



Henderson **Horizon** Fund

33 Rue de Gasperich
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RCS: Luxembourg B 22.847

Annual Report

For the year from 1 July 2009 to
30 June 2010 (Audited)

Incorporated in Luxembourg as an open-ended investment
company qualifying as a UCITS (Undertaking for Collective
Investment in Transferable Securities)

Addendum to Henderson Horizon Fund Annual Report

For the period from 1 July 2009 to 30 June 2010 (Audited)

Important Notice to Residents of Hong Kong

The information contained in the Report has not been reviewed by the Securities and Futures Commission ("SFC") and the SFC does not take any responsibility as to the contents of this Report.

Please note that the following sub-fund mentioned in the Report are not authorised in Hong Kong and not available to Hong Kong Residents:-

- European Growth Fund

- HENDERSON HORIZON FUND, AS AN UMBRELLA FUND, HAS WITHIN IT DIFFERENT SUB-FUNDS INVESTING PRIMARILY IN EQUITIES OR DEBT SECURITIES, EACH WITH DIFFERENT RISK PROFILES.
- SOME SUB-FUNDS MAY INVEST UP TO 100% OF A SUB-FUND'S NET ASSET VALUE IN FINANCIAL DERIVATIVES INSTRUMENTS ("FDI"), STRUCTURED PRODUCTS, ASSET BACKED SECURITIES, OR MORTGAGE BACKED SECURITIES. SUCH INVESTMENTS ARE SUBJECT TO SIGNIFICANT RISK INCLUDING LIQUIDITY RISK AND COUNTER-PARTY DEFAULT RISK. TOGETHER WITH THE LEVERAGE EFFECT EMBEDDED IN FDI YOU MAY LOSE YOUR ENTIRE INVESTMENT IN SUCH SUB-FUNDS.
- SOME SUB-FUNDS MAY INVEST IN A SINGLE MARKET / SECTOR (E.G. SMALLER COMPANIES) AND MAY SUBJECT THE SUB-FUND TO HIGHER CONCENTRATION RISK THAN SUB-FUNDS FOLLOWING A MORE DIVERSIFIED POLICY.
- SOME SUB-FUNDS MAY INVEST IN EMERGING MARKETS WHICH MAY BE SUBJECT TO HIGHER RISK OF ECONOMIC, POLITICAL AND REGULATORY CHANGES. THESE INVESTMENTS MAY BE LESS LIQUID AND MORE VOLATILE THAN INVESTMENTS IN DEVELOPED MARKETS.
- SOME SUB-FUNDS MAY TAKE SHORT POSITIONS THROUGH THE USE OF FDI IN SOME SECURITIES. SHOULD THE VALUE OF SUCH SECURITIES INCREASE, IT WILL HAVE A NEGATIVE EFFECT IN THE SUB-FUND'S VALUE. YOU MAY LOSE YOUR ENTIRE INVESTMENT IN SUCH SUB-FUNDS.

The Report is available in English language only.

Henderson Global Investors (Hong Kong) Limited, Tel: +852 2905 5188
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Investing in the Fund

The Henderson Horizon Fund provides a simple and cost effective way of investing in world equity and bond markets. The Fund, through its twenty funds, provides the investor with access to eighteen equity funds and two bond funds.

Applications for shares may be made on any business day in Luxembourg to the Registrar and Transfer Agent between 9.00am and 6.00pm (local time), or to the Distributor in London between 9.00am and 5.00pm (local time). Applications should be made on the application form circulated with the Prospectus or by fax, telephone or in writing and may be made in any major currency. Applications are accepted by telephone only from existing investors who have previously been issued with a personal service number.

For full information, including a copy of the Prospectus, please write to the Registrar and Transfer Agent or Distributor at the addresses shown on page 1.

For further information on latest performance numbers or other information on the Henderson Horizon Fund please refer to the monthly Fact Sheets, which are also available from the Registrar and Transfer Agent, the Distributor or on the Fund's website: www.henderson.com/horizon.

Alternatively, contact the main dealing desk on Luxembourg +352 2696 2050.

For jurisdictions in which the Fund is authorised please refer to the Prospectus.

Directors' report

For the year from 1 July 2009 to 30 June 2010

All returns are USD total returns unless otherwise stated

Global equity markets rose over the 12 months to 30 June 2010, although much of the rally occurred in the first half of the period. Investors were initially encouraged by the improving economic news as an increasing number of countries emerged from recession. Asian economic data continued to be robust, lending support to export-led markets such as Germany and Australia. Meanwhile, the economic stimulus programmes in the West appeared to have the desired effect, prompting a recovery in retail sales and house prices in the US and the UK.

Labour markets remained weak, however, with companies reluctant to re-hire until the economic recovery had gained traction, although higher vacancy data in the US and the UK, together with falling unemployment in Germany suggested there was some improvement in the jobs picture. Nevertheless, employers had the upper hand in wage bargaining and this had the advantage of holding down an important cost for many companies. Increased revenues, therefore, fed straight through to higher bottom-line earnings and a notable feature of the quarterly earnings results during the period was the number of companies that exceeded expectations.

The largely unbroken equity market rally of the first six months gave way to a sell-off in January on concerns about potentially punitive banking sector regulation and news that China was tightening bank lending. Buoyant corporate earnings restored confidence, however, and most equity markets went on to peak in the spring. They subsequently reversed in late April and May as concerns surrounding high government borrowing in European countries raised fears of funding crises among countries and banks. This led to a flight to safe haven assets, particularly the government bonds of fiscally strong nations. Weaker-than-expected survey and economic data from the US also reawakened concerns about the fragility of the global recovery at a time when several countries were embarking on fiscal retrenchment or raising interest rates. Equity markets retraced some of their earlier gains, although the MSCI World index managed to close the period up 10.8%.

Europe

European markets began positively, buoyed by France and Germany being among the first of the leading developed nations to report positive economic growth following the credit crisis-induced recession. Markets weakened in January, however, on the Chinese tightening announcement, with Greece's public deficit problems presenting an additional headache for the Continent. As a Eurozone member, Greece was unable to fall back on the currency as a relief valve for economic stress, with austerity measures having to take the strain. The euro fell sharply against the US dollar as speculation surrounded the continuity of the Eurozone, prompting the International Monetary Fund and European Union to provide a €720 billion funding facility, whilst the European Central Bank also offered to buy debt securities. This restored some calm to the markets, although they remained nervous ahead of the results of the European bank stress tests, which were to be released in July.

Over the 12 months, the FTSE World Europe ex UK index rose 5.3% (20.5% in euro terms).

UK

The UK market performed well during the period, despite being one of the last countries to emerge from recession. The Bank of England's extension of the quantitative easing programme in August helped asset prices to extend gains. Interest rates remained on hold despite inflation breaching above 3% for the latter half of the period: loose monetary policy appeared to be the counterweight to the new coalition government's policy of fiscal responsibility. Strong corporate earnings and the relatively weak sterling exchange rate prompted several takeover bids, the most high profile being Kraft's acquisition of Cadbury. BP, the oil major, suffered a sharp collapse in its share price as an oil spill at one of its wells in the Gulf of Mexico led to mounting costs. Whilst it paid three of its quarterly dividends during the period, it suspended the final dividend it was due to pay during the period under review.

Over the 12 months, the FTSE 100 index rose 8.9% (19.8% in sterling terms).

US

US equities rallied for much of the period as strong economic data, the success of the 'cash for clunkers' programme on auto sales, and better-than-expected earnings reports all contributed to positive sentiment. Markets peaked in April, however, as global problems caused investors to look afresh at the US economy. The S&P 500 suffered its worst May return since 1962 as electronic trading triggers amplified falls in markets that were already panicked by European sovereign concerns, volcanic ash clouds and a potential slowdown in China. Weakness in the Conference Board's Consumer Confidence Index and other economic indicators towards the end of the period added to the despondency and suggested that the US economy, whilst not necessarily heading for a 'double-dip' recession, was losing momentum. At the corporate level, earnings were buoyant particularly within the technology sector, with strong results from Apple and Cisco, whilst General Motors, the automaker, returned to profitability in the first quarter for the first time in three years.

The S&P 500 index rose 14.4% over the 12 months.

Japan

Japanese equities made strong gains in early 2010, supported by news in the first quarter of 2010 that the economy had grown strongly. The general election at the end of August resulted in a landslide victory for the opposition Democratic Party of Japan. Unlike most other markets, however, the Japanese equity market was volatile from as early as September onwards, hampered by a strengthening yen, confusing policies from the new government and concern that any slowdown in China could have serious repercussions for its exporters. This was despite the March 2010 Tankan report highlighting improvement in the non-manufacturing sector, indicating that Japan's domestic

Directors' report (continued)

For the year from 1 July 2009 to 30 June 2010

economy was making some progress.

Over the 12 months the FTSE Japan index rose 0.4%, but fell 7.9% in yen terms.

Asia Pacific (ex Japan) and emerging markets

Asian and emerging markets began the period strongly, but sold off at the start of 2010 when China announced curbs on property speculation and raised the percentage of reserve capital that banks were required to maintain. This was seen as the precursor to a potential shift towards tighter monetary policy within emerging markets, particularly as inflation was creeping up within a number of countries, triggered by high commodity and food prices. Australia, Brazil, and India raised interest rates to dampen economic growth and curb higher prices. Indonesia, Turkey, Malaysia and India were among the best performing markets, aided by higher commodity prices and their relatively insulated economies, with each of these markets recording gains of more than 30% over the period. In contrast, the MSCI China index managed to rise only 11.1%. Within China, there were some high profile rises in wages, which should ultimately be helpful in enabling the Chinese economy to shift more towards consumption and away from its reliance on exports.

The FTSE World Asia Pacific ex Japan index rose 20.4%, whilst the MSCI Emerging Markets index rose 23.5% over the 12 months.

Bonds

Global government bonds underperformed equity markets over the 12-month review period, with the JP Morgan Global Government Bond index rising 4.3%.

Whilst a number of countries such as Canada, India, and Australia raised interest rates over the period and higher commodity prices raised concerns about inflation, these were generally offset by nervousness about the fragility of the global economy. Chief amongst these concerns was that momentum in the US was waning and that concerted efforts by European governments to rein in public spending could choke the recovery. Government bond yields, which had initially been creeping up, therefore, began to fall back as investors viewed the asset class as a safe haven. The FTSE British Govt All Stocks index rose 6.7% in sterling terms as yields fell by approximately 30 basis points, aided by the new UK government's commitment to lower borrowing. In more heavily stressed countries such as Greece, however, 10-year yields ticked up to above 10%, three to four times the level of the corresponding German government bond.

Corporate bonds performed well with some significant narrowing of the yield premium over government bonds under way for much of the first half of the period. Conditions became more difficult in the second half, however, as investor appetite for risk waned, with new issues tailing off dramatically in May.

Launch of new Funds

Euro Corporate Bond – launched 18 December 2009

The investment objective of the Euro Corporate Bond Fund is to provide a total return in excess of that generated by the iBoxx Euro Corporates Index by investing primarily in Euro denominated investment grade corporate bonds and other fixed and floating rate securities.

The Fund may make use of a variety of instruments / strategies in order to achieve the Fund's objective including, but not limited to, forward rate notes, forward foreign exchange contracts (including non-deliverable forwards), interest rate futures, bond futures and OTC swaps such as interest rate swaps, credit default swaps and credit default swaps on indices.

European Growth Fund – launched 18 June 2010

The investment objective of the European Growth Fund is to achieve long term capital growth principally through investment in the equity of companies located or listed in Europe (excluding the United Kingdom) or, in the opinion of the Investment Manager, deriving a preponderant part of their income from Europe (excluding the United Kingdom).

Outlook

Whilst it is important not to be dismissive of the concerns surrounding fiscal retrenchment in Europe and the monetary tightening in countries as varied as India and Canada, such moves reflect what ought to be happening as the global economy moves beyond early stage recovery towards the mid-cycle phase of expansion. Market participants, however, will be looking for indications that the slowdown is nothing more than a pause following the restocking phase, rather than a signal of deeper economic fragility. In this regard, particular attention will be paid over the coming months to economic news flow, which has taken on greater significance because of the upheavals in the financial system of the last few years and the magnitude of the global economic rebalancing that is required.

Valuations across most asset classes remain reasonable, however, and should provide some support to asset prices. Equities and other risk assets have historically performed better when the money supply has been growing more strongly than industrial output – the surplus money being available to drive asset prices higher. Such an outcome looks likely to occur in the autumn, which could indicate an improving liquidity backdrop as 2010 draws to a close.

Iain Clark, Chairman

Ten Year Highest and Lowest Net Asset Value per Share

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Absolute Return Fixed Income Fund*										
High (EUR) A1	2.02	2.05	2.42	2.48	2.56	2.48	1.87	—	—	—
B1	—	2.05	2.42	2.32	—	—	—	—	—	—
A2	—	2.09	2.52	2.63	2.76	2.70	2.15	21.59	21.65	18.31
A2 (SGD)	—	—	—	—	—	—	—	—	46.22	—
A2 (USD)	—	—	—	—	—	—	—	34.27	34.02	27.39
A2 (GBP)	—	—	—	—	—	—	—	—	17.53	—
B2	—	2.09	2.52	—	—	—	—	—	—	—
I2	—	—	—	—	—	—	2.14	21.65	21.79	18.66
I2 (SGD)	—	—	—	—	—	—	—	—	46.54	—
I2 (GBP)	—	—	—	—	—	—	—	—	17.66	—
I2 (USD)	—	—	—	—	—	—	—	33.98	34.23	—
X2	—	—	—	—	—	—	2.14	21.51	21.53	18.18
Low (EUR) A1	1.87	1.83	2.00	2.19	2.29	2.26	1.80	—	—	—
B1	—	1.83	2.00	—	—	—	—	—	—	—
A2	—	1.84	2.04	2.29	2.45	2.49	2.03	2.10	15.84	17.71
A2 (SGD)	—	—	—	—	—	—	—	—	30.86	—
A2 (GBP)	—	—	—	—	—	—	—	—	13.91	—
A2 (USD)	—	—	—	—	—	—	—	32.74	20.57	21.21
B2	—	1.84	2.04	—	—	—	—	—	—	—
I2	—	—	—	—	—	—	2.03	2.10	15.97	17.96
I2 (SGD)	—	—	—	—	—	—	—	—	31.12	—
I2 (GBP)	—	—	—	—	—	—	—	—	14.03	—
I2 (USD)	—	—	—	—	—	—	—	2.83	20.74	—
X2	—	—	—	—	—	—	2.03	2.10	15.74	17.62
Euro Corporate Bond Fund										
High (EUR) A1	—	—	—	—	—	—	—	—	—	107.43
A2	—	—	—	—	—	—	—	—	—	107.43
I2 (GBP)	—	—	—	—	—	—	—	—	—	94.59
Low (EUR) A1	—	—	—	—	—	—	—	—	—	99.08
A2	—	—	—	—	—	—	—	—	—	99.08
I2 (GBP)	—	—	—	—	—	—	—	—	—	85.17
American Equity Fund										
High A1	—	—	—	—	10.59	11.73	14.43	15.25	13.56	11.78
A1 (EUR)	—	—	—	—	—	—	—	—	9.10	8.95
A1 (GBP)	—	—	—	—	—	—	—	—	7.40	—
A2	—	10.22	8.65	9.48	10.59	11.73	14.43	15.25	13.56	11.78
A2 (GBP)	—	—	—	—	—	—	—	7.71	7.40	7.69
A2 (EUR)	—	—	—	—	—	—	—	9.38	9.10	8.95
B2	—	10.22	8.65	8.10	—	—	—	—	—	—
I1	—	—	—	—	—	—	14.43	15.29	13.70	12.03
I2	—	—	—	—	—	—	—	15.29	13.70	12.12
I2(EUR)	—	—	—	—	—	—	—	—	9.21	—
X2	—	—	—	—	—	—	14.43	15.16	13.47	11.59
Low A1	—	—	—	—	9.81	10.30	10.71	12.94	7.03	8.62
A1 (EUR)	—	—	—	—	—	—	—	—	5.57	6.19
A1 (GBP)	—	—	—	—	—	—	—	—	4.80	—
A2	—	8.60	6.78	7.93	8.52	10.30	10.71	12.94	7.03	8.62
A2 (GBP)	—	—	—	—	—	—	—	6.41	4.80	5.34
A2 (EUR)	—	—	—	—	—	—	—	8.42	5.57	6.19
B2	—	8.60	6.78	8.10	—	—	—	—	—	—
I1	—	—	—	—	—	—	11.68	13.03	7.15	8.79
I2	—	—	—	—	—	—	—	13.03	7.15	8.79
I2(EUR)	—	—	—	—	—	—	—	—	5.66	—
X2	—	—	—	—	—	—	11.68	12.88	6.96	8.52

