
1,474,800 Dairy Farm International Holdings	7,431	0.89
14,090,400 Delfi	18,525	2.21
33,558,070 Ezion Holdings	5,562	0.66
23,909,320 Ezion Holdings Warrants Expiry 24/04/2020	873	0.10
685,400 Great Eastern Holdings	8,410	1.00
1,819,800 Haw Par	9,284	1.11
3,202,000 Hong Leong Finance	4,066	0.48
7,069,849 Oversea-Chinese Banking	34,161	4.07
13,575,660 Raffles Medical Group	12,013	1.43
SOUTH KOREA (3.56%*)	35,654	4.25
45,101 AMOREPACIFIC Group	4,415	0.53
5,930 KT	128	0.02
343,308 KT ADR	3,981	0.47
9,293 LG Household & Health Care Preference Shares	3,670	0.44
129,158 LG Preference Shares	3,640	0.43
428,450 Shinhan Financial Group	11,596	1.38
200,336 Youngone Holdings	8,224	0.98
SRI LANKA (1.28%*)	20,114	2.40
103,790 Commercial Bank of Ceylon	70	0.01
37,613,700 Dialog Axiata	2,153	0.26
6,435,960 Hemas Holdings	2,881	0.34
12,765,250 Nations Trust Bank	5,315	0.63
49,278,338 Textured Jersey Lanka	9,695	1.16
TAIWAN (13.62%*)	129,936	15.47
2,540,000 Asustek Computer	16,755	2.00
9,202,000 Chroma ATE	17,565	2.09
1,615,290 Delta Electronics	6,451	0.77
22,298,494 E.Sun Financial Holding	9,435	1.12
1,039,000 Giant Manufacturing	5,310	0.63
3,396,000 MediaTek	19,657	2.34
13,498,862 Standard Foods	25,446	3.03
7,149,646 Taiwan Semiconductor Manufacturing	29,317	3.49
THAILAND (0.63%*)	13,166	1.57
8,481,700 Delta Electronics Thailand	13,166	1.57
VIETNAM (0.29%*)	-	-
Portfolio of investments	767,972	91.49
Net other assets	71,459	8.51
Total net assets	839,431	100.00

All investments held are listed, unless otherwise stated.

For the purposes of this portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as ADRs represent American Depositary Receipts.

‡ Since the previous report the Country Sector Classification headings have been updated by data providers. The current holdings and comparative holdings have been restated as appropriate.

Stewart Investors Asia Pacific Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	974.76	894.13	818.07
Return before operating charges*	199.91	98.74	91.15
Operating charges	(17.92)	(18.11)	(15.09)
Return after operating charges*	181.99	80.63	76.06
Closing net asset value per share (p)	1,156.75	974.76	894.13
Retained distributions on accumulation shares*	2.88	3.86	0.07
*after direct transaction costs of:	1.14	1.85	1.95
Performance			
Return after charges (%)	18.67%	9.02%	9.30%
Other information			
Closing net asset value (£'000)	137,622	187,090	225,373
Closing number of shares	11,897,315	19,193,517	25,205,827
Operating charges	1.85%	1.84%	1.87%
Direct transaction costs	0.12%	0.19%	0.24%
Prices			
Highest share price	1,168.03	1,104.16	895.66
Lowest share price	851.43	884.46	754.19

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	177.12	163.13	149.26
Return before operating charges*	36.74	17.85	16.56
Operating charges	(3.18)	(3.25)	(2.69)
Return after operating charges*	33.56	14.60	13.87
Distributions on income shares	(1.00)	(0.61)	-
Closing net asset value per share (p)	209.68	177.12	163.13
*after direct transaction costs of:	0.21	0.34	0.36
Performance			
Return after charges (%)	18.95%	8.95%	9.29%
Other information			
Closing net asset value (£'000)	740	1,167	1,176
Closing number of shares	352,634	658,935	721,018
Operating charges	1.81%	1.81%	1.83%
Direct transaction costs	0.12%	0.19%	0.24%
Prices			
Highest share price	212.74	201.38	163.41
Lowest share price	154.70	161.36	137.60

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	1,084.97	987.78	896.94
Return before operating charges*	223.92	108.89	100.52
Operating charges	(11.70)	(11.70)	(9.68)
Return after operating charges*	212.22	97.19	90.84
Closing net asset value per share (p)	1,297.19	1,084.97	987.78
Retained distributions on accumulation shares*	11.63	12.57	7.14
*after direct transaction costs of:	1.29	2.05	2.15
Performance			
Return after charges (%)	19.56%	9.84%	10.13%
Other information			
Closing net asset value (£'000)	677,506	561,922	516,912
Closing number of shares	52,228,673	51,791,600	52,330,464
Operating charges	1.08%	1.07%	1.09%
Direct transaction costs	0.12%	0.19%	0.24%
Prices			
Highest share price	1,309.65	1,226.47	989.47
Lowest share price	948.16	977.24	829.99

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	177.56	163.52	149.60
Return before operating charges*	36.73	17.92	16.71
Operating charges	(1.94)	(1.95)	(1.63)
Return after operating charges*	34.79	15.97	15.08
Distributions on income shares	(2.05)	(1.93)	(1.16)
Closing net asset value per share (p)	210.30	177.56	163.52
*after direct transaction costs of:	0.21	0.34	0.36
Performance			
Return after charges (%)	19.59%	9.77%	10.08%
Other information			
Closing net asset value (£'000)	23,563	19,455	18,968
Closing number of shares	11,204,534	10,956,892	11,599,468
Operating charges	1.09%	1.08%	1.10%
Direct transaction costs	0.12%	0.19%	0.24%
Prices			
Highest share price	213.88	202.39	164.78
Lowest share price	155.17	161.78	138.42

Stewart Investors Asia Pacific Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		127,273		68,690
Revenue	3	16,117		17,200	
Expenses	4	(8,836)		(10,381)	
Interest payable and similar charges		(1)		-	
Net revenue before taxation		7,280		6,819	
Taxation	5	(1,447)		(526)	
Net revenue after taxation			5,833		6,293
Total return before distributions			133,106		74,983
Distributions	6		(6,725)		(7,624)
Change in net assets attributable to shareholders from investment activities			126,381		67,359

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		769,634		762,429
Amounts receivable on issue of shares	17,995		51,955	
Less: Amounts payable on cancellation of shares	(81,136)		(119,480)	
		(63,141)		(67,525)
Dilution adjustment		167		115
Change in net assets attributable to shareholders from investment activities		126,381		67,359
Retained distribution on accumulation shares		6,390		7,256
Closing net assets attributable to shareholders		839,431		769,634

Notes to the Financial Statements are on pages 54 to 59.

Stewart Investors Asia Pacific Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>767,972</u>	<u>733,243</u>
Current assets			
Debtors	8	1,533	2,557
Cash and bank balances		<u>73,679</u>	<u>42,827</u>
Total assets		<u>843,184</u>	<u>778,627</u>
Liabilities			
Creditors			
Distribution payable		(177)	(163)
Other creditors	9	<u>(3,576)</u>	<u>(8,830)</u>
Total liabilities		<u>(3,753)</u>	<u>(8,993)</u>
Net assets attributable to shareholders		<u>839,431</u>	<u>769,634</u>

Notes to the Financial Statements are on pages 54 to 59.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	123,401	68,380
Forward foreign exchange currency contracts	-	11
Currency gains	3,872	299
Net capital gains	127,273	68,690

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	-	6
Overseas taxable revenue	(226)	(335)
Overseas non-taxable revenue	14,635	15,592
Property revenue from overseas REITs	208	-
Overseas scrip dividends	1,162	929
Distributions from Regulated Collective Investment Schemes:		
Offshore distribution non taxable	-	323
Interest from bank deposits	6	51
Front end load income	332	634
Total revenue	16,117	17,200

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	8,251	9,781
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	95	110
Other expenses:		
Audit fee	9	9
Registrar fees	128	117
Safe custody charges	140	245
Other expenses	213	119
	490	490
Total expenses	8,836	10,381

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	630	(733)
Indian capital gains tax	817	1,259
Total taxation	1,447	526
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	7,280	6,819
Corporation tax of 20% (2015: 20%)	1,456	1,364
Effects of:		
UK dividends*	-	(1)
Non taxable scrip dividends*	(232)	(186)
Overseas non-taxable revenue*	(2,927)	(3,183)
Movement in excess management expenses	1,703	2,006
Irrecoverable overseas tax	630	(733)
Indian capital gains tax	817	1,259
Current tax charge for year (note 5a)	1,447	526

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £14,511,785 (31/07/15: £12,808,370) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	1,335	1,851
Final distribution	5,287	5,621
	6,622	7,472
Add: revenue deducted on cancellation of shares	223	208
Deduct: revenue received on issue of shares	(120)	(56)
Net distributions for the year	6,725	7,624

Details of the distribution per share is set out in the Distribution Tables on pages 60 to 61.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	5,833	6,293
Movement in net income as a result of conversions	84	72
Expenses charged to capital	(11)	-
Tax relief on expenses charged to capital	2	-
Indian capital gains tax	817	1,259
Net distributions for the year	6,725	7,624

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	31	273
Amounts receivable for issue of shares	166	54
Accrued revenue	1,336	2,230
Total debtors	1,533	2,557

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	1,032	7,253
Amounts payable for cancellation of shares	1,514	469
Accrued expenses	1,030	1,108
Total creditors	3,576	8,830

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	184,622	269,361	273,056	334,589
Trades in the year before transaction costs	184,622	269,361	273,056	334,589
Commissions				
Equities	161	457	(204)	(475)
Taxes				
Equities	168	170	(320)	(421)
Total costs	329	627	(524)	(896)
Total net trades in the year after transaction costs	184,951	269,988	272,532	333,693

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.09	0.17	0.07	0.14
Taxes				
Equities	0.09	0.06	0.12	0.13

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.05	0.11
Taxes	0.07	0.07
Total costs	0.12	0.18

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.52% (31/07/2015: 0.45%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£76,797) (31/07/15: £73,324).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 8.78% (31/07/15: 5.56%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Asia Pacific Fund would have been an increase or decrease of approximately £184 (31/07/15: £107).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
	Total £'000	Total £'000
Currency		
Australian dollar	98,216	93,047
Hong Kong dollar	155,904	145,707
Indian rupee	178,787	179,089
Indonesian rupiah	-	12,372
Japanese yen	-	7,529
Philippine peso	12,675	11,812
Singapore dollar	107,844	116,920
South Korean won	31,673	27,403
Sri Lankan rupee	20,114	8,960
Taiwanese dollar	131,063	105,656
Thai baht	12,187	4,876
US dollar	39,225	29,682
Vietnamese dong	-	2,267
	<u>787,688</u>	<u>745,320</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.69% (£39,384) (31/07/15: 4.84% (£37,266)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £735 (31/07/15: £785) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.00% (31/07/15: 0.01%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.54% (31/07/15: 0.45%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class A Income (Retail):	1.75
Share class B Accumulation (Retail):	1.00
Share class B Income (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 48 to 51.

The distributions per share class are given in the Distribution Tables on pages 60 to 61.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015				31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	19,193,517	44,771	(2,512,581)	(4,828,392)	11,897,315
Share class A Income (Retail)	658,935	46,027	(92,769)	(259,559)	352,634
Share class B Accumulation (Retail)	51,791,600	2,112,443	(5,890,273)	4,214,903	52,228,673
Share class B Income (Institutional)	10,956,892	438,944	(1,116,992)	925,690	11,204,534

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	767,972	-	733,243	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	767,972	-	733,243	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Asia Pacific Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	2.8820	-	2.8820	3.8570
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	2.4436	0.4384	2.8820	3.8570

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	1.0044	-	1.0044	0.6115
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.5677	0.4367	1.0044	0.6115

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	2.5027	-	2.5027	3.4637
Final	9.1282	-	9.1282	9.1088
Group 2	(p)	(p)	(p)	(p)
Interim	-	2.5027	2.5027	3.4637
Final	1.1642	7.9640	9.1282	9.1088

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.5012	-	0.5012	0.4767
Final	1.5454	-	1.5454	1.4536
Group 2	(p)	(p)	(p)	(p)
Interim	0.0477	0.4535	0.5012	0.4767
Final	0.7238	0.8216	1.5454	1.4536

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests in large and mid-capitalisation equities issued by companies that are incorporated or listed, or which conduct the majority of their economic activity, in the Asia Pacific region (excluding Japan, including Australasia).

Particular consideration is given to investment in companies that are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

- Clarification point: Large and mid capitalisation typically refers to equities with a minimum market capitalisation of US\$1 billion and a minimum free float of US\$500 million. "Australasia" refers to Australia, New Zealand and other South East Asian countries.

Risks and reward profile

	← Lower Risk				Higher Risk →		
	Potentially Lower Rewards				Potentially Higher Rewards		
Share class A Accumulation	1	2	3	4	5	6	7
Share class A Income	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Income	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class A Income (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Income (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same; it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 17.0% in sterling terms over the year and has provided returns of 35.5% and 54.2% over three and five years to 31 July 2016.

Performance was helped by CSL (Australia: Health Care) which gained on the back of positive results from its key business areas, including plasma products and vaccines. Brambles (Australia: Industrials) rose as it continued to deliver strong operational performance and Taiwan Semiconductor (Information Technology) climbed as it delivered strong results.

On the negative side, DBS Group (Singapore: Financials) was weak because of concerns about exposure to China and Dr Reddy's Laboratories (India: Health Care) declined following comments from the US Federal Drugs Administration (FDA) about compliance with manufacturing practices. We remain positive about the outlook for the company and continue to engage with management. Li & Fung (Hong Kong: Consumer Discretionary) was impacted by key customers experiencing difficult times.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Portfolio changes

Significant purchases over the period included Marico (India: Consumer Staples), a high quality Indian consumer franchise with a strong sustainability focus, and Unicharm (Japan: Consumer Staples), a quality franchise with improving market share. We also bought Wipro (India: Information Technology), an Indian IT company backed by quality stewards.

We sold DBS Group (Singapore: Financials) on concerns about the quality of its loan book and Pigeon Corp (Japan: Consumer Staples) as we believed it was fully valued. We sold Axiata Group (Malaysia: Telecom Services) on increasing worries about the core Malaysian franchise.

Outlook

We maintain a cautious stance and continue to hold a high cash position in the portfolio. We have become less positive about the outlook for Singaporean banks given some lending policies. Quality companies across the region remain expensive in terms of valuation, although we are finding a few more ideas to investigate following research trips. We remain focused on investing in companies which should benefit from and contribute to the sustainable development of the region over the long-term.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	15.5	23.2	17.0	35.5	54.2	263.4	472.1
Benchmark return %	17.1	25.3	17.2	23.6	30.0	147.5	284.7
Sector return %	17.9	27.1	19.0	25.2	31.1	158.3	288.5
Quartile ranking	4	4	3	1	1	1	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	17.0	10.1	5.3	14.1	(0.3)

Benchmark: MSCI Asia Pacific (ex-Japan) Index.

Sector: IA Asia Pacific (ex-Japan).

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Taiwan Semiconductor Manufacturing	6.17	CSL	5.53
Brambles	6.05	Oversea-Chinese Banking	5.18
CSL	5.44	CK Hutchison Holdings	5.10
Oversea-Chinese Banking	5.06	Brambles	4.99
Unicharm	3.96	Taiwan Semiconductor Manufacturing	4.83
Asustek Computer	3.20	Housing Development Finance	3.47
Tata Consultancy Services	3.14	Asustek Computer	3.31
Hong Kong & China Gas	2.98	Kotak Mahindra Bank	3.18
CK Hutchison Holdings	2.74	DBS Group Holdings	3.07
Kotak Mahindra Bank	2.68	Hong Kong & China Gas	2.98

Types of shares

Income and Accumulation.

Stewart Investors Asia Pacific Leaders Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED STATES (0.79%*)	97,762	1.03
1,961,186 ResMed	97,762	1.03
JAPAN (1.44%*)	378,148	3.97
57,700 Nippon Paint Holdings	1,205	0.01
24,186,200 Unicharm	376,943	3.96
AUSTRALIA (15.05%*)	1,201,050	12.60
75,273,622 Brambles	576,428	6.05
7,711,963 CSL	518,502	5.44
7,452,944 Newcrest Mining	106,120	1.11
CHINA (0.60%*)	140,956	1.48
111,186,000 China Mengniu Dairy	140,956	1.48
HONG KONG (16.66%*)	1,390,957	14.60
50,786,600 AIA Group	238,213	2.50
18,174,200 ASM Pacific Technology	102,402	1.08
93,202,000 Cathay Pacific Airways	114,510	1.20
29,420,436 CK Hutchison Holdings	261,171	2.74
202,619,831 Hong Kong & China Gas	283,827	2.98
488,076,000 Li & Fung	185,245	1.94
21,949,000 Link REIT**	123,670	1.30
26,755,500 Yue Yuen Industrial Holdings	81,919	0.86
INDIA (24.53%*)	2,571,724	27.02
5,377,008 Dr Reddy's Laboratories	178,476	1.87
1,108,174 Dr Reddy's Laboratories ADR	36,673	0.39
8,548,427 Godrej Consumer Products	153,924	1.62
15,502,140 Housing Development Finance	241,472	2.54
116,671,993 Idea Cellular	138,582	1.46
103,927,160 IDFC	64,695	0.68
88,125,165 IDFC Bank	51,613	0.54
8,279,671 Infosys	100,831	1.06
11,289,200 Infosys ADR	142,122	1.49
29,558,894 Kotak Mahindra Bank	255,497	2.68
10,956,806 Lupin	216,119	2.27
8,625,443 Mahindra & Mahindra	143,350	1.51
49,132,001 Marico	158,072	1.66
10,067,414 Tata Consultancy Services	298,808	3.14
42,587,749 Tech Mahindra	232,809	2.44
25,691,847 Wipro	158,681	1.67
MALAYSIA (1.81%*)	-	-
PHILIPPINES (1.42%*)	314,848	3.31
12,882,900 Ayala	180,539	1.90
86,855,650 Bank of the Philippine Islands	134,309	1.41
SINGAPORE (9.99%*)	597,563	6.28
20,768,100 Dairy Farm International Holdings	104,644	1.10
67,939,700 Ezion Holdings	11,261	0.12
99,682,115 Oversea-Chinese Banking	481,658	5.06
SOUTH KOREA (3.20%*)	218,438	2.29
1,974,013 LG	84,918	0.89
4,933,492 Shinhan Financial Group	133,520	1.40

Stewart Investors Asia Pacific Leaders Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
TAIWAN (15.10%*)	1,728,592	18.15
46,193,000 Asustek Computer	304,709	3.20
45,128,622 Delta Electronics	180,222	1.89
408,308,446 E.Sun Financial Holding	172,764	1.81
23,849,000 Giant Manufacturing	121,886	1.28
41,959,000 MediaTek	242,868	2.55
19,323,208 President Chain Store	118,737	1.25
143,252,807 Taiwan Semiconductor Manufacturing	587,406	6.17
Portfolio of investments	8,640,038	90.73
Net other assets	882,880	9.27
Total net assets	9,522,918	100.00

All investments held are listed, unless otherwise stated.

For the purposes of this portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

** Real Estate Investment Trust (REIT).

Stocks shown as ADRs represent American Depositary Receipts.

Stewart Investors Asia Pacific Leaders Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	488.49	443.94	421.75
Return before operating charges*	90.41	52.10	28.52
Operating charges	(7.45)	(7.55)	(6.33)
Return after operating charges*	82.96	44.55	22.19
Closing net asset value per share (p)	571.45	488.49	443.94
Retained distributions on accumulation shares*	3.26	1.26	1.03
*after direct transaction costs of:	0.31	0.68	0.81
Performance			
Return after charges (%)	16.98%	10.04%	5.26%
Other information			
Closing net asset value (£'000)	1,094,801	1,430,800	1,756,275
Closing number of shares	191,583,486	292,903,909	395,609,987
Operating charges	1.54%	1.55%	1.55%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	576.08	551.03	445.73
Lowest share price	430.34	437.27	378.91

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	169.62	154.55	147.10
Return before operating charges*	31.34	18.14	9.94
Operating charges	(2.69)	(2.73)	(2.29)
Return after operating charges*	28.65	15.41	7.65
Distributions on income shares	(1.00)	(0.34)	(0.20)
Closing net asset value per share (p)	197.27	169.62	154.55
*after direct transaction costs of:	0.11	0.24	0.28
Performance			
Return after charges (%)	16.89%	9.97%	5.20%
Other information			
Closing net asset value (£'000)	17,429	27,737	35,004
Closing number of shares	8,835,101	16,352,568	22,649,182
Operating charges	1.61%	1.61%	1.61%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	199.81	191.76	155.38
Lowest share price	149.42	152.22	132.12

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	522.95	472.16	445.62
Return before operating charges*	97.47	55.49	30.44
Operating charges	(4.63)	(4.70)	(3.90)
Return after operating charges*	92.84	50.79	26.54
Closing net asset value per share (p)	615.79	522.95	472.16
Retained distributions on accumulation shares*	6.94	4.96	4.04
*after direct transaction costs of:	0.34	0.73	0.86
Performance			
Return after charges (%)	17.75%	10.76%	5.96%
Other information			
Closing net asset value (£'000)	6,164,056	4,668,235	3,612,764
Closing number of shares	1,001,003,678	892,673,897	765,158,760
Operating charges	0.89%	0.90%	0.90%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	620.75	588.75	474.05
Lowest share price	460.89	465.12	401.66

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	170.38	155.28	147.86
Return before operating charges*	31.59	18.26	10.06
Operating charges	(1.54)	(1.56)	(1.32)
Return after operating charges*	30.05	16.70	8.74
Distributions on income shares	(2.22)	(1.60)	(1.32)
Closing net asset value per share (p)	198.21	170.38	155.28
*after direct transaction costs of:	0.11	0.24	0.29
Performance			
Return after charges (%)	17.64%	10.75%	5.91%
Other information			
Closing net asset value (£'000)	982,221	739,934	556,202
Closing number of shares	495,535,979	434,294,368	358,184,522
Operating charges	0.91%	0.91%	0.92%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	201.40	193.32	156.99
Lowest share price	150.16	152.97	133.26

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	219.54	177.36	153.19
Return before operating charges*	(1.72)	45.37	26.61
Operating charges	(3.13)	(3.19)	(2.44)
Return after operating charges*	(4.85)	42.18	24.17
Closing net asset value per share (c)	214.69	219.54	177.36
Retained distributions on accumulation shares*	1.24	0.66	0.42
*after direct transaction costs of:	0.13	0.29	0.31
Performance			
Return after charges (%)	(2.21)%	23.78%	15.78%
Other information			
Closing net asset value (€'000)	255,108	364,766	288,526
Closing number of shares	118,828,488	166,151,750	162,680,690
Operating charges	1.55%	1.55%	1.56%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	221.11	242.08	178.44
Lowest share price	181.21	173.81	143.88

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	204.58	165.84	143.66
Return before operating charges*	(1.60)	42.45	24.94
Operating charges	(3.03)	(3.09)	(2.33)
Return after operating charges*	(4.63)	39.36	22.61
Distributions on income shares	(1.08)	(0.62)	(0.43)
Closing net asset value per share (c)	198.87	204.58	165.84
*after direct transaction costs of:	0.12	0.27	0.29
Performance			
Return after charges (%)	(2.26)%	23.73%	15.74%
Other information			
Closing net asset value (€'000)	26,190	25,684	13,584
Closing number of shares	13,169,388	12,555,171	8,191,381
Operating charges	1.60%	1.60%	1.59%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	206.03	226.29	167.28
Lowest share price	168.73	162.52	134.93

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	200.31	160.76	137.94
Return before operating charges*	(1.47)	41.22	24.09
Operating charges	(1.64)	(1.67)	(1.27)
Return after operating charges*	(3.11)	39.55	22.82
Closing net asset value per share (c)	197.20	200.31	160.76
Retained distributions on accumulation shares*	2.30	1.88	1.37
*after direct transaction costs of:	0.12	0.26	0.28
Performance			
Return after charges (%)	(1.55)%	24.60%	16.54%
Other information			
Closing net asset value (€'000)	1,200,186	1,316,921	964,564
Closing number of shares	608,629,382	657,424,854	600,003,366
Operating charges	0.88%	0.89%	0.90%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	201.76	220.45	161.73
Lowest share price	165.94	157.57	129.62

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	148.66	120.44	100.00
Return before operating charges*	(1.18)	30.92	22.29
Operating charges	(1.19)	(1.29)	(0.97)
Return after operating charges*	(2.37)	29.63	21.32
Distributions on income shares	(1.71)	(1.41)	(0.88)
Closing net asset value per share (c)	144.58	148.66	120.44
*after direct transaction costs of:	0.09	0.20	0.22
Performance			
Return after charges (%)	(1.59)%	24.60%	21.32%
Other information			
Closing net asset value (€'000)	18,014	24,576	2,401
Closing number of shares	12,460,278	16,532,526	1,994,050
Operating charges	0.87%	0.90%	0.89%
Direct transaction costs	0.06%	0.14%	0.20%
Prices			
Highest share price	149.73	164.88	122.05
Lowest share price	122.64	118.04	100.00

Share class B Income (EUR share class) was launched on 13 February 2014.

Stewart Investors Asia Pacific Leaders Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		1,310,750		687,655
Revenue	3	179,707		152,786	
Expenses	4	(80,427)		(84,844)	
Interest payable and similar charges		(99)		(11)	
Net revenue before taxation		99,181		67,931	
Taxation	5	(1,206)		(8,504)	
Net revenue after taxation			97,975		59,427
Total return before distributions			1,408,725		747,082
Distributions	6		(98,489)		(63,088)
Change in net assets attributable to shareholders from investment activities			1,310,236		683,994

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		8,087,582		6,966,625
Amounts receivable on issue of shares	865,195		1,279,756	
Less: Amounts payable on cancellation of shares	(827,913)		(899,849)	
		37,282		379,907
Change in net assets attributable to shareholders from investment activities		1,310,236		683,994
Retained distribution on accumulation shares		87,818		57,056
Closing net assets attributable to shareholders		9,522,918		8,087,582

Notes to the Financial Statements are on pages 76 to 81.

Stewart Investors Asia Pacific Leaders Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>8,640,038</u>	<u>7,326,497</u>
Current assets			
Debtors	8	101,794	59,883
Cash and bank balances		<u>829,165</u>	<u>786,409</u>
Total assets		<u>9,570,997</u>	<u>8,172,789</u>
Liabilities			
Creditors			
Distribution payable		(8,129)	(6,035)
Other creditors	9	<u>(39,950)</u>	<u>(79,172)</u>
Total liabilities		<u>(48,079)</u>	<u>(85,207)</u>
Net assets attributable to shareholders		<u>9,522,918</u>	<u>8,087,582</u>

Notes to the Financial Statements are on pages 76 to 81.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	1,259,022	669,867
Forward foreign exchange currency contracts	311	123
Currency gains	51,417	17,665
Net capital gains	1,310,750	687,655

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Overseas taxable revenue	(2,037)	(3,371)
Overseas non-taxable revenue	159,947	140,449
Property revenue from overseas REITs	4,215	1,697
Overseas scrip dividends	17,167	13,433
Interest from bank deposits	216	578
Interest from government and fixed interest securities	199	-
Total revenue	179,707	152,786

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	76,896	80,607
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	675	756
Other expenses:		
Audit fee	11	12
Registrar fees	1,110	1,031
Safe custody charges	1,310	2,059
Other expenses	425	379
	2,856	3,481
Total expenses	80,427	84,844

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	1,189	5,260
Indian capital gains tax	17	3,244
Total taxation (note 5b)	1,206	8,504
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	99,181	67,931
Corporation tax of 20% (2015: 20%)	19,836	13,586
Effects of:		
Non taxable scrip dividends*	(3,433)	(2,686)
Overseas non-taxable revenue*	(31,990)	(28,090)
Movement in excess management expenses	15,587	17,190
Irrecoverable overseas tax	1,189	5,260
Indian capital gains tax	17	3,244
Total tax charge for year (note 5a)	1,206	8,504

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

*As an authorised OEIC these items are not subject to corporation tax.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £97,451,265 (31/07/15: £81,864,479) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	27,099	9,644
Final distribution	72,038	54,538
	99,137	64,182
Add: revenue deducted on cancellation of shares	2,333	1,827
Deduct: revenue received on issue of shares	(2,981)	(2,921)
Net distributions for the year	98,489	63,088

Details of the distribution per share is set out in the Distribution Tables on pages 82 to 84.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	97,975	59,427
Movement in net income as a result of conversions	505	417
Expenses charged to capital	(10)	-
Tax relief on expenses charged to capital	2	-
Indian capital gains tax	17	3,244
Net distributions for the year	98,489	63,088

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	55,560	30,929
Amounts receivable for issue of shares	21,799	12,256
Accrued revenue	24,435	16,698
Total debtors	101,794	59,883

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	23,287	60,610
Amounts payable for cancellation of shares	8,946	10,277
Accrued expenses	7,717	8,285
Total creditors	39,950	79,172

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	1,907,510	2,430,417	1,836,794	2,290,992
Bonds	614,168	-	635,741	-
Trades in the year before transaction costs	2,521,678	2,430,417	2,472,535	2,290,992
Commissions				
Equities	1,515	3,746	(1,202)	(3,470)
Bonds	-	-	-	-
Total commissions	1,515	3,746	(1,202)	(3,470)
Taxes				
Equities	1,314	917	(1,153)	(3,019)
Bonds	-	-	-	-
Total taxes	1,314	917	(1,153)	(3,019)
Total costs	2,829	4,663	(2,355)	(6,489)
Total net trades in the year after transaction costs	2,524,507	2,435,080	2,470,180	2,284,503

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.08	0.15	0.07	0.15
Bonds	-	-	-	-
Taxes				
Equities	0.07	0.04	0.06	0.13
Bonds	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.03	0.09
Taxes	0.03	0.05
Total costs	0.06	0.14

as at 31 July 2016

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.24% (31/07/2015: 0.27%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£864,004) (31/07/15: £732,650).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 8.71% (31/07/15: 9.72%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Asia Pacific Leaders Fund would have been an increase or decrease of approximately £2,073 (31/07/15: £1,966).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

Notes to the Financial Statements

(continued)

as at 31 July 2016

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	1,256,610	1,198,989
Euro	1,397	125
Hong Kong dollar	1,531,913	1,412,809
Indian rupee	2,401,783	1,825,735
Japanese yen	359,241	116,637
Malaysian ringgit	-	148,476
Philippine peso	314,565	116,103
Singapore dollar	492,919	747,948
South Korean won	218,438	259,112
Taiwanese dollar	1,745,927	1,224,020
US dollar	655,751	623,801
	<u>8,978,544</u>	<u>7,673,755</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.71% (£448,927) (31/07/15: 4.74% (£383,688)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £7,026 (31/07/15: £6,816) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.02% (31/07/15: 0.02%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.30% (31/07/15: 0.27%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has eight share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class A Income (Retail):	1.50
Share class B Accumulation (Retail):	0.85
Share class B Income (Institutional):	0.85
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class A Income (EUR share class) (Retail):	1.50
Share class B Accumulation (EUR share class) (Institutional):	0.85
Share class B Income (EUR share class) (Institutional):	0.85

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 66 to 73.

The distributions per share class are given in the Distribution Tables on pages 82 to 84.

All share classes have the same rights on winding up.

Notes to the Financial Statements

(continued)

as at 31 July 2016

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	292,903,909	7,507,049	(34,893,175)	(73,934,297)	191,583,486
Share class A Income (Retail)	16,352,568	654,894	(1,706,165)	(6,466,196)	8,835,101
Share class B Accumulation (Retail)	892,673,897	86,251,459	(44,261,459)	66,339,781	1,001,003,678
Share class B Income (Institutional)	434,294,368	83,621,402	(36,644,514)	14,264,723	495,535,979
Share class A Accumulation (EUR share class) (Retail)	166,151,750	27,199,704	(74,449,746)	(73,220)	118,828,488
Share class A Income (EUR share class) (Retail)	12,555,171	6,276,030	(5,661,813)	-	13,169,388
Share class B Accumulation (EUR share class) (Institutional)	657,424,854	136,811,671	(185,585,323)	(21,820)	608,629,382
Share class B Income (EUR share class) (Institutional)	16,532,526	3,334,149	(7,549,336)	142,939	12,460,278

15. Fair value

	31 July 2016		31 July 2015	
Valuation technique	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1	8,640,038	-	7,326,497	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	8,640,038	-	7,326,497	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Asia Pacific Leaders Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.3586	-	0.3586	-
Final	2.8966	-	2.8966	1.2576
Group 2	(p)	(p)	(p)	(p)
Interim	0.3586	-	0.3586	-
Final	2.4089	0.4877	2.8966	1.2576

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.0681	-	0.0681	-
Final	0.9364	-	0.9364	0.3440
Group 2	(p)	(p)	(p)	(p)
Interim	-	0.0681	0.0681	-
Final	0.7748	0.1616	0.9364	0.3440

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	2.0255	-	2.0255	0.8442
Final	4.9123	-	4.9123	4.1161
Group 2	(p)	(p)	(p)	(p)
Interim	2.0255	-	2.0255	0.8442
Final	3.4827	1.4296	4.9123	4.1161

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.6446	-	0.6446	0.2659
Final	1.5768	-	1.5768	1.3326
Group 2	(p)	(p)	(p)	(p)
Interim	-	0.6446	0.6446	0.2659
Final	1.1722	0.4046	1.5768	1.3326

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.1461	-	0.1461	-
Final	1.0925	-	1.0925	0.6622
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.1461	0.1461	-
Final	0.7589	0.3336	1.0925	0.6622

Share class A Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.0899	-	0.0899	-
Final	0.9869	-	0.9869	0.6209
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.0899	0.0899	-
Final	0.6887	0.2982	0.9869	0.6209

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.7199	-	0.7199	0.3090
Final	1.5767	-	1.5767	1.5750
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.7199	0.7199	0.3090
Final	1.1011	0.4756	1.5767	1.5750

Share class B Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.5458	-	0.5458	0.2434
Final	1.1678	-	1.1678	1.1675
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.5458	0.5458	0.2434
Final	1.0760	0.0918	1.1678	1.1675

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Asia Pacific Sustainability Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests in equities issued by companies that are incorporated or listed, or which conduct the majority of their economic activity, in the Asia Pacific region (excluding Japan, including Australasia). The Fund invests in companies which are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

- Clarification point 1: The Fund's emphasis on sustainable development incorporates three key features in making investment decisions. These are:
 - Company classification (identifying companies whose management are believed able to manage sustainability risks and opportunities facing their companies, seeking out sustainable companies with a positive sustainable development impact);
 - Integration of environmental, social and corporate governance factors into investment analysis;
 - Engagement with and exit from companies based on our own research and external global norms-based screening (the fund manager will engage senior management on any identified environmental, social and governance issues, and exit a stock if insufficient progress is made).
- Clarification point 2: "Australasia" refers to Australia, New Zealand and other South East Asian countries.

Risks and reward profile

	← Lower Risk				Higher Risk →		
	Potentially Lower Rewards				Potentially Higher Rewards		
Share class A Accumulation	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same; it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 20.1% in sterling terms over the year and provided returns of 45.0% and 79.9% over three and five years to 31 July 2016.

Key positive contributors included Vitasoy International (Hong Kong: Consumer Staples) which rose as it delivered good results in China and Marico (India: Consumer Staples) which climbed as it continued to build strong brands longer term with clear sustainability tailwinds. Taiwan Semiconductor (Information Technology) gained as it delivered strong results.

On the negative side, Idea Cellular (India: Telecom Services) declined as pricing pressure and capital expenditure weighed on the company and Towngas China (Utilities) fell as profitable connection fees diminished and the Chinese economy slowed. Dr Reddy's Laboratories (India: Health Care) was weak following comments from the US Federal Drugs Administration (FDA) about compliance with manufacturing practices. We remain positive about the outlook for the company and continue to engage with management.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Portfolio changes

Significant new positions over the period included Unicharm Corp (Japan: Consumer Staples) which is renowned for product innovation in baby care, feminine care and healthcare. We also bought Oversea-Chinese Banking (Singapore: Financials), a family-controlled conservative bank with an increasing presence in China, and Cipla (India: Health Care), one of India's oldest family-owned pharmaceutical companies which has proven manufacturing capabilities in generic drugs and the ability to sell in regulated markets.

We sold Axiata Group (Malaysia: Telecom Services) over concerns the core business is unsustainably profitable and Singapore Post (Industrials) on worries about corporate governance. We also sold Asustek Computer (Taiwan: Information Technology) as we believe the franchise will be squeezed between low-cost Chinese manufacturers and high-end South Korean or American brands.

Outlook

We remain cautious about the outlook for companies across the region. Quality companies remain expensive in terms of valuation, although we are finding a few more ideas to investigate following research trips. We remain focused on investing in companies which should benefit from and contribute to the sustainable development of the region over the long-term.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	16.6	22.7	20.1	45.0	79.9	317.7	332.1
Benchmark return %	17.1	25.3	17.2	23.6	30.0	147.5	157.5
Sector return %	17.9	27.1	19.0	25.2	31.1	158.3	174.6
Quartile ranking	3	4	2	1	1	1	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	20.1	10.8	8.9	22.2	1.6

Benchmark: MSCI Asia Pacific (ex-Japan) Index.

Sector: IA Asia Pacific (ex-Japan).

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Vitasoy International Holdings	6.92	Tech Mahindra	5.76
Marico	6.18	Vitasoy International Holdings	5.32
Tech Mahindra	5.66	Marico	5.20
Taiwan Semiconductor Manufacturing	3.99	CSL	4.31
Standard Foods	3.54	Infosys	3.97
Kotak Mahindra Bank	3.33	Standard Foods	3.79
Chroma ATE	3.24	Delta Electronics Thailand	3.60
Infosys	3.16	Ayala	3.59
Manila Water	3.15	Idea Cellular	3.23
Housing Development Finance	3.11	Taiwan Semiconductor Manufacturing	3.16

Types of shares

Accumulation.

Stewart Investors Asia Pacific Sustainability Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED STATES (0.52%*)	3,751	0.99
98,558 Expeditors International of Washington	3,751	0.99
AUSTRALIA (7.70%*)	23,188	6.11
1,320,903 Brambles	10,115	2.67
155,953 CSL	10,485	2.76
493,668 ResMed CDI	2,588	0.68
BANGLADESH (0.10%*)	3,014	0.79
5,067,643 BRAC Bank	3,014	0.79
CHINA (2.03%*)	6,100	1.60
3,362,000 China Mengniu Dairy	4,262	1.12
1,159,345 Wefu High-Technology Group 'B' Shares	1,838	0.48
HONG KONG (8.49%*)	34,148	8.99
290,900 ASM Pacific Technology	1,639	0.43
13,533,587 Towngas China	6,235	1.64
18,271,559 Vitasoy International Holdings	26,274	6.92
INDIA (32.28%*)	133,189	35.09
589,306 Cipla	3,526	0.93
88,675 Container Corporation of India	1,513	0.40
2,003,039 Dabur India	6,902	1.82
325,587 Dr Reddy's Laboratories	10,807	2.85
187,552 Godrej Consumer Products	3,377	0.89
758,216 Housing Development Finance	11,811	3.11
6,411,488 Idea Cellular	7,615	2.01
2,983,293 IDFC	1,857	0.49
3,849,587 IDFC Bank	2,255	0.59
300,030 Info Edge India	2,775	0.73
985,338 Infosys	12,000	3.16
1,463,876 Kotak Mahindra Bank	12,653	3.33
160,510 Lupin	3,166	0.83
338,816 Mahindra Lifespace Developers	1,698	0.45
7,286,647 Marico	23,443	6.18
366,779 Tata Chemicals	1,974	0.52
3,928,287 Tech Mahindra	21,474	5.66
698,325 Tube Investments of India	4,343	1.14
INDONESIA (2.44%*)	8,190	2.16
14,615,100 Selamat Sempurna	3,768	0.99
20,630,750 XL Axiata	4,422	1.17
JAPAN (0.00%*)	4,515	1.19
289,700 Unicharm	4,515	1.19
MALAYSIA (2.81%*)	5,558	1.47
1,530,360 Public Bank	5,558	1.47
PHILIPPINES (9.75%*)	31,117	8.20
819,480 Ayala	11,484	3.03
4,966,894 Bank of the Philippine Islands	7,680	2.02
28,595,791 Manila Water	11,953	3.15
SINGAPORE (2.68%*)	9,153	2.42
806,818 Oversea-Chinese Banking	3,898	1.03
9,496,000 Sheng Siong Group	5,255	1.39

Stewart Investors Asia Pacific Sustainability Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
SOUTH KOREA (1.20%*)	5,749	1.51
941,900 DGB Financial Group	5,749	1.51
SRI LANKA (1.63%*)	9,126	2.40
4,021,816 Commercial Bank of Ceylon	2,711	0.71
47,270,000 Dialog Axiata	2,706	0.71
8,286,047 Hemas Holdings	3,709	0.98
TAIWAN (17.30%*)	71,231	18.78
1,048,550 Airtac International Group	5,945	1.57
6,436,301 Chroma ATE	12,286	3.24
1,648,580 Delta Electronics	6,584	1.73
22,833,952 E.Sun Financial Holding	9,661	2.55
835,000 Giant Manufacturing	4,267	1.13
459,186 PChome Online	3,908	1.03
7,127,815 Standard Foods	13,436	3.54
3,693,124 Taiwan Semiconductor Manufacturing	15,144	3.99
THAILAND (4.79%*)	13,974	3.68
5,622,000 Delta Electronics Thailand	8,727	2.30
1,207,100 Kasikornbank	5,247	1.38
Portfolio of investments	362,003	95.38
Net other assets	17,531	4.62
Total net assets	379,534	100.00

All investments held are listed, unless otherwise stated.

For the purposes of this portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as CDIs represent Chess Depositary Interests.

Stewart Investors Asia Pacific Sustainability Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	358.87	324.03	297.47
Return before operating charges*	78.82	40.98	31.54
Operating charges	(6.12)	(6.14)	(4.98)
Return after operating charges*	72.70	34.84	26.56
Closing net asset value per share (p)	431.57	358.87	324.03
Retained distributions on accumulation shares*	1.29	1.39	1.56
*after direct transaction costs of:	0.25	0.66	0.38
Performance			
Return after charges (%)	20.26%	10.75%	8.93%
Other information			
Closing net asset value (£'000)	47,265	61,452	59,978
Closing number of shares	10,951,666	17,123,949	18,509,961
Operating charges	1.70%	1.69%	1.70%
Direct transaction costs	0.07%	0.18%	0.13%
Prices			
Highest share price	436.43	407.11	325.07
Lowest share price	316.28	322.49	274.09

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	379.98	341.43	312.04
Return before operating charges*	83.40	42.43	32.51
Operating charges	(3.93)	(3.88)	(3.12)
Return after operating charges*	79.47	38.55	29.39
Closing net asset value per share (p)	459.45	379.98	341.43
Retained distributions on accumulation shares*	3.48	3.34	3.05
*after direct transaction costs of:	0.26	0.70	0.40
Performance			
Return after charges (%)	20.91%	11.29%	9.42%
Other information			
Closing net asset value (£'000)	283,809	222,926	189,348
Closing number of shares	61,771,686	58,667,240	55,456,910
Operating charges	1.02%	1.01%	1.01%
Direct transaction costs	0.07%	0.18%	0.13%
Prices			
Highest share price	464.55	430.73	342.52
Lowest share price	335.03	339.81	287.67

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	267.08	212.18	175.34
Return before operating charges*	7.43	59.21	39.90
Operating charges	(4.25)	(4.31)	(3.06)
Return after operating charges*	3.18	54.90	36.84
Closing net asset value per share (c)	270.26	267.08	212.18
Retained distributions on accumulation shares*	2.34	3.82	2.89
*after direct transaction costs of:	0.17	0.46	0.23
Performance			
Return after charges (%)	1.19%	25.87%	21.01%
Other information			
Closing net asset value (€'000)	20,380	25,372	12,350
Closing number of shares	7,541,201	9,499,627	5,821,045
Operating charges	1.69%	1.70%	1.68%
Direct transaction costs	0.07%	0.18%	0.13%
Prices			
Highest share price	275.00	294.90	213.30
Lowest share price	226.98	210.46	163.22

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	205.39	163.96	136.10
Return before operating charges*	4.08	43.37	29.27
Operating charges	(1.92)	(1.94)	(1.41)
Return after operating charges*	2.16	41.43	27.86
Closing net asset value per share (c)	207.55	205.39	163.96
Retained distributions on accumulation shares*	1.56	1.86	1.56
*after direct transaction costs of:	0.13	0.35	0.18
Performance			
Return after charges (%)	1.05%	25.27%	20.47%
Other information			
Closing net asset value (€'000)	37,090	40,585	25,938
Closing number of shares	17,870,666	19,760,767	15,820,332
Operating charges	1.00%	1.00%	1.00%
Direct transaction costs	0.07%	0.18%	0.13%
Prices			
Highest share price	211.16	227.63	164.82
Lowest share price	174.59	162.63	126.76

Stewart Investors Asia Pacific Sustainability Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		62,361		28,241
Revenue	3	6,833		6,519	
Expenses	4	(3,716)		(3,796)	
Interest payable and similar charges		(2)		(2)	
Net revenue before taxation		3,115		2,721	
Taxation	5	(447)		(326)	
Net revenue after taxation			2,668		2,395
Total return before distributions			65,029		30,636
Distributions	6		(2,691)		(2,663)
Change in net assets attributable to shareholders from investment activities			62,338		27,973

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		330,873		279,690
Amounts receivable on issue of shares	13,790		47,351	
Less: Amounts payable on cancellation of shares	(30,152)		(26,880)	
		(16,362)		20,471
Dilution adjustment		18		42
Change in net assets attributable to shareholders from investment activities		62,338		27,973
Retained distribution on accumulation shares		2,667		2,697
Closing net assets attributable to shareholders		379,534		330,873

Notes to the Financial Statements are on pages 95 to 100.

Stewart Investors Asia Pacific Sustainability Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>362,003</u>	<u>310,101</u>
Current assets			
Debtors	8	3,845	848
Cash and bank balances		<u>15,289</u>	<u>23,428</u>
Total assets		<u>381,137</u>	<u>334,377</u>
Liabilities			
Creditors			
Other creditors	9	<u>(1,603)</u>	<u>(3,504)</u>
Total liabilities		<u>(1,603)</u>	<u>(3,504)</u>
Net assets attributable to shareholders		<u>379,534</u>	<u>330,873</u>

Notes to the Financial Statements are on pages 95 to 100.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	61,976	28,047
Forward foreign exchange currency contracts	17	-
Currency gains	368	194
Net capital gains	62,361	28,241

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Overseas taxable revenue	3	3
Overseas non-taxable revenue	6,215	5,631
Overseas scrip dividends	194	102
Interest from bank deposits	3	32
Front end load income	418	751
Total revenue	6,833	6,519

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	3,330	3,433
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	45	51
Other expenses:		
Audit fee	7	7
Registrar fees	100	96
Safe custody charges	101	121
Other expenses	133	88
	341	312
Total expenses	3,716	3,796

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	447	69
Indian capital gains tax	-	257
Total taxation (note 5b)	447	326
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	3,115	2,721
Corporation tax of 20% (2015: 20%)	623	544
Effects of:		
Non taxable scrip dividends*	(39)	(20)
Overseas non-taxable revenue*	(1,243)	(1,126)
Movement in excess management expenses	659	602
Irrecoverable overseas tax	447	69
Indian capital gains tax	-	257
Total tax charge for year (note 5a)	447	326

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

*As an authorised OEIC these items are not subject to corporation tax.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,531,853 (31/07/15: £2,873,074) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	502	392
Final distribution	2,166	2,305
	2,668	2,697
Add: revenue deducted on cancellation of shares	51	66
Deduct: revenue received on issue of shares	(28)	(100)
Net distributions for the year	2,691	2,663

Details of the distribution per share is set out in the Distribution Tables on pages 101 to 102.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	2,668	2,395
Movement in net income as a result of conversions	23	11
Indian capital gains tax	-	257
Net distributions for the year	2,691	2,663

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	2,611	-
Amounts receivable for issue of shares	375	61
Accrued revenue	859	787
Total debtors	3,845	848

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	795	2,504
Amounts payable for cancellation of shares	353	555
Accrued expenses	455	445
Total creditors	1,603	3,504

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	42,229	101,259	52,508	91,117
Trades in the year before transaction costs	42,229	101,259	52,508	91,117
Commissions				
Equities	52	190	(47)	(182)
Taxes				
Equities	38	73	(86)	(146)
Total costs	90	263	(133)	(328)
Total net trades in the year after transaction costs	42,319	101,522	52,375	90,789

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.12	0.19	0.09	0.20
Taxes				
Equities	0.09	0.07	0.16	0.16

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.03	0.11
Taxes	0.04	0.07
Total costs	0.07	0.18

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.28% (31/07/2015: 0.50%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

as at 31 July 2016

12. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£36,200) (31/07/15: £31,010).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 4.03% (31/07/15: 7.08%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Asia Pacific Sustainability Fund would have been an increase or decrease of approximately £nil (31/07/15: £59).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

Notes to the Financial Statements

(continued)

as at 31 July 2016

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	24,344	25,462
Bangladeshi taka	3,014	336
Euro	42	(46)
Hong Kong dollar	40,354	34,703
Indian rupee	135,654	106,857
Indonesian rupiah	8,190	7,567
Japanese yen	3,784	-
Korean won	5,749	-
Malaysian ringgit	5,557	9,303
Philippine peso	31,117	30,773
Singapore dollar	9,154	8,862
South Korean won	-	3,974
Sri Lankan rupee	9,126	5,411
Taiwanese dollar	71,557	57,718
Thai baht	13,974	15,830
US dollar	4,666	20,847
	<u>366,282</u>	<u>327,597</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.83% (£18,314) (31/07/15: 4.95% (£16,380)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £301 (31/07/15: £299) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned nil (31/07/15: 0.01%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.27% (31/07/15: 0.23%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.55
Share class B Accumulation (Retail):	0.90
Share class A Accumulation (EUR share class) (Retail):	1.55
Share class B Accumulation (EUR share class) (Institutional):	0.90

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 89 to 92.

The distributions per share class are given in the Distribution Tables on pages 101 to 102.

All share classes have the same rights on winding up.

Notes to the Financial Statements

(continued)

as at 31 July 2016

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening			Shares	Closing shares
	shares in issue	Creations	Cancellations	converted	in issue
Share class A Accumulation (Retail)	17,123,949	548,627	(2,138,030)	(4,582,880)	10,951,666
Share class B Accumulation (Retail)	58,667,240	1,819,583	(3,034,404)	4,319,267	61,771,686
Share class A Accumulation (EUR share class) (Retail)	9,499,627	1,881,310	(3,839,736)	-	7,541,201
Share class B Accumulation (EUR share class) (Institutional)	19,760,767	227,922	(2,118,023)	-	17,870,666

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Valuation technique				
Level 1	362,003	-	310,101	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	362,003	-	310,101	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Asia Pacific Sustainability Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	1.2854	-	1.2854	1.3885
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	1.0656	0.2198	1.2854	1.3885

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.7204	-	0.7204	0.5322
Final	2.7569	-	2.7569	2.8123
Group 2	(p)	(p)	(p)	(p)
Interim	-	0.7204	0.7204	0.5322
Final	1.8894	0.8675	2.7569	2.8123

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.2572	-	0.2572	0.6321
Final	2.0863	-	2.0863	3.1902
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.2572	0.2572	0.6321
Final	1.6175	0.4688	2.0863	3.1902

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.3072	-	0.3072	0.3991
Final	1.2496	-	1.2496	1.4602
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.3072	0.3072	0.3991
Final	0.7740	0.4756	1.2496	1.4602

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Greater China Growth Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests in equity and equity type securities issued by companies established or having a predominant part of their economic activities in the People's Republic of China, Hong Kong and Taiwan.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6*	7
Share class B Accumulation	1	2	3	4	5	6*	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6**	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6**	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same; it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

*The SRRI changed from 5 to 6 on 8 April 2016.

**The SRRI changed from 5 to 6 on 11 December 2015.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 12.7% over twelve months, and by 25.6% and 44.7% over three and five years to 31 July 2016.

On the positive side, Taiwan Semiconductor (TSMC) (Taiwan: Information Technology) rose as it increased its market share of the smartphone components market, while Tencent Holdings (Information Technology) rallied on solid earnings results, with a strong performance in gaming revenues offsetting a weaker outlook on its advertising revenue.

On the negative side, China Taiping Insurance (China: Financials) declined on concerns that persistently low interest rates would impact margins. However, insurance penetration in China is still low; we believe that longer-term there is still a need to provide better protection in the form of savings products and medical cover. Meanwhile, Weifu High Technology (China: Consumer Discretionary) fell on the back of poor heavy duty truck sales and weaker than expected uptake of new emissions standards.

Portfolio changes

There were a number of purchases over the period. We bought AAC Technologies (China: Information Technology), a manufacturer of smartphone acoustic components which is increasingly diversifying into areas such as haptics and RF mechanical casings. We also purchased Nien Made Enterprise (Taiwan: Consumer Discretionary), a manufacturer of ready-made and custom blinds with decent growth potential.

Meanwhile, we sold China Vanke H (China: Financials) on concerns around the conflict between management and shareholders, and divested China Construction Bank (China: Financials) on concerns around the credit cycle.

Authorized Fund Manager's Report

(continued)

for the year ended 31 July 2016

Outlook

On the economic front, although the data is worrying, the good news is that domestic consumption in China remains largely stable and disposable incomes continue to rise. As a result, Chinese consumers have been changing their discretionary spending habits and there is significant potential to tap into the trend of consumers trading up.

While we are cautious on China's outlook in the short term, we believe that investing in quality companies at sensible valuations – and adding to quality in market dips – should keep us in good stead for the long term.

We continue to pay close attention to the progress of state-owned enterprise reforms and look for evidence of market-oriented practices when considering potential investments in the state-owned sector. Further asset rationalisation and M&A activity seems likely, which would provide renewed opportunities for asset owners.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	16.7	22.5	12.7	25.6	44.7	275.8	490.3
Benchmark return %	17.8	24.1	11.0	30.3	37.7	161.0	237.5
Sector return %	16.2	23.1	10.0	29.3	29.3	175.9	296.9
Quartile ranking	3	3	2	3	1	1	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	12.7	5.1	6.1	20.5	(4.4)

Benchmark: MSCI Golden Dragon Index.

Sector: IA China/Greater China

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Taiwan Semiconductor Manufacturing	6.18	Taiwan Semiconductor Manufacturing	5.09
Tong Ren Tang Technologies 'H' Shares	4.85	CK Hutchison Holdings	4.65
CK Hutchison Holdings	4.40	Delta Electronics	4.14
Tencent Holdings	4.29	Tencent Holdings	4.05
Delta Electronics	4.12	Tong Ren Tang Technologies 'H' Shares	4.05
Advantech	4.01	China Merchants Bank 'H' Shares	3.59
Posiflex Technology	3.21	ENN Energy Holdings	3.59
AIA Group	3.20	AIA Group	3.35
Towngas China	3.12	First State China 'A' Income	3.35
ENN Energy Holdings	2.81	Towngas China	3.33

Types of shares

Accumulation.

First State Greater China Growth Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED STATES (2.74%*)	9,784	2.31
77,873 Baidu ADR	9,784	2.31
CHINA (38.88%*)	128,096	30.22
21,452,000 China BlueChemical 'H' Shares	3,253	0.77
8,326,000 China Mengniu Dairy	10,555	2.49
5,183,848 China Merchants Bank 'H' Shares	8,418	1.99
9,056,000 China Oilfield Services 'H' Shares	5,342	1.26
2,123,737 China Resources Land	3,989	0.94
1,614,300 China South Publishing & Media Group	3,472	0.82
3,314,000 ENN Energy Holdings	11,930	2.81
696,772 First State China 'A' Income+	8,021	1.89
2,678,800 Fuyao Glass Industry Group 'H' Shares	5,136	1.21
4,645,836 Gree Electric Appliances 'A' Shares	9,850	2.32
1,700,816 Jiangling Motors 'B' Shares	2,966	0.70
9,215,168 Luthai Textile 'B' Shares	9,104	2.15
1,332,100 Midea Group	4,283	1.01
1,246,337 Shanghai International Airport 'A' Shares	3,962	0.93
2,291,000 Shenzhou International Group Holdings	9,155	2.16
17,187,000 Tong Ren Tang Technologies 'H' Shares	20,545	4.85
2,642,848 Weifu High-Technology Group 'B' Shares	4,191	0.99
497,100 Yunnan Baiyao Group	3,924	0.93
HONG KONG (28.81%*)	127,231	30.01
1,057,500 AAC Technologies Holdings	7,489	1.77
2,894,200 AIA Group	13,575	3.20
876,900 ASM Pacific Technology	4,941	1.17
6,935,684 China Taiping Insurance Holdings	10,299	2.43
2,103,500 CK Hutchison Holdings	18,673	4.40
13,544,000 CSPC Pharmaceutical Group	8,863	2.09
1,567,175 Link REIT**	8,830	2.08
6,389,000 Luye Pharma Group	3,106	0.73
3,974,000 Minth Group	9,738	2.30
10,148,000 Sino Biopharmaceutical	5,142	1.21
996,100 Tencent Holdings	18,172	4.29
28,746,736 Towngas China	13,245	3.12
3,586,000 Vitasoy International Holdings	5,158	1.22
SINGAPORE (1.12%*)	5,964	1.41
1,183,666 Dairy Farm International Holdings	5,964	1.41
TAIWAN (26.52%*)	156,472	36.90
2,890,391 Advantech	17,005	4.01
805,000 Asustek Computer	5,310	1.25
3,358,000 Axiomtek	5,556	1.31
2,064,000 Chin-Poon Industrial	3,434	0.81
4,368,654 Delta Electronics	17,446	4.12
1,382,080 Feng TAY Enterprise	4,731	1.12
1,385,000 Giant Manufacturing	7,078	1.67
255,000 KMC Kuei Meng International	718	0.17

First State Greater China Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

		Market Value £'000	Total Net Assets %
Holdings			
1,521,000	Makalot Industrial	5,966	1.41
795,000	Nien Made Enterprise	6,236	1.47
3,381,198	Posiflex Technology	13,623	3.21
1,210,896	President Chain Store	7,441	1.76
2,507,000	Sinbon Electronics	4,535	1.07
1,224,000	Sitronix Technology	3,070	0.72
551,465	Sporton International	2,333	0.55
3,632,186	Standard Foods	6,847	1.61
746,000	Taiwan FamilyMart	3,751	0.88
6,388,262	Taiwan Semiconductor Manufacturing	26,195	6.18
982,300	TSC Auto ID Technology	6,199	1.46
247,459	Voltronic Power Technology	2,982	0.70
2,974,000	Wistron NeWeb	6,016	1.42
Portfolio of investments		427,547	100.85
Net other assets		(3,608)	(0.85)
Total net assets		423,939	100.00

All investments held are listed, unless otherwise stated.

For the purposes of this portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

** Real Estate Investment Trust (REIT).

Stocks shown as ADRs represent American Depositary Receipts.

† This investment is a related party (see note 13).

First State Greater China Growth Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	522.25	497.54	469.06
Return before operating charges*	76.46	34.42	37.06
Operating charges	(9.30)	(9.71)	(8.58)
Return after operating charges*	67.16	24.71	28.48
Closing net asset value per share (p)	589.41	522.25	497.54
Retained distributions on accumulation shares*	1.84	4.77	2.02
*after direct transaction costs of:	0.75	0.86	0.81
Performance			
Return after charges (%)	12.86%	4.97%	6.07%
Other information			
Closing net asset value (£'000)	130,287	203,541	268,004
Closing number of shares	22,104,621	38,974,106	53,866,260
Operating charges	1.84%	1.82%	1.84%
Direct transaction costs	0.15%	0.16%	0.17%
Prices			
Highest share price	598.03	638.30	498.31
Lowest share price	436.69	479.24	440.10

First State Greater China Growth Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	563.14	532.55	498.46
Return before operating charges*	83.35	36.76	39.41
Operating charges	(5.98)	(6.17)	(5.32)
Return after operating charges*	77.37	30.59	34.09
Closing net asset value per share (p)	640.51	563.14	532.55
Retained distributions on accumulation shares*	7.39	9.72	6.37
*after direct transaction costs of:	0.81	0.92	0.87
Performance			
Return after charges (%)	13.74%	5.74%	6.84%
Other information			
Closing net asset value (£'000)	242,736	174,050	157,107
Closing number of shares	37,897,602	30,907,031	29,500,868
Operating charges	1.08%	1.07%	1.07%
Direct transaction costs	0.15%	0.16%	0.17%
Prices			
Highest share price	649.85	686.73	533.37
Lowest share price	471.11	513.82	470.25

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	212.35	179.12	151.63
Return before operating charges*	(8.45)	36.99	30.44
Operating charges	(3.59)	(3.76)	(2.95)
Return after operating charges*	(12.04)	33.23	27.49
Closing net asset value per share (c)	200.31	212.35	179.12
Retained distributions on accumulation shares*	0.84	2.91	2.93
*after direct transaction costs of:	0.28	0.33	0.28
Performance			
Return after charges (%)	(5.67)%	18.55%	18.13%
Other information			
Closing net asset value (€'000)	8,044	11,037	11,227
Closing number of shares	4,015,490	5,197,182	6,268,132
Operating charges	1.87%	1.85%	1.84%
Direct transaction costs	0.15%	0.16%	0.17%
Prices			
Highest share price	214.57	253.16	179.39
Lowest share price	168.82	172.07	148.77

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	169.07	142.11	120.74
Return before operating charges*	(6.70)	28.64	22.71
Operating charges	(1.61)	(1.68)	(1.34)
Return after operating charges*	(8.31)	26.96	21.37
Closing net asset value per share (c)	160.76	169.07	142.11
Retained distributions on accumulation shares*	1.86	2.94	1.93
*after direct transaction costs of:	0.23	0.26	0.22
Performance			
Return after charges (%)	(4.92)%	18.97%	17.70%
Other information			
Closing net asset value (€'000)	52,340	64,257	49,971
Closing number of shares	32,556,745	38,005,165	35,165,607
Operating charges	1.05%	1.04%	1.06%
Direct transaction costs	0.15%	0.16%	0.17%
Prices			
Highest share price	170.88	201.53	142.32
Lowest share price	134.96	136.63	118.54

First State Greater China Growth Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		45,020		21,552
Revenue	3	9,839		12,940	
Expenses	4	(5,321)		(7,044)	
Interest payable and similar charges		(7)		(9)	
Net revenue before taxation		4,511		5,887	
Taxation	5	(628)		(61)	
Net revenue after taxation			3,883		5,826
Total return before distributions			48,903		27,378
Distributions	6		(3,911)		(5,873)
Change in net assets attributable to shareholders from investment activities			44,992		21,505

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		430,667		473,641
Amounts receivable on issue of shares	28,189		17,023	
Less: Amounts payable on cancellation of shares	(83,657)		(87,282)	
		(55,468)		(70,259)
Dilution adjustment		-		19
Change in net assets attributable to shareholders from investment activities		44,992		21,505
Retained distribution on accumulation shares		3,748		5,761
Closing net assets attributable to shareholders		423,939		430,667

Notes to the Financial Statements are on pages 113 to 117.

