




LIONTRUST GLOBAL INCOME FUND

**Manager's Long Final Report and Financial Statements
for the year ended 30 June 2018**



Managed by James Inglis-Jones &
Samantha Gleave in accordance with
The Liontrust Cashflow Solution

LIONTRUST FUND PARTNERS LLP

LIONTRUST GLOBAL INCOME FUND

Directory

Authorised Fund Manager ("Manager")

Liontrust Fund Partners LLP
2 Savoy Court
London
WC2R 0EZ

Administration and Dealing enquiries 0330 123 3822
Administration and Dealing facsimile 0330 123 3720
Email admin@liontrust.co.uk
Website www.liontrust.co.uk

Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

Liontrust Investment Partners LLP
2 Savoy Court
London
WC2R 0EZ

Authorised and regulated by the Financial Conduct Authority.

Trustee

State Street Trustees Limited
20 Churchill Place
London
E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

Registrar

DST Financial Services Europe Limited
DST House
St. Nicholas Lane
Basildon
Essex
SS15 5FS

Authorised and regulated by the Financial Conduct Authority.

As of 14 August 2017, DST Financial Services Europe Limited is the trading name of International Financial Data Services (UK) Ltd following the acquisition of the remaining 50% ownership interest.

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

LIONTRUST GLOBAL INCOME FUND

Investment Profile

The Fund is managed in accordance with the Liontrust Cashflow Solution investment process, which is based on the belief that the most important determinant of shareholder return is company cash flows. The fund managers believe that cash flows determine the ability of a business to grow in a self-sustaining way and to return money to shareholders through dividend yield and share buybacks. They aim to find companies that generate significant free cash flows from their asset base and are lowly valued, whilst being run by company managers that allocate their cash flows in an intelligent way. The Fund is populated by companies that fit this description whilst also offering an attractive yield.

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*Collectively, these comprise the Authorised Fund Manager's Report (from herein referred to as the Manager's Report).

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MANAGER'S INVESTMENT REPORT

Investment Objective and Policy

The investment objective of Liontrust Global Income Fund is to provide a high level of income with capital values keeping pace with inflation.

The Fund invests primarily in listed securities of global companies. The Fund may also invest in transferable securities, money market instruments, warrants, cash and near cash and deposits. The Fund may also invest up to 10% of its property in units or shares in collective investment schemes. The Fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £11.4 billion in assets under management as at 30th June 2018. The Company takes pride in having a distinct culture and approach to running money.

The company launched in 1995 and was listed on the London Stock Exchange in 1999.

- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Luxembourg and Edinburgh.
- We believe in the benefits of active fund management over the long term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have eight fund management teams: five that invest in UK, European, Asian and Global equities, a Global Fixed Income team, a Sustainable Investment team and one team that manages Multi-Asset portfolios.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from buying stocks for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Principles of Treating Customers Fairly (TCF) and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP, Liontrust Fund Partners LLP and Liontrust Investments Limited which are authorised and regulated by the Financial Conduct Authority. All members of the Liontrust Group sell only Liontrust Group products.

Performance of the Fund

In the year to 30 June 2018 an investment in the Fund returned 5.2% (retail class) and 6.0% (institutional class). This compares with an average return of 3.6% in the IA Global Equity Income sector.

Since the Cashflow team took over management of the Fund on 25th March 2009, an investment in the Fund has returned 198.0% (retail class) and 216.5% (institutional class) compared with an average return of 179.2% in the IA Global Equity Income sector.

The Fund moved from the IA UK Equity Income sector to the IA Global Equity Income sector on 1 August 2013.

Source: *Financial Express, primary share class (bid-to-bid basis, total return - net of fees, income reinvested).*

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A final dividend of 5.31 pence per unit paid will be paid to retail class unitholders, 5.64 pence per unit to institutional class unitholders and 5.62 pence per unit to advised class unitholders at the end of August 2018.

Source: *Liontrust Fund Partners LLP.*

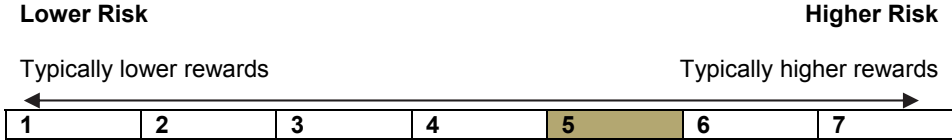
Past performance is not a guide to future performance. The value of investments and the income from them can fall as well as rise.

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Risk Rating

The Risk disclosures are in accordance with European Securities and Markets Authority (ESMA) guidelines and are consistent with the rating disclosed in the Key Investor Information Document (KIID).



- The Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRI is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund’s risk and reward category has been calculated using the methodology set by the European Commission. It is based upon the rate by which the Fund or a representative fund or Index’s value has moved up and down in the past.
- The Fund is categorised 5 primarily for its exposure to high yielding global companies.
- The SRRI may not fully take into account the following risks:
 - o That a company may fail thus reducing its value within the Fund.
 - o Any overseas investments carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.
 - o Any company which has high overseas earnings may carry a higher currency risk.
- The Fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.

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MANAGER'S INVESTMENT REPORT

Market Environment

The MSCI World Index returned 9.3% in the 12 months to 30 June 2018.

Donald Trump was a central focus for investors during the review period. The US president won his first major legislative victory in December as his highly anticipated tax reform was narrowly passed in Congress, supporting global equity markets.

However, Trump's engagement in trade hostilities during the beginning of 2018 took the shine off his tax reform. He announced tariffs on all US steel and aluminium imports as well as additional levies targeting Chinese imports in particular. The initial exemption of trading partners such as the EU, Canada and Mexico, and a delay in enacting the Chinese tariffs, led to some hope that the situation might not escalate. However by the end of June, Trump had removed the exemptions and confirmed that the US was moving ahead with Chinese tariffs on US\$50bn of imports, sparking fears over bouts of retaliatory measures.

Global monetary policy took a hawkish direction, albeit from an exceptionally loose starting point: the US Federal Reserve implemented the last of its three planned interest rate increases for 2017 and actioned two more in 2018. Two further hikes are forecast in 2018 – one more than its previous guidance – with three further increases projected for 2019. The European Central Bank took more steps towards curbing its quantitative easing scheme, announcing a taper from €30bn to €15bn from September before halting it completely at the end of 2018. Meanwhile, the Bank of England delivered its first interest increase in over a decade in November 2017, but backed away from another hike in May 2018 following soft Q1 economic data.

In the commodity space, oil prices rebounded strongly, with Brent oil rising to over US\$80 a barrel. Contributing to the rise was Venezuela's political and economic turmoil, the US withdrawal from a nuclear deal with Iran (implying lower Iranian oil exports) and ongoing Opec supply restrictions.