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Asian Dividend Income Fund										
High A1	—	—	—	—	—	—	13.80	15.43	12.35	12.16
A1 (GBP)	—	—	—	—	—	—	—	6.75	7.94	—
A1 (SGD)	—	—	—	—	—	—	21.47	22.38	16.85	16.93
A1 (EUR)	—	—	—	—	—	—	—	9.08	8.06	9.25
A2	—	—	—	—	—	—	13.96	15.95	13.30	14.19
A2 (GBP)	—	—	—	—	—	—	7.01	7.74	7.53	9.31
A2 (SGD)	—	—	—	—	—	—	21.23	23.14	18.24	19.71
A2 (EUR)	—	—	—	—	—	—	—	9.63	8.69	10.88
I1	—	—	—	—	—	—	13.75	15.43	12.52	12.51
I1 (GBP)	—	—	—	—	—	—	6.91	7.49	6.89	8.18
I1 (SGD)	—	—	—	—	—	—	—	—	17.12	—
I2	—	—	—	—	—	—	—	15.65	13.15	14.31
I2 (GBP)	—	—	—	—	—	—	—	—	7.53	9.39
I2 (SGD)	—	—	—	—	—	—	—	—	18.05	—
X2	—	—	—	—	—	—	13.94	15.89	13.18	13.91
X2 (EUR)	—	—	—	—	—	—	—	—	—	10.64
Low A1	—	—	—	—	—	—	9.98	12.34	6.70	10.01
A1 (GBP)	—	—	—	—	—	—	—	—	4.35	6.22
A1 (SGD)	—	—	—	—	—	—	20.36	16.93	10.11	14.42
A1 (EUR)	—	—	—	—	—	—	—	7.89	5.39	7.16
A2	—	—	—	—	—	—	9.98	12.56	7.35	11.38
A2 (GBP)	—	—	—	—	—	—	—	—	4.78	7.07
A2 (SGD)	—	—	—	—	—	—	20.13	17.94	11.10	16.69
A2 (EUR)	—	—	—	—	—	—	—	8.36	5.92	8.14
I1	—	—	—	—	—	—	9.98	12.31	6.78	10.23
I1 (GBP)	—	—	—	—	—	—	5.42	6.23	4.40	6.35
I1 (SGD)	—	—	—	—	—	—	—	—	10.24	—
I2	—	—	—	—	—	—	—	12.31	7.29	11.38
I2 (GBP)	—	—	—	—	—	—	—	—	4.74	7.07
I2 (SGD)	—	—	—	—	—	—	—	—	11.00	—
X2	—	—	—	—	—	—	9.98	12.54	7.27	11.20
X2 (EUR)	—	—	—	—	—	—	—	—	—	8.01
Asian Growth Fund (Ex Pacific Equity Fund)										
High A2	37.49	30.35	29.39	40.73	43.92	60.03	78.52	95.74	71.71	78.33
A1	—	—	—	—	—	—	—	95.33	71.41	76.33
B2	—	30.35	29.39	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	73.06	—
I2	—	—	—	—	—	—	79.30	96.98	73.06	76.31
X2	—	—	—	—	—	—	78.31	95.13	70.81	76.24
Low A2	26.05	21.84	22.33	27.85	34.10	42.50	49.93	68.45	32.50	56.44
A1	—	—	—	—	—	—	—	68.16	32.04	55.65
B2	—	21.84	22.33	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	33.18	—
I2	—	—	—	—	—	—	49.93	69.66	33.18	57.97
X2	—	—	—	—	—	—	61.74	67.73	32.03	55.39
Continental European Equity Fund										
High (EUR) A1	—	—	—	—	23.74	30.57	35.55	35.77	25.67	23.62
A2	34.32	26.24	20.98	20.65	23.74	30.73	35.88	36.10	26.31	24.20
B2	—	24.05	20.87	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	26.47	24.01
I2	—	—	—	—	—	—	35.89	36.12	26.47	24.77
X2	—	—	—	—	—	—	35.72	35.90	25.99	23.67
Low (EUR) A1	—	—	—	—	20.92	23.35	26.85	25.03	14.31	17.51
A2	24.45	18.01	13.02	16.21	18.76	23.35	26.99	25.64	14.66	17.95
B2	—	19.47	12.87	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	14.84	18.23
I2	—	—	—	—	—	—	26.99	25.77	14.84	18.23
X2	—	—	—	—	—	—	30.99	25.35	14.43	17.63

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
European Growth Fund										
High R1	—	—	—	—	—	—	—	—	—	9.16
B1	—	—	—	—	—	—	—	—	—	20.83
R HGBP (GBP)	—	—	—	—	—	—	—	—	—	9.78
R HUSD (USD)	—	—	—	—	—	—	—	—	—	9.43
Low R1	—	—	—	—	—	—	—	—	—	8.67
B1	—	—	—	—	—	—	—	—	—	19.71
R HGBP (GBP)	—	—	—	—	—	—	—	—	—	9.26
R HUSD (USD)	—	—	—	—	—	—	—	—	—	8.93
Japanese Equity Fund										
High A1	—	—	—	—	10.59	14.62	13.74	12.95	10.92	10.14
A1 (GBP)	—	—	—	—	—	—	—	—	6.20	—
A1 (EUR)	—	—	—	—	—	—	—	—	7.00	—
A2	14.16	9.54	8.20	10.95	10.59	14.62	13.74	12.95	10.92	10.23
A2 (JPY)	—	—	—	—	—	—	1658.00	1589.00	1177.00	953.56
A2 (GBP)	—	—	—	—	—	—	7.07	6.41	6.20	5.59
A2 (EUR)	—	—	—	—	—	—	10.46	9.50	7.00	7.77
B2	—	9.54	8.20	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	11.22	—
I2	—	—	—	—	—	14.70	13.94	13.17	11.22	10.64
X2	—	—	—	—	—	—	13.74	12.91	10.82	9.99
Low A1	—	—	—	—	9.11	10.95	11.74	10.25	6.42	8.60
A1 (GBP)	—	—	—	—	—	—	—	—	4.60	—
A1 (EUR)	—	—	—	—	—	—	—	—	5.07	—
A2	8.24	6.02	5.69	6.91	9.11	9.55	11.74	10.25	6.42	8.68
A2 (JPY)	—	—	—	—	—	—	1381.00	1020.00	635.00	759.47
A2 (GBP)	—	—	—	—	—	—	6.31	5.19	4.60	5.46
A2 (EUR)	—	—	—	—	—	—	9.35	6.69	5.07	5.81
B2	—	6.02	5.69	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	6.63	—
I2	—	—	—	—	—	10.96	11.83	10.48	6.63	9.01
X2	—	—	—	—	—	—	12.56	10.19	6.32	8.50
Pan European Equity Fund										
High (EUR) A1	—	—	—	—	—	16.07	18.37	18.54	15.14	15.46
A1 (SGD)	—	—	—	—	—	—	—	—	32.29	—
A2	—	10.96	9.83	10.95	12.51	16.07	18.42	18.59	15.23	15.92
A2 (SGD)	—	—	—	—	—	—	—	—	32.46	—
B2	—	10.96	9.83	8.71	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	15.55	16.18
I1 (SGD)	—	—	—	—	—	—	—	—	33.10	—
I2	—	—	—	—	—	16.13	18.66	18.84	15.55	16.50
I2 (SGD)	—	—	—	—	—	—	—	—	33.10	—
X2	—	—	—	—	—	16.07	18.33	18.48	15.04	15.60
Low (EUR) A1	—	—	—	—	—	12.22	14.22	14.88	9.87	11.70
A1 (SGD)	—	—	—	—	—	—	—	—	19.27	—
A2	—	9.37	6.86	8.57	10.01	12.22	14.22	14.96	9.98	11.84
A2 (SGD)	—	—	—	—	—	—	—	—	19.48	—
B2	—	9.37	6.86	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	10.25	12.20
I1 (SGD)	—	—	—	—	—	—	—	—	20.01	—
I2	—	—	—	—	—	12.22	14.29	15.25	10.25	12.20
I2 (SGD)	—	—	—	—	—	—	—	—	20.01	—
X2	—	—	—	—	—	13.64	14.26	14.83	9.83	11.63

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Pan European Equity Dividend Fund											
	High (EUR) A1	—	—	—	—	12.68	15.24	17.06	16.98	11.99	10.47
	A1 (GBP)	—	—	—	—	—	—	—	—	9.57	—
	A1 (SGD)	—	—	—	—	—	—	—	—	25.21	—
	A2	—	—	—	—	12.68	15.39	17.61	17.53	13.13	13.16
	A2 (GBP)	—	—	—	—	—	—	—	—	10.47	—
	A2 (SGD)	—	—	—	—	—	—	—	—	27.60	—
	I1	—	—	—	—	—	—	17.59	17.52	12.49	11.64
	I1 (GBP)	—	—	—	—	—	—	11.94	11.86	9.97	—
	I2	—	—	—	—	12.55	15.29	17.59	17.52	12.49	12.06
	I2 (GBP)	—	—	—	—	—	—	—	—	9.97	—
	I2 (SGD)	—	—	—	—	—	—	—	—	26.26	—
	X2	—	—	—	—	—	—	17.51	17.41	12.92	12.81
	Low (EUR) A1	—	—	—	—	11.11	12.41	13.78	11.42	6.74	8.15
	A1 (GBP)	—	—	—	—	—	—	—	—	6.08	—
	A1 (SGD)	—	—	—	—	—	—	—	—	13.16	—
	A2	—	—	—	—	10.00	12.41	13.85	12.49	7.79	9.70
	A2 (GBP)	—	—	—	—	—	—	—	—	7.03	—
	A2 (SGD)	—	—	—	—	—	—	—	—	15.21	—
	I1	—	—	—	—	—	—	13.85	11.87	7.06	8.83
	I1 (GBP)	—	—	—	—	—	—	10.42	9.41	6.36	—
	I2	—	—	—	—	10.00	12.27	13.85	11.87	7.06	8.83
	I2 (GBP)	—	—	—	—	—	—	—	—	6.36	—
	I2 (SGD)	—	—	—	—	—	—	—	—	13.78	—
	X2	—	—	—	—	—	—	13.92	12.31	7.64	9.49
Asia-Pacific Property Equities Fund											
	High A1	—	—	—	—	—	13.52	16.96	17.78	12.62	12.23
	A1 (GBP)	—	—	—	—	—	7.26	8.53	8.62	6.35	7.98
	A1 (EUR)	—	—	—	—	—	—	12.59	12.35	8.05	9.41
	A2	—	—	—	—	—	13.52	17.04	17.96	12.75	12.84
	A2 (GBP)	—	—	—	—	—	7.26	8.57	8.71	6.50	8.38
	A2 (EUR)	—	—	—	—	—	10.60	12.65	12.48	8.13	9.88
	I1	—	—	—	—	—	13.58	17.14	18.00	12.86	12.51
	I2	—	—	—	—	—	13.58	17.26	18.27	13.06	13.37
	I2 (EUR)	—	—	—	—	—	—	12.82	12.69	8.33	10.31
	X2	—	—	—	—	—	13.52	16.95	17.82	12.59	12.51
	Low A1	—	—	—	—	—	9.72	11.38	11.70	5.60	9.60
	A1 (GBP)	—	—	—	—	—	6.13	6.22	5.84	3.90	5.97
	A1 (EUR)	—	—	—	—	—	—	9.10	7.41	4.45	6.87
	A2	—	—	—	—	—	9.72	11.38	11.82	5.78	9.90
	A2 (GBP)	—	—	—	—	—	6.13	6.22	5.90	4.50	6.15
	A2 (EUR)	—	—	—	—	—	8.97	9.10	7.49	4.59	7.08
	I1	—	—	—	—	—	9.73	11.45	11.88	5.71	9.83
	I2	—	—	—	—	—	9.73	11.45	12.06	5.96	10.24
	I2 (EUR)	—	—	—	—	—	—	11.96	7.64	4.73	7.32
	X2	—	—	—	—	—	11.34	11.40	11.70	5.68	9.72

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
China Fund										
High A1								10.87	11.77	14.34
A1 (GBP)	—	—	—	—	—	—	—	—	—	9.22
A1 (EUR)	—	—	—	—	—	—	—	—	8.40	10.47
A1 (SGD)	—	—	—	—	—	—	—	—	17.07	—
A2	—	—	—	—	—	—	—	10.87	11.77	14.34
A2 (GBP)	—	—	—	—	—	—	—	—	—	9.22
A2 (EUR)	—	—	—	—	—	—	—	7.19	8.40	10.47
A2 (SGD)	—	—	—	—	—	—	—	14.82	17.07	20.01
I1	—	—	—	—	—	—	—	—	11.91	14.59
I1 (EUR)	—	—	—	—	—	—	—	—	8.51	10.68
I1 (SGD)	—	—	—	—	—	—	—	—	17.28	—
I2	—	—	—	—	—	—	—	10.91	11.91	14.59
I2 (EUR)	—	—	—	—	—	—	—	—	8.51	10.68
I2 (SGD)	—	—	—	—	—	—	—	—	17.28	—
X2	—	—	—	—	—	—	—	10.85	11.38	13.78
X2 (EUR)	—	—	—	—	—	—	—	—	8.13	—
Low A1	—	—	—	—	—	—	—	8.19	3.41	10.57
A1 (GBP)	—	—	—	—	—	—	—	—	—	7.11
A1 (EUR)	—	—	—	—	—	—	—	—	2.74	7.72
A1 (SGD)	—	—	—	—	—	—	—	—	5.15	—
A2	—	—	—	—	—	—	—	8.19	3.41	10.57
A2 (GBP)	—	—	—	—	—	—	—	—	—	7.11
A2 (EUR)	—	—	—	—	—	—	—	5.28	2.74	7.72
A2 (SGD)	—	—	—	—	—	—	—	11.39	5.15	14.99
I1	—	—	—	—	—	—	—	—	3.44	10.80
I1 (EUR)	—	—	—	—	—	—	—	—	2.77	7.82
I1 (SGD)	—	—	—	—	—	—	—	—	5.19	—
I2	—	—	—	—	—	—	—	8.21	3.44	10.08
I2 (EUR)	—	—	—	—	—	—	—	—	2.77	7.82
I2 (SGD)	—	—	—	—	—	—	—	—	5.19	—
X2	—	—	—	—	—	—	—	8.18	3.40	10.13
X2 (EUR)	—	—	—	—	—	—	—	—	2.73	—
Global Opportunities Fund										
High A1	—	—	—	—	11.63	13.87	16.74	17.99	13.63	14.01
A2	—	10.40	9.33	10.71	11.31	13.87	16.75	18.00	15.14	14.03
A2 (GBP)	—	—	—	—	—	—	—	—	—	8.07
B2	—	10.40	9.33	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	15.13	—
I2	—	—	—	—	—	—	16.75	15.24	15.14	14.28
X2	—	—	—	—	—	—	16.72	17.94	14.98	13.73
Low A1	—	—	—	—	11.00	11.04	12.32	14.30	7.73	10.15
A2	—	9.02	6.89	8.30	10.78	11.04	12.32	14.31	7.75	10.17
A2 (GBP)	—	—	—	—	—	—	—	—	—	8.04
B2	—	9.02	6.89	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	7.79	—
I2	—	—	—	—	—	—	13.83	15.17	7.79	10.26
X2	—	—	—	—	—	—	14.49	14.21	7.64	9.99

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Global Property Equities Fund										
High A1	—	—	—	—	10.61	14.22	18.48	17.74	13.63	11.92
A1 (GBP)	—	—	—	—	—	—	9.46	8.72	7.35	7.81
A1 (EUR)	—	—	—	—	—	—	14.08	12.69	9.18	9.16
A2	—	—	—	—	10.61	14.24	18.55	17.99	13.81	12.65
A2 (GBP)	—	—	—	—	—	7.87	9.51	8.85	7.46	8.28
A2 (EUR)	—	—	—	—	—	—	14.14	12.74	9.31	9.72
I1	—	—	—	—	—	—	14.42	18.80	18.13	14.05
I2	—	—	—	—	10.68	14.42	18.92	18.47	14.31	13.34
X2	—	—	—	—	—	—	18.50	17.87	13.67	12.39
Low A1	—	—	—	—	9.66	10.12	13.14	13.19	5.26	8.01
A1 (GBP)	—	—	—	—	—	—	7.22	6.61	3.82	4.97
A1 (EUR)	—	—	—	—	—	—	10.48	8.36	4.17	5.75
A2	—	—	—	—	9.66	10.13	13.15	13.37	5.43	8.27
A2 (GBP)	—	—	—	—	—	6.90	7.22	6.70	3.94	5.14
A2 (EUR)	—	—	—	—	—	—	10.49	8.47	4.30	5.94
I1	—	—	—	—	—	—	10.62	13.33	13.59	5.43
I2	—	—	—	—	9.69	10.62	13.33	13.85	5.67	8.66
X2	—	—	—	—	—	—	14.12	13.24	5.36	8.14
Global Technology Fund										
High A1	—	—	—	—	—	25.84	29.65	33.85	27.83	31.81
A1 (GBP)	—	—	—	—	—	—	—	—	15.26	20.78
A1 (EUR)	—	—	—	—	—	—	—	—	—	24.01
A2	84.90	32.23	17.57	22.80	22.07	25.84	29.65	33.85	27.83	31.81
A2 (GBP)	—	—	—	—	—	—	14.90	16.31	15.26	20.78
A2 (EUR)	—	—	—	—	—	—	—	—	—	24.01
B2	—	32.23	17.33	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	27.99	32.21
I2	—	—	—	—	—	—	29.58	33.69	27.99	32.30
I2 (EUR)	—	—	—	—	—	—	—	—	—	24.49
X2	—	—	—	—	—	—	29.38	33.30	27.28	30.76
X2 (EUR)	—	—	—	—	—	—	—	—	—	23.26
Low A1	—	—	—	—	—	20.92	21.30	25.75	16.22	21.94
A1 (GBP)	—	—	—	—	—	—	—	—	10.87	13.63
A1 (EUR)	—	—	—	—	—	—	—	—	—	15.75
A2	26.02	16.28	10.98	17.05	17.49	20.92	21.30	25.75	16.22	21.94
A2 (GBP)	—	—	—	—	—	—	11.47	12.82	10.87	13.63
A2 (EUR)	—	—	—	—	—	—	—	—	—	15.75
B2	—	16.21	10.91	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	—	—	16.36	22.29
I2	—	—	—	—	—	—	—	—	16.36	22.29
I2 (EUR)	—	—	—	—	—	—	21.30	25.79	16.36	22.29
X2	—	—	—	—	—	—	—	—	—	16.00
X2 (EUR)	—	—	—	—	—	—	24.92	25.30	15.87	21.40
X2 (EUR)	—	—	—	—	—	—	—	—	—	15.36