First State Greater China Growth Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>427,547</u>	<u>422,364</u>
Current assets			
Debtors	8	4,651	1,959
Cash and bank balances		<u>2,818</u>	<u>11,402</u>
Total assets		<u>435,016</u>	<u>435,725</u>
Liabilities			
Creditors			
Other creditors	9	<u>(11,077)</u>	<u>(5,058)</u>
Total liabilities		<u>(11,077)</u>	<u>(5,058)</u>
Net assets attributable to shareholders		<u>423,939</u>	<u>430,667</u>

Notes to the Financial Statements are on pages 113 to 117.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	44,919	21,859
Forward foreign exchange currency contracts	11	19
Currency gains/(losses)	90	(326)
Net capital gains	45,020	21,552

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Overseas taxable revenue	67	1
Overseas non-taxable revenue	9,029	11,852
Property revenue from overseas REITs	376	521
Overseas scrip dividends	261	-
Distributions from Regulated Collective Investment Schemes:		
Offshore distribution non taxable	-	392
Interest from bank deposits	6	4
Front end load income	100	170
Total revenue	9,839	12,940

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	5,003	6,712
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	52	70
Other expenses:		
Audit fee	7	7
Registrar fees	137	140
Safe custody charges	61	63
Other expenses	61	52
	266	262
Total expenses	5,321	7,044

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	628	61
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	4,511	5,887
Corporation tax of 20% (2015: 20%)	902	1,177
Effects of:		
Non taxable scrip dividends*	(52)	-
Overseas non-taxable revenue*	(1,805)	(2,449)
Movement in excess management expenses	955	1,272
Irrecoverable overseas tax	628	61
Current tax charge for year (note 5a)	628	61

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £9,837,152 (31/07/15: £8,881,786) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	-	170
Final distribution	3,748	5,592
	3,748	5,762
Add: revenue deducted on cancellation of shares	199	202
Deduct: revenue received on issue of shares	(36)	(91)
Net distributions for the year	3,911	5,873

Details of the distribution per share is set out in the Distribution Tables on pages 118 to 119.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	3,883	5,826
Movement in net income as a result of conversions	28	47
Net distributions for the year	3,911	5,873

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	2,897	700
Amounts receivable for issue of shares	4	84
Accrued revenue	1,750	1,125
Overseas tax recoverable	-	50
Total debtors	4,651	1,959

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	23	2,172
Amounts payable for cancellation of shares	10,532	2,205
Accrued expenses	522	681
Total creditors	11,077	5,058

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	98,468	103,077	138,778	174,057
Trades in the year before transaction costs	98,468	103,077	138,778	174,057
Commissions				
Equities	150	163	(173)	(261)
Taxes				
Equities	44	57	(211)	(288)
Total costs	194	220	(384)	(549)
Total net trades in the year after transaction costs	98,661	103,297	138,394	173,508

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.15	0.16	0.12	0.15
Taxes				
Equities	0.04	0.06	0.15	0.17

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.08	0.09
Taxes	0.07	0.07
Total costs	0.15	0.16

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.30% (31/07/2015: 0.52%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

Notes to the Financial Statements

(continued)

as at 31 July 2016

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£42,755) (31/07/15: £42,236).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 0.66% (31/07/15: 2.65%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

Currency	Net foreign currency assets	Net foreign currency assets
	31 July 2016	31 July 2015
	Total	Total
	£'000	£'000
Chinese yuan	56,930	10,137
Euro	388	4,791
Hong Kong dollar	192,910	268,883
Taiwanese dollar	159,673	114,457
US dollar	23,769	31,007
	<u>433,670</u>	<u>429,275</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 5.11% (£21,684) (31/07/15: 4.98% (£21,464)).

Notes to the Financial Statements

(continued)

as at 31 July 2016

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £421 (31/07/15: £520) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.21% (31/07/15: 0.19%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.62% (31/07/15: 0.49%) of the Net Asset Value of the Fund.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. Total purchases of related party securities were £nil (31/07/2015: £nil). Total sales of related party securities were £6,949 (31/07/2015: £9,811)

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class B Accumulation (Retail):	1.00
Share class A Accumulation (EUR share class) (Retail):	1.75
Share class B Accumulation (EUR share class) (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 107 to 110.

The distributions per share class are given in the Distribution Tables on pages 118 to 119.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share class A Accumulation (Retail)	38,974,106	677,084	(5,588,458)	(11,958,111) 22,104,621
Share class B Accumulation (Retail)	30,907,031	3,322,297	(7,387,513)	11,055,787 37,897,602
Share class A Accumulation (EUR share class) (Retail)	5,197,182	323,020	(1,504,712)	- 4,015,490
Share class B Accumulation (EUR share class) (Institutional)	38,005,165	6,236,425	(11,684,845)	- 32,556,745

15. Fair value

	31 July 2016		31 July 2015
	Assets	Liabilities	Assets
Valuation technique	£'000	£'000	£'000
Level 1	409,676	-	407,955
Level 2	17,871	-	14,409
Level 3	-	-	-
Total fair value	427,547	-	422,364

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Greater China Growth Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	1.8419	-	1.8419	4.7714
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	1.7844	0.0575	1.8419	4.7714

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.4299
Final	7.3921	-	7.3921	9.2880
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.4299
Final	6.5225	0.8696	7.3921	9.2880

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.8423	-	0.8423	2.9125
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.6261	0.2162	0.8423	2.9125

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	0.1271
Final	1.8625	-	1.8625	2.8156
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	0.1271
Final	1.0731	0.7894	1.8625	2.8156

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Indian Subcontinent Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund will comprise investments in a diversified portfolio of companies of the Indian subcontinent. The Fund concentrates on securities that are listed, traded or dealt in on Regulated Markets in the Indian subcontinent and instruments issued by companies established, operating or having a predominant part of their economic activities in the Indian subcontinent and listed on other Regulated Markets.

Particular consideration is given to investment in companies that are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

Risks and reward profile

	←Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (USD share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 15.9% in sterling terms over the year and has provided returns of 90.7% and 87.0% over three and five years to 31 July 2016.

Key positive contributors over the period included Marico (Consumer Staples) which climbed as it continued to build strong long-term brands which have clear sustainability tailwinds and Tube Investment of India (Industrials) which rose as its low valuation attracted investors. Godrej Consumer (Consumer Staples) gained on a continued re-rating of the company commensurate with its quality.

On the negative side, Idea Cellular (Telecom Services) fell as pricing pressure and capital expenditure weighed on the company and Dr Reddy's Laboratories (Health Care) declined following comments from the US Federal Drugs Administration (FDA) about compliance with manufacturing practices. We remain positive on the outlook for the company and continue to engage with management. IDFC Bank (Financials) was impacted by weaker-than-expected earnings as competitive loan pricing led to increased margin pressure.

Portfolio changes

Significant new positions over the period included Tata Consultancy (Information Technology) which is renowned for stewardship, honesty and sustainable considerations, and IDFC Bank (India: Financials), a non-bank infrastructure funding specialist which is becoming a deposit taking bank. We also bought Cipla (Health Care), a pharmaceutical and biotechnology company which focuses on producing generic medicines at affordable prices.

We sold HDFC Bank (Financials) given worries about the company's valuation and cultural deterioration. We also sold Jyothy Laboratories (Consumer Staples) as we believe there are better quality franchises elsewhere and Cummins India (Industrials) as the parent company appears to favour the unlisted Indian subsidiary and they produce diesel energy generators which face long-term headwinds.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Outlook

The fund remains defensively positioned and we are focused on companies with good quality managements, conservative balance sheets and growing, but predictable cash flows. We continue to look for companies which should benefit from and contribute to the sustainable development of India over the long-term.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	20.1	23.8	15.9	90.7	87.0	-	308.2
Benchmark return %	20.4	22.6	14.1	52.6	30.8	-	112.6
Sector return %	11.0	25.6	18.1	16.5	20.5	-	61.1
Quartile ranking	1	2	2	1	1	-	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	15.9	29.2	27.3	17.2	(16.3)

Benchmark: MSCI India Index.

Sector: IA specialist.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Marico	7.14	Dr Reddy's Laboratories	7.15
Housing Development Finance	5.71	Marico	6.13
Tech Mahindra	5.47	Infosys	5.95
Dr Reddy's Laboratories	5.11	Housing Development Finance	5.70
Kotak Mahindra Bank	4.95	Tech Mahindra	5.53
Dabur India	4.47	Idea Cellular	4.76
Godrej Consumer Products	3.96	Kotak Mahindra Bank	4.32
Tube Investments of India	3.88	Dabur India	3.98
Idea Cellular	3.58	Tube Investments of India	3.57
Infosys	3.15	HDFC Bank	3.54

Types of shares

Accumulation.

Stewart Investors Indian Subcontinent Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED STATES (0.37%*)	2,031	0.67
155,480 MakeMyTrip	2,031	0.67
BANGLADESH (1.97%*)	15,593	5.11
213,900 Bata Shoe Company Bangladesh	2,458	0.81
8,835,480 BRAC Bank	5,254	1.72
2,275,819 Delta Brac Housing Finance	2,449	0.80
265,361 Marico Bangladesh	3,259	1.07
840,363 Square Pharmaceuticals	2,173	0.71
INDIA (82.70%*)	255,524	83.67
430,902 Cholamandalam Investment and Finance	5,340	1.75
716,190 Cipla	4,285	1.40
5,348,640 City Union Bank	7,828	2.56
301,721 Colgate-Palmolive India	3,192	1.05
442,098 Container Corporation of India	7,543	2.47
3,958,363 Dabur India	13,639	4.47
469,809 Dr Reddy's Laboratories	15,594	5.11
1,491,622 Elgi Equipments	3,033	0.99
672,143 Godrej Consumer Products	12,103	3.96
731,227 Great Eastern Shipping	2,780	0.91
1,119,592 Housing Development Finance	17,440	5.71
9,202,808 Idea Cellular	10,931	3.58
5,759,314 IDFC	3,585	1.18
6,477,626 IDFC Bank	3,794	1.24
473,962 Indoco Remedies	1,655	0.54
697,570 Indraprastha Gas	5,127	1.68
488,272 Info Edge India	4,516	1.48
789,570 Infosys	9,615	3.15
1,862,328 Kansai Nerolac Paints	7,248	2.37
1,748,767 Kotak Mahindra Bank	15,116	4.95
1,511,708 Linde India	5,719	1.87
261,581 Lupin	5,160	1.69
249,799 Mahanagar Gas	1,440	0.47
524,832 Mahindra & Mahindra	8,722	2.86
636,385 Mahindra Lifespace Developers	3,190	1.04
6,779,885 Marico	21,813	7.14
727,101 Pidilite Industries	5,997	1.96
28,149 S H Kelkar	81	0.03
154,035 Sundaram Finance	2,597	0.85
1,111,846 Tata Chemicals	5,983	1.96
224,150 Tata Consultancy Services	6,653	2.18
2,705,236 Tata Power	2,202	0.72
3,057,100 Tech Mahindra	16,712	5.47
1,903,195 Tube Investments of India	11,837	3.88
494,518 Wipro	3,054	1.00

Stewart Investors Indian Subcontinent Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
SRI LANKA (5.66%*)	21,542	7.05
3,927,600 Cargills Ceylon	3,260	1.07
8,886,230 Commercial Bank of Ceylon	5,989	1.96
2,087,165 CT Holdings	1,320	0.43
98,119,100 Dialog Axiata	5,618	1.84
11,962,613 Hemas Holdings	5,355	1.75
Portfolio of investments	294,690	96.50
Net other assets	10,683	3.50
Total net assets	305,373	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stewart Investors Indian Subcontinent Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	351.74	272.18	213.68
Return before operating charges*	62.54	86.00	62.81
Operating charges	(6.64)	(6.44)	(4.31)
Return after operating charges*	55.90	79.56	58.50
Closing net asset value per share (p)	407.64	351.74	272.18
Retained distributions on accumulation shares*	-	-	-
*after direct transaction costs of:	0.33	0.62	0.27
Performance			
Return after charges (%)	15.89%	29.23%	27.38%
Other information			
Closing net asset value (£'000)	104,445	157,657	162,068
Closing number of shares	25,621,795	44,822,455	59,543,290
Operating charges	1.94%	1.94%	1.96%
Direct transaction costs	0.10%	0.19%	0.12%
Prices			
Highest share price	410.47	384.65	273.85
Lowest share price	309.57	268.31	179.08

Stewart Investors Indian Subcontinent Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	174.12	133.83	104.12
Return before operating charges*	31.08	42.35	31.09
Operating charges	(2.05)	(2.06)	(1.38)
Return after operating charges*	29.03	40.29	29.71
Closing net asset value per share (p)	203.15	174.12	133.83
Retained distributions on accumulation shares*	0.38	-	0.26
*after direct transaction costs of:	0.17	0.31	0.14
Performance			
Return after charges (%)	16.67%	30.11%	28.53%
Other information			
Closing net asset value (£'000)	148,746	72,847	29,694
Closing number of shares	73,218,321	41,838,672	22,187,155
Operating charges	1.20%	1.24%	1.23%
Direct transaction costs	0.10%	0.19%	0.12%
Prices			
Highest share price	204.55	190.04	134.65
Lowest share price	153.87	131.93	87.31

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	307.75	211.11	150.42
Return before operating charges*	(4.52)	101.92	63.99
Operating charges	(5.33)	(5.28)	(3.30)
Return after operating charges*	(9.85)	96.64	60.69
Closing net asset value per share (c)	297.90	307.75	211.11
Retained distributions on accumulation shares*	-	-	-
*after direct transaction costs of:	0.27	0.51	0.20
Performance			
Return after charges (%)	(3.20)%	45.78%	40.35%
Other information			
Closing net asset value (€'000)	60,277	74,304	44,770
Closing number of shares	20,233,413	24,144,452	21,206,554
Operating charges	1.91%	1.93%	1.92%
Direct transaction costs	0.10%	0.19%	0.12%
Prices			
Highest share price	316.05	328.82	212.85
Lowest share price	242.74	207.34	127.36

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (USD share class)			
Change in net assets per share			
Opening net asset value per share	105.65	99.54	96.96
Return before operating charges*	(0.34)	7.99	9.45
Operating charges	(1.11)	(1.88)	(2.36)
Return after operating charges*	(1.45)	6.11	4.69
Return to shareholder as a result of class closure			(101.65)
Closing net asset value per share (c)	104.20	105.65	-
Retained distributions on accumulation shares*	-	0.21	-
*after direct transaction costs of:	0.09	0.30	0.25
Performance			
Return after charges (%)	(1.37)%	6.14%	4.84%
Other information			
Closing net asset value (\$'000)	1,786	15,899	2
Closing number of shares	1,713,299	15,048,266	2,000
Operating charges	1.16%	1.16%	-%
Direct transaction costs	0.10%	0.19%	0.12%
Prices			
Highest share price	107.74	224.58	107.77
Lowest share price	85.91	93.70	82.74

Share class B Accumulation (USD share class) was launched 25 March 2013, closed 28 January 2014 and relaunched on 8 December 2014.

Stewart Investors Indian Subcontinent Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		43,277		67,814
Revenue	3	3,802		3,293	
Expenses	4	(4,434)		(4,919)	
Interest payable and similar charges		(5)		(1)	
Net expenses before taxation		(637)		(1,627)	
Taxation	5	(262)		(530)	
Net expenses after taxation			(899)		(2,157)
Total return before distribution			42,378		65,657
Distribution	6		(281)		(19)
Change in net assets attributable to shareholders from investment activities			42,097		65,638

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		293,092		227,264
Amounts receivable on issue of shares	17,121		37,212	
Less: Amounts payable on cancellation of shares	(47,275)		(37,060)	
		(30,154)		152
Dilution adjustment		57		18
Change in net assets attributable to shareholders from investment activities		42,097		65,638
Retained distribution on accumulation shares		281		20
Closing net assets attributable to shareholders		305,373		293,092

Notes to the Financial Statements are on pages 130 to 134.

Stewart Investors Indian Subcontinent Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>294,690</u>	<u>265,847</u>
Current assets			
Debtors	8	4,956	876
Cash and bank balances		<u>7,452</u>	<u>27,498</u>
Total assets		<u>307,098</u>	<u>294,221</u>
Liabilities			
Creditors			
Other creditors	9	<u>(1,725)</u>	<u>(1,129)</u>
Total liabilities		<u>(1,725)</u>	<u>(1,129)</u>
Net assets attributable to shareholders		<u>305,373</u>	<u>293,092</u>

Notes to the Financial Statements are on pages 130 to 134.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	41,708	67,652
Forward foreign exchange currency contracts	(8)	(1)
Currency gains	1,577	163
Net capital gains	43,277	67,814

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Overseas non-taxable revenue	3,362	2,669
Interest from bank deposits	4	20
Front end load income	436	604
Total revenue	3,802	3,293

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	3,932	4,397
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	39	45
Other expenses:		
Audit fee	8	6
Registrar fees	122	126
Safe custody charges	180	239
Other expenses	153	106
	463	477
Total expenses	4,434	4,919

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	68	22
Indian capital gains tax	194	508
Total taxation (note 5b)	262	530
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net expenses before taxation	(637)	(1,627)
Corporation tax of 20% (2015: 20%)	(127)	(325)
Effects of:		
Overseas non-taxable revenue*	(673)	(534)
Movement in excess management expenses	800	859
Irrecoverable overseas tax	68	22
Indian capital gains tax	194	508
Total tax charge for year (note 5a)	262	530

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £5,546,455 (31/07/15: £4,746,523) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distribution

The distribution takes account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprises:

	31 July 2016 £'000	31 July 2015 £'000
Final distribution	281	20
Add: revenue deducted on cancellation of shares	1	-
Deduct: revenue received on issue of shares	(1)	(1)
Net distribution for the year	281	19

Details of the distribution per share is set out in the Distribution Tables on pages 135 to 136.

7. Movement between net expenses and net distribution

	31 July 2016 £'000	31 July 2015 £'000
Net expenses after taxation	(899)	(2,157)
Revenue deficit	986	1,666
Movement in net income as a result of conversions	-	2
Indian capital gains tax	194	508
Net distribution for the year	281	19

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016	31 July 2015
	£'000	£'000
Sales awaiting settlement	2,860	-
Amounts receivable for issue of shares	1,317	85
Accrued revenue	779	791
Total debtors	4,956	876

9. Creditors

	31 July 2016	31 July 2015
	£'000	£'000
Purchases awaiting settlement	38	155
Amounts payable for cancellation of shares	1,186	392
Accrued expenses	501	582
Total creditors	1,725	1,129

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	£'000	£'000	£'000	£'000
Equities	43,076	75,877	56,147	92,694
Trades in the year before transaction costs	43,076	75,877	56,147	92,694
Commissions				
Equities	87	159	(56)	(149)
Taxes				
Equities	55	104	(70)	(108)
Total costs	142	263	(126)	(257)
Total net trades in the year after transaction costs	43,218	76,140	56,021	92,437

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.20	0.21	0.10	0.16
Taxes				
Equities	0.13	0.14	0.12	0.12

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.05	0.11
Taxes	0.05	0.08
Total costs	0.10	0.19

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.27% (31/07/2015: 0.28%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

Notes to the Financial Statements

(continued)

as at 31 July 2016

12. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£29,469) (31/07/15: £26,585).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 2.44% (31/07/15: 9.38%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Japan Focus Fund would have been an increase or decrease of approximately £nil (31/07/15: 69).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

Currency	Net foreign currency assets	Net foreign currency assets
	31 July 2016	31 July 2015
	Total	Total
	£'000	£'000
Bangladeshi taka	15,604	5,785
Euro	-	382
Indian rupee	260,096	243,502
Sri Lankan rupee	21,542	16,620
US dollar	4,620	25,362
	<u>301,862</u>	<u>291,651</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.94% (£15,093) (31/07/15: 4.98% (£14,583)).

Notes to the Financial Statements

(continued)

as at 31 July 2016

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £332 (31/07/15: £380) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned nil (31/07/15: 0.01%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class B Accumulation (Institutional):	1.00
Share class A Accumulation (EUR share class) (Retail):	1.75
Share class B Accumulation (USD share class) (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 124 to 127.

The distribution per share class is given in the Distribution Tables on pages 135 to 136.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	44,822,455	1,188,608	(4,716,462)	(15,672,806)	25,621,795
Share class B Accumulation (Institutional)	41,838,672	5,657,875	(5,842,689)	31,564,463	73,218,321
Share class A Accumulation (EUR share class) (Retail)	24,144,452	2,266,937	(6,177,976)	-	20,233,413
Share class B Accumulation (USD share class) (Institutional)	15,048,266	48,832	(13,383,799)	-	1,713,299

15. Fair value

	31 July 2016		31 July 2015
	Assets	Liabilities	Assets
	£'000	£'000	£'000
Valuation technique			
Level 1	294,690	-	265,847
Level 2	-	-	-
Level 3	-	-	-
Total fair value	294,690	-	265,847

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Indian Subcontinent Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-

This share class is in deficit and therefore not making a distribution.

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.3833	-	0.3833	-
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.3578	0.0255	0.3833	-

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	-
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	-

This share class is in deficit and therefore not making a distribution.

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
	(c)	(c)	(c)	(c)
Group 1				
Interim	-	-	-	-
Final	-	-	-	0.2089
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	0.2089

This share class is in deficit and therefore not making a distribution.

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Authorised Fund Manager's Report

for the period 26 October 2015 to 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund will predominantly invest in large and mid-capitalisation equity securities issued by companies that are established, operating or have their economic activities mainly in Japan and which are listed, traded or dealt in on Regulated Markets worldwide and in equity related instruments listed, traded or dealt in on Regulated Markets worldwide which provide exposure to Japan. The Fund may also invest in other equity securities and equity related instruments which are listed, traded or dealt in on Regulated Markets worldwide as well as in cash and near cash.

In order to gain exposure to these types of equities and equity related instruments, up to 10% of the net assets of the Fund may be invested in other collective investment schemes, including in collective investment schemes managed by the ACD or its associates ("Associated Schemes"), and/or other Funds of the Company ("Second Funds").

At times the Fund's portfolio may be concentrated in a small number of holdings.

The Fund may use derivatives for Efficient Portfolio Management purposes only.

- Clarification point: Large and mid-capitalisation typically refers to equities with a maximum market capitalisation of US\$ 1 billion.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Hedged Accumulation	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Single country risk: investing in a single country may be riskier than investing in a number of different countries. Investing in a larger number of countries helps spread risk.

Concentration risk: the Fund invests in a relatively small number of companies or countries which may be riskier than a fund that invests in a large number of companies or countries. Investing in a larger number of companies or countries helps spread risk.

Performance

The MSCI Japan index rose 13.8% in sterling terms over the 12 months to the end of July 2016. Returns in sterling were exaggerated by significant sterling weakness post the 'Brexit' vote.

for the period 26 October 2015 to 31 July 2016

Outlook

With Abenomics now in its fourth year, it seems that the Japanese economy is back to square one. Despite the unprecedented easing from the Bank of Japan, including the launch of the negative interest rate program (NIRP) earlier this year, Japan's domestic economy still lacks any sense of real growth. With the strengthening Japanese yen as well as weak global trade, we think it unlikely that Japanese businesses will want to borrow simply due to a low or negative interest rate. On the contrary, the conservative nature of Japanese management has led corporate Japan to continue building record high cash levels.

In our view, Japan's underlying problem is a lack of confidence in the future. Until there is evidence of meaningful progress in structural reforms, we believe the Japanese economy is likely to remain sluggish. However, quality companies will continue to diverge from the rest, having learnt how best to survive the low-growth economic conditions over the past 20 years. As a result, we look for well-managed and prudent companies that are focused on delivering repeatable cash flows and sustainable returns. Meanwhile, an increasing number of companies have announced dividend pay-out hikes and share buybacks, which also helps the investment case. As such, we continue to find good opportunities to invest in Japan, despite the weak macro outlook. Market volatility allows us to buy into quality at more reasonable prices.

Cumulative performance as at 31 July 2016

We are not in a position to provide performance data as the fund was launched to the market on 26 October 2015. This will be provided in future reports once the fund has attained a track record of one year.

Ten largest holdings

Stock name	31 July 2016 % of Fund
Ryohin Keikaku	6.16
Tsuruha Holdings	5.94
Daito Trust Construction	5.33
Nitori Holdings	5.32
MISUMI Group	4.05
Hoshizaki Electric	3.90
Sundrug	3.83
SCSK	3.62
Start Today	3.57
Asahi Intecc	3.54

Types of shares

Accumulation.

First State Japan Focus Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
JAPAN	11,420	92.94
6,200 ABC-Mart	300	2.44
12,500 Asahi Intecc	435	3.54
35,600 Casio Computer	386	3.14
5,200 Daito Trust Construction	655	5.33
6,400 Ezaki Glico	288	2.34
7,000 Hoshizaki Electric	479	3.90
5,600 Izumi	184	1.50
19,500 Kakaku.com	307	2.50
15,100 KDDI	347	2.82
800 Keyence	427	3.48
9,400 Koito Manufacturing	353	2.87
5,000 Kose	350	2.85
16,000 Kubota	178	1.45
1,000 LINE	29	0.24
16,200 Marui Group	177	1.44
4,700 Matsumotokiyoshi Holdings	157	1.28
3,200 MEIJI Holdings	252	2.05
35,700 MISUMI Group	498	4.05
10,500 NGK Spark Plug	132	1.08
9,100 Nissan Chemical Industries	220	1.79
7,000 Nitori Holdings	654	5.32
8,800 Olympus	231	1.88
3,300 Pigeon	62	0.51
18,100 Rakuten	156	1.27
2,600 Relo Group	306	2.49
2,500 Rinnai	186	1.51
4,500 Ryohin Keikaku	757	6.16
14,100 SCSK	445	3.62
500 Shimano	60	0.49
800 SMC	159	1.29
1,300 Sosei Group	156	1.27
12,200 Start Today	438	3.57
7,200 Sundrug	471	3.83
14,000 Suruga Bank	243	1.98
1,000 Sysmex	53	0.43
8,500 Tsuruha Holdings	730	5.94
5,300 Zenkoku Hoshu	159	1.29

Portfolio Statement

(continued)

as at 31 July 2016

	Market Value £'000	Total Net Assets %
FORWARD CURRENCY CONTRACTS		
Japanese Yen	(1)	(0.01)
Bought JPY207,195 for GBP1,491 Settlement 15/08/2016	-	-
Bought JPY290,865 for GBP2,093 Settlement 15/08/2016	-	-
Bought JPY340,222 for GBP2,428 Settlement 15/08/2016	-	-
Bought JPY610,345 for GBP4,339 Settlement 15/08/2016	-	-
Sold JPY203,129 for GBP1,452 Settlement 15/08/2016	-	-
Sold JPY216,349 for GBP1,559 Settlement 15/08/2016	-	-
Sold JPY920,464 for GBP6,631 Settlement 15/08/2016	-	-
Sold JPY8,776,578 for GBP63,007 Settlement 15/08/2016	(1)	(0.01)
Portfolio of investments	11,419	92.93
Net other assets	869	7.07
Total net assets	12,288	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

^ Including derivative liabilities.

First State Japan Focus Fund

Comparative table

for the period 26 October 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(p)

Share class B Accumulation

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	37.46
Operating charges	(0.98)
Return after operating charges*	36.48
Closing net asset value per share (p)	136.48

Retained distributions on accumulation shares*	-
--	---

*after direct transaction costs of:	0.14
-------------------------------------	------

Performance

Return after charges (%)	36.48%
--------------------------	--------

Other information

Closing net asset value (£'000)	12,080
Closing number of shares	8,850,593
Operating charges	1.10%
Direct transaction costs	0.12%

Prices

Highest share price	140.74
Lowest share price	97.76

Share class B Accumulation was launched on 26 October 2015.

First State Japan Focus Fund

Comparative table

(continued)

for the period 26 October 2015 to 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(p)

Share class B Hedged Accumulation

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	3.55
Operating charges	(0.86)
Return after operating charges*	2.69
Closing net asset value per share (p)	102.69

Retained distributions on accumulation shares*	-
--	---

*after direct transaction costs of:	0.12
-------------------------------------	------

Performance

Return after charges (%)	2.69%
--------------------------	-------

Other information

Closing net asset value (£'000)	61
Closing number of shares	59,692
Operating charges	1.16%
Direct transaction costs	0.12%

Prices

Highest share price	106.91
Lowest share price	86.04

Share class B Hedged Accumulation was launched on 30 October 2015.

Comparative table

(continued)

for the period 26 October 2015 to 31 July 2016

Net Asset Value and Ongoing Charges FigureFinal 31 July 2016
(c)**Share class B Accumulation (EUR share class)****Change in net assets per share**

Opening net asset value per share	100.00
Return before operating charges*	17.18
Operating charges	(0.91)
Return after operating charges*	16.27
Closing net asset value per share (c)	116.27

Retained distributions on accumulation shares*	0.01
--	------

*after direct transaction costs of:	0.14
-------------------------------------	------

Performance

Return after charges (%)	16.27%
--------------------------	--------

Other information

Closing net asset value (€'000)	174
Closing number of shares	149,746
Operating charges	1.07%
Direct transaction costs	0.12%

Prices

Highest share price	118.55
Lowest share price	90.69

Share class B Accumulation (EUR share class) was launched on 26 October 2015.

First State Japan Focus Fund

Statement of Total Return

for the period 26 October 2015 to 31 July 2016

	Notes	31 July 2016 £'000	£'000
Income			
Net capital gains	2		2,434
Revenue	3	57	
Expenses	4	(57)	
Interest payable and similar charges		-	
Net revenue before taxation		-	
Taxation	5	(5)	
Net expenses after taxation			(5)
Total return before equalisation			2,429
Equalisation			-
Change in net assets attributable to shareholders from investment activities			2,429

Statement of Change in Net Assets Attributable to Shareholders

for the period 26 October 2015 to 31 July 2016

	31 July 2016 £'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on issue of shares	10,065	
Less: Amounts payable on cancellation of shares	(222)	
		9,843
Dilution adjustment		16
Change in net assets attributable to shareholders from investment activities		2,429
Closing net assets attributable to shareholders		12,288

No comparatives are shown as the fund was launched 26 October 2015.

Notes to the Financial Statements are on pages 146 to 150.

First State Japan Focus Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000
Assets		
Fixed assets		
Investments		11,420
Current assets		
Debtors	7	325
Cash and bank balances		1,034
Total assets		12,779
Liabilities		
Investment liabilities		(1)
Creditors		
Other creditors	8	(490)
Total liabilities		(491)
Net assets attributable to shareholders		12,288

No comparatives are shown as the fund was launched 26 October 2015.

Notes to the Financial Statements are on pages 146 to 150.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the period comprise:

	31 July 2016 £'000
Non-derivative securities	2,467
Forward foreign exchange currency contracts	(2)
Currency losses	(31)
Net capital gains	<u>2,434</u>

3. Revenue

	31 July 2016 £'000
Overseas non-taxable revenue	56
Interest from bank deposits	1
Total revenue	<u>57</u>

4. Expenses

	31 July 2016 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:	
ACD's periodic charge	47
ACD's periodic charge rebate	(44)
	<u>3</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:	
Depositary's fees	<u>2</u>
Other expenses:	
Audit fee	9
Registrar fees	2
Safe custody charges	1
Other expenses	40
	<u>52</u>
Total expenses	<u>57</u>

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

31 July 2016
£'000

(a) Analysis of charge in period:

Irrecoverable overseas tax

5

(b) Factors affecting current tax charge for the period:

The tax assessed for the period is higher than the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20%. The differences are explained below:

Effects of:

Overseas non-taxable revenue*

(11)

Movement in excess management expenses

11

Irrecoverable overseas tax

5

Total tax charge for period (note 5a)

5

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current year.

(d) Factors that may affect future tax charges:

At the period end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £11,368 this relates to surplus management expenses. No deferred tax asset was recognised in the current year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Movement between net expenses and net equalisation

31 July 2016
£'000

Net expenses after taxation

(5)

Revenue deficit

5

Net equalisation for the period

-

7. Debtors

31 July 2016
£'000

Sales awaiting settlement

40

Amounts receivable for issue of shares

273

Accrued revenue

5

Accrued ACD's periodic charge rebate

7

Total debtors

325

8. Creditors

31 July 2016
£'000

Purchases awaiting settlement

345

Amounts payable for cancellation of shares

106

Accrued expenses

39

Total creditors

490

Notes to the Financial Statements

(continued)

as at 31 July 2016

9. Portfolio transaction costs

Analysis of total trade costs:

	Purchases 31 July 2016 £'000	Sales 31 July 2016 £'000
Equities	10,615	1,673
Trades in the period before transaction costs	<u>10,615</u>	<u>1,673</u>
Commissions		
Equities	6	(2)
Taxes		
Equities	<u>-</u>	<u>-</u>
Total costs	<u>6</u>	<u>(2)</u>
Total net trades in the period after transaction costs	<u><u>10,621</u></u>	<u><u>1,671</u></u>

Total transaction cost expressed as a percentage of asset type cost:

	Purchases 31 July 2016 %	Sales 31 July 2016 %
Commissions		
Equities	0.06	0.12
Taxes		
Equities	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %
Commissions	0.11
Taxes	-
Total costs	<u><u>0.11</u></u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.23%.

as at 31 July 2016

10. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities and no commitments.

11. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£1,142).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 8.41% of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Japan Focus Fund would have been an increase or decrease of approximately £3.

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July 2016 the Fund had the following net currency exposure (excluding sterling):

Net foreign currency assets	
31 July 2016	
Currency	Total £'000
Euro	76
Japanese yen	11,683
	<u>11,759</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.78% (£588).

Notes to the Financial Statements

(continued)

as at 31 July 2016

12. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £8 due at the period end.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 36.02% of the Net Asset Value of the Fund.

13. Share classes

The Fund has three share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class B Accumulation (Institutional):	0.85
Share class B Hedged Accumulation (Institutional):	0.85
Share class B Accumulation (EUR share class) (Institutional):	0.85

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 141 to 143.

The distributions per share class are given in the Distribution Tables on pages 151 to 152.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the period:

	26 October 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class B Accumulation (Institutional)	-	8,956,823	(106,230)	-	8,850,593
Share class B Hedged Accumulation (Institutional)	-	138,796	(79,104)	-	59,692
Share class B Accumulation (EUR share class) (Institutional)	-	155,151	(5,405)	-	149,746

14. Fair value

	31 July 2016	
Valuation technique	Assets £'000	Liabilities £'000
Level 1	11,420	-
Level 2	-	(1)
Level 3	-	-
Total fair value	11,420	(1)

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Japan Focus Fund

Distribution Table

for the period 26 October 2015 to 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares created for initial seeding of fund prior to 26 October 2015

Group 1 Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 26 October 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(p)	(p)	(p)
Interim	-	-	-
Final	-	-	-
Group 2	(p)	(p)	(p)
Interim	-	-	-
Final	-	-	-

This share class is in deficit and therefore not making a distribution.

Share class B Hedged Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(p)	(p)	(p)
Interim	-	-	-
Final	-	-	-
Group 2	(p)	(p)	(p)
Interim	-	-	-
Final	-	-	-

This share class is in deficit and therefore not making a distribution.

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(c)	(c)	(c)
Interim	-	-	-
Final	0.0112	-	0.0112
Group 2	(c)	(c)	(c)
Interim	-	-	-
Final	-	0.0112	0.0112

Distribution Table

(continued)

for the period 26 October 2015 to 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Emerging Markets Bond Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve an investment return from income and capital appreciation.

The Fund primarily invests in debt securities issued or guaranteed by governments, financial institutions or companies in Emerging Markets. The Fund may also invest in securities which are economically linked to Emerging Markets. The majority of the Fund will be invested in debt securities denominated in US dollars.

The Fund will invest at least 80 per cent of its net assets in bonds and other debt securities issued or guaranteed by governments of Emerging Markets or their agencies, and by companies established or having significant operations in Emerging Markets.

The Fund may invest in investment grade, non investment grade and unrated debt securities. The Fund may hold more than 30 per cent of its net assets in debt securities rated below investment grade.

Risks and reward profile

	←Lower Risk			Higher Risk→			
	Potentially Lower Rewards			Potentially Higher Rewards			
Share class A Hedged Accumulation	1	2	3	4	5	6	7
Share class A Hedged Income	1	2	3	4	5	6	7
Share class B Hedged Accumulation	1	2	3	4	5	6	7
Share class B Hedged Income	1	2	3	4	5	6	7
Share class A Hedged Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class A Hedged Income (EUR share class)	1	2	3	4	5	6	7
Share class B Hedged Income (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (USD share class)	1	2	3	4	5	6	7
Share class B Gross Accumulation (USD share class)	1	2	3	4	5	6	7
Share class B Gross Hedged Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class Z Gross Hedged Accumulation (USD share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 4 due to its past performance and the nature of its investments. Shares with a rating of 4 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Interest rate risk: interest rates affect the Fund's investments. If rates go up, the value of investments fall and vice versa.

Credit risk: the issuers of bonds or similar investments that the Fund buys may not pay income or repay capital to the Fund when due.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

for the year ended 31 July 2016

Performance

The fund rose by 10.6% in sterling terms over the year, net of fees. The JPM EMBI Global Diversified Total Return Index (GBP hedged) rose 11.2% over the same period.

Global factors have driven markets over the period mainly US monetary policy, the oil price, China, and political events, including developments in the US presidential election race and various developments in Europe ('Brexit' referendum in the UK, attempted coup in Turkey, populist government elected in Poland).

The strong performance of emerging markets (EM) debt over the period occurred predominantly in the past five months. A strong rebound in the oil price and commodities more broadly revived risk appetite. Equally important for debt markets was a supportive scenario of mediocre economic growth and modest inflationary pressure resulting in continued easy monetary policy. Against this backdrop, with further yield compression and a growing proportion of core bonds on negative yields, the yields on offer in EM debt have proved attractive to investors.

Portfolio changes

We became less defensive over the period moving to a higher level of risk exposure. We participated in a number of new issues, notably in Argentina, which having agreed a deal with holdout creditors came to market with the largest ever single-day EM debt issue. We participated in the 5, 10 and 30 year tranches increasing our overweight position in the credit. We also participated in issues by the Philippines, Uruguay, Sri Lanka and Trinidad and Tobago and increased our exposure to Indonesia, which is a core holding and one of the strongest fundamental stories in EM. We reduced our exposure to Central and Eastern Europe moving to an underweight towards the end of the period. We sold our holdings in Poland and reduced exposure to Hungary partly due to the uncertain impact of 'Brexit' on EU trade and also due to better opportunities elsewhere.

Outlook

We expect the current scenario of mediocre growth and low inflation in the developed world to continue to support global bond markets, but we expect somewhat higher volatility in the next three months, as the US election and various EU events could cause some noise. In EM, growth is showing signs of bottoming, which supports EM outperformance. We envisage that global and technical factors will remain big drivers of EM debt for now and continue to be constructive on the market. We see the main risks as further weakness in oil prices, an equities sell-off damaging risk appetite and geopolitical events. Prospects for Europe remain uncertain amid a continued lack of clarity on the implications of 'Brexit' and difficult conditions for the banking sector.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	5.2	10.8	8.8	16.5	-	-	29.8
Benchmark return %	5.3	12.6	11.2	24.5	-	-	38.1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	8.8	(0.1)	7.6	(0.3)	-

Benchmark: JP Morgan EMBI Global Diversified GBP Hedged.

Sector: Global Emerging Markets Bond Average.

Past performance should not be used as a guide to future performance, which is not guaranteed.

First State Emerging Markets Bond Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Ten largest holdings

Stock name	31 July 2016		31 July 2015	
	% of Fund		% of Fund	
Dominican Republic International Bond 5.5% 27/01/2025	1.64	Argentina Boden Bonds 7% 03/10/2015	3.00	
Uruguay Government International Bond 5.1% 18/06/2050	1.52	United States Treasury Bill 0% 20/08/2015	2.02	
Turkey Government International Bond 4.875% 16/04/2043	1.47	Hungary Government International Bond 5.375% 21/02/2023	1.90	
CNOOC Finance 2013 3% 09/05/2023	1.41	Republic of Serbia 6.75% 01/11/2024	1.83	
Costa Rica Government International Bond 7.158% 12/03/2045	1.32	Petrobras Global Finance 3.25% 17/03/2017	1.77	
Croatia Government International Bond 6.375% 24/03/2021	1.26	Petroleos Mexicanos 5.5% 27/06/2044	1.73	
Vietnam Government International Bond 4.8% 19/11/2024	1.26	Sri Lanka Government International Bond 5.875% 25/07/2022	1.54	
Ecuador Government International Bond 10.5% 24/03/2020	1.21	Republic of Armenia 6% 30/09/2020	1.49	
Sri Lanka Government International Bond 5.875% 25/07/2022	1.18	Instituto Costarricense de Electricidad 6.95% 10/11/2021	1.49	
Argentine Republic Government International Bond 7.5% 22/04/2026	1.16	KazMunayGas National 6.375% 09/04/2021	1.45	

Types of shares

Income and Accumulation.

First State Emerging Markets Bond Fund

Portfolio Statement

as at 31 July 2016

Nominal Values		Market Value £'000	Total Net Assets %
	UNITED STATES (2.02%*)	-	-
	IRELAND (0.37%*)	2,396	2.01
1,200,000	Vnesheconombank Via VEB Finance 5.45% 22/11/2017	937	0.79
500,000	Vnesheconombank Via VEB Finance 6.902% 09/07/2020	406	0.34
1,300,000	Vnesheconombank Via VEB Finance 6.8% 22/11/2025	1,053	0.88
	NETHERLANDS (2.62%*)	2,977	2.50
750,000	Petrobras Global Finance 5.875% 01/03/2018	591	0.50
1,600,000	Petrobras Global Finance 8.375% 23/05/2021	1,277	1.07
600,000	Petrobras Global Finance 4.375% 20/05/2023	387	0.32
975,000	Republic of Angola Via Northern Lights III 7% 16/08/2019	722	0.61
	CHINA (1.09%*)	-	-
	HONG KONG (0.89%*)	1,680	1.41
2,200,000	CNOOC Finance 2013 3% 09/05/2023	1,680	1.41
	INDIA (0.97%*)	465	0.39
600,000	Export-Import Bank of India 3.125% 20/07/2021	465	0.39
	INDONESIA (4.42%*)	7,252	6.08
700,000	Indonesia Government International Bond 3.75% 25/04/2022	556	0.47
600,000	Indonesia Government International Bond 5.875% 15/01/2024	533	0.45
1,090,000	Indonesia Government International Bond 4.75% 08/01/2026	922	0.77
600,000	Indonesia Government International Bond 6.625% 17/02/2037	588	0.49
500,000	Indonesia Government International Bond 5.125% 15/01/2045	427	0.36
960,000	Indonesia Government International Bond 5.95% 08/01/2046	908	0.76
200,000	Pelabuhan Indonesia II 4.25% 05/05/2025	154	0.13
800,000	Pertamina Persero 5.25% 23/05/2021	657	0.55
1,000,000	Pertamina Persero 6% 03/05/2042	818	0.69
400,000	Perusahaan Listrik Negara 5.25% 24/10/2042	304	0.25
1,700,000	Perusahaan Penerbit SBSN Indonesia III 4.55% 29/03/2026	1,385	1.16
	MALAYSIA (0.00%*)	1,085	0.91
1,000,000	1MDB Global Investments 4.4% 09/03/2023	653	0.55
500,000	Petronas Capital 4.5% 18/03/2045	432	0.36
	PAKISTAN (0.55%*)	1,411	1.19
600,000	Pakistan Government International Bond 6.75% 03/12/2019	485	0.41
1,100,000	Pakistan Government International Bond 8.25% 15/04/2024	926	0.78
	PHILIPPINES (0.79%*)	2,090	1.75
600,000	Philippine Government International Bond 4% 15/01/2021	502	0.42
800,000	Philippine Government International Bond 3.95% 20/01/2040	716	0.60
1,000,000	Philippine Government International Bond 3.7% 01/03/2041	872	0.73
	SRI LANKA (1.54%*)	3,152	2.63
300,000	Sri Lanka Government International Bond 5.125% 11/04/2019	232	0.19
800,000	Sri Lanka Government International Bond 5.75% 18/01/2022	626	0.52
1,800,000	Sri Lanka Government International Bond 5.875% 25/07/2022	1,408	1.18
1,110,000	Sri Lanka Government International Bond 6.85% 03/11/2025	886	0.74
	VIETNAM (0.87%*)	1,502	1.26
1,850,000	Vietnam Government International Bond 4.8% 19/11/2024	1,502	1.26
	ARMENIA (1.49%*)	971	0.81
1,251,000	Republic of Armenia International Bond 6% 30/09/2020	971	0.81
	AZERBAIJAN (1.50%*)	2,476	2.08
900,000	Republic of Azerbaijan International Bond 4.75% 18/03/2024	688	0.58
1,300,000	Southern Gas Corridor 6.875% 24/03/2026	1,077	0.90
905,000	State Oil Company of the Azerbaijan Republic 6.95% 18/03/2030	711	0.60

First State Emerging Markets Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

Nominal Values		Market Value £'000	Total Net Assets %
	BAHRAIN (1.43%*)	-	-
	CROATIA (2.32%*)	3,010	2.52
1,300,000	Croatia Government International Bond 6.625% 14/07/2020	1,085	0.91
1,800,000	Croatia Government International Bond 6.375% 24/03/2021	1,506	1.26
500,000	Croatia Government International Bond 6% 26/01/2024	419	0.35
	EGYPT (2.19%*)	1,601	1.34
500,000	African Export-Import Bank 4% 24/05/2021	387	0.32
520,000	Egypt Government International Bond 5.75% 29/04/2020	403	0.34
600,000	Egypt Government International Bond 5.875% 11/06/2025	424	0.36
550,000	Egypt Government International Bond 6.875% 30/04/2040	387	0.32
	GABON (0.82%*)	947	0.79
1,400,000	Gabon Government International Bond 6.375% 12/12/2024	947	0.79
	GEORGIA (0.71%*)	829	0.69
1,000,000	Georgia Government International Bond 6.875% 12/04/2021	829	0.69
	GHANA (0.00%*)	132	0.11
200,000	Ghana Government International Bond 7.875% 07/08/2023	132	0.11
	HUNGARY (4.19%*)	3,617	3.03
500,000	Hungary Government International Bond 4.125% 19/02/2018	392	0.33
1,600,000	Hungary Government International Bond 5.375% 21/02/2023	1,354	1.13
1,000,000	Hungary Government International Bond 5.375% 25/03/2024	857	0.72
900,000	Hungary Government International Bond 7.625% 29/03/2041	1,014	0.85
	ISRAEL (1.48%*)	1,106	0.93
500,000	Israel Electric 6.875% 21/06/2023	451	0.38
800,000	Israel Electric 5% 12/11/2024	655	0.55
	IVORY COAST (0.74%*)	1,811	1.52
1,000,000	Ivory Coast Government International Bond 5.375% 23/07/2024	729	0.61
1,485,000	Ivory Coast Government International Bond 5.75% 31/12/2032	1,082	0.91
	KAZAKHSTAN (4.02%*)	3,206	2.69
1,100,000	Kazakhstan Government International Bond 3.875% 14/10/2024	844	0.71
1,000,000	Kazakhstan Government International Bond 6.5% 21/07/2045	894	0.75
700,000	KazMunayGas National 9.125% 02/07/2018	585	0.49
1,071,000	KazMunayGas National 7% 05/05/2020	883	0.74
	KENYA (0.68%*)	1,041	0.87
900,000	Kenya Government International Bond 5.875% 24/06/2019	683	0.57
500,000	Kenya Government International Bond 6.875% 24/06/2024	358	0.30
	KUWAIT (0.78%*)	-	-
	LATVIA (0.61%*)	-	-
	LEBANON (2.64%*)	3,065	2.56
1,500,000	Lebanon Government International Bond 5.45% 28/11/2019	1,126	0.94
1,000,000	Lebanon Government International Bond 6% 27/01/2023	740	0.62
1,200,000	Lebanon Government International Bond 6.65% 22/04/2024	907	0.76
400,000	Lebanon Government International Bond 6.2% 26/02/2025	292	0.24
	MOROCCO (1.58%*)	605	0.51
700,000	Morocco Government International Bond 5.5% 11/12/2042	605	0.51
	NAMIBIA (0.72%*)	324	0.27
400,000	Namibia International Bonds 5.5% 03/11/2021	324	0.27
	POLAND (2.11%*)	-	-

First State Emerging Markets Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

Nominal Values		Market Value £'000	Total Net Assets %
NIGERIA (0.00%*)		553	0.46
750,000	Nigeria Government International Bond 6.375% 12/07/2023	553	0.46
ROMANIA (2.03%*)		2,049	1.72
1,000,000	Romanian Government International Bond 6.75% 07/02/2022	906	0.76
150,000	Romanian Government International Bond 4.375% 22/08/2023	123	0.10
800,000	Romanian Government International Bond 4.875% 22/01/2024	680	0.57
350,000	Romanian Government International Bond 6.125% 22/01/2044	340	0.29
RUSSIA (2.65%*)		2,649	2.22
1,000,000	Russian Foreign Bond - Eurobond 5% 29/04/2020	809	0.68
1,400,000	Russian Foreign Bond - Eurobond 4.875% 16/09/2023	1,151	0.96
800,000	Russian Foreign Bond - Eurobond 5.875% 16/09/2043	689	0.58
SERBIA (4.08%*)		2,807	2.35
1,200,000	Republic of Serbia International Bond 4.875% 25/02/2020	936	0.78
1,100,000	Republic of Serbia International Bond 7.25% 28/09/2021	964	0.81
1,167,198	Republic of Serbia International Bond 6.75% 01/11/2024	907	0.76
SLOVENIA (0.96%*)		173	0.15
200,000	Slovenia Government International Bond 5.25% 18/02/2024	173	0.15
SOUTH AFRICA (2.41%*)		2,821	2.36
650,000	Eskom Holdings 5.75% 26/01/2021	490	0.41
300,000	Eskom Holdings 7.125% 11/02/2025	232	0.19
1,200,000	South Africa Government International Bond 5.5% 09/03/2020	986	0.83
650,000	South Africa Government International Bond 5.875% 16/09/2025	554	0.46
700,000	South Africa Government International Bond 4.875% 14/04/2026	559	0.47
TUNISIA (0.66%*)		-	-
TURKEY (3.84%*)		3,479	2.92
1,130,000	Export Credit Bank of Turkey 5.375% 08/02/2021	868	0.73
600,000	Turkey Government International Bond 5.125% 25/03/2022	473	0.40
500,000	Turkey Government International Bond 4.875% 09/10/2026	385	0.32
2,500,000	Turkey Government International Bond 4.875% 16/04/2043	1,753	1.47
UAE (2.89%*)		-	-
UKRAINE (0.00%*)		3,761	3.14
1,190,000	Ukraine Government International Bond 7.75% 01/09/2019	900	0.75
800,000	Ukraine Government International Bond 7.75% 01/09/2021	598	0.50
800,000	Ukraine Government International Bond 7.75% 01/09/2025	586	0.49
800,000	Ukraine Government International Bond 7.75% 01/09/2027	583	0.49
1,250,000	Ukreximbank Via Biz Finance 9.625% 27/04/2022	946	0.79
200,000	Ukreximbank Via Biz Finance 9.75% 22/01/2025	148	0.12
ZAMBIA (0.52%*)		334	0.28
500,000	Zambia Government International Bond 8.5% 14/04/2024	334	0.28
ARGENTINA (4.75%*)		7,918	6.63
1,200,000	Argentina Bonar Bonds 7% 17/04/2017	930	0.78
680,000	Argentine Republic Government International Bond 6.875% 22/04/2021	552	0.46
1,700,000	Argentine Republic Government International Bond 7.5% 22/04/2026	1,385	1.16
560,815	Argentine Republic Government International Bond 8.28% 31/12/2033	467	0.39
981,427	Argentine Republic Government International Bond 8.28% 31/12/2033 (US Listing)	832	0.70
8,525,000	Argentine Republic Government International Bond FRN 0% 15/12/2035	669	0.56
800,000	Argentine Republic Government International Bond 7.125% 06/07/2036	609	0.51
2,400,000	Argentine Republic Government International Bond 2.5% 31/12/2038	1,230	1.03
1,550,000	Argentine Republic Government International Bond 7.625% 22/04/2046	1,244	1.04

First State Emerging Markets Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

Nominal Values		Market Value £'000	Total Net Assets %
BERMUDA (0.75%*)		875	0.73
1,100,000	Bermuda Government International Bond 4.138% 03/01/2023	875	0.73
BRAZIL (2.01%*)		3,852	3.23
900,000	Brazil Minas SPE via State of Minas Gerais 5.333% 15/02/2028	642	0.54
1,300,000	Brazilian Government International Bond 4.25% 07/01/2025	971	0.81
600,000	Brazilian Government International Bond 6% 07/04/2026	500	0.42
600,000	Brazilian Government International Bond 5.625% 07/01/2041	445	0.37
800,000	Brazilian Government International Bond 5% 27/01/2045	548	0.46
1,000,000	Caixa Economica Federal 2.375% 06/11/2017	746	0.63
CHILE (0.35%*)		407	0.34
500,000	Empresa Nacional del Petroleo 4.75% 06/12/2021	407	0.34
COLOMBIA (2.71%*)		3,535	2.97
1,000,000	Colombia Government International Bond 4.375% 12/07/2021	813	0.68
1,200,000	Colombia Government International Bond 2.625% 15/03/2023	880	0.74
720,000	Colombia Government International Bond 4% 26/02/2024	567	0.48
500,000	Colombia Government International Bond 4.5% 28/01/2026	407	0.34
1,000,000	Colombia Government International Bond 6.125% 18/01/2041	868	0.73
COSTA RICA (1.49%*)		3,952	3.31
1,700,000	Costa Rica Government International Bond 4.25% 26/01/2023	1,248	1.05
1,950,000	Costa Rica Government International Bond 7.158% 12/03/2045	1,580	1.32
1,400,000	Instituto Costarricense de Electricidad 6.95% 10/11/2021	1,124	0.94
DOMINICAN REPUBLIC (2.43%*)		4,846	4.07
500,000	Dominican Republic International Bond 6.6% 28/01/2024	417	0.35
2,500,000	Dominican Republic International Bond 5.5% 27/01/2025	1,958	1.64
400,000	Dominican Republic International Bond Premium 6.875% 29/01/2026	341	0.29
1,300,000	Dominican Republic International Bond 6.875% 29/01/2026	1,107	0.93
1,250,000	Dominican Republic International Bond 6.85% 27/01/2045	1,023	0.86
ECUADOR (0.00%*)		1,444	1.21
1,900,000	Ecuador Government International Bond 10.5% 24/03/2020	1,444	1.21
GUATEMALA (0.00%*)		801	0.67
1,000,000	Guatemala Government Bond 4.5% 03/05/2026	801	0.67
JAMAICA (2.00%*)		2,192	1.83
500,000	Jamaica Government International Bond 7.625% 09/07/2025	433	0.36
1,500,000	Jamaica Government International Bond 6.75% 28/04/2028	1,243	1.04
600,000	Jamaica Government International Bond 7.875% 28/07/2045	516	0.43
MEXICO (5.92%*)		7,544	6.32
1,150,000	Banco Nacional de Comercio Exterior 4.375% 14/10/2025	924	0.77
1,300,000	Mexico Government International Bond 3.6% 30/01/2025	1,032	0.87
700,000	Mexico Government International Bond 4.75% 08/03/2044	568	0.48
1,600,000	Mexico Government International Bond 4.6% 23/01/2046	1,277	1.07
600,000	Mexico Government International Bond 5.75% 12/10/2110	498	0.42
550,000	Nacional Financiera SNC 3.375% 05/11/2020	431	0.36
300,000	Petroleos Mexicanos 5.5% 21/01/2021	242	0.20
570,000	Petroleos Mexicanos 4.875% 24/01/2022	445	0.37
1,250,000	Petroleos Mexicanos 6.875% 04/08/2026	1,064	0.89
700,000	Petroleos Mexicanos 5.5% 27/06/2044	476	0.40
850,000	Petroleos Mexicanos 5.625% 23/01/2046	587	0.49

First State Emerging Markets Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

Nominal Values		Market Value £'000	Total Net Assets %
PANAMA (0.41%*)		1,148	0.96
1,400,000	Panama Government International Bond 4% 22/09/2024	1,148	0.96
PARAGUAY (0.00%*)		171	0.14
200,000	Paraguay Government International Bond 6.1% 11/08/2044	171	0.14
PERU (1.01%*)		1,135	0.95
1,180,000	Peruvian Government International Bond 5.625% 18/11/2050	1,135	0.95
TRINIDAD AND TOBAGO (0.00%*)		153	0.13
200,000	Trinidad & Tobago Government International Bond 4.5% 04/08/2026	153	0.13
URUGUAY (0.64%*)		3,317	2.79
1,140,000	Uruguay Government International Bond 4.375% 27/10/2027	917	0.77
557,000	Uruguay Government International Bond 7.875% 15/01/2033	592	0.50
2,360,000	Uruguay Government International Bond 5.1% 18/06/2050	1,808	1.52
VENEZUELA (1.08%*)		2,880	2.40
600,000	Petroleos de Venezuela 5.25% 12/04/2017	313	0.26
466,667	Petroleos de Venezuela 8.5% 02/11/2017	274	0.23
2,700,000	Petroleos de Venezuela 6% 16/05/2024	750	0.63
1,545,000	Petroleos de Venezuela 5.375% 12/04/2027	421	0.35
300,000	Venezuela Government International Bond 7.75% 13/10/2019	109	0.09
410,000	Venezuela Government International Bond 9% 07/05/2023	137	0.11
2,400,000	Venezuela Government International Bond 9.25% 15/09/2027	876	0.73
DERIVATIVES ((0.09%*))		(45)	0.05
Euro			
	Bought EUR22,748,976 for USD25,243,288 Settlement 15/08/2016	37	0.03
	Bought EUR8,368,788 for USD9,286,384 Settlement 15/08/2016	13	0.01
	Bought EUR4,229,184 for USD4,692,893 Settlement 15/08/2016	7	0.01
	Bought EUR118,840 for USD130,980 Settlement 15/08/2016	1	-
	Bought EUR47,992 for USD52,830 Settlement 15/08/2016	-	-
	Bought EUR11,465 for USD12,688 Settlement 15/08/2016	-	-
	Bought EUR3,916 for USD4,308 Settlement 15/08/2016	-	-
	Bought EUR1,073 for USD1,180 Settlement 15/08/2016	-	-
	Bought EUR2,216 for USD2,451 Settlement 15/08/2016	-	-
	Bought EUR1,414 for USD1,569 Settlement 15/08/2016	-	-
	Bought EUR9 for USD10 Settlement 15/08/2016	-	-
	Bought EUR4 for USD4 Settlement 15/08/2016	-	-
	Bought EUR40 for USD44 Settlement 15/08/2016	-	-
	Bought EUR2,062 for USD2,294 Settlement 15/08/2016	-	-
	Bought EUR19,424 for USD21,655 Settlement 15/08/2016	-	-
	Bought EUR53,443 for USD59,581 Settlement 15/08/2016	-	-
US Dollar			
	Bought USD650,802 for GBP489,264 Settlement 15/08/2016	5	-
	Bought USD262,431 for GBP197,292 Settlement 15/08/2016	2	-
	Bought USD43,724 for GBP32,871 Settlement 15/08/2016	-	-
	Bought USD17,047 for GBP12,748 Settlement 15/08/2016	-	-
	Bought USD10,895 for GBP8,190 Settlement 15/08/2016	-	-
	Bought USD24,279 for EUR21,778 Settlement 15/08/2016	-	-
	Bought USD15,331 for GBP11,581 Settlement 15/08/2016	-	-
	Bought USD14,093 for GBP10,646 Settlement 15/08/2016	-	-
	Bought USD53,736 for GBP40,740 Settlement 15/08/2016	-	-
	Bought USD2,731 for EUR2,456 Settlement 15/08/2016	-	-
	Bought USD5 for GBP4 Settlement 15/08/2016	-	-
	Bought USD13 for GBP10 Settlement 15/08/2016	-	-

First State Emerging Markets Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

	Market Value £'000	Total Net Assets %
Bought USD27 for EUR25 Settlement 15/08/2016	-	-
Bought USD110 for GBP83 Settlement 15/08/2016	-	-
Bought USD203 for GBP155 Settlement 15/08/2016	-	-
Bought USD535 for GBP408 Settlement 15/08/2016	-	-
Bought USD1,052 for GBP801 Settlement 15/08/2016	-	-
Bought USD845 for GBP645 Settlement 15/08/2016	-	-
Bought USD1,445 for GBP1,103 Settlement 15/08/2016	-	-
Bought USD22,010 for GBP16,709 Settlement 15/08/2016	-	-
Bought USD10,583 for GBP8,040 Settlement 15/08/2016	-	-
Bought USD4,231 for GBP3,221 Settlement 15/08/2016	-	-
Bought USD31,970 for GBP24,270 Settlement 15/08/2016	-	-
Bought USD17,568 for GBP13,345 Settlement 15/08/2016	-	-
Bought USD4,635 for EUR4,190 Settlement 15/08/2016	-	-
Bought USD2,424 for EUR2,205 Settlement 15/08/2016	-	-
Bought USD19,800 for GBP15,054 Settlement 15/08/2016	-	-
Bought USD23,475 for EUR21,170 Settlement 15/08/2016	-	-
Bought USD34,371 for EUR31,059 Settlement 15/08/2016	-	-
Bought USD26,862 for GBP20,503 Settlement 15/08/2016	-	-
Bought USD86,207 for EUR77,691 Settlement 15/08/2016	-	-
Bought USD176,550 for EUR159,109 Settlement 15/08/2016	-	-
Bought USD58,435 for GBP44,602 Settlement 15/08/2016	-	-
Bought USD477,230 for EUR430,086 Settlement 15/08/2016	(1)	-
Sold USD93,585 for GBP71,151 Settlement 15/08/2016	-	-
Sold USD23,014 for GBP17,559 Settlement 15/08/2016	-	-
Sold USD12,436 for GBP9,475 Settlement 15/08/2016	-	-
Sold USD9,136 for GBP6,940 Settlement 15/08/2016	-	-
Sold USD1,975 for GBP1,505 Settlement 15/08/2016	-	-
Sold USD1,430 for GBP1,089 Settlement 15/08/2016	-	-
Sold USD658 for GBP502 Settlement 15/08/2016	-	-
Sold USD263 for GBP200 Settlement 15/08/2016	-	-
Sold USD593 for GBP449 Settlement 15/08/2016	-	-
Sold USD78 for GBP59 Settlement 15/08/2016	-	-
Sold USD420 for GBP314 Settlement 15/08/2016	-	-
Sold USD890 for GBP666 Settlement 15/08/2016	-	-
Sold USD5,943 for GBP4,443 Settlement 15/08/2016	-	-
Sold USD8,451 for GBP6,319 Settlement 15/08/2016	-	-
Sold USD66,382 for GBP49,632 Settlement 15/08/2016	(1)	-
Sold USD182,656 for GBP137,314 Settlement 15/08/2016	(1)	-
Sold USD688,632 for GBP517,689 Settlement 15/08/2016	(5)	-
Sold USD4,126,419 for GBP3,102,093 Settlement 15/08/2016	(29)	(0.02)
Sold USD10,478,040 for GBP7,877,011 Settlement 15/08/2016	(73)	(0.06)
Portfolio of investments	113,502	95.14
Net other assets	5,796	4.86
Total net assets	119,298	100.00

All holdings represent securities quoted on a Listed Securities Market, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

Stocks shown as FRNs represent Floating Rate Notes - debt instruments that pay a floating rate of interest, usually based on an accepted market benchmark rate such as LIBOR.