The rise in oil prices was reflected in the sector breakdown in the MSCI World Index, with the energy sector registering a 23.3% gain in sterling terms, bettered only by IT (+27.1%). Defensive sectors of the market underperformed: telecoms (-4.2%) was the biggest laggard, followed by consumer staples (-1.9%) and utilities (+2.8%).

Analysis of Portfolio Returns

The Fund returned 6.0% in sterling terms over the 12 months to 30 June 2018, compared to the 9.3% return from the MSCI World Index and 3.6% average return from the IA Global Equity Income sector.

Source: *Financial Express, primary share class (bid-to-bid basis, total return - net of fees, income reinvested).*

The Liontrust Global Income Fund targets a high level of income. As at 30 June 2018, its historic yield was 5.0%, significantly higher than 4.0% on the MSCI World High Dividend Yield Index.

During the period, high yield areas continued to lag rising global equity markets; the MSCI World High Dividend Yield Index delivered a total return of 2.8%. Weakness in high yielding areas was evident in the sector breakdown, with bond proxy sectors such as telecoms among the worst performing in the MSCI World Index. It was therefore encouraging that the Fund outperformed the peer group and MSCI World High Dividend Yield Index despite generating a higher yield during a period when high-yield areas underperformed.

The Fund's high yield requirement naturally leads it into bond proxy areas and, as such, telecoms was a source of negative attribution. However, the Fund's relative returns in the utilities and consumer staples sectors – where it has an underweight position – were strong, with good returns from Czech electricity conglomerate CEZ Group (+42.8%) and UK supermarket J Sainsbury (+35.2%) contributing to this.

The Fund's holdings in the materials sector were a big boost for relative performance. The sector has rediscovered its capital discipline in the aftermath of the cyclical downturn which was triggered by the global financial crisis. Recently this has been supplemented by an upturn in commodity prices which has contributed to boosting free cash flow. With a current renaissance of inflation fears, the sector offers a cash flow stream which is underpinned by real asset values.

The top stock contributors during the review period were Seagate Technology (+51.9%), The Navigator Company (+47.4%) and Lukoil (+46.5%).

- Data storage company Seagate Technology saw its share price rise at the beginning of 2018 following reports that it held a small stake in Ripple, the company behind one of the most valuable cryptocurrencies. In its results for

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the quarter to 31 March 2018, Seagate Technology reported a 4.8% increase in revenue from the same time last year, which exceeded the company's own expectations.

- Portuguese paper and pulp group the Navigator Company saw earnings before interest, taxes, depreciation and amortisation for the first quarter of 2018 rise by 23% year-on-year. It stated that this was driven by positive pulp and paper price trends and the sale of its pellets business for €67.6m.

- Russian crude oil producer Lukoil's share price appreciation was largely due to the rise in oil prices. Furthermore, in January Lukoil announced a new share buyback programme worth US\$2bn-US\$3bn over five years and the cancelation of 100 million of its 140 million treasury shares.

The largest detractors from performance included Peab (-35.1%), Bezeq Israeli Telecommunication (-27.1%) and Vodacom (-25.8%).

- Peab's share price decline mostly occurred during the first part of the review period. Investors focused more on the challenges for the company in its third quarter outlook – resource shortages, increases in costs for subcontractors and rising land prices – than the positives – a good order book (SEK38.4bn), project mix and financial trends.

- Bezeq Israeli Telecommunication experienced a turbulent start to 2018. The company was subject to a police investigation concerning whether it provided positive coverage for Israeli Prime Minister Benjamin Netanyahu in return for favourable regulations. There were also reports in April that Netanyahu's office was considering forcing Bezeq to spin off its infrastructure assets to improve competition in the country's telecom market.

- Vodacom's share price was depressed during the review period as telecoms fell out of favour with investors. The South African mobile communications group also saw a steep drop in September 2017 after majority owner Vodafone's sale of 90m shares via a placing at R165 a share.

Portfolio Activity

The Cashflow Solution investment process is centred on an annual review of the published report & accounts of companies in our stock universe. For each company, we scrutinise their accounts, conducting forensic analysis in order to ensure we understand the forces driving developments in the balance sheet and cash flow statements, while also analysing any unusual accounting policies that basic screening alone could miss.

The review is usually completed within the second calendar quarter, but the resulting portfolio changes are phased in order to manage the Fund's income generation.

The following changes occurred as a result of the 2017 annual review and were phased in during the beginning of the review period.

- Actividades de Construcción y Servicios and McMillan Shakespeare were sold from the portfolio.

- Positions were initiated in Anglo American (UK), Barratt Developments (UK), Big 5 Sporting Goods (US), BGC Partners (US), Eutelsat Communication (France), Gluskin Sheff & Associates (Canada), Hopewell Holdings (Hong Kong), J.Sainsbury (UK), Kimberly Clark (US), Oesterreichische Post (Austria), Target (US) and UPMKymmene (Finland).

From the 2018 review, the following changes have been implemented so far:

- Fred Olsen Energy, Hopewell Highway Infrastructure, JB Hi-Fi, Man Wah Holdings, J Sainsbury and Skandinaviska Enskilda Banken were all sold from the portfolio.

- Axfood (Sweden), International Personal Finance (UK), Merlin Properties (Spain), Natixis (France), Resurs Holding (Sweden) and Sberbank of Russia (Russia) were added.

Outlook

The market uptrend remains intact, but it is fragile and there are concerns relating to investor and corporate behaviour.

Market valuation is high relative to history and there are signs of widespread investor complacency – both conclusions that we draw from our aggregated cash flow data. We have found clear evidence in developed markets that paying attention to investor complacency and valuation in the context of market trend gives a good steer on the likely path of returns over the next 12 months. If the current trend breaks, our data show that the valuation and investor sentiment backdrop today could have troubling implications for future returns.

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Additionally, our measures of corporate behaviour tell us that complacency is picking up – the trend is concerning and we are monitoring it closely but our indicator has not yet reached levels we would associate with a bleak equity market outlook.

It is worth highlighting again that the efficacy of the Cashflow Solution investment process is not dependent on a bullish equity market environment. If there is an inflection point or regime change in European markets, we think companies with high forecast growth look particularly vulnerable. They have enjoyed a steady re-rating since the 2009 market trough, propelling them to today's heady valuation level. The Cashflow Solution process is based on analysis of actual cash flow as shown in companies' reports and accounts rather than forecasts made by company managers or analysts. It is therefore biased towards companies with good cash flow and away from those with ambitious forecast growth.

Samantha Gleave & James Inglis-Jones

Fund Managers

July 2018

Manager's Report

The manager's investment report, together with information on the authorised status of the Fund, the objectives and policy of the Fund, the information on page 1 and the portfolio statement, comprise the Manager's Report.

Past performance is not a guide to future performance. The value of investments and the income from them can fall as well as rise.

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Authorised Status

The Fund is an authorised unit trust scheme (“the Scheme”) under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority’s Collective Investment Schemes Sourcebook and is categorised as a UCITS scheme.