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Industries of the Future Fund											
	High (EUR) A1	—	—	—	—	—	—	—	—	106.43	140.75
	A1 (GBP)	—	—	—	—	—	—	—	—	93.54	—
	A1 (SGD)	—	—	—	—	—	—	—	—	217.35	—
	A1 (USD)	—	—	—	—	—	—	—	—	149.86	—
	A2	—	—	—	—	—	—	—	—	106.43	140.75
	A2 (GBP)	—	—	—	—	—	—	—	—	93.54	—
	A2 (SGD)	—	—	—	—	—	—	—	—	217.35	—
	A2 (USD)	—	—	—	—	—	—	—	—	149.86	—
	I2	—	—	—	—	—	—	—	—	106.52	142.29
	I2 (GBP)	—	—	—	—	—	—	—	—	93.54	—
	I2 (SGD)	—	—	—	—	—	—	—	—	217.35	—
	I2 (USD)	—	—	—	—	—	—	—	—	149.86	—
	X2	—	—	—	—	—	—	—	—	106.43	140.57
	X2 (USD)	—	—	—	—	—	—	—	—	149.86	—
	Low (EUR)** A1	—	—	—	—	—	—	—	—	85.78	101.46
	A1 (GBP)	—	—	—	—	—	—	—	—	77.83	—
	A1 (SGD)	—	—	—	—	—	—	—	—	167.68	—
	A1 (USD)	—	—	—	—	—	—	—	—	108.33	—
	A2	—	—	—	—	—	—	—	—	85.78	101.46
	A2 (SGD)	—	—	—	—	—	—	—	—	167.68	—
	A2 (USD)	—	—	—	—	—	—	—	—	108.33	—
	A2 (GBP)	—	—	—	—	—	—	—	—	77.83	—
	I2	—	—	—	—	—	—	—	—	85.86	101.63
	I2 (GBP)	—	—	—	—	—	—	—	—	77.83	—
	I2 (SGD)	—	—	—	—	—	—	—	—	167.68	—
	I2 (USD)	—	—	—	—	—	—	—	—	108.33	—
	X2	—	—	—	—	—	—	—	—	85.78	101.46
	X2 (USD)	—	—	—	—	—	—	—	—	108.33	—
Japanese Smaller Companies Fund											
	High A2	26.28	16.37	15.70	22.92	23.42	31.27	26.56	23.91	20.56	24.62
	A1	—	—	—	—	—	—	—	22.36	20.56	24.29
	B2	—	15.74	15.70	—	—	—	—	—	—	—
	I1	—	—	—	—	—	—	—	—	20.84	—
	I2	—	—	—	—	—	—	26.56	23.94	20.84	25.06
	X2	—	—	—	—	—	—	25.74	23.84	20.37	24.16
	Low A2	14.66	11.69	10.32	12.08	19.77	22.06	22.32	17.06	13.78	19.37
	A1	—	—	—	—	—	—	—	17.06	13.75	19.11
	B2	—	11.69	10.32	—	—	—	—	—	—	—
	I1	—	—	—	—	—	—	—	—	13.97	—
	I2	—	—	—	—	—	—	22.32	17.18	13.97	19.88
	X2	—	—	—	—	—	—	22.32	16.96	13.64	19.06
Pan European Alpha Fund											
	High (EUR) A1	—	—	—	—	—	—	11.53	11.53	8.73	11.07
	A1 (USD)	—	—	—	—	—	—	—	—	13.17	—
	A1 (SGD)	—	—	—	—	—	—	—	—	17.98	—
	A2	—	—	—	—	—	—	11.53	11.53	8.76	11.16
	A2 (GBP)	—	—	—	—	—	—	7.82	7.82	7.63	9.88
	A2 (USD)	—	—	—	—	—	—	15.59	16.05	13.20	—
	A2 (SGD)	—	—	—	—	—	—	—	23.34	18.02	22.17
	I1 (GBP)	—	—	—	—	—	—	—	—	—	9.96
	I2	—	—	—	—	—	—	11.53	11.53	8.86	11.25
	I2 (GBP)	—	—	—	—	—	—	—	—	7.72	9.96
	X2	—	—	—	—	—	—	11.48	11.47	8.64	11.01
	Low (EUR) A1	—	—	—	—	—	—	9.91	8.10	7.02	8.19
	A1 (USD)	—	—	—	—	—	—	—	—	8.82	—
	A1 (SGD)	—	—	—	—	—	—	—	—	13.72	16.75
	A2	—	—	—	—	—	—	9.91	8.13	7.04	8.21
	A2 (GBP)	—	—	—	—	—	—	6.67	6.90	5.81	7.08
	A2 (USD)	—	—	—	—	—	—	13.13	12.80	8.89	—
	A2 (SGD)	—	—	—	—	—	—	—	17.45	13.75	16.75
	I1 (GBP)	—	—	—	—	—	—	—	—	—	8.53
	I2	—	—	—	—	—	—	10.02	8.16	7.11	8.31
	I2 (GBP)	—	—	—	—	—	—	—	—	5.84	7.16
	X2	—	—	—	—	—	—	9.91	8.04	6.94	8.08

Ten Year Highest and Lowest Net Asset Value per Share (continued)

(Year ended 30 June 2010)

prices are shown in USD (unless otherwise stated)

Fund	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Pan European Property Equities Fund										
High (EUR) A1	—	—	—	—	24.88	34.48	45.39	39.21	22.35	17.11
A1 (GBP)	—	—	—	—	23.53	30.61	26.46	17.55	15.40	—
A2	—	13.90	13.03	17.08	24.88	34.62	45.63	39.42	22.63	18.27
A2 (GBP)	—	—	—	—	—	23.63	30.78	26.60	17.78	16.28
B2	—	13.90	13.03	—	—	—	—	—	—	—
I1	—	—	—	—	—	35.01	46.30	40.20	23.08	17.86
I2	—	—	—	—	—	31.97	46.44	40.32	23.41	19.19
X2	—	—	—	—	—	34.62	45.51	39.19	22.33	17.86
Low (EUR) A1	—	—	—	—	20.20	24.14	31.15	22.36	9.58	12.54
A1 (GBP)	—	—	—	—	—	19.40	21.46	17.72	8.70	10.81
A2	—	10.52	10.88	12.40	17.06	24.14	31.28	22.64	9.99	13.07
A2 (GBP)	—	—	—	—	—	19.48	21.54	17.95	9.07	11.26
B2	—	11.08	13.03	—	—	—	—	—	—	—
I1	—	—	—	—	—	28.99	31.66	23.06	9.96	13.07
I2	—	—	—	—	—	25.13	31.66	23.39	10.40	13.65
X2	—	—	—	—	—	29.41	31.33	22.35	9.83	12.83
Pan European Smaller Companies Fund										
High (EUR) A1	—	—	—	—	16.02	23.71	31.05	31.56	17.63	20.41
A2	23.24	14.08	9.95	12.44	16.02	23.74	31.17	31.69	17.70	20.62
B2	—	11.96	9.95	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	31.32	20.94	17.98	21.04
I2	—	—	—	—	—	—	31.32	31.85	17.98	21.32
X2	—	—	—	—	—	—	31.07	31.56	17.52	20.21
Low (EUR) A1	—	—	—	—	13.76	15.38	19.20	17.94	7.62	12.01
A2	13.93	8.72	6.33	7.72	10.94	15.38	19.22	18.01	7.65	12.05
B2	—	9.61	6.33	—	—	—	—	—	—	—
I1	—	—	—	—	—	—	19.22	19.63	7.83	12.37
I2	—	—	—	—	—	—	19.22	18.28	7.83	12.37
X2	—	—	—	—	—	—	22.77	17.83	7.56	11.88

Net Asset Value Summary

Numbers are shown in USD terms (unless otherwise stated)

Fund	Net Asset Value				Net Asset Value Per Share			TER*
	As at 30 Jun 08	As at 30 Jun 09	As at 30 Jun 10		As at 30 Jun 08	As at 30 Jun 09	As at 30 Jun 10	
Absolute Return Fixed Income Fund	756,922,548	60,664,310	28,429,869	A2 (EUR)	21.31	17.74	17.80	A 1.22%
	EUR 479,489,419	EUR 42,956,663	EUR 23,133,331	A2	33.62	24.99	21.82	
				I2 (EUR)	21.45	17.99	18.16	I 0.75%
				I2	n/a	n/a	n/a	
Euro Corporate Bond Funds ⁵			17,653,095	X2 (EUR)	21.21	17.66	17.65	X 1.57%
			EUR 14,364,290	A1 (EUR)	n/a	n/a	105.25	A 1.41%
				A2 (EUR)	n/a	n/a	105.25	
				I2 (GBP)	n/a	n/a	86.04	I 0.75%
American Equity Fund	489,014,220	371,565,382	262,342,291	A1	13.37	9.11	10.03	A 1.96%
				A1(EUR)	n/a	n/a	8.18	
				A2	13.37	9.11	10.03	
				A2 (EUR)	8.47	6.47	8.18	
				A2 (GBP)	6.70	5.51	6.69	
				I1	13.51	9.29	10.25	I 1.00%
				I2	13.51	9.29	10.33	
				X2	13.29	9.00	9.85	X 2.56%
Asian Dividend Income Fund	104,126,261	188,272,022	129,501,037	A1	12.23	10.39	10.70	A 2.02%
				A1 (EUR)	7.75	7.36	8.71	
				A1 (GBP)	n/a	n/a	7.12	
				A1(SGD)	16.63	15.06	14.92	
				I1	12.34	10.62	11.06	I 1.00%
				I1 (GBP)	6.20	6.41	7.36	
				A2	13.16	11.82	12.88	
				A2 (EUR)	8.34	8.37	10.48	
				A2 (GBP)	n/a	7.14	8.57	
				A2 (SGD)	17.90	17.12	17.96	
				I2	13.01	11.82	13.01	
				X2	13.06	11.63	12.58	X 2.61%
			X2 (EUR)	n/a	8.24	10.24		
Asian Growth Fund ⁴ (Ex Pacific Equity Fund)	76,877,393	34,842,734	47,578,150	A1	68.75	59.62	67.79	A 2.01%
				A2	69.04	60.47	69.57	
				I2	70.46	62.08	68.38	I 1.00%
				X2	68.20	59.36	67.92	X 2.61%
Continental European Equity Fund	227,194,929 EUR 143,921,680	119,586,730 EUR 84,679,885	94,306,844 EUR 76,737,297	A1 (EUR)	25.03	n/a	20.72	A 1.97%
				I1 (EUR)	n/a	19.15	21.10	I 1.00%
				A2 (EUR)	25.64	18.86	21.23	
				I2 (EUR)	25.77	19.15	21.77	
				X2 (EUR)	25.35	18.54	20.74	X 2.58%
European Growth Fund ⁶			83,685,567 EUR 68,094,785	R1 (EUR)	n/a	n/a	8.67	n/a
				B1 (EUR)	n/a	n/a	19.71	
				R HGBP (GBP)	n/a	n/a	9.26	
				R HUSD (USD)	n/a	n/a	8.92	
Japanese Equity Fund	138,542,699	50,490,250	49,434,190	A1	10.93	9.13	8.81	A 1.99%
				A2	10.93	9.13	8.89	
				A2 (EUR)	6.92	6.46	7.23	
				A2 (GBP)	5.49	5.51	n/a	
				A2 (JPY)	1,152	876	788.61	
				I2	11.22	9.45	9.29	I 1.00%
				X2	10.83	8.96	8.67	X 2.57%
Pan European Equity Fund	1,900,140,610 EUR 1,203,686,321	1,914,711,607 EUR 1,355,815,627	2,093,126,920 EUR 1,703,173,363	A1 (EUR)	15.02	12.17	14.58	A 1.94%
				I1 (EUR)	n/a	n/a	15.30	I 1.00%
				A2 (EUR)	15.11	12.32	15.01	
				I2 (EUR)	15.41	12.69	15.60	
				A2 (GBP)	n/a	n/a	n/a	
				X2 (EUR)	14.93	12.10	14.65	X 2.55%
Pan European Equity Dividend Fund	35,265,423 EUR 22,339,666	17,706,052 EUR 12,537,733	14,094,134 EUR 11,468,369	A1 (EUR)	11.45	8.55	9.71	A 1.86%
				I1 (EUR)	11.91	9.27	10.81	I 1.00%
				I1 (GBP)	9.44	7.90	n/a	
				A2 (EUR)	12.53	10.19	12.21	
				I2 (EUR)	n/a	9.27	11.20	
				X2 (EUR)	12.34	9.96	11.87	2.46%

Net Asset Value Summary (continued)

Numbers are shown in USD terms (unless otherwise stated)

Fund	Net Asset Value			Net Asset Value Per Share			TER*							
	As at 30 Jun 08	As at 30 Jun 09	As at 30 Jun 10	As at 30 Jun 08	As at 30 Jun 09	As at 30 Jun 10								
Asia-Pacific Property Equities Fund	597,860,671	365,910,750	328,756,000	A1	12.12	10.30	11.06	A 1.96%						
				A1 (GBP)	6.08	6.22	7.36							
				A1 (EUR)	7.68	7.29	9.00							
				I1	12.34	10.54	11.36		I 1.00%					
				A2	12.24	10.62	11.61							
				A2 (EUR)	7.75	7.52	9.45							
				A2 (GBP)	6.15	6.41	7.73							
				I2	12.53	10.98	12.14							
				I2 (EUR)	7.94	7.77	9.88							
X2	12.09	10.43	11.30	X 2.55%										
China Fund ¹	16,902,687	114,546,910	242,686,042	A1	8.85	11.40	11.29	A 1.96%						
				A1 (GBP)	n/a	n/a	7.51							
				A1 (EUR)	n/a	n/a	9.19							
				I1	n/a	11.54	11.55		I 1.00%					
				I1 (EUR)	n/a	n/a	9.40							
				A2	8.85	11.40	11.29							
				A2 (GBP)	n/a	n/a	7.51							
				A2 (EUR)	5.61	8.07	9.19							
				A2 (SGD)	12.04	16.52	15.75							
				I2	8.90	11.54	11.55							
				I2 (EUR)	n/a	8.17	9.40							
				X2	8.83	11.02	10.82			X 2.57%				
Global Opportunities Fund	18,561,570	8,597,742	11,901,949	A1	15.16	10.69	12.03	A 2.09%						
				A2	15.17	10.70	12.05							
				A2 (GBP)	n/a	n/a	8.03							
				I2	15.16	10.80	12.28		I 1.00%					
				X2	15.02	10.53	11.77			X 2.71%				
Global Property Equities Fund	346,179,113	232,275,133	547,254,389	A1	13.19	8.62	10.60	A 1.96%						
				A1 (GBP)	6.61	5.21	7.07							
				A1 (EUR)	8.36	6.10	8.65							
				I1	13.59	8.92	11.05		I 1.00%					
				A2	13.37	8.90	11.24							
				A2 (GBP)	6.70	5.37	7.50							
				A2 (EUR)	8.47	6.30	9.17							
				I2	13.85	9.32	11.89							
				X2	13.24	8.77	11.01			X 2.56%				
				Global Technology Fund	413,087,478	356,165,958	1,122,361,434			A1	26.90	23.00	27.18	A 1.95%
A1 (GBP)	n/a	n/a	18.14											
A1 (EUR)	n/a	n/a	22.17											
I1	n/a	23.35	27.72					I 1.00%						
A2	26.90	23.00	27.18											
A2 (GBP)	13.49	13.91	18.14											
A2 (EUR)	n/a	16.33	22.17											
I2	27.02	23.35	27.79											
I2 (EUR)	n/a	16.58	22.67											
X2	26.39	22.44	26.33						X 2.55%					
X2 (EUR)	n/a	n/a	21.48											
Industries of the Future Fund ²		2,840,805	11,260,875						A1 (EUR)	n/a	106.38	132.67	A 2.15%	
		EUR 2,011,587	EUR 9,162,953						I1 (EUR)	n/a	106.38	n/a		
				A2 (EUR)	n/a	106.38	132.67							
				I2 (EUR)	n/a	n/a	133.86							
				I2 (GBP)	n/a	90.74	n/a							
Japanese Smaller Companies Fund	14,983,245	11,222,859	72,706,886	X2 (EUR)	n/a	n/a	132.42	X 2.75%						
				A1	20.63	20.35	21.69		A 1.98%					
				A2	20.63	20.40	21.99							
				I2	20.86	20.84	22.70			I 1.00%				
				X2	20.45	20.10	21.55				X 2.58%			