* Comparative figures shown in brackets relate to 31 July 2015.

^ Including derivative liabilities.

Nominal values are all in USD.

First State Emerging Markets Bond Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Hedged Accumulation			
Change in net assets per share			
Opening net asset value per share	118.91	119.58	111.06
Return before operating charges*	12.43	1.17	10.39
Operating charges	(1.94)	(1.84)	(1.87)
Return after operating charges*	10.49	(0.67)	8.52
Closing net asset value per share (p)	129.40	118.91	119.58
Retained distributions on accumulation shares*	5.27	4.63	4.20
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	8.82%	(0.56)%	7.67%
Other information			
Closing net asset value (£'000)	499	7,456	13,998
Closing number of shares	385,956	6,270,282	11,706,626
Operating charges	1.62%	1.54%	1.64%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	130.66	122.88	120.79
Lowest share price	115.41	114.60	107.82

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Hedged Income			
Change in net assets per share			
Opening net asset value per share	103.19	107.93	103.97
Return before operating charges*	10.36	0.98	9.50
Operating charges	(1.56)	(1.58)	(1.64)
Return after operating charges*	8.80	(0.60)	7.86
Distributions on income shares	(4.51)	(4.14)	(3.90)
Closing net asset value per share (p)	107.48	103.19	107.93
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	8.53%	(0.56)%	7.56%
Other information			
Closing net asset value (£'000)	130	7,158	8,503
Closing number of shares	121,172	6,936,157	7,878,147
Operating charges	1.50%	1.48%	1.55%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	111.12	108.99	111.21
Lowest share price	98.92	103.41	100.93

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Hedged Accumulation			
Change in net assets per share			
Opening net asset value per share	102.75	102.80	94.76
Return before operating charges*	10.89	0.96	8.97
Operating charges	(1.10)	(1.01)	(0.93)
Return after operating charges*	9.79	(0.05)	8.04
Closing net asset value per share (p)	112.54	102.75	102.80
Retained distributions on accumulation shares*	4.57	3.98	3.60
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	9.53%	(0.05)%	8.48%
Other information			
Closing net asset value (£'000)	7,504	11,898	3,078
Closing number of shares	6,667,484	11,580,050	2,994,461
Operating charges	1.06%	0.98%	0.94%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	113.63	106.02	103.75
Lowest share price	100.05	98.72	92.07

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Hedged Income			
Change in net assets per share			
Opening net asset value per share	93.32	97.04	92.81
Return before operating charges*	9.56	0.84	8.63
Operating charges	(0.74)	(0.83)	(0.91)
Return after operating charges*	8.82	0.01	7.72
Distributions on income shares	(4.11)	(3.73)	(3.49)
Closing net asset value per share (p)	98.03	93.32	97.04
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	9.45%	0.01%	8.32%
Other information			
Closing net asset value (£'000)	2,860	3,197	729
Closing number of shares	2,917,026	3,425,636	751,363
Operating charges	0.78%	0.86%	0.95%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	101.29	98.21	99.87
Lowest share price	89.78	93.25	90.17

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Hedged Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	117.30	118.59	109.92
Return before operating charges*	10.48	0.44	10.38
Operating charges	(1.69)	(1.73)	(1.71)
Return after operating charges*	8.79	(1.29)	8.67
Closing net asset value per share (c)	126.09	117.30	118.59
Retained distributions on accumulation shares*	5.09	4.62	4.19
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	7.49%	(1.09)%	7.89%
Other information			
Closing net asset value (£'000)	4,346	9,261	10,343
Closing number of shares	3,446,768	7,894,809	8,722,510
Operating charges	1.44%	1.45%	1.52%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	127.44	121.54	119.67
Lowest share price	113.60	113.36	106.74

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Hedged Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	101.88	107.00	102.91
Return before operating charges*	7.85	0.52	9.55
Operating charges	(1.40)	(1.51)	(1.58)
Return after operating charges*	6.45	(0.99)	7.97
Distributions on income shares	(7.29)	(4.13)	(3.88)
Closing net asset value per share (c)	101.04	101.88	107.00
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	6.33%	(0.93)%	7.75%
Other information			
Closing net asset value (€'000)	1	7,378	8,415
Closing number of shares	1,380	7,241,956	7,864,177
Operating charges	1.43%	1.42%	1.51%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	107.22	108.05	110.16
Lowest share price	97.39	102.33	99.93

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Hedged Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	100.71	105.11	100.02
Return before operating charges*	8.92	0.45	9.58
Operating charges	(0.80)	(0.78)	(0.83)
Return after operating charges*	8.12	(0.33)	8.75
Distributions on income shares	(4.34)	(4.07)	(3.66)
Closing net asset value per share (c)	104.49	100.71	105.11
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	8.06%	(0.31)%	8.75%
Other information			
Closing net asset value (€'000)	22,409	17,459	248
Closing number of shares	21,447,097	17,335,793	236,564
Operating charges	0.78%	0.77%	0.80%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	108.06	106.21	108.11
Lowest share price	96.59	100.79	97.19

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges FigureFinal 31 July 2016
(c)**Share class B Gross Hedged Accumulation (EUR share class)****Change in net assets per share**

Opening net asset value per share	100.00
Return before operating charges*	11.59
Operating charges	(0.67)
Return after operating charges*	10.92
Closing net asset value per share (c)	110.92
Retained distributions on accumulation shares*	4.78
*after direct transaction costs of:	-

Performance

Return after charges (%)	10.92%
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Other information

Closing net asset value (€'000)	8,616
Closing number of shares	7,768,227
Operating charges	0.77%
Direct transaction costs	-%

Prices

Highest share price	112.02
Lowest share price	98.75

Share class B Gross Hedged Accumulation (EUR share class) was launched on 1 October 2015.

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (USD share class)			
Change in net assets per share			
Opening net asset value per share	101.99	102.24	94.13
Return before operating charges*	9.96	0.48	8.93
Operating charges	(0.71)	(0.73)	(0.82)
Return after operating charges*	9.25	(0.25)	8.11
Closing net asset value per share (c)	111.24	101.99	102.24
Retained distributions on accumulation shares*	4.50	3.95	3.61
*after direct transaction costs of:	-	-	-
Performance			
Return after charges (%)	9.07%	(0.24)%	8.62%
Other information			
Closing net asset value (\$'000)	3,264	34,779	42,267
Closing number of shares	2,934,087	34,101,037	41,340,417
Operating charges	0.71%	0.71%	0.85%
Direct transaction costs	-%	-%	-%
Prices			
Highest share price	112.34	105.13	103.16
Lowest share price	99.34	98.01	94.43

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Gross Accumulation (USD share class)		
Change in net assets per share		
Opening net asset value per share	98.44	100.00
Return before operating charges*	10.66	(1.40)
Operating charges	(0.71)	(0.16)
Return after operating charges*	9.95	(1.56)
Closing net asset value per share (c)	108.39	98.44
Retained distributions on accumulation shares*	5.40	1.00
*after direct transaction costs of:	-	-
Performance		
Return after charges (%)	10.11%	(1.56)%
Other information		
Closing net asset value (\$'000)	100,154	29,548
Closing number of shares	92,402,104	30,016,931
Operating charges	0.69%	0.72%
Direct transaction costs	-%	-%
Prices		
Highest share price	109.43	100.46
Lowest share price	96.25	98.14

Share class B Gross Accumulation (USD share class) was launched on 12 May 2015.

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)
Share class Z Gross Hedged Accumulation		
Change in net assets per share		
Opening net asset value per share	100.67	100.00
Return before operating charges*	12.36	0.78
Operating charges	(0.18)	(0.11)
Return after operating charges*	12.18	0.67
Closing net asset value per share (p)	112.85	100.67
Retained distributions on accumulation shares*	2.38	3.66
*after direct transaction costs of:	-	-
Performance		
Return after charges (%)	12.10%	0.67%
Other information		
Closing net asset value (£'000)	-	101
Closing number of shares	50	100,295
Operating charges	0.17%	0.15%
Direct transaction costs	-%	-%
Prices		
Highest share price	113.94	103.33
Lowest share price	98.71	95.75

Share class Z Gross Hedged Accumulation was launched on 31 October 2014.

First State Emerging Markets Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class Z Gross Accumulation (USD share class)		
Change in net assets per share		
Opening net asset value per share	100.51	100.00
Return before operating charges*	11.63	0.58
Operating charges	(0.11)	(0.07)
Return after operating charges*	11.52	0.51
Closing net asset value per share (c)	112.03	100.51
Retained distributions on accumulation shares*	18.39	3.66
*after direct transaction costs of:	-	-
Performance		
Return after charges (%)	11.46%	0.51%
Other information		
Closing net asset value (\$'000)	-	160
Closing number of shares	50	160,035
Operating charges	0.11%	0.09%
Direct transaction costs	-%	-%
Prices		
Highest share price	113.00	103.13
Lowest share price	98.49	95.67

Share class Z Gross Accumulation (USD share class) was launched on 31 October 2014.

First State Emerging Markets Bond Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains/(losses)	2		19,222		(3,578)
Revenue	3	5,496		4,106	
Expenses	4	(791)		(893)	
Interest payable and similar charges		(4)		-	
Net revenue before taxation		4,701		3,213	
Taxation	5	(1)		-	
Net revenue after taxation			4,700		3,213
Total return before distributions			23,922		(365)
Distributions	6		(5,491)		(4,105)
Change in net assets attributable to shareholders from investment activities			18,431		(4,470)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		95,253		66,418
Amounts receivable on issue of shares	69,013		72,871	
Less: Amounts payable on cancellation of shares	(67,685)		(41,982)	
		1,328		30,889
Dilution adjustment		132		109
Change in net assets attributable to shareholders from investment activities		18,431		(4,470)
Retained distribution on accumulation shares		4,154		2,307
Closing net assets attributable to shareholders		119,298		95,253

Notes to the Financial Statements are on pages 176 to 182

First State Emerging Markets Bond Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>113,612</u>	<u>87,535</u>
Current assets			
Debtors	8	2,328	1,089
Cash and bank balances		<u>4,582</u>	<u>8,370</u>
Total assets		<u>120,522</u>	<u>96,994</u>
Liabilities			
Investment liabilities		(110)	(75)
Creditors			
Bank overdrafts		(6)	-
Distribution payable		(730)	(955)
Other creditors	9	<u>(378)</u>	<u>(711)</u>
Total liabilities		<u>(1,224)</u>	<u>(1,741)</u>
Net assets attributable to shareholders		<u>119,298</u>	<u>95,253</u>

Notes to the Financial Statements are on pages 176 to 182.

First State Emerging Markets Bond Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains/(losses)

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	21,152	2,197
Forward foreign exchange currency contracts	(2,385)	(6,089)
Currency gains	455	314
Net capital gains/(losses)	19,222	(3,578)

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Interest from bank deposits	-	1
Interest from government and fixed interest securities	5,549	4,171
Currency hedge losses	(53)	(66)
Total revenue	5,496	4,106

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	634	729
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	15	20
Other expenses:		
Audit fee	15	13
Registrar fees	34	41
Safe custody charges	7	6
Other expenses	86	84
	142	144
Total expenses	791	893

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	1	-
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	4,701	3,213
Corporation tax of 20% (2015: 20%)	940	643
Effects of:		
Irrecoverable overseas tax	1	-
Tax deductible interest distributions	(940)	(643)
Total tax charge for year (note 5a)	1	-

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

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	1,842	1,644
Final distribution	3,210	1,711
Income tax withheld	468	781
	5,520	4,136
Add: revenue deducted on cancellation of shares	554	459
Deduct: revenue received on issue of shares	(583)	(490)
Net distributions for the year	5,491	4,105

Details of the distribution per share is set out in the Distribution Tables on pages 183 to 185.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	4,700	3,213
Movement in net income as a result of conversions	-	(1)
Expenses charged to capital	791	893
Net distributions for the year	5,491	4,105

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	345	-
Amounts receivable for issue of shares	489	128
Accrued revenue	1,494	961
Total debtors	2,328	1,089

Notes to the Financial Statements

(continued)

as at 31 July 2016

9. Creditors

	31 July 2016	31 July 2015
	£'000	£'000
Purchases awaiting settlement	152	533
Amounts payable for cancellation of shares	108	41
Accrued expenses	118	137
Total creditors	378	711

10. Portfolio transaction costs

There were no transactions costs incurred during the year to 31 July 2016 (31/7/15: £nil).

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	£'000	£'000	£'000	£'000
Bonds	89,528	119,573	84,209	97,268
Trades in the year before transaction costs	89,528	119,573	84,209	97,268
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Total costs	-	-	-	-
Total net trades in the year after transaction costs	89,528	119,573	84,209	97,268

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	-	-
Taxes	-	-
Total costs	-	-

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.72% (31/07/2015: 0.77%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

as at 31 July 2016

12. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds fixed interest securities.

The Fund invests principally in fixed interest securities. Certain fixed interest securities are liable to default risk whereby the nominal capital is not or is unlikely to be returned to investors. The value of fixed interest stocks is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual fixed interest stock or be caused by a general market factor (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of securities held. In addition, the management of the Fund complies with the Financial Conduct Authority COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund enters into transactions in financial instruments which expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£11,355) (31/07/15: £8,736).

(b) Interest rate risk

The fund receives revenue from fixed interest investments. Given that the fund's objective is to achieve a total investment return from income and capital appreciation, these cash flows are considered to be of primary importance and are actively managed.

As at 31 July 2016, 99.02% (31/07/15: 100.68%) of the Fund's assets were interest bearing.

Notes to the Financial Statements

(continued)

as at 31 July 2016

The interest rate risk profile of the company's financial assets and liabilities at 31 July 2016 was:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying £'000	Total £'000
Currency				
31 July 2016				
Sterling	(6)	-	6	-
Euro	222	-	35	257
US dollar	4,360	113,547	1,925	119,832
Total	4,576	113,547	1,966	120,089
31 July 2015				
Sterling	-	-	28,666	28,666
Euro	-	-	24,205	24,205
US dollar	8,370	87,357	(53,345)	42,382
Total	8,370	87,357	(474)	95,253

If foreign exchange rates increase by 100bps the impact to the fund would be -4.93% (31.07.15: -4.75%). A decrease of 100bps would result in an impact to the fund of 5.20% (31.07.15: 4.81%).

(c) *Analysis of the Fund's currency exposure*

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July 2016 the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Euro	257	24,205
US dollar	119,832	42,382
	120,089	66,587

If foreign exchange rates move by 5% then the impact on the NAV will be 5.03% (£6,004) (31/07/15: 3.49% (£3,329)).

(d) *Credit risk*

Credit risk occurs where there is a risk associated with the uncertainty of a counterparty's ability to meet its obligations. This risk is managed by reviewing the counterparty's credit rating, at the time of purchase and on an ongoing basis, and ensuring that the portfolio is sufficiently diversified. The impact of movements in credit rating and spread, and their effect on market prices, is considered to be part of market price risk, which is discussed above.

The Fund's investments and cash are held on its behalf by State Street Bank and Trust Company (acting as agent), the custodian to the Trust, and its appointed sub custodians. Bankruptcy or insolvency of the custodian or its sub custodians may cause the Fund's rights with respect to securities to be delayed. This risk is managed through ongoing monitoring of the custodian and periodic reviews of its procedures for selecting and monitoring sub custodians, together with ad hoc reviews of custodian and sub custodian credit ratings.

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the fund has fulfilled its responsibilities.

The Investment Adviser selects acceptable counterparties through which investments are bought and sold. The Manager has responsibility for monitoring the process by which these counterparties are selected to minimise risk.

Where the Investment Managers make an investment in a bond with credit risk, that credit risk is assessed and then compared to the prospective investment return of the security in question. The risk is managed by reviewing the credit ratings of those bonds at time of

Notes to the Financial Statements

(continued)

as at 31 July 2016

Summary of Investment Assets by Credit Ratings
Rating Block

	31/07/16	31/07/15
	£000	£000
Investment grade bonds	35,620	41,312
Non-investment grade bonds	73,799	40,856
Unrated bonds	4,128	5,189
Total bonds	113,547	87,357
Other	5,751	7,896
Net assets	119,298	95,253

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

(e) *Derivative risk*

The Manager may enter into derivatives transactions for investment purposes and for efficient portfolio management purposes. A relatively small market movement may have a potentially larger impact on derivatives than on the underlying assets and the use of derivatives can therefore increase the volatility of the value of units in the Scheme. However it is not anticipated that the use of derivatives will have a significant effect on the risk profile of the Scheme.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets. At the period end, as the sensitivity analysis or value at risk are not significant, no additional disclosure has been shown.

Effective Portfolio Management

Financial derivative instruments exposure as at 31 July 2016

	Value (£)
Forward foreign currency contracts (Hedging)	(44,678)
Total financial derivative instruments exposure	(44,678)

Counterparties to financial derivative instruments and efficient portfolio management techniques as at 31 July 2016

	Value (£)
State Street Bank and Trust Company	(44,678)

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £59 (31/07/15: £64) due at the year end.

As at 31 July 2016 CFS Managed Property, a related party of the ACD, owned nil (31/07/15: 24.74%) of the Net Asset Value of the Fund.

As at 31 July 2016 First State Investments Services (UK) Limited, a related party of the ACD, owned 0.19% (31/07/15: 0.27%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has twelve share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Hedged Accumulation (Institutional):	1.25
Share class A Hedged Income (Institutional):	1.25
Share class B Hedged Accumulation (Institutional):	0.60
Share class B Hedged Income:	0.60
Share class A Hedged Accumulation (EUR share class):	1.25
Share class A Hedged Income (EUR share class):	1.25
Share class B Hedged Income (EUR share class):	0.60
Share class B Gross Hedged Accumulation (EUR share class) (Institutional):	0.60
Share class B Accumulation (USD share class) (Institutional):	0.60
Share class B Gross Accumulation (USD share class):	0.60
Share class Z Gross Hedged Accumulation:	-
Share class Z Gross Accumulation (USD share class):	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 162 to 173.

The distributions per share class are given in the Distribution Tables on pages 183 to 185.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Hedged Accumulation (Institutional)	6,270,282	157,017	(5,513,709)	(527,634)	385,956
Share class A Hedged Income (Institutional)	6,936,157	243,000	(6,839,057)	(218,928)	121,172
Share class B Hedged Accumulation (Institutional)	11,580,050	1,950,176	(7,480,259)	617,517	6,667,484
Share class B Hedged Income	3,425,636	609,668	(1,350,209)	231,931	2,917,026
Share class A Hedged Accumulation (EUR share class)	7,894,809	2,941,438	(7,389,479)	-	3,446,768
Share class A Hedged Income (EUR share class)	7,241,956	196,899	(7,437,475)	-	1,380
Share class B Hedged Income (EUR share class)	17,335,793	11,349,633	(7,162,253)	(76,076)	21,447,097
Share class B Gross Hedged Accumulation (EUR share class)	-	14,263,575	(6,570,820)	75,472	7,768,227
Share class B Accumulation (USD share class) (Institutional)	34,101,037	1,400,049	(32,566,999)	-	2,934,087
Share class B Gross Accumulation (USD share class)	30,016,931	65,202,103	(2,816,930)	-	92,402,104
Share class Z Gross Hedged Accumulation	100,295	50	(100,295)	-	50
Share class Z Gross Accumulation (USD share class)	160,035	50	(160,035)	-	50

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	-	-	1,926	-
Level 2	113,612	(110)	85,609	(75)
Level 3	-	-	-	-
Total fair value	113,612	(110)	87,535	(75)

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Emerging Markets Bond Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Hedged Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.8351	0.5670	2.2681	-	2.2681	2.2853
Final	3.7561	0.7512	3.0049	-	3.0049	2.3416
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	1.8403	0.3681	1.4722	0.7959	2.2681	2.2853
Final	1.5410	0.3082	1.2328	1.7721	3.0049	2.3416

Share class A Hedged Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.4550	0.4910	1.9640	-	1.9640	2.0631
Final	3.1838	0.6368	2.5470	-	2.5470	2.0722
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	1.5736	0.3147	1.2589	0.7051	1.9640	2.0631
Final	1.2884	0.2577	1.0307	1.5163	2.5470	2.0722

Share class B Hedged Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.4503	0.4901	1.9602	-	1.9602	1.9659
Final	3.2638	0.6528	2.6110	-	2.6110	2.0187
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	1.2729	0.2546	1.0183	0.9419	1.9602	1.9659
Final	1.5399	0.3080	1.2319	1.3791	2.6110	2.0187

Share class B Hedged Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.2258	0.4452	1.7806	-	1.7806	1.8554
Final	2.9075	0.5815	2.3260	-	2.3260	1.8705
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	1.1470	0.2294	0.9176	0.8630	1.7806	1.8554
Final	1.3625	0.2725	1.0900	1.2360	2.3260	1.8705

First State Emerging Markets Bond Fund

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class A Hedged Accumulation (EUR share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.7485	0.5497	2.1988	-	2.1988	2.2886
Final	3.6118	0.7224	2.8894	-	2.8894	2.3281
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.0618	0.2124	0.8494	1.3494	2.1988	2.2886
Final	1.5598	0.3120	1.2478	1.6416	2.8894	2.3281

Share class A Hedged Income (EUR share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.3828	0.4766	1.9062	-	1.9062	2.0657
Final	6.7290	1.3458	5.3832	-	5.3832	2.0629
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.6433	0.3287	1.3146	0.5916	1.9062	2.0657
Final	3.6734	0.7347	2.9387	2.4445	5.3832	2.0629

Share class B Hedged Income (EUR share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.3633	0.4727	1.8906	-	1.8906	2.0329
Final	3.0594	0.6119	2.4475	-	2.4475	2.0378
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.1049	0.2210	0.8839	1.0067	1.8906	2.0329
Final	1.7264	0.3453	1.3811	1.0664	2.4475	2.0378

Share class B Gross Hedged Accumulation (EUR share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.6336	-	1.6336	-	1.6336	-
Final	3.1489	-	3.1489	-	3.1489	-
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.5268	-	1.5268	0.1068	1.6336	-
Final	1.3669	-	1.3669	1.7820	3.1489	-

Share class B Accumulation (USD share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.4361	0.4872	1.9489	-	1.9489	1.9324
Final	3.1836	0.6367	2.5469	-	2.5469	2.0163
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.0361	0.2072	0.8289	1.1200	1.9489	1.9324
Final	2.5714	0.5143	2.0571	0.4898	2.5469	2.0163

First State Emerging Markets Bond Fund

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Gross Accumulation (USD share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.3118	-	2.3118	-	2.3118	-
Final	3.0853	-	3.0853	-	3.0853	0.9996
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.4782	-	1.4782	0.8336	2.3118	-
Final	2.2330	-	2.2330	0.8523	3.0853	0.9996

Share class Z Gross Hedged Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.3797	-	2.3797	-	2.3797	1.1939
Final	-	-	-	-	-	2.4685
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	0.3797	-	0.3797	2.0000	2.3797	1.1939
Final	-	-	-	-	-	2.4685

This share class is in deficit and therefore not making a distribution.

Share class Z Gross Accumulation (USD share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.3660	-	2.3660	-	2.3660	1.1887
Final	16.0200	-	16.0200	-	16.0200	2.4673
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	0.3660	-	0.3660	2.0000	2.3660	1.1887
Final	15.4282	-	15.4282	0.5918	16.0200	2.4673

First State Emerging Markets Local Currency Bond Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve an investment return from income and capital appreciation.

The Fund primarily invests in local denominated debt securities issued or guaranteed by governments, financial institutions or companies in Emerging Markets and in related derivatives.

The Fund will invest at least 80 per cent of its net assets in local bonds and other debt securities issued or guaranteed by governments of Emerging Markets or their agencies, and by companies established or having significant operations in Emerging Markets.

The Fund may invest in investment grade, non-investment grade and unrated debt securities. The Fund may hold more than 30 per cent of its net assets in debt securities rated below investment grade.

In order to achieve the investment objective and policy the Fund may use derivatives for both investment and Efficient Portfolio Management purposes.

- Clarification point: This Fund follows the relative VaR approach to calculating Global Exposure. The benchmark is J.P. Morgan Government Bond Index - Emerging Markets Global Diversified Index and the VaR on this Fund shall not exceed twice the benchmark's VaR. Leverage for this Fund is calculated using the Sum of Notionals Approach and is not expected to exceed 200%. Leverage may however, in certain circumstances, exceed such maximum figure.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class B Income	1	2	3	4	5	6
Share class B Income (GBP share class)	1	2	3	4	5	6
Share class B Hedged Income (GBP share class)	1	2	3	4	5*	6
Share class B Hedged Income (EUR share class)	1	2	3	4	5*	6
Share class Z Gross Accumulation	1	2	3	4	5	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

*The SRRI changed from 4 to 5 on 16 October 2015.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Interest rate risk: interest rates affect the Fund's investments. If rates go up, the value of investments fall and vice versa.

Credit risk: the issuers of bonds or similar investments that the Fund buys may not pay income or repay capital to the Fund when due.

Derivative risk: derivatives are highly sensitive to changes in the value of the asset they are based on. The impact to the Fund is greater where derivatives are more widely used.

Currency hedged share class risk: hedging transactions are designed to reduce currency risk for investors. There is no guarantee that the hedging will be totally successful or that it can eliminate currency risk entirely.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

First State Emerging Markets Local Currency Bond Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Performance

The Fund rose by 21.6% (GBP terms) over the year to 31 July 2016, while the benchmark index rose by 23.8%. Our overweight position in Mexico cost performance as did our short position in Peruvian nuevo sol.

Global factors have driven markets over the period mainly US monetary policy and the trajectory of interest rates, the oil price, China and political events, including developments in the US presidential election race and various developments in Europe ('Brexit' referendum in the UK, attempted coup in Turkey).

The positive performance of local currency Emerging Market (EM) debt occurred predominantly in the past five months. A strong rebound in the oil price and the broader commodities complex revived risk appetite, while for debt markets a supportive scenario has taken hold with mediocre economic growth, low risk of recession and modest inflationary pressure resulting in continued highly-accommodative monetary policy. Against this backdrop, with further yield compression and a growing proportion of negative core yields, the rates on offer in EM debt have proved attractive to investors and indeed towards the end of the period local currency bonds saw two instances of record weekly inflows.

Portfolio activity/fund positioning

We have reduced our US dollar exposure over the period, moving from a sizable long position at the beginning to be modestly net long EM currencies, and established a long rates position. We adjusted our positioning given valuations, following the substantial strengthening of the dollar in the second half of 2015, and a more constructive overall outlook in light of positive country specific factors.

We initiated a long position in the rupiah and rates in Indonesia, one of the few countries where the attractiveness of yields combined with currency stability make the market attractive for capital, while domestic monetary policy and liquidity trends together with steady reform progress point to further upside potential. We were long rates in Peru, where inflation subsided, growth accelerated and the election of President Pablo Kuczynski has triggered positive political change expectations.

Outlook

The supportive global scenario for EM is likely to extend. Inflows are likely to slow down, from high levels, but should remain positive as long as the goldilocks scenario of limited risks of global recession and limited inflationary pressures holds. Within EM, the probability of a cyclical rebound in growth continues to increase, as capital inflows seem to reaffirm the trend in the latest numbers and several economies should start rebounding from depressed levels soon. Additionally, where there is space for fiscal or monetary stimulus, we would expect authorities to take action. More recently, we have been adding interest rate risk as on a net basis, we see better risk/reward in rates than in currencies.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	10.3	21.7	21.6	-	-	-	14.3
Benchmark return %	11.1	22.1	23.8	-	-	-	15.4

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	21.6	(8.6)	-	-	-

Benchmark: JPM GBI-EM Global Diversified USD TR.

Sector: Global Emerging Markets Bond Average.

Past performance should not be used as a guide to future performance, which is not guaranteed.

First State Emerging Markets Local Currency Bond Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Ten largest holdings

31 July 2016		31 July 2015	
Stock name	% of Fund	Stock name	% of Fund
Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2019	5.19	Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2017	7.65
Colombia Global Depositary Note 7% 11/09/2019	4.44	Thailand Government Bond 3.65% 17/12/2021	4.06
Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2021	4.23	South Africa Government Bond 10.5% 21/12/2026	3.68
Thailand Government Bond 3.625% 16/06/2023	3.44	Peru Government Bond 6.95% 12/08/2031	3.63
Indonesia Treasury Bond 10.5% 15/08/2030	3.41	Turkey Government Bond 10.5% 15/01/2020	3.34
Malaysia Government Bond 3.795% 30/09/2022	3.37	Thailand Government Bond 3.625% 16/06/2023	3.26
Colombia Global Depositary Note 10% 24/07/2024	3.34	Turkey Government Bond 6.3% 14/02/2018	2.98
Indonesia Treasury Bond 8.375% 15/09/2026	3.27	Indonesia Treasury Bond 10.5% 15/08/2030	2.97
South Africa Government Bond 10.5% 21/12/2026	3.17	Hungary Government Bond 4% 25/04/2018	2.51
Turkey Government Bond 10.5% 15/01/2020	3.07	Colombia Global Depositary Note 10% 24/07/2024	2.46

Types of shares

Income and Accumulation.

First State Emerging Markets Local Currency Bond Fund

Portfolio Statement

as at 31 July 2016

Nominal Values		Market Value \$'000	Total Net Assets %
INDONESIA (7.38%*)		4,027	12.00
IDR10,209,000,000	Indonesia Treasury Bond 8.375% 15/03/2024	848	2.53
IDR13,000,000,000	Indonesia Treasury Bond 8.375% 15/09/2026	1,097	3.27
IDR10,700,000,000	Indonesia Treasury Bond 9% 15/03/2029	936	2.79
IDR11,785,000,000	Indonesia Treasury Bond 10.5% 15/08/2030	1,146	3.41
MALAYSIA (5.07%*)		3,141	9.35
MYR2,000,000	Malaysia Government Bond 4.048% 30/09/2021	509	1.52
MYR4,525,000	Malaysia Government Bond 3.795% 30/09/2022	1,133	3.37
MYR2,100,000	Malaysia Government Bond 3.844% 15/04/2033	489	1.46
MYR1,700,000	Malaysia Government Bond 4.736% 15/03/2046	431	1.28
MYR2,250,000	Malaysia Government Investment Issue 4.39% 07/07/2023	579	1.72
PHILIPPINES (0.60%*)		-	-
THAILAND (8.45%*)		2,100	6.25
THB29,984,000	Thailand Government Bond 3.65% 17/12/2021	945	2.81
THB36,175,000	Thailand Government Bond 3.625% 16/06/2023	1,155	3.44
HUNGARY (5.69%*)		2,150	6.41
HUF225,000,000	Hungary Government Bond 4% 25/04/2018	842	2.51
HUF88,000,000	Hungary Government Bond 5.5% 20/12/2018	344	1.03
HUF64,180,000	Hungary Government Bond 3.5% 24/06/2020	243	0.72
HUF45,000,000	Hungary Government Bond 7.5% 12/11/2020	197	0.59
HUF70,000,000	Hungary Government Bond 6% 24/11/2023	308	0.92
HUF50,000,000	Hungary Government Bond 5.5% 24/06/2025	216	0.64
POLAND (9.33%*)		1,976	5.88
PLN1,700,000	Poland Government Bond 3.25% 25/07/2019	450	1.34
PLN1,800,000	Poland Government Bond 5.25% 25/10/2020	515	1.53
PLN1,760,000	Poland Government Bond 4% 25/10/2023	487	1.45
PLN2,000,000	Poland Government Bond 3.25% 25/07/2025	524	1.56
ROMANIA (1.36%*)		473	1.41
RON1,600,000	Romania Government Bond 5.85% 26/04/2023	473	1.41
RUSSIA (2.00%*)		1,387	4.13
RUB50,000,000	Russian Federal Bond - OFZ 6.4% 27/05/2020	691	2.06
RUB47,500,000	Russian Federal Bond - OFZ 8.15% 03/02/2027	696	2.07
SOUTH AFRICA (10.37%*)		3,431	10.22
ZAR4,500,000	South Africa Government Bond 7.25% 15/01/2020	310	0.92
ZAR7,200,000	South Africa Government Bond 6.75% 31/03/2021	479	1.43
ZAR13,500,000	South Africa Government Bond 10.5% 21/12/2026	1,064	3.17
ZAR6,076,899	South Africa Government Bond 8% 31/01/2030	392	1.17
ZAR4,391,404	South Africa Government Bond 7% 28/02/2031	256	0.76
ZAR11,500,000	South Africa Government Bond 6.5% 28/02/2041	589	1.75
ZAR5,200,000	South Africa Government Bond 8.75% 28/02/2048	341	1.02
TURKEY (10.12%*)		3,706	11.03
TRY3,000,000	Turkey Government Bond 6.3% 14/02/2018	958	2.85
TRY1,600,000	Turkey Government Bond 10.4% 27/03/2019	545	1.62
TRY3,000,000	Turkey Government Bond 10.5% 15/01/2020	1,033	3.07
TRY600,000	Turkey Government Bond 9.5% 12/01/2022	199	0.59
TRY2,200,000	Turkey Government Bond 8.8% 27/09/2023	700	2.09
TRY900,000	Turkey Government Bond 8% 12/03/2025	271	0.81

First State Emerging Markets Local Currency Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

Nominal Values		Market Value \$'000	Total Net Assets %
BRAZIL (11.68%*)		3,608	10.73
BRL6,000,000	Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2019	1,745	5.19
BRL5,000,000	Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2021	1,422	4.23
BRL1,600,000	Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2025	441	1.31
COLOMBIA (5.57%*)		2,613	7.78
COP4,632,300,000	Colombia Global Depositary Note 7% 11/09/2019	1,491	4.44
COP3,000,000,000	Colombia Global Depositary Note 10% 24/07/2024	1,122	3.34
MEXICO (8.39%*)		2,087	6.22
MXN4,700,000	Mexican Bonos 7.75% 14/12/2017	258	0.77
MXN10,000,000	Mexican Bonos 6.5% 09/06/2022	547	1.63
MXN10,000,000	Mexican Bonos 10% 05/12/2024	671	2.00
MXN5,000,000	Mexican Bonos 7.75% 29/05/2031	302	0.90
MXN5,000,000	Mexican Bonos 7.75% 13/11/2042	309	0.92
PERU (3.63%*)		833	2.48
PEN2,543,000	Peru Government Bond 6.95% 12/08/2031	833	2.48
DERIVATIVES (0.37%*)		(139)	(0.44)
Interest Rate Swap			
350,000,000	Citibank Interest Rate Swap Pay HUF BUBOR Rec HUF 1.13% 14/07/2021	(2)	(0.01)
9,000,000	HSBC Interest Rate Swap Pay MXN TIIE Rec MXN 6.42% 03/03/2027	3	0.01
3,500,000	Standard Chartered Interest Rate Swap Rec MYR KLIBOR Pay MYR 3.76% 21/09/2016	(14)	(0.04)
3,500,000	Citibank Interest Rate Swap Rec PLN WIBOR Pay PLN 2.03% 24/04/2020	8	0.03
Forward Currency Contracts			
Colombian Peso			
	Bought COP2,082,535,000 for USD694,560 Settlement 21/09/2016	(29)	(0.09)
	Sold COP3,200,000,000 for USD1,054,366 Settlement 21/09/2016	31	0.09
Euro			
	Bought EUR7,072,549 for USD7,848,018 Settlement 15/08/2016	15	0.04
	Bought EUR1,582,000 for USD1,758,687 Settlement 23/09/2016	3	0.01
	Bought EUR297,473 for HUF93,000,000 Settlement 21/09/2016	-	-
	Bought EUR905,330 for PLN4,050,000 Settlement 21/09/2016	(21)	(0.06)
	Sold EUR133,523 for USD148,160 Settlement 15/08/2016	-	-
Indian Rupee			
	Bought INR43,000,000 for USD633,919 Settlement 21/09/2016	3	0.01
Japanese Yen			
	Bought JPY75,000,000 for USD719,436 Settlement 21/09/2016	8	0.02
	Sold JPY75,000,000 for USD704,982 Settlement 21/09/2016	(22)	(0.07)
Malaysian Ringgit			
	Bought MYR3,000,000 for USD734,952 Settlement 21/09/2016	1	-
Mexican Peso			
	Bought MXN35,500,000 for USD1,913,666 Settlement 21/09/2016	(51)	(0.15)
New Romanian Leu			
	Bought RON2,800,000 for EUR619,271 Settlement 21/09/2016	7	0.02
Peruvian Nuevo Sol			
	Bought PEN1,400,000 for USD415,800 Settlement 21/09/2016	(1)	-
	Sold PEN2,000,000 for USD597,364 Settlement 21/09/2016	5	0.01
	Sold PEN1,582,208 for USD470,293 Settlement 02/08/2016	(1)	-

First State Emerging Markets Local Currency Bond Fund

Portfolio Statement

(continued)

as at 31 July 2016

	Market Value \$'000	Total Net Assets %
Philippine Peso		
Bought PHP16,000,000 for USD340,158 Settlement 21/09/2016	(2)	(0.01)
Sold PHP10,000,000 for USD215,941 Settlement 21/09/2016	5	0.01
Polish Zloty		
Bought PLN9,400,000 for EUR2,138,723 Settlement 21/09/2016	8	0.02
Pound Sterling		
Bought GBP5,915,031 for USD7,868,204 Settlement 15/08/2016	(72)	(0.21)
Sold GBP386,520 for USD514,136 Settlement 15/08/2016	5	0.01
Russian Ruble		
Bought RUB48,839,000 for USD750,666 Settlement 21/09/2016	(31)	(0.09)
Sold RUB55,779,384 for USD840,373 Settlement 21/09/2016	18	0.05
Singapore Dollar		
Sold SGD2,000,000 for USD1,492,162 Settlement 21/09/2016	12	0.04
South Korean Won		
Bought KRW1,200,000,000 for USD1,050,577 Settlement 23/09/2016	18	0.05
Sold KRW1,200,000,000 for USD1,003,261 Settlement 23/09/2016	(65)	(0.19)
Thai Baht		
Bought THB24,000,000 for USD680,488 Settlement 21/09/2016	8	0.02
Turkish Lira		
Sold TRY3,430,000 for USD1,138,340 Settlement 21/09/2016	14	0.04
Portfolio of investments	31,393	93.45
Net other assets	2,201	6.55
Total net assets	33,594	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

Any derivative contracts were traded on an eligible derivatives exchange.

* Comparative figures shown in brackets relate to 31 July 2015.

^ Including derivative liabilities.

First State Emerging Markets Local Currency Bond Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	82.91	103.24	100.00
Return before operating charges*	2.93	(15.03)	5.77
Operating charges	(0.78)	(0.94)	(0.63)
Return after operating charges*	2.15	(15.97)	5.14
Distributions on income shares	(4.02)	(4.36)	(1.90)
Closing net asset value per share (c)	81.04	82.91	103.24
*after direct transaction costs of:	-	(0.02)	-

Performance

Return after charges (%)	2.59%	(15.47)%	5.14%
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Other information

Closing net asset value (\$'000)	9,016	8,666	10,330
Closing number of shares	11,125,160	10,451,360	10,005,000
Operating charges	0.98%	0.99%	1.69%
Direct transaction costs	-%	(0.03%)	-%

Prices

Highest share price	85.17	103.73	107.36
Lowest share price	73.38	85.17	100.00

Share class B Income was launched 24 March 2014.

First State Emerging Markets Local Currency Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income (GBP share class)			
Change in net assets per share			
Opening net asset value per share	87.80	100.85	100.00
Return before operating charges*	19.34	(7.36)	3.33
Operating charges	(0.88)	(1.00)	(0.63)
Return after operating charges*	18.46	(8.36)	2.70
Distributions on income shares	(4.85)	(4.69)	(1.85)
Closing net asset value per share (p)	101.41	87.80	100.85

*after direct transaction costs of: - (0.02) -

Performance

Return after charges (%)	21.03%	(8.29)%	2.70%
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Other information

Closing net asset value (£'000)	7,144	5,701	6,121
Closing number of shares	7,044,149	6,492,608	6,069,693
Operating charges	0.98%	1.00%	1.69%
Direct transaction costs	-%	(0.03%)	-%

Prices

Highest share price	106.95	107.15	104.77
Lowest share price	82.21	90.12	100.00

Share class B Income (GBP share class) was launched 24 March 2014.

First State Emerging Markets Local Currency Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Hedged Income (GBP share class)			
Change in net assets per share			
Opening net asset value per share	84.39	101.69	100.00
Return before operating charges*	1.88	(11.84)	4.22
Operating charges	(0.84)	(1.01)	(0.66)
Return after operating charges*	1.04	(12.85)	3.56
Distributions on income shares	(4.11)	(4.45)	(1.87)
Closing net asset value per share (p)	81.32	84.39	101.69
*after direct transaction costs of:	-	(0.02)	-

Performance

Return after charges (%)	1.23%	(12.64)%	3.56%
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Other information

Closing net asset value (£'000)	5,618	5,400	6,170
Closing number of shares	6,908,082	6,397,787	6,067,729
Operating charges	1.05%	1.05%	1.75%
Direct transaction costs	(0.00%)	(0.03%)	(0.00%)

Prices

Highest share price	85.48	103.87	107.24
Lowest share price	73.82	85.48	100.00

Share class B Hedged Income (GBP share class) was launched 24 March 2014.

First State Emerging Markets Local Currency Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Hedged Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	87.44	105.55	100.00
Return before operating charges*	(2.87)	(12.40)	8.14
Operating charges	(0.82)	(1.05)	(0.65)
Return after operating charges*	(3.69)	(13.45)	7.49
Distributions on income shares	(4.02)	(4.66)	(1.94)
Closing net asset value per share (c)	79.73	87.44	105.55
*after direct transaction costs of:	-	(0.03)	-

Performance

Return after charges (%)	(4.22)%	(12.74)%	7.49%
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Other information

Closing net asset value (€'000)	6,902	6,703	7,672
Closing number of shares	8,656,071	7,666,765	7,268,979
Operating charges	1.04%	1.05%	1.75%
Direct transaction costs	-%	(0.03%)	-%

Prices

Highest share price	84.75	103.28	106.88
Lowest share price	72.88	84.75	100.00

Share class B Hedged Income (EUR share class) was launched 24 March 2014.

First State Emerging Markets Local Currency Bond Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class Z Gross Accumulation		
Change in net assets per share		
Opening net asset value per share	87.21	100.00
Return before operating charges*	4.66	(12.33)
Operating charges	(0.47)	(0.46)
Return after operating charges*	4.19	(12.79)
Closing net asset value per share (c)	91.40	87.21
Retained distributions on accumulation shares*	5.41	4.00
*after direct transaction costs of:	-	(0.02)
Performance		
Return after charges (%)	4.80%	(12.79)%
Other information		
Closing net asset value (\$'000)	91	88
Closing number of shares	100,050	100,343
Operating charges	0.38%	0.43%
Direct transaction costs	-%	(0.03%)
Prices		
Highest share price	93.19	100.05
Lowest share price	77.88	87.32

Share class Z Gross Accumulation was launched 31 October 2014.

First State Emerging Markets Local Currency Bond Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 \$'000	\$'000	31 July 2015 \$'000	\$'000
Income					
Net capital losses	2		(1,678)		(9,711)
Revenue	3	2,122		2,190	
Expenses	4	(323)		(374)	
Interest payable and similar charges		-		(6)	
Net revenue before taxation		1,799		1,810	
Taxation	5	(57)		(36)	
Net revenue after taxation			1,742		1,774
Total return before distributions			64		(7,937)
Distributions	6		(2,065)		(2,152)
Change in net assets attributable to shareholders from investment activities			(2,001)		(10,089)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 \$'000	\$'000	31 July 2015 \$'000	\$'000
Opening net assets attributable to shareholders		33,399		41,352
Amounts receivable on issue of shares	2,196		2,156	
Less: Amounts payable on cancellation of shares	(9)		(25)	
		2,187		2,131
Dilution adjustment		3		1
Change in net assets attributable to shareholders from investment activities		(2,001)		(10,089)
Retained distribution on accumulation shares		6		4
Closing net assets attributable to shareholders		33,594		33,399

Notes to the Financial Statements are on pages 199 to 207.

First State Emerging Markets Local Currency Bond Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 \$'000	31 July 2015 \$'000
Assets			
Fixed assets			
Investments		<u>31,704</u>	<u>30,340</u>
Current assets			
Debtors	8	1,079	2,431
Cash and bank balances		<u>2,308</u>	<u>3,551</u>
Total assets		<u>35,091</u>	<u>36,322</u>
Liabilities			
Investment liabilities		(311)	(279)
Creditors			
Bank overdrafts		-	(62)
Distribution payable		(1,128)	(1,095)
Other creditors	9	<u>(58)</u>	<u>(1,487)</u>
Total liabilities		<u>(1,497)</u>	<u>(2,923)</u>
Net assets attributable to shareholders		<u>33,594</u>	<u>33,399</u>

Notes to the Financial Statements are on pages 199 to 207.

First State Emerging Markets Local Currency Bond Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital losses

The net capital losses during the year comprise:

	31 July 2016 \$'000	31 July 2015 \$'000
Non-derivative securities	244	(7,567)
Derivative contracts	(58)	4
Forward foreign exchange currency contracts	(1,850)	(1,962)
Currency losses	(14)	(186)
Net capital losses	(1,678)	(9,711)

3. Revenue

	31 July 2016 \$'000	31 July 2015 \$'000
Overseas non-taxable revenue	-	(2)
Interest from bank deposits	-	3
Interest from government and fixed interest securities	2,149	2,218
Currency hedge losses	(29)	(29)
Swap Income	2	-
Total revenue	2,122	2,190

4. Expenses

	31 July 2016 \$'000	31 July 2015 \$'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	196	226
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	7	9
Other expenses:		
Audit fee	14	5
Safe custody charges	18	23
Other expenses	88	111
	120	139
Total expenses	323	374

First State Emerging Markets Local Currency Bond Fund

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 \$'000	31 July 2015 \$'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	57	31
Taiwan capital gains tax	-	5
Total taxation (note 5b)	57	36

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:

Net revenue before taxation	1,799	1,810
Corporation tax of 20% (2015: 20%)	360	362
Effects of:		
Irrecoverable overseas tax	57	31
Tax deductible interest distributions	(361)	(363)
Expenses not deductible for tax purposes	1	1
Taiwan capital gains tax	-	5
Total tax charge for year (note 5a)	57	36

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

6. Distributions

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

	31 July 2016 \$'000	31 July 2015 \$'000
Interim distribution	778	870
Final distribution	891	866
Income tax withheld	412	430
	2,081	2,166
Add: revenue deducted on cancellation of shares	-	1
Deduct: revenue received on issue of shares	(16)	(15)
Net distributions for the year	2,065	2,152

Details of the distribution per share is set out in the Distribution Table on pages 208 to 209.

7. Movement between net revenue and net distributions

	31 July 2016 \$'000	31 July 2015 \$'000
Net revenue after taxation	1,742	1,774
Movement in net income as a result of conversions	-	(1)
Expenses charged to capital	323	374
Tax charged to capital	-	5
Net distributions for the year	2,065	2,152

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 \$'000	31 July 2015 \$'000
Sales awaiting settlement	472	1,838
Accrued revenue	607	585
Overseas tax recoverable	-	8
Total debtors	1,079	2,431

9. Creditors

	31 July 2016 \$'000	31 July 2015 \$'000
Purchases awaiting settlement	-	1,425
Accrued expenses	58	62
Total creditors	58	1,487

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 \$'000	31 July 2015 \$'000	31 July 2016 \$'000	31 July 2015 \$'000
Equities	-	880	-	880
Bonds	15,757	39,757	14,410	40,607
Options	-	90	-	91
Swaps	9,629	28,587	9,575	28,681
Trades in the year before transaction costs	25,386	69,314	23,985	70,259
Commissions				
Equities	-	-	-	-
Bonds	-	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-
Total commissions	-	-	-	-
Taxes				
Equities	-	-	-	-
Bonds	-	-	(1)	(9)
Options	-	-	-	-
Swaps	-	-	-	-
Total taxes	-	-	(1)	(9)
Total costs	-	-	(1)	(9)
Total net trades in the year after transaction costs	25,386	69,314	23,984	70,250

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	-	-	-	-
Bonds	-	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-
Taxes				
Equities	-	-	-	-
Bonds	-	-	0.01	0.02
Options	-	-	-	-
Swaps	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	-	-
Taxes	-	0.02
Total costs	-	0.02

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.32% (31/07/2015: 0.32%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: \$nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds fixed interest securities.

The Fund invests principally in fixed interest securities. Certain fixed interest securities are liable to default risk whereby the nominal capital is not or is unlikely to be returned to investors. The value of fixed interest stocks is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual fixed interest stock or be caused by a general market factor (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of securities held. In addition, the management of the Fund complies with the Financial Conduct Authority COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund enters into transactions in financial instruments which expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

Notes to the Financial Statements

(continued)

as at 31 July 2016

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (\$3,153) (31/07/15: \$2,994).

(b) Interest rate risk

The fund receives revenue from fixed interest investments. Given that the fund's objective is to achieve a total investment return from income and capital appreciation, these cash flows are considered to be of primary importance and are actively managed.

As at 31 July 2016, 6.87% (31/07/15: 10.45%) of the Fund's assets were interest bearing.

The interest rate risk profile of the company's financial assets and liabilities at 31 July was:

	Floating rate financial assets \$'000	Fixed rate financial assets \$'000	Financial liabilities not carrying interest \$'000	Total \$'000
Currency				
31 July 2016				
Sterling	71	-	(308)	(237)
Brazilian real	3	3,608	29	3,640
Colombian peso	1	2,613	(263)	2,351
Euro	1	-	(158)	(157)
Hungarian forint	2	2,150	(293)	1,859
Indian rupee	-	-	637	637
Indonesian rupiah	-	4,027	126	4,153
Malaysian ringgit	-	3,141	758	3,899
Mexican peso	-	2,087	1,883	3,970
Peruvian nuevo sol	-	833	(154)	679
Philippine peso	-	-	127	127
Polish zloty	1	1,976	1,399	3,376
Romanian new leu	-	473	702	1,175
Russian ruble	156	1,387	(69)	1,474
Singapore dollar	-	-	(1,480)	(1,480)
South African rand	34	3,431	85	3,550
Thai baht	-	2,100	697	2,797
Turkish lira	34	3,706	(1,045)	2,695
US dollar	2,004	-	(2,918)	(914)
Total	2,307	31,532	(245)	33,594

First State Emerging Markets Local Currency Bond Fund

Notes to the Financial Statements

(continued)

as at 31 July 2016

Currency	Floating rate financial assets \$'000	Fixed rate financial assets \$'000	Financial liabilities not carrying interest \$'000	Total \$'000
31 July 2015				
Australian dollar	-	-	(828)	(828)
Brazilian real	3	3,903	(1,244)	2,662
Colombian peso	(62)	1,859	322	2,119
Euro	84	-	7,101	7,185
Hungarian forint	59	1,903	(233)	1,729
Indonesian rupiah	-	2,462	91	2,553
Japanese yen	-	-	(1,532)	(1,532)
Malaysian ringgit	8	1,684	1,120	2,812
Mexican peso	-	2,800	1,745	4,545
Peruvian nuevo sol	-	1,213	(2,758)	(1,545)
Philippine peso	-	199	-	199
Polish zloty	133	3,111	372	3,616
Romanian new leu	10	454	404	868
Russian ruble	25	667	962	1,654
Singapore dollar	-	-	(1,090)	(1,090)
South African rand	1	3,463	27	3,491
South Korean won	-	10	-	10
Taiwanese dollar	-	-	(1,041)	(1,041)
Thai baht	-	2,826	(897)	1,929
Turkish lira	111	3,380	(345)	3,146
US dollar	3,117	-	(2,200)	917
Total	3,489	29,934	(24)	33,399

First State Emerging Markets Local Currency Bond Fund

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July 2016 the Fund had the following net currency exposure (excluding US dollar):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total \$'000	Total \$'000
Sterling	(237)	-
Australian dollar	-	(828)
Brazilian real	3,640	2,662
Colombian peso	2,351	2,119
Euro	(157)	7,185
Hungarian forint	1,859	1,729
Indian rupee	637	-
Indonesian rupiah	4,153	2,553
Japanese yen	-	(1,532)
Malaysian ringgit	3,899	2,812
Mexican peso	3,970	4,545
Peruvian nuevo sol	679	(1,545)
Philippine peso	127	199
Polish zloty	3,376	3,616
Romanian new leu	1,175	868
Russian ruble	1,474	1,654
Singapore dollar	(1,480)	(1,090)
South African rand	3,550	3,491
South Korean won	-	10
Taiwanese dollar	-	(1,041)
Thai baht	2,797	1,929
Turkish lira	2,695	3,146
	<u>34,508</u>	<u>32,482</u>

(d) Credit risk

Credit risk occurs where there is a risk associated with the uncertainty of a counterparty's ability to meet its obligations. This risk is managed by reviewing the counterparty's credit rating, at the time of purchase and on an ongoing basis, and ensuring that the portfolio is sufficiently diversified. The impact of movements in credit rating and spread, and their effect on market prices, is considered to be part of market price risk, which is discussed above.

The Fund's investments and cash are held on its behalf by State Street Bank and Trust Company (acting as agent), the custodian to the Trust, and its appointed sub custodians. Bankruptcy or insolvency of the custodian or its sub custodians may cause the Fund's rights with respect to securities to be delayed. This risk is managed through ongoing monitoring of the custodian and periodic reviews of its procedures for selecting and monitoring sub custodians, together with ad hoc reviews of custodian and sub custodian credit ratings.

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the fund has fulfilled its responsibilities.

The Investment Adviser selects acceptable counterparties through which investments are bought and sold. The Manager has responsibility for monitoring the process by which these counterparties are selected to minimise risk.

Where the Investment Managers make an investment in a bond with credit risk, that credit risk is assessed and then compared to the prospective investment return of the security in question. The risk is managed by reviewing the credit ratings of those bonds at time of purchase and on an ongoing basis.

First State Emerging Markets Local Currency Bond Fund

Notes to the Financial Statements

(continued)

as at 31 July 2016

Summary of Investment Assets by Credit Ratings Rating Block

	31/07/16	31/07/15
	\$'000	\$'000
Investment grade bonds	25,774	28,036
Non-investment grade bonds	5,758	1,904
Total bonds	31,532	29,940
Other	2,062	3,459
Net assets	33,594	33,399

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

(e) Derivative risk

The Manager may enter into derivatives transactions for investment purposes and for efficient portfolio management purposes. A relatively small market movement may have a potentially larger impact on derivatives than on the underlying assets and the use of derivatives can therefore increase the volatility of the value of units in the Scheme. However it is not anticipated that the use of derivatives will have a significant effect on the risk profile of the Scheme.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets.

Due to the level of investment in derivatives, the First State Emerging Market Local Currency Bond Fund is considered to be a sophisticated fund, for this reason further numerical analysis has been provided in the form of a 'Value at Risk' (VaR) analysis, shown below.

It is important to note that VaR is calculated on an ex ante basis. This means that the calculations are based on the current portfolio holdings and not by reference to the volatility of the historical portfolio returns.

Relative VaR Utilisation	01 August 2015 to 31 July 2016
Low	42.64%
High	55.41%
Average	49.42%

Effective Portfolio Management

Financial derivative instruments exposure as at 31 July 2016	Value (\$)
Forward foreign currency contracts	9,711,133
Total financial derivative instruments exposure	9,711,133

The financial derivative instruments exposure represents the value of what is "economically commanded" by the instrument and is calculated as the sum of the notional value of the instrument, i.e. the number of contracts multiplied by the relevant index or spot price.

Efficient portfolio management techniques as at 31 July 2016	Value (\$)
Underlying exposure obtained through efficient portfolio management techniques	9,711,133

Counterparties to financial derivative instruments and efficient portfolio management techniques as at 31 July 2016	Value (\$)
Citigroup Global Markets	15,445
HSBC Bank	(38,846)
JP Morgan Securities	(24,873)
Merrill Lynch	17,354
Standard Chartered	(49,983)
State Street Bank and Trust Company	(52,574)
The counterparty exposure represents the unrealised profit or loss on the derivative contract. It is therefore a different amount to the value of the sum of the notionals.	

Notes to the Financial Statements

(continued)

as at 31 July 2016

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with \$16 (31/07/15: \$18) due at the year end.

As at 31 July 2016 CFS Managed Property, a related party of the ACD, owned 77.37% (31/07/15: 65.52%) of the Net Asset Value of the Fund.

As at 31 July 2016 First State Investments Services (UK) Limited, a related party of the ACD, owned 0.75% (31/07/15: 0.03%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has five share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class B Income (Institutional):	0.60
Share class B Income (GBP share class):	0.60
Share class B Hedged Income (GBP share class):	0.60
Share class B Hedged Income (EUR share class):	0.60
Share class Z Gross Accumulation:	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 192 to 196.

The distributions per share class are given in the Distribution Table on pages 208 to 209.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share class B Income (Institutional)	10,451,360	675,799	(1,999)	- 11,125,160
Share class B Income (GBP share class)	6,492,608	553,540	(1,999)	- 7,044,149
Share class B Hedged Income (GBP share class)	6,397,787	512,294	(1,999)	- 6,908,082
Share class B Hedged Income (EUR share class)	7,666,765	991,305	(1,999)	- 8,656,071
Share class Z Gross Accumulation	100,343	1,601	(1,894)	- 100,050

15. Fair value

	31 July 2016		31 July 2015
	Assets	Liabilities	Assets
	\$'000	\$'000	\$'000
Valuation technique			
Level 1	-	-	-
Level 2	35,160	(3,767)	35,990
Level 3	-	-	-
Total fair value	35,160	(3,767)	35,990

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Emerging Markets Local Currency Bond Fund

Distribution Table

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class B Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.3479	0.4696	1.8783	-	1.8783	2.2098
Final	2.6780	0.5356	2.1424	-	2.1424	2.1518
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.7354	0.3471	1.3883	0.4900	1.8783	2.2098
Final	1.8405	0.3681	1.4724	0.6700	2.1424	2.1518

Share class B Income (GBP share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.7071	0.5414	2.1657	-	2.1657	2.4159
Final	3.3506	0.6701	2.6805	-	2.6805	2.2785
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.0208	0.4042	1.6166	0.5491	2.1657	2.4159
Final	2.3881	0.4776	1.9105	0.7700	2.6805	2.2785

Share class B Hedged Income (GBP share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	2.4119	0.4824	1.9295	-	1.9295	2.2755
Final	2.7306	0.5461	2.1845	-	2.1845	2.1757
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	1.9520	0.3904	1.5616	0.3679	1.9295	2.2755
Final	1.9056	0.3811	1.5245	0.6600	2.1845	2.1757

First State Emerging Markets Local Currency Bond Fund

Distribution Table

(continued)

for the year ended 31 July 2016

Share class B Hedged Income (EUR share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
	(c)	(c)	(c)	(c)	(c)	(c)
Group 1						
Interim	2.3920	0.4784	1.9136	-	1.9136	2.3856
Final	2.6326	0.5265	2.1061	-	2.1061	2.2724
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	2.1355	0.4271	1.7084	0.2052	1.9136	2.3856
Final	1.8201	0.3640	1.4561	0.6500	2.1061	2.2724

Share class Z Gross Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
	(c)	(c)	(c)	(c)	(c)	(c)
Group 1						
Interim	2.4910	-	2.4910	-	2.4910	1.2652
Final	2.9177	-	2.9177	-	2.9177	2.7341
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	1.8395	-	1.8395	0.6515	2.4910	1.2652
Final	2.0226	-	2.0226	0.8951	2.9177	2.7341

Stewart Investors Global Emerging Markets Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests worldwide in equities in emerging economies, including those of companies listed on developed market exchanges whose activities predominantly take place in emerging market countries.

- Clarification point: Emerging Economies are defined as countries which are not classified as a developed market by MSCI or FTSE, or which are categorised by the World Bank as middle or low-income or which are not members of the Organisation for Economic Co-operation and Development.

Risks and reward profile

	← Lower Risk				Higher Risk →		
	Potentially Lower Rewards				Potentially Higher Rewards		
Share class A Accumulation	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 21.5% in sterling terms over the year and has provided returns of 15.3% and 36.8% over three and five years to 31 July 2016.

Performance was helped by Uni-President Enterprises (Taiwan: Consumer Staples) which gained as investors sought companies with defensive earnings. AngloGold Ashanti (South Africa: Materials) climbed as the gold price rose over the year and Duratex (Brazil: Materials) rose as exports offset domestic weakness.

On the negative side, Idea Cellular (India: Telecom Services) was weak as pricing pressure and capital expenditure weighed on the company and Dr Reddy's Laboratories (India: Health Care) declined as results indicated short-term weakness in their US business, coupled with the US Federal Drugs Administration (FDA) letter they received. Vapores (Chile: Industrials) fell on global growth concerns.

Portfolio changes

Significant purchases over the period included M Dias Branco (Brazil: Consumer Staples), a family-owned business with strong corporate governance which has a strong balance sheet. We also bought Banco Bradesco (Brazil: Financials), a good quality private sector bank which was attractively valued, and Tata Consultancy (India: Information Technology), a strong IT franchise with good quality stewards.

The fund sold China Resources Beer (Consumer Staples) because SABMiller, whose oversight we liked, sold out to settle anti-trust concerns around the Anheuser-Busch InBev merger. We also sold SABMiller (UK: Consumer Staples) as the finalisation of the SAB/ABI deal approaches and Mahindra & Mahindra (India: Consumer Discretionary) on concerns about valuation and franchise strength.

Stewart Investors Global Emerging Markets Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Outlook

We remain cautious about the outlook for emerging market companies and hold a high cash position in the portfolio. We have always believed that long-term returns for minority shareholders are far more correlated with a country's improving rule of law than with rapid economic growth, as measured by GDP. Our funds are, we hope, "long: rule of law". We have four or five times as much client money invested in India than in China, partly for this reason.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	13.8	31.0	21.5	15.3	36.8	212.7	1,154.8
Benchmark return %	16.0	27.7	16.7	13.2	7.6	106.2	431.8
Sector return %	11.0	25.6	18.1	16.5	20.5	70.2	844.7
Quartile ranking	2	1	1	2	2	1	2

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	21.5	(5.4)	0.3	14.5	3.5

Benchmark: MSCI Emerging Markets Index.

Sector: IA Global Emerging Markets.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Unilever	5.58	Unilever	6.60
Uni-President Enterprises	3.54	Uni-President Enterprises	3.60
Housing Development Finance	2.74	Standard Bank Group	2.74
Standard Bank Group	2.57	Dr Reddy's Laboratories	2.55
Coca-Cola HBC	2.48	Coca-Cola HBC	2.49
Tiger Brands	2.26	Housing Development Finance	2.33
Tech Mahindra	2.23	Idea Cellular	2.26
Duratex	2.17	LG	2.03
Shoprite Holdings	2.17	Shoprite Holdings	2.02
Inversiones Aguas Metropolitanas	1.97	SABMiller	2.00

Types of shares

Accumulation.