Statement of the Manager's Responsibilities

in respect of the Report and Financial Statements of the Scheme:

The Financial Conduct Authority’s Collective Investment Scheme Sourcebook (‘the Regulations’) require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Scheme and of its net income/expenses and the net gains/losses on the property of the Scheme for the period. In preparing the financial statements the Manager is required to:

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

The Manager is responsible for the management of the Scheme in accordance with its Trust Deed, Prospectus and the Regulations, and has taken all reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Trustee's Responsibilities

The Depositary in its capacity as Trustee of Liontrust Global Income Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority’s Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together “the Regulations”), the Trust Deed and Prospectus (together “the Scheme documents”) as detailed below.

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

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

The Depositary must ensure that:

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

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

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Trustee's Report

to the unitholders of the Liontrust Global Income Fund ("the Scheme")

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

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

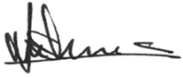
State Street Trustees Limited
20 Churchill Place
London E14 5HJ

10 October 2018

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Certification of Financial Statements by Directors of the Manager

We certify that this Manager's Report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.



John Ions
Chief Executive



Antony Morrison
Partner, Head of Finance

Liontrust Fund Partners LLP

10 October 2018

Independent auditors' Report to the Unitholders of Liontrust Global Income Fund

Report on the audit of the financial statements

Opinion

In our opinion, Liontrust Global Income Fund's financial statements:

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

We have audited the financial statements, included within the Manager's Long Final Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2018; the statement of total return and the statement of change in net assets attributable to unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Reporting on other information

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

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

Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of the Manager's Responsibilities set out on page 9, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Trust, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes Sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes Sourcebook

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

Collective Investment Schemes Sourcebook exception reporting

Under the Collective Investment Schemes Sourcebook we are 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.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
10 October 2018

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Comparative Tables

as at 30 June 2018

	30/06/18 (p)	30/06/17 (p)	30/06/16 (p)
Advised Income			
Change in net assets per unit			
Opening net asset value per unit	161.86	144.68	143.05
Return before operating charges*	11.08	28.05	10.92
Operating charges	(1.90)	(1.87)	(1.62)
Return after operating charges*	9.18	26.18	9.30
Distributions on income units	(9.03)	(9.00)	(7.67)
Closing net asset value per unit	162.01	161.86	144.68
*after direct transaction costs of:	0.10	0.27	0.15
Performance			
Return after charges	5.67%	18.10%	6.50%
Other information			
Closing net asset value (£'000)	278	230	305
Closing number of units	171,427	142,218	210,769
Operating charges	1.14%	1.16%	1.18%
Direct transaction costs	0.06%	0.17%	0.11%
Prices			
Highest offer (buying) unit price	176.25	173.42	152.52
Lowest bid (selling) unit price	158.82	148.04	123.39

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Comparative Tables

as at 30 June 2018

	30/06/18 (p)	30/06/17 (p)	30/06/16 (p)
Institutional Income			
Change in net assets per unit			
Opening net asset value per unit	162.48	144.85	142.63
Return before operating charges*	11.12	28.12	11.17
Operating charges	(1.50)	(1.48)	(1.28)
Return after operating charges*	9.62	26.64	9.89
Distributions on income units	(9.08)	(9.01)	(7.67)
Closing net asset value per unit	163.02	162.48	144.85
*after direct transaction costs of:	0.10	0.27	0.15
Performance			
Return after charges	5.92%	18.39%	6.93%
Other information			
Closing net asset value (£'000)	93,884	96,435	97,526
Closing number of units	57,588,978	59,353,386	67,331,434
Operating charges	0.90%	0.91%	0.93%
Direct transaction costs	0.06%	0.17%	0.11%
Prices			
Highest offer (buying) unit price	173.83	170.63	149.70
Lowest bid (selling) unit price	159.72	148.22	123.40

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Comparative Tables

as at 30 June 2018

	30/06/18 (p)	30/06/17 (p)	30/06/16 (p)
Retail Income			
Change in net assets per unit			
Opening net asset value per unit	154.02	138.36	136.87
Return before operating charges*	10.52	26.80	11.05
Operating charges	(2.60)	(2.56)	(2.21)
Return after operating charges*	7.92	24.24	8.84
Distributions on income units	(8.56)	(8.58)	(7.35)
Closing net asset value per unit	153.38	154.02	138.36
*after direct transaction costs of:	0.09	0.26	0.15
Performance			
Return after charges	5.14%	17.52%	6.46%
Other information			
Closing net asset value (£'000)	65,288	71,754	77,091
Closing number of units	42,566,057	46,587,396	55,717,556
Operating charges	1.65%	1.66%	1.67%
Direct transaction costs	0.06%	0.17%	0.11%
Prices			
Highest offer (buying) unit price	171.86	169.90	150.00
Lowest bid (selling) unit price	150.54	141.57	118.15

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Portfolio Statement

as at 30 June 2018 (Ordinary shares except where otherwise stated)

	Holdings	Market Value £'000	Percentage of total net assets %
Security			
AUSTRALIA (3.92%*)			
GWA	947,120	1,807	1.13
AUSTRIA (0.00%*)			
Oesterreichische Post	50,677	1,754	1.10
CANADA (8.41%*)			
Ensign Energy Services	1,086,657	3,595	2.25
Genworth MI Canada	182,940	4,439	2.78
Gluskin Sheff + Associates	148,750	1,398	0.88
Nutrien	96,737	3,931	2.47
CZECH REPUBLIC (5.30%*)			
CEZ	189,813	3,416	2.14
O2 Czech Republic	182,559	1,577	0.99
Philip Morris	3,666	1,894	1.19
FINLAND (5.13%*)			
Nokian Renkaat	102,635	3,071	1.93
Sampo	109,027	4,034	2.53
UPM-Kymmene	96,697	2,630	1.65
FRANCE (3.06%*)			
Eutelsat Communications	107,350	1,713	1.07
Natixis	539,500	2,897	1.82
TOTAL	93,423	4,325	2.71
GERMANY (2.24%*)			
Deutsche Pfandbriefbank	395,178	4,152	2.60
HONG KONG (8.83%*)			
BOC Hong Kong	497,500	1,783	1.12
Champion REIT†	5,606,000	2,828	1.77
Giordano International	5,211,299	2,487	1.56
VTech	386,345	3,391	2.13
ISRAEL (2.10%*)			
Bezeq The Israeli Telecommunication	571,861	489	0.31
NETHERLANDS (4.23%*)			
ASR Nederland	102,454	3,180	1.99
ING	332,838	3,654	2.29
NEW ZEALAND (4.31%*)			
Air New Zealand	2,082,933	3,396	2.13
Spark New Zealand	1,613,256	3,094	1.94
NORWAY (0.16%*)			
		-	-
PORTUGAL (4.42%*)			
EDP - Energias de Portugal	1,606,373	4,896	3.07
Navigator	1,005,203	4,559	2.86
RUSSIA (4.89%*)			
LUKOIL ADR	82,588	4,228	2.65
Sberbank of Russia ADR	112,647	1,177	0.74
Severstal GDR	357,615	3,987	2.50