Net Asset Value Summary (continued)

Numbers are shown in USD terms (unless otherwise stated)

Fund	Net Asset Value				Net Asset Value Per Share			TER*	
	As at 30 Jun 08	As at 30 Jun 09	As at 30 Jun 10		As at 30 Jun 08	As at 30 Jun 09	As at 30 Jun 10		
Pan European Alpha Fund ³	14,100,411	24,092,567	183,713,211	A1 (EUR)	8.11	8.53	10.08	A 2.02%	
	EUR 8,932,219	EUR 17,060,051	EUR 149,487,088	A2 (EUR)	8.13	8.56	10.16		
				A2 (GBP)	n/a	n/a	8.31		
				A2 (USD)	12.83	n/a	n/a		
				A2 (SGD)	17.45	17.51	17.42		
				I2 (EUR)	8.17	8.66	10.27		I 1.00%
				I2 (GBP)	n/a	7.39	8.40		
Pan European Property Equities Fund	618,923,982	234,976,893	249,873,281	X2 (EUR)	8.05	8.44	10.01	X 2.59%	
	EUR 392,071,159	EUR 166,388,161	EUR 203,321,410	A1 (EUR)	22.45	13.08	15.63		A 1.94%
				A1 (GBP)	17.79	11.16	12.79		
				I1 (EUR)	23.15	13.63	16.37		I 1.00%
				A2 (EUR)	22.73	13.63	16.73		
				A2 (GBP)	18.01	11.62	13.69		
				I2 (EUR)	23.49	14.24	17.60		
Pan European Smaller Companies Fund	229,654,473	123,848,090	327,596,158	X2 (EUR)	22.44	13.38	16.34	X 2.55%	
	EUR 145,479,733	EUR 87,696,664	EUR 266,564,365	A1 (EUR)	17.94	12.58	18.26		A 1.96%
				I1 (EUR)	n/a	n/a	18.86		
				A2 (EUR)	18.01	12.63	18.45		
				I2 (EUR)	18.28	12.96	19.11		
			X2 (EUR)	17.83	12.45	18.06	X 2.56%		
Total in USD	6,137,401,995	4,232,315,794	5,918,262,322						

*Source: Lipper Fitzrovia, Independent Total Expense Ratio calculation. In Accordance with standard industry practice, the stated TER's do not include performance fees earned in the year. The amounts earned in relation to performance fees for the year are shown in note 5 to the financial statements on page 102.

¹ On 25 January 2008, the China Fund was launched.

² On 30 January 2009, the Industries of the Future Fund was launched.

³ On 1 April 2009, the Pan European Alpha Plus Fund was renamed to Pan European Alpha Fund. The investment policy and benchmark were also changed.

⁴ On 1 December 2009, the Pacific Equity Fund changed its name to Asian Growth Fund. The investment policy and benchmark were also changed.

⁵ On 18 December 2009, the Euro Corporate Bond Fund was launched.

⁶ On 18 June 2010, the European Growth Fund was launched. As the Fund is less than 90 days old no TER has been calculated.

Performance history

(Annualised to 30 June 2010)

Performance numbers are shown in USD terms (unless otherwise stated) for share classes authorised for distribution in Switzerland.

Fund & Benchmark		2006 %	2007 %	2008 %	2009 %	2010 %
Absolute Return Fixed Income Fund (EUR) ¹	A1	-	3.73	-	-	-
	A2	-	4.39	-0.23	-16.75	0.34
3 Month Euro Libor		-	3.09	4.84	3.30	0.73
Euro Corporate Bond Fund ⁸	A1	-	-	-	-	-
	A2	-	-	-	-	-
iBoxx Euro Corporates Index		-	-	-	-	-
American Equity Fund	A1	6.05	28.44	-5.71	-31.86	10.10
	A2	6.05	28.44	-5.72	-31.86	10.10
S&P 500 Index		8.63	20.59	-13.12	-26.21	14.43
Asian Dividend Income Fund ²	A1	-	37.58	-4.21	-15.04	8.98
	A2	-	37.70	-4.21	-10.18	8.97
MSCI AC Asia Pacific ex Japan Index		-	31.95	-4.55	-10.39	21.34
Asian Growth Fund ⁷	A1	22.14	45.46	-10.09	-13.28	15.05
	A2	22.14	45.46	-10.09	-12.41	15.03
MSCI AC Asia ex Japan Index		22.87	44.66	-3.76	-22.93	26.71
Continental European Equity Fund (EUR)	A1	18.37	24.63	-26.85	-	12.36
	A2	18.20	24.95	-26.87	-26.24	12.39
FTSE World Europe ex UK Index		21.17	29.25	-22.50	-25.74	20.53
European Growth Fund ⁹		-	-	-	-	-
FTSE World Europe ex UK Total Return Index		-	-	-	-	-
Japanese Equity Fund	A1	32.92	-0.62	-14.34	-16.47	-2.63
	A2	32.92	-0.62	-14.34	-16.47	-2.63
MSCI Japan Index		35.96	7.31	-11.93	-31.33	0.89
Pan European Equity Fund (EUR)	A1	19.59	21.20	-15.76	-18.97	21.90
	A2	18.51	21.23	-15.73	-18.46	21.83
FTSE World Europe Index		26.04	26.32	-23.36	-25.81	21.81
Pan European Equity Dividend Fund (EUR)	A1	12.27	20.24	-26.78	-25.33	19.87
	A2	12.22	20.24	-26.77	-18.68	19.82
MSCI Europe incl UK Index		18.67	26.00	-23.55	-25.92	21.75
Asia-Pacific Property Equities Fund	A1	20.50	33.16	-23.71	-15.02	9.31
	A2	20.50	33.20	-23.74	-13.24	9.32
FTSE EPRA / NAREIT Pure Asia total return net dividend index (Capital constrained) China Fund ⁵	A1	25.34	42.51	-21.75	-20.24	4.62
	A2	-	-	-11.50	28.81	-0.26
MSCI Golden Dragon Index		-	-	-11.50	28.81	-0.26
Global Opportunities Fund	A1	15.15	29.49	-8.67	-29.42	14.17
	A2	15.08	29.56	-8.67	-29.47	12.51
MSCI World Index		17.50	24.19	-10.18	-29.01	10.77
Global Property Equities Fund	A1	27.00	26.01	-21.23	-34.65	26.27
	A2	27.41	25.96	-21.26	-33.43	26.29
FTSE EPRA / NAREIT Developed Index		26.07	25.36	-19.72	-35.86	25.05
Global Technology Fund	A1	9.40	28.08	-9.27	-14.50	18.48
	A2	9.40	28.08	-9.27	-14.50	18.17
MSCI All Countries World IT Index		7.93	24.83	-8.48	-21.70	15.57
Industries of the Future Fund ⁴	A1	-	-	-	-	24.71
	A2	-	-	-	-	24.71
MSCI World Index		-	-	-	-	26.85
Japanese Smaller Companies Fund	A1	13.97	-10.44	-11.23	-1.36	7.81
	A2	13.97	-10.44	-11.23	-1.11	7.75
Tokyo SE Second Section Index		16.42	-11.61	-20.16	-15.39	5.62
Pan European Alpha Fund (EUR) ³	A1	-	12.60	-27.76	5.18	18.71
	A2	-	12.60	-27.80	5.29	18.69
50% MSCI Europe (inc UK) Total Return Net Dividends Index and 50% ECB Benchmark		-	13.95	-24.01	-32.21	11.12
Pan European Property Equities Fund (EUR) ⁶	A1	27.11	24.18	-41.92	-41.69	22.61
	A2	27.02	24.25	-41.93	-40.04	22.65
FTSE EPRA / NAREIT Developed Europe Capped Rate Index Net TRI		28.13	20.00	-35.02	-35.11	28.89
Pan European Smaller Companies Fund (EUR)	A1	30.08	52.44	-41.51	-29.82	45.95
	A2	29.77	52.88	-41.51	-29.87	45.89
HSBC James Capel Smaller Companies Pan European Index		36.51	34.04	-31.24	-24.49	29.49

The basis of the performance calculation is determined by the Swiss Funds Association. The source of the indices statistics is Micropal

¹ On 13 September 2006 the Global Bond Fund was renamed Absolute Return Fixed Income Fund. The new benchmark is 3m Euro Libor. It was redenominated from USD to euro. The investment policy and benchmark were changed, and therefore performance has been calculated from that date.

² On 23 October 2006 the Asian Dividend Income Fund was launched.

³ On 1 December 2006 the Pan European Alpha Plus Fund was launched. On 1 April 2009 it was renamed to Pan European Alpha Fund. The investment policy and benchmark were changed.

⁴ On 30 January 2009 the Industries of the Future Fund was launched.

⁵ On 25 January 2008, the China Fund was launched.

⁶ On 1 July 2009 the Pan European Property Equities Fund changed its benchmark from FTSE EPRA/NAREIT Europe (UK Restricted) to EPRA/NAREIT Developed Europe Capped Index.

⁷ On 1 December 2009 the Pacific Equity Fund changed its name to Asian Growth Fund and its objective. It also changed its benchmark from MSCI AC Pacific ex Japan Index to MSCI AC ex Japan

⁸ On 18 December 2009 the Euro Corporate Bond Fund was launched.

⁹ On 18 June 2010 the European Growth Fund was launched. On this date the New Star European Growth Fund Merged into the Fund.

Henderson Horizon Fund – Combined Statements

Combined Statement of Net Assets

At 30 June 2010 (USD)

Assets

Investment in securities at market value	5,586,680,378
Cash at bank (note 14)	384,316,462
Interest and dividends receivable	11,992,029
Subscriptions receivable	47,207,189
Receivable for investments sold	93,765,193
Reorganisation and formation expenses, net of amortisation (note 3)	85,652
Net unrealised gain on forward foreign exchange contracts	53,536
Net unrealised gain on contracts for difference	-
Net unrealised gain on futures contracts	291,945
Net unrealised gain on swap contracts	-
Purchased options at market value	-
Other assets	1,873,537
Total assets	6,126,265,921

Liabilities

Bank overdrafts	26,557,369
Payable for investments purchased	50,521,531
Taxes and expenses payable	22,334,506
Redemptions payable	88,139,353
Net unrealised loss on forward foreign exchange contracts	309,851
Net unrealised loss on contracts for difference	17,288,816
Net unrealised loss on futures contracts	42,821
Net unrealised loss on swap contracts	224,022
Sold options at market value	152,295
Other liabilities	2,433,035
Total liabilities	208,003,599

Net assets at the end of the year **5,918,262,322**

Combined Statement of Net Assets

At 30 June 2009 (USD)

Assets

Investment in securities at market value	4,011,148,528
Cash at bank	204,460,359
Interest and dividends receivable	10,376,192
Subscriptions receivable	56,213,507
Receivable for investments sold	13,498,218
Reorganisation and formation expenses, net of amortisation (note 3)	98,662
Net unrealised gain on forward foreign exchange contracts	-
Net unrealised gain on contracts for difference	8,798,770
Net unrealised gain on futures contracts	74,562
Net unrealised gain on swap contracts	11,792
Purchased options at market value	-
Other assets	2,757,181
Total assets	4,307,437,771

Liabilities

Bank overdrafts	8,375,365
Payable for investments purchased	29,385,288
Taxes and expenses payable	11,547,829
Redemptions payable	21,391,422
Net unrealised loss on forward foreign exchange contracts	14,806
Net unrealised loss on contracts for difference	633,640
Net unrealised loss on futures contracts	-
Net unrealised loss on swap contracts	-
Sold options at market value	257,601
Other liabilities	3,516,026
Total liabilities	75,121,977

Net assets at the end of the year **4,232,315,794**

The accompanying notes form an integral part of these financial statements.

Henderson Horizon Fund – Combined Statements (continued)

Combined Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend Income	108,739,011
Bond interest Income	627,459
Net interest received on contracts for difference	191,843
Bank interest	231,130
Other income	6,392,665
Total income	116,182,108
Expenses	
Custodian fee	956,388
Management fee (note 5)	58,198,473
Shareholder servicing fees and distribution fees (notes 6 and 7)	18,620,240
Administration fee	7,311,408
Operations expenses	2,540,893
Annual tax (note 8)	2,127,091
Net interest paid on contracts for difference	3,633,939
Amortisation of reorganisation and formation expenses	44,501
Total expenses	93,432,933
Net income from investment	22,749,175
Net realised gain on investment in securities	175,903,915
Net realised loss on forward foreign exchange contracts	(482,575)
Net realised gain on contracts for difference	12,051,258
Net realised loss on futures contracts	(1,511,643)
Net realised gain on swap contracts	199,070
Net realised gain on options contracts	683,862
Net realised currency exchange loss	(4,528,011)
Net realised gain	205,065,051
Increase in unrealised appreciation on investment in securities	454,734,403
Decrease in unrealised appreciation on forward foreign exchange contracts	(243,432)
Decrease in unrealised appreciation on contracts for difference	(25,458,814)
Increase in unrealised appreciation on futures contracts	175,261
Decrease in unrealised appreciation on swap contracts	(234,284)
Increase in unrealised appreciation on options contracts	105,306
Net increase in net assets as a result of operations	634,143,491

Combined Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	4,232,315,794
Exchange rate effect on opening net assets	(324,221,141)
Net income from investment	22,749,175
Net realised gain on investments	186,843,887
Net realised currency exchange loss	(4,528,011)
Proceeds from shares issued	5,342,895,587
Payments for shares redeemed	(3,958,717,374)
Net equalisation received (note 12)	3,091,946
Increase in unrealised appreciation on investment	429,078,440
Dividends paid (note 13)	(11,245,982)
Net assets at the end of the year	5,918,262,322

The accompanying notes form an integral part of these financial statements.

Combined Statement of Operations

For the year from 1 July 2008 to 30 June 2009 (USD)

Income	
Dividend Income	104,337,865
Bond interest Income	10,698,050
Net interest received on contracts for difference	412,970
Bank interest	7,356,915
Other income	16,934,286
Total income	139,740,086
Expenses	
Custodian fee	818,419
Management fee (note 5)	42,089,718
Shareholder servicing fees and distribution fees (notes 6 and 7)	14,437,921
Administration fee	8,608,550
Operations expenses	3,345,818
Annual tax (note 8)	1,538,965
Net interest paid on contracts for difference	801,641
Amortisation of reorganisation and formation expenses	52,526
Total expenses	71,693,558
Net income from investment	68,046,528
Net realised loss on investment in securities	(1,432,836,166)
Net realised loss on forward foreign exchange contracts	(31,521,721)
Net realised loss on contracts for difference	(1,304,794)
Net realised gain on futures contracts	129,291
Net realised loss on swap contracts	(10,280,926)
Net realised gain on options contracts	8,738,169
Net realised currency exchange loss	(11,794,426)
Net realised loss	(1,410,824,045)
Increase in unrealised appreciation on investment in securities	228,018,698
Decrease in unrealised appreciation on forward foreign exchange contracts	(1,854,853)
Increase in unrealised appreciation on contracts for difference	12,416,305
Increase in unrealised appreciation on futures contracts	642,538
Increase in unrealised appreciation on swap contracts	8,531,898
Decrease in unrealised appreciation on options contracts	(802,686)
Net decrease in net assets as a result of operations	(1,163,872,145)

Combined Statement of Changes in Net Assets

For the year from 1 July 2008 to 30 June 2009 (USD)

Net assets at the beginning of the year	6,137,401,895
Exchange rate effect on opening net assets	(413,289,969)
Net income from investment	68,046,528
Net realised loss on investments	(1,467,076,147)
Net realised currency exchange loss	(11,794,426)
Proceeds from shares issued	3,325,467,606
Payments for shares redeemed	(3,635,675,244)
Net equalisation paid	(8,231,183)
Increase in unrealised appreciation on investment	246,951,900
Dividends paid	(9,485,166)
Net assets at the end of the year	4,232,315,794

Absolute Return Fixed Income Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 0.3%*. The 3 Month Euro Libor index posted a return of 0.7% over the same period.