Stewart Investors Global Emerging Markets Fund

Portfolio Statement

as at 31 July 2016

Holdings or Nominal Values		Market Value £'000	Total Net Assets %
	UNITED KINGDOM (10.29%*)	77,819	8.85
1,370,834	Antofagasta	6,868	0.78
4,327,460	PZ Cussons	14,592	1.66
3,736,195	Tullow Oil	7,256	0.83
1,401,541	Unilever	49,103	5.58
	UNITED STATES (0.00%*)	16,374	1.86
USD21,580,100	United States Treasury Bill 0% 18/08/2016	16,374	1.86
	SWITZERLAND (2.49%*)	21,842	2.48
1,403,759	Coca-Cola HBC	21,842	2.48
	JAPAN (0.00%*)	9,594	1.09
615,600	Unicharm	9,594	1.09
	AUSTRALIA (0.71%*)	6,049	0.69
1,497,277	Oil Search	6,049	0.69
	CHINA (2.58%*)	5,051	0.58
3,185,491	Weifu High-Technology Group 'B'	5,051	0.58
	HONG KONG (3.29%*)	28,943	3.29
10,462,377	Hong Kong & China Gas	14,656	1.67
6,356,001	Towngas China	2,928	0.33
3,710,000	Yue Yuen Industrial Holdings	11,359	1.29
	INDIA (18.37%*)	159,486	18.13
447,186	Dr Reddy's Laboratories	14,843	1.69
1,549,835	Housing Development Finance	24,141	2.74
10,179,783	Idea Cellular	12,091	1.37
4,532,099	IDFC	2,821	0.32
6,161,869	IDFC Bank	3,609	0.41
1,782,084	Kotak Mahindra Bank	15,404	1.75
749,403	Mahindra Lifespace Developers	3,757	0.43
3,827,612	Marico	12,315	1.40
131,477	Nestle India	10,635	1.21
553,507	Tata Consultancy Services	16,428	1.87
11,001,177	Tata Power	8,954	1.02
1,920,719	Tata Steel	7,711	0.88
3,592,733	Tech Mahindra	19,640	2.23
266,867	Trent	5,538	0.63
173,944	United Breweries	1,599	0.18
	INDONESIA (0.95%*)	-	-
	MALAYSIA (0.74%*)	-	-
	PAKISTAN (0.00%*)	3,083	0.35
2,298,800	United Bank	3,083	0.35
	PHILIPPINES (1.22%*)	12,035	1.37
455,580	Ayala	6,384	0.73
13,518,900	Manila Water	5,651	0.64
	SOUTH KOREA (3.10%*)	18,010	2.05
202,173	LG	8,697	0.99
344,110	Shinhan Financial Group	9,313	1.06

Stewart Investors Global Emerging Markets Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings or Nominal Values		Market Value £'000	Total Net Assets %
	TAIWAN (5.68%*)	53,863	6.12
3,830,000	Chroma ATE	7,311	0.83
1,614,000	Merida Industry	5,659	0.64
1,592,776	President Chain Store	9,787	1.11
20,070,104	Uni-President Enterprises	31,106	3.54
	CZECH REPUBLIC (0.54%*)	-	-
	EGYPT (1.89%*)	11,791	1.34
1,590,044	Commercial International Bank Egypt GDR	4,579	0.52
14,042,425	Juhayna Food Industries	7,212	0.82
	NIGERIA (3.42%*)	20,872	2.38
123,603,789	Guaranty Trust Bank	7,046	0.80
709,429	Guaranty Trust Bank GDR	2,153	0.25
4,482,361	Guinness Nigeria	1,004	0.11
15,706,810	Lafarge Africa	2,115	0.24
8,676,789	Nigerian Breweries	2,821	0.32
6,291,559	UAC of Nigeria	303	0.04
68,409,096	Unilever Nigeria	5,430	0.62
	OMAN (1.22%*)	2,659	0.30
3,270,761	Bank Muscat	2,463	0.28
OMR1,004,331	Bank Muscat 3.5% 19/03/2018	196	0.02
	POLAND (1.49%*)	11,010	1.25
459,052	Bank Pekao	11,010	1.25
	QATAR (0.38%*)	-	-
	RUSSIA (0.52%*)	4,350	0.50
1,202,680	M.video	4,350	0.50
	SOUTH AFRICA (12.33%*)	113,263	12.87
428,072	Adbee Rf	756	0.09
2,564,838	Adcock Ingram Holdings	6,548	0.74
132,514	Adcock Ingram Holdings Warrants Expiry 26/07/2019	18	-
8,571,595	African Oxygen	9,174	1.04
777,271	AngloGold Ashanti	12,609	1.43
7,829,118	Grindrod	4,837	0.55
1,614,396	Impala Platinum Holdings	5,191	0.59
7,925,333	Nampak	9,042	1.03
365,666	Pioneer Foods Group	3,482	0.40
1,766,575	Shoprite Holdings	19,121	2.17
3,038,996	Standard Bank Group	22,587	2.57
952,891	Tiger Brands	19,898	2.26
	TURKEY (2.78%*)	28,908	3.29
1,702,508	Anadolu Efes Biracilik Ve Malt Sanayii	8,610	0.98
11,736,688	Enka Insaat ve Sanayi	13,022	1.48
195,194	Turk Traktor ve Ziraat Makineleri	4,069	0.46
1,096,893	Yazicilar Holdings	3,207	0.37

Stewart Investors Global Emerging Markets Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
BRAZIL (4.56%*)	88,491	10.05
1,789,920 Banco Bradesco	11,816	1.34
8,537,791 Duratex	19,129	2.17
2,446,500 Klabin	9,597	1.09
524,977 M Dias Branco	13,855	1.57
2,435,300 Natura Cosmeticos	16,796	1.91
1,719,850 Porto Seguro	10,853	1.23
638,820 WEG	2,255	0.26
578,308 Wilson Sons BDR	4,190	0.48
CHILE (11.05%*)	86,187	9.78
26,052,689 Aguas Andinas 'A'	11,791	1.34
4,143,316 Cencosud	8,824	1.00
1,459,095 Cia Cervecerias Unidas	12,548	1.43
576,570,555 Cia Sud Americana de Vapores	7,858	0.89
1,406,230 Embotelladora Andina 'A' Preference	3,629	0.41
13,662,420 Inversiones Aguas Metropolitanas	17,372	1.97
7,291,387 Quinenco	10,680	1.21
118,229,045 Sociedad Matriz SAAM	6,765	0.77
4,881,497 SONDA	6,720	0.76
COLOMBIA (0.00%*)	10,462	1.19
3,055,729 Almacenes Exito	10,462	1.19
MEXICO (2.15%*)	16,008	1.82
1,349,409 Grupo Financiero Santander Mexico ADR	9,329	1.06
4,307,681 Grupo Herdez	6,679	0.76
Portfolio of investments	806,150	91.63
Net other assets	73,626	8.37
Total net assets	879,776	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as ADRs, GDRs and BDRs represent American Depositary Receipts, Global Depositary Receipts and Brazilian Depositary Receipts, respectively.

Stewart Investors Global Emerging Markets Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	578.00	611.19	609.00
Return before operating charges*	135.32	(21.45)	13.32
Operating charges	(11.02)	(11.74)	(11.13)
Return after operating charges*	124.30	(33.19)	2.19
Closing net asset value per share (p)	702.30	578.00	611.19
Retained distributions on accumulation shares*	1.94	3.58	2.81
*after direct transaction costs of:	0.60	0.54	1.07
Performance			
Return after charges (%)	21.51%	(5.43)%	0.36%
Other information			
Closing net asset value (£'000)	48,051	56,939	80,319
Closing number of shares	6,841,976	9,850,975	13,141,460
Operating charges	1.89%	1.89%	1.90%
Direct transaction costs	0.10%	0.09%	0.18%
Prices			
Highest share price	710.10	663.38	617.48
Lowest share price	517.46	576.35	541.87

Stewart Investors Global Emerging Markets Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	641.03	673.78	667.34
Return before operating charges*	150.83	(25.34)	13.46
Operating charges	(7.08)	(7.41)	(7.02)
Return after operating charges*	143.75	(32.75)	6.44
Closing net asset value per share (p)	784.78	641.03	673.78
Retained distributions on accumulation shares*	7.21	8.12	6.99
*after direct transaction costs of:	0.67	0.60	1.18
Performance			
Return after charges (%)	22.42%	(4.86)%	0.97%
Other information			
Closing net asset value (£'000)	831,725	642,041	667,258
Closing number of shares	105,982,561	100,157,728	99,031,571
Operating charges	1.09%	1.08%	1.09%
Direct transaction costs	0.10%	0.09%	0.18%
Prices			
Highest share price	793.43	734.24	680.71
Lowest share price	575.96	636.77	595.71

Stewart Investors Global Emerging Markets Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains/(losses)	2		152,183		(45,320)
Revenue	3	17,177		17,754	
Expenses	4	(8,133)		(8,787)	
Interest payable and similar charges		-		-	
Net revenue before taxation		9,044		8,967	
Taxation	5	(1,429)		(479)	
Net revenue after taxation			7,615		8,488
Total return before distributions			159,798		(36,832)
Distributions	6		(7,666)		(8,558)
Change in net assets attributable to shareholders from investment activities			152,132		(45,390)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		698,980		747,577
Assets transferred from other Funds*		7,919		-
Amounts receivable on issue of shares	34,901		35,967	
Less: Amounts payable on cancellation of shares	(21,996)		(47,862)	
		12,905		(11,895)
Dilution adjustment		152		221
Change in net assets attributable to shareholders from investment activities		152,132		(45,390)
Retained distribution on accumulation shares		7,688		8,467
Closing net assets attributable to shareholders		879,776		698,980

*Relating to the transfer of assets an external party.

Notes to the Financial Statements are on pages 219 to 224.

Stewart Investors Global Emerging Markets Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>806,150</u>	<u>641,343</u>
Current assets			
Debtors	8	6,044	1,161
Cash and bank balances		<u>70,494</u>	<u>59,124</u>
Total assets		<u>882,688</u>	<u>701,628</u>
Liabilities			
Creditors			
Other creditors	9	<u>(2,912)</u>	<u>(2,648)</u>
Total liabilities		<u>(2,912)</u>	<u>(2,648)</u>
Net assets attributable to shareholders		<u>879,776</u>	<u>698,980</u>

Notes to the Financial Statements are on pages 219 to 224.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains/(losses)

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	149,321	(44,920)
Forward foreign exchange currency contracts	(2)	(2)
Currency gains/(losses)	2,864	(398)
Net capital gains/(losses)	152,183	(45,320)

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	1,761	1,933
Overseas taxable revenue	173	1,191
Overseas non-taxable revenue	13,821	13,224
Overseas scrip dividends	113	382
Interest from bank deposits	13	119
Interest from government and fixed interest securities	42	13
Interest on capital revenue from Brazilian companies	1,182	675
Front end load income	72	217
Total revenue	17,177	17,754

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	7,463	8,120
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	94	103
Other expenses:		
Audit fee	9	9
Registrar fees	58	59
Safe custody charges	370	409
Other expenses	139	87
	576	564
Total expenses	8,133	8,787

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	1,391	419
Indian capital gains tax	38	60
Total taxation (note 5b)	<u>1,429</u>	<u>479</u>
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	9,044	8,967
Corporation tax of 20% (2015: 20%)	1,809	1,793
Effects of:		
UK dividends*	(352)	(387)
Non taxable scrip dividends*	(23)	(76)
Overseas non-taxable revenue*	(2,764)	(2,645)
Movement in excess management expenses	1,370	1,363
Irrecoverable overseas tax	1,391	419
Overseas tax expensed	(40)	(48)
Indian capital gains tax	38	60
Total tax charge for year (note 5a)	<u>1,429</u>	<u>479</u>

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

*As an authorised OEIC these items are not subject to corporation tax.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £10,310,678 (31/07/15: £8,940,343) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	1,407	2,398
Final distribution	6,281	6,069
	<u>7,688</u>	<u>8,467</u>
Add: revenue deducted on cancellation of shares	38	165
Deduct: revenue received on issue of shares	(60)	(74)
Net distributions for the year	<u>7,666</u>	<u>8,558</u>

Details of the distribution per share is set out in the Distribution Tables on page 225.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net revenue and net distributions

	31 July 2016	31 July 2015
	£'000	£'000
Net revenue after taxation	7,615	8,488
Movement in net income as a result of conversions	19	10
Expenses charged to capital	(6)	-
Indian capital gains tax	38	60
Net distributions for the year	7,666	8,558

8. Debtors

	31 July 2016	31 July 2015
	£'000	£'000
Sales awaiting settlement	5,031	-
Amounts receivable for issue of shares	12	2
Accrued revenue	1,001	1,159
Total debtors	6,044	1,161

9. Creditors

	31 July 2016	31 July 2015
	£'000	£'000
Purchases awaiting settlement	1,802	1,610
Amounts payable for cancellation of shares	222	133
Accrued expenses	888	905
Total creditors	2,912	2,648

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	£'000	£'000	£'000	£'000
Equities	190,838	108,600	184,457	118,124
Bonds	48,115	-	34,093	-
Trades in the year before transaction costs	238,953	108,600	218,550	118,124
Commissions				
Equities	195	220	(181)	(193)
Bonds	-	-	(1)	-
Taxes				
Equities	215	106	(141)	(141)
Bonds	-	-	-	-
Total costs	410	326	(323)	(334)
Total net trades in the year after transaction costs	239,363	108,926	218,227	117,790

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.10	0.20	0.10	0.16
Bonds	-	-	0.00	-
Taxes				
Equities	0.11	0.10	0.08	0.12
Bonds	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.05	0.05
Taxes	0.05	0.03
Total costs	<u>0.10</u>	<u>0.08</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.46% (31/07/2015: 0.41%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund predominantly holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£80,615) (31/07/15: £64,134).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund significantly invests in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

As at 31 July 2016, 9.90% (31/07/15: 8.46%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Global Emerging Markets Fund would have been an increase or decrease of approximately £218 (31/07/15: £148).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July 2016 the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	6,049	4,929
Brazilian real	88,762	31,987
Chilean peso	86,186	75,456
Colombian peso	10,462	-
Czech Republic koruna	-	3,795
Egyptian pound	7,328	6,794
Hong Kong dollar	34,281	41,130
Indian rupee	171,124	129,336
Indonesian rupiah	-	5,728
Japanese yen	9,062	-
Malaysian ringgit	-	5,184
Mexican peso	6,679	8,029
Nigerian naira	18,691	21,361
Omani rial	3,168	8,556
Philippine peso	12,035	8,022
Polish zloty	11,010	10,385
Qatari rial	-	2,692
South African rand	113,331	85,938
South Korean won	18,010	21,679
Taiwanese dollar	54,612	40,021
Turkish lira	28,907	19,402
US dollar	53,888	44,340
Pakistan rupee	3,083	-
	<u>736,668</u>	<u>574,764</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.19% (£36,833) (31/07/15: 4.11% (£28,738)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £719 (31/07/15: £649) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.01% (31/07/15: 0.01%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.90% (31/07/15: 0.84%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class B Accumulation (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 215 and 216.

The distributions per share class are given in the Distribution Tables on page 225.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	9,850,975	12,362	(1,284,070)	(1,737,291)	6,841,976
Share class B Accumulation (Institutional)	100,157,728	6,761,127	(2,497,832)	1,561,538	105,982,561

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	805,954	-	641,341	-
Level 2	196	-	2	-
Level 3	-	-	-	-
Total fair value	806,150	-	641,343	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Global Emerging Markets Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.5926
Final	1.9420	-	1.9420	2.9849
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.5926
Final	1.0952	0.8468	1.9420	2.9849

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.4110	-	1.4110	2.3500
Final	5.8009	-	5.8009	5.7658
Group 2	(p)	(p)	(p)	(p)
Interim	0.1651	1.2459	1.4110	2.3500
Final	4.9006	0.9003	5.8009	5.7658

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Global Emerging Markets Leaders Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests worldwide in large and mid capitalisation equities in emerging economies, including those companies listed on developed market exchanges whose activities predominantly take place in emerging market countries.

- Clarification point: Large and mid capitalisation typically refers to equities with a minimum market capitalisation of US\$1 billion and a minimum free float of US\$500 million. Emerging Economies are defined as countries which are not classified as a developed markets by MSCI or FTSE, or which are categorised by the World Bank as middle or low-income or which are not members of the Organisation for Economic Co-operation and Development.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6
Share class B Accumulation	1	2	3	4	5	6
Share class A Accumulation (EUR share class)	1	2	3	4	5	6
Share class B Accumulation (EUR share class)	1	2	3	4	5	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 20.3% in sterling terms over the year and has provided returns of 19.0% and 41.6% over three and five years to 31 July 2016.

Performance was helped by Banco Bradesco (Brazil: Financials) which rose as Brazil rebounded and the company's timely purchase of HSBC's Brazilian business received competition agency approval. Tiger Brands (South Africa: Consumer Staples) climbed as some top management were replaced as part of an effort to refocus the company and Uni-President Enterprises (Taiwan: Consumer Staples) gained as investors sought companies with defensive earnings.

On the negative side, Idea Cellular (India: Telecom Services) was weak as pricing pressure and capital expenditure weighed on the company and Li & Fung (Hong Kong: Consumer Discretionary) was impacted by key customers experiencing difficult times. Dr Reddy's Laboratories (India: Health Care) declined as results indicated short-term weakness in their US business, coupled with the FDA letter they received.

Portfolio changes

Significant purchases over the twelve months included Asustek Computer (Taiwan: Information Technology), a strong Taiwanese technology franchise which was trading on an attractive valuation. We also bought Dairy Farm International (Singapore: Consumer Staples), backing a relatively new CEO to re-invigorate the business and family-backed Giant Manufacturing (Taiwan: Consumer Discretionary), one of Asia's genuine brands (bicycles).

The fund sold Kimberly-Clark Mexico (Consumer Staples), LG Chemicals (South Korea: Materials) and Weg (Brazil: Industrials) on valuation concerns.

Stewart Investors Global Emerging Markets Leaders Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Outlook

We remain cautious about the outlook for emerging market companies and hold a high cash position in the portfolio. We have always believed that long-term returns for minority shareholders are far more correlated with a country's improving rule of law than with rapid economic growth, as measured by GDP. Our funds are, we hope, "long: rule of law". We have four or five times as much client money invested in India than in China, partly for this reason.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	13.5	28.6	20.3	19.0	41.6	221.3	406.1
Benchmark return %	16.0	27.7	16.7	13.2	7.6	106.2	265.9
Sector return %	11.0	25.6	18.1	16.5	20.5	70.2	197.6
Quartile ranking	2	1	1	2	2	1	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	20.3	(1.3)	0.2	12.5	5.8

Benchmark: MSCI Emerging Markets Index.

Sector: IA Global Emerging Markets.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Unilever	6.28	Unilever	8.92
Housing Development Finance	4.93	Housing Development Finance	5.36
Tiger Brands	4.87	Uni-President Enterprises	3.56
Uni-President Enterprises	4.11	Tiger Brands	3.47
Standard Bank Group	3.81	Dr Reddy's Laboratories	3.21
Banco Bradesco	3.45	Standard Bank Group	3.21
Bank Pekao	2.84	Bank Pekao	3.13
Tata Power	2.83	Infosys	2.90
Cia Cervecerias Unidas	2.63	Cia Cervecerias Unidas	2.70
Infosys	2.60	Idea Cellular	2.51

Types of shares

Accumulation.

Stewart Investors Global Emerging Markets Leaders Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (11.37%*)	248,207	9.27
11,329,650 Antofagasta	56,762	2.12
12,054,828 Tullow Oil	23,410	0.87
4,796,200 Unilever	168,035	6.28
SWITZERLAND (3.55%*)	63,124	2.36
4,056,831 Coca-Cola HBC	63,124	2.36
JAPAN (1.55%*)	40,939	1.53
2,626,800 Unicharm	40,939	1.53
CHINA (3.51%*)	103,858	3.88
44,624,000 China Mengniu Dairy	56,572	2.11
30,243,323 China Resources Beer Holdings	44,199	1.65
10,081,107 China Resources Beer Holdings Rights Expiry 09/08/2016	3,087	0.12
HONG KONG (4.28%*)	129,896	4.85
29,439,250 Hong Kong & China Gas	41,238	1.54
134,898,000 Li & Fung	51,199	1.91
12,234,500 Yue Yuen Industrial Holdings	37,459	1.40
INDIA (23.64%*)	546,358	20.41
1,759,224 Dr Reddy's Laboratories	58,393	2.18
8,477,036 Housing Development Finance	132,044	4.93
42,286,799 Idea Cellular	50,228	1.88
9,442,306 IDFC	5,878	0.22
5,719,602 Infosys	69,654	2.60
1,672,674 Mahindra & Mahindra	27,799	1.04
541,768 Nestle India	43,821	1.64
1,251,249 Tata Consultancy Services	37,138	1.39
93,080,782 Tata Power	75,763	2.83
8,348,907 Tech Mahindra	45,640	1.70
MALAYSIA (3.26%*)	27,860	1.04
26,310,413 Axiata Group	27,860	1.04
PHILIPPINES (2.61%*)	26,432	0.99
1,886,110 Ayala	26,432	0.99
SINGAPORE (0.00%*)	30,982	1.16
6,148,800 Dairy Farm International Holdings	30,982	1.16
SOUTH KOREA (3.84%*)	70,877	2.65
12,840 KT	276	0.01
1,952,723 KT ADR	22,642	0.85
1,772,080 Shinhan Financial Group	47,959	1.79
TAIWAN (5.63%*)	251,117	9.38
8,351,000 Asustek Computer	55,087	2.06
4,557,000 Giant Manufacturing	23,290	0.87
8,206,000 MediaTek	47,498	1.77
3,703,025 Taiwan Semiconductor Manufacturing	15,184	0.57
71,011,338 Uni-President Enterprises	110,058	4.11
HUNGARY (0.67%*)	27,488	1.03
1,717,902 Richter Gedeon	27,488	1.03
NIGERIA (0.20%*)	11,646	0.44
204,301,297 Guaranty Trust Bank	11,646	0.44

Stewart Investors Global Emerging Markets Leaders Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings or Nominal Values		Market Value £'000	Total Net Assets %
OMAN (0.67%*)		3,875	0.14
4,616,464	Bank Muscat	3,476	0.13
OMR2,045,259	Bank Muscat 3.5% 19/03/2018	399	0.01
POLAND (3.13%*)		76,011	2.84
3,169,350	Bank Pekao	76,011	2.84
SOUTH AFRICA (10.84%*)		317,924	11.87
573,271	AngloGold Ashanti	9,300	0.35
5,368,162	Impala Platinum Holdings	17,262	0.64
4,237,608	Remgro	58,987	2.20
13,723,133	Standard Bank Group	101,997	3.81
6,243,497	Tiger Brands	130,378	4.87
TURKEY (1.20%*)		77,046	2.88
19,143,498	Akbank	36,749	1.37
7,968,655	Anadolu Efes Biracilik Ve Malt Sanayii	40,297	1.51
BRAZIL (6.06%*)		216,193	8.07
13,986,065	Banco Bradesco	92,328	3.45
9,961,219	Duralex	22,318	0.83
1,775,900	Engie Brasil Energia	16,923	0.63
7,602,500	Klabin	29,821	1.11
7,946,200	Natura Cosmeticos	54,803	2.05
CHILE (5.63%*)		158,482	5.91
72,933,178	Aguas Andinas 'A'	33,010	1.23
8,188,808	Cia Cervecerias Unidas	70,422	2.63
749,775	Cia Cervecerias Unidas ADR	12,932	0.48
5,703,546	Empresa Nacional de Telecomunicaciones	42,118	1.57
MEXICO (2.80%*)		51,705	1.93
7,479,329	Grupo Financiero Santander Mexico ADR	51,705	1.93
Portfolio of investments		2,480,020	92.63
Net other assets		197,191	7.37
Total net assets		2,677,211	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as ADRs represent American Depositary Receipts.

Stewart Investors Global Emerging Markets Leaders Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	420.35	425.81	424.82
Return before operating charges*	91.65	1.45	7.38
Operating charges	(6.60)	(6.91)	(6.39)
Return after operating charges*	85.05	(5.46)	0.99
Closing net asset value per share (p)	505.40	420.35	425.81
Retained distributions on accumulation shares*	3.36	2.77	1.69
*after direct transaction costs of:	0.44	0.59	0.77
Performance			
Return after charges (%)	20.23%	(1.28)%	0.23%
Other information			
Closing net asset value (£'000)	580,447	814,299	1,178,212
Closing number of shares	114,849,251	193,718,833	276,699,050
Operating charges	1.57%	1.57%	1.57%
Direct transaction costs	0.10%	0.13%	0.19%
Prices			
Highest share price	511.92	472.73	430.28
Lowest share price	376.97	408.79	373.36

Stewart Investors Global Emerging Markets Leaders Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	450.09	452.92	448.91
Return before operating charges*	98.79	1.49	7.98
Operating charges	(4.17)	(4.32)	(3.97)
Return after operating charges*	94.62	(2.83)	4.01
Closing net asset value per share (p)	544.71	450.09	452.92
Retained distributions on accumulation shares*	6.60	6.12	4.64
*after direct transaction costs of:	0.47	0.63	0.81
Performance			
Return after charges (%)	21.02%	(0.62)%	0.89%
Other information			
Closing net asset value (£'000)	1,799,399	1,484,631	1,587,572
Closing number of shares	330,338,523	329,849,571	350,516,394
Operating charges	0.92%	0.92%	0.91%
Direct transaction costs	0.10%	0.13%	0.19%
Prices			
Highest share price	551.71	505.18	457.67
Lowest share price	404.92	435.93	395.94

Stewart Investors Global Emerging Markets Leaders Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	221.50	199.33	180.70
Return before operating charges*	4.40	25.58	21.60
Operating charges	(3.25)	(3.41)	(2.97)
Return after operating charges*	1.15	22.17	18.63
Closing net asset value per share (c)	222.65	221.50	199.33
Retained distributions on accumulation shares*	1.50	1.58	0.90
*after direct transaction costs of:	0.22	0.29	0.34
Performance			
Return after charges (%)	0.52%	11.12%	10.31%
Other information			
Closing net asset value (€'000)	118,276	136,916	223,270
Closing number of shares	53,122,000	61,814,341	112,009,199
Operating charges	1.57%	1.57%	1.56%
Direct transaction costs	0.10%	0.13%	0.19%
Prices			
Highest share price	227.25	243.48	201.84
Lowest share price	180.99	191.25	167.90

Stewart Investors Global Emerging Markets Leaders Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	165.13	147.70	133.04
Return before operating charges*	3.36	18.90	15.93
Operating charges	(1.42)	(1.47)	(1.27)
Return after operating charges*	1.94	17.43	14.66
Closing net asset value per share (c)	167.07	165.13	147.70
Retained distributions on accumulation shares*	2.09	2.19	1.55
*after direct transaction costs of:	0.16	0.22	0.25
Performance			
Return after charges (%)	1.17%	11.80%	11.02%
Other information			
Closing net asset value (€'000)	234,378	301,283	495,113
Closing number of shares	140,281,706	182,460,528	335,203,825
Operating charges	0.91%	0.91%	0.90%
Direct transaction costs	0.10%	0.13%	0.19%
Prices			
Highest share price	170.51	181.16	149.56
Lowest share price	135.41	142.03	124.03

Stewart Investors Global Emerging Markets Leaders Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains/(losses)	2		426,072		(29,388)
Revenue	3	57,514		72,301	
Expenses	4	(26,549)		(36,391)	
Interest payable and similar charges		(10)		(3)	
Net revenue before taxation		30,955		35,907	
Taxation	5	(1,644)		(4,412)	
Net revenue after taxation			29,311		31,495
Total return before distributions			455,383		2,107
Distributions	6		(29,656)		(32,537)
Change in net assets attributable to shareholders from investment activities			425,727		(30,430)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		2,607,823		3,335,464
Amounts receivable on issue of shares	48,521		44,624	
Less: Amounts payable on cancellation of shares	(433,747)		(772,526)	
		(385,226)		(727,902)
Dilution adjustment		-		380
Change in net assets attributable to shareholders from investment activities		425,727		(30,430)
Retained distribution on accumulation shares		28,887		30,311
Closing net assets attributable to shareholders		2,677,211		2,607,823

Notes to the Financial Statements are on pages 236 to 241.

Stewart Investors Global Emerging Markets Leaders Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>2,480,020</u>	<u>2,462,930</u>
Current assets			
Debtors	8	6,041	62,178
Cash and bank balances		<u>197,642</u>	<u>102,938</u>
Total assets		<u>2,683,703</u>	<u>2,628,046</u>
Liabilities			
Creditors			
Other creditors	9	<u>(6,492)</u>	<u>(20,223)</u>
Total liabilities		<u>(6,492)</u>	<u>(20,223)</u>
Net assets attributable to shareholders		<u>2,677,211</u>	<u>2,607,823</u>

Notes to the Financial Statements are on pages 236 to 241.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains/(losses)

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	417,499	(39,594)
Forward foreign exchange currency contracts	(11)	(645)
Currency gains	8,584	10,851
Net capital gains/(losses)	426,072	(29,388)

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	6,571	10,778
Overseas taxable revenue	(251)	(31)
Overseas non-taxable revenue	46,544	55,626
Overseas scrip dividends	483	2,310
Interest from bank deposits	49	174
Interest from government and fixed interest securities	(561)	37
Interest on capital revenue from Brazilian companies	4,524	2,612
Front end load income	155	795
Total revenue	57,514	72,301

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	24,738	34,147
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	271	327
Other expenses:		
Audit fee	10	10
Registrar fees	409	452
Safe custody charges	791	1,303
Other expenses	330	152
	1,540	1,917
Total expenses	26,549	36,391

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	1,644	3,549
Indian capital gains tax	-	863
Total taxation (note 5b)	1,644	4,412
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	30,955	35,907
Corporation tax of 20% (2015: 20%)	6,191	7,181
Effects of:		
UK dividends*	(1,314)	(2,156)
Non taxable scrip dividends*	(97)	(462)
Overseas non-taxable revenue*	(9,309)	(11,125)
Movement in excess management expenses	4,658	6,645
Irrecoverable overseas tax	1,644	3,549
Overseas tax expensed	(129)	(83)
Indian capital gains tax	-	863
Total tax charge for year (note 5a)	1,644	4,412

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £40,211,475 (31/07/15: £35,553,672) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	5,960	10,691
Final distribution	22,927	19,620
	28,887	30,311
Add: revenue deducted on cancellation of shares	1,091	2,290
Deduct: revenue received on issue of shares	(322)	(64)
Net distributions for the year	29,656	32,537

Details of the distribution per share is set out in the Distribution Tables on pages 242 to 243.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	29,311	31,495
Movement in net income as a result of conversions	351	179
Expenses charged to capital	(8)	-
Tax relief on expenses charged to capital	2	-
Indian capital gains tax	-	863
Net distributions for the year	29,656	32,537

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	1,054	57,756
Amounts receivable for issue of shares	491	-
Accrued revenue	3,985	4,203
Overseas tax recoverable	511	219
Total debtors	6,041	62,178

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	-	1,845
Amounts payable for cancellation of shares	4,049	15,140
Accrued expenses	2,443	3,238
Total creditors	6,492	20,223

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	442,584	550,439	813,421	1,140,181
Bonds	-	-	583	-
Trades in the year before transaction costs	442,584	550,439	814,004	1,140,181
Commissions				
Equities	382	843	(751)	(1,657)
Bonds	-	-	(2)	-
Total commissions	382	843	(753)	(1,657)
Taxes				
Equities	447	413	(895)	(1,267)
Bonds	-	-	-	-
Total taxes	447	413	(895)	(1,267)
Total costs	829	1,256	(1,648)	(2,924)
Total net trades in the year after transaction costs	443,413	551,695	812,356	1,137,257

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.09	0.15	0.09	0.15
Bonds	-	-	-	-
Taxes				
Equities	0.10	0.08	0.11	0.11
Bonds	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.05	0.08
Taxes	0.06	0.05
Total costs	<u>0.11</u>	<u>0.13</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.27% (31/07/2015: 0.24%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds predominantly equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£248,002) (31/07/15: £246,293).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund significantly invests in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

As at 31 July 2016, 7.40% (31/07/15: 3.95%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Global Emerging Markets Leaders Fund would have been an increase or decrease of approximately £495 (31/07/15: £257).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July 2016 the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Brazilian real	216,251	160,373
Chilean peso	145,549	137,084
Czech Republic koruna	1	1
Euro	1,855	75
Hong Kong dollar	233,754	212,736
Hungarian forint	27,488	17,546
Indian rupee	558,088	608,981
Japanese yen	41,078	40,466
Malaysian ringgit	27,860	88,739
Mexican peso	-	48,302
Nigerian naira	11,646	5,066
Omani rial	4,601	17,423
Philippine peso	26,760	68,193
Polish zloty	76,011	81,560
South African rand	317,923	282,886
South Korean won	48,236	100,044
Swiss franc	511	29,673
Taiwanese dollar	253,153	155,426
Turkish lira	77,046	31,163
US dollar	194,689	72,801
	<u>2,262,500</u>	<u>2,158,538</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.23% (£113,125) (31/07/15: 4.14% (£107,927)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £2,144 (31/07/15: £2,498) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.08% (31/07/15: 0.06%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.46% (31/07/15: 0.36%) of the Net Asset Value of the Fund.

As at 31 July 2016 HSBC Institutional Trust Services (Singapore) Limited, a related party of the ACD, owned 0.36% (31/07/15: 0.39%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class B Accumulation (Institutional):	0.85
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class B Accumulation (EUR share class) (Institutional):	0.85

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 230 to 233.

The distributions per share class are given in the Distribution Tables on pages 242 to 243.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015				31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	193,718,833	1,124,591	(27,322,061)	(52,672,112)	114,849,251
Share class B Accumulation (Institutional)	329,849,571	3,509,624	(52,093,556)	49,072,884	330,338,523
Share class A Accumulation (EUR share class) (Retail)	61,814,341	1,413,389	(10,034,023)	(71,707)	53,122,000
Share class B Accumulation (EUR share class) (Institutional)	182,460,528	22,795,970	(65,070,621)	95,829	140,281,706

15. Fair value

	31 July 2016		31 July 2015
	Assets	Liabilities	Assets
	£'000	£'000	£'000
Valuation technique			
Level 1	2,479,621	-	2,462,922
Level 2	399	-	8
Level 3	-	-	-
Total fair value	2,480,020	-	2,462,930

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Global Emerging Markets Leaders Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.1042	-	0.1042	0.5903
Final	3.2550	-	3.2550	2.1808
Group 2	(p)	(p)	(p)	(p)
Interim	-	0.1042	0.1042	0.5903
Final	2.0230	1.2320	3.2550	2.1808

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.5471	-	1.5471	2.1766
Final	5.0543	-	5.0543	3.9478
Group 2	(p)	(p)	(p)	(p)
Interim	0.5167	1.0304	1.5471	2.1766
Final	2.9895	2.0648	5.0543	3.9478

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.0597	-	0.0597	0.3861
Final	1.4445	-	1.4445	1.1953
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.0597	0.0597	0.3861
Final	0.4985	0.9460	1.4445	1.1953

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.5311	-	0.5311	0.7493
Final	1.5601	-	1.5601	1.4409
Group 2	(c)	(c)	(c)	(c)
Interim	0.3018	0.2293	0.5311	0.7493
Final	0.3258	1.2343	1.5601	1.4409

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 0.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 100.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 0.00% of the dividend together with the tax credit is received as franked investment income.

Final - 100.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Global Emerging Markets Sustainability Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests in a diversified portfolio of securities of issuers established or having significant operations in emerging economies and listed, traded or dealt in on regulated markets worldwide. The Fund invests in companies which are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

- Clarification point: The Fund's emphasis on sustainable development incorporates three key features in making investment decisions. These are:
 - I Company classification (identifying companies whose management are believed able to manage sustainability risks and opportunities facing their companies, seeking out sustainable companies with a positive sustainable development impact);
 - II Integration of environmental, social and corporate governance factors into investment analysis;
 - III Engagement with and exit from companies based on our own research and external global norms-based screening (the fund manager will engage senior management on any identified environmental, social and governance issues, and exit a stock if insufficient progress is made).

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6
Share class B Accumulation	1	2	3	4	5	6
Share class A Accumulation (EUR share class)	1	2	3	4	5	6
Share class B Accumulation (EUR share class)	1	2	3	4	5	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 16.5% in sterling terms over the year, and provided returns of 21.4% and 45.7% over three and five years to 31 July 2016.

Performance was helped by Unilever (UK: Consumer Staples) which rose as the company's 'glocal' portfolio of products performed well and by Marico (India: Consumer Staples) which climbed as it continued to build strong brands longer term with clear sustainability tailwinds. Natura Cosmeticos (Brazil: Consumer Staples) gained as it delivered better-than-expected results with the international division performing strongly.

On the negative side, Vapores (Chile: Industrials) was weak on global growth concerns and Dr Reddy's Laboratories (India: Health Care) was weak following comments from the US Federal Drugs Administration (FDA) about compliance with manufacturing practices. We remain positive about the outlook for the company and continue to engage with management. Weifu High Technology (China: Consumer Discretionary) underperformed because of the economic slowdown in China.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Portfolio changes

Significant purchases over the period included Totvs (Brazil: Information Technology), a well governed Brazilian IT franchise that focuses on developing accounting and enterprise resource planning (ERP) software for Brazilian SMEs. We bought Vitasoy International (Hong Kong: Consumer Staples), a leading manufacturer and distributor of healthy plant-based food and beverage products which is driven by a long-term sense of purpose to provide nutritional food and sustainable products at affordable prices. We also bought Unicharm Corp (Japan: Consumer Staples) which is renowned for product innovation in baby care, feminine care and healthcare.

We sold Shoprite (South Africa: Consumer Staples) due to worsening economic conditions in South Africa and Public Bank (Malaysia: Financials) because of a subdued backdrop in Malaysia. We also sold XL Axiata (Indonesia: Telecom Services) having lost conviction in the quality of the franchise.

Outlook

We remain cautious about the outlook for emerging market companies. We have always believed that long-term returns for minority shareholders are far more correlated with a country's improving rule of law than with rapid economic growth, as measured by GDP. Our funds are, we hope, "long: rule of law". We have four or five times as much client money invested in India than in China, partly for this reason. We continue to look for companies which should benefit from and contribute to the sustainable development of emerging markets.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	15.1	27.9	16.5	21.4	45.7	-	170.2
Benchmark return %	16.0	27.7	16.7	13.2	7.6	-	89.1
Sector return %	11.0	25.6	18.1	16.5	20.5	-	87.4
Quartile ranking	1	1	2	2	1	-	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	16.5	0.9	3.3	18.6	1.1

Benchmark: MSCI Emerging Markets Index.

Sector: IA Global Emerging Markets.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Marico	6.00	Unilever	6.45
Natura Cosmetics	5.74	Marico	4.54
Unilever	5.05	Natura Cosmetics	4.19
Tech Mahindra	4.65	Tech Mahindra	4.15
Banco Bradesco	3.68	Standard Foods	4.01
Standard Foods	3.34	Dr Reddy's Laboratories	3.06
Manila Water	3.08	Jeronimo Martins	2.94
Dr Reddy's Laboratories	2.83	Manila Water	2.78
WEG	2.57	Cia Sud Americana de Vapores	2.69
Inversiones Aguas Metropolitanas	2.51	Inversiones Aguas Metropolitanas	2.42

Types of shares

Accumulation.

Stewart Investors Global Emerging Markets Sustainability Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (7.99%*)	21,116	6.40
1,324,836 PZ Cussons	4,467	1.35
475,214 Unilever	16,649	5.05
PORTUGAL (2.94%*)	1,856	0.56
148,002 Jeronimo Martins	1,856	0.56
SWITZERLAND (1.07%*)	3,561	1.08
2,146 SGS	3,561	1.08
JAPAN (0.98%*)	9,495	2.88
279,000 Kansai Paint	4,433	1.34
324,800 Unicharm	5,062	1.54
BANGLADESH (0.10%*)	2,206	0.67
3,710,342 BRAC Bank	2,206	0.67
CHINA (1.63%*)	3,379	1.03
2,665,000 China Mengniu Dairy	3,379	1.03
HONG KONG (1.14%*)	7,808	2.37
5,780,447 Towngas China	2,663	0.81
3,578,000 Vitasoy International Holdings	5,145	1.56
INDIA (20.06%*)	77,082	23.39
1,246,777 Dabur India	4,296	1.30
280,997 Dr Reddy's Laboratories	9,327	2.83
452,567 Housing Development Finance	7,049	2.14
2,097,986 Idea Cellular	2,492	0.76
481,394 Infosys	5,862	1.78
446,910 Kotak Mahindra Bank	3,863	1.17
314,674 Mahindra Lifespace Developers	1,577	0.48
6,146,958 Marico	19,776	6.00
112,114 Tata Consultancy Services	3,328	1.01
2,803,351 Tech Mahindra	15,325	4.65
673,210 Tube Investments of India	4,187	1.27
INDONESIA (1.15%*)	-	-
MALAYSIA (2.54%*)	-	-
PHILIPPINES (5.57%*)	20,335	6.18
397,042 Ayala	5,564	1.69
2,997,909 Bank of the Philippine Islands	4,636	1.41
24,245,820 Manila Water	10,135	3.08
SOUTH KOREA (0.67%*)	-	-
SRI LANKA (0.49%*)	1,485	0.45
3,317,420 Hemas Holdings	1,485	0.45
TAIWAN (7.20%*)	24,930	7.57
3,503,772 Chroma ATE	6,688	2.03
418,757 Delta Electronics	1,672	0.51
5,842,104 Standard Foods	11,013	3.34
1,355,154 Taiwan Semiconductor Manufacturing	5,557	1.69
THAILAND (2.13%*)	5,324	1.62
3,429,500 Delta Electronics Thailand	5,324	1.62
BOTSWANA (0.70%*)	1,893	0.57
6,682,373 Choppies Enterprises	1,893	0.57

Stewart Investors Global Emerging Markets Sustainability Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
EGYPT (1.41%*)	5,126	1.56
499,000 Commercial International Bank Egypt GDR	1,437	0.44
7,182,251 Juhayna Food Industries	3,689	1.12
GHANA (0.03%*)	672	0.20
413,272 Unilever Ghana	672	0.20
NIGERIA (4.92%*)	9,966	3.01
5,717,849 Chemical and Allied Products	495	0.15
66,442,338 Guaranty Trust Bank	3,787	1.15
674,771 Guaranty Trust Bank GDR	2,048	0.61
6,917,153 Lafarge Africa	932	0.28
34,070,792 Unilever Nigeria	2,704	0.82
POLAND (0.87%*)	2,896	0.88
120,751 Bank Pekao	2,896	0.88
SOUTH AFRICA (8.65%*)	23,453	7.11
163,673 Adbee Rf	289	0.09
1,433,274 Adcock Ingram Holdings	3,659	1.11
50,667 Adcock Ingram Holdings Warrants Expiry 26/07/2019	7	-
1,644,607 African Oxygen	1,760	0.53
236,761 Remgro	3,296	1.00
1,048,934 Standard Bank Group	7,796	2.36
318,260 Tiger Brands	6,646	2.02
BRAZIL (12.20%*)	61,174	18.57
1,834,910 Banco Bradesco	12,113	3.68
1,219,800 Mahle-Metal Leve	7,571	2.30
827,600 Marcopolo	441	0.13
2,744,400 Natura Cosmeticos	18,927	5.74
460,187 Porto Seguro	2,904	0.88
1,304,200 Sul America	4,412	1.34
832,606 TOTVS	6,345	1.93
2,396,580 WEG	8,461	2.57
CHILE (10.41%*)	30,938	9.39
9,272,808 Aguas Andinas 'A' Shares	4,197	1.27
410,599,765 Cia Sud Americana de Vapores	5,596	1.70
637,120 Empresa Nacional de Telecomunicaciones	4,705	1.43
6,505,893 Inversiones Aguas Metropolitanas	8,272	2.51
5,933,051 SONDA	8,168	2.48
MEXICO (1.07%*)	2,445	0.74
1,576,890 Grupo Herdez	2,445	0.74
Portfolio of investments	317,140	96.23
Net other assets	12,415	3.77
Total net assets	329,555	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as GDRs represent Global Depositary Receipts.

Stewart Investors Global Emerging Markets Sustainability Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	231.27	229.30	221.86
Return before operating charges*	42.29	6.12	11.15
Operating charges	(4.00)	(4.15)	(3.71)
Return after operating charges*	38.29	1.97	7.44
Closing net asset value per share (p)	269.56	231.27	229.30
Retained distributions on accumulation shares*	1.08	1.89	1.51
*after direct transaction costs of:	0.26	0.36	0.35
Performance			
Return after charges (%)	16.56%	0.86%	3.35%
Other information			
Closing net asset value (£'000)	7,826	20,010	40,225
Closing number of shares	2,903,231	8,652,497	17,542,507
Operating charges	1.78%	1.72%	1.71%
Direct transaction costs	0.11%	0.15%	0.16%
Prices			
Highest share price	272.76	262.55	232.36
Lowest share price	205.10	223.94	204.51

Stewart Investors Global Emerging Markets Sustainability Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	241.16	237.67	228.48
Return before operating charges*	44.51	6.08	11.47
Operating charges	(2.51)	(2.59)	(2.28)
Return after operating charges*	42.00	3.49	9.19
Closing net asset value per share (p)	283.16	241.16	237.67
Retained distributions on accumulation shares*	2.92	3.50	3.01
*after direct transaction costs of:	0.28	0.38	0.36
Performance			
Return after charges (%)	17.42%	1.47%	4.02%
Other information			
Closing net asset value (£'000)	294,444	217,543	205,877
Closing number of shares	103,984,672	90,205,220	86,623,802
Operating charges	1.06%	1.03%	1.02%
Direct transaction costs	0.11%	0.15%	0.16%
Prices			
Highest share price	286.50	273.24	240.83
Lowest share price	214.65	232.62	211.24

Stewart Investors Global Emerging Markets Sustainability Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	313.60	273.57	236.07
Return before operating charges*	(1.58)	45.49	41.68
Operating charges	(5.21)	(5.46)	(4.18)
Return after operating charges*	(6.79)	40.03	37.50
Closing net asset value per share (c)	306.81	313.60	273.57
Retained distributions on accumulation shares*	2.36	5.95	6.71
*after direct transaction costs of:	0.33	0.46	0.40
Performance			
Return after charges (%)	(2.17)%	14.63%	15.89%
Other information			
Closing net asset value (€'000)	9,976	9,411	9,694
Closing number of shares	3,251,520	3,001,304	3,543,129
Operating charges	1.81%	1.79%	1.71%
Direct transaction costs	0.11%	0.15%	0.16%
Prices			
Highest share price	320.24	346.12	277.38
Lowest share price	255.00	268.14	221.60

Stewart Investors Global Emerging Markets Sustainability Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	167.72	146.78	128.00
Return before operating charges*	(1.36)	22.62	20.13
Operating charges	(1.59)	(1.68)	(1.35)
Return after operating charges*	(2.95)	20.94	18.78
Closing net asset value per share (c)	164.77	167.72	146.78
Retained distributions on accumulation shares*	1.87	2.57	2.16
*after direct transaction costs of:	0.18	0.25	0.22
Performance			
Return after charges (%)	(1.76)%	14.27%	14.67%
Other information			
Closing net asset value (€'000)	22,382	50,166	45,273
Closing number of shares	13,583,792	29,909,492	30,845,016
Operating charges	1.05%	1.03%	1.02%
Direct transaction costs	0.11%	0.15%	0.16%
Prices			
Highest share price	171.30	185.75	148.83
Lowest share price	136.51	143.90	120.22

Stewart Investors Global Emerging Markets Sustainability Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		44,492		598
Revenue	3	6,812		7,826	
Expenses	4	(2,960)		(3,328)	
Interest payable and similar charges		(3)		-	
Net revenue before taxation		3,849		4,498	
Taxation	5	(617)		(518)	
Net revenue after taxation			3,232		3,980
Total return before distributions			47,724		4,578
Distributions	6		(3,240)		(4,027)
Change in net assets attributable to shareholders from investment activities			44,484		551

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		279,550		289,691
Amounts receivable on issue of shares	38,438		17,777	
Less: Amounts payable on cancellation of shares	(36,436)		(32,533)	
		2,002		(14,756)
Dilution adjustment		245		75
Change in net assets attributable to shareholders from investment activities		44,484		551
Retained distribution on accumulation shares		3,274		3,989
Closing net assets attributable to shareholders		329,555		279,550

Notes to the Financial Statements are on pages 254 to 259.

Stewart Investors Global Emerging Markets Sustainability Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>317,140</u>	<u>268,158</u>
Current assets			
Debtors	8	1,259	749
Cash and bank balances		<u>15,813</u>	<u>12,013</u>
Total assets		<u>334,212</u>	<u>280,920</u>
Liabilities			
Creditors			
Other creditors	9	<u>(4,657)</u>	<u>(1,370)</u>
Total liabilities		<u>(4,657)</u>	<u>(1,370)</u>
Net assets attributable to shareholders		<u>329,555</u>	<u>279,550</u>

Notes to the Financial Statements are on pages 254 to 259.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	44,022	271
Forward foreign exchange currency contracts	(6)	(1)
Currency gains	476	328
Net capital gains	44,492	598

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	572	660
Overseas taxable revenue	52	276
Overseas non-taxable revenue	5,388	6,128
Overseas scrip dividends	3	139
Interest from bank deposits	7	22
Interest on capital revenue from Brazilian companies	700	332
Front end load income	90	269
Total revenue	6,812	7,826

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	2,543	2,931
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	38	48
Other expenses:		
Audit fee	9	9
Registrar fees	62	51
Safe custody charges	160	182
Other expenses	148	107
	379	349
Total expenses	2,960	3,328

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	617	475
Indian capital gains tax	-	43
Total taxation (note 5b)	617	518
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	3,849	4,498
Corporation tax of 20% (2015: 20%)	770	900
Effects of:		
UK dividends*	(114)	(132)
Non taxable scrip dividends*	(1)	(28)
Overseas non-taxable revenue*	(1,078)	(1,226)
Movement in excess management expenses	445	505
Irrecoverable overseas tax	617	475
Overseas tax expensed	(22)	(19)
Indian capital gains tax	-	43
Total tax charge for year (note 5a)	617	518

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,820,058 (31/07/15: £2,375,301) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	604	938
Final distribution	2,670	3,051
	3,274	3,989
Add: revenue deducted on cancellation of shares	76	122
Deduct: revenue received on issue of shares	(110)	(84)
Net distributions for the year	3,240	4,027

Details of the distribution per share is set out in the Distribution Tables on pages 260 to 261.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	3,232	3,980
Movement in net income as a result of conversions	8	4
Indian capital gains tax	-	43
Net distributions for the year	3,240	4,027

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	416	-
Amounts receivable for issue of shares	134	74
Accrued revenue	657	631
Overseas tax recoverable	52	44
Total debtors	1,259	749

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	4,003	918
Amounts payable for cancellation of shares	256	77
Accrued expenses	398	375
Total creditors	4,657	1,370

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	71,565	71,361	66,917	86,800
Trades in the year before transaction costs	71,565	71,361	66,917	86,800
Commissions				
Equities	93	128	(80)	(153)
Taxes				
Equities	77	55	(64)	(113)
Total costs	170	183	(144)	(266)
Total net trades in the year after transaction costs	71,735	71,544	66,773	86,534

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.13	0.18	0.12	0.18
Taxes				
Equities	0.11	0.08	0.10	0.13

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.06	0.09
Taxes	0.05	0.06
Total costs	0.11	0.15

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.46% (31/07/2015: 0.49%).

Notes to the Financial Statements

(continued)

as at 31 July 2016

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£31,714) (31/07/15: £26,816).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 4.80% (31/07/15: 4.30%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

Notes to the Financial Statements

(continued)

as at 31 July 2016

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Bangladeshi taka	2,206	289
Botswana pula	1,893	1,953
Brazilian real	59,514	34,272
Chilean peso	33,140	29,113
Egyptian pound	3,333	2,313
Euro	1,867	8,290
Ghanaian cedi	671	75
Hong Kong dollar	11,187	7,726
Indian rupee	77,599	56,234
Indonesian rupiah	-	3,214
Japanese yen	8,764	2,743
Malaysian ringgit	-	7,095
Mexican peso	2,445	3,004
Nigerian naira	7,905	11,335
Philippine peso	20,523	14,767
Polish zloty	2,896	2,433
South African rand	23,453	24,181
South Korean won	-	1,959
Sri Lankan rupee	1,485	1,369
Swiss franc	3,613	3,035
Taiwanese dollar	24,965	20,314
Thai baht	5,324	5,963
US dollar	5,975	11,412
	<u>298,758</u>	<u>253,089</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.53% (£14,938) (31/07/15: 4.53% (£12,654)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £242 (31/07/15: £234) due at the year end.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.10% (31/07/15: 0.09%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.55
Share class B Accumulation (Institutional):	0.90
Share class A Accumulation (EUR share class) (Retail):	1.55
Share class B Accumulation (EUR share class) (Institutional):	0.90

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 248 to 251.

The distributions per share class are given in the Distribution Tables on pages 260 to 261.

All share classes have the same rights on winding up.

Notes to the Financial Statements

(continued)

as at 31 July 2016

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	8,652,497	815,399	(4,381,532)	(2,183,133)	2,903,231
Share class B Accumulation (Institutional)	90,205,220	14,007,725	(2,316,198)	2,087,925	103,984,672
Share class A Accumulation (EUR share class) (Retail)	3,001,304	778,592	(528,376)	-	3,251,520
Share class B Accumulation (EUR share class) (Institutional)	29,909,492	1,958,966	(18,284,666)	-	13,583,792

15. Fair value

	31 July 2016		31 July 2015	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	317,140	-	268,158	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	317,140	-	268,158	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Global Emerging Markets Sustainability Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1729
Final	1.0761	-	1.0761	1.7182
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1729
Final	0.5058	0.5703	1.0761	1.7182

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.5896	-	0.5896	0.8421
Final	2.3326	-	2.3326	2.6609
Group 2	(p)	(p)	(p)	(p)
Interim	0.1575	0.4321	0.5896	0.8421
Final	1.6213	0.7113	2.3326	2.6609

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.5587	-	0.5587	1.1763
Final	1.8054	-	1.8054	4.7692
Group 2	(c)	(c)	(c)	(c)
Interim	0.0150	0.5437	0.5587	1.1763
Final	0.8539	0.9515	1.8054	4.7692

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.4368	-	0.4368	0.6676
Final	1.4286	-	1.4286	1.9036
Group 2	(c)	(c)	(c)	(c)
Interim	0.0680	0.3688	0.4368	0.6676
Final	1.0279	0.4007	1.4286	1.9036

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Global Agribusiness Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

First State Investments (UK) Limited, the Authorised Corporate Director ("ACD") of the Company, has undertaken a review of the Fund. Even though the Fund's objective and policy have been continually met over the life cycle of the Fund, it has failed to attract sufficient investment on an ongoing basis, to allow it to be managed as a viable investment proposition for Shareholders. The Fund was therefore terminated on 3rd May 2016.

First State Global Agribusiness Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	129.06	122.68	127.59
Return before operating charges*	(5.76)	8.89	(2.46)
Operating charges	(2.26)	(2.51)	(2.45)
Return after operating charges*	(8.02)	6.38	(4.91)
Return to shareholder as a result of class closure	(121.04)	-	-
Closing net asset value per share (p)	-	129.06	122.68
Retained distributions on accumulation shares*	-	-	-
*after direct transaction costs of:	0.25	0.27	0.26
Performance			
Return after charges (%)		5.20%	(3.85)%
Other information			
Closing net asset value (£'000)		5,750	14,385
Closing number of shares		4,455,824	11,725,924
Operating charges		1.89%	1.97%
Direct transaction costs		0.20%	0.21%
Prices			
Highest share price	129.81	143.41	128.37
Lowest share price	106.17	120.33	117.23
Fund was closed on 3 May 2016.			

First State Global Agribusiness Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	134.06	126.55	130.72
Return before operating charges*	(6.01)	9.19	(2.47)
Operating charges	(1.84)	(1.68)	(1.70)
Return after operating charges*	(7.85)	7.51	(4.17)
Return to shareholder as a result of class closure	(126.21)	-	-
Closing net asset value per share (p)	-	134.06	126.55
Retained distributions on accumulation shares*	-	0.37	0.50
*after direct transaction costs of:	0.26	0.28	0.27

Performance

Return after charges (%)	5.93%	(3.19)%
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Other information

Closing net asset value (£'000)	7,310	10,383
Closing number of shares	5,452,825	8,204,715
Operating charges	1.22%	1.33%
Direct transaction costs	0.20%	0.21%

Prices

Highest share price	134.86	148.77	131.53
Lowest share price	110.65	124.31	120.51

Fund was closed on 3 May 2016.

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	158.91	134.10	126.62
Return before operating charges*	(21.51)	27.50	9.88
Operating charges	(4.17)	(2.69)	(2.40)
Return after operating charges*	(25.68)	24.81	7.48
Return to shareholder as a result of class closure	(133.23)	-	-
Closing net asset value per share (c)	-	158.91	134.10
Retained distributions on accumulation shares*	-	-	-
*after direct transaction costs of:	0.29	0.31	0.27
Performance			
Return after charges (%)		18.50%	5.91%
Other information			
Closing net asset value (€'000)		119	280
Closing number of shares		74,719	209,231
Operating charges		1.76%	1.85%
Direct transaction costs		0.20%	0.21%
Prices			
Highest share price	161.18	174.87	137.18
Lowest share price	118.88	131.12	122.63
Fund was closed on 3 May 2016.			

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	164.62	137.87	129.29
Return before operating charges*	(24.87)	28.33	10.14
Operating charges	(3.40)	(1.58)	(1.56)
Return after operating charges*	(28.27)	26.75	8.58
Return to shareholder as a result of class closure	(136.35)	-	-
Closing net asset value per share (c)	-	164.62	137.87
Retained distributions on accumulation shares*	0.17	0.88	0.74
*after direct transaction costs of:	0.30	0.32	0.28
Performance			
Return after charges (%)		19.40%	6.64%
Other information			
Closing net asset value (€'000)		189	660
Closing number of shares		114,405	477,967
Operating charges		1.00%	1.17%
Direct transaction costs		0.20%	0.21%
Prices			
Highest share price	166.99	180.92	140.97
Lowest share price	122.46	135.01	125.64
Fund was closed on 3 May 2016.			

First State Global Agribusiness Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital (losses)/gains	2		(842)		2,118
Revenue	3	111		362	
Expenses	4	(163)		(336)	
Interest payable and similar charges		-		-	
Net (expenses)/revenue before taxation		(52)		26	
Taxation	5	(28)		(61)	
Net expenses after taxation			(80)		(35)
Total return before distributions			(922)		2,083
Distributions	6		-		(28)
Change in net assets attributable to shareholders from investment activities			(922)		2,055

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		13,277		25,513
Amounts receivable on issue of shares	397		1,627	
Less: Amounts payable on cancellation of shares	(12,775)		(15,975)	
		(12,378)		(14,348)
Dilution adjustment		7		32
Change in net assets attributable to shareholders from investment activities		(922)		2,055
Retained distribution on accumulation shares		-		25
Amounts receivable from ACD		16		-
Closing net assets attributable to shareholders		-		13,277

Notes to the Financial Statements are on pages 269 to 274.

First State Global Agribusiness Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		-	12,823
Current assets			
Debtors	8	23	218
Cash and bank balances		4	517
Total assets		27	13,558
Liabilities			
Creditors			
Other creditors	9	(27)	(281)
Total liabilities		(27)	(281)
Net assets attributable to shareholders		-	13,277

Notes to the Financial Statements are on pages 269 to 274.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital (losses)/gains

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	(886)	2,121
Currency gains/(losses)	44	(3)
Net capital (losses)/gains	(842)	2,118

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	1	5
Overseas taxable revenue	(3)	5
Overseas non-taxable revenue	133	351
Property revenue from overseas REITs	(21)	(9)
Interest from bank deposits	-	1
Interest on capital revenue from Brazilian companies	1	9
Total revenue	111	362

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	75	252
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	3	5
Other expenses:		
Audit fee	10	6
Registrar fees	17	32
Safe custody charges	-	2
Other expenses	58	39
	85	79
Total expenses	163	336

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	28	61
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net (expenses)/revenue before taxation	(52)	26
Corporation tax of 20% (2015: 20%)	(10)	5
Effects of:		
UK dividends*	-	(1)
Overseas non-taxable revenue*	(27)	(69)
Movement in excess management expenses	37	66
Irrecoverable overseas tax	28	61
Overseas tax expensed	-	(1)
Total tax charge for year (note 5a)	28	61

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £419,715 (31/07/15: £382,305) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	-	14
Final distribution	-	11
	-	25
Add: revenue deducted on cancellation of shares	-	4
Deduct: revenue received on issue of shares	-	(1)
Net distributions for the year	-	28

Details of the distribution per share is set out in the Distribution Tables on pages 275 to 276.

7. Movement between net expenses and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net expenses after taxation	(80)	(35)
Revenue deficit	-	62
Movement in net income as a result of conversions	-	1
Deficit in income	80	-
Net distributions for the year	-	28

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	-	164
Amounts receivable for issue of shares	-	32
Accrued revenue	-	4
Overseas tax recoverable	7	18
Amounts receivable from ACD	16	-
Total debtors	23	218

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	-	154
Amounts payable for cancellation of shares	-	75
Accrued expenses	27	52
Total creditors	27	281

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	5,113	10,312	17,048	24,438
Trades in the year before transaction costs	5,113	10,312	17,048	24,438
Commissions				
Equities	6	12	(11)	(22)
Taxes				
Equities	4	7	(1)	(3)
Total costs	10	19	(12)	(25)
Total net trades in the year after transaction costs	5,123	10,331	17,036	24,413

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.12	0.12	0.06	0.09
Taxes				
Equities	0.08	0.07	0.01	0.01

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.17	0.16
Taxes	0.05	0.05
Total costs	0.22	0.21

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was nil (31/07/2015: 0.28%).

as at 31 July 2016

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, nil (31/07/15: 3.89%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	-	130
Brazilian real	-	460
Canadian dollar	-	1,725
Euro	1	1,171
Hong Kong dollar	-	95
Indonesian rupiah	-	99
Japanese yen	-	570
Malaysian ringgit	-	81
New Zealand dollar	-	165
Norwegian krone	-	417
Singapore dollar	-	373
Swedish krona	-	128
Swiss franc	-	109
US dollar	7	7,145
	<u>8</u>	<u>12,668</u>

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £nil (31/07/15: £13) due at the year end.

as at 31 July 2016

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class B Accumulation (Institutional):	0.75
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class B Accumulation (EUR share class) (Institutional):	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 263 to 266.