LIONTRUST GLOBAL INCOME FUND

Portfolio Statement

as at 30 June 2018 (Ordinary shares except where otherwise stated)

	Holdings	Market Value £'000	Percentage of total net assets %
SINGAPORE (3.52%*)		5,833	3.66
Fortune REIT†	3,174,000	2,838	1.78
Mapletree Industrial Trust†	2,796,400	2,995	1.88
SOUTH AFRICA (6.60%*)		5,301	3.32
Emira Property Fund†	1,416,230	1,120	0.70
RMB	486,670	2,012	1.26
Vodacom	325,390	2,169	1.36
SPAIN (5.86%*)		5,501	3.45
Endesa	263,563	4,437	2.78
Merlin Properties Socimit†	96,485	1,064	0.67
SWEDEN (7.70%*)		10,535	6.61
Axfood	72,877	1,060	0.66
Peab	455,413	2,595	1.63
Resurs	646,487	3,143	1.98
Swedbank	230,343	3,737	2.34
SWITZERLAND (2.02%*)		2,887	1.81
Roche	17,214	2,887	1.81
TAIWAN (1.02%*)		1,770	1.11
King's Town Bank	2,178,502	1,770	1.11
UNITED KINGDOM (11.51%*)		22,005	13.80
Anglo American	155,116	2,606	1.63
Rio Tinto	131,804	5,558	3.49
Barratt Developments	250,207	1,293	0.81
Marks & Spencer	573,838	1,706	1.08
Ashmore	1,403,806	5,202	3.26
HSBC	633,445	4,519	2.83
International Personal Finance	549,809	1,121	0.70
UNITED STATES (3.14%*)		13,750	8.63
BGC Partners	279,656	2,401	1.51
Big 5 Sporting Goods	208,609	1,215	0.76
Kimberly-Clark	15,125	1,203	0.75
Las Vegas Sands	60,951	3,507	2.20
Seagate Technology	76,775	3,293	2.07
Target	37,043	2,131	1.34

LIONTRUST GLOBAL INCOME FUND

Portfolio Statement

as at 30 June 2018 (Ordinary shares except where otherwise stated)

	Holdings	Market Value £'000	Percentage of total net assets %
IRELAND (3.87%*)		6,283	3.94
SSgA Cash Management Fund**	6,283,367	<u>6,283</u>	<u>3.94</u>
Portfolio of investments		163,647	102.63
Net other liabilities		(4,197)	(2.63)
Total net assets		<u>159,450</u>	<u>100.00</u>

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme sourcebook, unless otherwise stated.

* Comparative figures shown in brackets relate to 30 June 2017.

** In order to maintain appropriate levels of interest received on any large cash balances held by the Fund, cash balances are reviewed on a daily basis and any excess cash is transferred into the SSgA Cash Management Fund. The units in the SSgA Cash Management Fund are readily transferable back into cash at any time as required for the operation of the Fund.

† Real Estate Investment Trust (REIT).

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as GDRs represent Global Depositary Receipts.

LIONTRUST GLOBAL INCOME FUND

Securities Financing Transactions

as at 30 June 2018

GLOBAL DATA

Proportion of securities and commodities on loan	£'000	%
Total lendable assets excluding cash and cash equivalents:	138,782	
Securities and commodities on loan	24,088	17.36%

Assets engaged in SFTs and total return swaps	£'000	%
Fund assets under management (AUM)	165,191	
Absolute value of assets engaged in:		
Securities lending	24,088	14.58%

CONCENTRATION DATA

Top 10 Collateral Issuers

Name and value of collateral and commodities received	£'000
Cash Collateral	7,474
Republic of France	2,419
Federal Republic of Germany	1,653
Government of United Kingdom	1,645
Kingdom of Netherlands	1,349
Kingdom of Belgium	1,201
United States of America Treasury	621
Government of Canada	437
Scor	336
Air Canada	301

Top 10 Counterparties

Name and value of outstanding transactions	£'000
Securities lending	
Merrill Lynch International	13,370
UBS	2,517
Deutsche Bank	2,025
Goldman Sachs	1,858
JP Morgan Securities	1,655
Citigroup Global Markets (UK)	1,463
Bank of Nova Scotia	677
Societe Generale	476
HSBC Bank	47

LIONTRUST GLOBAL INCOME FUND

Securities Financing Transactions

as at 30 June 2018

AGGREGATE TRANSACTION DATA

Type, Quality and Currency of Collateral

Type	Quality	Currencies	£'000
Securities lending			
Equity	Traded on recognised exchange	Sterling	385
Equity	Traded on recognised exchange	Australian dollar	3,178
Equity	Traded on recognised exchange	Canadian dollar	340
Equity	Traded on recognised exchange	Danish krone	33
Equity	Traded on recognised exchange	Euro	2,300
Equity	Traded on recognised exchange	Hong Kong dollar	203
Equity	Traded on recognised exchange	Japanese yen	358
Equity	Traded on recognised exchange	New Zealand dollar	3
Equity	Traded on recognised exchange	Norwegian krone	161
Equity	Traded on recognised exchange	Singapore dollar	6
Equity	Traded on recognised exchange	Swedish krona	27
Equity	Traded on recognised exchange	Swiss franc	147
Equity	Traded on recognised exchange	US dollar	1,432
Fixed Income	Investment Grade	Sterling	1,645
Fixed Income	Investment Grade	Canadian dollar	437
Fixed Income	Investment Grade	Euro	6,621
Fixed Income	Investment Grade	Swedish krona	200
Fixed Income	Investment Grade	US dollar	621
Cash	Cash Collateral	Euro	7,384
Cash	Cash Collateral	US dollar	90
Total collateral held			25,571

Maturity Tenor of Collateral (remaining period to maturity)

Type	Less than	One day to	One week	One to	Three	Above one	Open	Total
	one day	one week	to one	three	months to	year	maturity	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Securities lending	7,474	48	245	8	493	8,730	8,573	25,571
	7,474	48	245	8	493	8,730	8,573	25,571

Counterparty details

Type	Countries of counterparty establishment	Settlement and clearing	£'000
Securities lending	Switzerland	Bi-lateral	848
Securities lending	United Kingdom	Bi-lateral	7,474
Securities lending	Canada	Tri-party	736
Securities lending	France	Tri-party	514
Securities lending	Germany	Tri-party	2,134
Securities lending	Switzerland	Tri-party	1,836
Securities lending	United Kingdom	Tri-party	12,029
Total collateral held			25,571

LIONTRUST GLOBAL INCOME FUND

Securities Financing Transactions

as at 30 June 2018

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity)

Type	Less than	One day to	One week	One to	Three	Above one	Open	Total
	one day	one week	to one	three	months to	year	trans-	
	£'000	£'000	£'000	£'000	£'000	£'000	actions	£'000
Securities lending							24,088	24,088
	-	-	-	-	-	-	24,088	24,088

RE-USE OF COLLATERAL

The Fund does not engage in re-use of collateral.