Strategies in developed rates detracted from performance, but FX and emerging market debt strategies were successful.

The fund's currency strategies added to performance early in the year as we favoured currencies offering considerable positive risk-adjusted carry based on our analysis of risk appetite within our currency model. As investors risk appetite increased this was initially profitable. However, late in the year as risk appetite fluctuated sharply this strategy lost money to end the year close to flat.

Overall within developed rates we lost money. We had expected that over the year developed interest rates would trend higher as the global economic recovery took hold. This view was challenged as concerns remained over the European sovereign debt crisis and the impact of fiscal austerity measures across Western economies. This loss was moderated by our successful positioning in Euro and UK inflation.

Our emerging market strategies were generally successful. Activity in external debt was concentrated on investments of cash bonds. Sovereigns and quasi sovereigns came to market and were generally met with great interest by investors. In addition, new issuance of existing bonds came at cheap prices making them very compelling investments. The fund took a positive view and bought the external debt of names such as the Philippines, Korea, Indonesia, Mexico, Russia, Turkey, and Brazil.

In local emerging market debt we benefited from expecting rate increases generally to be slower than the market anticipated.

We sold UK gilts and paid fixed in 5-year interest rate swaps during the second half of the period as part of our strategy to benefit from higher interest rates. Subsequently, reacting to the weaker economic outlook, these positions were reversed at a loss.

We paid inflation and received a fixed rate in the UK and Euro markets as part of our strategy anticipating long-term inflation expectations to decline. This worked well several times during the year and removed the risk by the end of the year.

Examples of trades included buying Hungarian four-year bonds, Colombia six-year bonds, as well as Egyptian three-month T-bills. We hedged out the currency exposure on Hungary and Colombia, but took the currency exposure on Egypt. Other local trades included interest rate positions in Mexico and Brazil. The fund took a positive view and bought the external debt of names such as the Philippines, Korea, Indonesia, Mexico, Russia, Turkey and Brazil.

The fund used derivatives both to efficiently implement its active investment strategy and to reduce risk as appropriate. This usage produced the expected returns reflecting the underlying strategies.

Phil Apel, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Absolute Return Fixed Income Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	11,241,100
Cash at bank (note 14)	12,817,844
Interest and dividends receivable	64,978
Subscriptions receivable	255,550
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	----
Total assets	24,379,472
Liabilities	
Bank overdrafts	473,871
Interest and dividends payable	----
Payable for investments purchased	30,681
Taxes and expenses payable	110,799
Redemptions payable	1,944
Net unrealised loss on forward foreign exchange contracts	252,125
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	25,375
Net unrealised loss on swap contracts	181,283
Sold options at market value	----
Other liabilities	170,063
Total liabilities	1,246,141

Net assets at the end of the year **23,133,331**

	A2	A2(USD)	I2	X2
Number of shares outstanding:	943,432.30	636.07	231,673.39	120,352.25
Equivalent to a net asset value per share of:	17.80	21.82	18.16	17.65

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	42,956,663	Payments for shares redeemed	(24,357,344)
Net gain from investment	173,245	Net equalisation paid (note 12)	(273,756)
Net realised gain on investment	321,239	Decrease in unrealised appreciation on investments	(37,161)
Net realised currency exchange loss	(1,643)	Dividends paid (note 13)	----
Proceeds from shares issued	4,352,088	Net assets at the end of the year	23,133,331

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(USD)	I2	X2
Shares outstanding at the beginning of the year	2,050,918.06	598.15	204,501.42	163,133.16
Shares issued during the year	81,344.50	505.00	99,731.77	61,921.72
Shares redeemed during the year	(1,188,830.26)	(467.08)	(72,559.80)	(104,702.63)
Shares outstanding at the end of the year	943,432.30	636.07	231,673.39	120,352.25

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	----
Bond interest income	325,706
Interest received on contracts for difference	169
Bank interest	30,405
Other income	223,666
Total income	579,946
Expenses	
Custodian fee	18,332
Management fee (note 5)	244,060
Shareholder servicing fee and distribution fee (notes 6 and 7)	83,750
Administration fee	38,303
Operations expenses	8,389
Annual tax (note 8)	13,867
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	406,701
Net gain from investment	173,245
Net realised gain on investment	705,327
Net realised loss on forward foreign exchange contracts	(298,968)
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	(195,422)
Net realised gain on swap contracts	115,719
Net realised loss on options contracts	(5,417)
Net realised currency exchange loss	(1,643)
Net realised gain	492,841
Increase in unrealised appreciation on investments	423,310
Decrease in unrealised depreciation on forward foreign exchange contracts	(241,642)
Increase in unrealised appreciation on contracts for difference	----
Decrease in unrealised depreciation on futures contracts	(29,196)
Increase in unrealised depreciation on swap contracts	(189,633)
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	455,680

Absolute Return Fixed Income Fund

Portfolio as at 30 June 2010

Number of Securities	Market Value EUR	% of Net Assets
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Bonds

Transferable securities and money market instruments admitted to an official exchange listing

Belgium			Market Value EUR	% of Net Assets
2,000,000	EUR	Belgium (King Of) 0% T-Bill 18/11/2010 Eur	1,995,919	8.63
Colombia				
478,000,000	COP	Colombia (Rep Of) 7.75% 14/04/2021 Cop	217,910	0.94
France				
2,000,000	EUR	France (Govt Of) T-Bill 0% 02/12/2010 Eur	1,996,047	8.63
Ivory Coast				
200,000	USD	Ivory Coast (Govt Of) 2.5% 31/12/2032 23Yr Usd	90,543	0.39
Mexico				
6,250,000	MXN	Mexico (United Mexican States) 7.75% 14/12/2017 M 10 MXN	421,302	1.82
3,000,000	MXN	Mexico (United Mexican States) 8% 11/06/2020 M MXN	205,703	0.89
			627,005	2.71
Portugal				
1,000,000	EUR	Portugal (Rep of) 0% Treasury Bill 23/07/2010	999,682	4.32
The Netherlands				
2,000,000	EUR	Netherlands (Kingdom Of) 4% 15/01/2011 Eur	2,038,800	8.81
United Kingdom				
600,000	GBP	Uk Treasury 2.5% 16/08/2013 Indx Lkd Gbp	2,031,639	8.78
668,000	GBP	Uk Treasury 4.5% 07/09/2034 Gbp	855,222	3.70
			2,886,861	12.48
Venezuela				
333,400	USD	Petroleos De Venezuela 5.25% 12/04/2017 Regs M	147,875	0.64

Investment Funds

Transferable securities and money market instruments admitted to an official exchange listing

Ireland			Market Value EUR	% of Net Assets
196,702	GBP	Henderson Liquid Asset Sterling Fund	240,458	1.04

Investment in Securities **11,241,100** **48.59**

Derivative Instruments

Forward foreign Exchange Contracts

656,318	AUD	Buy Australian Dollar: Sell US Dollar 09/07/2010	12,831	0.06
656,318	AUD	Buy Australian Dollar: Sell Japanese Yen 09/07/2010	4,645	0.02
477,653	AUD	Buy Australian Dollar: Sell Japanese Yen 09/07/2010(12,342)	(0.05)	(0.05)
456,709	AUD	Buy Australian Dollar: Sell Japanese Yen 09/07/2010 (9,773)	(0.04)	(0.04)
218,773	AUD	Buy Australian Dollar: Sell US Dollar 09/07/2010	4,921	0.02
218,773	AUD	Buy Australian Dollar: Sell Japanese Yen 09/07/2010	3,762	0.02
477,653	AUD	Buy Australian Dollar: Sell US Dollar 09/07/2010	2,746	0.01
456,709	AUD	Buy Australian Dollar: Sell US Dollar 09/07/2010	3,687	0.02
648,740	EUR	Buy Euro : Sell Mexican Peso 27/07/2010	7,833	0.03
638,496	EUR	Buy Euro : Sell Norwegian Krone 09/07/2010	(1,458)	(0.01)
605,501	EUR	Buy Euro : Sell Norwegian Krone 09/07/2010	(14,537)	(0.06)

Number of Securities	Market Value EUR	% of Net Assets
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Derivative Instruments continued

Forward foreign Exchange Contracts continued

638,496	EUR	Buy Euro : Sell Sterling 09/07/2010	(5,582)	(0.02)
2,423,080	EUR	Buy Euro : Sell Sterling 27/07/2010	(47,336)	(0.20)
477,637	EUR	Buy Euro : Sell Sterling 27/07/2010	2,988	0.01
1,366,155	EUR	Buy Euro : Sell US Dollar 27/07/2010	(15,429)	(0.07)
22,850,000	INR	Buy Indian Rupee : Sell US Dollar 15/07/2010	(19,201)	(0.08)
69,510,510	JPY	Buy Japanese Yen : Sell Australian Dollar 09/07/2010	(8,252)	(0.04)
63,374,487	JPY	Buy Japanese Yen : Sell Australian Dollar 09/07/2010	(23,621)	(0.10)
2,484,042	JPY	Buy Japanese Yen : Sell Sterling 09/07/2010	(715)	-
3,299,280	JPY	Buy Japanese Yen : Sell Sterling 09/07/2010	109	-
69,033,037	JPY	Buy Japanese Yen : Sell Sterling 09/07/2010	(22,855)	(0.10)
286,094	NZD	Buy New Zealand Dollar : Sell US Dollar 09/07/2010	4,632	0.02
858,281	NZD	Buy New Zealand Dollar : Sell US Dollar 09/07/2010	11,624	0.05
579,809	NZD	Buy New Zealand Dollar : Sell US Dollar 09/07/2010	1,632	0.01
579,139	NZD	Buy New Zealand Dollar : Sell US Dollar 09/07/2010	3,148	0.01
3,675,148	NOK	Buy Norwegian Krone : Sell Euro 09/07/2010	8,192	0.04
2,493,410	NOK	Buy Norwegian Krone : Sell Euro 09/07/2010	(2,471)	(0.01)
1,235,767	NOK	Buy Norwegian Krone : Sell Euro 09/07/2010	4,079	0.02
2,534,234	NOK	Buy Norwegian Krone : Sell Euro 09/07/2010	(3,568)	(0.02)
353,398	NOK	Buy Norwegian Krone : Sell Sterling 09/07/2010	(98)	-
191,199	NOK	Buy Norwegian krone : Sell Sterling 09/07/2010	(494)	-
3,703,802	NOK	Buy Norwegian Krone : Sell Swiss Franc 09/07/2010	(29,139)	(0.13)
1,240,391	NOK	Buy Norwegian krone : Sell Swiss Franc 09/07/2010	(8,985)	(0.04)
2,514,386	NOK	Buy Norwegian krone : Sell Swiss Franc 09/07/2010	(22,818)	(0.10)
2,559,726	NOK	Buy Norwegian krone : Sell Swiss Franc 09/07/2010	(22,656)	(0.10)
1,316,880	NOK	Buy Norwegian Krone : Sell US Dollar 09/07/2010	946	-
3,946,984	NOK	Buy Norwegian Krone : Sell US Dollar 09/07/2010	2,379	0.01
2,534,109	NOK	Buy Norwegian Krone : Sell US Dollar 09/07/2010	(876)	-
2,533,655	NOK	Buy Norwegian Krone : Sell US Dollar 09/07/2010	(1,608)	(0.01)
265,448	GBP	Buy Sterling : Sell Euro 09/07/2010	5,632	0.02
266,865	GBP	Buy Sterling : Sell Euro 09/07/2010	6,571	0.03
134,621	GBP	Buy Sterling : Sell Japanese Japanese Yen 09/07/2010	5,200	0.02
403,864	GBP	Buy Sterling : Sell Japanese Japanese Yen 09/07/2010	10,006	0.04
134,621	GBP	Buy Sterling : Sell Swiss Franc 09/07/2010	(3,071)	(0.01)
403,864	GBP	Buy Sterling : Sell Swiss Franc 09/07/2010	(13,223)	(0.06)
1,277	GBP	Buy Sterling : Sell Swiss Franc 09/07/2010	(40)	-
269,367	GBP	Buy Sterling : Sell Swiss Franc 09/07/2010	(13,800)	(0.06)
270,633	GBP	Buy Sterling : Sell Swiss Franc 09/07/2010	(13,469)	(0.06)
906,498	CHF	Buy Swiss Franc : Sell Norwegian Krone 09/07/2010	29,638	0.13
875,086	CHF	Buy Swiss Franc : Sell Norwegian Krone 09/07/2010	30,027	0.13
908,425	CHF	Buy Swiss Franc : Sell Sterling 09/07/2010	25,136	0.11
2,829	CHF	Buy Swiss Franc : Sell Sterling 09/07/2010	77	-
896,371	CHF	Buy Swiss Franc : Sell Sterling 09/07/2010	17,894	0.08
758,961	USD	Buy US Dollar : Australian Dollar 09/07/2010	(28,977)	(0.13)
707,467	USD	Buy US Dollar : Australian Dollar 09/07/2010	(29,870)	(0.13)
767,408	USD	Buy US Dollar : New Zealand 09/07/2010	(24,286)	(0.11)
755,309	USD	Buy US Dollar : New Zealand 09/07/2010	(25,978)	(0.11)
784,620	USD	Buy US Dollar : Norwegian Krone 09/07/2010	(18,637)	(0.08)
807,741	USD	Buy US Dollar : Norwegian Krone 09/07/2010	(17,015)	(0.07)
31,067	USD	Buy US Dollar : Sell Sterling 09/07/2010	(1,127)	-
51,553	USD	Buy US Dollar : Sell Sterling 09/07/2010	(1,431)	(0.01)
1,208,943	USD	Buy US Dollar : Sell Euro 27/07/2010	2,278	0.01
			(252,125)	(1.09)

Absolute Return Fixed Income Fund

Portfolio as at 30 June 2010
(continued)

Number of Securities		Market Value EUR	% of Net Assets
Derivative Instruments continued			
Credit Default Swaps			
100,000	EUR	Barclays Capital Stena Aktieb 5.0000% 20/06/2015	(1,825) (0.01)
550,000	EUR	Credit Suisse Bay Motoren 1.0000% 20/03/2015	(2,926) (0.01)
300,000	EUR	Credit Suisse Deutsche Tel 1.0000% 20/03/2015	(1,233) (0.01)
100,000	EUR	Credit Suisse Deutsche Tel 1.0000% 20/03/2015	(411) -
250,000	EUR	Credit Suisse Gas Natural 1.0000% 20/06/2015	18,418 0.08
300,000	EUR	Credit Suisse Hellenic Tel 1.0000% 20/03/2015	(42,091) (0.18)
100,000	EUR	Credit Suisse Hellenic Tel 1.0000% 20/03/2015	(14,030) (0.06)
350,000	EUR	Credit Suisse J Sainsbury 1.0000% 20/06/2015	(5,661) (0.02)
350,000	EUR	Credit Suisse Next 1.0000% 20/06/2015	5,266 0.02
400,000	EUR	Credit Suisse PPR 1.w/06/2015	(17,460) (0.08)
550,000	EUR	Credit Suisse Tomkins plc 1.0000% 20/03/2015	8,723 0.04
400,000	EUR	Credit Swiss Marks & Spencer 1.0000% 20/06/2015	16,601 0.07
300,000	EUR	Deutsche Bank Stena Aktieb 5.0000% 20/06/2015	(2,268) (0.01)
3,000,000	USD	Deutsche Bank Russian Federation 1.0000% 20/09/2010	38 -
500,000	USD	Goldman Sachs EMS13V1 USD buy PROT	(41,803) (0.18)
550,000	USD	Goldman Sachs Iron Mountain 5.0000% 20/06/2015	3,633 0.02
2,000,000	USD	Merrill Lynch Philippines 1.0000% 20/09/2010	1,126 -
500,000	USD	Morgan Stanley EMS13V1 USD buy PROT	(41,599) (0.18)
150,000	EUR	UBS Marks & Spencer 1.0000% 20/06/2015	6,199 0.03
150,000	EUR	UBS PPR 1.0000% 20/06/2015	(6,246) (0.03)
			(117,549) (0.51)
Interest Rate Swaps			
2,250,000	GBP	Credit Suisse Pay fixed 3.1275%	(90,029) (0.39)
2,700,000	GBP	Credit Suisse Pay floating rate 6 month GBP LIBOR 19/06/2012	29,974 0.13
600,000	GBP	Credit Suisse Pay floating rate 6 month GBP LIBOR 19/06/2020	37,145 0.16
1,500,000	EUR	Deutsche Bank Pay fixed 3.1330%	6,353 0.03
1,000,000	GBP	Deutsche Bank Pay floating rate 6 month GBP LIBOR 11/06/2035	(8,679) (0.04)
1,300,000	GBP	Merrill Lynch Pay fixed 2.8900%	(34,927) (0.15)
300,000	GBP	Merrill Lynch Pay fixed 3.96%	(3,878) (0.01)
2,000,000	GBP	Merrill Lynch Pay floating rate 6 month GBP LIBOR 28/06/2012	351 -
400,000	GBP	Merrill Lynch Pay floating rate 6 month GBP LIBOR 29/06/2020	(44) -
			(63,734) (0.27)
Total Unrealised Loss on Swap Contracts		(181,283)	(0.78)
Futures Contracts *			
(13)	EUR	Euro-Bobl 08/09/2010	(6,061) (0.03)
8	EUR	Euro-Bund 08/09/2010	7,720 0.03
(11)	GBP	Lif Long Gilt 28/09/2010	(27,034) (0.11)
			(25,375) (0.11)
Other Net Assets		12,351,014	53.39
Total Net Assets		23,133,331	100.00

* Commitment of EUR 2,163,211.06

Any differences in the percentage of Net Asset figures are the result of roundings.