The distributions per share class are given in the Distribution Tables on pages 275 to 276.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015				31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	4,455,824	37,474	(2,957,732)	(1,535,566)	-
Share class B Accumulation (Institutional)	5,452,825	283,125	(7,210,707)	1,474,757	-
Share class A Accumulation (EUR share class) (Retail)	74,719	8,117	(82,836)	-	-
Share class B Accumulation (EUR share class) (Institutional)	114,405	49	(114,454)	-	-

15. Fair value

	31 July 2016		31 July 2015
	Assets	Liabilities	Assets
	£'000	£'000	£'000
Valuation technique			
Level 1	-	-	12,795
Level 2	-	-	28
Level 3	-	-	-
Total fair value	-	-	12,823

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Global Agribusiness Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-

Fund was closed on 3 May 2016.

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1668
Final	-	-	-	0.1986
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1668
Final	-	-	-	0.1986

Fund was closed on 3 May 2016.

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	-
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	-

Fund was closed on 3 May 2016.

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.1685	-	0.1685	0.3388
Final	-	-	-	0.5406
Group 2	(c)	(c)	(c)	(c)
Interim	0.1685	-	0.1685	0.3388
Final	-	-	-	0.5406

Fund was closed on 3 May 2016.

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Global Resources Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests in equities in the natural resources and energy sectors worldwide.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Single sector risk: investing in a single sector may be riskier than investing in a number of different sectors. Investing in a larger number of sectors helps spread risk.

Global resources: the Fund may be vulnerable to price fluctuations and other factors that particularly affect the global resources sector. For example taxes, government regulation or supply.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Market Review

Global resources equity markets were volatile over the past year. Combined, the supply-demand imbalance in raw materials and a number of challenging macroeconomic factors such as weak China demand, a US rate hike and strengthening of the US dollar weighed on metals, mining and energy share prices in late 2015.

Performance

The fund returned 32.7% (Class A, net of fees and tax in GBP terms) over the period, while its benchmark rose by 37.2%. Our precious metals holdings show as the largest contributors to relative performance, reflecting rising spot gold and silver prices. Investments that fall into this category include TMAC Resources, Franco-Neveada, Silver Wheaton, Detour Gold and Pretium Resources. We increased the number of smaller and mid-cap gold names in the fund following several positive North American site visits. Positions increased or initiated were Pretium Resources, Integra Gold, TMAC Resources, Endeavour Mining, Evolution Mining, Beadell Resources and Alamos Gold.

Our zero exposures to Barrick Gold and Newmont Mining detracted value. Both have benefited from the rising gold price and support from US generalist investors. While both companies have cut costs and conducted asset sales, we have lingering concerns about their weak growth profiles and Barrick's high level of debt.

Portfolio changes

BHP Billiton's share price came under pressure in late 2015 due to a combination of the fall-out from the tragic Brazilian Samarco tailings dam breach, declining commodity prices (i.e. oil and iron ore) reduced earnings, and abandonment of its progressive dividend policy. While the fund benefited from its underweight position in BHP relative to its benchmark, adding value, we took the opportunity to increase our position at the expense of Rio Tinto. BHP's greater diversification and, specifically, its greater exposure to oil and lower exposure to iron ore appears to better position it in the near-term.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Confronted with a confluence of near-term geo-political events (i.e. 'Brexit' vote) in early 2016, we reduced our base metals exposure, transferring the sales proceeds into more defensive energy companies, Exxon Mobil and Royal Dutch Shell. Exxon is a core portfolio holding given its well diversified high quality business, strong project execution, free cash flow generation, and advantaged downstream assets. We see significant potential to transform Shell following the closure of the BG Group acquisition, driving-up operating cash flows via merging of quality asset portfolios and efficiency gains. This has the potential to deliver shareholder value.

Outlook

While a nascent recovery is underway, we expect to continue to experience periods of recovery and consolidation going forward. Oversupply in commodities such as iron ore and coal may persist for some time and we expect volatility to remain. Given heightened geo-political risks and macroeconomic uncertainty, we prefer precious metals over base metals and bulks in the near-term. Upside in steel appears capped by China's maturing materials-intensive growth cycle. In China, industry reform in steel, coal and aluminium production should help reduce surplus material coming from low productivity or highly polluting sources. Amongst the base metals, the medium term outlook for zinc appears favourable due to recent mine closures and expectations for an undersupplied market.

Energy prices remain volatile. While we see fundamental headwinds pressuring crude oil prices in 2016 as supply marginally outweighs demand, we expect a more sustainable recovery in 2017. OPEC's marginal cost pricing phase is eliciting stronger demand and significant declines in non-OPEC supply. US natural gas price volatility should remain elevated given the fine line between coal/gas switching levels, summer fill projections and weather fluctuations.

Balance sheets will remain key to equity performance with most mining and energy companies focused on reducing debt, costs and asset sales, while generating free cash flow at spot prices. This sets the tone for tighter supply/demand fundamentals in the longer term. Ultimately the cure for low prices is low prices.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	15.1	63.0	32.7	(6.4)	(40.9)	25.5	150.1
Benchmark return %	17.1	71.7	37.2	(1.7)	(31.7)	47.2	218.3
Sector return %	12.6	20.4	13.7	31.7	62.6	105.1	190.5
Quartile ranking	1	1	1	4	4	4	3

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	32.7	(36.5)	11.0	(9.4)	(30.3)

Benchmark: 75% Euromoney Global Mining and 25% MSCI All Country World Energy Index.

Sector: IA Global.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016		31 July 2015	
	% of Fund		% of Fund	
Exxon Mobil	7.34	Rio Tinto	8.43	
Rio Tinto	5.68	BHP Billiton	8.12	
BHP Billiton	5.61	Exxon Mobil	7.62	
Franco-Nevada	3.98	Glencore	5.77	
Glencore	3.75	Chevron	3.21	
Goldcorp	3.54	Lundin Mining	2.68	
Silver Wheaton	3.10	Goldcorp	2.44	
Royal Dutch Shell 'B' Shares	3.03	Antofagasta	2.44	
BHP Billiton	3.01	Total	2.37	
Chevron	2.76	Southern Copper	2.32	

Types of shares

Accumulation.

First State Global Resources Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (15.90%*)	72,132	15.58
583,425 Acacia Mining	3,186	0.69
1,290,940 Antofagasta	6,468	1.40
1,468,437 BHP Billiton	13,958	3.01
256,116 Fresnillo	4,807	1.04
9,357,061 Glencore	17,385	3.75
4,714,164 Petra Diamonds	5,633	1.22
76,850 Randgold Resources	6,674	1.44
694,286 Royal Dutch Shell 'B' Shares	14,021	3.03
UNITED STATES (22.32%*)†	79,135	17.09
165,404 Chevron	12,774	2.76
49,313 Concho Resources	4,480	0.97
23,312 Core Laboratories	2,061	0.44
496,980 Exxon Mobil	33,998	7.34
46,487 Nucor	1,898	0.41
97,811 Schlumberger	5,868	1.27
298,377 Southern Copper	5,896	1.27
846,589 Stillwater Mining	9,155	1.98
76,357 Valero Energy	3,005	0.65
CANADA (30.64%*)	193,443	41.74
118,711 Agnico Eagle Mines	5,091	1.10
831,700 Alamos Gold 'A' Shares	5,687	1.23
1,097,553 Almonty Industries	272	0.06
386,406 ARC Resources	5,095	1.10
1,008,060 Bankers Petroleum	1,145	0.25
1,025,228 Cameco	7,371	1.59
127,353 Canadian Natural Resources	2,880	0.62
2,136,781 Capstone Mining	1,096	0.24
1,536,408 Copper Mountain Mining	478	0.10
2,409,962 Denison Mines	987	0.21
466,055 Detour Gold	8,550	1.85
1,174,390 Eldorado Gold	3,812	0.82
362,583 Enbridge	10,745	2.32
101,200 Endeavour Mining	1,412	0.30
1,172,048 First Quantum Minerals	7,656	1.65
323,371 Franco-Nevada	18,442	3.98
461,828 Gibson Energy	3,901	0.84
1,220,063 Goldcorp	16,397	3.54
5,446,242 Highland Copper	298	0.06
1,311,553 Highland Copper Warrants 11/09/2016	-	-
397,311 Highland Copper Warrants 20/09/2016	-	-
618,263 HudBay Minerals	2,374	0.51
4,077,117 Integra Gold	1,951	0.42
927,500 Integra Gold Private Placement 02/06/16 4 Month Hold	444	0.10
96,214 Kennady Diamonds	225	0.05
1,920,651 Lucara Diamond	4,374	0.94
3,922,561 Lundin Mining	12,371	2.67
297,300 MAG Silver	3,466	0.75
1,096,398 Mountain Province Diamonds	4,020	0.87
1,049,052 OceanaGold	2,800	0.60
132,929 Peyto Exploration & Development	2,797	0.60
241,268 PrairieSky Royalty	3,490	0.75
705,300 Pretium Resources	6,132	1.32

First State Global Resources Fund

Portfolio Statement

(continued)

as at 31 July 2016

		Market Value £'000	Total Net Assets %
Holdings			
244,717	Seven Generations Energy	3,795	0.82
30,754	Seven Generations Energy 'A' Shares	479	0.10
697,484	Silver Wheaton	14,336	3.10
138,975	Suncor Energy	2,808	0.61
630,786	Tahoe Resources	7,139	1.54
848,085	TMAC Resources	7,574	1.64
323,851	Torex Gold Resources	4,931	1.06
6,922,000	Trevali Mining	3,392	0.73
601,118	Whitecap Resources	3,230	0.70
	DENMARK (0.00%*)	813	0.18
15,403	Vestas Wind Systems	813	0.18
	FRANCE (2.37%*)	-	-
	GERMANY (0.27%*)‡	1,056	0.23
26,979	Aurubis	1,056	0.23
	LUXEMBOURG (0.51%*)	-	-
	SPAIN (0.00%*)	2,632	0.57
175,301	Acerinox	1,770	0.38
141,765	EDP Renovaveis	862	0.19
	SWEDEN (0.00%*)	5,438	1.17
328,513	Boliden	5,438	1.17
	AUSTRALIA (23.23%*)	80,102	17.31
1,628,816	Alumina	1,230	0.27
4,866,184	Beadell Resources	1,414	0.31
1,728,569	Berkeley Resources	822	0.18
2,335,656	BHP Billiton	25,977	5.61
1,401,631	Evolution Mining	2,252	0.49
581,371	Iluka Resources	2,325	0.50
894,440	Independence Group	2,044	0.44
602,402	Independence Group Institutional Placement 02/08/16	1,376	0.30
1,460,114	Mineral Deposits	404	0.09
931,747	Rio Tinto	26,311	5.68
430,500	Sandfire Resources	1,403	0.30
2,452,700	Senex Energy	370	0.08
6,281,740	South32	6,550	1.41
13,912,647	Sundance Energy Australia	1,149	0.25
3,354,861	Western Areas	5,199	1.12
1,328,573	Whitehaven Coal	1,276	0.28
	CHINA (2.21%*)	7,545	1.63
5,204,500	China Shenhua Energy 'H' Shares	7,545	1.63
	SOUTH KOREA (0.00%*)	6,442	1.39
16,960	Korea Zinc	5,848	1.26
3,600	LG Chem	594	0.13
	SOUTH AFRICA (0.40%*)	1,967	0.42
718,716	Royal Bafokeng Platinum	1,967	0.42

Portfolio Statement

(continued)

as at 31 July 2016

		Market Value £'000	Total Net Assets %
Holdings			
BRAZIL (0.45%*)		-	-
MEXICO (0.57%*)		4,415	0.95
858,700	Grupo Mexico 'B' Shares	1,578	0.34
148,245	Industrias Penoles	2,837	0.61
Portfolio of investments		455,120	98.26
Net other assets		8,074	1.74
Total net assets		463,194	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

‡ Since the previous report the Country Classification headings have been updated by data providers.

First State Global Resources Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	188.84	296.55	266.88
Return before operating charges*	64.03	(103.69)	34.05
Operating charges	(3.13)	(4.02)	(4.38)
Return after operating charges*	60.90	(107.71)	29.67
Closing net asset value per share (p)	249.74	188.84	296.55
Retained distributions on accumulation shares*	1.59	2.04	1.55
*after direct transaction costs of:	0.35	0.48	0.58
Performance			
Return after charges (%)	32.25%	(36.32)%	11.12%
Other information			
Closing net asset value (£'000)	59,301	59,671	134,807
Closing number of shares	23,745,251	31,599,176	45,458,394
Operating charges	1.67%	1.63%	1.62%
Direct transaction costs	0.19%	0.20%	0.21%
Prices			
Highest share price	255.09	296.72	299.33
Lowest share price	142.47	184.20	251.53

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	203.51	317.01	283.16
Return before operating charges*	69.59	(111.35)	36.35
Operating charges	(1.71)	(2.15)	(2.50)
Return after operating charges*	67.88	(113.50)	33.85
Closing net asset value per share (p)	271.39	203.51	317.01
Retained distributions on accumulation shares*	3.41	4.32	3.80
*after direct transaction costs of:	0.39	0.52	0.61
Performance			
Return after charges (%)	33.35%	(35.80)%	11.95%
Other information			
Closing net asset value (£'000)	373,598	225,863	355,424
Closing number of shares	137,658,583	110,983,058	112,118,847
Operating charges	0.84%	0.82%	0.87%
Direct transaction costs	0.19%	0.20%	0.21%
Prices			
Highest share price	277.10	317.29	319.96
Lowest share price	154.16	198.50	267.58

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	59.98	83.68	68.44
Return before operating charges*	7.28	(22.54)	16.38
Operating charges	(0.92)	(1.16)	(1.14)
Return after operating charges*	6.36	(23.70)	15.24
Closing net asset value per share (c)	66.34	59.98	83.68
Retained distributions on accumulation shares*	0.48	0.66	0.47
*after direct transaction costs of:	0.11	0.14	0.16
Performance			
Return after charges (%)	10.60%	(28.32)%	22.27%
Other information			
Closing net asset value (€'000)	28,119	17,446	34,015
Closing number of shares	42,385,769	29,087,540	40,645,935
Operating charges	1.63%	1.58%	1.56%
Direct transaction costs	0.19%	0.20%	0.21%
Prices			
Highest share price	68.54	83.29	84.53
Lowest share price	41.29	58.29	66.70

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	65.09	90.09	73.15
Return before operating charges*	8.01	(24.38)	17.61
Operating charges	(0.51)	(0.62)	(0.67)
Return after operating charges*	7.50	(25.00)	16.94
Closing net asset value per share (c)	72.59	65.09	90.09
Retained distributions on accumulation shares*	0.96	1.36	1.09
*after direct transaction costs of:	0.12	0.15	0.17
Performance			
Return after charges (%)	11.52%	(27.75)%	23.16%
Other information			
Closing net asset value (€'000)	7,808	5,472	6,299
Closing number of shares	10,754,328	8,406,935	6,992,027
Operating charges	0.82%	0.80%	0.85%
Direct transaction costs	0.19%	0.20%	0.21%
Prices			
Highest share price	74.97	89.68	90.99
Lowest share price	44.99	63.25	71.30

First State Global Resources Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains/(losses)	2		119,064		(183,157)
Revenue	3	8,963		10,886	
Expenses	4	(3,336)		(4,283)	
Interest payable and similar charges		(8)		(1)	
Net revenue before taxation		5,619		6,602	
Taxation	5	(706)		(706)	
Net revenue after taxation			4,913		5,896
Total return before distributions			123,977		(177,261)
Distributions	6		(4,944)		(5,913)
Change in net assets attributable to shareholders from investment activities			119,033		(183,174)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		301,689		522,201
Amounts receivable on issue of shares	138,081		58,810	
Less: Amounts payable on cancellation of shares	(101,303)		(101,883)	
		36,778		(43,073)
Dilution adjustment		294		46
Change in net assets attributable to shareholders from investment activities		119,033		(183,174)
Retained distribution on accumulation shares		5,400		5,689
Closing net assets attributable to shareholders		463,194		301,689

Notes to the Financial Statements are on pages 288 to 293.

First State Global Resources Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>455,120</u>	<u>298,291</u>
Current assets			
Debtors	8	6,547	3,918
Cash and bank balances		<u>10,905</u>	<u>7,785</u>
Total assets		<u>472,572</u>	<u>309,994</u>
Liabilities			
Creditors			
Other creditors	9	<u>(9,378)</u>	<u>(8,305)</u>
Total liabilities		<u>(9,378)</u>	<u>(8,305)</u>
Net assets attributable to shareholders		<u>463,194</u>	<u>301,689</u>

Notes to the Financial Statements are on pages 288 to 293.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains/(losses)

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	117,694	(183,170)
Forward foreign exchange currency contracts	(1)	-
Currency gains	1,371	13
Net capital gains/(losses)	119,064	(183,157)

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	993	1,336
Overseas taxable revenue	65	(49)
Overseas non-taxable revenue	7,901	8,863
Interest from bank deposits	4	29
Interest on capital revenue from Brazilian companies	-	707
Total revenue	8,963	10,886

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	3,006	3,914
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	47	62
Other expenses:		
Audit fee	9	9
Registrar fees	201	198
Safe custody charges	18	23
Other expenses	55	77
	283	307
Total expenses	3,336	4,283

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	706	706
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	5,619	6,602
Corporation tax of 20% (2015: 20%)	1,124	1,320
Effects of:		
UK dividends*	(199)	(267)
Overseas non-taxable revenue*	(1,580)	(1,773)
Movement in excess management expenses	655	741
Irrecoverable overseas tax	706	706
Overseas tax expensed	-	(21)
Total tax charge for year (note 5a)	706	706

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,079,310 (31/07/15: £7,424,098) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	3,362	2,533
Final distribution	2,039	3,156
	5,401	5,689
Add: revenue deducted on cancellation of shares	527	558
Deduct: revenue received on issue of shares	(984)	(334)
Net distributions for the year	4,944	5,913

Details of the distribution per share is set out in the Distribution Tables on pages 294 to 295.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	4,913	5,896
Movement in net income as a result of conversions	31	17
Net distributions for the year	4,944	5,913

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016	31 July 2015
	£'000	£'000
Sales awaiting settlement	810	3,406
Amounts receivable for issue of shares	5,678	456
Accrued revenue	50	54
Overseas tax recoverable	9	2
Total debtors	6,547	3,918

9. Creditors

	31 July 2016	31 July 2015
	£'000	£'000
Purchases awaiting settlement	7,204	3,263
Amounts payable for cancellation of shares	1,761	4,646
Accrued expenses	413	396
Total creditors	9,378	8,305

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	£'000	£'000	£'000	£'000
Equities	213,762	219,012	175,285	239,609
Trades in the year before transaction costs	213,762	219,012	175,285	239,609
Commissions				
Equities	272	340	(203)	(336)
Taxes				
Equities	161	121	(3)	(8)
Total costs	433	461	(206)	(344)
Total net trades in the year after transaction costs	214,195	219,473	175,079	239,265

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.13	0.16	0.12	0.14
Taxes				
Equities	0.08	0.06	0.00	0.00

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.14	0.17
Taxes	0.05	0.03
Total costs	0.19	0.20

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.34% (31/07/2015: 0.36%).

as at 31 July 2016

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£45,512) (31/07/15: £29,829).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 2.35% (31/07/15: 2.58%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	80,271	70,136
Canadian dollar	194,334	93,015
Danish krone	813	-
Euro	5,304	9,780
Hong Kong dollar	8,221	7,087
Mexican peso	4,436	1,729
South African rand	1,967	1,171
South Korean won	6,442	-
Swedish krona	5,558	-
US dollar	79,333	68,604
	<u>386,679</u>	<u>251,522</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.17% (£19,334) (31/07/15: 4.17% (£12,576)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £325 (31/07/15: £259) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.13% (31/07/15: 0.09%) of the Net Asset Value of the Fund.

As at 31 July 2016 HTSG A/C First State, a related party of the ACD, owned 49.61% (31/07/15: nil) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class B Accumulation (Institutional):	0.75
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class B Accumulation (EUR share class) (Institutional):	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 282 to 285.

The distributions per share class are given in the Distribution Tables on pages 294 to 295.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015				31 July 2016
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	31,599,176	11,525,988	(11,647,091)	(7,732,822)	23,745,251
Share class B Accumulation (Institutional)	110,983,058	47,053,238	(27,529,470)	7,151,757	137,658,583
Share class A Accumulation (EUR share class) (Retail)	29,087,540	37,777,685	(24,473,397)	(6,059)	42,385,769
Share class B Accumulation (EUR share class) (Institutional)	8,406,935	18,712,866	(16,371,027)	5,554	10,754,328

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	455,120	-	298,291	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	455,120	-	298,291	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Global Resources Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.1893	-	1.1893	0.7787
Final	0.4047	-	0.4047	1.2616
Group 2	(p)	(p)	(p)	(p)
Interim	0.0529	1.1364	1.1893	0.7787
Final	-	0.4047	0.4047	1.2616

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	2.0568	-	2.0568	1.9549
Final	1.3553	-	1.3553	2.3662
Group 2	(p)	(p)	(p)	(p)
Interim	0.2826	1.7742	2.0568	1.9549
Final	0.2105	1.1448	1.3553	2.3662

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.3607	-	0.3607	0.2448
Final	0.1220	-	0.1220	0.4199
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.3607	0.3607	0.2448
Final	-	0.1220	0.1220	0.4199

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.5972	-	0.5972	0.6005
Final	0.3645	-	0.3645	0.7630
Group 2	(c)	(c)	(c)	(c)
Interim	-	0.5972	0.5972	0.6005
Final	0.0573	0.3072	0.3645	0.7630

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Worldwide Equity Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund will seek to invest in a diverse portfolio of equity securities which are listed, traded or dealt in on any of the Regulated Markets worldwide.

The Fund is not managed to a benchmark and may have exposure to developed or emerging markets whilst maintaining its geographical diversity.

The Fund may invest in any industry.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6
Share class A Income	1	2	3	4	5	6
Share class B Accumulation	1	2	3	4	5	6
Share class B Income	1	2	3	4	5	6
Share class B Accumulation (EUR share class)	1	2	3	4	5	6
Share class B Accumulation (USD share class)	1	2	3	4	5	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 23.4% in sterling terms over the year and produced returns of 33.3% and 66.2% over the three and five years to 31 July 2016.

Positive contributors over the period included Henkel (Germany: Consumer Staples) which gained as investors responded positively to an acquisition in the US and Unilever (UK: Consumer Staples) which rose as the company's 'glocal' portfolio of products performed well. Newcrest Mining (Australia: Materials) contributed positively as the gold price rose strongly over the year.

On the negative side, Tesco (UK: Consumer Staples) was weak as the operating environment remained difficult because of competitive pressures and Vapores (Chile: Industrials) fell on global growth concerns. Draegerwerk (Germany: Health Care) declined on worries about intensifying competition.

Stewart Investors Worldwide Equity Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Portfolio changes

Significant new positions established during the period included Loews Corporation (US: Financials), a holding company which has been controlled by the Tisch family in New York for decades and primarily controls the insurer, CNA Financial. We also bought Banco Bradesco (Brazil: Financials), a conservative private sector Brazilian bank which was attractively valued, and Wipro (India: Information Technology), a promoter-owned Indian IT company with net cash on the balance sheet.

We sold Chubb Corp (US: Financials) - we have been selling the company since the announcement of the Ace takeover. We also sold AIN Pharmaciez (Japan: Health Care) and Infosys Technologies (India: Information Technology) as both were fairly valued.

Outlook

While areas in global emerging markets still offer opportunities to own well governed companies with strong franchises, many parts of global equity markets, especially in the US, look overvalued. As ever we could list any number of risks, but we believe the most significant in the next five years may be the fate of the experiment in central planning that is the Chinese political system. While we find it difficult to own many Chinese companies on governance grounds, instability in China would no doubt affect a number of the companies we own, although none should suffer lasting damage. In a world where equities become overvalued, the largely qualitative assessment of quality, independent from market fashion, should be crucial for delivering acceptable returns in the medium-term. We maintain high cash levels to protect clients after seven years of nearly unbroken market rises.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	14.0	24.9	23.4	33.3	66.2	-	60.7
Benchmark return %	14.5	20.1	17.0	35.5	70.4	-	69.9
Sector return %	12.6	20.4	13.7	31.7	62.6	-	63.4
Quartile ranking	2	1	1	2	2	-	2

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	23.4	10.8	(2.5)	18.6	5.2

Benchmark: MSCI World Index.

Sector: IA Global.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Henkel	9.22	Henkel	9.52
United States Treasury Bill 0% 29/09/2016	8.95	Unilever	9.31
Unilever	8.43	Markel	7.67
Berkshire Hathaway 'A' Shares	5.62	Chubb	5.15
Waters	3.55	Nestle	4.12
Markel	3.39	Waters	3.33
Nestle	3.07	Berkshire Hathaway 'A' Shares	2.86
Merck	3.04	Unicharm	2.71
Unicharm	2.95	Oversea-Chinese Banking	2.43
Oversea-Chinese Banking	2.36	Merck	1.83

Types of shares

Income and Accumulation.

Stewart Investors Worldwide Equity Fund

Portfolio Statement

as at 31 July 2016

Holdings or Nominal Values	Market Value £'000	Total Net Assets %
UNITED KINGDOM (13.47%*)	5,091	13.40
104,176 Antofagasta	522	1.37
28,692 GlaxoSmithKline	485	1.28
128,158 PZ Cussons	432	1.14
197,515 Tesco	308	0.81
72,005 Tullow Oil	140	0.37
91,457 Unilever	3,204	8.43
UNITED STATES (28.77%*)	10,987	28.92
18,175 Baxter International	665	1.75
13 Berkshire Hathaway 'A' Shares	2,135	5.62
10,099 Colgate-Palmolive	561	1.48
9,413 Expeditors International of Washington	358	0.94
9,818 Kirby	403	1.06
26,502 Loews	828	2.18
1,773 Markel	1,287	3.39
11,310 Waters	1,348	3.55
Cash and Short Term		
USD4,483,600 United States Treasury Bill 0% 29/09/2016	3,402	8.95
AUSTRIA (1.42%*)	-	-
FRANCE (1.01%*)	-	-
GERMANY (13.72%*)	5,083	13.37
9,773 Draegerwerk	422	1.11
43,095 Henkel	3,506	9.22
13,939 Merck	1,155	3.04
NORWAY (0.55%*)	228	0.60
27,890 Tomra Systems	228	0.60
SPAIN (1.11%*)	-	-
SWITZERLAND (7.22%*)	2,546	6.70
20,671 Energiedienst Holding	378	0.99
3,448 Kuehne + Nagel International	367	0.97
19,323 Nestle	1,167	3.07
382 SGS	634	1.67
JAPAN (6.15%*)	1,884	4.96
48,000 Kansai Paint	763	2.01
71,900 Unicharm	1,121	2.95
AUSTRALIA (0.89%*)	700	1.84
49,179 Newcrest Mining	700	1.84
CHINA (1.08%*)	-	-
INDIA (1.74%*)	1,338	3.52
10,268 Dr Reddy's Laboratories	341	0.90
28,846 Housing Development Finance	449	1.18
88,731 Wipro	548	1.44
MALAYSIA (0.00%*)	350	0.92
96,300 Public Bank	350	0.92
PHILIPPINES (1.20%*)	417	1.10
997,700 Manila Water	417	1.10
SINGAPORE (2.43%*)	899	2.36
186,072 Oversea-Chinese Banking	899	2.36

Stewart Investors Worldwide Equity Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
NIGERIA (0.00%*)	104	0.27
1,314,104 Unilever Nigeria	104	0.27
SOUTH AFRICA (2.70%*)	1,186	3.12
101,972 Standard Bank Group	758	1.99
20,496 Tiger Brands	428	1.13
BRAZIL (1.80%*)	1,695	4.46
108,130 Banco Bradesco	714	1.88
117,735 Duratex	264	0.69
103,900 Natura Cosmeticos	717	1.89
CHILE (5.24%*)	1,479	3.89
68,630 Cia Cervecerias Unidas	590	1.55
24,426,128 Cia Sud Americana de Vapores	333	0.88
9,710,128 Sociedad Matriz SAAM	556	1.46
Portfolio of investments	33,987	89.43
Net other assets	4,016	10.57
Total net assets	38,003	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stewart Investors Worldwide Equity Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	130.09	117.42	120.50
Return before operating charges*	33.11	15.13	(0.63)
Operating charges	(2.68)	(2.46)	(2.45)
Return after operating charges*	30.43	12.67	(3.08)
Closing net asset value per share (p)	160.52	130.09	117.42
Retained distributions on accumulation shares*	-	-	0.03
*after direct transaction costs of:	0.08	0.11	0.21
Performance			
Return after charges (%)	23.39%	10.79%	(2.56)%
Other information			
Closing net asset value (£'000)	2,438	2,077	2,815
Closing number of shares	1,518,995	1,596,511	2,397,601
Operating charges	2.00%	1.96%	2.06%
Direct transaction costs	0.06%	0.09%	0.17%
Prices			
Highest share price	162.09	137.55	122.85
Lowest share price	119.55	113.66	112.55

Stewart Investors Worldwide Equity Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	131.86	119.12	122.27
Return before operating charges*	33.56	15.25	(0.65)
Operating charges	(2.72)	(2.51)	(2.48)
Return after operating charges*	30.84	12.74	(3.13)
Distributions on income shares	-	-	(0.02)
Closing net asset value per share (p)	162.70	131.86	119.12
*after direct transaction costs of:	0.08	0.11	0.21
Performance			
Return after charges (%)	23.39%	10.70%	(2.56)%
Other information			
Closing net asset value (£'000)	67	107	3,673
Closing number of shares	40,955	81,220	3,083,331
Operating charges	2.03%	1.96%	2.06%
Direct transaction costs	0.06%	0.09%	0.17%
Prices			
Highest share price	164.29	139.55	124.65
Lowest share price	121.18	115.30	114.20

Stewart Investors Worldwide Equity Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	134.05	120.17	122.44
Return before operating charges*	34.31	15.51	(0.68)
Operating charges	(1.83)	(1.63)	(1.59)
Return after operating charges*	32.48	13.88	(2.27)
Closing net asset value per share (p)	166.53	134.05	120.17
Retained distributions on accumulation shares*	0.10	0.87	0.90
*after direct transaction costs of:	0.09	0.12	0.21
Performance			
Return after charges (%)	24.23%	11.55%	(1.85)%
Other information			
Closing net asset value (£'000)	15,996	11,449	11,478
Closing number of shares	9,605,466	8,540,782	9,551,796
Operating charges	1.31%	1.26%	1.36%
Direct transaction costs	0.06%	0.09%	0.17%
Prices			
Highest share price	168.11	141.45	125.05
Lowest share price	123.25	116.49	114.79

Stewart Investors Worldwide Equity Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	116.97	105.53	108.35
Return before operating charges*	29.95	13.64	(0.59)
Operating charges	(1.54)	(1.37)	(1.40)
Return after operating charges*	28.41	12.27	(1.99)
Distributions on income shares	(0.14)	(0.83)	(0.83)
Closing net asset value per share (p)	145.24	116.97	105.53
*after direct transaction costs of:	0.08	0.10	0.19
Performance			
Return after charges (%)	24.29%	11.63%	(1.83)%
Other information			
Closing net asset value (£'000)	7,870	6,262	2,096
Closing number of shares	5,418,811	5,353,511	1,985,879
Operating charges	1.27%	1.20%	1.33%
Direct transaction costs	0.06%	0.09%	0.17%
Prices			
Highest share price	146.75	124.12	110.67
Lowest share price	107.53	102.31	101.35

Stewart Investors Worldwide Equity Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	145.58	115.94	107.37
Return before operating charges*	7.46	31.22	10.03
Operating charges	(1.75)	(1.58)	(1.46)
Return after operating charges*	5.71	29.64	8.57
Closing net asset value per share (c)	151.29	145.58	115.94
Retained distributions on accumulation shares*	0.17	1.00	0.89
*after direct transaction costs of:	0.09	0.12	0.19
Performance			
Return after charges (%)	3.92%	25.56%	7.98%
Other information			
Closing net asset value (€'000)	5,504	4,805	9,002
Closing number of shares	3,637,771	3,300,567	7,765,567
Operating charges	1.24%	1.21%	1.27%
Direct transaction costs	0.06%	0.09%	0.17%
Prices			
Highest share price	153.04	150.13	118.70
Lowest share price	128.39	111.83	105.97

Stewart Investors Worldwide Equity Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Accumulation (USD share class)		
Change in net assets per share		
Opening net asset value per share	102.46	100.00
Return before operating charges*	6.56	3.57
Operating charges	(1.24)	(1.11)
Return after operating charges*	5.32	2.46
Closing net asset value per share (c)	107.78	102.46
Retained distributions on accumulation shares*	0.12	0.57
*after direct transaction costs of:	0.06	0.09
Performance		
Return after charges (%)	5.19%	2.46%
Other information		
Closing net asset value (\$'000)	9,213	8,712
Closing number of shares	8,547,565	8,502,000
Operating charges	1.25%	1.20%
Direct transaction costs	0.06%	0.09%
Prices		
Highest share price	108.38	103.94
Lowest share price	90.28	91.37

Share class B Accumulation (USD share class) was launched on 28 August 2014.

Stewart Investors Worldwide Equity Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		7,234		3,042
Revenue	3	473		635	
Expenses	4	(401)		(404)	
Interest payable and similar charges		-		-	
Net revenue before taxation		72		231	
Taxation	5	(95)		(71)	
Net (expenses)/revenue after taxation			(23)		160
Total return before distributions			7,211		3,202
Distributions	6		(28)		(181)
Change in net assets attributable to shareholders from investment activities			7,183		3,021

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		28,876		27,201
Amounts receivable on issue of shares	2,407		13,799	
Less: Amounts payable on cancellation of shares	(487)		(15,307)	
		1,920		(1,508)
Dilution adjustment		1		31
Change in net assets attributable to shareholders from investment activities		7,183		3,021
Retained distribution on accumulation shares		23		131
Closing net assets attributable to shareholders		38,003		28,876

Notes to the Financial Statements are on pages 308 to 313.

Stewart Investors Worldwide Equity Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>33,987</u>	<u>26,134</u>
Current assets			
Debtors	8	332	71
Cash and bank balances		<u>7,151</u>	<u>2,766</u>
Total assets		<u>41,470</u>	<u>28,971</u>
Liabilities			
Creditors			
Distribution payable		(7)	(37)
Other creditors	9	<u>(3,460)</u>	<u>(58)</u>
Total liabilities		<u>(3,467)</u>	<u>(95)</u>
Net assets attributable to shareholders		<u>38,003</u>	<u>28,876</u>

Notes to the Financial Statements are on pages 308 to 313.

Stewart Investors Worldwide Equity Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	6,901	2,952
Forward foreign exchange currency contracts	-	(15)
Currency gains	333	105
Net capital gains	7,234	3,042

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	117	146
Overseas taxable revenue	(12)	6
Overseas non-taxable revenue	307	443
Overseas scrip dividends	29	28
Interest from bank deposits	1	2
Interest from government and fixed interest securities	4	-
Interest on capital revenue from Brazilian companies	27	10
Total revenue	473	635

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	318	342
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	6	7
Other expenses:		
Audit fee	8	8
Registrar fees	10	7
Safe custody charges	5	5
Other expenses	54	35
	77	55
Total expenses	401	404

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	58	71
Indian capital gains tax	37	-
Total taxation (note 5b)	95	71
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	72	231
Corporation tax of 20% (2015: 20%)	14	46
Effects of:		
UK dividends*	(23)	(29)
Non taxable scrip dividends*	(6)	(6)
Overseas non-taxable revenue*	(61)	(88)
Movement in excess management expenses	77	77
Irrecoverable overseas tax	58	71
Overseas tax expensed	(1)	-
Indian capital gains tax	37	-
Total tax charge for year (note 5a)	95	71

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £355,163 (31/07/15: £278,255) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	-	21
Final distribution	30	150
	30	171
Add: revenue deducted on cancellation of shares	-	38
Deduct: revenue received on issue of shares	(2)	(28)
Net distributions for the year	28	181

Details of the distribution per share is set out in the Distribution Tables on pages 314 to 315.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net (expenses) / revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net (expenses) / revenue after taxation	(23)	160
Revenue deficit	14	1
Movement in net income as a result of conversions	-	20
Indian capital gains tax	37	-
Net distributions for the year	28	181

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Amounts receivable for issue of shares	280	17
Accrued revenue	9	14
ACD expenses recoverable	-	(1)
Overseas tax recoverable	43	41
Total debtors	332	71

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	3,401	8
Amounts payable for cancellation of shares	1	-
Accrued expenses	58	50
Total creditors	3,460	58

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	6,953	12,468	8,839	14,308
Bonds	11,779	-	8,809	-
Trades in the year before transaction costs	18,732	12,468	17,648	14,308
Commissions				
Equities	5	8	(5)	(11)
Bonds	-	-	-	-
Total commissions	5	8	(5)	(11)
Taxes				
Equities	8	6	(1)	(2)
Bonds	-	-	-	-
Total taxes	8	6	(1)	(2)
Total costs	13	14	(6)	(13)
Total net trades in the year after transaction costs	18,745	12,482	17,642	14,295

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.07	0.06	0.06	0.08
Bonds	-	-	-	-
Taxes				
Equities	0.12	0.05	0.01	0.01
Bonds	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.03	0.05
Taxes	0.02	0.02
Total costs	0.05	0.07

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.22% (31/07/2015: 0.19%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£3,399) (31/07/15: £2,613).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund significantly invests in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

As at 31 July 2016, 27.77% (31/07/15: 9.58%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Worldwide Equity Fund would have been an increase or decrease of approximately £26 (31/07/15: £7).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	700	258
Brazilian real	1,695	528
Chilean peso	1,481	1,514
Euro	5,092	4,992
Hong Kong dollar	-	313
Indian rupee	1,341	502
Japanese yen	1,887	1,779
Malaysian ringgit	350	-
Nigerian naira	104	-
Norwegian krone	228	159
Philippine peso	417	347
Singapore dollar	899	703
South African rand	1,186	779
Swiss franc	2,580	2,111
US dollar	13,226	10,016
	<u>31,186</u>	<u>24,001</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.10% (£1,559) (31/07/15: 4.16% (£1,200)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £31 (31/07/15: £26) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 4.51% (31/07/15: 3.96%) of the Net Asset Value of the Fund.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 7.57% (31/07/15: 7.24%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has six share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class A Income (Retail):	1.75
Share class B Accumulation (Institutional):	1.00
Share class B Income (Institutional):	1.00
Share class B Accumulation (EUR share class) (Institutional):	1.00
Share class B Accumulation (USD share class) (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 300 to 305.

The distribution per share class are given in the Distribution Tables on pages 314 to 315.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	1,596,511	247,742	(156,556)	(168,702)	1,518,995
Share class A Income (Retail)	81,220	3,774	(27,712)	(16,327)	40,955
Share class B Accumulation (Institutional)	8,540,782	1,064,852	(144,069)	143,901	9,605,466
Share class B Income (Institutional)	5,353,511	48,122	(23,247)	40,425	5,418,811
Share class B Accumulation (EUR share class) (Institutional)	3,300,567	348,870	(11,666)	-	3,637,771
Share class B Accumulation (USD share class) (Institutional)	8,502,000	47,564	(1,999)	-	8,547,565

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	33,987	-	26,134	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	33,987	-	26,134	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Worldwide Equity Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-

This share class is in deficit and therefore not making a distribution.

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	-

This share class is in deficit and therefore not making a distribution.

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1340
Final	0.0976	-	0.0976	0.7402
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1340
Final	-	0.0976	0.0976	0.7402

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1503
Final	0.1358	-	0.1358	0.6841
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1503
Final	-	0.1358	0.1358	0.6841

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	0.1725
Final	0.1685	-	0.1685	0.8239
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	0.1725
Final	-	0.1685	0.1685	0.8239

Share class A Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.1196	-	0.1196	0.5681
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	0.1196	0.1196	0.5681

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Worldwide Leaders Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests primarily in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the Regulated Markets worldwide.

Larger capitalisation companies are currently defined as companies with a minimum investible market capitalisation (free float) of US\$3 billion at the time of investment. The Investment Manager may review this definition as considered appropriate.

The Fund is not managed to a benchmark and may have exposure to developed or Emerging Markets whilst maintaining its geographical diversity.

The Fund may invest in any industry.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6
Share class B Accumulation	1	2	3	4	5	6
Share class A Accumulation (EUR share class)	1	2	3	4	5*	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

*The SRRI changed from 6 to 5 on 4 September 2015.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Concentration risk: the Fund invests in a relatively small number of companies or countries which may be riskier than a fund that invests in a large number of companies or countries. Investing in a larger number of companies or countries helps spread risk.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 22.9% in sterling terms over the year and has produced returns of 38.0% and 76.4% over the three and five years to 31 July 2016.

Positive contributors over the period included Henkel (Germany: Consumer Staples) which gained as investors responded positively to an acquisition in the US and Unilever (UK: Consumer Staples) which rose as the company's 'glocal' portfolio of products performed well. Banco Bradesco (Brazil: Financials) climbed as Brazil rebounded and the company's timely purchase of HSBC's Brazilian business received competition agency approval.

On the negative side, Tesco (UK: Consumer Staples) was weak as the operating environment remained difficult because of intense competition and Axiata Group (Malaysia: Telecom Services) declined as the performance of the domestic franchise remained subdued. Tullow Oil (UK: Energy) performed poorly because of low oil prices over the year.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Portfolio changes

Major purchases during the period included Loews Corporation (US: Financials), a holding company which has been controlled by the Tisch family in New York for decades and primarily controls the insurer, CNA Financial. We also bought Remgro (South Africa: Financials), a good quality GEM conglomerate, and Banco Bradesco (Brazil: Financials), a private sector Brazilian bank which was attractively valued.

The fund sold Chubb Corp (US: Financials) - we have been selling the company since the announcement of the Ace takeover. We also sold Baxalta (US: Health Care) and McCormick (US: Consumer Staples) on valuation concerns.

Outlook

While areas in global emerging markets still offer opportunities to own well governed companies with strong franchises, many parts of global equity markets, especially in the US, look overvalued. As ever we could list any number of risks, but we believe the most significant in the next five years may be the fate of the experiment in central planning that is the Chinese political system. While we find it difficult to own many Chinese companies on governance grounds, instability in China would no doubt affect a number of the companies we own, although none should suffer lasting damage. In a world where equities become overvalued, the largely qualitative assessment of quality, independent from market fashion, should be crucial for delivering acceptable returns in the medium-term. We maintain high cash levels to protect clients after seven years of nearly unbroken market rises.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	12.8	23.7	22.9	38.0	76.4	120.2	352.3
Benchmark return %	14.5	20.1	17.0	36.5	78.5	121.8	129.4
Sector return %	12.6	20.4	13.7	31.7	62.6	105.1	143.8
Quartile ranking	3	1	1	2	1	2	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	22.9	11.9	0.4	26.5	1.1

Benchmark: MSCI World Index.

Sector: IA Global.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Henkel	9.33	Henkel	8.98
Unilever	9.12	Unilever	8.71
Berkshire Hathaway 'A' Shares	6.73	Markel	6.48
United States Treasury Bill 0% 29/09/2016	6.41	Chubb	4.91
Oversea-Chinese Banking	4.40	Waters	4.74
Unicharm	4.05	Oversea-Chinese Banking	4.55
Markel	4.00	Nestle	3.74
Waters	3.54	Berkshire Hathaway 'A' Shares	3.45
Merck	3.50	McCormick 'Non Voting' Shares	3.02
Loews	3.39	Unicharm	2.98

Types of shares

Accumulation.

Stewart Investors Worldwide Leaders Fund

Portfolio Statement

as at 31 July 2016

Holdings or Nominal Values	Market Value £'000	Total Net Assets %
UNITED KINGDOM (12.05%*)	4,740	12.14
34,236 GlaxoSmithKline	579	1.48
281,907 Tesco	440	1.13
82,377 Tullow Oil	160	0.41
101,634 Unilever	3,561	9.12
UNITED STATES (32.58%*)	9,561	24.49
34,044 Baxter International	1,245	3.19
16 Berkshire Hathaway 'A' Shares	2,628	6.73
18,393 Colgate-Palmolive	1,022	2.62
10,484 Expeditors International of Washington	399	1.02
42,337 Loews	1,323	3.39
2,151 Markel	1,561	4.00
11,603 Waters	1,383	3.54
Cash and Short Term	2,502	6.41
USD 3,297,900 United States Treasury Bill 0% 29/09/2016	2,502	6.41
FRANCE (0.96%*)	-	-
GERMANY (10.48%*)	5,007	12.83
44,748 Henkel	3,641	9.33
16,485 Merck	1,366	3.50
SPAIN (1.18%*)	423	1.08
89,961 Distribuidora Internacional de Alimentacion	423	1.08
SWITZERLAND (7.29%*)	2,735	7.01
5,647 Kuehne + Nagel International	601	1.54
18,033 Nestle	1,089	2.79
630 SGS	1,045	2.68
JAPAN (4.78%*)	2,535	6.49
60,000 Kansai Paint	953	2.44
101,500 Unicharm	1,582	4.05
INDIA (1.71%*)	495	1.27
14,911 Dr Reddy's Laboratories	495	1.27
MALAYSIA (1.16%*)	483	1.24
133,100 Public Bank	483	1.24
SINGAPORE (4.55%*)	1,715	4.40
354,926 Oversea-Chinese Banking	1,715	4.40
POLAND (1.84%*)	668	1.71
27,837 Bank Pekao	668	1.71
SOUTH AFRICA (2.81%*)	1,762	4.52
48,463 Remgro	675	1.73
146,295 Standard Bank Group	1,087	2.79
BRAZIL (0.00%*)	1,217	3.12
184,300 Banco Bradesco	1,217	3.12
Portfolio of investments	33,843	86.71
Net other assets	5,189	13.29
Total net assets	39,032	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stewart Investors Worldwide Leaders Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	304.61	272.24	271.26
Return before operating charges*	75.44	37.62	5.94
Operating charges	(5.79)	(5.25)	(4.96)
Return after operating charges*	69.65	32.37	0.98
Closing net asset value per share (p)	374.26	304.61	272.24
Retained distributions on accumulation shares*	-	0.57	0.53
*after direct transaction costs of:	0.19	0.24	0.50
Performance			
Return after charges (%)	22.87%	11.89%	0.36%
Other information			
Closing net asset value (£'000)	15,355	20,548	19,815
Closing number of shares	4,102,703	6,745,806	7,278,489
Operating charges	1.85%	1.79%	1.83%
Direct transaction costs	0.06%	0.08%	0.19%
Prices			
Highest share price	377.75	320.69	280.61
Lowest share price	281.86	264.91	258.53

Stewart Investors Worldwide Leaders Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	339.80	301.40	297.89
Return before operating charges*	84.71	41.76	6.71
Operating charges	(3.89)	(3.36)	(3.20)
Return after operating charges*	80.82	38.40	3.51
Closing net asset value per share (p)	420.62	339.80	301.40
Retained distributions on accumulation shares*	1.88	3.15	3.12
*after direct transaction costs of:	0.21	0.27	0.56
Performance			
Return after charges (%)	23.78%	12.74%	1.18%
Other information			
Closing net asset value (£'000)	23,676	15,325	13,105
Closing number of shares	5,628,758	4,509,829	4,348,147
Operating charges	1.09%	1.03%	1.06%
Direct transaction costs	0.06%	0.08%	0.19%
Prices			
Highest share price	424.39	356.91	310.36
Lowest share price	314.80	293.75	285.17

Stewart Investors Worldwide Leaders Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	147.42	116.85	105.72
Return before operating charges*	(2.57)	32.63	13.01
Operating charges	(2.18)	(2.06)	(1.88)
Return after operating charges*	(4.75)	30.57	11.13
Closing net asset value per share (c)	142.67	147.42	116.85
Retained distributions on accumulation shares*	-	0.61	0.40
*after direct transaction costs of:	0.08	0.11	0.21
Performance			
Return after charges (%)	(3.22)%	26.16%	10.53%
Other information			
Closing net asset value (€'000)	1	3	3
Closing number of shares	883	2,000	2,000
Operating charges	1.60%	1.55%	1.69%
Direct transaction costs	0.06%	0.08%	0.19%
Prices			
Highest share price	150.74	151.13	118.98
Lowest share price	115.32	113.14	102.54

Stewart Investors Worldwide Leaders Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2014
(p)

Share class P Accumulation

Change in net assets per share

Opening net asset value per share	343.15
Return before operating charges*	9.96
Operating charges	(7.05)
Return after operating charges*	2.91
Return to shareholder as a result of class closure	(346.06)
Closing net asset value per share (p)	-
Retained distributions on accumulation shares*	-
*after direct transaction costs of:	1.30

Performance

Return after charges (%)	0.85%
--------------------------	-------

Other information

Closing net asset value (£'000)	-
Closing number of shares	-
Operating charges	-
Direct transaction costs	-

Prices

Highest share price	355.44
Lowest share price	328.63

Share class P Accumulation closed 24 January 2014

Stewart Investors Worldwide Leaders Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		7,124		3,694
Revenue	3	609		725	
Expenses	4	(487)		(493)	
Interest payable and similar charges		(1)		-	
Net revenue before taxation		121		232	
Taxation	5	(86)		(53)	
Net revenue after taxation			35		179
Total return before distributions			7,159		3,873
Distributions	6		(107)		(180)
Change in net assets attributable to shareholders from investment activities			7,052		3,693

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		35,875		32,922
Amounts receivable on issue of shares	5,614		5,716	
Less: Amounts payable on cancellation of shares	(9,627)		(6,647)	
		(4,013)		(931)
Dilution adjustment		12		10
Change in net assets attributable to shareholders from investment activities		7,052		3,693
Retained distribution on accumulation shares		106		181
Closing net assets attributable to shareholders		39,032		35,875

Notes to the Financial Statements are on pages 325 to 330.

Stewart Investors Worldwide Leaders Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>33,843</u>	<u>29,198</u>
Current assets			
Debtors	8	319	84
Cash and bank balances		<u>5,033</u>	<u>6,723</u>
Total assets		<u>39,195</u>	<u>36,005</u>
Liabilities			
Creditors			
Other creditors	9	<u>(163)</u>	<u>(130)</u>
Total liabilities		<u>(163)</u>	<u>(130)</u>
Net assets attributable to shareholders		<u>39,032</u>	<u>35,875</u>

Notes to the Financial Statements are on pages 325 to 330.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	6,615	3,430
Currency gains	509	264
Net capital gains	7,124	3,694

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	120	161
Overseas taxable revenue	-	12
Overseas non-taxable revenue	381	462
Overseas scrip dividends	61	63
Interest from bank deposits	1	8
Interest from government and fixed interest securities	5	-
Interest on capital revenue from Brazilian companies	41	-
Class action	-	19
Total revenue	609	725

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	372	399
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	6	8
Other expenses:		
Audit fee	7	7
Registrar fees	45	37
Safe custody charges	4	2
Other expenses	53	40
	109	86
Total expenses	487	493

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	60	53
Indian capital gains tax	26	-
Total taxation (note 5b)	86	53
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	121	232
Corporation tax of 20% (2015: 20%)	24	46
Effects of:		
UK dividends*	(24)	(32)
Non taxable scrip dividends*	(12)	(13)
Overseas non-taxable revenue*	(76)	(92)
Movement in excess management expenses	89	91
Irrecoverable overseas tax	60	53
Overseas tax expensed	(1)	-
Indian capital gains tax	26	-
Total tax charge for year (note 5a)	86	53

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £656,807 (31/07/15: £567,731) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	-	25
Final distribution	106	156
	106	181
Add: revenue deducted on cancellation of shares	8	9
Deduct: revenue received on issue of shares	(7)	(10)
Net distributions for the year	107	180

Details of the distribution per share is set out in the Distribution Tables on pages 331 to 332.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	35	179
Revenue deficit	42	-
Movement in net income as a result of conversions	4	1
Indian capital gains tax	26	-
Net distributions for the year	107	180

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Amounts receivable for issue of shares	246	23
Accrued revenue	18	6
Overseas tax recoverable	55	55
Total debtors	319	84

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	-	17
Amounts payable for cancellation of shares	91	34
Accrued expenses	72	79
Total creditors	163	130

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	8,349	10,648	12,586	11,940
Bonds	9,135	-	6,888	-
Trades in the year before transaction costs	17,484	10,648	19,474	11,940
Commissions				
Equities	6	9	(7)	(13)
Bonds	-	-	-	-
Total commissions	6	9	(7)	(13)
Taxes				
Equities	6	5	(1)	(1)
Bonds	-	-	-	-
Total taxes	6	5	(1)	(1)
Total costs	12	14	(8)	(14)
Total net trades in the year after transaction costs	17,496	10,662	19,466	11,926

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.07	0.08	0.06	0.11
Bonds	-	-	-	-
Taxes				
Equities	0.07	0.05	0.01	0.01
Bonds	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.04	0.06
Taxes	0.02	0.02
Total costs	<u>0.06</u>	<u>0.08</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.08% (31/07/2015: 0.10%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds predominantly equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£3,384) (31/07/15: £2,920).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund significantly invests in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

As at 31 July 2016, 19.30% (31/07/15: 18.74%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Worldwide Leaders Equity Fund would have been an increase or decrease of approximately £19 (31/07/15: £17).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Brazilian real	1,217	-
Euro	5,445	4,522
Indian rupee	498	615
Japanese yen	2,541	1,716
Malaysian ringgit	483	416
Polish zloty	668	659
Singapore dollar	1,716	1,634
South African rand	1,762	1,008
Swiss franc	2,782	2,655
US dollar	14,487	14,325
	<u>31,599</u>	<u>27,550</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.05% (£1,580) (31/07/15: 3.84% (£1,378)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £32 (31/07/15: £35) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.31% (31/07/15: 0.28%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has three share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class B Accumulation (Institutional):	0.75
Share class A Accumulation (EUR share class) (Retail):	1.50

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 319 to 322.

The distribution per share class are given in the Distribution Tables on pages 331 to 332.

All share classes have the same rights on winding up.

Notes to the Financial Statements

(continued)

as at 31 July 2016

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	6,745,806	1,153,912	(2,118,486)	(1,678,529)	4,102,703
Share class B Accumulation (Institutional)	4,509,829	538,110	(919,394)	1,500,213	5,628,758
Share class A Accumulation (EUR share class) (Retail)	2,000	882	(1,999)	-	883

15. Fair value

	31 July 2016		31 July 2015	
Valuation technique	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1	33,843	-	29,198	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	33,843	-	29,198	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Worldwide Leaders Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	0.5728
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	0.5728

This share class is in deficit and therefore not making a distribution.

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.5443
Final	1.8769	-	1.8769	2.6069
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.5443
Final	0.5964	1.2805	1.8769	2.6069

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	0.6080
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	0.6080

This share class is in deficit and therefore not making a distribution.

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Worldwide Sustainability Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund will seek to invest in a diverse portfolio of equity securities which are listed, traded or dealt in on any of the Regulated Markets worldwide.

The Fund is not managed to a benchmark and may have exposure to developed or emerging markets whilst maintaining its geographical diversity.

The Fund invests in companies which are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

- Clarification point: The Fund's emphasis on sustainable development incorporates three key features in making investment decisions. These are:
 - I Company classification (identifying companies whose management are believed able to manage sustainability risks and opportunities facing their companies, seeking out sustainable companies with a positive sustainable development impact);
 - II Integration of environmental, social and corporate governance factors into investment analysis;
 - III Engagement with and exit from companies based on in-house ESG research (the fund manager will engage senior management on any identified environmental, social and governance issues, and exit a stock if insufficient progress is made).

Risks and reward profile

	← Lower Risk				Higher Risk →		
	Potentially Lower Rewards				Potentially Higher Rewards		
Share class A Accumulation	1	2	3	4	5	6	7
Share class A Income	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Income	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class A Accumulation (USD share class)	1	2	3	4	5	6	7
Share class B Accumulation (USD share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market; they may involve higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Performance

The fund rose by 26.0% in sterling terms over the year and has provided a return of 41.7% over the three years to 31 July 2016.

Positive contributors over the period included Henkel (Germany: Consumer Staples) which rose as investors responded positively to an acquisition in the US and Waters Corp (US: Health Care) which gained as it delivered good results. Natura Cosmeticos (Brazil: Consumer Staples) climbed as it delivered better-than-expected results with the international division performing strongly.

On the negative side, Vapores (Chile: Industrials) was weak on global growth concerns and Draegerwerk (Germany: Health Care) declined on worries about intensifying competition. Dr Reddy's Laboratories (India: Health Care) fell following comments from the US Federal Drugs Administration (FDA) about compliance with manufacturing practices. We remain positive about the outlook for the company and continue to engage with management.

Portfolio changes

Major purchases during the period included Navigators Group (US: Financials), an American speciality insurer focused on niche insurance, such as maritime, professional liability, energy and engineering, excess casualty and cyber. We bought DiaSorin (Italy: Health Care), an Italian multinational biotechnology company which produces and markets equipment and consumables for in-vitro diagnostics (tests conducted on a sample of bodily fluid in labs that detect diseases). We also bought Vitasoy International (Hong Kong: Consumer Staples), a leading manufacturer and distributor of healthy plant-based food and beverage products which is driven by a long-term sense of purpose to provide nutritional food and sustainable products at affordable prices.

We sold Elisa (Finland: Telecom Services) as it was too expensive and Chubb Corp following their majority acquisition by Ace Ltd. We also sold Pfeiffer Vacuum Technology (Germany: Industrials) due to concerns about changing industry dynamics impacting their competitive position.

Outlook

The fund remains defensively positioned and we are focused on companies with low debt levels, pricing power, strong sustainable cash flows and growing dividend yields. We continue to look for global companies which will benefit from and contribute to the sustainable development of the global economy.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	17.4	27.5	26.0	41.7	-	-	75.7
Benchmark return %	14.5	20.1	17.0	35.5	-	-	64.7

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	26.0	13.4	(0.9)	-	-

Benchmark: MSCI All Countries World Index

Sector: IA Global.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Henkel	7.58	Unilever	6.22
Waters	6.43	Henkel	6.02
Unilever	6.34	Chubb	4.75
Merck	3.91	Waters	4.22
Natura Cosmeticos	3.10	Ain Holdings	3.52
Unicharm	2.92	CSL	3.43
CSL	2.78	Merck	3.12
Varian Medical Systems	2.53	Markel	2.69
Kansai Paint	2.45	Tech Mahindra	2.57
Distribuidora Internacional de Alimentacion	2.33	Cia Sud Americana de Vapores	2.13

Types of shares

Income and Accumulation.

Stewart Investors Worldwide Sustainability Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (7.63%*)	19,824	7.60
139,327 GlaxoSmithKline	2,357	0.90
24,000 Spirax-Sarco Engineering	941	0.36
471,683 Unilever	16,526	6.34
UNITED STATES (22.05%*)	54,729	21.00
86,501 ANSYS	5,912	2.27
70,918 Colgate-Palmolive	3,941	1.51
21,818 Edwards Lifesciences	1,870	0.72
118,710 Expeditors International of Washington	4,518	1.73
65,273 Jack Henry & Associates	4,414	1.69
5,242 Markel	3,804	1.46
52,839 Navigators Group	3,753	1.44
92,295 Varian Medical Systems	6,586	2.53
140,599 Waters	16,757	6.43
87,336 Xylem	3,174	1.22
AUSTRIA (2.01%*)	4,592	1.76
58,680 Lenzing	4,592	1.76
BELGIUM (0.50%*)	-	-
DENMARK (0.52%*)	3,939	1.51
91,941 Novo Nordisk 'B' Shares	3,939	1.51
FINLAND (2.00%*)	902	0.35
27,532 Wartsila	902	0.35
GERMANY (11.92%*)	37,312	14.32
43,117 Beiersdorf	3,016	1.16
100,920 Draegerwerk	4,361	1.67
242,752 Henkel	19,751	7.58
122,909 Merck	10,184	3.91
ITALY (0.00%*)	4,606	1.77
97,536 DiaSorin	4,606	1.77
NORWAY (0.44%*)	1,211	0.46
148,395 Tomra Systems	1,211	0.46
PORTUGAL (1.62%*)	2,567	0.99
204,729 Jeronimo Martins	2,567	0.99
SPAIN (2.26%*)	9,264	3.55
602,763 Bankinter	3,190	1.22
1,290,724 Distribuidora Internacional de Alimentacion	6,074	2.33
SWEDEN (0.90%*)	1,615	0.62
177,550 Svenska Handelsbanken 'A' Shares	1,615	0.62
SWITZERLAND (5.93%*)	13,853	5.32
172,401 ABB	2,779	1.07
7,585 Bucher Industries	1,429	0.55
104,568 Energiedienst Holding	1,914	0.73
32,572 Kuehne + Nagel International	3,466	1.33
1,849 SGS	3,068	1.18
344 Sika	1,197	0.46
JAPAN (6.62%*)	20,605	7.92
76,600 Ain Holdings	3,976	1.53
401,000 Kansai Paint	6,372	2.45
22,300 Shimano	2,659	1.02
487,500 Unicharm	7,598	2.92

Stewart Investors Worldwide Sustainability Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
AUSTRALIA (4.93%*)	10,928	4.19
480,617 Brambles	3,680	1.41
107,796 CSL	7,248	2.78
HONG KONG (0.00%*)	3,258	1.25
2,266,000 Vitasoy International Holdings	3,258	1.25
INDIA (9.52%*)	24,994	9.60
96,154 Dr Reddy's Laboratories	3,192	1.22
59,848 Dr Reddy's Laboratories ADR	1,981	0.76
375,639 Housing Development Finance	5,851	2.25
123,794 Infosys	1,507	0.58
287,356 Infosys ADR	3,618	1.39
903,832 Marico	2,908	1.12
1,086,084 Tech Mahindra	5,937	2.28
PHILIPPINES (2.27%*)	6,243	2.39
2,461,650 Bank of the Philippine Islands	3,807	1.46
5,829,130 Manila Water	2,436	0.93
NIGERIA (0.63%*)	849	0.33
14,893,528 Guaranty Trust Bank	849	0.33
POLAND (1.53%*)	2,626	1.01
109,483 Bank Pekao	2,626	1.01
SOUTH AFRICA (1.15%*)	2,672	1.03
127,933 Tiger Brands	2,672	1.03
BRAZIL (3.57%*)	15,547	5.96
632,680 Banco Bradesco	4,177	1.60
1,170,900 Natura Cosmeticos	8,075	3.10
974,200 Sul America	3,295	1.26
CHILE (2.13%*)	2,495	0.96
183,074,705 Cia Sud Americana de Vapores	2,495	0.96
Portfolio of investments	244,631	93.89
Net other assets	15,915	6.11
Total net assets	260,546	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as ADRs represent American Depositary Receipts.