SAFEKEEPING OF COLLATERAL RECEIVED

Names and value of custodians safekeeping collateral	£'000
Bank of New York	12,643
State Street	8,322
JP Morgan	4,556
Crest	50
Number of custodians safekeeping collateral	4

SAFEKEEPING OF COLLATERAL GRANTED

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

RETURN AND COST

	Collective Investment Undertaking £'000	Manager of Collective Investment Undertaking £'000	Third Parties (e.g. lending agent) £'000	Total £'000
Securities lending				
Gross return	154	16	56	226
% of total gross return	68.14%	7.08%	24.78%	100.00%
Cost*	-	-	-	-

*All direct costs from securities lending are borne by lending agent.

LIONTRUST GLOBAL INCOME FUND

Statement of Total Return

for the year ended 30 June 2018

	Note	01/07/17 to 30/06/18		01/07/16 to 30/06/17	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	4		2,046		22,326
Revenue	5	9,973		11,125	
Expenses	6	(2,030)		(2,237)	
Interest payable and similar charges		(3)		(4)	
Net revenue before taxation		7,940		8,884	
Taxation	7	(780)		(999)	
Net revenue after taxation			7,160		7,885
Total return before distributions			9,206		30,211
Distributions	8		(9,082)		(9,994)
Change in net assets attributable to unitholders from investment activities			124		20,217

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 30 June 2018

	01/07/17 to 30/06/18		01/07/16 to 30/06/17	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		168,419		174,922
Amounts receivable on issue of units	6,828		5,011	
Amounts payable on cancellation of units	(15,970)		(31,820)	
		(9,142)		(26,809)
Dilution adjustment		49		89
Change in net assets attributable to unitholders from investment activities		124		20,217
Closing net assets attributable to unitholders		159,450		168,419

LIONTRUST GLOBAL INCOME FUND

Balance Sheet

as at 30 June 2018

	Note	30/06/18 £'000	30/06/17 £'000
Assets			
Fixed assets			
Investments		163,647	172,192
Current assets			
Debtors	9	1,537	1,539
Cash and bank balances		261	73
Total assets		<u>165,445</u>	<u>173,804</u>
Liabilities			
Bank overdrafts		-	1
Distribution payable on income units		5,518	5,044
Other creditors	10	477	340
Total liabilities		<u>5,995</u>	<u>5,385</u>
Net assets attributable to unitholders		<u>159,450</u>	<u>168,419</u>

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

1. Accounting and distribution policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investments Schemes Sourcebook. They have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 (The Financial Reporting Standard Applicable in the UK and Republic of Ireland "FRS 102"), Trust Deed and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014 ('the 2014 SORP'). The financial statements are prepared on the going concern basis.

(b) Recognition of revenue

- (i) UK dividends classified as franked investment income are shown net of attributable tax credits when the securities are quoted ex-dividend.
- (ii) Special dividends are treated as income or capital according to the nature of the event giving rise to the payment.
- (iii) Bank interest is recognised on an accruals basis.
- (iv) Overseas revenue that is received after the deduction of withholding tax is shown gross of taxation.
- (v) 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 the Fund. A UK REIT may also carry out other 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 normal UK companies.
- (vi) Stock lending revenue is recognised on an accruals basis.
- (vii) Distributions on collective investment schemes are recognised when the securities are quoted ex-dividend.

(c) Expenses

All expenses are deducted from capital and are accounted for on an accruals basis. These do not form part of the distribution, described in note (d).

(d) Distribution

Income produced by the Fund's investments accumulates during each accounting period. If at the end of the accounting period income exceeds expenses, the net income of the Fund is available to be distributed to unitholders. The Manager will seek to distribute all available net income in a manner that will maximise the total returns to holders of the majority of units.

(e) Basis of valuation of investments

All investments have been valued at 12 midday, on 29 June 2018. Listed investments have been valued at bid-market value, net of any accrued income.

(f) Taxation

Provision is made for taxation at current rates on the excess of investment income over expenses, with relief taken for overseas taxation where appropriate.

(g) Deferred taxation

Deferred tax is provided for in respect of all timing differences that have originated but not reversed by the Balance Sheet date. Deferred tax is not recognised on permanent differences.

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

(h) Foreign exchange

All transactions in foreign currencies are translated into sterling at the rate of exchange ruling on the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates applicable at the end of the accounting period at the appropriate valuation point.

(i) Equalisation

Equalisation is the accrued income included in the price of units purchased during the distribution period (Group 2 Units) which is refunded as a part of a unitholder's first distribution, so as to provide the same distribution for all units of the same type. As a repayment of capital it is not liable to Income Tax and should be deducted from the cost of units for Capital Gains Tax purposes.

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

2. Risk management policies

In accordance with the investment objectives and policies the Fund can hold certain financial instruments. These comprise:

- equity shares;
- cash and short-term debtors and creditors that arise directly from its operations;
- units in SSgA Cash Management Fund;
- unitholders' funds which represent investors' monies which are invested on their behalf.

The Fund's use of financial instruments during the year satisfies the regulatory requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

The main risks arising from the Fund's financial instruments are market price risk, interest rate risk, foreign currency risk, liquidity risk and credit and counterparty risk. The Manager's policies for managing these risks are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Fund's investment objective. An individual fund manager has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile.

The Fund is exposed to market price risk as the assets and liabilities of the Fund are listed on stock exchanges and their prices are subject to movements both up or down that would result in an appreciation or depreciation in the fair value of that asset. As at 30 June 2018, had the prices increased by 1% the resulting change in the value of the Net Asset Value would have been an increase of 1.03%.

Interest rate risk

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate linked to LIBOR.

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest based on LIBOR.

The floating rate financial assets and liabilities comprise bank balances and overdrafts that bear interest based on LIBOR (sterling denominated).

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

Foreign currency risk

The Manager has identified three principle areas where foreign currency risk could impact the Fund;

- Movements in exchange rates affect the value of investments;
- Movements in exchange rates affect short-term timing differences; and,
- Movements in exchange rates affect the income received.

The Fund may be subject to short-term exposure to exchange rate movements, for instance where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. When the Fund enters into such a transaction which will involve the buying or selling of foreign currency in order to complete, a foreign exchange contract is entered into as soon as possible after the initial transaction in order to minimise exchange rate risk.

The Fund may receive income in currencies other than sterling and the sterling values of this income can be affected by movements in exchange rates. The Fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

Liquidity risk

The Fund's assets mainly comprise securities that can be readily sold. The main liability of the Fund is the redemption of any units that investors wish to sell.

In general, the Investment Adviser manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

Credit and counterparty risk

Certain transactions in securities that the Fund 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 Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. This list is reviewed annually.