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases EUR	Sales EUR
Bonds/Notes		
Brazil		
Brazil (Rep Of) 7.125% 20/01/2037	4,650,224	4,670,770
Canada		
Canada (Govt Of) 1.25% 01/12/2011 Cad	4,051,446	4,053,116
Germany		
Germany (Fed Rep Of) T-Bill 0% 30/06/2010 25 E	2,994,689	3,000,000
Greece		
Hellenic (Rep Of) 0% Treasury Bill 13/10/2009	2,994,909	3,000,000
Hungary		
Hungary (Govt Of) 6.75% 12/02/2013 Huf '13/D'	3,730,008	3,794,484
Indonesia		
Indonesia (Rep Of) 8.5% 12/10/2035 Regs Usd	3,201,839	3,216,345
Ireland		
Henderson Liquid Asset Sterling Fund	12,225,593	16,038,370
South Africa		
South Africa (Rep Of) 6.875% 27/05/2019 Usd	4,572,403	4,588,815
Spain		
Spain Treasury Bill 0% 23/10/2009	2,995,756	3,000,000
United Kingdom		
Uk Treasury 2.25% 07/03/2014 Gbp	8,345,149	8,484,685

Portfolio by Country

Country	Market Value EUR	% of Net Assets
United Kingdom	2,886,861	12.48
The Netherlands	2,038,800	8.81
France	1,996,047	8.63
Belgium	1,995,919	8.63
Portugal	999,682	4.32
Mexico	627,005	2.71
Ireland	240,458	1.04
Colombia	217,910	0.94
Venezuela	147,875	0.64
Ivory Coast	90,543	0.39
Investment in Securities	11,241,100	48.59
Forward Foreign Exchange Contracts	(252,125)	(1.09)
Swap Contracts	(181,283)	(0.78)
Futures Contracts	(25,375)	(0.11)
Other Net Assets	12,351,014	53.39
Total Net Assets	23,133,331	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Euro Corporate Bond Fund*

Manager's report – for the period 18 December 2009 to 30 June 2010

The total return for the period, excluding any initial charges paid on investment, with gross income reinvested, was 5.3%** . The iBoxx Euro Corporates index posted a return of 3.6% over the same period.

The fund outperformed over the review period, through a combination of sector and stock selection. Outperformance was derived from four key areas; financials, industrials, basic materials, and credit derivatives (credit default swaps). This more than offset an overall underweight duration position, a stance that detracted from relative performance versus the corporate benchmark due to the compression in yields over the course of the first six calendar months of 2010.

The most significant contributor was an overweight position in subordinated bank paper, entered into in January and reduced profitably in April. Specific company holdings included Allied Irish Bank, HSBC, Groupe BPCE, BNP, and Dexia. Holdings in corporate hybrids also boosted performance, specifically Rexam, Bayer, and Henkel. Short risk positions in credit derivatives also contributed, in particular the use of the iTraxx Main index (a basket of 125 investment grade company credit default swaps).

Negative contributors included our holding in Glencore, the mining conglomerate, and positions in Telefonica and OTE, both of which suffered from contagion from the Greek sovereign crisis. This has also had an impact on senior bond holdings in Irish banks (Allied Irish and Bank of Ireland), as concerns rose over the sustainability of the fiscal position in Ireland. These bonds are government guaranteed in the short term, and continue to offer attractive risk/reward.

Overall investment activity was high over the period due to the launch of the fund in December, and subsequent seed investments in April and May. In early 2010, our investment focus centred on financials, and in particular subordinated securities, where we saw capital upside from bank liability management exercises. This was specifically the case for Allied Irish and Bank of Ireland, and supported our other holdings across the bank capital structure.

The market outlook deteriorated sharply in April, and the fund bias shifted towards better-rated corporates, with a reduction in Tier 1 financials, corporate hybrids, and high yield, to favour senior corporate and Lower Tier 2 financial bonds. The fund took new positions in AAA-rated sub-sovereign bonds including EIB and KFW, and entered into short-risk positions via credit derivative indices and credit default swaps (ENI, Tomkins, DSM, and Generali).

This defensive position was reduced in June to reflect a stabilisation of sovereign concerns, and an improvement in valuations and investor positioning. The fund reinvested much of its available cash in corporate and financial bonds, both in investment grade and to a smaller degree in high yield. The fund also took profits on its overall short-risk position in credit derivatives.

The fund utilised derivatives within the period, both through the use of government futures (to manage the fund's duration position), and through the use of credit derivatives (as a liquid and cost-efficient approach to managing overall credit exposure). The credit derivative positions contributed positively to performance over the period.

Accommodative monetary policy, recovering earnings, and historically high corporate bond spreads provide an attractive environment for credit markets. However, coordinated fiscal consolidation is unlikely to foster significant growth, and we are unlikely to see significant inflationary pressures within the European Union in the near future. As such, yields are expected to remain lower for longer, whilst future earnings, particularly in the bank and cyclical sectors, may disappoint increasingly optimistic forecasts as we progress through the next 12-month period.

Chris Bullock, Fund Manager

*The Euro Corporate Bond Fund was launched on 18 December 2009.

**Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Euro Corporate Bond Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	13,391,079
Cash at bank (note 14)	420,449
Interest and dividends receivable	281,952
Subscriptions receivable	-----
Receivable for investments sold	614,323
Reorganisation and formation expenses, net of amortisation (note 3)	27,000
Net unrealised gain on forward foreign exchange contracts	4,259
Net unrealised gain on contracts for difference	-----
Net unrealised gain on futures contracts	-----
Net unrealised gain on swap contracts	-----
Purchased options at market value	-----
Other assets	-----
Total assets	14,739,062
Liabilities	
Bank overdrafts	-----
Interest and dividends payable	-----
Payable for investments purchased	283,451
Taxes and expenses payable	38,905
Redemptions payable	14,737
Net unrealised loss on forward foreign exchange contracts	-----
Net unrealised loss on contracts for difference	-----
Net unrealised loss on futures contracts	9,468
Net unrealised loss on swap contracts	1,003
Sold options at market value	-----
Other liabilities	27,208
Total liabilities	374,772

Net assets at the end of the period **14,364,290**

	A2	A1	I2(GBP)
Number of shares outstanding:	4,709.87	23,619.63	108,217.73
Equivalent to a net asset value per share of:	105.25	105.25	86.04

Statement of Changes in Net Assets

For the period from 18 December 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the period	-----	Payments for shares redeemed	(519,158)
Net gain from investment	113,481	Net equalisation received (note 12)	17,119
Net realised gain on investment	59,022	Decrease in unrealised depreciation on investments	(75,578)
Net realised currency exchange loss	(37,479)	Dividends paid (note 13)	-----
Proceeds from shares issued	14,806,883	Net assets at the end of the period	14,364,290

Share Transactions

For the period from 18 December 2009 to 30 June 2010

	A2	A1	I2(GBP)
Shares outstanding at the beginning of the period	-----	-----	-----
Shares issued during the period	4,709.87	28,677.62	108,217.73
Shares redeemed during the period	-----	(5,057.99)	-----
Shares outstanding at the end of the period	4,709.87	23,619.63	108,217.73

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the period from 18 December 2009 to 30 June 2010 (EUR)

Income	
Dividend income	-----
Bond interest income	153,366
Interest received on contracts for difference	-----
Bank interest	276
Other income	5,217
Total income	158,859
Expenses	
Custodian fee	2,217
Management fee (note 5)	27,106
Shareholder servicing fee and distribution fee (notes 6 and 7)	3,827
Administration fee	6,188
Operations expenses	1,811
Annual tax (note 8)	1,229
Amortisation of reorganisation and formation expenses	3,000
Interest paid on contracts for difference	-----
Total expenses	45,378
Net gain from investment	113,481
Net realised gain on investment	128,204
Net realised loss on forward foreign exchange contracts	(65,094)
Net realised loss on contracts for difference	-----
Net realised loss on futures contracts	(50,352)
Net realised gain on swap contracts	46,264
Net realised loss on options contracts	-----
Net realised currency exchange loss	(37,479)
Net realised gain	135,024
Decrease in unrealised depreciation on investments	(69,366)
Increase in unrealised appreciation on forward foreign exchange contracts	4,259
Increase in unrealised appreciation on contracts for difference	-----
Decrease in unrealised depreciation on futures contracts	(9,468)
Decrease in unrealised depreciation on swap contracts	(1,003)
Increase in unrealised appreciation on options contracts	-----
Net increase in net assets as a result of operations	59,446

Euro Corporate Bond Fund

Portfolio as at 30 June 2010

Number of Securities			Market Value EUR	% of Net Assets
Bonds				
Transferable securities and money market instruments admitted to an official exchange listing				
Belgium				
150,000	EUR	Anheuser - Busch Inbev 6.57% 27/02/2014	171,072	1.19
200,000	EUR	Delhaize Group 5.625% 27/06/2014 Eur	217,703	1.52
			388,775	2.71
Czech Republic				
170,000	CZK	CEZ 4.875% MTN 16/04/2025	166,928	1.16
Denmark				
120,000	DKK	Carlsberg Breweries 6% 28/05/2014 Emtn Eur	134,165	0.93
150,000	DKK	Danske Bank 4.75% 29/06/2012 Emtn Eur	158,141	1.10
			292,306	2.03
France				
150,000	EUR	Alstom 4.5% 18/03/2020 Emtn Eur	152,348	1.06
150,000	EUR	Electricite De France 4.625% 26/04/2030 Emtn E	150,849	1.05
50,000	EUR	France Telecom 7.25% 28/01/2013 2 Emtn Eur	56,439	0.39
100,000	EUR	Groupe Bpce 9% 29/03/2049 Eur	92,330	0.64
100,000	EUR	Klepierre 4% 13/04/2017 Emtn Eur	99,741	0.69
300,000	EUR	Rci Banque 3.375% 23/01/2013 Snr Emtn Eur	297,013	2.07
130,000	EUR	Societe Generale 4.196% Var 26/01/2049-15 Perp	87,161	0.61
100,000	EUR	Societe Generale 9.375% Frn Perp Eur	102,000	0.71
180,000	EUR	Veolia Environnement 4% 12/02/2016 Emtn Eur	189,017	1.32
150,000	EUR	Vivendi 4% 31/03/2017 Eur	152,186	1.06
			1,379,084	9.60
Germany				
200,000	EUR	Evonik Industries 7% 14/10/2014 Eur	218,120	1.52
500,000	EUR	Kfz Frn 04/03/2013 Emtn Eur	500,000	3.48
			718,120	5.00
Ireland				
100,000	GBP	Allied Irish Banks 4.5% 01/10/2012 Emtn Eur	94,936	0.66
150,000	GBP	Allied Irish Banks 5.625% 12/11/2014 112 Emtn	139,728	0.97
200,000	GBP	Bank of Ireland 4.625% 08/04/2013 Emtn Eur	193,461	1.35
120,000	GBP	Bank of Ireland 10% 12/02/2020 Emtn Eur	122,599	0.85
			550,724	3.83
Italy				
100,000	EUR	Intesa Sanpaolo 8.375% Frn 14/10/2049 Perp Eur	91,917	0.64
100,000	EUR	Monte Dei Paschi Siena 5% 21/04/2020 Emtn Eur	97,910	0.68
150,000	EUR	Telecom Italia 5.25% 10/02/2022	148,174	1.03
			338,001	2.35
Jersey				
200,000	GBP	Baa Funding Ltd Frn (Exp 15/02/2014) Regs	199,713	1.39
100,000	GBP	Hbos Capital Funding 6.461% Perp A Gbp	82,727	0.58
			282,440	1.97
Luxembourg				
100,000	EUR	Air Liquide Finance 3.889% 06/09/2020	103,240	0.72
300,000	EUR	Caterpillar International Finance 2.375% 17/06/2013	303,375	2.11
500,000	EUR	European Investment Bank 2.5% 15/04/2012 Eur	514,457	3.58
120,000	EUR	Finmeccanica 5.25% 21/01/2022 Eur	124,306	0.87
250,000	EUR	Glencore Finance Europe 5.25% 22/03/2017 Emtn	233,933	1.63
150,000	EUR	Sanofi Aventis 3.125% 10/10/2014	155,541	1.08
			1,434,852	9.99
Spain				
200,000	EUR	Santander Issuances Frn 03/03/2016 Emtn Eur	185,010	1.29

Number of Securities			Market Value EUR	% of Net Assets
Bonds				
Transferable securities and money market instruments admitted to an official exchange listing				
Sweden				
150,000	EUR	Svenska Handelsbanken 3% 20/08/2012 Emtn Eur	153,367	1.07
140,000	EUR	Svenska Handelsbanken 3.75% 24/02/2017 Emtn Eur	143,461	1.00
			296,828	2.07
Switzerland				
205,000	CHF	Credit Suisse London 3.875% 25/01/2017 Emtn Eu	206,485	1.44
200,000	CHF	Credit Suisse London 4.75% 05/08/2019 Emtn Eur	208,841	1.45
325,000	CHF	Ubs London 6% 18/04/2018 Emtn Eur	365,164	2.54
			780,490	5.43
The Netherlands				
150,000	EUR	Akzo Nobel 7.25% 27/03/2015 Eur	178,509	1.24
225,000	EUR	Bmw Finance 4% 17/09/2014 Emtn Eur	237,344	1.65
150,000	EUR	Elm 6.3024% Perp Mtn Gbp	142,448	0.99
120,000	EUR	Ing Groep 5.14% Perp Gbp	102,433	0.71
200,000	EUR	Ing Verzekeringen 6.25% 21/06/2021 Mtn Eur	178,010	1.24
140,000	EUR	Lanxess Finance Bv 5.5% 21/09/2016 Eur	152,369	1.06
200,000	EUR	Repsol Intl Finance 4.625% 08/10/2014 Emtn Eur	207,537	1.45
120,000	EUR	TenneT Holdings B.V. 4.5% 09/02/2022	127,820	0.89
			1,326,470	9.23
United Kingdom				
270,000	GBP	3i Group 5.625% 17/03/2017 Emtn Eur	261,671	1.82
250,000	GBP	Aviva 5.7% Perp Eur	199,844	1.39
175,000	GBP	Baa Funding Frn 15/02/2020 Regs Eur	165,044	1.15
160,000	GBP	Barclays Bank 10.179% 12/06/2021 144A Usd	164,978	1.15
280,000	GBP	Barclays Bank 4.75% 15/03/2049 Perp Emtn Eur	172,375	1.20
185,000	GBP	Bat Intl Finance 4.875% 24/02/2021 Emtn Eur	199,995	1.39
200,000	GBP	Bg Energy Cap 3.375% 15/07/2013 Emtn Eur	207,524	1.44
150,000	GBP	British Telecommunications 6.5% 07/07/2015 Emtn	166,459	1.16
150,000	GBP	Co-Operative Bank Frn 18/05/2016	105,060	0.73
60,000	GBP	Glaxosmithkline Capital Plc 5.625% Emtn 13/11/2007	70,464	0.49
175,000	GBP	Hbos 4.375% 30/10/2019 Emtn Eur	152,099	1.06
200,000	GBP	Lloyds Tsb Bank 5.375% 03/09/2019 Emtn Eur	199,318	1.39
100,000	GBP	Lloyds Tsb Bank 6.375% 17/06/2016 3872 Emtn	106,919	0.74
440,000	GBP	Man Group plc Frn 22/09/2015	313,727	2.18
200,000	GBP	Nationwide Bldg Soc 3.375% Frn 17/08/2015 Emtn	194,790	1.36
215,000	GBP	Nationwide Bldg Society Frn (Exp 22/12/2016)	187,573	1.31
100,000	GBP	Ote 4.625% 20/05/2016 Mtn Eur	87,100	0.61
200,000	GBP	Rexam 6.75% 29/6/2067 Eur	181,050	1.26
100,000	GBP	Royal Bank Of Scotland 4.875% 20/01/2017 Emtn	98,505	0.69
50,000	GBP	Royal Bank Of Scotland 5.25% 15/05/2013 Emtn	51,962	0.36
50,000	GBP	Royal Bank Of Scotland 6.934% 09/04/2018 Emtn	49,696	0.35
250,000	GBP	Royal Bank Of Scotland Frn 04/11/2016 2562 Emtn	157,237	1.09
50,000	GBP	Yorkshire Building Society 5.649% Frn 11/09/2016 Perp G	38,319	0.27
			3,531,709	24.59
United States				
50,000	USD	Ahold Finance USA 5.875% 14/03/2012	53,130	0.37
150,000	USD	Bank Of America Corp 7% 15/06/2016 Emtn Eur	169,817	1.18
180,000	USD	Citigroup 7.375% 04/09/2019 64 Emtn Eur	200,331	1.40
225,000	USD	Daimlerchrysler Na Hldg 4.25% Emtn 04/10/2011	231,525	1.61
300,000	USD	General Electric Capital Corp 4.625% 15/09/2066	236,830	1.64
200,000	USD	Hsbc Finance Corp 3.75% Emtn 04/11/2015 Eur	204,365	1.42
150,000	USD	Merril Lynch & Co 4.875% 30/05/2014 Emtn Eur	154,415	1.07
120,000	USD	Morgan Stanley 5.5% 02/10/2017 Eur	119,774	0.83
200,000	USD	Morgan Stanley 3.75% Snr Nts 01/03/2013 Eur5	199,990	1.40
140,000	USD	Roche Hldgs 4.625% 04/03/2013 Emtn Eur	150,165	1.05
			1,719,342	11.97