Stewart Investors Worldwide Sustainability Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	135.62	120.39	122.43
Return before operating charges*	36.64	17.64	0.23
Operating charges	(2.54)	(2.41)	(2.27)
Return after operating charges*	34.10	15.23	(2.04)
Closing net asset value per share (p)	169.72	135.62	120.39
Retained distributions on accumulation shares*	-	0.01	0.19
*after direct transaction costs of:	0.07	0.11	0.14
Performance			
Return after charges (%)	25.14%	12.65%	(1.67)%
Other information			
Closing net asset value (£'000)	2,454	2,079	1,974
Closing number of shares	1,446,252	1,532,784	1,640,014
Operating charges	1.82%	1.83%	1.87%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	169.85	145.73	124.76
Lowest share price	124.82	118.03	116.72

Stewart Investors Worldwide Sustainability Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	130.62	116.02	118.20
Return before operating charges*	35.30	17.00	(0.20)
Operating charges	(2.45)	(2.32)	(2.19)
Return after operating charges*	32.85	14.68	(2.39)
Distributions on income shares	-	(0.08)	0.21
Closing net asset value per share (p)	163.47	130.62	116.02
*after direct transaction costs of:	0.07	0.11	0.14
Performance			
Return after charges (%)	25.15%	12.65%	(2.02)%
Other information			
Closing net asset value (£'000)	212	191	168
Closing number of shares	129,706	146,092	144,717
Operating charges	1.82%	1.83%	1.87%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	163.59	140.44	120.46
Lowest share price	120.22	113.75	112.69

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	139.27	122.74	123.90
Return before operating charges*	37.87	18.03	0.24
Operating charges	(1.59)	(1.50)	(1.40)
Return after operating charges*	36.28	16.53	(1.16)
Closing net asset value per share (p)	175.55	139.27	122.74
Retained distributions on accumulation shares*	0.81	1.07	1.14
*after direct transaction costs of:	0.08	0.11	0.14
Performance			
Return after charges (%)	26.05%	13.47%	(0.94)%
Other information			
Closing net asset value (£'000)	121,434	82,962	69,682
Closing number of shares	69,174,532	59,567,168	56,770,412
Operating charges	1.10%	1.11%	1.13%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	175.68	149.33	127.05
Lowest share price	128.25	120.52	118.58

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	125.09	111.10	113.20
Return before operating charges*	34.02	16.31	0.22
Operating charges	(1.45)	(1.41)	(1.30)
Return after operating charges*	32.57	14.90	(1.08)
Distributions on income shares	(0.72)	(0.91)	(1.02)
Closing net asset value per share (p)	156.94	125.09	111.10
*after direct transaction costs of:	0.07	0.10	0.13
Performance			
Return after charges (%)	26.04%	13.41%	(0.95)%
Other information			
Closing net asset value (£'000)	32,313	14,692	6,449
Closing number of shares	20,589,946	11,745,103	5,804,699
Operating charges	1.11%	1.15%	1.16%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	157.77	135.12	115.96
Lowest share price	115.18	109.07	108.24

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	141.72	111.82	103.11
Return before operating charges*	9.03	32.25	10.09
Operating charges	(2.47)	(2.35)	(1.38)
Return after operating charges*	6.56	29.90	8.71
Closing net asset value per share (c)	148.28	141.72	111.82
Retained distributions on accumulation shares*	-	0.10	0.08
*after direct transaction costs of:	0.07	0.11	0.09
Performance			
Return after charges (%)	4.63%	26.74%	8.45%
Other information			
Closing net asset value (€'000)	30	31	25
Closing number of shares	20,050	22,000	22,000
Operating charges	1.81%	1.82%	1.86%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	149.41	148.69	114.55
Lowest share price	122.74	109.04	100.57

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	158.52	124.16	113.93
Return before operating charges*	10.20	35.91	10.52
Operating charges	(1.65)	(1.55)	(1.34)
Return after operating charges*	8.55	34.36	9.18
Closing net asset value per share (c)	167.07	158.52	124.16
Retained distributions on accumulation shares*	0.83	1.25	1.16
*after direct transaction costs of:	0.08	0.12	0.14
Performance			
Return after charges (%)	5.39%	27.67%	8.06%
Other information			
Closing net asset value (€'000)	90,162	59,064	53,686
Closing number of shares	53,966,633	37,261,345	43,241,082
Operating charges	1.07%	1.08%	1.12%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	168.32	165.95	127.12
Lowest share price	137.82	121.27	111.19

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges FigureFinal 31 July 2016
(c)**Share class A Accumulation (USD share class)****Change in net assets per share**

Opening net asset value per share	100.00
Return before operating charges*	11.00
Operating charges	(1.24)
Return after operating charges*	9.76
Closing net asset value per share (c)	109.76
Retained distributions on accumulation shares*	0.26
*after direct transaction costs of:	0.06

Performance

Return after charges (%)	9.76%
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Other information

Closing net asset value (\$'000)	1,925
Closing number of shares	1,753,715
Operating charges	1.81%
Direct transaction costs	0.05%

Prices

Highest share price	109.84
Lowest share price	91.00

Share class A Accumulation (USD share class) was launched 7 December 2015.

Stewart Investors Worldwide Sustainability Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (USD share class)			
Change in net assets per share			
Opening net asset value per share	101.93	97.36	151.97
Return before operating charges*	7.87	5.65	(53.47)
Operating charges	(1.06)	(1.08)	(1.14)
Return after operating charges*	6.81	4.57	(54.61)
Closing net asset value per share (c)	108.74	101.93	97.36
Retained distributions on accumulation shares*	0.53	0.81	0.16
*after direct transaction costs of:	0.05	0.08	0.11
Performance			
Return after charges (%)	6.68%	4.69%	(35.93)%
Other information			
Closing net asset value (\$'000)	35,080	31,669	19,472
Closing number of shares	32,257,460	31,068,906	20,002,000
Operating charges	1.07%	1.08%	1.18%
Direct transaction costs	0.05%	0.08%	0.12%
Prices			
Highest share price	108.82	103.98	101.18
Lowest share price	89.83	90.51	97.44

Stewart Investors Worldwide Sustainability Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		51,067		16,824
Revenue	3	3,638		3,095	
Expenses	4	(2,105)		(1,655)	
Interest payable and similar charges		(11)		-	
Net revenue before taxation		1,522		1,440	
Taxation	5	(343)		(238)	
Net revenue after taxation			1,179		1,202
Total return before distribution			52,246		18,026
Distribution	6		(1,183)		(1,202)
Change in net assets attributable to shareholders from investment activities			51,063		16,824

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		161,916		132,400
Amounts receivable on issue of shares	51,291		29,668	
Less: Amounts payable on cancellation of shares	(4,833)		(18,142)	
		46,458		11,526
Dilution adjustment		41		43
Change in net assets attributable to shareholders from investment activities		51,063		16,824
Retained distribution on accumulation shares		1,068		1,123
Closing net assets attributable to shareholders		260,546		161,916

Notes to the Financial Statements are on pages 347 to 352.

Stewart Investors Worldwide Sustainability Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>244,631</u>	<u>145,927</u>
Current assets			
Debtors	8	5,158	1,762
Cash and bank balances		<u>11,321</u>	<u>14,975</u>
Total assets		<u>261,110</u>	<u>162,664</u>
Liabilities			
Creditors			
Distribution payable		(149)	(108)
Other creditors	9	<u>(415)</u>	<u>(640)</u>
Total liabilities		<u>(564)</u>	<u>(748)</u>
Net assets attributable to shareholders		<u>260,546</u>	<u>161,916</u>

Notes to the Financial Statements are on pages 347 to 352.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	50,286	16,516
Forward foreign exchange currency contracts	15	43
Currency gains	766	265
Net capital gains	51,067	16,824

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	460	512
Overseas taxable revenue	(16)	89
Overseas non-taxable revenue	3,051	2,465
Interest from bank deposits	7	16
Interest on capital revenue from Brazilian companies	136	13
Total revenue	3,638	3,095

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,930	1,511
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	28	30
Other expenses:		
Audit fee	8	9
Registrar fees	43	30
Safe custody charges	34	28
Other expenses	62	47
	147	114
Total expenses	2,105	1,655

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	343	238
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	1,522	1,440
Corporation tax of 20% (2015: 20%)	304	288
Effects of:		
UK dividends*	(92)	(102)
Overseas non-taxable revenue*	(610)	(493)
Movement in excess management expenses	402	310
Irrecoverable overseas tax	343	238
Overseas tax expensed	(4)	(3)
Total tax charge for year (note 5a)	343	238

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) **Deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) **Factors that may affect future tax charges:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,029,049 (31/07/15: £627,286) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distribution

The distribution takes account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprises:

	31 July 2016 £'000	31 July 2015 £'000
Final distribution	1,217	1,231
Add: revenue deducted on cancellation of shares	10	43
Deduct: revenue received on issue of shares	(44)	(72)
Net distribution for the year	1,183	1,202

Details of the distribution per share is set out in the Distribution Tables on pages 353 to 355.

7. Movement between net revenue and net distribution

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	1,179	1,202
Revenue deficit	4	-
Net distribution for the year	1,183	1,202

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	3,997	-
Amounts receivable for issue of shares	621	1,397
Accrued revenue	238	155
Overseas tax recoverable	302	210
Total debtors	5,158	1,762

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	-	448
Amounts payable for cancellation of shares	164	2
Accrued expenses	251	190
Total creditors	415	640

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	86,586	55,381	36,024	48,392
Trades in the year before transaction costs	86,586	55,381	36,024	48,392
Commissions				
Equities	45	45	(17)	(52)
Taxes				
Equities	39	16	-	(12)
Total costs	84	61	(17)	(64)
Total net trades in the year after transaction costs	86,670	55,442	36,007	48,328

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.05	0.08	0.05	0.11
Taxes				
Equities	0.05	0.03	-	0.02

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.03	0.06
Taxes	0.02	0.02
Total costs	0.05	0.08

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.16% (31/07/2015: 0.16%).

as at 31 July 2016

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£24,463) (31/07/15: £14,593).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 4.35% (31/07/15: 9.25%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Worldwide Sustainability Fund would have been an increase or decrease of approximately £nil (31/07/15: £37).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	11,709	7,992
Brazilian real	15,549	5,733
Chilean peso	2,553	3,429
Danish krone	3,946	839
Euro	60,053	33,123
Hong Kong dollar	3,258	-
Indian rupee	19,565	9,953
Japanese yen	21,993	10,754
Nigerian naira	849	1,017
Norwegian krone	1,213	708
Philippine peso	6,243	3,431
Polish zloty	2,626	2,474
South African rand	2,672	1,854
Swedish krona	1,615	1,455
Swiss franc	15,313	9,706
US dollar	64,568	49,862
	<u>233,725</u>	<u>142,330</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.49% (£11,686) (31/07/15: 4.40% (£7,117)).

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £205 (31/07/15: £136) due at the year end.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 2.98% (31/07/15: 3.44%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has eight share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class A Income (Retail):	1.75
Share class B Accumulation (Institutional):	1.00
Share class B Income (Institutional):	1.00
Share class A Accumulation (EUR share class) (Retail):	1.75
Share class B Accumulation (EUR share class) (Institutional):	1.00
Share class A Accumulation (USD share class) (Retail):	1.75
Share class B Accumulation (USD share class) (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 337 to 344.

The distribution per share class is given in the Distribution Tables on pages 353 to 355.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	1,532,784	601,553	(325,808)	(362,277)	1,446,252
Share class A Income (Retail)	146,092	30,868	(22,968)	(24,286)	129,706
Share class B Accumulation (Institutional)	59,567,168	10,407,892	(1,129,406)	328,878	69,174,532
Share class B Income (Institutional)	11,745,103	9,789,320	(995,509)	51,032	20,589,946
Share class A Accumulation (EUR share class) (Retail)	22,000	16,949	(18,899)	-	20,050
Share class B Accumulation (EUR share class) (Institutional)	37,261,345	17,513,909	(808,620)	-	53,966,634
Share class A Accumulation (USD share class) (Retail)	-	1,983,085	(229,370)	-	1,753,715
Share class B Accumulation (USD share class) (Institutional)	31,068,906	1,190,553	(1,999)	-	32,257,460

15. Fair value

	31 July 2016		31 July 2015
	Assets	Liabilities	Assets
	£'000	£'000	£'000
Valuation technique			
Level 1	244,631	-	145,927
Level 2	-	-	-
Level 3	-	-	-
Total fair value	244,631	-	145,927

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Worldwide Sustainability Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	0.0068
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	0.0068

This share class is in deficit and therefore not making a distribution.

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	0.0763
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	-	-	-	0.0763

This share class is in deficit and therefore not making a distribution.

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.8077	-	0.8077	1.0652
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.4395	0.3682	0.8077	1.0652

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.7220	-	0.7220	0.9146
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.3975	0.3245	0.7220	0.9146

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	0.1049
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	-	-	-	0.1049

This share class is in deficit and therefore not making a distribution.

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.8280	-	0.8280	1.2455
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.7233	0.1047	0.8280	1.2455

Share class A Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	
Group 1	(c)	(c)	(c)	
Interim	-	-	-	
Final	0.2602	-	0.2602	
Group 2	(c)	(c)	(c)	
Interim	-	-	-	
Final	0.1232	0.1370	0.2602	

Share class B Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.5275	-	0.5275	0.8079
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	-
Final	0.1424	0.3851	0.5275	0.8079

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Global Interest Rates and Currency Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

First State Investments (UK) Limited, the Authorised Corporate Director ("ACD") of the Company, has undertaken a review of the Fund. Even though the Fund's objective and policy have been continually met over the life cycle of the Fund, it has failed to attract sufficient investment on an ongoing basis to allow it to be managed as a viable investment proposition for Shareholders. The Fund was therefore terminated on 6th October 2016.

First State Global Interest Rates and Currency Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Accumulation		
Change in net assets per share		
Opening net asset value per share	96.20	100.00
Return before operating charges*	(0.49)	(2.45)
Operating charges	-	(1.35)
Return after operating charges*	(0.49)	(3.80)
Return to shareholder as a result of class closure	(95.71)	-
Closing net asset value per share (c)	-	96.20
Retained distributions on accumulation shares*	-	-
*after direct transaction costs of:	-	0.03
Performance		
Return after charges (%)	- %	(3.80)%
Other information		
Closing net asset value (\$'000)	-	9,525
Closing number of shares	-	9,901,739
Operating charges	- %	1.37%
Direct transaction costs	- %	0.03%
Prices		
Highest share price	96.44	100.15
Lowest share price	95.56	95.88

First State Global Interest Rates and Currency Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)
Share class B Hedged Accumulation (GBP share class)		
Change in net assets per share		
Opening net asset value per share	96.46	100.00
Return before operating charges*	49.13	(2.14)
Operating charges	-	(1.40)
Return after operating charges*	49.13	(3.54)
Return to shareholder as a result of class closure	(145.59)	-
Closing net asset value per share (p)	-	96.46
Retained distributions on accumulation shares*	-	-
*after direct transaction costs of:	-	0.03
Performance		
Return after charges (%)	- %	(3.54)%
Other information		
Closing net asset value (£'000)	-	5,857
Closing number of shares	-	6,072,000
Operating charges	- %	1.43%
Direct transaction costs	- %	0.03%
Prices		
Highest share price	96.70	100.16
Lowest share price	95.85	96.13

First State Global Interest Rates and Currency Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Gross Hedged Accumulation (EUR share class)		
Change in net assets per share		
Opening net asset value per share	96.02	100.00
Return before operating charges*	10.99	(2.49)
Operating charges	-	(1.49)
Return after operating charges*	10.99	(3.98)
Return to shareholder as a result of class closure	(107.00)	-
Closing net asset value per share (c)	-	96.02
Retained distributions on accumulation shares*	-	-
*after direct transaction costs of:	-	0.03
Performance		
Return after charges (%)	- %	(3.98)%
Other information		
Closing net asset value (€'000)	-	7,299
Closing number of shares	-	7,602,000
Operating charges	- %	1.43%
Direct transaction costs	- %	0.03%
Prices		
Highest share price	96.24	100.17
Lowest share price	95.30	95.73

First State Global Interest Rates and Currency Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Gross Accumulation		
Change in net assets per share		
Opening net asset value per share	96.20	100.00
Return before operating charges*	(0.50)	(2.45)
Operating charges	-	(1.35)
Return after operating charges*	(0.50)	(3.80)
Return to shareholder as a result of class closure	(95.70)	-
Closing net asset value per share (c)	-	96.20
Retained distributions on accumulation shares*	-	-
*after direct transaction costs of:	-	0.03
Performance		
Return after charges (%)	- %	(3.80)%
Other information		
Closing net asset value (\$'000)	-	9,631
Closing number of shares	-	10,011,472
Operating charges	- %	1.37%
Direct transaction costs	- %	0.03%
Prices		
Highest share price	96.44	100.15
Lowest share price	95.56	95.88

First State Global Interest Rates and Currency Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class Z Gross Accumulation		
Change in net assets per share		
Opening net asset value per share	97.91	100.00
Return before operating charges*	(0.32)	(1.71)
Operating charges	-	(0.38)
Return after operating charges*	(0.32)	(2.09)
Return to shareholder as a result of class closure	(97.59)	-
Closing net asset value per share (c)	-	97.91
Retained distributions on accumulation shares*	-	-
*after direct transaction costs of:	-	0.03
Performance		
Return after charges (%)	- %	(2.09)%
Other information		
Closing net asset value (\$'000)	-	98
Closing number of shares	-	100,000
Operating charges	- %	0.37%
Direct transaction costs	- %	0.03%
Prices		
Highest share price	98.19	101.36
Lowest share price	97.35	97.53
Fund was closed on 6 October 2015.		

First State Global Interest Rates and Currency Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 \$'000	\$'000	31 July 2015 \$'000	\$'000
Income					
Net capital losses	2		(211)		(2,900)
Revenue	3	43		33	
Expenses	4	(89)		(447)	
Interest payable and similar charges		(2)		-	
Net expenses before taxation		(48)		(414)	
Taxation	5	-		-	
Net expenses after taxation			(48)		(414)
Total return before equalisation			(259)		(3,314)
Equalisation	6	-		-	
Change in net assets attributable to shareholders from investment activities			(259)		(3,314)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 \$'000	\$'000	31 July 2015 \$'000	\$'000
Opening net assets attributable to shareholders		36,388		-
Amounts receivable on issue of shares	-		39,802	
Less: Amounts payable on cancellation of shares	(36,132)		(100)	
		(36,132)		39,702
Dilution adjustment		3		-
Change in net assets attributable to shareholders from investment activities		(259)		(3,314)
Closing net assets attributable to shareholders		-		36,388

Notes to the Financial Statements are on pages 364 to 370.

First State Global Interest Rates and Currency Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 \$'000	31 July 2015 \$'000
Assets			
Fixed assets			
Investments		-	36,143
Current assets			
Debtors	8	-	24
Cash and bank balances	9	-	1,243
Total assets		-	37,410
Liabilities			
Investment liabilities		-	(596)
Creditors			
Bank overdrafts		-	(354)
Other creditors	10	-	(72)
Total liabilities		-	(1,022)
Net assets attributable to shareholders		-	36,388

Notes to the Financial Statements are on pages 364 to 370.

First State Global Interest Rates and Currency Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital losses

The net capital losses during the year comprise:

	31 July 2016 \$'000	31 July 2015 \$'000
Non-derivative securities	68	(9)
Derivative contracts	(74)	(609)
Forward foreign exchange currency contracts	(204)	(2,201)
Currency losses	(1)	(81)
Net capital losses	(211)	(2,900)

3. Revenue

	31 July 2016 \$'000	31 July 2015 \$'000
Overseas taxable revenue	1	-
Interest from bank deposits	33	-
Interest from government and fixed interest securities	7	26
Currency hedge gains	-	5
Swap Income	2	2
Total revenue	43	33

4. Expenses

	31 July 2016 \$'000	31 July 2015 \$'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	66	328
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	1	8
Other expenses:		
Audit fee	(14)	14
Safe custody charges	-	1
Other expenses	36	96
	22	111
Total expenses	89	447

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 \$'000	31 July 2015 \$'000
(a) Analysis of charge in year:		
There is no corporation tax charge in the current year or prior year.		
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net expenses before taxation	(48)	(414)
Corporation tax of 20% (2015: 20%)	(10)	(83)
Effects of:		
Movement in excess management expenses	10	83
Total tax charge for year	-	-

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £92,469 (31/07/15: £82,778) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Equalisation

The equalisation takes account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprises:

	31 July 2016 \$'000	31 July 2015 \$'000
Add: revenue deducted on cancellation of shares	-	-
Deduct: revenue received on issue of shares	-	-
Net equalisation for the year	-	-

7. Movement between net expenses and net equalisation

	31 July 2016 \$'000	31 July 2015 \$'000
Net expenses after taxation	(48)	(414)
Revenue deficit	48	414
Net equalisation for the year	-	-

First State Global Interest Rates and Currency Fund

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 \$'000	31 July 2015 \$'000
Accrued revenue	-	24
Total debtors	-	24

9. Cash and bank balances

	31 July 2016 \$'000	31 July 2015 \$'000
Cash and bank balances	-	465
Amounts held at futures clearing houses and brokers	-	778
Total cash and bank balances	-	1,243

10. Creditors

	31 July 2016 \$'000	31 July 2015 \$'000
Accrued expenses	-	72
Total creditors	-	72

11. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 \$'000	31 July 2015 \$'000	31 July 2016 \$'000	31 July 2015 \$'000
Equities	-	(2)	-	2
Bonds	9,000	93,063	44,514	57,500
Futures	-	-	-	-
Options	-	767	-	664
Swaps	39,097	75,664	38,974	75,630
Trades in the year before transaction costs	48,097	169,492	83,488	133,796
Commissions				
Equities	-	-	-	-
Bonds	-	-	-	-
Futures	-	3	-	(2)
Options	-	3	-	(2)
Swaps	-	-	-	-
Total commissions	-	6	-	(4)
Taxes				
Equities	-	-	-	-
Bonds	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-
Total taxes	-	-	-	-
Total costs	-	6	-	(4)
Total net trades in the year after transaction costs	48,097	169,498	83,488	133,792

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	-	-	-	-
Bonds	-	-	-	-
Futures	-	-	-	-
Options	-	0.39	-	0.26
Swaps	-	-	-	-
Taxes				
Equities	-	-	-	-
Bonds	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
Commissions	-	0.03
Taxes	-	-
Total costs	<u>-</u>	<u>0.03</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was nil (31/07/2015: nil).

12. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: \$nil) and no commitments (31/07/15: £nil).

13. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds fixed interest securities.

The Fund invests principally in fixed interest securities. Certain fixed interest securities are liable to default risk whereby the nominal capital is not or is unlikely to be returned to investors. The value of fixed interest stocks is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual fixed interest stock or be caused by a general market factor (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of securities held. In addition, the management of the Fund complies with the Financial Conduct Authority COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund enters into transactions in financial instruments which expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

Notes to the Financial Statements

(continued)

as at 31 July 2016

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

(b) Interest rate risk

The Fund does not significantly invest in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

The interest rate risk profile of the company's financial assets and liabilities at 31 July was:

	Floating rate financial assets \$'000	Fixed rate financial assets \$'000	Financial liabilities not carrying interest \$'000	Total \$'000
Currency				
31 July 2016				
Total	-	-	-	-
31 July 2015				
Sterling	7	-	9,662	9,669
Australian dollar	159	-	1,249	1,408
Brazilian real	-	-	370	370
Canadian dollar	(17)	-	(83)	(100)
Chilean peso	-	-	(157)	(157)
Czech Republic koruna	-	-	865	865
Danish krone	-	-	(899)	(899)
Euro	(273)	-	7,399	7,126
Hungarian forint	-	-	2,292	2,292
Indian rupee	-	-	197	197
Indonesian rupiah	-	-	(612)	(612)
Japanese yen	1	-	(412)	(411)
Malaysian ringgit	-	-	242	242
Mexican peso	-	-	332	332
New Zealand dollar	-	-	(573)	(573)
Norwegian krone	-	-	708	708
Polish zloty	-	-	429	429
Russian ruble	-	-	1,006	1,006
Singapore dollar	-	-	1,504	1,504
South African rand	-	-	1,896	1,896
South Korean won	-	-	(3,217)	(3,217)
Swedish krona	-	-	(717)	(717)
Swiss franc	(36)	-	(2,516)	(2,552)
Taiwanese dollar	-	-	(837)	(837)
Thai baht	-	-	(3,607)	(3,607)
Turkish lira	-	-	1,032	1,032
US dollar	1,047	35,526	(15,575)	20,998
Yuan Renminbi	-	-	(4)	(4)
Total	888	35,526	(26)	36,388

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) *Analysis of the Fund's currency exposure*

The following summarises the US Dollar value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding US Dollar):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total \$'000	Total \$'000
Sterling	-	9,669
Australian dollar	-	1,408
Brazilian real	-	370
Canadian dollar	-	(100)
Chilean peso	-	(157)
Czech Republic koruna	-	865
Danish krone	-	(899)
Euro	-	7,126
Hungarian forint	-	2,292
Indian rupee	-	197
Indonesian rupiah	-	(612)
Japanese yen	-	(411)
Malaysian ringgit	-	242
Mexican peso	-	332
New Zealand dollar	-	(573)
Norwegian krone	-	708
Polish zloty	-	429
Russian ruble	-	1,006
Singapore dollar	-	1,504
South African rand	-	1,896
South Korean won	-	(3,217)
Swedish krona	-	(717)
Swiss franc	-	(2,552)
Taiwanese dollar	-	(837)
Thai baht	-	(3,607)
Turkish lira	-	1,032
Yuan Renminbi	-	(4)
	-	15,390

14. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £nil (31/07/15: £31) due at the year end.

As at 31 July 2016 CFS Managed Property, a related party of the ACD, owned nil (31/07/15: 64.00%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

15. Share classes

The Fund has five share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class B Accumulation (Institutional):	1.00
Share class B Hedged Accumulation (GBP share class) (Institutional):	1.00
Share class B Gross Hedged Accumulation (EUR share class) (Institutional):	1.00
Share class B Gross Accumulation (Institutional):	1.00
Share class Z Gross Accumulation (Institutional):	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 357 to 361.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class B Accumulation (Institutional)	9,901,739	-	(9,901,739)	-	-
Share class B Hedged Accumulation (GBP share class)	6,072,000	-	(6,072,000)	-	-
Share class B Gross Hedged Accumulation (EUR share class)	7,602,000	-	(7,602,000)	-	-
Share class B Gross Accumulation (Institutional)	10,011,472	-	(10,011,472)	-	-
Share class Z Gross Accumulation (Institutional)	100,000	-	(100,000)	-	-

16. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	\$'000	\$'000	\$'000	\$'000
Level 1	-	-	35,616	(153)
Level 2	-	-	527	(443)
Level 3	-	-	-	-
Total fair value	-	-	36,143	(596)

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Global Interest Rates and Currency Fund

Distribution Table

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class B Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-

Share class B Hedged Accumulation (GBP share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-

Share class B Gross Hedged Accumulation (EUR share class)

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-

First State Global Interest Rates and Currency Fund

Distribution Table

(continued)

for the year ended 31 July 2016

Share class B Gross Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-

Share class Z Gross Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-
Group 2	(c)	(c)	(c)	(c)	(c)	(c)
Interim	-	-	-	-	-	-
Final	-	-	-	-	-	-

Fund was closed on 6 October 2015.

First State Global Listed Infrastructure Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve an investment return consistent with income and long term capital growth.

The Fund invests in a diversified portfolio of listed infrastructure and infrastructure related securities from around the world.

Risks and reward profile

	← Lower Risk				Higher Risk →		
	Potentially Lower Rewards				Potentially Higher Rewards		
Share class A Accumulation	1	2	3	4	5	6	7
Share class A Income	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Income	1	2	3	4	5	6	7
Share class B Hedged Accumulation	1	2	3	4	5	6	7
Share class B Hedged Income	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class A Income (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Income (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (USD share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Single sector risk: investing in a single sector may be riskier than investing in a number of different sectors. Investing in a larger number of sectors helps spread risk.

Concentration risk: the Fund invests in a relatively small number of companies or countries which may be riskier than a fund that invests in a large number of companies or countries. Investing in a larger number of companies or countries helps spread risk.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Fund objective and investment approach

The objective of the Fund is to deliver capital growth and inflation-protected income by investing in a globally diversified portfolio of infrastructure securities. These assets are found primarily within the transport, utilities, energy, and communications sectors. These investments tend to offer characteristics such as high barriers to entry, stable cash flows, pricing power, and structural growth. The strategy is based on a process of active, bottom-up security selection, which seeks to identify mispricing.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Performance

The Fund rose in value by 30.6% in sterling terms over the year. It has provided cumulative returns of 52.8% and 87.7% over three and five years to 31 July 2016.

The largest single positive contributor to performance during this period was Transurban (Australia: Toll Roads) which gained as high barriers to entry and strong pricing underpinned impressive uplifts to traffic volumes and revenues. PG&E and Duke Energy (both US: Electric Utilities) rallied on keen demand for stable earnings and income, against a backdrop of market volatility and lower bond yields.

Kinder Morgan (US: Pipelines) underperformed in late 2015 as the oil price declined, before starting to recover ground in 2016 as the company repaired its balance sheet. Canadian National Railway (Canada: Railroads) lagged as soft haulage volumes outweighed productivity gains. Eurotunnel (France: Railroads) detracted from performance on concerns that Britain's June vote to leave the European Union may impact economic growth rates and traffic volumes. We maintain a positive view towards this high quality, long-life concession company.

Portfolio changes

Positions were initiated in Xcel Energy (US: Electric Utilities) and Iberdrola (Spain: Electric Utilities). Both companies are expected to derive low risk earnings growth from renewables and transmission build-out.

Atmos Energy (US: Gas Utilities) and Vinci (France: Toll Roads) were sold after significant share price appreciation reduced mispricing and moved these companies lower within our investment process.

Outlook

Our investment process currently favours toll roads, freight rail and ports. These sectors contain mispriced, high quality companies in secure market positions, trading at appealing valuations. Conversely, we currently maintain a cautious stance towards satellites, where technological advances are eroding pricing power. We have also adopted a selective approach towards multi-utilities and airports, which in some cases have reached valuation levels that are difficult to justify on fundamentals.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	16.8	30.2	30.6	52.8	87.7	-	128.1
Benchmark return %	16.7	24.8	27.8	49.0	89.1	-	92.6
Sector return %	12.6	20.4	13.7	31.7	62.6	-	71.3
Quartile ranking	1	1	1	1	1	-	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	30.6	9.0	7.4	17.6	4.4

Benchmark: UBS Global Infrastructure & Utilities 50-50 Index. (Note: The benchmark changed from the S&P Global Infrastructure Index to the above on 01/06/2008).

Sector: IA Global.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Duke Energy	6.26	PG&E	5.25
Transurban Group	5.64	Transurban Group	4.76
PG&E	5.63	National Grid	4.55
East Japan Railway	4.58	Union Pacific	4.20
NextEra Energy	3.89	Crown Castle International REIT	4.19
Kinder Morgan	3.71	American Tower REIT	4.11
Eversource Energy	3.70	Duke Energy	3.97
Union Pacific	3.65	TransCanada	3.77
Crown Castle International REIT	3.60	Abertis Infraestructuras	3.31
Abertis Infraestructuras	3.45	Power Assets Holdings	3.26

Types of shares

Income and Accumulation.

First State Global Listed Infrastructure Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (7.31%*)	103,998	6.32
4,344,363 BBA Aviation	10,314	0.63
2,244,293 National Grid	24,227	1.47
3,111,343 SSE	47,106	2.86
2,219,519 United Utilities Group	22,351	1.36
UNITED STATES (50.44%*)	829,734	50.34
2,039,940 AES	18,947	1.15
1,059,451 Alliant Energy	32,118	1.95
375,177 American Tower REIT**	33,207	2.01
809,991 Crown Castle International REIT**	59,339	3.60
1,467,961 CSX	31,569	1.92
1,595,862 Duke Energy	103,178	6.26
472,033 El Paso Electric	16,918	1.03
1,386,233 Eversource Energy	60,980	3.70
158,854 Kansas City Southern	11,528	0.70
3,988,582 Kinder Morgan	61,200	3.71
663,584 NextEra Energy	64,163	3.89
1,918,125 PG&E	92,806	5.63
615,239 SBA Communications	52,513	3.19
1,582,679 Spectra Energy	43,332	2.63
921,167 UGI	31,638	1.92
852,269 Union Pacific	60,205	3.65
1,689,187 Xcel Energy	56,093	3.40
CANADA (9.28%*)	85,709	5.20
1,123,935 Enbridge	33,307	2.02
1,508,323 TransCanada	52,402	3.18
FRANCE (3.48%*)	55,552	3.37
4,423,099 Groupe Eurotunnel	34,600	2.10
347,861 Rubis	20,952	1.27
GERMANY (1.42%*)	29,425	1.78
719,209 Fraport Frankfurt Airport Services Worldwide	29,425	1.78
ITALY (2.03%*)	29,867	1.81
958,109 Atlantia	17,838	1.08
3,204,384 Infrastrutture Wireless Italiane	12,029	0.73
SPAIN (3.80%*)	107,095	6.49
4,835,442 Abertis Infraestructuras	56,940	3.45
69,318 Aena	7,490	0.45
8,260,745 Iberdrola	42,665	2.59
JAPAN (2.85%*)	103,945	6.30
1,090,600 East Japan Railway	75,532	4.58
344,200 Japan Airport Terminal	11,550	0.70
2,472,000 Kamigumi	16,863	1.02
AUSTRALIA (6.84%*)	93,009	5.64
13,007,026 Transurban Group	93,009	5.64
CHINA (5.01%*)	95,103	5.77
18,066,000 China Merchants Holdings International	40,116	2.43
32,108,000 COSCO Pacific	25,032	1.52
28,094,000 Jiangsu Expressway 'H' Shares	29,955	1.82

First State Global Listed Infrastructure Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
HONG KONG (3.26%*)	37,345	2.27
5,030,000 Power Assets Holdings	37,345	2.27
BRAZIL (2.73%*)	33,148	2.01
5,533,900 CCR	23,201	1.41
1,403,800 Cia de Saneamento Basico do Estado de Sao Paulo	9,947	0.60
MEXICO (0.90%*)	14,776	0.90
1,959,242 Grupo Aeroportuario del Pacifico	14,776	0.90
DERIVATIVES (0.00%*)	(108)	-
Forward Currency Contracts		
Australian Dollar		
Sold AUD1,280,495 for GBP733,443 Settlement 15/08/2016	4	-
Canadian Dollar		
Sold CAD1,333,802 for GBP769,854 Settlement 15/08/2016	1	-
Euro		
Sold EUR2,151,277 for GBP1,794,503 Settlement 15/08/2016	(20)	-
Hong Kong Dollar		
Sold HKD10,551,171 for GBP1,022,837 Settlement 15/08/2016	(9)	-
Japanese Yen		
Sold JPY109,533,874 for GBP786,343 Settlement 15/08/2016	(18)	-
US Dollar		
Bought USD475,119 for GBP358,135 Settlement 15/08/2016	2	-
Sold USD9,766,107 for GBP7,341,806 Settlement 15/08/2016	(68)	-
Portfolio of investments^	1,618,598	98.20
Net other assets	29,744	1.80
Total net assets	1,648,342	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

** Real Estate Investment Trust (REIT).

^ Including derivative liabilities.

First State Global Listed Infrastructure Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	174.51	160.16	149.12
Return before operating charges*	56.35	17.12	13.45
Operating charges	(2.93)	(2.77)	(2.41)
Return after operating charges*	53.42	14.35	11.04
Closing net asset value per share (p)	227.93	174.51	160.16
Retained distributions on accumulation shares*	5.23	4.80	4.48
*after direct transaction costs of:	0.54	0.51	0.28
Performance			
Return after charges (%)	30.61%	8.96%	7.40%
Other information			
Closing net asset value (£'000)	141,578	132,234	162,881
Closing number of shares	62,115,286	75,775,544	101,701,987
Operating charges	1.59%	1.59%	1.59%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	230.06	191.51	162.11
Lowest share price	161.93	155.45	142.58

First State Global Listed Infrastructure Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	135.72	127.98	122.72
Return before operating charges*	43.26	13.75	10.91
Operating charges	(2.25)	(2.20)	(1.99)
Return after operating charges*	41.01	11.55	8.92
Distributions on income shares	(4.04)	(3.81)	(3.66)
Closing net asset value per share (p)	172.69	135.72	127.98
*after direct transaction costs of:	0.42	0.40	0.23
Performance			
Return after charges (%)	30.22%	9.02%	7.27%
Other information			
Closing net asset value (£'000)	40,198	40,463	49,328
Closing number of shares	23,277,110	29,813,221	38,542,428
Operating charges	1.59%	1.59%	1.61%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	176.56	151.35	131.72
Lowest share price	125.92	124.21	117.27

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	183.46	167.10	154.52
Return before operating charges*	59.60	17.89	14.02
Operating charges	(1.61)	(1.53)	(1.44)
Return after operating charges*	57.99	16.36	12.58
Closing net asset value per share (p)	241.45	183.46	167.10
Retained distributions on accumulation shares*	5.52	5.03	4.67
*after direct transaction costs of:	0.58	0.54	0.29
Performance			
Return after charges (%)	31.61%	9.79%	8.14%
Other information			
Closing net asset value (£'000)	591,439	421,157	225,264
Closing number of shares	244,952,021	229,569,278	134,810,459
Operating charges	0.82%	0.83%	0.90%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	243.70	200.87	169.11
Lowest share price	170.33	162.21	147.80

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	143.57	134.35	127.90
Return before operating charges*	46.05	14.44	11.44
Operating charges	(1.25)	(1.20)	(1.16)
Return after operating charges*	44.80	13.24	10.28
Distributions on income shares	(4.29)	(4.02)	(3.83)
Closing net asset value per share (p)	184.08	143.57	134.35
*after direct transaction costs of:	0.45	0.43	0.24
Performance			
Return after charges (%)	31.20%	9.85%	8.04%
Other information			
Closing net asset value (£'000)	403,656	329,257	254,689
Closing number of shares	219,282,133	229,334,741	189,578,254
Operating charges	0.82%	0.82%	0.89%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	188.18	159.72	138.25
Lowest share price	133.28	130.41	122.30

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

Final 31 July 2016
(p)

Share class B Hedged Accumulation

Change in net assets per share

Opening net asset value per share	100.00
Return before operating charges*	19.50
Operating charges	(0.89)
Return after operating charges*	18.61
Closing net asset value per share (p)	118.61
Retained distributions on accumulation shares*	2.46
*after direct transaction costs of:	0.32

Performance

Return after charges (%)	18.61%
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Other information

Closing net asset value (£'000)	9,963
Closing number of shares	8,400,050
Operating charges	0.84%
Direct transaction costs	0.30%

Prices

Highest share price	119.71
Lowest share price	93.31

Share class B Hedged Accumulation was launched on 17 September 2015.

First State Global Listed Infrastructure Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Hedged Income			
Change in net assets per share			
Opening net asset value per share	132.87	121.43	106.41
Return before operating charges*	17.27	16.18	19.51
Operating charges	(1.10)	(1.11)	(1.05)
Return after operating charges*	16.17	15.07	18.46
Distributions on income shares	(3.56)	(3.63)	(3.44)
Closing net asset value per share (p)	145.48	132.87	121.43
*after direct transaction costs of:	0.39	0.39	0.22
Performance			
Return after charges (%)	12.17%	12.41%	17.35%
Other information			
Closing net asset value (£'000)	3,839	3,219	963
Closing number of shares	2,638,629	2,422,673	792,988
Operating charges	0.83%	0.84%	0.89%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	148.76	141.46	125.19
Lowest share price	118.01	117.32	103.77

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	185.16	151.01	127.78
Return before operating charges*	19.98	36.84	25.36
Operating charges	(2.88)	(2.69)	(2.13)
Return after operating charges*	17.10	34.15	23.23
Closing net asset value per share (c)	202.26	185.16	151.01
Retained distributions on accumulation shares*	4.86	4.95	4.16
*after direct transaction costs of:	0.55	0.51	0.25
Performance			
Return after charges (%)	9.24%	22.61%	18.18%
Other information			
Closing net asset value (€'000)	113,042	55,007	69,082
Closing number of shares	55,890,085	29,706,790	45,747,557
Operating charges	1.55%	1.55%	1.55%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	205.69	198.62	153.04
Lowest share price	161.66	145.85	124.26

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	146.15	122.50	106.87
Return before operating charges*	15.41	29.85	20.91
Operating charges	(2.32)	(2.21)	(1.82)
Return after operating charges*	13.09	27.64	19.09
Distributions on income shares	(3.82)	(3.99)	(3.46)
Closing net asset value per share (c)	155.42	146.15	122.50
*after direct transaction costs of:	0.43	0.41	0.21
Performance			
Return after charges (%)	8.96%	22.56%	17.87%
Other information			
Closing net asset value (€'000)	6,227	8,085	6,388
Closing number of shares	4,007,115	5,531,568	5,215,807
Operating charges	1.59%	1.58%	1.60%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	160.09	159.31	126.23
Lowest share price	127.50	118.31	103.89

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	190.63	154.27	129.64
Return before operating charges*	20.68	37.75	25.82
Operating charges	(1.47)	(1.39)	(1.19)
Return after operating charges*	19.21	36.36	24.63
Closing net asset value per share (c)	209.84	190.63	154.27
Retained distributions on accumulation shares*	5.02	5.08	4.24
*after direct transaction costs of:	0.56	0.52	0.26
Performance			
Return after charges (%)	10.08%	23.57%	19.00%
Other information			
Closing net asset value (€'000)	365,949	293,216	218,840
Closing number of shares	174,391,752	153,807,256	141,849,030
Operating charges	0.78%	0.78%	0.85%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	213.40	204.02	156.33
Lowest share price	167.05	149.03	126.12

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	156.88	130.48	112.90
Return before operating charges*	16.65	31.83	22.29
Operating charges	(1.19)	(1.16)	(1.03)
Return after operating charges*	15.46	30.67	21.26
Distributions on income shares	(4.10)	(4.27)	(3.68)
Closing net asset value per share (c)	168.24	156.88	130.48
*after direct transaction costs of:	0.45	0.43	0.22
Performance			
Return after charges (%)	9.85%	23.51%	18.83%
Other information			
Closing net asset value (€'000)	1,832	1,870	4,412
Closing number of shares	1,089,324	1,191,340	3,381,489
Operating charges	0.78%	0.78%	0.86%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	173.28	170.60	134.45
Lowest share price	137.48	126.06	109.83

First State Global Listed Infrastructure Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (USD share class)			
Change in net assets per share			
Opening net asset value per share	135.29	133.54	111.10
Return before operating charges*	16.54	2.83	23.50
Operating charges	(1.11)	(1.08)	(1.06)
Return after operating charges*	15.43	1.75	22.44
Closing net asset value per share (c)	150.72	135.29	133.54
Retained distributions on accumulation shares*	3.58	3.66	3.69
*after direct transaction costs of:	0.42	0.39	0.23
Performance			
Return after charges (%)	11.41%	1.31%	20.20%
Other information			
Closing net asset value (\$'000)	61,902	11,965	17,150
Closing number of shares	41,072,320	8,844,839	12,844,078
Operating charges	0.78%	0.80%	0.86%
Direct transaction costs	0.30%	0.29%	0.19%
Prices			
Highest share price	151.56	142.63	136.37
Lowest share price	117.77	125.85	117.81

First State Global Listed Infrastructure Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		347,104		67,364
Revenue	3	40,979		34,443	
Expenses	4	(11,687)		(11,255)	
Interest payable and similar charges		(22)		(8)	
Net revenue before taxation		29,270		23,180	
Taxation	5	(4,778)		(2,354)	
Net revenue after taxation			24,492		20,826
Total return before distributions			371,596		88,190
Distributions	6		(35,661)		(31,627)
Change in net assets attributable to shareholders from investment activities			335,935		56,563

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		1,186,497		940,173
Amounts receivable on issue of shares	314,865		338,065	
Less: Amounts payable on cancellation of shares	(214,862)		(170,225)	
		100,003		167,840
Dilution adjustment		63		102
Change in net assets attributable to shareholders from investment activities		335,935		56,563
Retained distribution on accumulation shares		25,844		21,819
Closing net assets attributable to shareholders		1,648,342		1,186,497

Notes to the Financial Statements are on pages 390 to 395.

First State Global Listed Infrastructure Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>1,618,713</u>	<u>1,178,763</u>
Current assets			
Debtors	8	19,926	7,828
Cash and bank balances		<u>21,871</u>	<u>10,851</u>
Total assets		<u>1,660,510</u>	<u>1,197,442</u>
Liabilities			
Investment liabilities		(115)	-
Creditors			
Bank overdrafts		(1,897)	-
Distribution payable		(5,850)	(6,103)
Other creditors	9	<u>(4,306)</u>	<u>(4,842)</u>
Total liabilities		<u>(12,168)</u>	<u>(10,945)</u>
Net assets attributable to shareholders		<u>1,648,342</u>	<u>1,186,497</u>

Notes to the Financial Statements are on pages 390 to 395.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	348,050	68,528
Forward foreign exchange currency contracts	(1,992)	109
Currency gains/(losses)	1,046	(1,273)
Net capital gains	347,104	67,364

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	4,811	4,552
Overseas taxable revenue	2,882	2,139
Overseas non-taxable revenue	32,311	24,638
Property revenue from overseas REITs	828	2,633
Interest from bank deposits	41	131
Interest on capital revenue from Brazilian companies	125	350
Currency hedge losses	(19)	-
Total revenue	40,979	34,443

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	10,921	10,464
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	155	144
Other expenses:		
Audit fee	12	11
Registrar fees	473	439
Safe custody charges	90	103
Other expenses	36	94
	611	647
Total expenses	11,687	11,255

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	4,778	2,354
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	29,270	23,180
Corporation tax of 20% (2015: 20%)	5,854	4,636
Effects of:		
UK dividends*	(962)	(910)
Overseas non-taxable revenue*	(6,461)	(4,928)
Revenue taxable in different periods	-	12
Movement in excess management expenses	1,608	1,309
Irrecoverable overseas tax	4,778	2,354
Overseas tax expensed	(39)	(119)
Total tax charge for year (note 5a)	4,778	2,354

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,870,956 (31/07/15: £5,266,374) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	15,342	13,523
Final distribution	21,032	18,853
	36,374	32,376
Add: revenue deducted on cancellation of shares	1,458	1,384
Deduct: revenue received on issue of shares	(2,171)	(2,133)
Net distributions for the year	35,661	31,627

Details of the distribution per share is set out in the Distribution Tables on pages 396 to 398.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	24,492	20,826
Movement in net income as a result of conversions	-	(1)
Expenses charged to capital	11,687	11,255
Tax relief on expenses charged to capital	(518)	(453)
Net distributions for the year	35,661	31,627

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	-	1,448
Amounts receivable for issue of shares	14,826	1,259
Accrued revenue	4,623	4,230
Overseas tax recoverable	477	891
Total debtors	19,926	7,828

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	2,798	2,283
Amounts payable for cancellation of shares	206	1,313
Accrued expenses	1,302	1,246
Total creditors	4,306	4,842

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	1,011,591	1,155,479	918,901	966,840
Trades in the year before transaction costs	1,011,591	1,155,479	918,901	966,840
Commissions				
Equities	1,560	1,517	(1,477)	(1,126)
Taxes				
Equities	579	592	(88)	(90)
Total costs	2,139	2,109	(1,565)	(1,216)
Total net trades in the year after transaction costs	1,013,730	1,157,588	917,336	965,624

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.15	0.13	0.16	0.12
Taxes				
Equities	0.06	0.05	0.01	0.01

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.24	0.23
Taxes	0.05	0.06
Total costs	0.29	0.29

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.11% (31/07/2015: 0.17%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£161,871) (31/07/15: £117,874).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 1.21% (31/07/15: 0.91%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	93,881	81,647
Brazilian real	33,148	32,459
Canadian dollar	87,713	110,196
Euro	231,464	131,524
Hong Kong dollar	135,163	96,087
Japanese yen	104,586	35,002
Mexican peso	13,791	10,705
Swiss franc	16	83
US dollar	837,705	597,528
	<u>1,537,467</u>	<u>1,095,231</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.66% (£76,873) (31/07/15: 4.62% (£54,762)).

Effective Portfolio Management**Financial derivative instruments exposure as at 31 July 2016**

Forward foreign currency contracts (Hedging)

Total financial derivative instruments exposure

Value (£)

(107,724)

(107,724)

Counterparties to financial derivative instruments and efficient portfolio management techniques as at 31 July 2016

State Street Bank and Trust Company

Value (£)

(107,724)

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £1,126 (31/07/15: £894) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.08% (31/07/15: 0.07%) of the Net Asset Value of the Fund.

As at 31 July 2016 HSBC Institutional Trust Services (Singapore) Limited, a related party of the ACD, owned nil (31/07/15: 0.76%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has eleven share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class A Income (Retail):	1.50
Share class B Accumulation (Institutional):	0.75
Share class B Income (Institutional):	0.75
Share class B Hedged Accumulation (Institutional):	0.75
Share class B Hedged Income	0.75
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class A Income (EUR share class) (Retail):	1.50
Share class B Accumulation (EUR share class) (Institutional):	0.75
Share class B Income (EUR share class) (Institutional):	0.75
Share class B Accumulation (USD share class) (Institutional):	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 377 to 387.

The distributions per share class are given in the Distribution Tables on pages 396 to 398.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	75,775,544	10,300,708	(11,904,127)	(12,056,839)	62,115,286
Share class A Income (Retail)	29,813,221	1,540,202	(4,624,778)	(3,451,535)	23,277,110
Share class B Accumulation (Institutional)	229,569,278	41,934,150	(37,760,648)	11,209,241	244,952,021
Share class B Income (Institutional)	229,334,741	31,047,524	(44,640,829)	3,540,697	219,282,133
Share class B Hedged Accumulation (Institutional)	-	8,402,049	(1,999)	-	8,400,050
Share class B Hedged Income	2,422,673	852,752	(636,796)	-	2,638,629
Share class A Accumulation (EUR share class) (Retail)	29,706,790	56,290,355	(23,144,456)	(6,962,604)	55,890,085
Share class A Income (EUR share class) (Retail)	5,531,568	2,699,880	(4,224,333)	-	4,007,115
Share class B Accumulation (EUR share class) (Institutional)	153,807,256	23,250,004	(9,411,666)	6,746,158	174,391,752
Share class B Income (EUR share class) (Institutional)	1,191,340	144,058	(246,074)	-	1,089,324
Share class B Accumulation (USD share class) (Institutional)	8,844,839	33,869,276	(1,641,795)	-	41,072,320

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	1,618,706	-	1,178,737	-
Level 2	7	(115)	26	-
Level 3	-	-	-	-
Total fair value	1,618,713	(115)	1,178,763	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Global Listed Infrastructure Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	2.3313	-	2.3313	2.0347
Final	2.8999	-	2.8999	2.7630
Group 2	(p)	(p)	(p)	(p)
Interim	1.0312	1.3001	2.3313	2.0347
Final	1.3885	1.5114	2.8999	2.7630

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.8133	-	1.8133	1.6264
Final	2.2252	-	2.2252	2.1871
Group 2	(p)	(p)	(p)	(p)
Interim	1.0447	0.7686	1.8133	1.6264
Final	0.4138	1.8114	2.2252	2.1871

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	2.4542	-	2.4542	2.1269
Final	3.0690	-	3.0690	2.8989
Group 2	(p)	(p)	(p)	(p)
Interim	1.1769	1.2773	2.4542	2.1269
Final	1.7077	1.3613	3.0690	2.8989

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.9213	-	1.9213	1.7101
Final	2.3691	-	2.3691	2.3052
Group 2	(p)	(p)	(p)	(p)
Interim	0.9145	1.0068	1.9213	1.7101
Final	1.1683	1.2008	2.3691	2.3052

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Hedged Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(p)	(p)	(p)
Interim	0.9404	-	0.9404
Final	1.5200	-	1.5200
Group 2	(p)	(p)	(p)
Interim	0.9404	-	0.9404
Final	1.2547	0.2653	1.5200

Share class B Hedged Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.6749	-	1.6749	1.5093
Final	1.8897	-	1.8897	2.1221
Group 2	(p)	(p)	(p)	(p)
Interim	0.6892	0.9857	1.6749	1.5093
Final	1.0283	0.8614	1.8897	2.1221

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	2.2882	-	2.2882	2.0244
Final	2.5759	-	2.5759	2.9292
Group 2	(c)	(c)	(c)	(c)
Interim	0.8428	1.4454	2.2882	2.0244
Final	1.3642	1.2117	2.5759	2.9292

Share class A Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.8116	-	1.8116	1.6416
Final	2.0040	-	2.0040	2.3521
Group 2	(c)	(c)	(c)	(c)
Interim	0.8983	0.9133	1.8116	1.6416
Final	0.9081	1.0959	2.0040	2.3521

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	2.3566	-	2.3566	2.0715
Final	2.6676	-	2.6676	3.0127
Group 2	(c)	(c)	(c)	(c)
Interim	0.8177	1.5389	2.3566	2.0715
Final	1.5609	1.1067	2.6676	3.0127

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.9394	-	1.9394	1.7528
Final	2.1647	-	2.1647	2.5193
Group 2	(c)	(c)	(c)	(c)
Interim	0.7403	1.1991	1.9394	1.7528
Final	1.1784	0.9863	2.1647	2.5193

Share class B Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.6625	-	1.6625	1.5182
Final	1.9170	-	1.9170	2.1400
Group 2	(c)	(c)	(c)	(c)
Interim	0.2177	1.4448	1.6625	1.5182
Final	0.9105	1.0065	1.9170	2.1400

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

Stewart Investors Latin America Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve long-term capital growth.

The Fund invests primarily in a diversified portfolio of equity and equity related instruments of issuers established or having significant operations in Latin America and listed, traded or dealt in on regulated markets worldwide.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class B Accumulation (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market: they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Concentration risk: the Fund invests in a relatively small number of companies or countries which may be riskier than a fund that invests in a large number of companies or countries. Investing in a larger number of companies or countries helps spread risk.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The fund rose by 40.7% in sterling terms over the year and has provided returns of 7.5% and 16.5% over three and five years to 31 July 2016.

Positive contributors over the period included M Dias Branco (Brazil: Consumer Staples) which rose on positive expectations for profitability and volumes - difficult times are good for their own brand, locally-produced products. Banco Bradesco (Brazil: Financials) climbed as the company's purchase of HSBC's Brazilian business received competition agency approval and Duratex (Brazil: Materials) rose as exports offset domestic weakness.

On the negative side, Vapores (Chile: Industrials) declined on global growth concerns and Porto Seguro (Brazil: Financials) was weak as investors anticipated that competitive pressures and weak consumption could put pressure on premiums. Copa Holdings (Panama: Industrials) suffered from weak demand in South America.

Portfolio changes

Significant purchases over the period included Qualitas (Mexico: Financials), Mexico's largest car insurer with 25% market share and entrepreneurial founders who are improving corporate governance. We bought Cementos Pacasmayo (Peru: Materials) which is attractively valued with a strong franchise and new plant. We believe that demand is likely to meet the extra capacity. We also bought Klabin (Brazil: Materials), a good quality forestry products company which is reasonably valued and well placed to sell into the export market.

We sold Cruz Blanca (Chile: Health Care) as the company was bought out and de-listed. We also sold Valid Solucoes (Brazil: Industrials) on valuation concerns and Copa (Panama: Industrials) as we lost conviction in the franchise.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Outlook

We continue to try to invest in high quality franchises which are reasonably valued. Following weakness during 2015, some companies are beginning to look more interesting in terms of valuation and we would look to take the opportunity of any further weakness to increase positions in our favoured names. Recent political issues around alleged corruption in Brazil should result in improving corporate governance over the long-term.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	21.0	52.8	40.7	7.5	16.5	-	125.5
Benchmark return %	15.7	48.3	25.1	(6.1)	(20.9)	-	31.7
Sector return %	11.0	25.6	18.1	16.5	20.5	-	83.7
Quartile ranking	1	1	1	3	3	-	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	40.7	(12.5)	(12.7)	3.1	5.1

Benchmark: MSCI Latin America Index.

Sector: IA Specialist.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Quinenco	6.09	Kimberly-Clark de Mexico 'A' Shares	7.32
Banco Bradesco	5.86	Quinenco	6.95
Duratex	5.76	Inversiones Aguas Metropolitanas	6.36
Inversiones Aguas Metropolitanas	5.29	Duratex	5.91
Mahle-Metal Leve	4.44	Grupo Herdez	4.25
M Dias Branco	4.42	Porto Seguro	4.12
Natura Cosmeticos	4.27	Cia Cervecerias Unidas ADR	3.97
Cia Cervecerias Unidas ADR	4.07	SONDA	3.95
SONDA	4.02	Embotelladora Andina 'A' Preference Shares	3.81
Embotelladora Andina 'A' Preference Shares	3.90	Empresa Nacional de Electricidad	3.22

Types of shares

Accumulation.

Stewart Investors Latin America Fund

Portfolio Statement

as at 31 July 2016

Holdings or Nominal Values	Market Value £'000	Total Net Assets %
UNITED KINGDOM (2.38%*)	2,967	1.79
592,153 Antofagasta	2,967	1.79
UNITED STATES (2.08%*)	6,604	3.98
103,921 Sociedad Quimica y Minera de Chile ADR	1,967	1.19
Cash and Short Term		
USD2,036,900 United States Treasury Bill 0% 18/08/2016	1,546	0.93
USD2,035,900 United States Treasury Bill 0% 22/09/2016	1,545	0.93
USD2,038,200 United States Treasury Bill 0% 29/09/2016	1,546	0.93
COLOMBIA (0.00%*)	632	0.38
184,550 Almacenes Exito	632	0.38
BRAZIL (30.99%*)	75,794	45.71
1,472,400 Banco Bradesco	9,720	5.86
4,262,979 Duratex	9,551	5.76
609,500 Engie Brasil Energia	5,808	3.50
246,254 Ez Tec Empreendimentos e Participacoes	994	0.60
924,300 Klabin	3,626	2.19
599,900 LPS Brasil Consultoria de Imoveis	646	0.39
277,565 M Dias Branco	7,325	4.42
1,186,989 Mahle-Metal Leve	7,368	4.44
268,200 Marcopolo	143	0.09
1,026,600 Natura Cosméticos	7,080	4.27
625,019 Porto Seguro	3,944	2.38
158,800 Raia Drogasil	2,341	1.41
625,300 Sonae Sierra Brasil	2,886	1.74
484,465 TOTVS	3,692	2.23
176,300 Ultrapar Participacoes	2,992	1.80
1,119,920 WEG	3,954	2.38
513,949 Wilson Sons BDR	3,724	2.25
CHILE (38.25%*)	52,178	31.46
742,448 Cencosud	1,581	0.95
390,830 Cia Cervecerias Unidas ADR	6,741	4.07
113,171,865 Cia Sud Americana de Vapores	1,543	0.93
2,506,635 Embotelladora Andina 'A' Preference Shares	6,468	3.90
3,670,693 Empresa Nacional de Electricidad	2,508	1.51
309,492 Empresa Nacional de Telecomunicaciones	2,285	1.38
2,725,810 Endesa Americas	959	0.58
6,899,252 Inversiones Aguas Metropolitanas	8,772	5.29
6,893,339 Quinenco	10,097	6.09
79,540,956 Sociedad Matriz SAAM	4,551	2.74
4,847,457 SONDA	6,673	4.02
MEXICO (14.63%*)	14,985	9.05
685,803 Grupo Financiero Santander Mexico ADR	4,741	2.86
1,769,055 Grupo Herdez	2,743	1.66
3,115,729 Kimberly-Clark de Mexico 'A' Shares	5,282	3.19
2,225,600 Qualitas Controladora	2,219	1.34

Stewart Investors Latin America Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
PERU (0.91%*)	4,157.00	2.51
1,317,957 Alicorp	2,219	1.34
1,394,271 Cementos Pacasmayo	1,938	1.17
Portfolio of investments	157,317	94.88
Net other assets	8,490	5.12
Total net assets	165,807	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

Stocks shown as ADRs and BDRs represent American Depositary Receipts and Brazilian Depositary Receipts, respectively.

Stewart Investors Latin America Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	159.69	182.41	209.24
Return before operating charges*	68.58	(19.08)	(22.91)
Operating charges	(3.44)	(3.64)	(3.92)
Return after operating charges*	65.14	(22.72)	(26.83)
Closing net asset value per share (p)	224.83	159.69	182.41
Retained distributions on accumulation shares*	0.37	1.19	2.43
*after direct transaction costs of:	0.12	0.38	0.33
Performance			
Return after charges (%)	40.79%	(12.46)%	(12.82)%
Other information			
Closing net asset value (£'000)	14,631	17,123	30,750
Closing number of shares	6,507,755	10,722,169	16,857,491
Operating charges	2.06%	2.04%	2.02%
Direct transaction costs	0.07%	0.21%	0.17%
Prices			
Highest share price	228.52	193.09	215.71
Lowest share price	142.92	160.26	168.55

Stewart Investors Latin America Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	168.08	190.47	216.39
Return before operating charges*	72.73	(20.19)	(23.41)
Operating charges	(2.13)	(2.20)	(2.51)
Return after operating charges*	70.60	(22.39)	(25.92)
Closing net asset value per share (p)	238.68	168.08	190.47
Retained distributions on accumulation shares*	2.08	2.76	4.47
*after direct transaction costs of:	0.13	0.39	0.34
Performance			
Return after charges (%)	42.00%	(11.76)%	(11.98)%
Other information			
Closing net asset value (£'000)	97,204	64,320	11,612
Closing number of shares	40,725,142	38,266,271	6,096,282
Operating charges	1.19%	1.19%	1.25%
Direct transaction costs	0.07%	0.21%	0.17%
Prices			
Highest share price	242.58	201.75	223.68
Lowest share price	150.52	168.68	175.40

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	211.49	213.69	214.36
Return before operating charges*	43.05	2.03	3.70
Operating charges	(3.98)	(4.23)	(4.37)
Return after operating charges*	39.07	(2.20)	(0.67)
Closing net asset value per share (c)	250.56	211.49	213.69
Retained distributions on accumulation shares*	1.89	2.72	11.70
*after direct transaction costs of:	0.15	0.47	0.38
Performance			
Return after charges (%)	18.47%	(1.03)%	(0.31)%
Other information			
Closing net asset value (€'000)	4,195	3,839	4,206
Closing number of shares	1,673,929	1,814,771	1,968,241
Operating charges	1.91%	1.92%	1.95%
Direct transaction costs	0.07%	0.21%	0.17%
Prices			
Highest share price	256.61	242.80	234.85
Lowest share price	174.52	193.49	186.88

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	105.89	106.62	110.36
Return before operating charges*	21.28	0.56	(2.41)
Operating charges	(1.21)	(1.29)	(1.33)
Return after operating charges*	20.07	(0.73)	(3.74)
Closing net asset value per share (c)	125.96	105.89	106.62
Retained distributions on accumulation shares*	1.34	1.74	2.22
*after direct transaction costs of:	0.08	0.23	0.19
Performance			
Return after charges (%)	18.95%	(0.68)%	(3.39)%
Other information			
Closing net asset value (€'000)	59,811	55,334	37,538
Closing number of shares	47,484,981	52,260,552	35,206,795
Operating charges	1.16%	1.17%	1.19%
Direct transaction costs	0.07%	0.21%	0.17%
Prices			
Highest share price	128.98	121.49	117.29
Lowest share price	87.66	96.64	93.06

Stewart Investors Latin America Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains/(losses)	2		47,019		(15,375)
Revenue	3	3,439		3,141	
Expenses	4	(1,609)		(1,364)	
Interest payable and similar charges		(4)		(1)	
Net revenue before taxation		1,826		1,776	
Taxation	5	(439)		(426)	
Net revenue after taxation			1,387		1,350
Total return before distributions			48,406		(14,025)
Distributions	6		(1,390)		(1,357)
Change in net assets attributable to shareholders from investment activities			47,016		(15,382)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		123,154		75,465
Amounts receivable on issue of shares	9,070		95,502	
Less: Amounts payable on cancellation of shares	(14,873)		(34,857)	
		(5,803)		60,645
Dilution adjustment		39		713
Change in net assets attributable to shareholders from investment activities		47,016		(15,382)
Retained distribution on accumulation shares		1,401		1,713
Closing net assets attributable to shareholders		165,807		123,154

Notes to the Financial Statements are on pages 409 to 413.