3. Unit classes

The Trust has three unit classes in issue.

The total net asset value, net asset value per unit and number of units in issue for each class are given in the Comparative Tables on pages 14 to 16.

Reconciliation of the unit movement in the year:

	30/06/17	01/07/17 to 30/06/18			30/06/18
	Opening units in issue	Creations	Cancellations	Units converted	Closing units in issue
Advised Income	142,218	66,119	(34,010)	(2,900)	171,427
Institutional Income	59,353,386	2,559,705	(5,597,329)	1,273,216	57,588,978
Retail Income	46,587,396	1,572,346	(4,250,464)	(1,343,221)	42,566,057
Total	106,083,000	4,198,170	(9,881,803)	(72,905)	100,326,462

4. Net capital gains

	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000
Non-derivative securities	2,015	22,250
Forward foreign exchange currency contracts	(6)	(18)
Currency gains	42	108
Transaction charges	(5)	(14)
Net capital gains	2,046	22,326

5. Revenue

	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000
Overseas taxable revenue	(26)	31
Overseas non-taxable revenue	8,125	8,736
UK dividends	1,124	1,606
Property revenue from overseas REITs	586	582
Distributions from Regulated Collective Investment Schemes:		
Offshore investment revenue*	9	7
Bank interest	1	1
Stocklending income	154	162
	9,973	11,125

*This is revenue received from investment in the SSgA Cash Management Fund.

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

6. Expenses

	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge	1,789	1,954
Registration fees	79	121
	<u>1,868</u>	<u>2,075</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Safe custody fees	27	53
Trustee's fees	31	40
Wire charges	5	6
	<u>63</u>	<u>99</u>
Other expenses		
Administration fee	45	28
Audit fee	11	12
Printing fee	12	8
FCA fee	(1)	1
Other expenses	32	14
	<u>99</u>	<u>63</u>
Total expenses	<u>2,030</u>	<u>2,237</u>

Ad valorem, performance management fees and out of pocket expenses are now combined as "Other expenses" which were listed separately in the notes to the prior year accounts as at 30 June 2017. The PwC audit fee for the year, exclusive of VAT, is £9,200 (30/06/2017: £9,200).

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

7. Taxation

	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000
(i) Analysis of charge for the year:		
Irrecoverable overseas tax	780	999
(ii) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower (2017: lower) than the standard rate of corporation tax in the UK for authorised unit trusts of 20% (2017: 20%). The differences are explained below:		
Net revenue before taxation	7,940	8,884
Corporation tax at 20%	1,588	1,777
Effects of:		
UK dividends*	(225)	(321)
Other non-taxable income	(1,625)	(1,747)
Movement in excess management expenses	263	295
Irrecoverable overseas tax	780	999
Expenses not deductible for tax purposes	6	3
Overseas tax expensed	(7)	(7)
	(808)	(778)
Total tax charge for the year (see note 7(i))	780	999

* As an authorised Unit Trust, these items are not subject to corporation tax.

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

(iii) Deferred tax

At the year end, there is a potential deferred tax asset of £21,442,591 (30/06/17: £21,179,544) in relation to excess management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

8. Distributions

This takes account of income received on the creation of units and income deducted on the cancellation of units, and comprises:

	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000
Interim	3,460	4,688
Final	5,518	5,044
Amounts deducted on cancellation of units	159	308
Amounts received on issue of units	(55)	(46)
Net distribution for the year	9,082	9,994
Reconciliation of net revenue after taxation to:		
Net revenue after taxation	7,160	7,885
Fees paid from capital	2,030	2,237
Add: Income brought forward from previous year	7	2
Less: Tax relief on management charges taken to capital	(108)	-
Less: Tax relief on charges taken to capital	-	(123)
Less: Income carried forward	(7)	(7)
Net distribution for the year	9,082	9,994

Details of the distribution per unit are set out in the table on page 34.

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

9. Debtors

	30/06/18	30/06/17
	£'000	£'000
Accrued revenue	1,021	1,075
Sales awaiting settlement	25	-
Amounts receivable on creation of units	-	16
Overseas tax recoverable	491	448
	<u>1,537</u>	<u>1,539</u>

10. Other creditors

	30/06/18	30/06/17
	£'000	£'000
Accrued expenses	233	230
Purchases awaiting settlement	-	1
Amounts payable on cancellation of units	244	109
	<u>477</u>	<u>340</u>

11. Capital commitments and contingent liabilities

On 30 June 2018, the Fund had no capital commitments (30/06/17: £nil) and no contingent liabilities (30/06/17: £nil).

12. Securities on loan

The aggregate value of securities on loan at 30 June 2018 is £24,088,079 (30/06/17: £21,724,211). The identities of these counterparties are listed in the counterparties table below. Securities on loan are included in the portfolio statement and no account is taken of any collateral held. The aggregate value of collateral held at 30 June 2018 is £25,571,130 (30/06/17: £23,452,455). This collateral is listed in the collateral held table below.

The gross earnings and fees paid for the year are £226,465 (30/06/17: £257,113) and £72,469 (30/06/17: £95,132).

	30/06/18	30/06/17
	£'000	£'000
Counterparties		
Bank of Nova Scotia	677	-
Citigroup Global Markets (UK)	1,463	-
Credit Suisse Securities (Europe)	-	280
Deutsche Bank	2,025	3,827
Goldman Sachs International	1,858	5,600
HSBC	47	-
JP Morgan	1,655	2,555
Merrill Lynch International	13,370	7,037
Societe Generale	476	54
UBS	2,517	2,371
Total securities on loan	<u>24,088</u>	<u>21,724</u>
	30/06/18	30/06/17
	£'000	£'000
Collateral held		
Bonds	8,573	8,333
Equities	9,524	8,226
Cash	7,474	6,893
Total collateral held	<u>25,571</u>	<u>23,452</u>

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

13. Related parties

The Manager, Liontrust Fund Partners LLP is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of operation of the Fund.

By virtue of the Regulations governing authorised unit trusts, the Manager is party to every transaction in respect of units of the Fund, which are summarised in the Statement of Change in Net Assets Attributable to Unitholders.

The Fund received interest during the year as disclosed in note 5 on page 27 of which £2,389 was outstanding at 30 June 2018 (30/06/17: £782).

The charges made by the Manager during the year are disclosed in note 6 on page 28. At 30 June 2018, £140,786 was due to the Manager (30/06/17: £153,909). This amount is included under 'Accrued expenses' in note 10.

During the year the Manager received creation monies of £6,883,399 (30/06/17: £5,056,570) and paid cancellation monies of £16,128,820 (30/06/17: £32,127,884). At 30 June 2018, there were creation monies due from the Manager of £0 (30/06/17: £16,615). There were cancellation monies due to the Manager of £244,512 at 30 June 2018 (30/06/17: £108,983).

14. Risk disclosures

The policies applied in the management of financial instruments are set out in note 2 on page 26.