Investment in Securities

13,391,079

93.22

Euro Corporate Bond Fund

Portfolio as at 30 June 2010
(continued)

Number of Securities		Market Value EUR	% of Net Assets
Derivative Instruments			
Forward Foreign Exchange Contracts			
378,049	EUR Buy Euro : Sell Sterling 27/09/2010	(2,789)	(0.02)
13,132	EUR Buy Euro : Sell Sterling 27/09/2010	(25)	-
650,169	EUR Buy Euro : Sell Sterling 27/09/2010	1,285	0.01
541,621	GBP Buy Sterling : Sell US Dollar 27/09/2010	5,788	0.04
		4,259	0.03
Credit Default Swaps			
300,000	USD Credit Suisse Chesapeake 5.0000% 20/06/2015	8,433	0.06
100,000	EUR Credit Suisse ENI S.P.A. 1.0000% 20/03/2015	122	0.00
100,000	USD Credit Suisse J C Penney 1.0000% 20/03/2015	(2,838)	(0.02)
100,000	USD Credit Suisse Jones Apparel 1.0000% 20/03/2015	2,838	0.02
150,000	EUR Credit Suisse Kabel Deutschland 5.0000% 20/09/2015	(3,318)	(0.02)
100,000	EUR Credit Suisse Koninklijke 1.0000% 20/03/2015	(1,673)	(0.01)
50,000	EUR Credit Suisse Marks & Spencer 1.0000% 20/06/2015	2,076	0.01
50,000	EUR Credit Suisse PPR 1.0000% 20/06/2015	(2,183)	(0.02)
500,000	EUR Credit Suisse Rexam 1.0000% 20/06/2015	5,377	0.04
50,000	EUR Credit Suisse Smuifit Kappa 5.0000% 20/06/2015	(1,414)	(0.01)
100,000	EUR Credit Suisse Tomkins plc 1.0000% 20/03/2015	1,587	0.01
200,000	EUR Credit Suisse Virgin Media 5.0000% 20/06/2015	(4,744)	(0.03)
250,000	EUR UBS Michelin Finance 1.0000% 20/06/2015	4,627	0.03
250,000	EUR UBS Tomkins plc 1.0000% 20/06/2015	3,325	0.02
200,000	EUR UBS UPC holdings 5.0000% 20/06/2015	(13,218)	(0.09)
		(1,003)	(0.01)
Futures Contracts*			
(13)	EUR Euro-Bobl 08/09/2010	(9,468)	(0.06)
Other Net Asset		979,423	6.82
Total Net Assets		14,364,290	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

* Commitment of EUR1,571,505.00

Top ten changes in the securities portfolio from 18 December 2009 to 30 June 2010

Description of Securities	Purchases EUR	Sales EUR
Bonds		
France		
Credit Agricole London 6% 24/06/2013 EMTN Eur	218,860	221,912
Germany		
Celesio Finance 4.5% 26/04/2017 Eur	248,183	248,153
Henkel 5.375% 25/11/2104 Eur	221,900	223,200
KfW Frn 04/03/2013 Emtn Eur	749,850	249,800
Luxembourg		
Caterpillar International Finance 2.375% 17/06/2013	499,440	200,400
European Investment Bank 2.5% 15/04/2012 Eur	772,875	257,453
Sanofi Aventis 3.125% 10/10/2014	308,001	154,001
Portugal		
Portugal Telecom Intl Finance 5% 04/11/2010 Emtn Eur	207,202	221,155
Spain		
Telefonica Emisiones Sau 3.406% 24/03/2015 Snr	248,812	250,863
Sweden		
Nordea Bank 4.5% 12/05/2014 Emtn Eur	211,940	214,300

Portfolio by Country

Country	Market Value EUR	% of Net Assets
United Kingdom	3,531,709	24.59
United States	1,719,342	11.97
Luxembourg	1,434,852	9.99
France	1,379,084	9.60
The Netherlands	1,326,470	9.23
Switzerland	780,490	5.43
Germany	718,120	5.00
Ireland	550,724	3.83
Belgium	388,775	2.71
Italy	338,001	2.35
Sweden	296,828	2.07
Denmark	292,306	2.03
Jersey	282,440	1.97
Spain	185,010	1.29
Czech Republic	166,928	1.16
Investment in Securities	13,391,079	93.22
Forward Foreign Exchange Contracts	4,259	0.03
Swap Contracts	(1,003)	(0.01)
Futures Contracts	(9,468)	(0.06)
Other Net Assets	979,423	6.82
Total Net Assets	14,364,290	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

American Equity Fund

Manager's report – annual report 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 10.1%* in US dollar terms. The S&P 500 index posted a return of 14.4% in US dollar terms over the same period.

Cyclical stocks were most favoured by the market during the period, with the consumer discretionary and industrial sectors leading the way. Traditionally defensive areas such as utilities and telecoms lagged, whilst the energy sector came under pressure at the end of the period on concerns over the broader impact of the Gulf of Mexico oil spill. Earnings results highlighted the flexibility of US corporations as cost-cutting led to a quick recovery in margins before a revenue upswing contributed to further gains. The economy showed an impressive rebound from the lows of late 2008 and early 2009, but unemployment remains stubbornly high. This is causing many commentators to fear that the gradual removal of fiscal and monetary stimulus measures that were put in place at the height of the financial crisis will push the US economy back into recession. This, along with fears over Europe's debt crisis and a slowing Chinese economy, led to a renewal of risk aversion towards the end of the period, prompting the market to lose some of its prior gains.

Performance was held back as the market recovery favoured lower quality and highly cyclical stocks. Since the slowdown began, we have been gradually adding higher quality cyclical stocks where the fallout from the recession has yielded significant market share opportunities going forward. However, it is the more financially stressed companies that tend to lead the initial phase of the rebound that follows a recession.

Within the industrials sector, we added Emerson Electric, UPS and Cummins, and sold Corrections Corporation. All three purchases are examples of our preference for high quality companies that stand to benefit from an improving competitive environment, but that are also leveraged to a continuing economic recovery. Emerson manufactures various electrical products and has exposure to secular themes including energy efficiency and emerging markets. It has used the downturn as an opportunity to grow via acquisition. UPS provides package delivery services, a sector where the recession has prompted the exit of a major competitor from the US market. The remaining players have yet to see the benefits of this consolidation as volumes are only just beginning to recover, but as they do UPS will enjoy a much improved pricing environment. Cummins manufactures truck engines and power generation equipment and is benefiting from increasingly strict emission standards for diesel engines throughout the world. The company's competitive position has been strengthened via its continued investment in research and development during the downturn, whilst its more debt-laden competitors have had to scale back operations. We sold Corrections Corporation, an operator of private prisons, as we felt the valuation was no longer reflecting the risk to growth from weakened State budgets.

In the consumer discretionary sector, we added Carnival, the cruise operator. The cruise industry will see limited supply growth in the coming years as operators have struggled to obtain the financing required to build new vessels. Meanwhile, the popularity of cruises as a holiday choice is growing and near-term pricing trends are showing signs of improvement. As shareholders in Bristol-Myers Squibb, the pharmaceutical manufacturer, we took up the option to exchange a portion of its holdings into those of Mead Johnson, a leading provider of infant nutrition products. We subsequently exited the remainder of our Bristol-Myers Squibb holding and added further to Mead Johnson as we see a compelling long-term growth opportunity due to its strong position in emerging markets, where the penetration of infant formula is relatively low.

The recent market correction has left US equities trading at very attractive valuations based on a more normalised earnings environment. Economic statistics from the US are mixed, but we believe that ongoing stimulus measures will enable growth to continue despite increased headwinds from overseas. We continue to believe that, as the range of economic outcomes narrows, the market should broaden out and allow company fundamentals to be the main driver of performance. This should make for a fruitful environment for stock pickers and result in the outperformance of both the higher quality cyclical stocks and the underappreciated growth opportunities that typify our investment approach.

Nicholas Cowley, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

American Equity Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	260,737,175
Cash at bank (note 14)	9,582,773
Interest and dividends receivable	212,990
Subscriptions receivable	312,156
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	7,128
Total assets	270,852,222
Liabilities	
Bank overdrafts	3,654
Interest and dividends payable	----
Payable for investments purchased	2,809,229
Taxes and expenses payable	1,062,054
Redemptions payable	4,634,994
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	8,509,931
Net assets at the end of the year	262,342,291

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	3,786,881
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	2
Other income	2,658
Total income	3,789,541
Expenses	
Custodian fee	31,142
Management fee (note 5)	3,927,183
Shareholder servicing fee and distribution fee (notes 6 and 7)	1,455,390
Administration fee	489,609
Operations expenses	214,831
Annual tax (note 8)	144,998
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	6,263,153
Net loss from investment	(2,473,612)
Net realised loss on investment	(13,154,218)
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	57,468
Net realised loss	(15,570,362)
Increase in unrealised depreciation on investments	58,625,649
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	43,055,287

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	I2	I1	X2
Number of shares outstanding:	21,663,695.23	125,273.28	108.62	276,385.90	11.53	3,744,868.81	191,395.61	49,397.29
Equivalent to a net asset value per share of:	10.03	8.18	6.69	10.03	8.18	10.33	10.25	9.85

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	371,565,382	Payments for shares redeemed	(250,429,290)
Net loss from investment	(2,473,612)	Net equalisation paid (note 12)	(55,906)
Net realised loss on investment	(13,154,218)	Increase in unrealised depreciation on investments	58,625,649
Net realised currency exchange gain	57,468	Dividends paid (note 13)	(9,360)
Proceeds from shares issued	98,216,178	Net assets at the end of the year	262,342,291

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	I2	I1	X2
Shares outstanding at the beginning of the year	33,567,681.04	78,435.49	1,211.97	475,780.73	----	6,240,921.41	214,674.75	92,892.16
Shares issued during the year	6,105,562.39	87,014.18	----	8,700.54	11.53	2,805,331.87	182,375.00	9,460.29
Shares redeemed during the year	(18,009,548.20)	(40,176.39)	(1,103.35)	(208,095.37)	----	(5,301,384.47)	(205,654.14)	(52,955.16)
Shares outstanding at the end of the year	21,663,695.23	125,273.28	108.62	276,385.90	11.53	3,744,868.81	191,395.61	49,397.29

The accompanying notes form an integral part of these financial statements.

American Equity Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Canada

362,000	Biovail	6,839,990	2.61
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Switzerland

210,000	Foster Wheeler	4,467,750	1.70
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United States

161,859	American Tower	7,292,557	2.78
120,000	Anadarko Petroleum	4,330,200	1.65
40,360	Apple Inc	10,313,998	3.93
263,000	AT&T	6,386,955	2.43
530,500	Bank of America	7,801,003	2.97
182,000	Carnival	5,590,130	2.13
200,000	Celanese	5,083,000	1.94
335,225	Cisco Systems	7,222,423	2.75
735,294	Citi Group	2,819,852	1.07
160,000	Coca-Cola Enterprises	4,185,600	1.60
171,000	Covidien	6,875,055	2.62
145,000	CSX	7,260,150	2.77
44,000	Cummins Inc	2,940,740	1.12
137,493	CVS Caremark Corp	4,084,230	1.56
120,000	Dick's Sporting Goods	3,039,600	1.16
155,045	DirectV	5,338,975	2.04
134,000	DreamWorks Animations	3,915,480	1.49
318,961	EMC	5,955,002	2.27
200,000	Emerson Electric	8,713,000	3.32
64,300	Equinix	5,153,645	1.96
117,066	Express Scripts	5,509,711	2.10
190,878	GSI Commerce	5,551,687	2.12
134,072	Hess	6,929,511	2.64
237,000	Kraft	6,663,255	2.54

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

United States continued

193,400	Lazard	5,191,823	1.98
139,700	Lender Processing	4,382,389	1.67
290,000	Lowe's Cos	5,984,150	2.28
106,508	Mead Johnson Nutrition	5,365,341	2.05
194,000	Micros Systems	6,261,350	2.39
371,000	Microsoft	8,664,705	3.30
115,938	National-Oilwell Varco	3,850,881	1.47
243,521	New York Community Bank	3,758,747	1.43
123,466	Northern Trust	5,873,895	2.24
103,115	PepsiCo	6,293,624	2.40
82,275	Praxair	6,381,660	2.43
115,000	Prudential	6,292,800	2.40
265,000	Quanta Services	5,555,725	2.12
89,374	Range Resources	3,697,402	1.41
309,000	Republic Services	9,225,195	3.52
110,000	Rovi	4,214,650	1.61
133,926	Thermo Fisher	6,660,140	2.54
125,000	United Parcel Service	7,218,125	2.74
115,000	Walmart	5,601,074	2.14
		249,429,435	95.08

Investment in Securities	260,737,175	99.39
Other Net Assets	1,605,116	0.61
Total Net Assets	262,342,291	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

American Equity Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
United States		
Abbott Laboratories	-	9,274,163.67
H&R Block	4,891,664.10	4,431,617.45
Bristol-Myers Squibb	3,123,013.90	9,130,878.74
Corrections Corporation	-	9,830,920.22
Genzyme	-	8,976,810.60
Kinetic Concepts	4,966,548.67	4,795,086.09
Lorillard	-	8,883,433.03
Marathon Oil	-	12,509,797.70
Microsoft	12,836,060.98	4,385,501.17
Southern Company	-	10,442,953.68

Portfolio by Sector

Sector	Market Value USD	% of Net Assets
Consumer Cyclical	56,970,439	21.72
Technology	55,108,902	21.01
General Industries	53,134,257	20.25
Non-Cyclical Consumer Goods and Services	48,674,866	18.55
Financials	31,738,120	12.10
Resources	15,110,591	5.76
Investment in Securities	260,737,175	99.39
Other Net Assets	1,605,116	0.61
Total Net Assets	262,342,291	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Asian Dividend Income Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment with gross income reinvested, was 9.0%* in US dollar terms. The MSCI All Countries Asia Pacific ex Japan Free index rose 21.3% in US dollar terms over the same period.

The recovery in equity markets that started in March 2009 continued into the second half of 2009. The drivers of performance, however, were very different. In the first half of the year, domestic Asian sectors and stocks performed well as investors flocked to the sustainable growth stories centred around the Asian consumer. In the second half, the 'green shoots of recovery' started to emerge in the US, which resulted in a switch into the sectors benefiting from a stronger global cycle. Over this period, technology, materials, and exporters all performed well, while financials, property, and domestic cyclicals lagged. Currency also played an important role in market returns. The cyclical economies of Australia and Korea benefited from significant currency strength, which supplemented returns. The problems with the peripheral European markets in early 2010 capped the positive move in Asian equities. Rising risk aversion led to a modest sell-down in the first half of 2010, as investors again considered the possibility of a 'double dip' recession.

The most disappointing market over the period was China. Despite posting double-digit gross domestic product growth through most of the period, the stock market underperformed its peers over the period. The fear of an asset bubble in property led to a series of measures to cool growth, which unsettled investors. Although the policies in China have been successful in managing the economy during the economic downturn, the constant change in policy has created an environment of uncertainty, which has alienated many investors. This is in complete contrast to India and Indonesia, which are the other large populous markets in the region. These markets were the best performers over the period as investors found confidence in the strong structural story and lack of government interference.

Throughout the review period, Asian companies continued to surprise positively with many beating analysts' expectations. The prudence of management in the last few years has allowed corporate Asia to ride out the downturn better than most. Companies now have very little debt and are generating strong cash flows, which should allow for more share buybacks and higher dividends going forward.

The performance of the portfolio was disappointing over the period. The strength of global cyclical stocks, especially in the first half, was detrimental, while the overweight weighting in China and Hong Kong was also a detractor. On the plus side, however, the fund benefited from the strength of the Thai market, which was one of the best performing markets despite the political upheaval that dominated the first half of 2010.