Stewart Investors Latin America Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>157,317</u>	<u>109,900</u>
Current assets			
Debtors	8	389	11,303
Cash and bank balances		<u>8,443</u>	<u>10,711</u>
Total assets		<u>166,149</u>	<u>131,914</u>
Liabilities			
Creditors			
Other creditors	9	<u>(342)</u>	<u>(8,760)</u>
Total liabilities		<u>(342)</u>	<u>(8,760)</u>
Net assets attributable to shareholders		<u>165,807</u>	<u>123,154</u>

Notes to the Financial Statements are on pages 409 to 413.

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains/(losses)

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	46,159	(15,451)
Forward foreign exchange currency contracts	(24)	(9)
Currency gains	884	85
Net capital gains/(losses)	47,019	(15,375)

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	11	38
Overseas taxable revenue	(23)	(25)
Overseas non-taxable revenue	2,448	2,458
Overseas scrip dividends	-	116
Interest from bank deposits	1	6
Interest from government and fixed interest securities	7	-
Interest on capital revenue from Brazilian companies	903	518
Front end load income	92	30
Total revenue	3,439	3,141

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,357	1,170
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	20	22
Other expenses:		
Audit fee	10	10
Registrar fees	43	44
Safe custody charges	95	76
Other expenses	84	42
	232	172
Total expenses	1,609	1,364

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	439	423
Brazilian IOF tax	-	3
Total taxation (note 5b)	439	426
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	1,826	1,776
Corporation tax of 20% (2015: 20%)	365	355
Effects of:		
UK dividends*	(2)	(8)
Non taxable scrip dividends*	-	(23)
Overseas non-taxable revenue*	(490)	(492)
Movement in excess management expenses	152	184
Irrecoverable overseas tax	439	423
Overseas tax expensed	(25)	(16)
Brazilian IOF tax	-	3
Total tax charge for year (note 5a)	439	426

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,461,257 (31/07/15: £1,309,359) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	453	453
Final distribution	948	1,260
	1,401	1,713
Add: revenue deducted on cancellation of shares	16	80
Deduct: revenue received on issue of shares	(27)	(436)
Net distributions for the year	1,390	1,357

Details of the distribution per share is set out in the Distribution Tables on pages 414 to 415.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	1,387	1,350
Movement in net income as a result of conversions	3	4
Brazilian IOF tax	-	3
Net distributions for the year	1,390	1,357

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Amounts receivable for issue of shares	356	11,191
Accrued revenue	33	112
Total debtors	389	11,303

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	-	7,738
Amounts payable for cancellation of shares	148	827
Accrued expenses	194	195
Total creditors	342	8,760

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	54,350	86,834	53,013	32,280
Trades in the year before transaction costs	54,350	86,834	53,013	32,280
Commissions				
Equities	36	109	(37)	(62)
Taxes				
Equities	12	29	(6)	(4)
Total costs	48	138	(43)	(66)
Total net trades in the year after transaction costs	54,398	86,972	52,970	32,214

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.07	0.13	0.07	0.19
Taxes				
Equities	0.02	0.03	0.01	0.01

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.06	0.18
Taxes	0.01	0.03
Total costs	0.07	0.21

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.66% (31/07/2015: 0.76%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

Notes to the Financial Statements

(continued)

as at 31 July 2016

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£15,732) (31/07/15: £10,990).

(b) Interest rate risk

The Fund significantly invests in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

As at 31 July 2016, 5.09% (31/07/15: 8.70%) of the Fund's assets were interest bearing.

As at 31 July 2016, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders of the Latin America Fund would have been an increase or decrease of approximately £33 (31/07/15: £27).

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

Currency	Net foreign currency assets	Net foreign currency assets
	31 July 2016	31 July 2015
	Total	Total
	£'000	£'000
Brazilian real	75,827	34,690
Chilean peso	45,438	39,275
Colombian peso	632	-
Euro	161	11,531
Mexican peso	10,245	14,258
Peruvian nuevo sol	4,157	1,119
US dollar	21,271	18,703
	<u>157,731</u>	<u>119,576</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.76% (£7,887) (31/07/15: 4.85% (£5,979)).

Notes to the Financial Statements

(continued)

as at 31 July 2016

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £139 (31/07/15: £115) due at the year end.

As at 31 July 2016 RBC as trustee for First State Investment Services (UK) Limited Employee Benefits Trust, a related party of the ACD, owned 0.10% (31/07/15: 0.08%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.75
Share class B Accumulation (Institutional):	1.00
Share class A Accumulation (EUR share class) (Retail):	1.75
Share class B Accumulation (EUR share class) (Institutional):	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 403 to 406.

The distributions per share class are given in the Distribution Tables on pages 414 to 415.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	10,722,169	303,880	(1,889,077)	(2,629,217)	6,507,755
Share class B Accumulation (Institutional)	38,266,271	983,752	(1,013,835)	2,488,954	40,725,142
Share class A Accumulation (EUR share class) (Retail)	1,814,771	342,629	(483,471)	-	1,673,929
Share class B Accumulation (EUR share class) (Institutional)	52,260,552	7,716,208	(12,491,779)	-	47,484,981

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	157,317	-	109,900	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	157,317	-	109,900	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

Stewart Investors Latin America Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1907
Final	0.3702	-	0.3702	0.9964
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	0.1907
Final	0.0800	0.2902	0.3702	0.9964

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.7202	-	0.7202	0.9298
Final	1.3643	-	1.3643	1.8271
Group 2	(p)	(p)	(p)	(p)
Interim	0.3694	0.3508	0.7202	0.9298
Final	0.4637	0.9006	1.3643	1.8271

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.2866	-	0.2866	0.7908
Final	1.6018	-	1.6018	1.9273
Group 2	(c)	(c)	(c)	(c)
Interim	0.2241	0.0625	0.2866	0.7908
Final	0.7661	0.8357	1.6018	1.9273

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.4806	-	0.4806	0.5756
Final	0.8620	-	0.8620	1.1647
Group 2	(c)	(c)	(c)	(c)
Interim	0.4447	0.0359	0.4806	0.5756
Final	0.3204	0.5416	0.8620	1.1647

Distribution Tables

(continued)

for the year ended 31 July 2016

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Diversified Growth Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to protect against UK inflation and provide growth by achieving a positive return of 4% in excess of the UK Retail Price Index over a rolling 5 year period.

By investing in the Fund, capital is at risk. There is no guarantee that the Fund will deliver positive returns over this, or any other period.

The Fund will adopt a total return approach and invest in a broad range of traditional and alternative asset classes globally which may include but are not limited to inflation linked bonds, developed and emerging market equities, developed and emerging market debt, and exchange traded funds. In order to gain exposure to these asset classes the Fund may invest in transferable securities, money market instruments, collective investment schemes, derivatives and deposits.

Up to 100% of the net assets of the Fund may be invested in other collective investment schemes, including in collective investment schemes managed by the ACD or its associates ("Associated Schemes"), and/or other Funds of the Company ("Second Funds").

Investment may be in cash or near cash.

Derivatives may include, but shall not be limited to, foreign exchange forwards, futures, options and swaps.

- The Fund may use derivatives for the purposes of meeting its investment objective and for Efficient Portfolio Management purposes.
- Clarification point 1: For the avoidance of doubt, if the UK Retail Prices Index is discontinued or is no longer accepted as a relevant market standard indicator of UK Inflation, the ACD may substitute a replacement benchmark. It is the intention of the ACD that the replacement benchmark (if any) will be as close as possible to the UK Retail Prices Index and shall not affect the Fund's investment policy, intended return or risk profile. Any such change of benchmark will be pre-notified to Shareholders.
- Clarification point 2: The Diversified Growth Fund follows the Absolute VaR approach to calculating Global Exposure with a maximum limit of 20%. We expect the maximum leverage for this Fund, calculated using the Sum of Notionals Approach, to be 500%. Leverage may however, in certain circumstances, exceed such maximum figure.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class B Accumulation	1	2	3	4	5*	6
Share class B Hedged Accumulation (EUR share class)	1	2	3	4	5*	6
Share class B Hedged Accumulation (USD share class)	1	2	3	4	5*	6
Share class Z Accumulation	1	2	3	4	5*	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

*The SRRI changed from 4 to 5 on 25 December 2015.

The Fund might also experience the following risks:

Investment risk: investments held by the Fund are subject to normal market fluctuations and other risks inherent in investing in securities. For example, the value of shares of companies varies from day to day in response to activities of individual companies and general market and economic conditions. The value of investments and the income from them, and therefore the value of the Fund can go down as well as up and you may lose money. Changes in exchange rates between currencies may also cause the value of the investments to go down or up.

for the year ended 31 July 2016

Market risk: in falling markets the price of investments may fluctuate (go up and down) more than usual. In such circumstances, the price of investments may defy analysis or expectation for long periods of time, and can be influenced by large market movements as a result of short-term factors and speculation. Large market movements can sometimes weaken what is deemed to be a sound investment in a particular investment. Therefore, investment expectations may fail to be achieved in such instances.

Inflation risk: inflation describes a general increase in prices for goods and services and it is usually measured as an annual percentage. With inflation, your money will buy a smaller percentage of goods and services. Inflation may also affect the future buying power of an investment in the Fund. If the returns on the investment have not beaten the rate of inflation, you will have less buying power in the future.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

The Fund rose 5.9% over the 12 months to the end of July, outperforming its benchmark which was up 1.3% over the period. Positive performance was achieved predominantly in the second half of the year driven by the Fund's exposure to equity markets, as well as high yield and emerging market debt, in the context of a strong performance for risk assets in this period.

Portfolio changes

Having increased equity exposure in December and January, and then again, tactically, in February following a sell-off of risk assets, we reduced it after our asset allocation review in May. At the same time we increased our US and European high yield segments given the lower risk alternative those provide.

UK government and global bonds remained our largest allocation throughout the period. The Fund's exposure to interest rate risk (duration) was increased by lengthening the maturity on the UK gilts before switching the allocation from Nominal to Inflation-Linked gilts in March. We also introduced an allocation to emerging market local currency bonds, which increases diversification. Our foreign currency exposure was reduced, particularly since the turn of the year, in view of the substantial decline in GBP.

At the end of July, we had 59% invested in bonds and cash. The equity holdings amounted to 38%, evenly split between UK and global. The remaining 3% was allocated to commodities. The Fund has 29% exposure to foreign currencies, including emerging market currencies, through a mix of direct holdings in equity and bonds and foreign exchange forwards.

Market outlook

Structural supply and demand imbalances in oil, coupled with a strong USD and sub-par global growth should continue to hold down global inflation. In the US, despite improving economic numbers, the Federal Reserve will remain cautiously optimistic and concerned about low inflation and soft business investment. Those factors will continue to dampen the trajectory of the expected interest rate rises in the US, providing a key support for US equities in the process.

Although the UK vote to leave the EU was no systemic event, this decision will take time to play out, and has led us to revise lower our long term growth expectations for the UK. The main impact of the referendum will be felt domestically but by forcing the Bank of England to join the ranks of central banks easing monetary policy further, this result brings another factor ensuring global yields will remain low if not negative for longer. With the current miserly yields on offer, this will continue to deprive investors from the once safe haven of fixed income markets.

This on-going policy divergence, together with the event risks surrounding the 'Brexit' negotiations, and uncertainty around the US elections are significant enough to provide volatility in equity, fixed income and foreign exchange markets until year end.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	4.2	11.4	5.9	-	-	-	4.5
Benchmark return %	0.8	0.8	1.3	-	-	-	1.5
Sector return %	7.9	12.6	6.3	-	-	-	5.1
Quartile ranking	4	3	3	-	-	-	3

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	5.9	-	-	-	-

Benchmark: RPI published by the UK Office of National Statistics

Past performance should not be used as a guide to future performance, which is not guaranteed.

First State Diversified Growth Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Ten largest holdings

Stock name	31 July 2016		31 July 2015	
	% of Fund	Stock name	% of Fund	
United Kingdom Gilt 4% 07/09/2016	8.43	United Kingdom Gilt 2% 22/01/2016	14.25	
United Kingdom Gilt Inflation Linked 1.875% 22/11/2022	8.07	United Kingdom Gilt 4% 07/09/2016	13.99	
iShares USD High Yield Corporate Bond UCITS ETF	7.99	United States Treasury Note 0.625% 15/07/2016	8.68	
iShares Euro High Yield Corporate Bond UCITS ETF	5.18	United States Treasury Note 0.25% 15/12/2015	8.67	
United Kingdom Gilt Inflation Linked 0.125% 22/03/2024	4.66	United States Treasury Note 0.25% 30/09/2015	8.66	
LYXOR Commodities Thomson Reuters ETF	3.14	iShares Core MSCI Emerging Markets IMI UCITS ETF	3.08	
db x-trackers II-IBOxx Euro High Yield Bond UCITS ETF	2.50	LYXOR ETF Commodities Thomson Reuters	2.37	
Indonesia Treasury Bond 11% 15/09/2025	1.62	British American Tobacco	0.59	
Malaysia Government Bond 4.048% 30/09/2021	1.54	GlaxoSmithKline	0.57	
Brazil Letras do Tesouro Nacional 0% 01/01/2019	1.98	AstraZeneca	0.55	

Types of shares

Accumulation.

First State Diversified Growth Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (44.22%*)‡	7,910	45.05
1,749 3i Group	11	0.06
359 Admiral Group	8	0.04
4,429 Anglo American	37	0.21
1,203 Antofagasta	6	0.03
55 Aon	5	0.03
1,903 Ashtead Group	23	0.13
888 Associated British Foods	24	0.14
2,685 AstraZeneca	136	0.77
7,154 Aviva	28	0.16
1,899 Babcock International Group	18	0.10
12,232 BAE Systems	65	0.37
29,615 Barclays	47	0.27
2,946 Barratt Developments	13	0.07
369 Berkeley Group Holdings	10	0.06
7,158 BHP Billiton	68	0.39
29,668 BP	126	0.72
2,536 British American Tobacco	120	0.68
1,811 British Land REIT**	12	0.07
1,267 Bunzl	30	0.17
1,325 Burberry Group	17	0.10
2,545 Capita	24	0.14
538 Carnival	20	0.11
59 Charter Communications 'A' Shares	11	0.06
4,864 Compass Group	69	0.39
5,717 Diageo	125	0.71
2,539 Direct Line Insurance Group	9	0.05
2,917 Dixons Carphone	10	0.06
939 easyJet	10	0.06
3,629 Experian	53	0.30
574 Fresnillo	11	0.06
161 G4S	-	-
5,024 GKN	14	0.08
7,361 GlaxoSmithKline	124	0.71
39,518 Glencore	73	0.42
1,387 Hammerson REIT**	8	0.05
386 Hargreaves Lansdown	5	0.03
24,564 HSBC Holdings	122	0.69
2,460 Imperial Tobacco Group	97	0.55
1,902 Informa	14	0.08
679 InterContinental Hotels Group	20	0.11
6,928 International Consolidated Airlines Group	29	0.17
608 Intertek Group	22	0.12
1,658 Intu Properties REIT**	5	0.03
10,189 iShares Euro High Yield Corporate Bond UCITS ETF#	910	5.18
11,596 ITV	23	0.13
3,705 J Sainsbury	8	0.05
666 Johnson Matthey	22	0.12
6,801 Kingfisher	23	0.13
1,404 Land Securities Group REIT**	15	0.09
10,901 Legal & General Group	22	0.12
115,956 Lloyds Banking Group	62	0.35
552 London Stock Exchange Group	15	0.09
4,990 Marks & Spencer Group	16	0.09

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings or Nominal Values	Market Value £'000	Total Net Assets %
1,112 Mediclinic International	12	0.07
2,098 Merlin Entertainments	10	0.06
1,269 Mondi	19	0.11
424 Next	21	0.12
8,643 Old Mutual	18	0.10
2,409 Pearson	21	0.12
897 Persimmon	15	0.09
258 Provident Financial	7	0.04
4,621 Prudential	61	0.35
316 Randgold Resources	27	0.15
1,552 Reckitt Benckiser Group	110	0.63
3,332 RELX	48	0.27
4,098 Rio Tinto	100	0.57
6,951 Rolls-Royce Holdings	56	0.32
5,731 Royal Bank of Scotland Group	11	0.06
6,563 Royal Dutch Shell 'A' Shares	128	0.73
6,274 Royal Dutch Shell 'B' Shares	127	0.72
3,541 Royal Mail	18	0.10
1,796 RSA Insurance Group	9	0.05
2,429 SABMiller	107	0.61
200 Schroders	5	0.03
1,733 Shire	85	0.48
3,074 Sky	28	0.16
2,552 Smith & Nephew	32	0.18
917 St James's Place	8	0.05
3,571 Standard Life	11	0.06
10,111 Taylor Wimpey	15	0.09
20,640 Tesco	32	0.18
957 Travis Perkins	15	0.09
3,086 Unilever	108	0.62
GBP1,474,674 United Kingdom Gilt 4% 07/09/2016	1,480	8.43
GBP880,744 United Kingdom Gilt Inflation Linked 1.875% 22/11/2022	1,417	8.07
GBP653,859 United Kingdom Gilt Inflation Linked 0.125% 22/03/2024	818	4.66
10 Weir Group	-	-
544 Whitbread	21	0.12
5,595 WM Morrison Supermarkets	10	0.06
965 Wolseley	40	0.23
3,799 WPP	65	0.37
UNITED STATES (41.28%*)‡	3,974	22.62
124 3M	17	0.10
300 Abbott Laboratories	10	0.06
329 AbbVie	16	0.09
126 Accenture	11	0.06
103 Activision Blizzard	3	0.02
100 Adobe Systems	7	0.04
70 Aetna	6	0.03
86 Aflac	5	0.03
67 Agilent Technologies	2	0.01
41 Air Products & Chemicals	5	0.03
45 Alexion Pharmaceuticals	4	0.02
79 Allergan	15	0.08
78 Allstate	4	0.02
59 Alphabet 'A' Shares	34	0.19
63 Alphabet 'C' Shares	36	0.20

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
395 Altria Group	20	0.11
80 Amazon.com	46	0.26
99 American Electric Power	5	0.03
168 American Express	8	0.04
249 American International Group	10	0.06
85 American Tower REIT**	8	0.05
35 Ameriprise Financial	3	0.02
55 AMETEK	2	0.01
152 Amgen	20	0.11
62 Amphenol	3	0.02
102 Anadarko Petroleum	4	0.02
63 Analog Devices	3	0.02
53 Anthem	5	0.03
76 Apache	3	0.02
1,121 Apple	89	0.51
241 Applied Materials	5	0.03
120 Archer-Daniels-Midland	4	0.02
1,237 AT&T	40	0.23
93 Automatic Data Processing	6	0.03
6 AutoZone	4	0.02
27 AvalonBay Communities REIT**	4	0.02
88 Baker Hughes	3	0.02
108 Ball	6	0.03
2,092 Bank of America	23	0.13
220 Bank of New York Mellon	7	0.04
106 Baxter International	4	0.02
163 BB&T	5	0.03
42 Becton Dickinson	6	0.03
238 Berkshire Hathaway 'B' Shares	26	0.15
45 Biogen	10	0.06
25 BlackRock	7	0.04
128 Boeing	13	0.07
31 Boston Properties REIT**	3	0.02
271 Boston Scientific	5	0.03
336 Bristol-Myers Squibb	19	0.11
78 Broadcom	10	0.06
107 Capital One Financial	5	0.03
66 Cardinal Health	4	0.02
83 Carnival	3	0.02
117 Caterpillar	7	0.04
87 CBS	4	0.02
158 Celgene	13	0.07
110 CenturyLink	3	0.02
62 Cerner	3	0.02
238 Charles Schwab	5	0.03
40 Cheniere Energy	1	0.01
378 Chevron	29	0.16
93 Chubb	9	0.05
52 Cigna	5	0.03
1,020 Cisco Systems	24	0.14
598 Citigroup	20	0.11
26 Clorox	3	0.02
65 CME Group	5	0.03
831 Coca-Cola	28	0.16

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
122 Cognizant Technology Solutions	5	0.03
171 Colgate-Palmolive	10	0.06
499 Comcast 'A' Shares	26	0.15
87 ConAgra Foods	3	0.02
26 Concho Resources	2	0.01
248 ConocoPhillips	8	0.05
59 Consolidated Edison	4	0.02
35 Constellation Brands 'A' Shares	4	0.02
238 Corning	4	0.02
88 Costco Wholesale	11	0.06
15 CR Bard	3	0.02
67 Crown Castle International REIT**	5	0.03
196 CSX	4	0.02
34 Cummins	3	0.02
223 CVS Health	16	0.09
124 Danaher	8	0.05
63 Deere	4	0.02
56 Delphi Automotive	3	0.02
49 Dentsply Sirona	2	0.01
92 Devon Energy	3	0.02
86 Discover Financial Services	4	0.02
59 Dollar General	4	0.02
45 Dollar Tree	3	0.02
120 Dominion Resources	7	0.04
226 Dow Chemical	9	0.05
38 Dr Pepper Snapple Group	3	0.02
36 DTE Energy	3	0.02
138 Duke Energy	9	0.05
93 Eaton	5	0.03
217 eBay	5	0.03
53 Ecolab	5	0.03
65 Edison International	4	0.02
43 Edwards Lifesciences	4	0.02
176 El du Pont de Nemours & Company	9	0.05
63 Electronic Arts	4	0.02
201 Eli Lilly & Company	13	0.07
390 EMC	8	0.05
132 Emerson Electric	6	0.03
110 EOG Resources	7	0.04
28 Equifax	3	0.02
13 Equinix REIT**	4	0.02
73 Equity Residential REIT**	4	0.02
13 Essex Property Trust REIT**	2	0.01
45 Estee Lauder	3	0.02
64 Eversource Energy	3	0.02
185 Exelon	5	0.03
136 Express Scripts Holding	8	0.05
837 Exxon Mobil	57	0.32
457 Facebook	43	0.24
54 FedEx	7	0.04
57 Fidelity National Information Services	3	0.02
46 Fiserv	4	0.02
745 Ford Motor	7	0.04
62 Fortive	2	0.01

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
84 Franklin Resources	2	0.01
54 General Dynamics	6	0.03
1,897 General Electric	45	0.26
115 General Growth Properties REIT**	3	0.02
120 General Mills	6	0.03
284 General Motors	7	0.04
290 Gilead Sciences	18	0.10
77 Goldman Sachs Group	9	0.05
172 Halliburton	6	0.03
82 Hartford Financial Services Group	3	0.02
66 HCA Holdings	4	0.02
93 HCP REIT**	3	0.02
56 Hess	2	0.01
363 Hewlett Packard Enterprise	6	0.03
255 Home Depot	27	0.15
147 Honeywell International	13	0.07
361 HP	4	0.02
30 Humana	4	0.02
66 Illinois Tool Works	6	0.03
29 Illumina	4	0.02
52 Ingersoll-Rand	3	0.02
1 Ingevity	-	-
949 Intel	25	0.14
24 Intercontinental Exchange	5	0.03
185 International Business Machines	23	0.13
79 International Paper	3	0.02
50 Intuit	4	0.02
8 Intuitive Surgical	4	0.02
18,057 iShares USD High Yield Corporate Bond UCITS ETF#	1,403	7.99
24 JM Smucker	3	0.02
556 Johnson & Johnson	53	0.30
130 Johnson Controls	5	0.03
740 JPMorgan Chase & Company	36	0.21
53 Kellogg	3	0.02
76 KeyCorp	1	0.01
73 Kimberly-Clark	7	0.04
382 Kinder Morgan	6	0.03
122 Kraft Heinz	8	0.05
186 Kroger	5	0.03
50 L Brands	3	0.02
80 Las Vegas Sands	3	0.02
61 Level 3 Communications	2	0.01
125 Liberty Global 'C' Shares	3	0.02
15 Liberty Global 'C Tracking' Shares	-	-
56 Lockheed Martin	11	0.06
184 Lowe's	11	0.06
29 M&T Bank	3	0.02
73 Macy's	2	0.01
107 Marathon Petroleum	3	0.02
1 Markel	1	0.01
105 Marsh & McLennan	5	0.03
199 MasterCard	14	0.08
185 McDonald's	17	0.10
46 McKesson	7	0.04

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
40 Mead Johnson Nutrition	3	0.02
284 Medtronic	19	0.11
562 Merck & Company	25	0.14
190 MetLife	6	0.03
1,526 Microsoft	65	0.37
37 Molson Coors Brewing 'B' Shares	3	0.02
319 Mondelez International 'A' Shares	11	0.06
88 Monsanto	7	0.04
29 Monster Beverage	4	0.02
36 Moody's	3	0.02
292 Morgan Stanley	6	0.03
84 Mylan	3	0.02
82 Netflix	6	0.03
89 Newell Brands	3	0.02
106 Newmont Mining	3	0.02
93 NextEra Energy	9	0.05
70 Nielsen Holdings	3	0.02
273 NIKE 'B' Shares	11	0.06
86 Noble Energy	2	0.01
60 Norfolk Southern	4	0.02
44 Northern Trust	2	0.01
35 Northrop Grumman	6	0.03
64 Nucor	3	0.02
108 NVIDIA	5	0.03
154 Occidental Petroleum	9	0.05
49 Omnicom Group	3	0.02
644 Oracle	20	0.11
20 O'Reilly Automotive	4	0.02
71 PACCAR	3	0.02
13 Palo Alto Networks	1	0.01
27 Parker-Hannifin	2	0.01
65 Paychex	3	0.02
221 PayPal	6	0.03
293 PepsiCo	24	0.14
1,241 Pfizer	35	0.20
99 PG&E	5	0.03
312 Philip Morris International	23	0.13
107 Phillips 66	6	0.03
32 Pioneer Natural Resources	4	0.02
102 PNC Financial Services Group	6	0.03
54 PPG Industries	4	0.02
135 PPL	4	0.02
57 Praxair	5	0.03
10 Priceline Group	10	0.06
547 Procter & Gamble	35	0.20
117 Progressive	3	0.02
105 Prologis REIT**	4	0.02
90 Prudential Financial	5	0.03
102 Public Service Enterprise Group	3	0.02
30 Public Storage REIT**	5	0.03
302 QUALCOMM	14	0.08
61 Raytheon	6	0.03
50 Realty Income REIT**	3	0.02
15 Regeneron Pharmaceuticals	5	0.03

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
173 Reynolds American	7	0.04
27 Rockwell Automation	2	0.01
30 Rockwell Collins	2	0.01
20 Roper Technologies	3	0.02
82 Ross Stores	4	0.02
54 S&P Global	5	0.03
127 salesforce.com	8	0.05
280 Schlumberger	17	0.10
47 Sempra Energy	4	0.02
16 Sherwin-Williams	4	0.02
62 Simon Property Group REIT**	10	0.06
183 Southern	7	0.04
135 Spectra Energy	4	0.02
57 St Jude Medical	3	0.02
30 Stanley Black & Decker	3	0.02
299 Starbucks	13	0.07
81 State Street	4	0.02
68 Stryker	6	0.03
102 SunTrust Banks	3	0.02
125 Symantec	2	0.01
168 Synchrony Financial	3	0.02
113 Sysco	4	0.02
50 T Rowe Price Group	3	0.02
118 Target	7	0.04
78 TE Connectivity	3	0.02
20 Tesla Motors	3	0.02
204 Texas Instruments	11	0.06
80 Thermo Fisher Scientific	10	0.06
161 Time Warner	9	0.05
135 TJX	8	0.05
61 Travelers	5	0.03
235 Twenty-First Century Fox	5	0.03
99 Twitter	1	0.01
85 Tyco International	3	0.02
59 Tyson Foods 'A' Shares	3	0.02
172 Union Pacific	12	0.07
140 United Parcel Service	11	0.06
169 United Technologies	14	0.08
192 UnitedHealth Group	21	0.12
352 US Bancorp	11	0.06
97 Valero Energy	4	0.02
67 Ventas REIT**	4	0.02
818 Verizon Communications	34	0.19
49 Vertex Pharmaceuticals	3	0.02
69 VF	3	0.02
391 Visa	23	0.13
34 Vornado Realty Trust REIT**	3	0.02
27 Vulcan Materials	3	0.02
175 Walgreens Boots Alliance	10	0.06
322 Wal-Mart Stores	18	0.10
316 Walt Disney	23	0.13
90 Waste Management	4	0.02
63 WEC Energy Group	3	0.02
975 Wells Fargo & Company	35	0.20

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
71 Welltower REIT**	4	0.02
158 Weyerhaeuser REIT**	4	0.02
17 Whirlpool	2	0.01
144 Williams	2	0.01
102 Xcel Energy	3	0.02
180 Yahoo!	5	0.03
87 Yum! Brands	6	0.03
38 Zimmer Biomet Holdings	4	0.02
95 Zoetis	4	0.02
CANADA (0.83%*)‡	119	0.69
41 Agrium	3	0.02
84 Alimentation Couche-Tard 'B' Shares	3	0.02
130 Bank of Montreal	6	0.03
244 Bank of Nova Scotia	9	0.05
234 Barrick Gold	4	0.02
178 Brookfield Asset Management 'A' Shares	5	0.03
3 Brookfield Business Partners	-	-
80 Canadian Imperial Bank of Commerce	5	0.03
160 Canadian National Railway	8	0.04
220 Canadian Natural Resources	5	0.03
29 Canadian Pacific Railway	3	0.02
256 Cenovus Energy	3	0.02
186 Enbridge	6	0.03
150 Goldcorp	2	0.01
55 Imperial Oil	1	-
21 Loblaw	1	0.01
81 Magna International	2	0.01
400 Manulife Financial	4	0.02
30 National Bank of Canada	1	0.01
265 Potash Corp of Saskatchewan	3	0.02
4 PrairieSky Royalty	-	-
42 Rogers Communications	1	0.01
302 Royal Bank of Canada	14	0.08
124 Sun Life Financial	3	0.02
320 Suncor Energy	6	0.03
79 Thomson Reuters	3	0.02
376 Toronto-Dominion Bank	12	0.07
143 TransCanada	5	0.03
68 Valeant Pharmaceuticals International	1	0.01
BELGIUM (0.09%*)	15	0.08
162 Anheuser-Busch InBev	15	0.08
DENMARK (0.15%*)	24	0.14
142 Danske Bank	3	0.02
394 Novo Nordisk 'B' Shares	17	0.10
22 Pandora	2	0.01
45 Vestas Wind Systems	2	0.01
FINLAND (0.05%*)	11	0.07
68 Kone 'B' Shares	3	0.02
1,161 Nokia	5	0.03
90 Sampo 'A' Shares	3	0.02

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
FRANCE (3.36%*)	685	3.90
69 Air Liquide	6	0.03
396 AXA	6	0.03
213 BNP Paribas	8	0.05
33 Capgemini	2	0.01
3 Carrefour	-	-
38 Cie Generale des Etablissements Michelin	3	0.02
119 Danone	7	0.04
294 Engie	4	0.02
41 Essilor International	4	0.02
54 Legrand	2	0.01
51 L'Oreal	7	0.04
47 L'Oreal Loyalty Bonus	7	0.04
56 LVMH Moet Hennessy Louis Vuitton	7	0.04
44,211 LYXOR Commodities Thomson Reuters ETF#	551	3.14
400 Orange	5	0.03
43 Pernod Ricard	4	0.02
39 Renault	3	0.02
63 Safran	3	0.02
96 Saint-Gobain	3	0.02
236 Sanofi	15	0.09
112 Schneider Electric	6	0.03
146 Societe Generale	4	0.02
448 TOTAL	16	0.09
20 Unibail-Rodamco REIT**	4	0.02
96 Vinci	5	0.03
234 Vivendi	3	0.02
GERMANY (0.97%*)‡	147	0.83
42 adidas	5	0.03
92 Allianz	10	0.06
185 BASF	11	0.06
166 Bayer	13	0.07
67 Bayerische Motoren Werke	4	0.02
22 Continental	4	0.02
194 Daimler	10	0.06
277 Deutsche Bank	3	0.02
39 Deutsche Boerse	3	0.02
195 Deutsche Post	4	0.02
672 Deutsche Telekom	9	0.05
402 E.ON	3	0.02
77 Fresenius	4	0.02
44 Fresenius Medical Care	3	0.02
36 Henkel Preference Shares	3	0.02
227 Infineon Technologies	3	0.02
37 Linde	4	0.02
34 Muenchener Rueckversicherungs-Gesellschaft	4	0.02
198 SAP	13	0.07
159 Siemens	13	0.07
1,382 TUI	14	0.08
37 Volkswagen Preference Shares	4	0.02
94 Vonovia	3	0.02

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
IRELAND (0.27%*)	108	0.62
2,762 CRH	63	0.36
334 DCC	22	0.13
240 Paddy Power Betfair	21	0.12
26 Willis Towers Watson	2	0.01
ITALY (0.26%*)	19	0.10
235 Assicurazioni Generali	2	0.01
1,533 Enel	5	0.03
511 Eni	6	0.03
2,550 Intesa Sanpaolo	4	0.02
958 UniCredit	2	0.01
LUXEMBOURG (0.00%*)	438	2.50
29,545 db x-trackers II-IBOxx Euro High Yield Bond UCITS ETF#	438	2.50
NETHERLANDS (0.35%*)	49	0.28
5 Aegon	-	-
119 Airbus Group	5	0.03
51 Akzo Nobel	2	0.01
70 ASML Holding	6	0.03
46 Heineken	3	0.02
777 ING Group	7	0.04
158 Koninklijke Ahold Delhaize	3	0.02
199 Koninklijke Philips	4	0.02
77 LyondellBasell Industries	5	0.03
203 RELX	3	0.02
330 Unilever	11	0.06
NORWAY (0.04%*)	3	0.02
227 Statoil	3	0.02
SPAIN (0.29%*)‡	37	0.20
88 Amadeus IT Holding	3	0.02
1,307 Banco Bilbao Vizcaya Argentaria 'A' Shares	6	0.03
2,900 Banco Santander	9	0.05
1,105 Iberdrola	6	0.03
219 Industria de Diseno Textil	6	0.03
906 Telefonica	7	0.04
SWEDEN (0.22%*)	32	0.19
201 Assa Abloy	3	0.02
135 Atlas Copco	3	0.02
191 Hennes & Mauritz 'B' Shares	4	0.02
92 Investor 'B' Shares	2	0.01
611 Nordea Bank	4	0.02
122 Svenska Cellulosa 'B' Shares	3	0.02
301 Svenska Handelsbanken 'A' Shares	3	0.02
182 Swedbank 'A' Shares	3	0.02
612 Telefonaktiebolaget LM Ericsson 'B' Shares	4	0.02
310 Volvo 'B' Shares	3	0.02

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
SWITZERLAND (1.00%*)	160	0.92
442 ABB	7	0.04
21 Actelion	3	0.02
105 Cie Financiere Richemont	5	0.03
496 Coca-Cola HBC	8	0.05
382 Credit Suisse Group	3	0.02
2 Givaudan	3	0.02
92 LafargeHolcim	3	0.02
641 Nestle	39	0.22
458 Novartis	29	0.17
141 Roche Holding	27	0.15
71 Swiss Re	5	0.03
3 Swisscom	1	0.01
19 Syngenta	6	0.03
28 Syngenta 2nd Line	8	0.04
735 UBS Group	8	0.04
30 Zurich Insurance Group	5	0.03
JAPAN (1.36%*)	233	1.33
82 Ajinomoto	2	0.01
55 Asahi Group Holdings	1	-
401 Astellas Pharma	5	0.03
106 Bridgestone	3	0.02
209 Canon	5	0.03
25 Central Japan Railway	4	0.02
43 Dai-ichi Life Insurance	-	-
88 Daiichi Sankyo	2	0.01
40 Daikin Industries	3	0.02
82 Daiwa House Industry	2	0.01
226 Daiwa Securities Group	1	-
79 Denso	2	0.01
58 East Japan Railway	4	0.02
35 Eisai	2	0.01
36 FANUC	5	0.03
8 Fast Retailing	2	0.01
94 Fuji Heavy Industries	3	0.02
47 FUJIFILM Holdings	1	-
487 Hitachi	2	0.01
364 Honda Motor	7	0.04
160 Hoya	4	0.02
368 ITOCHU	3	0.02
159 Japan Tobacco	5	0.03
38 JFE Holdings	-	-
73 Kao	3	0.02
300 KDDI	7	0.04
4 Keyence	2	0.01
16 Kirin Holdings	-	-
165 Komatsu	2	0.01
195 Kubota	2	0.01
32 Kyocera	1	-
239 Mitsubishi	3	0.02
330 Mitsubishi Electric	3	0.02
172 Mitsubishi Estate	2	0.01
521 Mitsubishi Heavy Industries	2	0.01
2,565 Mitsubishi UFJ Financial Group	10	0.06

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
399 Mitsui & Company	4	0.02
127 Mitsui Fudosan	2	0.01
4,739 Mizuho Financial Group	6	0.03
68 MS&AD Insurance Group Holdings	1	0.01
21 Murata Manufacturing	2	0.01
38 Nidec	3	0.02
10 Nintendo	2	0.01
200 Nippon Steel & Sumitomo Metal	3	0.02
200 Nippon Telegraph & Telephone	7	0.04
496 Nissan Motor	4	0.02
47 Nitto Denko	2	0.01
696 Nomura Holdings	2	0.01
300 NTT DOCOMO	6	0.03
32 Oriental Land	2	0.01
280 ORIX	3	0.02
56 Otsuka Holdings	2	0.01
454 Panasonic	3	0.02
34 Rakuten	-	-
2 Resona Holdings	-	-
37 Secom	2	0.01
111 Seven & i Holdings	4	0.02
18 Shin-Etsu Chemical	1	0.01
9 SMC	2	0.01
200 SoftBank Group	8	0.05
45 Sampo Japan Nipponkoa Holdings	1	0.01
291 Sony	7	0.04
293 Sumitomo	2	0.01
22 Sumitomo Electric Industries	-	-
276 Sumitomo Mitsui Financial Group	7	0.04
467 Sumitomo Mitsui Trust Holdings	1	0.01
48 Sumitomo Realty & Development	1	0.01
58 Suzuki Motor	1	0.01
111 Takeda Pharmaceutical	4	0.02
96 Tokio Marine Holdings	3	0.02
829 Tokyo Gas	3	0.02
412 Toray Industries	3	0.02
689 Toshiba	1	0.01
537 Toyota Motor	23	0.13
AUSTRALIA (0.59%*)	97	0.56
228 Amcor	2	0.01
637 AMP	2	0.01
603 Australia & New Zealand Banking Group	9	0.05
645 BHP Billiton	7	0.04
374 Brambles	3	0.02
343 Commonwealth Bank of Australia	15	0.09
93 CSL	6	0.03
64 Macquarie Group	3	0.02
548 National Australia Bank	8	0.05
137 Rio Tinto	4	0.02
1,070 Scentre Group REIT**	3	0.02
280 Suncorp Group	2	0.01
860 Telstra	3	0.02
408 Transurban Group	3	0.02
226 Wesfarmers	6	0.03

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings or Nominal Values	Market Value £'000	Total Net Assets %
397 Westfield REIT**	2	0.01
689 Westpac Banking	12	0.07
229 Woodside Petroleum	4	0.02
255 Woolworths	3	0.02
HONG KONG (0.37%*)	96	0.56
2,657 AIA Group	12	0.07
496 BOC Hong Kong Holdings	1	0.01
869 Cheung Kong Property Holdings	5	0.03
982 CK Hutchison Holdings	9	0.05
692 CLP Holdings	5	0.03
204 Hang Seng Bank	3	0.02
3,868 Hong Kong & China Gas	5	0.03
255 Hong Kong Exchanges and Clearing	5	0.03
820 Link REIT**	5	0.03
507 Power Assets Holdings	4	0.02
4,747 Standard Chartered	29	0.17
1,234 Sun Hung Kai Properties	13	0.07
INDONESIA (0.00%*)	285	1.62
INR3,900,000,000 Indonesia Treasury Bond 11% 15/09/2025	285	1.62
MALAYSIA (0.00%*)	270	1.54
MYR1,400,000 Malaysia Government Bond 4.048% 30/09/2021	270	1.54
SINGAPORE (0.02%*)	10	0.06
348 DBS Group Holdings	3	0.02
1,600 Singapore Telecommunications	4	0.02
300 United Overseas Bank	3	0.02
ISRAEL (0.05%*)	8	0.05
184 Teva Pharmaceutical Industries	8	0.05
RUSSIA (0.00%*)	142	0.81
RUB13,000,000 Russian Federal Bond - OFZ 7.6% 14/04/2021	142	0.81
SOUTH AFRICA (0.00%*)	239	1.36
ZAR4,000,000 South Africa Government Bond 10.5% 21/12/2026	239	1.36
TURKEY (0.00%*)	237	1.35
TRY1,000,000 Turkey Government Bond 7.4% 05/02/2020	237	1.35
BRAZIL (0.00%*)	348	1.98
BRL2,000,000 Brazil Letras do Tesouro Nacional 0% 01/01/2019	348	1.98
MEXICO (0.00%*)	224	1.28
MXN4,400,000 Mexican Bonos 10% 05/12/2024	224	1.28
DERIVATIVES (-0.82%*)	205	1.15
Interest Rate Swap		
(36,000,000) Citibank Interest Rate Swap Pay MXN TIIE Rec MXN 5.39% 23/02/2021	(29)	(0.17)
7,924,762 HSBC Interest Rate Swap Pay PLN WIBOR Rec PLN 1.97% 23/12/2020	23	0.13
(1,000,000,000) HSBC Interest Rate Swap Rec KRW LIBOR Pay KRW 1.175% 12/07/2021	-	-
(13,000,000) HSBC Interest Rate Swap Rec SEK STIBOR Pay SEK 1% 13/07/2021	(3)	(0.02)
(33,000,000) HSBC Interest Rate Swap Rec CZK PRIBOR Pay CZK 0.925% 08/10/2025	(51)	(0.29)
(40,000,000) JP Morgan Interest Rate Swap Rec CZK PRIBOR Pay CZK 0.472% 08/06/2021	(8)	(0.05)
41,000,000 JP Morgan Interest Rate Swap Pay ZAR JIBAR Rec ZAR 8.25% 15/02/2021	41	0.24
150,000,000 JP Morgan Interest Rate Swap Pay INR MIBOR Rec INR 6.62% 07/06/2021	16	0.09
13,500,000 JP Morgan Interest Rate Swap Pay DKK CIBOR Rec DKK 1% 08/06/2021	12	0.06

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
300,000,000 JP Morgan Interest Rate Swap Pay HUF BUBOR Rec HUF 1.395% 08/06/2021	13	0.08
503,063,000 Merrill Lynch International Interest Rate Swap Pay HUF BUBOR Rec HUF 1.8% 27/01/2021	47	0.27
85,000,000 Standard Chartered Interest Rate Swap Pay INR 1D INOIS Rec INR 6.98% 04/08/2025	33	0.18
Futures Contracts		
(2) Amsterdam Index Futures August 2016	(1)	(0.01)
(50) Australian 3-Year Bond Futures September 2016	(11)	(0.06)
15 CAC40 10 Euro Futures August 2016	10	0.06
(7) Canadian 10-Year Bond Futures September 2016	2	0.01
6 EURO STOXX 50 Futures September 2016	(1)	(0.01)
(29) EURO-BOBL Futures September 2016	(21)	(0.12)
15 Euro-BTP Futures September 2016	46	0.26
(3) EURO-BUND Futures September 2016	(8)	(0.05)
(2) EURO-SCHATZ Futures September 2016	-	-
4 FTSE 100 Index Futures September 2016	1	0.01
(16) FTSE China A50 Futures August 2016	(1)	(0.01)
3 FTSE MIB Index Futures September 2016	(2)	(0.01)
5 FTSE/JSE Top 40 Futures September 2016	-	-
(2) Hang Seng Index Futures August 2016	4	0.02
1 IBEX 35 Index Futures August 2016	1	0.01
(5) Mexican BOLSA Index Futures September 2016	(1)	(0.01)
(23) MSCI Singapore Index Futures August 2016	10	0.06
(8) MSCI Taiwan Index Futures August 2016	1	0.01
(39) OBX Index Futures August 2016	2	0.01
14 OMXS30 Index Futures August 2016	4	0.02
(1) S&P 500 E-mini Futures September 2016	(3)	(0.02)
(6) S&P/TSX 60 Index Futures September 2016	(24)	(0.14)
(46) SET50 Index Futures September 2016	(8)	(0.05)
3 SPI 200 Index Futures September 2016	9	0.05
5 Swiss Market Index Futures September 2016	18	0.10
4 UK Long Gilt Bond Futures September 2016	15	0.09
15 US Treasury Note 5 Year Futures September 2016	3	0.02
13 US Treasury Note 10 Year Futures September 2016	30	0.17
Options		
60 FTSE 100 Index 2650 Put Option September 2016	8	0.05
1,500,000 JP Morgan 1.43 Call Option September 2016	-	-
(1,500,000) JP Morgan 1.43 Call Option September 2016	-	-
(1,500,000) JP Morgan 1.50 Call Option September 2016	-	-
1,500,000 JP Morgan 1.50 Call Option September 2016	-	-
20 S&P 500 1985 Put Option September 2016	10	0.06
Forward Currency Contracts		
Brazilian Real		
Bought BRL2,512,000 for USD757,591 Settlement 09/09/2016	(2)	(0.01)
Canadian Dollar		
Bought CAD256,000 for USD198,321 Settlement 09/09/2016	(3)	(0.02)
Chilean Peso		
Bought CLP464,077,500 for USD707,295 Settlement 09/09/2016	(8)	(0.04)
Czech Koruna		
Bought CZK10,279,400 for USD420,535 Settlement 09/09/2016	2	0.01
Euro		
Bought EUR6,973,978 for GBP5,817,413 Settlement 15/08/2016	65	0.37
Sold EUR1,530,000 for GBP1,275,652 Settlement 09/09/2016	(16)	(0.09)

First State Diversified Growth Fund

Portfolio Statement

(continued)

as at 31 July 2016

	Market Value £'000	Total Net Assets %
Indonesian Rupiah		
Bought INR23,086,000 for USD340,861 Settlement 09/09/2016	1	0.01
Japanese Yen		
Bought JPY10,152,740 for USD96,410 Settlement 09/09/2016	1	0.01
Malaysian Ringgit		
Bought MYR1,460,800 for USD370,686 Settlement 09/09/2016	(10)	(0.06)
Mexican Peso		
Bought MXN7,428,700 for USD403,726 Settlement 09/09/2016	(10)	(0.06)
Norwegian Krone		
Bought NOK540,000 for USD63,297 Settlement 09/09/2016	-	-
Polish Zloty		
Bought PLN5,793,500 for USD1,456,150 Settlement 09/09/2016	13	0.07
South African Rand		
Bought ZAR10,646,400 for USD734,166 Settlement 09/09/2016	8	0.05
Thailand Baht		
Bought THB15,060,000 for USD429,818 Settlement 09/09/2016	2	0.01
Turkish Lira		
Bought TRY4,693,000 for USD1,608,021 Settlement 09/09/2016	(50)	(0.28)
US Dollar		
Bought USD8,001,658 for GBP6,015,369 Settlement 15/08/2016	55	0.31
Bought USD1,001,625 for GBP750,000 Settlement 09/09/2016	10	0.06
Bought USD467,689 for TRY1,400,000 Settlement 09/09/2016	6	0.03
Bought USD108,971 for RUB6,970,000 Settlement 09/09/2016	4	0.02
Bought USD700,640 for SGD940,000 Settlement 09/09/2016	4	0.02
Bought USD602,431 for SEK5,155,000 Settlement 09/09/2016	2	0.01
Bought USD797,896 for IDR10,476,893,000 Settlement 09/09/2016	2	0.01
Bought USD111,084 for NZD154,600 Settlement 09/09/2016	1	0.01
Bought USD488,740 for INR32,901,000 Settlement 09/09/2016	1	0.01
Bought USD439,447 for TWD13,999,021 Settlement 09/09/2016	-	-
Bought USD423,071 for CZK10,279,400 Settlement 09/09/2016	-	-
Bought USD528,567 for EUR476,000 Settlement 09/09/2016	(1)	-
Bought USD582,301 for DKK3,906,000 Settlement 09/09/2016	(2)	(0.01)
Bought USD186,273 for ZAR2,700,000 Settlement 09/09/2016	(2)	(0.01)
Bought USD419,540 for CHF412,000 Settlement 09/09/2016	(3)	(0.02)
Bought USD829,562 for HUF234,281,000 Settlement 09/09/2016	(3)	(0.02)
Bought USD1,025,036 for KRW1,159,480,000 Settlement 09/09/2016	(7)	(0.04)
Sold USD4,354,700 for GBP3,260,220 Settlement 09/09/2016	(42)	(0.24)
Portfolio of investments	16,125	91.86
Net other assets	1,428	8.14
Total net assets	17,553	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

Any derivative contracts were traded on an eligible derivatives exchange.

* Comparative figures shown in brackets relate to 31 July 2015.

** Real Estate Investment Trust (REIT).

Exchange Traded Fund.

‡ Since the previous report the Country Classification headings have been updated by data providers. Where the portfolio statement shows Country Sectors, the new sector names have been reflected in the report in respect of the current holdings and comparative holdings have been restated where appropriate.

First State Diversified Growth Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)
Share class B Accumulation		
Change in net assets per share		
Opening net asset value per share	98.70	100.00
Return before operating charges*	7.02	(1.14)
Operating charges	(1.21)	(0.16)
Return after operating charges*	5.81	(1.30)
Closing net asset value per share (p)	104.51	98.70
Retained distributions on accumulation shares*	1.25	-
*after direct transaction costs of:	0.17	0.08
Performance		
Return after charges (%)	5.89%	(1.30)%
Other information		
Closing net asset value (£'000)	5,191	4,904
Closing number of shares	4,966,750	4,968,700
Operating charges	1.25%	1.57%
Direct transaction costs	0.17%	0.08%
Prices		
Highest share price	104.96	100.11
Lowest share price	90.90	98.26

Share class B Accumulation was launched on 23 June 2015.

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Hedged Accumulation (EUR share class)		
Change in net assets per share		
Opening net asset value per share	98.65	100.00
Return before operating charges*	5.81	(1.19)
Operating charges	(1.27)	(0.16)
Return after operating charges*	4.54	(1.35)
Closing net asset value per share (c)	103.19	98.65
Retained distributions on accumulation shares*	1.16	-
*after direct transaction costs of:	0.16	0.08
Performance		
Return after charges (%)	4.60%	(1.35)%
Other information		
Closing net asset value (€'000)	7,155	6,842
Closing number of shares	6,933,350	6,935,300
Operating charges	1.32%	1.63%
Direct transaction costs	0.17%	0.08%
Prices		
Highest share price	103.72	100.11
Lowest share price	90.47	98.22

Share class B Hedged Accumulation (EUR share class) was launched on 23 June 2015.

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)
Share class B Hedged Accumulation (USD share class)		
Change in net assets per share		
Opening net asset value per share	98.66	100.00
Return before operating charges*	6.53	(1.17)
Operating charges	(1.27)	(0.17)
Return after operating charges*	5.26	(1.34)
Closing net asset value per share (c)	103.92	98.66
Retained distributions on accumulation shares*	1.17	-
*after direct transaction costs of:	0.18	0.08
Performance		
Return after charges (%)	5.33%	(1.34)%
Other information		
Closing net asset value (\$'000)	8,203	7,790
Closing number of shares	7,893,650	7,895,600
Operating charges	1.32%	1.63%
Direct transaction costs	0.17%	0.08%
Prices		
Highest share price	104.39	100.09
Lowest share price	90.60	98.23

Share class B Hedged Accumulation (USD share class) was launched on 23 June 2015.

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)
Share class Z Accumulation		
Change in net assets per share		
Opening net asset value per share	98.76	100.00
Return before operating charges*	6.94	(1.14)
Operating charges	(0.58)	(0.10)
Return after operating charges*	6.36	(1.24)
Closing net asset value per share (p)	105.12	98.76
Retained distributions on accumulation shares*	1.76	-
*after direct transaction costs of:	0.17	0.08
Performance		
Return after charges (%)	6.44%	(1.24)%
Other information		
Closing net asset value (£'000)	105	101
Closing number of shares	100,050	102,000
Operating charges	0.60%	0.92%
Direct transaction costs	0.17%	0.08%
Prices		
Highest share price	105.54	100.15
Lowest share price	91.25	98.32

Share class Z Accumulation was launched on 23 June 2015.

First State Diversified Growth Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains/(losses)	2		2,531		(162)
Revenue	3	371		8	
Expenses	4	(156)		(23)	
Interest payable and similar charges		(1)		-	
Net revenue/(expenses) before taxation		214		(15)	
Taxation	5	(15)		(1)	
Net revenue/(expenses) after taxation			199		(16)
Total return before distributions			2,730		(178)
Distributions	6		(199)		(0)
Change in net assets attributable to shareholders from investment activities			2,531		(178)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		14,829		-
Amounts receivable on issue of shares	-		15,007	
Less: Amounts payable on cancellation of shares	(6)		-	
		(6)		15,007
Change in net assets attributable to shareholders from investment activities		2,531		(178)
Retained distribution on accumulation shares		199		-
Closing net assets attributable to shareholders		17,553		14,829

Notes to the Financial Statements are on pages 440 to 449.

First State Diversified Growth Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>16,456</u>	<u>14,362</u>
Current assets			
Debtors	7	64	39
Cash and bank balances	8	<u>1,870</u>	<u>766</u>
Total assets		<u>18,390</u>	<u>15,167</u>
Liabilities			
Investment liabilities		(331)	(282)
Creditors			
Bank overdrafts		(464)	(34)
Other creditors	9	<u>(42)</u>	<u>(22)</u>
Total liabilities		<u>(837)</u>	<u>(338)</u>
Net assets attributable to shareholders		<u>17,553</u>	<u>14,829</u>

Notes to the Financial Statements are on pages 440 to 449.

First State Diversified Growth Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains/(losses)

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

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	1,612	(127)
Derivative contracts	(109)	(36)
Forward foreign exchange currency contracts	958	(6)
Currency gains	70	7
Net capital gains/(losses)	2,531	(162)

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	18	1
Overseas taxable revenue	2	-
Overseas non-taxable revenue	87	4
Property revenue from overseas REITs	2	-
UK scrip dividends	65	-
Overseas scrip dividends	17	-
Distributions from Regulated Collective Investment Schemes:		
Offshore distribution taxable	64	-
Interest from bank deposits	1	1
Interest from government and fixed interest securities	118	2
Currency hedge gains	8	-
Swap Income	(11)	-
Total revenue	371	8

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	98	10
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	4	-
Other expenses:		
Audit fee	4	8
Other expenses	50	5
	54	13
Total expenses	156	23

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	15	1
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue/(expenses) before taxation	214	(15)
Corporation tax of 20% (2015: 20%)	43	(3)
Effects of:		
UK dividends*	(4)	-
Non taxable scrip dividends*	(16)	-
Overseas non-taxable revenue*	(17)	(1)
Movement in excess management expenses	(4)	4
Irrecoverable overseas tax	14	1
Double taxation relief	(1)	-
Total tax charge for year (note 5a)	15	1

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (31/07/15: £4,197) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	41	-
Final distribution	158	-
	199	-
Add: revenue deducted on cancellation of shares	-	-
Deduct: revenue received on issue of shares	-	-
Net Distributions for the year	199	-

Details of the distribution per share is set out in the Distribution Table on pages 450 to 451.

7. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Accrued revenue	63	39
Overseas tax recoverable	1	-
Total debtors	64	39

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Cash and bank balances

	31 July 2016 £'000	31 July 2015 £'000
Cash and bank balances	1,076	417
Amounts held at futures clearing houses and brokers	794	349
Total cash and bank balances	1,870	766

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	2	-
Accrued expenses	40	22
Total creditors	42	22

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	2,379	6,290	1,108	6,728
Bonds	5,900	8,040	9,016	-
Collective Investment Schemes	3,329	-	1,228	-
Futures	-	-	-	-
Options	318	29	190	-
Swaps	24,418	-	24,365	-
Trades in the year before transaction costs	36,344	14,359	35,907	6,728
Commissions				
Equities	1	3	-	-
Bonds	-	-	-	-
Collective Investment Schemes	1	-	-	-
Futures	5	-	(5)	-
Options	-	-	-	-
Swaps	-	-	-	-
Total commissions	7	3	(5)	-
Taxes				
Equities	7	10	-	-
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Futures	3	-	(3)	-
Options	-	-	-	-
Swaps	-	-	-	-
Total taxes	10	10	(3)	-
Total costs	17	13	(8)	-
Total net trades in the year after transaction costs	36,361	14,372	35,899	6,728

Notes to the Financial Statements

(continued)

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016	31 July 2015	31 July 2016	31 July 2015
	%	%	%	%
Commissions				
Equities	0.04	0.05	-	-
Bonds	-	-	-	-
Collective Investment Schemes	0.03	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-
Taxes				
Equities	0.29	0.16	-	-
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Futures	-	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016	31 July 2015
	%	%
Commissions	0.08	0.02
Taxes	0.09	0.06
Total costs	<u>0.17</u>	<u>0.08</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.09% (31/07/2015: 0.06%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments*(a) General*

In pursuing its investment objectives the Fund holds fixed interest securities.

The Fund invests significantly in fixed interest securities. Certain fixed interest securities are liable to default risk whereby the nominal capital is not or is unlikely to be returned to investors. The value of fixed interest stocks is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual fixed interest stock or be caused by a general market factor (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of securities held. In addition, the management of the Fund complies with the Financial Conduct Authority COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund enters into transactions in financial instruments which expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

Notes to the Financial Statements

(continued)

as at 31 July 2016

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£1,592) (31/07/15: £1,420).

(b) Interest rate risk

The Fund significantly invests in either fixed or floating rate securities and interest rate risk exposure is predominantly restricted to interest receivable.

As at 31 July 2016, 36.85% (31/07/15: 59.18%) of the Fund's assets were interest bearing.

The interest rate risk profile of the company's financial assets and liabilities at 31 July was:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Currency				
31 July 2016				
Sterling	1,536	3,715	7,215	12,466
Australian dollar	21	-	94	115
Brazilian real	-	348	572	920
Canadian dollar	(19)	-	245	226
Chilean peso	-	-	529	529
Czech Republic koruna	-	-	(59)	(59)
Danish krone	-	-	(407)	(407)
Euro	2	-	699	701
Hong Kong dollar	63	-	71	134
Hungarian forint	-	-	(573)	(573)
Indian rupee	-	-	(61)	(61)
Indonesian rupiah	-	285	(593)	(308)
Israeli new shekel	-	-	8	8
Japanese yen	(139)	-	307	168
Malaysian ringgit	28	270	276	574
Mexican peso	10	224	268	502
New Zealand dollar	-	-	(83)	(83)
Norwegian krone	(73)	-	52	(21)
Polish zloty	-	-	1,140	1,140
Russian ruble	-	142	(75)	67
Singapore dollar	(49)	-	(508)	(557)
South African rand	(20)	239	465	684
South Korean won	42	-	(785)	(743)
Swedish krona	(15)	-	(423)	(438)
Swiss franc	(72)	-	(151)	(223)
Taiwanese dollar	-	-	(333)	(333)
Thai baht	106	-	320	426
Turkish lira	47	237	831	1,115
US dollar	(62)	-	1,646	1,584
Total	1,406	5,460	10,687	17,553

Notes to the Financial Statements

(continued)

as at 31 July 2016

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
31 July 2015				
Sterling	733	4,188	(4,028)	893
Australian dollar	-	-	314	314
Brazilian real	-	-	282	282
Canadian dollar	-	-	100	100
Chilean peso	-	-	219	219
Danish krone	-	-	22	22
Euro	-	-	5,340	5,340
Hong Kong dollar	(7)	-	36	29
Hungarian forint	-	-	846	846
Indonesian rupiah	-	-	(259)	(259)
Israeli new shekel	-	-	7	7
Japanese yen	-	-	(55)	(55)
Malaysian ringgit	3	-	-	3
Mexican peso	-	-	3	3
New Zealand dollar	-	-	(234)	(234)
Norwegian krone	-	-	7	7
Russian ruble	-	-	480	480
Singapore dollar	1	-	934	935
South African rand	-	-	576	576
South Korean won	7	-	(1,077)	(1,070)
Swedish krona	(3)	-	33	30
Swiss franc	-	-	(808)	(808)
Thai baht	6	-	(1,092)	(1,086)
Turkish lira	-	-	564	564
US dollar	(8)	3,856	3,843	7,691
Total	732	8,044	6,053	14,829

Notes to the Financial Statements

(continued)

as at 31 July 2016

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016	Net foreign currency assets 31 July 2015
Currency	Total £'000	Total £'000
Australian dollar	115	314
Brazilian real	920	282
Canadian dollar	226	100
Chilean peso	529	219
Czech Republic koruna	(59)	-
Danish krone	(407)	22
Euro	701	5,340
Hong Kong dollar	134	29
Hungarian forint	(573)	846
Indian rupee	(61)	-
Indonesian rupiah	(308)	(259)
Israeli new shekel	8	7
Japanese yen	168	(55)
Malaysian ringgit	574	3
Mexican peso	502	3
New Zealand dollar	(83)	(234)
Norwegian krone	(21)	7
Polish zloty	1,140	-
Russian ruble	67	480
Singapore dollar	(557)	935
South African rand	684	576
South Korean won	(743)	(1,070)
Swedish krona	(438)	30
Swiss franc	(223)	(808)
Taiwanese dollar	(333)	-
Thai baht	426	(1,086)
Turkish lira	1,115	564
US dollar	1,584	7,691
	<u>5,087</u>	<u>13,936</u>

(d) Credit risk

Credit risk occurs where there is a risk associated with the uncertainty of a counterparty's ability to meet its obligations. This risk is managed by reviewing the counterparty's credit rating, at the time of purchase and on an ongoing basis, and ensuring that the portfolio is sufficiently diversified. The impact of movements in credit rating and spread, and their effect on market prices, is considered to be part of market price risk, which is discussed above.

The Fund's investments and cash are held on its behalf by State Street Bank and Trust Company (acting as agent), the custodian to the Trust, and its appointed sub custodians. Bankruptcy or insolvency of the custodian or its sub custodians may cause the Fund's rights with respect to securities to be delayed. This risk is managed through ongoing monitoring of the custodian and periodic reviews of its procedures for selecting and monitoring sub custodians, together with ad hoc reviews of custodian and sub custodian credit ratings.

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the fund has fulfilled its responsibilities.

The Investment Adviser selects acceptable counterparties through which investments are bought and sold. The Manager has responsibility for monitoring the process by which these counterparties are selected to minimise risk.

Where the Investment Managers make an investment in a bond with credit risk, that credit risk is assessed and then compared to the prospective investment return of the security in question. The risk is managed by reviewing the credit ratings of those bonds at time of purchase and on an ongoing basis.