Interest rate risk

The Fund receives revenue from holdings in equities. The cashflow from these investments may fluctuate depending upon the particular decisions made by each company. Given that the Fund's objective is to provide a high level of revenue as well as long term capital growth, these cashflows are considered to be of primary importance and are actively managed.

The Fund's net cash holding of £261,455 (30/06/17: £71,848) whose rates are determined by reference to rates supplied by the Trustee.

The Fund did not have any long-term financial liabilities.

Foreign currency risk

The Portfolio Statement on page 17 to 19 shows the countries in which the Fund is invested. The securities in the portfolio are priced in local currency. An analysis of monetary assets and liabilities in foreign currencies at the period end (including cash and outstanding income) is shown below.

Currency	Currency exposure	Currency exposure
	30/06/18	30/06/17
	Total	Total
	£'000	£'000
Australian dollar	1,807	6,607
Canadian dollar	9,496	10,106
Czech Republic koruna	7,183	9,311
Euro	46,837	42,376
Hong Kong dollar	13,364	17,918
Israeli sheqel	490	3,529
New Zealand dollar	6,490	7,268
Norwegian krone	-	275
Singapore dollar	2,995	2,911
South African rand	5,301	11,108
Swedish krona	10,534	12,976
Swiss franc	3,116	3,609
Taiwanese dollar	1,770	1,722
US dollar	27,476	17,993
	<u>136,859</u>	<u>147,709</u>

The fund is exposed to currency risk as the assets and liabilities of the fund may be denominated in a currency other than the functional currency of the fund, which is Pound Sterling. The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset. The Investment Adviser monitors the fund's currency exposures on a daily basis. As at 30 June 2018, had currency rates strengthened by 1% the resulting change in the Net Asset Value would have been an increase of 0.858%.

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

Maturity profile of financial liabilities

All financial liabilities of the Fund at the year end are due to settle in one year or less, or on demand.

Short-term debtors and creditors

Other short-term debtors and creditors have been excluded from disclosures of financial instruments.

Fair value of financial assets and liabilities

Securities held by the Fund are valued at bid-price. The difference between this value and the fair value of the securities is immaterial. There is also no material difference between the value of other financial assets and liabilities of the Fund included in the balance sheet and their fair value.

Securities are valued at bid and offer prices for calculating the cancellation and creation prices at the Fund's daily valuation point.

15. Purchases, sales and transaction costs

	Purchases		Sales	
	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000	01/07/17 to 30/06/18 £'000	01/07/16 to 30/06/17 £'000
Equities	33,277	82,149	43,477	109,833
Commissions				
Equities	21	69	(24)	(125)
Taxes				
Equities	51	56	(4)	(55)
Total transaction costs	72	125	(28)	(180)
Total net trades including transaction costs	33,349	82,274	43,449	109,653

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

	Purchases		Sales	
	01/07/17 to 30/06/18 %	01/07/16 to 30/06/17 %	01/07/17 to 30/06/18 %	01/07/16 to 30/06/17 %
Commissions				
Equities	0.06	0.08	0.06	0.11
Taxes				
Equities	0.15	0.07	0.01	0.05

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

	01/07/17 to 30/06/18 %	01/07/16 to 30/06/17 %
Commissions	0.03	0.11
Taxes	0.03	0.06
Total costs	0.06	0.17

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.17% (30/06/17: 0.21%).

LIONTRUST GLOBAL INCOME FUND

Notes to the Financial Statements

16. Post balance sheet events

There are no post balance sheet events which have a bearing on the interpretation of the financial statements (30/06/17: none).

17. Fair value

Valuation technique	30/06/18		30/06/17	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	163,647	-	172,192	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	<u>163,647</u>	<u>-</u>	<u>172,192</u>	<u>-</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.

LIONTRUST GLOBAL INCOME FUND

Distribution Tables

for the year ended 30 June 2018:

Group 1:	First interim units purchased prior to 1 July 2017 Final units purchased prior to 1 January 2018
Group 2:	First interim units purchased between 1 July 2017 and 31 December 2017 Final units purchased between 1 January 2018 and 30 June 2018

		Net revenue	Equalisation	Distributions paid/payable 31/08/18	Distributions paid 31/08/17
		Pence per unit	Pence per unit	Pence per unit	Pence per unit
Advised Income					
Group 1	First interim	3.41	-	3.41	4.14
	Final	5.62	-	5.62	4.86
Group 2	First interim	0.87	2.54	3.41	4.14
	Final	2.62	3.00	5.62	4.86

		Net revenue	Equalisation	Distributions paid/payable 31/08/18	Distributions paid 31/08/17
		Pence per unit	Pence per unit	Pence per unit	Pence per unit
Institutional Income					
Group 1	First interim	3.44	-	3.44	4.15
	Final	5.64	-	5.64	4.86
Group 2	First interim	1.77	1.67	3.44	4.15
	Final	3.83	1.81	5.64	4.86

		Net revenue	Equalisation	Distributions paid/payable 31/08/18	Distributions paid 31/08/17
		Pence per unit	Pence per unit	Pence per unit	Pence per unit
Retail Income					
Group 1	First interim	3.25	-	3.25	3.96
	Final	5.31	-	5.31	4.62
Group 2	First interim	2.01	1.24	3.25	3.96
	Final	4.39	0.92	5.31	4.62

LIONTRUST GLOBAL INCOME FUND

Additional Information

Trust Deed: The Fund was established by a Trust Deed made between the Manager and the Trustee dated 1 May 1990.

Prospectus: Copies of the Fund's Prospectus are available free of charge from the Manager upon request, and from our website, www.liontrust.co.uk.

Unit type: The Fund issues income units only. Investors can elect at any time to have any income either paid out or automatically reinvested to purchase units at no initial charge.

Pricing and dealing: A buying price (the price at which you have bought the units in the Fund and being the higher) and a selling price (the price at which you can sell the units back to the Manager and being the lower) are always quoted for the Fund. The buying price includes the Manager's initial charge.

Dealing in all unit trusts operated by Liontrust Fund Partners LLP may be carried out between 09.00 and 17.00 hours on any business day. Professional investors and advisers may buy and sell units over the telephone; private investors are required to instruct the Manager in writing for initial purchases, but can deal over the telephone thereafter. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12.00 hours on each business day) following receipt of instructions. Instructions received before 12.00 hours will be priced at 12.00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12.00 hours on the following business day.

In the case of large deals of £15,000 and over, the Manager has the discretion to quote a special price within limits laid down under the Regulations.

The minimum initial lump sum investment in the Fund is £1,000, the minimum additional investment is £1,000 and the amount you may sell back to the Manager at any one time is £500, providing you maintain a balance of £1,000. At its absolute discretion, the Manager may accept a lower minimum amount for the purchase and sale of units.