Notes to the Financial Statements

(continued)

as at 31 July 2016

Summary of Investment Assets by Credit Ratings
Rating Block

	31/07/16	31/07/15
	£000	£000
Investment grade bonds	5,112	8,044
Non-investment grade bonds	348	-
Total bonds	5,460	8,044
Other	12,093	6,785
Net assets	17,553	14,829

The credit ratings used in the above table have been supplied by Standard & Poor's, Moody's or Fitch Ratings.

(e) *Derivative risk*

The Manager may enter into derivatives transactions for investment purposes and for efficient portfolio management purposes. A relatively small market movement may have a potentially larger impact on derivatives than on the underlying assets and the use of derivatives can therefore increase the volatility of the value of units in the Scheme. However it is not anticipated that the use of derivatives will have a significant effect on the risk profile of the Scheme.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets.

Due to the level of investment in derivatives, the First State Diversified Growth Fund is considered to be a sophisticated fund, for this reason further numerical analysis has been provided in the form of a 'Value at Risk' (VaR) analysis, shown below.

It is important to note that VaR is calculated on an ex ante basis. This means that the calculations are based on the current portfolio holdings and not by reference to the volatility of the historical portfolio returns.

Absolute VaR Utilisation

01 August 2015 to 31 July 2016

Low	13.28%
High	37.51%
Average	26.72%

Effective Portfolio Management

Financial derivative instruments exposure as at 31 July 2016

	Value (£)
Exchange traded derivatives	17,077,786
Forward foreign currency contracts	13,139,614
Total financial derivative instruments exposure	30,217,400

The financial derivative instruments exposure represents the value of what is "economically commanded" by the instrument and is calculated as the sum of the notional value of the instrument, i.e. the number of contracts multiplied by the relevant index or spot price.

Efficient portfolio management techniques as at 31 July 2016

	Value (£)
Underlying exposure obtained through efficient portfolio management techniques	30,217,400

Notes to the Financial Statements

(continued)

as at 31 July 2016

Counterparties to financial derivative instruments and efficient portfolio management techniques as at 31**July 2016**

	Value (£)
Citigroup Global Markets	(54,323)
HSBC Bank plc	(12,082)
JP Morgan Securities Plc	(2,549)
Merrill Lynch	2,019
Standard Chartered	(36,029)
State Street Bank and Trust Company	120,650

The counterparty exposure represents the unrealised profit or loss on the derivative contract. It is therefore a different amount to the value of the sum of the notionals.

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £9 (31/07/15: £8) due at the year end.

As at 31 July 2016 CFS Managed Property, a related party of the ACD, owned 100.00% (31/07/15: 99.68%) of the Net Asset Value of the Fund.

14. Share classes

The Fund has four share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class B Accumulation (Institutional):	0.65
Share class B Hedged Accumulation (EUR share class) (Institutional):	0.65
Share class B Hedged Accumulation (USD share class) (Institutional):	0.65
Share class Z Accumulation (Institutional):	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 434 to 437.

The distributions per share class are given in the Distribution Table on pages 450 to 451.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class B Accumulation (Institutional)	4,968,700	49	(1,999)	-	4,966,750
Share class B Hedged Accumulation (EUR share class)	6,935,300	49	(1,999)	-	6,933,350
Share class B Hedged Accumulation (USD share class)	7,895,600	49	(1,999)	-	7,893,650
Share class Z Accumulation (Institutional)	102,000	49	(1,999)	-	100,050

Notes to the Financial Statements

(continued)

as at 31 July 2016

15. Fair value

	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1	14,331	(81)	14,303	(87)
Level 2	2,125	(250)	59	(195)
Level 3	-	-	-	-
Total fair value	16,456	(331)	14,362	(282)

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Diversified Growth Fund

Distribution Table

for the year ended 31 July 2016

Distribution in pence per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.2793	-	0.2793	-
Final	0.9668	-	0.9668	-
Group 2	(p)	(p)	(p)	(p)
Interim	0.2793	-	0.2793	-
Final	0.8239	0.1429	0.9668	-

Share class Z Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.5755	-	0.5755	-
Final	1.1796	-	1.1796	-
Group 2	(p)	(p)	(p)	(p)
Interim	0.5755	-	0.5755	-
Final	0.9755	0.2041	1.1796	-

Share class B Hedged Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.2391	-	0.2391	-
Final	0.9160	-	0.9160	-
Group 2	(c)	(c)	(c)	(c)
Interim	0.2391	-	0.2391	-
Final	0.7731	0.1429	0.9160	-

Distribution Table

(continued)

for the year ended 31 July 2016

Share class B Hedged Accumulation (USD share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	0.2495	-	0.2495	-
Final	0.9187	-	0.9187	-
Group 2	(c)	(c)	(c)	(c)
Interim	0.2495	-	0.2495	-
Final	0.7758	0.1429	0.9187	-

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 83.56% of the dividend together with the tax credit is received as franked investment income.

Final - 15.06% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 1.38% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Asian Property Securities Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve an investment return consistent with income and long term capital growth.

The Fund primarily invests a broad selection of Asian securities issued by real estate investment trusts or companies that own, develop or manage real property. The Fund may also invest in Australian and New Zealand securities of a similar type.

Risks and reward profile

	← Lower Risk					Higher Risk →	
	Potentially Lower Rewards					Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5	6	7
Share class A Income	1	2	3	4	5	6	7
Share class B Accumulation	1	2	3	4	5	6	7
Share class B Income	1	2	3	4	5	6	7
Share class A Accumulation (EUR share class)	1	2	3	4	5	6	7
Share class A Income (EUR share class)	1	2	3	4	5	6	7

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 6 due to its past performance and the nature of its investments. Shares with a rating of 6 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

The Fund might also experience the following risks:

Emerging market risk: emerging markets may not provide the same level of investor protection as a developed market: they may involve a higher risk than investing in developed markets.

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Single sector risk: investing in a single sector may be riskier than investing in a number of different sectors. Investing in a larger number of sectors helps spread risk.

Property securities risk: the Fund invests in the shares of companies that are involved in property (such as real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than actual property.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Performance

Asian property securities performed well during the year. Combined with positive stock selection, this enabled the Fund to rise in value by 21.1% in sterling terms.

Returns were supported by Scentre Group and Westfield Corp (both Australia: Retail). These companies were supported by secure and reasonably high yields against a backdrop of falling global bond yields. Kenedix Retail REIT (Japan: Retail) also performed well, as it successfully executed its strategy of expansion through acquisition.

The main detractors from performance were Sumitomo Realty & Development Co, Mitsui Fudosan and Goldcrest (all Japan: Diversified). These property development companies were impacted by Japanese economic concerns, and signs of a slowdown emerging in Tokyo's residential property market.

First State Asian Property Securities Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Portfolio changes

Japan Logistics Fund (Japan: Industrial) and GPT Group (Australia: Diversified) were added to the portfolio. Japan Logistics Fund has a relatively strong balance sheet and offers a stable earnings growth outlook. GPT Group has a high quality asset portfolio and recently appointed a new, well-regarded management team. The Fund also established a new position in CapitaLand Mall Trust (Singapore: Retail), a defensively-positioned business with a yield of 5.6%.

CapitaLand (Singapore: Diversified) and CapitaLand Retail China Trust (Singapore: Retail) were divested on concerns that these stocks may be impacted by a slowing economic growth rate in China. The Fund also sold its holding in Nomura Real Estate Office Fund (Japan: Office) ahead of its merger with Nomura Real Estate Master Fund.

Outlook

The overall strategy is to maintain a balance between high quality defensive names and stocks with strong growth potential. We have reduced our exposure towards Singaporean property developers on concerns about their exposure to China, and a slowing residential property market in Singapore. Elsewhere, the Fund remains well diversified across the property markets of Japan, Hong Kong and Australia.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	13.4	26.8	21.1	23.7	53.5	-	71.4
Benchmark return %	15.5	30.1	26.6	28.7	70.2	-	105.8
Sector return %	1.7	7.0	7.9	23.9	44.3	-	35.5
Quartile ranking	1	1	1	3	2	-	2

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	21.1	4.8	(2.6)	18.9	4.4

Benchmark: UBS Asia Real Estate Index.

Sector: IA Property.

Past performance should not be used as a guide to future performance, which is not guaranteed.

Ten largest holdings

Stock name	31 July 2016 % of Fund	Stock name	31 July 2015 % of Fund
Sun Hung Kai Properties	8.72	Mitsui Fudosan	10.21
Mitsui Fudosan	7.33	Sun Hung Kai Properties	7.00
Westfield REIT	6.68	Hongkong Land Holdings	6.55
Sumitomo Realty & Development	5.86	Westfield Corporation REIT	6.50
Scentre Group REIT	5.29	CapitaLand	5.76
Japan Rental Housing Investments REIT	4.88	Sumitomo Realty & Development	4.81
Hongkong Land Holdings	4.58	Swire Properties	4.49
New South Resources	4.31	Kenedix Retail REIT	4.32
Kenedix Retail REIT	4.01	Mitsubishi Estate	4.29
Mitsubishi Estate	3.89	Nomura Real Estate Holdings	3.62

Types of shares

Income and Accumulation.

First State Asian Property Securities Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
JAPAN (43.86%*)	4,614	43.10
110 AEON REIT**	104	0.97
141 GLP J-REIT**	134	1.25
90 Ichigo Hotel REIT Investment REIT**	102	0.95
207 Japan Logistics Fund REIT**	362	3.38
812 Japan Rental Housing Investments REIT**	523	4.88
33 Kenedix Office Investment REIT**	155	1.45
150 Kenedix Residential Investment REIT**	306	2.86
209 Kenedix Retail REIT**	429	4.01
29,401 Mitsubishi Estate	416	3.89
47,508 Mitsui Fudosan	785	7.33
13 Mitsui Fudosan Logistics Park REIT**	26	0.24
16,261 Nomura Real Estate Holdings	213	1.99
263 Sekisui House SI Residential Investment REIT**	244	2.28
31,812 Sumitomo Realty & Development	627	5.86
41,500 Tokyu Fudosan Holdings	188	1.76
AUSTRALIA (18.08%*)	2,531	23.63
35,854 Charter Hall Group REIT**	114	1.06
84,893 GPT Group REIT**	271	2.53
322,879 Mirvac Group REIT**	403	3.76
499,392 New South Resources	462	4.31
187,875 Scentre Group REIT**	566	5.29
117,522 Westfield REIT**	715	6.68
CHINA (5.85%*)	165	1.54
88,000 China Resources Land	165	1.54
HONG KONG (24.15%*)	2,578	24.08
44,500 Cheung Kong Property Holdings	241	2.25
101,000 Hongkong Land Holdings	490	4.58
48,538 Link REIT**	273	2.55
86,121 Sun Hung Kai Properties	934	8.72
190,200 Swire Properties	400	3.74
46,000 Wharf Holdings	240	2.24
SINGAPORE (6.79%*)	662	6.18
214,100 CapitaLand Mall Trust REIT**	256	2.39
148,597 Frasers Centrepoint Trust REIT**	178	1.66
409,900 Frasers Logistics & Industrial Trust REIT**	228	2.13
Portfolio of investments	10,550	98.53
Net other assets	157	1.47
Total net assets	10,707	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

** Real Estate Investment Trust (REIT).

First State Asian Property Securities Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	141.30	134.73	138.29
Return before operating charges*	32.68	9.43	(0.82)
Operating charges	(2.86)	(2.86)	(2.74)
Return after operating charges*	29.82	6.57	(3.56)
Closing net asset value per share (p)	171.12	141.30	134.73
Retained distributions on accumulation shares*	4.07	3.09	3.41
*after direct transaction costs of:	0.26	0.32	0.29
Performance			
Return after charges (%)	21.10%	4.88%	(2.57)%
Other information			
Closing net asset value (£'000)	2,955	4,121	5,527
Closing number of shares	1,726,897	2,916,758	4,102,133
Operating charges	2.02%	2.02%	2.08%
Direct transaction costs	0.18%	0.22%	0.22%
Prices			
Highest share price	173.19	159.90	142.35
Lowest share price	126.70	126.95	117.13

First State Asian Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	111.66	108.75	114.74
Return before operating charges*	25.41	7.62	(0.90)
Operating charges	(2.52)	(2.22)	(2.29)
Return after operating charges*	22.89	5.40	(3.19)
Distributions on income shares	(3.20)	(2.49)	(2.80)
Closing net asset value per share (p)	131.35	111.66	108.75
*after direct transaction costs of:	0.20	0.26	0.23
Performance			
Return after charges (%)	20.50%	4.97%	(2.78)%
Other information			
Closing net asset value (£'000)	214	634	850
Closing number of shares	163,112	567,530	781,652
Operating charges	2.29%	1.95%	2.12%
Direct transaction costs	0.18%	0.22%	0.22%
Prices			
Highest share price	134.68	127.84	118.11
Lowest share price	99.93	102.46	96.06

First State Asian Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	153.95	145.59	148.56
Return before operating charges*	35.73	10.21	(0.84)
Operating charges	(2.59)	(1.85)	(2.13)
Return after operating charges*	33.14	8.36	(2.97)
Closing net asset value per share (p)	187.09	153.95	145.59
Retained distributions on accumulation shares*	4.44	3.39	3.68
*after direct transaction costs of:	0.28	0.35	0.30
Performance			
Return after charges (%)	21.53%	5.74%	(2.00)%
Other information			
Closing net asset value (£'000)	6,601	4,351	3,249
Closing number of shares	3,528,011	2,826,067	2,231,325
Operating charges	1.66%	1.19%	1.52%
Direct transaction costs	0.18%	0.22%	0.22%
Prices			
Highest share price	189.35	173.79	153.10
Lowest share price	138.13	137.39	126.44

First State Asian Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	119.09	115.12	120.62
Return before operating charges*	27.22	8.07	(0.83)
Operating charges	(1.72)	(1.45)	(1.71)
Return after operating charges*	25.50	6.62	(2.54)
Distributions on income shares	(3.41)	(2.65)	(2.96)
Closing net asset value per share (p)	141.18	119.09	115.12
*after direct transaction costs of:	0.22	0.27	0.25
Performance			
Return after charges (%)	21.41%	5.75%	(2.10)%
Other information			
Closing net asset value (£'000)	865	575	506
Closing number of shares	612,819	482,602	439,179
Operating charges	1.43%	1.19%	1.50%
Direct transaction costs	0.18%	0.22%	0.22%
Prices			
Highest share price	144.74	136.04	124.30
Lowest share price	106.85	108.63	101.40

First State Asian Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	135.56	114.83	107.26
Return before operating charges*	4.21	23.21	10.01
Operating charges	(2.80)	(2.48)	(2.44)
Return after operating charges*	1.41	20.73	7.57
Closing net asset value per share (c)	136.97	135.56	114.83
Retained distributions on accumulation shares*	3.38	2.84	2.83
*after direct transaction costs of:	0.23	0.29	0.24
Performance			
Return after charges (%)	1.04%	18.05%	7.06%
Other information			
Closing net asset value (€'000)	46	50	50
Closing number of shares	33,751	36,648	43,408
Operating charges	2.20%	1.95%	2.20%
Direct transaction costs	0.18%	0.22%	0.22%
Prices			
Highest share price	139.00	149.40	115.02
Lowest share price	111.82	107.82	95.08

First State Asian Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	109.96	95.23	91.81
Return before operating charges*	3.20	19.19	7.77
Operating charges	(2.26)	(2.12)	(1.91)
Return after operating charges*	0.94	17.07	5.86
Distributions on income shares	(2.76)	(2.34)	(2.44)
Closing net asset value per share (c)	108.14	109.96	95.23
*after direct transaction costs of:	0.19	0.24	0.21
Performance			
Return after charges (%)	0.85%	17.93%	6.39%
Other information			
Closing net asset value (€'000)	39	27	4
Closing number of shares	35,717	24,009	4,500
Operating charges	2.20%	1.97%	1.92%
Direct transaction costs	0.18%	0.22%	0.22%
Prices			
Highest share price	111.95	122.56	97.83
Lowest share price	89.42	89.43	79.96

First State Asian Property Securities Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		1,732		442
Revenue	3	314		251	
Expenses	4	(164)		(169)	
Interest payable and similar charges		-		-	
Net revenue before taxation		150		82	
Taxation	5	(21)		(4)	
Net revenue after taxation			129		78
Total return before distributions			1,861		520
Distributions	6		(268)		(228)
Change in net assets attributable to shareholders from investment activities			1,593		292

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		9,734		10,174
Amounts receivable on issue of shares	2,131		3,491	
Less: Amounts payable on cancellation of shares	(2,984)		(4,425)	
		(853)		(934)
Dilution adjustment		3		10
Change in net assets attributable to shareholders from investment activities		1,593		292
Retained distribution on accumulation shares		230		192
Closing net assets attributable to shareholders		10,707		9,734

Notes to the Financial Statements are on pages 463 to 467.

First State Asian Property Securities Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>10,550</u>	<u>9,610</u>
Current assets			
Debtors	8	65	26
Cash and bank balances		<u>241</u>	<u>173</u>
Total assets		<u>10,856</u>	<u>9,809</u>
Liabilities			
Creditors			
Distribution payable		(14)	(15)
Other creditors	9	<u>(135)</u>	<u>(60)</u>
Total liabilities		<u>(149)</u>	<u>(75)</u>
Net assets attributable to shareholders		<u>10,707</u>	<u>9,734</u>

Notes to the Financial Statements are on pages 463 to 467.

First State Asian Property Securities Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	1,717	443
Currency gains/(losses)	15	(1)
Net capital gains	<u>1,732</u>	<u>442</u>

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Overseas non-taxable revenue	98	97
Property revenue from overseas REITs	216	149
Overseas scrip dividends	-	5
Total revenue	<u>314</u>	<u>251</u>

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	95	122
ACD's periodic charge rebate	(8)	(4)
	<u>87</u>	<u>118</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	3	2
Other expenses:		
Audit fee	7	7
Registrar fees	11	7
Safe custody charges	1	1
Other expenses	55	34
	<u>74</u>	<u>49</u>
Total expenses	<u>164</u>	<u>169</u>

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	21	4
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:		
Net revenue before taxation	150	82
Corporation tax of 20% (2015: 20%)	30	16
Effects of:		
Overseas non-taxable revenue*	(20)	(19)
Revenue taxable in different periods	-	9
Movement in excess management expenses	(7)	(2)
Irrecoverable overseas tax	21	4
Overseas tax expensed	(3)	(4)
Total tax charge for year (note 5a)	21	4

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £38,653 (31/07/15: £45,261) this relates to surplus management expenses. No deferred tax asset was recognised in the current and prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	121	106
Final distribution	138	115
	259	221
Add: revenue deducted on cancellation of shares	25	25
Deduct: revenue received on issue of shares	(16)	(18)
Net distributions for the year	268	228

Details of the distribution per share is set out in the Distribution Tables on pages 468 to 469.

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	129	78
Expenses charged to capital	164	169
Tax relief on expenses charged to capital	(25)	(19)
Net distributions for the year	268	228

Notes to the Financial Statements

(continued)

as at 31 July 2016

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Amounts receivable for issue of shares	31	7
Accrued revenue	34	20
Accrued ACD's periodic charge rebate	-	(1)
Total debtors	65	26

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	26	-
Amounts payable for cancellation of shares	71	28
Accrued expenses	38	32
Total creditors	135	60

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	3,776	5,675	4,567	6,483
Trades in the year before transaction costs	3,776	5,675	4,567	6,483
Commissions				
Equities	6	9	(8)	(11)
Taxes				
Equities	1	2	(1)	(3)
Total costs	7	11	(9)	(14)
Total net trades in the year after transaction costs	3,783	5,686	4,558	6,469

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.16	0.16	0.18	0.17
Taxes				
Equities	0.03	0.04	0.02	0.05

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.15	0.19
Taxes	0.02	0.05
Total costs	0.17	0.24

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.31% (31/07/2015: 0.28%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

as at 31 July 2016

12. Derivatives and other financial instruments**(a) General**

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£1,055) (31/07/15: £961).

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 2.25% (31/07/15: 1.78%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

Currency	Net foreign currency assets	Net foreign currency assets
	31 July 2016	31 July 2015
	Total	Total
	£'000	£'000
Australian dollar	2,557	1,773
Euro	7	(2)
Hong Kong dollar	2,262	1,952
Japanese yen	4,617	4,273
Singapore dollar	687	994
US dollar	490	638
	<u>10,620</u>	<u>9,628</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.96% (£531) (31/07/15: 4.95% (£481)).

Notes to the Financial Statements

(continued)

as at 31 July 2016

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £8 (31/07/15: £10) due at the year end.

14. Share classes

The Fund has six share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class A Income (Retail):	1.50
Share class B Accumulation (Institutional):	0.75
Share class B Income (Institutional):	0.75
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class A Income (EUR share class) (Retail):	1.50

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 455 to 460.

The distributions per share class are given in the Distribution Tables on pages 468 to 469.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	2,916,758	372,519	(758,078)	(804,302)	1,726,897
Share class A Income (Retail)	567,530	26,597	(215,222)	(215,793)	163,112
Share class B Accumulation (Institutional)	2,826,067	912,940	(948,485)	737,489	3,528,011
Share class B Income (Institutional)	482,602	85,927	(157,373)	201,663	612,819
Share class A Accumulation (EUR share class) (Retail)	36,648	14,678	(17,575)	-	33,751
Share class A Income (EUR share class) (Retail)	24,009	18,928	(7,220)	-	35,717

15. Fair value

Valuation technique	31 July 2016		31 July 2015	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1	10,550	-	9,610	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	10,550	-	9,610	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Asian Property Securities Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.8670	-	1.8670	1.4409
Final	2.2076	-	2.2076	1.6462
Group 2	(p)	(p)	(p)	(p)
Interim	0.7739	1.0931	1.8670	1.4409
Final	0.9536	1.2540	2.2076	1.6462

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.4765	-	1.4765	1.1666
Final	1.7194	-	1.7194	1.3255
Group 2	(p)	(p)	(p)	(p)
Interim	0.5553	0.9212	1.4765	1.1666
Final	1.0800	0.6394	1.7194	1.3255

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	2.0368	-	2.0368	1.5635
Final	2.4064	-	2.4064	1.8231
Group 2	(p)	(p)	(p)	(p)
Interim	0.9707	1.0661	2.0368	1.5635
Final	1.0400	1.3664	2.4064	1.8231

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.5733	-	1.5733	1.2329
Final	1.8379	-	1.8379	1.4143
Group 2	(p)	(p)	(p)	(p)
Interim	0.5211	1.0522	1.5733	1.2329
Final	0.9571	0.8808	1.8379	1.4143

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.6238	-	1.6238	1.2641
Final	1.7581	-	1.7581	1.5721
Group 2	(c)	(c)	(c)	(c)
Interim	0.2641	1.3597	1.6238	1.2641
Final	1.2573	0.5008	1.7581	1.5721

Share class A Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.3480	-	1.3480	1.0709
Final	1.4110	-	1.4110	1.2654
Group 2	(c)	(c)	(c)	(c)
Interim	0.3594	0.9886	1.3480	1.0709
Final	0.9437	0.4673	1.4110	1.2654

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

First State Global Property Securities Fund

Authorised Fund Manager's Report

for the year ended 31 July 2016

Investment Objective and Policy

The Fund aims to achieve an investment return consistent with income and long term capital growth.

The Fund primarily invests in a broad selection of securities issued by real estate investment trusts or companies that own, develop or manage real property from around the world.

Risks and reward profile

	← Lower Risk				Higher Risk →	
	Potentially Lower Rewards				Potentially Higher Rewards	
Share class A Accumulation	1	2	3	4	5*	6
Share class A Income	1	2	3	4	5*	6
Share class B Accumulation	1	2	3	4	5*	6
Share class B Income	1	2	3	4	5*	6
Share class A Accumulation (EUR share class)	1	2	3	4	5	6
Share class A Income (EUR share class)	1	2	3	4	5	6
Share class B Accumulation (EUR share class)	1	2	3	4	5	6
Share class B Income (EUR share class)	1	2	3	4	5	6
Share class B Hedged Accumulation	1	2	3	4	5*	6
Share class B Hedged Accumulation (EUR share class)	1	2	3	4	5**	6

- The synthetic risk reward indicator (the SRRI) rating is not a measure of the risk of you losing your investment but describes how much the value of the Fund went up and down in the past;
- The SRRI rating is based on historical data which may not be a reliable indication of the future risks and rewards of the Fund;
- We cannot guarantee that the rating of the Fund will remain the same, it may change over time;
- Even the lowest rating 1 does not mean a risk free investment;
- On a scale of 1 (less risky) to 7 (more risky), this Fund has a rating of 5 due to its past performance and the nature of its investments. Shares with a rating of 5 might have higher risks, but also higher returns;
- Risk is taken in order to make a higher potential return; the more risk a fund takes, the higher the potential return but the greater the risk of loss; and
- The value of the Fund and its return is not guaranteed and may fall as well as rise. You may get back less than you originally invested.

*The SRRI changed from 6 to 5 on 12 June 2016.

**The SRRI changed from 6 to 5 on 10 June 2016.

The Fund might also experience the following risks:

Currency risk: the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund.

Single sector risk: investing in a single sector may be riskier than investing in a number of different sectors. Investing in a larger number of sectors helps spread risk.

Property securities risk: the Fund invests in the shares of companies that are involved in property (such as real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than actual property.

For further information on risks, please refer to the Risk Factors section in the Company's prospectus.

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Performance

The Fund generated strong absolute returns during the year, rising in value by 21.5% in sterling terms. Ongoing low returns available from bonds and cash deposits meant investors remained attracted by the relatively high and stable dividend yields on offer in the listed property sector.

Simon Property Group (US: Retail) was supported by the appeal of its high quality property assets, low-risk earnings growth outlook and attractive valuation. Equinix (US: Data Storage) benefitted from its market leading position in internet exchange services, which gives it relatively high barriers to new competition. Equity Residential (US: Residential) was buoyed by investor demand for apartments in the gateway coastal markets where the company's portfolio is focused.

However, Brookdale Senior Living (US: Residential) was affected by growing concerns about the near-term outlook for senior housing; while Hudson's Bay Co. (Canada: Retail) was impacted by the weaker Canadian economy. Holdings in Land Securities (UK: Diversified) also underperformed on concerns that the 'Brexit' vote may lead to reduced demand for London office property.

Portfolio changes

Vornado (US: Office) was added to the portfolio after underperformance relative to peers created a meaningful valuation gap. A holding was established in Unibail Rodamco (Netherlands: Retail), the largest European Real Estate Investment Trust (REIT), which owns a high quality portfolio of retail property assets. The Fund also added Apartment Investment Management (US: Residential), whose diversified portfolio of apartment assets underpins stable cash flows.

The Fund sold its holdings in UDR (US: Residential) following strong performance during our holding period. Reflecting concerns of moderating global economic growth rates, the Fund's shareholdings in Hyatt Hotels and Hilton Worldwide (both US: Lodging) were also sold. Both are trading at attractive valuations, but we had become concerned about the impact of US dollar strength and exposure to emerging markets, China in particular.

Outlook

Real estate securities continue to attract large amounts of capital, pushing REIT valuations higher in Australia, Japan, Canada and the US. In contrast, British REITs and the large Japanese and Hong Kong landlords are currently trading at large discounts to private market values. The strategy's focus remains firmly on growing and preserving our investors' capital through the ownership of investment-grade real estate, in markets which are difficult for new competitors to enter.

Cumulative performance as at 31 July 2016

Time period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since launch
Fund return %	14.8	23.0	21.5	42.2	70.8	-	103.7
Benchmark return %	20.3	28.2	34.3	53.3	95.7	-	123.4
Sector return %	1.7	7.0	7.9	23.9	44.3	-	35.5
Quartile ranking	1	1	1	1	1	-	1

Discrete performance as at 31 July 2016

Time period	12 mths to 31/07/16	12 mths to 31/07/15	12 mths to 31/07/14	12 mths to 31/07/13	12 mths to 31/07/12
Fund return %	21.5	14.8	2.0	9.1	10.1

Benchmark: FTSE EPRA NAREIT Global Developed Index.

Sector: IA Property.

Past performance should not be used as a guide to future performance, which is not guaranteed.

First State Global Property Securities Fund

Authorised Fund Manager's Report

(continued)

for the year ended 31 July 2016

Ten largest holdings

Stock name	31 July 2016		31 July 2015	
	% of Fund		% of Fund	
Simon Property Group REIT	7.42	Simon Property Group REIT	6.58	
Hammerson REIT	5.52	Equity Residential REIT	5.23	
Equity Residential REIT	5.30	Equinix REIT	5.22	
Equinix REIT	5.27	Hongkong Land Holdings	4.46	
Hudson Pacific Properties REIT	4.29	Boston Properties REIT	3.78	
Vornado Realty Trust REIT	4.11	UDR REIT	3.13	
Unibail-Rodamco REIT	3.98	Sumitomo Realty & Development	3.10	
Apartment Investment & Management REIT	3.83	Hyatt Hotels 'A'	2.78	
New South Resources	3.69	Hilton Worldwide Holdings	2.71	
CapitaLand Mall Trust REIT	3.62	Derwent London REIT	2.69	

Types of shares

Income and Accumulation.

First State Global Property Securities Fund

Portfolio Statement

as at 31 July 2016

Holdings	Market Value £'000	Total Net Assets %
UNITED KINGDOM (11.60%*)	30,478	10.80
2,815,973 Hammerson REIT**	15,586	5.52
745,771 Land Securities Group REIT**	8,114	2.88
1,077,586 UNITE Group	6,778	2.40
UNITED STATES (53.07%*)	151,930	53.85
115,384 American Assets Trust REIT**	3,948	1.40
322,213 Apartment Investment & Management REIT**	10,817	3.83
80,629 Boston Properties REIT**	8,529	3.02
587,932 Brandywine Realty Trust REIT**	7,442	2.64
232,764 Education Realty Trust REIT**	8,415	2.98
51,603 Equinix REIT**	14,878	5.27
106,689 Equity One REIT**	2,652	0.94
294,642 Equity Residential REIT**	14,942	5.30
33,705 Essex Property Trust REIT**	5,642	2.00
177,200 Healthcare Trust of America REIT**	4,505	1.60
478,975 Hudson Pacific Properties REIT**	12,118	4.29
294,775 InterXion Holding	8,310	2.95
214,251 Monogram Residential Trust REIT**	1,709	0.61
148,675 QTS Realty Trust REIT**	6,442	2.28
123,057 Simon Property Group REIT**	20,927	7.42
287,946 Tanger Factory Outlet Centers REIT**	9,055	3.21
144,874 Vornado Realty Trust REIT**	11,599	4.11
CANADA (4.59%)	-	-
FRANCE (0.00%*)	11,217	3.98
54,644 Unibail-Rodamco REIT**	11,217	3.98
GERMANY (3.66%*)	4,962	1.76
16,413 LEG Immobilien	1,234	0.44
220,608 TLG Immobilien	3,728	1.32
SWEDEN (0.58*)	-	-
JAPAN (9.53%*)	32,348	11.46
3,662 AEON REIT**	3,479	1.23
7,180 Japan Rental Housing Investments REIT**	4,624	1.64
443 Kenedix Residential Investment REIT**	904	0.32
1,877 Kenedix Retail REIT**	3,849	1.36
405,000 Mitsubishi Estate	5,731	2.03
602,000 Mitsui Fudosan	9,941	3.52
326 Mitsui Fudosan Logistics Park REIT**	646	0.23
161,000 Sumitomo Realty & Development	3,174	1.13
AUSTRALIA (3.70%*)	13,066	4.63
828,730 GPT Group REIT**	2,644	0.94
11,255,670 New South Resources	10,422	3.69
HONG KONG (9.49%*)	15,881	5.63
1,704,600 Hongkong Land Holdings	8,266	2.93
702,000 Sun Hung Kai Properties	7,615	2.70
SINGAPORE (2.39%*)	14,682	5.20
1,360,900 Ascendas Real Estate Investment Trust REIT**	1,873	0.66
8,526,200 CapitaLand Mall Trust REIT**	10,204	3.62
2,925,000 Mapletree Commercial Trust REIT**	2,605	0.92

First State Global Property Securities Fund

Portfolio Statement

(continued)

as at 31 July 2016

	Market Value £'000	Total Net Assets %
FORWARD CURRENCY CONTRACTS (0.00%*)	6	-
Australian Dollar		
Bought AUD160 for GBP91 Settlement 15/08/2016	-	-
Sold AUD527 for GBP302 Settlement 15/08/2016	-	-
Euro		
Bought EUR396,090 for GBP330,462 Settlement 15/08/2016	3	-
Bought EUR1,779,738 for USD1,974,877 Settlement 15/08/2016	3	-
Bought EUR150,197 for AUD218,743 Settlement 15/08/2016	2	-
Bought EUR139,925 for SGD208,988 Settlement 15/08/2016	1	-
Bought EUR78,807 for HKD678,149 Settlement 15/08/2016	-	-
Bought EUR10,546 for CAD15,242 Settlement 15/08/2016	-	-
Bought EUR350,752 for JPY40,757,026 Settlement 15/08/2016	(3)	-
Sold EUR378 for GBP315 Settlement 15/08/2016	-	-
Hong Kong Dollar		
Sold HKD1,736 for GBP168 Settlement 15/08/2016	-	-
Japanese Yen		
Sold JPY77,406 for GBP556 Settlement 15/08/2016	-	-
Singapore Dollar		
Sold SGD407 for GBP227 Settlement 15/08/2016	-	-
US Dollar		
Bought USD447 for GBP337 Settlement 15/08/2016	-	-
Bought USD195,774 for EUR176,373 Settlement 15/08/2016	-	-
Sold USD3,814 for GBP2,867 Settlement 15/08/2016	-	-
Portfolio of investments[^]	274,570	97.31
Net other assets	7,591	2.69
Total net assets	282,161	100.00

All investments held are listed, unless otherwise stated.

For the purposes of the portfolio holdings analysis, securities are shown based on their country of listing.

* Comparative figures shown in brackets relate to 31 July 2015.

** Real Estate Investment Trust (REIT).

[^] Including derivative liabilities.

First State Global Property Securities Fund

Comparative table

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Accumulation			
Change in net assets per share			
Opening net asset value per share	167.53	145.90	143.15
Return before operating charges*	38.87	24.28	4.99
Operating charges	(2.83)	(2.65)	(2.24)
Return after operating charges*	36.04	21.63	2.75
Closing net asset value per share (p)	203.57	167.53	145.90
Retained distributions on accumulation shares*	3.80	3.38	2.87
*after direct transaction costs of:	0.81	0.40	0.35
Performance			
Return after charges (%)	21.51%	14.83%	1.92%
Other information			
Closing net asset value (£'000)	38,993	50,719	74,803
Closing number of shares	19,154,906	30,274,712	51,271,592
Operating charges	1.65%	1.63%	1.64%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	204.71	183.20	146.18
Lowest share price	154.53	142.13	128.87

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class A Income			
Change in net assets per share			
Opening net asset value per share	130.49	116.06	116.45
Return before operating charges*	29.96	19.37	3.89
Operating charges	(2.24)	(2.28)	(1.96)
Return after operating charges*	27.72	17.09	1.93
Distributions on income shares	(2.96)	(2.66)	(2.32)
Closing net asset value per share (p)	155.25	130.49	116.06
*after direct transaction costs of:	0.63	0.32	0.28
Performance			
Return after charges (%)	21.24%	14.73%	1.66%
Other information			
Closing net asset value (£'000)	3,127	5,622	8,230
Closing number of shares	2,014,218	4,308,661	7,091,589
Operating charges	1.69%	1.77%	1.77%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	157.82	144.14	117.26
Lowest share price	119.12	113.06	103.46

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Accumulation			
Change in net assets per share			
Opening net asset value per share	175.04	151.36	147.57
Return before operating charges*	40.90	25.23	5.23
Operating charges	(1.60)	(1.55)	(1.44)
Return after operating charges*	39.30	23.68	3.79
Closing net asset value per share (p)	214.34	175.04	151.36
Retained distributions on accumulation shares*	4.01	3.47	2.97
*after direct transaction costs of:	0.85	0.42	0.36
Performance			
Return after charges (%)	22.45%	15.64%	2.57%
Other information			
Closing net asset value (£'000)	190,402	132,033	81,314
Closing number of shares	88,831,725	75,429,800	53,722,463
Operating charges	0.88%	0.90%	1.02%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	215.53	190.97	151.63
Lowest share price	161.58	147.44	133.17

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)	Final 31 July 2014 (p)
Share class B Income			
Change in net assets per share			
Opening net asset value per share	141.04	124.52	124.10
Return before operating charges*	32.60	20.79	4.21
Operating charges	(1.46)	(1.43)	(1.31)
Return after operating charges*	31.14	19.36	2.90
Distributions on income shares	(3.22)	(2.84)	(2.48)
Closing net asset value per share (p)	168.96	141.04	124.52
*after direct transaction costs of:	0.68	0.35	0.30
Performance			
Return after charges (%)	22.08%	15.55%	2.34%
Other information			
Closing net asset value (£'000)	25,963	20,729	15,251
Closing number of shares	15,366,187	14,697,657	12,247,424
Operating charges	1.00%	1.02%	1.11%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	171.77	155.40	125.80
Lowest share price	129.27	121.30	110.58

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (p)	Final 31 July 2015 (p)
Share class B Hedged Accumulation		
Change in net assets per share		
Opening net asset value per share	99.83	100.00
Return before operating charges*	2.19	0.02
Operating charges	(0.81)	(0.19)
Return after operating charges*	1.38	(0.17)
Closing net asset value per share (p)	101.21	99.83
Retained distributions on accumulation shares*	1.94	0.39
*after direct transaction costs of:	0.46	0.25
Performance		
Return after charges (%)	1.38%	(0.17)%
Other information		
Closing net asset value (£'000)	5	46
Closing number of shares	4,501	46,204
Operating charges	0.84%	0.87%
Direct transaction costs	0.47%	0.25%
Prices		
Highest share price	101.75	102.22
Lowest share price	86.35	96.87

Share class B Hedged Accumulation was launched on 13 May 2015.

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	189.36	146.46	130.53
Return before operating charges*	5.99	45.61	18.09
Operating charges	(2.86)	(2.71)	(2.16)
Return after operating charges*	3.13	42.90	15.93
Closing net asset value per share (c)	192.49	189.36	146.46
Retained distributions on accumulation shares*	3.77	3.65	2.82
*after direct transaction costs of:	0.86	0.43	0.35
Performance			
Return after charges (%)	1.65%	29.29%	12.20%
Other information			
Closing net asset value (€'000)	4,584	4,203	2,494
Closing number of shares	2,381,335	2,220,208	1,702,706
Operating charges	1.57%	1.55%	1.57%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	194.63	201.90	147.12
Lowest share price	158.75	141.96	122.55

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class A Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	155.14	122.40	111.42
Return before operating charges*	4.78	38.04	15.20
Operating charges	(2.32)	(2.25)	(1.84)
Return after operating charges*	2.46	35.79	13.36
Distributions on income shares	(3.10)	(3.05)	(2.38)
Closing net asset value per share (c)	154.50	155.14	122.40
*after direct transaction costs of:	0.70	0.36	0.30
Performance			
Return after charges (%)	1.59%	29.24%	11.99%
Other information			
Closing net asset value (€'000)	7,877	16,525	19,852
Closing number of shares	5,098,377	10,652,726	16,219,446
Operating charges	1.56%	1.56%	1.58%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	158.85	167.02	123.98
Lowest share price	128.82	118.64	104.37

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Accumulation (EUR share class)			
Change in net assets per share			
Opening net asset value per share	165.50	127.07	112.48
Return before operating charges*	5.32	39.65	15.64
Operating charges	(1.28)	(1.22)	(1.05)
Return after operating charges*	4.04	38.43	14.59
Closing net asset value per share (c)	169.54	165.50	127.07
Retained distributions on accumulation shares*	3.32	3.18	2.43
*after direct transaction costs of:	0.75	0.38	0.30
Performance			
Return after charges (%)	2.44%	30.24%	12.97%
Other information			
Closing net asset value (€'000)	12,723	10,441	10,359
Closing number of shares	7,504,107	6,309,186	8,152,296
Operating charges	0.80%	0.80%	0.88%
Direct transaction costs	0.47%	0.25%	0.26%
Prices			
Highest share price	171.42	176.07	127.64
Lowest share price	139.34	123.19	105.88

First State Global Property Securities Fund

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges Figure

	Final 31 July 2016 (c)	Final 31 July 2015 (c)	Final 31 July 2014 (c)
Share class B Income (EUR share class)			
Change in net assets per share			
Opening net asset value per share	127.65	99.89	100.00
Return before operating charges*	(11.16)	31.20	(0.11)
Operating charges	(0.86)	(0.91)	-
Return after operating charges*	(12.02)	30.29	(0.11)
Distributions on income shares	(0.78)	(2.53)	-
Closing net asset value per share (c)	114.85	127.65	99.89
*after direct transaction costs of:	0.56	0.29	-
Performance			
Return after charges (%)	(9.42)%	30.32%	(0.11)%
Other information			
Closing net asset value (€'000)	-	3	3
Closing number of shares	50	2,000	2,418
Operating charges	0.74%	0.77%	- %
Direct transaction costs	0.47%	0.25%	- %
Prices			
Highest share price	131.01	137.09	100.00
Lowest share price	97.96	96.85	100.00

Share class B Income (EUR share class) was launched on 30 July 2014.

Net asset value of share class B Income (EUR share class) is less than EUR1,000.

Comparative table

(continued)

for the year ended 31 July 2016

Net Asset Value and Ongoing Charges FigureFinal 31 July 2016
(c)**Share class B Hedged Accumulation (EUR share class)****Change in net assets per share**

Opening net asset value per share	100.00
Return before operating charges*	4.98
Operating charges	(0.59)
Return after operating charges*	4.39
Closing net asset value per share (c)	104.39
Retained distributions on accumulation shares*	1.42
*after direct transaction costs of:	0.71

Performance

Return after charges (%)	4.39%
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Other information

Closing net asset value (€'000)	2,889
Closing number of shares	2,767,500
Operating charges	0.86%
Direct transaction costs	0.47%

Prices

Highest share price	104.89
Lowest share price	87.56

Share class B Hedged Accumulation (EUR share class) was launched on 25 November 2015.

First State Global Property Securities Fund

Statement of Total Return

for the year ended 31 July 2016

	Notes	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Income					
Net capital gains	2		49,707		27,581
Revenue	3	6,615		5,274	
Expenses	4	(2,614)		(2,686)	
Interest payable and similar charges		(7)		(1)	
Net revenue before taxation		3,994		2,587	
Taxation	5	(711)		(451)	
Net revenue after taxation			3,283		2,136
Total return before distributions			52,990		29,717
Distributions	6		(5,546)		(4,555)
Change in net assets attributable to shareholders from investment activities			47,444		25,162

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 July 2016

	31 July 2016 £'000	£'000	31 July 2015 £'000	£'000
Opening net assets attributable to shareholders		231,125		205,536
Amounts receivable on issue of shares	121,146		56,011	
Less: Amounts payable on cancellation of shares	(122,622)		(59,464)	
		(1,476)		(3,453)
Dilution adjustment		256		61
Change in net assets attributable to shareholders from investment activities		47,444		25,162
Retained distribution on accumulation shares		4,812		3,818
Unclaimed distributions		-		1
Closing net assets attributable to shareholders		282,161		231,125

Notes to the Financial Statements are on pages 487 to 492.

First State Global Property Securities Fund

Balance Sheet

as at 31 July 2016

	Notes	31 July 2016 £'000	31 July 2015 £'000
Assets			
Fixed assets			
Investments		<u>274,573</u>	<u>227,914</u>
Current assets			
Debtors	8	7,299	1,331
Cash and bank balances		<u>10,111</u>	<u>2,730</u>
Total assets		<u>291,983</u>	<u>231,975</u>
Liabilities			
Investment liabilities		(3)	-
Provision for liabilities		(38)	(13)
Creditors			
Distribution payable		(387)	(366)
Other creditors	9	<u>(9,394)</u>	<u>(471)</u>
Total liabilities		<u>(9,822)</u>	<u>(850)</u>
Net assets attributable to shareholders		<u>282,161</u>	<u>231,125</u>

Notes to the Financial Statements are on pages 487 to 492.

First State Global Property Securities Fund

Notes to the Financial Statements

as at 31 July 2016

1. Accounting basis and policies

Please see pages 9 to 12 for accounting basis and policies.

2. Net capital gains

The net capital gains during the year comprise:

	31 July 2016 £'000	31 July 2015 £'000
Non-derivative securities	48,827	27,300
Forward foreign exchange currency contracts	44	5
Currency gains	836	276
Net capital gains	49,707	27,581

3. Revenue

	31 July 2016 £'000	31 July 2015 £'000
Dividends from UK companies	134	86
Overseas taxable revenue	(267)	(67)
Overseas non-taxable revenue	788	1,228
Property revenue from UK REITs - PID	458	194
Property revenue from UK REITs - Non PID	171	100
Property revenue from overseas REITs	5,266	3,480
UK scrip dividends	58	-
Overseas scrip dividends	-	217
Interest from bank deposits	7	11
Interest on capital revenue from Brazilian companies	-	25
Total revenue	6,615	5,274

4. Expenses

	31 July 2016 £'000	31 July 2015 £'000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	2,272	2,359
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	35	39
Other expenses:		
Audit fee	10	9
Registrar fees	232	224
Safe custody charges	8	12
Other expenses	57	43
	307	288
Total expenses	2,614	2,686

Notes to the Financial Statements

(continued)

as at 31 July 2016

5. Taxation

	31 July 2016 £'000	31 July 2015 £'000
(a) Analysis of charge in year:		
Corporation tax	382	225
Double tax relief	(382)	(225)
Irrecoverable overseas tax	686	464
Deferred taxation	25	(13)
Total taxation (note 5b)	711	451

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2015: 20%). The differences are explained below:

Net revenue before taxation	3,994	2,587
Corporation tax of 20% (2015: 20%)	799	517
Effects of:		
UK dividends*	(27)	(17)
Non taxable scrip dividends*	-	(43)
Overseas non-taxable revenue*	(288)	(262)
Double tax relief	(425)	(188)
Irrecoverable overseas tax	686	464
Property revenue from UK REITs - Non PID	(34)	(20)
Total tax charge for year (note 5a)	711	451

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

**As an authorised OEIC these items are not subject to corporation tax.*

(c) Deferred taxation:

Provision at the start of the year	13	26
Deferred tax charge/(credit) in profit and loss account for the year (note 5a)	25	(13)
Provision at the end of the year	38	13
Provision consists of:		
Revenue taxable in different periods	110	42
Double tax relief	(72)	(29)
Provision at the end of the year	38	13

6. Distributions

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

	31 July 2016 £'000	31 July 2015 £'000
Interim distribution	2,419	2,401
Final distribution	3,062	2,208
	5,481	4,609
Add: revenue deducted on cancellation of shares	728	301
Deduct: revenue received on issue of shares	(663)	(355)
Net distributions for the year	5,546	4,555

Details of the distribution per share is set out in the Distribution Tables on pages 493 to 495.

Notes to the Financial Statements

(continued)

as at 31 July 2016

7. Movement between net revenue and net distributions

	31 July 2016 £'000	31 July 2015 £'000
Net revenue after taxation	3,283	2,136
Expenses charged to capital	2,614	2,686
Tax relief on expenses charged to capital	(351)	(267)
Net distributions for the year	5,546	4,555

8. Debtors

	31 July 2016 £'000	31 July 2015 £'000
Sales awaiting settlement	5,632	205
Amounts receivable for issue of shares	1,142	870
Accrued revenue	406	137
Overseas tax recoverable	119	119
Total debtors	7,299	1,331

9. Creditors

	31 July 2016 £'000	31 July 2015 £'000
Purchases awaiting settlement	8,719	-
Amounts payable for cancellation of shares	393	120
Accrued expenses	282	351
Total creditors	9,394	471

10. Portfolio transaction costs

Analysis of total trade costs:

	Purchases		Sales	
	31 July 2016 £'000	31 July 2015 £'000	31 July 2016 £'000	31 July 2015 £'000
Equities	305,141	171,035	306,136	164,654
Trades in the year before transaction costs	305,141	171,035	306,136	164,654
Commissions				
Equities	432	254	(487)	(281)
Taxes				
Equities	238	12	(25)	(8)
Total costs	670	266	(512)	(289)
Total net trades in the year after transaction costs	305,811	171,301	305,624	164,365

as at 31 July 2016

Total transaction cost expressed as a percentage of asset type cost:

	Purchases		Sales	
	31 July 2016 %	31 July 2015 %	31 July 2016 %	31 July 2015 %
Commissions				
Equities	0.14	0.15	0.16	0.17
Taxes				
Equities	0.08	0.01	0.01	0.00

Total transaction cost expressed as a percentage of average net asset value:

	31 July 2016 %	31 July 2015 %
Commissions	0.37	0.24
Taxes	0.10	0.01
Total costs	0.47	0.25

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet was 0.12% (31/07/2015: 0.13%).

11. Contingent liabilities and commitments

As at 31 July 2016, the Fund had no contingent liabilities (31/07/15: £nil) and no commitments (31/07/15: £nil).

12. Derivatives and other financial instruments

(a) General

In pursuing its investment objectives the Fund holds equity shares.

The main risk arising from the Fund's financial instruments is market price risk. Market price risk arises mainly from uncertainty about future prices of the financial instruments held. Investment risk in the portfolio is regularly reviewed and controlled through the adoption of parameters limiting exposures to various factors such as industries, countries, and company size.

The Fund has little exposure to credit or cash flow risk. Certain transactions in securities that the Fund enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as an acceptable counter-party. This list is reviewed quarterly. The Fund's assets comprise mainly realisable securities which can be readily sold in normal market conditions.

The Fund's main liability is the redemption of any shares that investors wish to sell. In general, the ACD manages the cash to ensure that it can meet its liabilities. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions. The Fund's holdings are reviewed on a regular basis, with particular emphasis on the market capitalisation of the issuer (securities issued by larger capitalised companies generally have greater liquidity), and the number of days it would take to trade out of a given securities position or percentage of the Fund as a whole (determined by reference to available market trading volumes). Funds that have a higher concentration of securities which are deemed to be less liquid are regularly monitored.

As a proportion of the Fund's investment portfolio is invested in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager may seek to manage exposure to currency movements by using forward foreign exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on or near the date of receipt.

The market value of investments is taken to equal 'fair value' for the purposes of Financial Reporting Standard 29. Given all the activities of the Fund, none of the investments held fall within the definition of 'investments held for trading' as set out in Financial Reporting Standard 13.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

If market prices move by 10%, then the impact on the portfolio will be: 10% (£27,456) (31/07/15: £22,791).

Notes to the Financial Statements

(continued)

as at 31 July 2016

(b) Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

As at 31 July 2016, 3.58% (31/07/15: 1.18%) of the Fund's assets were interest bearing.

As exposure to interest rate risk is not significant, no additional numerical or sensitivity analysis is presented.

(c) Analysis of the Fund's currency exposure

The following summarises the Sterling value of currencies of the Fund in which the investments, including cash, debtors and creditors, are denominated.

As at 31 July the Fund had the following net currency exposure (excluding sterling):

	Net foreign currency assets 31 July 2016 Total	Net foreign currency assets 31 July 2015 Total
Currency	£'000	£'000
Australian dollar	13,190	8,618
Canadian dollar	7	14,788
Euro	19,051	9,654
Hong Kong dollar	7,684	11,622
Japanese yen	32,093	22,028
Singapore dollar	12,453	5,769
Swedish krona	-	1,342
US dollar	160,396	133,268
	<u>244,874</u>	<u>207,089</u>

If foreign exchange rates move by 5% then the impact on the NAV will be 4.34% (£12,244) (31/07/15: 4.48% (£10,354)).

Effective Portfolio Management**Financial derivative instruments exposure as at 31 July 2016**

Forward foreign currency contracts (Hedging)

Total financial derivative instruments exposure**Value (£)**

5,754

5,754**Counterparties to financial derivative instruments and efficient portfolio management techniques as at 31 July 2016**

State Street Bank and Trust Company

Value (£)

5,754

13. Related parties

First State Investments (UK) Limited, ("the ACD") is a related party to the Fund as defined by Financial Reporting Standard 8 'Related Party Disclosures'. By virtue of the regulations governing Open-Ended Investment Companies, the ACD is party to every transaction in respect of shares of the Fund, which are summarised in the 'Statement of Change in Net Assets attributable to Shareholders'. Amounts due at the year end in respect of issues and cancellations are included in the Balance Sheet.

Amounts paid to First State Investments (UK) Limited in respect of ACD fees are disclosed in note 4, with £192 (31/07/15: £193) due at the year end.

As at 31 July 2016 Commonwealth Bank of Australia (UK) Staff Pension Scheme, a related party of the ACD, owned 0.22% (31/07/15: 0.18%) of the Net Asset Value of the Fund.

Notes to the Financial Statements

(continued)

as at 31 July 2016

14. Share classes

The Fund has ten share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share class A Accumulation (Retail):	1.50
Share class A Income (Retail):	1.50
Share class B Accumulation (Institutional):	0.75
Share class B Income (Institutional):	0.75
Share class B Hedged Accumulation (Institutional):	0.75
Share class A Accumulation (EUR share class) (Retail):	1.50
Share class A Income (EUR share class) (Retail):	1.50
Share class B Accumulation (EUR share class) (Institutional):	0.75
Share class B Income (EUR share class) (Institutional):	0.75
Share class B Hedged Accumulation (EUR share class) (Institutional):	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 475 to 484.

The distributions per share class are given in the Distribution Tables on pages 493 to 495.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	31 July 2015			31 July 2016	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share class A Accumulation (Retail)	30,274,712	14,455,583	(17,472,004)	(8,103,385)	19,154,906
Share class A Income (Retail)	4,308,661	8,261,982	(8,852,351)	(1,704,074)	2,014,218
Share class B Accumulation (Institutional)	75,429,800	28,547,339	(22,834,822)	7,689,408	88,831,725
Share class B Income (Institutional)	14,697,657	3,060,737	(4,018,712)	1,626,505	15,366,187
Share class B Hedged Accumulation (Institutional)	46,204	11,224	(52,927)	-	4,501
Share class A Accumulation (EUR share class) (Retail)	2,220,208	6,192,941	(6,031,814)	-	2,381,335
Share class A Income (EUR share class) (Retail)	10,652,726	16,434,872	(21,989,221)	-	5,098,377
Share class B Accumulation (EUR share class) (Institutional)	6,309,186	2,408,142	(1,213,221)	-	7,504,107
Share class B Income (EUR share class) (Institutional)	2,000	4,739	(6,689)	-	50
Share class B Hedged Accumulation (EUR share class)	-	3,366,999	(599,499)	-	2,767,500

15. Fair value

	31 July 2016		31 July 2015	
Valuation technique	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1	274,564	-	227,914	-
Level 2	9	(3)	-	-
Level 3	-	-	-	-
Total fair value	274,573	(3)	227,914	-

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 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. Over the Counter (OTC) derivatives (including equity swaps) are held at fair value which are determined by valuation techniques or single broker quotes.

First State Global Property Securities Fund

Distribution Tables

for the year ended 31 July 2016

Distribution in pence and cents per share

Group 1 Interim - Shares purchased prior to 1 August 2015

Final - Shares purchased prior to 1 February 2016

Group 2 Interim - Shares purchased between 1 August 2015 and 31 January 2016

Final - Shares purchased between 1 February 2016 and 31 July 2016

Share class A Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.6326	-	1.6326	1.7438
Final	2.1664	-	2.1664	1.6327
Group 2	(p)	(p)	(p)	(p)
Interim	0.6080	1.0246	1.6326	1.7438
Final	0.9125	1.2539	2.1664	1.6327

Share class A Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.2681	-	1.2681	1.3864
Final	1.6898	-	1.6898	1.2767
Group 2	(p)	(p)	(p)	(p)
Interim	0.2022	1.0659	1.2681	1.3864
Final	0.5940	1.0958	1.6898	1.2767

Share class B Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.6797	-	1.6797	1.8100
Final	2.3352	-	2.3352	1.6570
Group 2	(p)	(p)	(p)	(p)
Interim	0.9373	0.7424	1.6797	1.8100
Final	0.9570	1.3782	2.3352	1.6570

Share class B Income

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	1.3584	-	1.3584	1.4982
Final	1.8571	-	1.8571	1.3462
Group 2	(p)	(p)	(p)	(p)
Interim	0.7480	0.6104	1.3584	1.4982
Final	0.6533	1.2038	1.8571	1.3462

First State Global Property Securities Fund

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Hedged Accumulation

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(p)	(p)	(p)	(p)
Interim	0.8880	-	0.8880	-
Final	1.0501	-	1.0501	0.3894
Group 2	(p)	(p)	(p)	(p)
Interim	-	0.8880	0.8880	-
Final	0.8206	0.2295	1.0501	0.3894

Share class A Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.6601	-	1.6601	1.8460
Final	2.1055	-	2.1055	1.8019
Group 2	(c)	(c)	(c)	(c)
Interim	0.8582	0.8019	1.6601	1.8460
Final	1.9186	0.1869	2.1055	1.8019

Share class A Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.5246	-	1.5246	1.5436
Final	1.5777	-	1.5777	1.5015
Group 2	(c)	(c)	(c)	(c)
Interim	0.5564	0.9682	1.5246	1.5436
Final	0.4480	1.1297	1.5777	1.5015

Share class B Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	1.4817	-	1.4817	1.6139
Final	1.8385	-	1.8385	1.5654
Group 2	(c)	(c)	(c)	(c)
Interim	0.1976	1.2841	1.4817	1.6139
Final	0.5509	1.2876	1.8385	1.5654

Share class B Income (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016	Distribution paid 30/09/2015
Group 1	(c)	(c)	(c)	(c)
Interim	-	-	-	1.2980
Final	0.7800	-	0.7800	1.2350
Group 2	(c)	(c)	(c)	(c)
Interim	-	-	-	1.2980
Final	0.7800	-	0.7800	1.2350

Distribution Tables

(continued)

for the year ended 31 July 2016

Share class B Hedged Accumulation (EUR share class)

	Net revenue	Equalisation	Distribution paid to/payable 30/09/2016
Group 1	(c)	(c)	(c)
Interim	0.2806	-	0.2806
Final	1.1381	-	1.1381
Group 2	(c)	(c)	(c)
Interim	0.2698	0.0108	0.2806
Final	1.0130	0.1251	1.1381

Corporate Tax for all share classes (unaudited)

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 26.68% of the dividend together with the tax credit is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 73.32% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 54.84% of the dividend together with the tax credit is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 45.16% of the dividend is received as an annual payment (foreign element) received after the deduction of tax at a rate equal to the basic rate of income tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hand of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Shareholders should consult their professional advisers for any advice regarding their tax position.

About First State Investments ICVC

First State Investments ICVC ('FSI') is a growing global asset management business with experience across a range of asset classes and specialist investment sectors. We operate as First State Investments internationally and Colonial First State Global Asset Management in Australia. Our parent company, the Commonwealth Bank of Australia (CBA), is one of Australia's leading providers of integrated financial services.

We are known for the independent and focused nature of our investment teams. Each team is comprised of experienced specialists and analysts who set their own investment philosophy and are not constrained by one overarching investment style or process. The common threads which exist between our teams are the strong sense of responsibility they have as stewards of our clients' assets and their long-term investment horizons that align with the timeframes of our clients.

Our investment teams cover a broad range of asset classes, including equities, debt, multi-sector and direct infrastructure. Many of these teams are market leaders in their sectors with exceptional portfolio management and technical experience.

In July 2015 the First State Stewart team split to form two successor teams: one primarily based in Hong Kong (First State Stewart Asia) and the other in Edinburgh (Stewart Investors). Both successor teams remain part of CBA's global asset management business. The Edinburgh successor team has become, in effect, an investment division in its own right and was rebranded as Stewart Investors on 1 July 2015. The funds managed by Stewart Investors have been rebranded as such. Stewart Investors remains part of CBA's risk control framework.

We believe that the success of our business relies on maintaining the trust and confidence of our clients. One of the ways we achieve this is by ensuring we employ the mindset, thinking and actions of a responsible asset manager at all levels and in all areas of our business.

First State Investments ICVC

Corporate Directory

The Company

First State Investments ICVC

Registered office:

Finsbury Circus House, 15 Finsbury Circus
London EC2M 7EB

Principal place of business:

23 St Andrew Square
Edinburgh EH2 1BB

Authorised Corporate Director (ACD)

First State Investments (UK) Limited

Registered office:

Finsbury Circus House, 15 Finsbury Circus
London EC2M 7EB

Head office:

23 St Andrew Square
Edinburgh EH2 1BB

Authorised and regulated by the Financial Conduct Authority.

Dealing address:

First State Investments (UK) Limited
PO Box 12089
Brentwood
Essex CM14 9NH

Correspondence address:

First State Investments (UK) Limited
PO Box 12089
Brentwood
Essex CM14 9NH

Contact details:

Telephone: 0800 587 4141 and +44 131 525 8870

Email: enquiries@firststate.co.uk

Website: www.firststateinvestments.com

Directors of the ACD:

C Turpin

A Hilderly†

K Lakhani

F Johnson

R Wastcoat

†A Hilderly was appointed as a Director of the ACD on 11 January 2016.

J Breyley resigned on 29 July 2016.

Investment Manager

First State Investment Management (UK) Limited

Registered office:

23 St Andrew Square
Edinburgh EH2 1BB

Authorised and regulated by the Financial Conduct Authority.

Investment Advisers

Colonial First State Asset Management (Australia) Limited

Registered office:

Level 29, 52 Martin Place
Sydney NSW 2000

First State Investments (Singapore)

Registered office:

38 Beach Road
06-11 South Beach Tower
Singapore 189767

First State Investments (Hong Kong) Limited

Registered office:

Level 25, One Exchange Square
Central, Hong Kong

Depository

State Street Trustees Limited

Registered office:

20 Churchill Place
London E14 5HJ

Principal place of business in Edinburgh:

525 Ferry Road
Edinburgh EH5 2AW

First State Investments ICVC

Corporate Directory

Custodian

State Street Bank and Trust Company

Registered office:

1 Lincoln Street
Boston
Massachusetts 02111
United States of America

UK Office:

20 Churchill Place
London E14 5HJ

Administrator

State Street Bank and Trust Company

Registered office:

One Canada Square
London E14 5AF

UK Office:

20 Churchill Place
London E14 5HJ

Registrar*

The Bank of New York Mellon (International) Limited

Registered office:

One Canada Square
London E14 5AL

Principal place of business and location of the Register:

Capital House
2 Festival Square
Edinburgh
EH3 9SU

Legal Advisers

Simmons & Simmons LLP

Registered Office:

CityPoint
One Ropemaker Street
London EC2Y 9SS

Independent Auditors

PricewaterhouseCoopers LLP

Registered Office:

Level 4
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Issued by First State Investments (UK) Limited

Authorised and regulated by the Financial Conduct Authority and a member of IA.

Registered No. 2294743 England and Wales.

Registered office Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB.

Entered on the FCA Register, registration number 143359.

*On 16 September 2016, the ACD Board passed a motion to retain Bank of New York Mellon (International) Limited as the Registrar.

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