A contract note in respect of any purchase will be issued the day following the dealing date. Unit certificates will not be issued. Instructions to sell your units may be required to be given by telephone and then confirmed in writing to Liontrust Customer Services Team, PO Box 11061, Chelmsford CM99 2YA. A contract note confirming the instruction to sell will be issued the day following the dealing day. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent directly to you or your bank/building society, if proof of ownership of the account has been received by us, in four business days. Liontrust does not make or accept payments to or from third parties unauthorised by the Financial Conduct Authority.

Management charges, spreads and yields: The initial charge and annual management fees per unit class are detailed below. The difference between the bid and the offer prices is currently 6% which includes the initial charge.

		Ongoing charges		Included within the OCF is	
Initial Charge	%	figure*	%	the Annual Management	%
				Charge**	
Advised Income	2.00	Advised Income	1.14	Advised Income	1.00
Institutional Income	nil	Institutional Income	0.90	Institutional Income	0.75
Retail Income	up to 5.00	Retail Income	1.65	Retail Income	1.50

* The OCF covers all aspects of operating a fund during the course of its financial year. These include the annual charge for managing the Fund, administration and independent oversight functions, such as trustee, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another fund.

** These are the annual costs of running and managing the Fund.

The net estimated yields on the classes are shown below, these are calculated and published daily.

Yield	%		%
Advised Income	4.96	Institutional Income	4.95
Retail Income	4.97		

Certain other expenses are met by the Fund, all of which are detailed in the Prospectus.

Commission: Commission is payable to authorised intermediaries on purchases of units in the Fund at a rate of up to 3%. A discount is available when switching between Liontrust's range of unit trusts.

Publication of prices: The price of units in the Fund is quoted on our website, www.liontrust.co.uk, other industry websites such as www.trustnet.com, and the website of the Investment Association (the industry trade body), www.investmentassociation.org. Daily and historic Fund prices are available from our Dealing and Administration team on 0330 123 3822.

Capital Gains Tax: As an authorised unit trust, the Fund is exempt from UK Capital Gains Tax. An individual's first £11,700 of net gains on disposals in the 2018-2019 tax year are exempt from tax (2017-2018: £11,300).

LIONTRUST GLOBAL INCOME FUND

Additional Information

Income Tax: UK tax resident individuals are now entitled to a new tax-free dividend allowance in place of the dividend tax credit. Consequently, all income from dividend distributions is now regarded as gross income.

UK resident individuals who are not liable to tax are not able to reclaim the tax credits from the HM Revenue and Customs. In the case of UK resident individuals who are liable to starting or basic rate tax only, the tax credit will match his or her liability on the distribution and there will be no further tax to pay and no right to claim repayments from the HM Revenue and Customs. In the case of a higher rate tax payer, the tax credit will be set against, but not fully match, his or her tax liability on the distribution. Such people will have an additional tax liability to pay.

Corporate Unitholders: Ordinary dividends distributed by the Fund to corporate unitholders will be treated as part-franked investment income and part unfranked investment income, in the corporate unitholders' hands. The precise split will be calculated by the Manager and will be detailed on the distribution vouchers accompanying the distribution.

For unitholders chargeable to UK corporation tax, income allocations representing the UK dividends received by the Fund will not be subject to corporation tax in the unitholders' hands. Income allocations representing other types of income received by the Fund will be taxable as if they were annual payments received after the deduction of tax at the rate of 20 per cent of the gross distribution.

Remuneration: Following the implementation of UCITS V in the UK on 18 March 2016, all authorised UCITS Managers are required to comply with the UCITS V Remuneration Code from the start of their next accounting year. Under the UCITS V Directive (2014/91/EU), the Manager is required to disclose information relating to the remuneration paid to its staff for the financial year. The table below provides an overview of the following:

- Aggregate total remuneration paid by the Manager to its staff (employees and members)
- Aggregate total remuneration paid by Liontrust Asset Management PLC to all UCITS code staff

	Headcount	Total Remuneration £000
Manager UK Staff ¹	41	7,966
of which		
Fixed remuneration		3,915
Variable remuneration		4,051
UCITS Aggregate Remuneration Code Staff ²	6	2,735
of which		
Senior Management	2	1,901
Other control functions:		
Other code staff/risk takers	4	834

¹ The Manager's staff are members of Liontrust Fund Partners LLP or Group staff who are employed by Liontrust Asset Management PLC but have their costs apportioned to the Manager.

² UCITS Aggregate Remuneration Code Staff applies only in respect of the provision of services to UCITS funds rather than their total remuneration in the year. For senior management and control function staff, remuneration is apportioned on the basis of assets under management for UCITS funds versus the total Group assets under management. For portfolio management staff remuneration is apportioned directly to this fund.

Remuneration is made up of fixed pay (i.e. salary and benefits such as pension contributions) and variable pay (annual performance based or linked directly to investment management revenues). Annual incentives are designed to reward performance in line with the business strategy, objectives, values and long term interests of the Manager and the Liontrust Asset Management PLC Group. The annual incentive earned by an individual is dependent on the achievement of financial and non-financial objectives, including adherence to effective risk management practices. The Manager provides long-term incentives which are designed to link reward with long-term success and recognise the responsibility participants have in driving future success and delivering value. Long-term incentive awards are conditional on the satisfaction of corporate performance measures. The structure of remuneration packages is such that the fixed element is sufficiently large to enable a flexible incentive policy to be operated.

Staff are eligible for an annual incentive based on their individual performance, and depending on their role, the performance of their business unit and/or the group. These incentives are managed within a strict risk framework, and the Directors of Liontrust Asset Management PLC retain ultimate discretion to reduce annual incentive outcomes where appropriate.

The Manager actively manages risks associated with delivering and measuring performance. All our activities are carefully managed within our risk appetite, and individual incentive outcomes are reviewed and may be reduced in light of any associated risk management issues.

LIONTRUST GLOBAL INCOME FUND

Additional Information

The Liontrust Group operates a Remuneration Committee (the "Committee"). The Committee reports to the Board. The Committee reviews risk and compliance issues in relation to the vesting of deferred awards for all employees and members. Compliance is monitored throughout the vesting period by the Committee.

These remuneration policies apply also to other entities in the Liontrust group to which investment management of Funds has been delegated, and those delegates are subject to contractual arrangements to ensure that policies which are regarded as equivalent are applied.

The Board adopts, and reviews annually, the general principles of the applicable remuneration policies, and the implementation of the remuneration policies is, at least annually, subject to central and independent internal review by the Committee for compliance with policies and procedures.

Important information: It is important to remember that the price of units, and the income from them, can fall as well as rise and is not guaranteed and that investors may not get back the amount originally invested. Past performance is not a guide to future performance. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term. The annual management fee of the Fund is deducted from capital. Whilst this results in the dividend paid to investors being higher than would be the case were the annual management fee charged to income, the potential for capital growth may be reduced.



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Liontrust Fund Partners LLP is authorised and regulated by the Financial Conduct Authority.