The portfolio continues to focus on domestic Asia and away from global cyclicals. We believe that the sustainability of growth will be more important now that the recovery phase has been and gone, and this favours domestic sectors and stocks in Asia. We remain overweight China as this offers the best combination of value and dividend growth in the region.

Michael Kerley, Fund Manager

*Relates to Class A Accumulation shares.

The base source for performance statistics is Micropal.

Asian Dividend Income Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	129,714,056
Cash at bank (note 14)	2,663,914
Interest and dividends receivable	720,590
Subscriptions receivable	248,912
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	14,732
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	----
Total assets	133,362,204
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	276,657
Taxes and expenses payable	580,697
Redemptions payable	1,391,610
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	152,295
Other liabilities	1,459,908
Total liabilities	3,861,167
Net assets at the end of the year	129,501,037

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	9,405,770
Bond interest income	----
Interest received on contracts for difference	921
Bank interest	40,025
Other income	9,446,716
Total income	9,446,716
Expenses	
Custodian fee	92,561
Management fee (note 5)	1,896,825
Shareholder servicing fee and distribution fee (notes 6 and 7)	603,763
Administration fee	264,233
Operations expenses	131,020
Annual tax (note 8)	70,572
Amortisation of reorganisation and formation expenses	9,822
Interest paid on contracts for difference	----
Total expenses	3,068,796
Net gain from investment	6,377,920
Net realised gain on investment	15,525,411
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised gain on options contracts	690,519
Net realised currency exchange loss	(266,461)
Net realised gain	22,327,389
Decrease in unrealised appreciation on investments	(3,782,110)
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised depreciation on options contracts	105,306
Net increase in net assets as a result of operations	18,650,585

	A2	A2(EUR)	A2(GBP)	A2(SGD)	A1	A1(EUR)	A1(GBP)
Number of shares outstanding:	3,267,294.04	45,300.85	2,613.24	421,615.84	1,930,458.26	387.09	3,090.63
Equivalent to a net asset value per share of:	12.88	10.48	8.57	17.96	10.70	8.71	7.12
	A1(SGD)	I2	I1	I1(GBP)	X2	X2(EUR)	
Number of shares outstanding:	639,184.18	1,353,052.05	710.57	3,234,993.62	36,427.46	1,243.63	
Equivalent to a net asset value per share of:	14.92	13.01	11.06	7.36	12.58	10.24	

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	188,272,022	Payments for shares redeemed	(177,548,869)
Net gain from investment	6,377,920	Net equalisation paid (note 12)	(540,713)
Net realised gain on investment	16,215,930	Decrease in unrealised appreciation on investments	(3,676,804)
Net realised currency exchange loss	(266,461)	Dividends paid (note 13)	(4,100,123)
Proceeds from shares issued	104,768,135	Net assets at the end of the year	129,501,037

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(GBP)	A2(SGD)	A1	A1(EUR)	A1(GBP)
Shares outstanding at the beginning of the year	7,466,489.12	15,081.81	2,502.73	360,136.61	3,316,880.40	387.11	----
Shares issued during the year	1,865,676.70	79,506.99	111.50	177,044.87	1,804,452.31	12.92	3,090.63
Shares redeemed during the year	(6,064,871.78)	(49,287.95)	(0.99)	(115,565.64)	(3,190,874.45)	(12.94)	----
Shares outstanding at the end of the year	3,267,294.04	45,300.85	2,613.24	421,615.84	1,930,458.26	387.09	3,090.63
	A1(SGD)	I2	I1	I1(GBP)	X2	X2(EUR)	
Shares outstanding at the beginning of the year	571,277.25	1,743,810.57	2,992.22	3,189,103.59	55,867.11	423.53	
Shares issued during the year	166,816.44	1,936,277.15	1,272.67	2,401,843.52	24,775.29	820.10	
Shares redeemed during the year	(98,909.51)	(2,327,035.67)	(3,554.32)	(2,355,953.49)	(44,214.94)	----	
Shares outstanding at the end of the year	639,184.18	1,353,052.05	710.57	3,234,993.62	36,427.46	1,243.63	

The accompanying notes form an integral part of these financial statements.

Asian Dividend Income Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Australia			
572,000	Ancor Limited	3,111,106	2.40
1	Australia & New Zealand Bank Group	18	-
1,063,007	Incitec Pivot	2,471,389	1.91
1,594,091	Macquarie Bank	3,166,756	2.45
182,663	QBE Insurance	2,836,355	2.19
239,070	Santos	2,572,046	1.99
1,228,000	Telstra	3,410,263	2.63
		17,567,933	13.57
Bermuda			
35,030,000	Shenzhen International Holdings	2,170,285	1.67
Cayman Islands			
4,084,000	China Forestry	1,484,060	1.14
China			
8,305,000	Bank of China	4,238,928	3.27
3,171,000	China Construction Bank	2,583,492	1.99
2,172,000	China Oilfield Services	2,563,036	1.98
5,795,000	Industrial and Commercial Bank of China	4,267,428	3.30
3,126,000	Jiangsu Expressway	2,853,894	2.20
4,321,954	Lonking Holdings	2,921,849	2.26
1,415,000	NWS Holdings	2,561,857	1.98
682,000	Shanghai Industrial Holdings	2,734,426	2.11
1,696,000	Shimao Property Holdings	2,674,259	2.07
		27,399,169	21.16
Hong Kong			
1,431,000	BOC Hong Kong Holdings	3,283,549	2.53
208,200	Hang Seng Bank	2,793,678	2.16
1,224,209	Link Real Estate Investment Trust	3,047,984	2.35
3,307,000	Midland Holdings	2,745,251	2.12
1,547,000	Sino Land	2,792,897	2.16
590,000	Television Broadcasts	2,729,200	2.11
		17,392,559	13.43
Indonesia			
3,818,000	Telekomunikasi Indonesia	3,233,697	2.50
Philippines			
57,230	PLDT	2,962,884	2.29
Singapore			
1,898,000	Ascendas Real Estate Investment Trust	2,483,281	1.92
312,500	DBS Group	3,062,565	2.36
991,000	Fraser & Neave	3,648,219	2.82
1,071,000	Singapore Press	2,906,178	2.24
399,000	Venture	2,552,983	1.97
		14,653,226	11.31
South Korea			
315,000	Korea Reinsurance	2,479,167	1.91
173,000	KT Corporation	3,285,270	2.54
414,539	Macquarie Korea Infrastructure Fund	1,536,426	1.19
222,489	SK Telecom	3,328,435	2.57
		10,629,298	8.21

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Taiwan			
312,771	ASUSTek Computer	2,328,882	1.80
2,903,000	CTCI	2,844,099	2.19
1	Delta Electronic	3	-
2,059,853	Hung Poo Real Estate	2,560,462	1.98
841,773	Pegatron	787,897	0.61
464,000	Siliconware Precision Industries	2,533,440	1.96
3,155,000	Taiwan Cement	2,678,138	2.07
1,265,000	Taiwan Mobile	2,572,719	1.99
300,000	Taiwan Semiconductor	2,943,000	2.27
5,250,000	Yuanta Financial	2,830,748	2.18
		22,079,388	17.05

Thailand			
1,308,300	Advanced Information Services	3,496,986	2.70
1,307,400	Kasikornbank	3,837,483	2.96
8,309,100	LPN Development - NVDR	2,198,525	1.70
2,300,000	LPN Development - Foreign	608,563	0.47
		10,141,557	7.83

Investment in Securities **129,714,056** **100.16**

Derivative Instruments

Sold options at market value*

(1,800,000) HKD	Guangzhou R&F Properties August 10 Put 8.255 Expiry 19/08/2010	(20,837)	(0.02)
(800,000) HKD	Jiangsu Express August 10 Call Expiry 26/08/2010	(26,885)	(0.02)
(71,000) KRW	Kb Fin August 10 Put 27.1718 Expiry 19/08/2010	(54,979)	(0.04)
(2,496,000) HKD	Lonking Holdings August 10 Put 3.939 Expiry 26/08/2010	(4,283)	-
(1,880,000) HKD	Midland Holdings August 10 Put 5.2908 Expiry 26/08/2010	(19,463)	(0.02)
(380,000) HKD	Shanghai Industrial August 10 Put 27.1718 Expiry 19/08/2010	(25,848)	(0.02)
		(152,295)	(0.12)

Other Net Liabilities **(60,724)** **(0.04)**
Total Net Assets **129,501,037** **100.00**

*Total Commitment of USD 9,069,369

Any differences in the percentage of Net Asset figures are the result of roundings.

Asian Dividend Income Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
China		
China Mobile	-	6,796,394
Industrial & Commercial Bank of China	3,139,364	4,935,307
Singapore		
DBS Group	2,251,506.4	5,529,704
Singapore Tech Engineering	-	6,033,241
South Korea		
Jinro	4,140,632.8	3,107,405
KT Corporation	1,532,024.1	5,638,220
KT&G	4,594,287.2	4,439,043
Taiwan		
High Tech Computer	4,818,616.0	3,629,091
Taiwan Cement	4,887,014.7	1,385,819
Taiwan Mobile	2,421,165.9	4,142,968

Portfolio by Country

Country	Market Value USD	% of Net Assets
China	27,399,169	21.16
Taiwan	22,079,388	17.05
Australia	17,567,933	13.57
Hong Kong	17,392,559	13.43
Singapore	14,653,226	11.31
South Korea	10,629,298	8.21
Thailand	10,141,557	7.83
Indonesia	3,233,697	2.50
Philippines	2,962,884	2.29
Bermuda	2,170,285	1.67
Cayman Islands	1,484,060	1.14
Investment in Securities	129,714,056	100.16
Sold options at market value	(152,295)	(0.12)
Other Net Liabilities	(60,724)	(0.04)
Total Net Assets	129,501,037	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Asian Growth Fund*

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 15.0%** in US dollar terms. The MSCI AC Asia ex Japan index rose 26.7% in US dollar terms over the same period.

The fund changed its benchmark on 1st November 2009 from the MSCI AC Pacific to MSCI AC Asia Ex Japan. The benchmark performance quoted is a composite Index of the two. The difference between the two Indices is a large weighting in Australia in the MSCI Pacific and no weighting in Australia in MSCI Asia ex Japan. The fund had almost no weighting in Australia over the 12 month period. In the period 30 June 2009 to 1st November 2009, Australia performed extremely well and the fund's large underweight was a significant drag on performance. In the period from 1st November 2009 to 30 June 2010, Australia underperformed the rest of Asia but this did not benefit the fund as Australia was no longer in the benchmark. The combined effect of the impact of Australia on fund performance was around 4% of underperformance of the composite benchmark. The rest of the fund's underperformance over the period is attributable to the fund's large position in Chinese shares, which performed poorly over the period as well as a large position in the technology sector which performed poorly in the first 6 months of 2010.

At the country level, the fund benefitted from its positions in China and Hong Kong, despite the disappointing performance of these markets overall. The main positive contributors were Air China, Tencent, Ctrip, and Sands China. All of these businesses benefitted from strong and rising consumption on leisure and travel by Chinese households. Indonesia also performed well and the fund's holding in Bank Mandiri prospered, as a result of the rapid improvement in its balance sheet and strong loan growth. India and Korea were the main detractors from performance. In India, the fund was hurt by its holding in Reliance Communications, which was hit by a price war in the mobile phone market. Korean performance was affected by the weak performance of Hyundai Engineering and Construction and Kookmin Bank. In terms of overall sector performance, industrials and consumer discretionary were positive contributors, but telecom services, consumer staples, and materials detracted from performance.

The fund reduced its exposure to the materials sector after a period of very strong performance. Rio Tinto and Energy Resources Australia were the main sales over the period. The technology sector was the main beneficiary of the cash raised from materials, with new holdings in Taiwanese technology companies Advanced Semiconductor Engineering and Foxconn Technology. Korean technology companies Samsung Electronics and LG Display were also added to the fund. In general, technology demand has been strong in the corporate sector globally and penetration rates of key technology products continue to rise rapidly in emerging markets. Technology sector valuations remain attractive, particularly relative to other cyclical sectors such as materials. Other notable sales included Standard Chartered Bank on strong share price performance and concerns about the outlook for its non-Asian businesses, and China Overseas Land as a result of Chinese government measures to control spiralling property prices. The fund also participated in the initial public offering of Sands China, the offshoot of Las Vegas Sands and dominant player in the mass gaming and resort business in Macau.

Andrew Beal, Fund Manager

*On 1 December 2009, the Pacific Equity Fund changed its name to the Asian Growth Fund. It also changed its benchmark from MSCI AC Pacific ex Japan Index to MSCI AC ex Japan Index.

**Relates to class A accumulation shares.

The base source for the performance and indices statistics is Micropal.

Asian Growth Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	46,740,633
Cash at bank (note 14)	906,005
Interest and dividends receivable	176,814
Subscriptions receivable	1,822
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	----
Total assets	47,825,274
Liabilities	
Bank overdrafts	26,986
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	148,963
Redemptions payable	71,175
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	247,124
Net assets at the end of the year	47,578,150

	A2	A1	I2	X2
Number of shares outstanding:	670,915.28	429.59	3,528.05	9,366.11
Equivalent to a net asset value per share of:	69.57	67.79	68.38	67.92

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	34,842,734	Payments for shares redeemed	(15,152,157)
Net loss from investment	(32,530)	Net equalisation paid (note 12)	(45,607)
Net realised loss on investment	(1,322,323)	Increase in unrealised appreciation on investments	6,102,256
Net realised currency exchange loss	(30,859)	Dividends paid (note 13)	(279)
Proceeds from shares issued	23,216,915	Net assets at the end of the year	47,578,150

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A1	I2	X2
Shares outstanding at the beginning of the year	542,747.28	455.08	22,867.26	9,692.61
Shares issued during the year	317,462.43	215.87	5,299.68	2,949.67
Shares redeemed during the year	(189,294.43)	(241.36)	(24,638.89)	(3,276.17)
Shares outstanding at the end of the year	670,915.28	429.59	3,528.05	9,366.11

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	826,261
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	42
Other income	12,597
Total income	838,900
Expenses	
Custodian fee	27,838
Management fee (note 5)	517,895
Shareholder servicing fee and distribution fee (notes 6 and 7)	217,767
Administration fee	56,804
Operations expenses	29,752
Annual tax (note 8)	21,374
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	871,430
Net loss from investment	(32,530)
Net realised loss on investment	(1,322,323)
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(30,859)
Net realised loss	(1,385,712)
Increase in unrealised appreciation on investments	6,102,256
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	4,716,544

Asian Growth Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Australia

1	Australia & New Zealand Bank Group	18	-
218,339	Silex Systems	864,346	1.82
		864,364	1.82

Cayman Islands

1,069,600	Sands China	1,601,398	3.36
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China

1,274,000	Agile Property Holdings	1,325,872	2.79
1,424,000	Air China	1,417,983	2.98
2,585,000	Bank of China	1,319,402	2.77
1,714,000	China Dongxiang Group	1,149,943	2.42
350,000	China Life Insurance	1,556,099	3.27
292,000	China Merchants Holdings	974,845	2.05
576,000	China National Building Material	931,167	1.96
666,000	China National Offshore Oil Corporation	1,145,075	2.41
36,576	Ctrip.com International ADR	1,375,623	2.89
826,400	Guangzhou R&F Properties	1,057,949	2.22
2,329,916	Industrial and Commercial Bank of China	1,715,746	3.60
99,950	Tencent Holdings	1,675,479	3.52
		15,645,183	32.88

Hong Kong

293,000	Hang Lung Properties Ltd	1,135,257	2.38
798,000	Midland Holdings	662,446	1.39
133,800	Sun Hung Kai Properties	1,844,325	3.88
		3,642,028	7.65

India

40,499	ICICI Bank ADR	1,468,899	3.09
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Indonesia

3,053,500	Bank Mandiri	2,030,205	4.27
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Singapore

1,240,000	Banyan Tree Holdings	733,403	1.54
130,000	DBS Group	1,274,027	2.68
39,400	K-Green	29,800	0.06
197,000	Keppel	1,201,178	2.53
		3,238,408	6.81

South Korea

18,745	Hyundai Engineering & Construction	869,401	1.83
26,497	KB Financial	1,029,171	2.16
40,336	LG Display	1,352,416	2.84
4,748	Samsung Electronics	2,035,284	4.28
34,027	Shinhan Financial Group	1,270,197	2.67
		6,556,469	13.78

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Taiwan

1,801,000	Advanced Semi-conductor Engineering Group	1,429,699	3.00
97,583	Asustek Computer	723,258	1.52
1,045,698	China Airlines	534,512	1.12
850,977	Eva Airways	501,545	1.06
358,000	Foxconn Technology	1,189,453	2.50
76,551	High Tech Computer	1,019,140	2.14
108,069	Mediatek	1,515,747	3.19
262,646	Pegatron	244,705	0.51
2,020,000	Yuanta Financial Holdings	1,084,156	2.28
		8,242,215	17.32

Thailand

246,260	Bangkok Bank	968,830	2.04
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Notes

Transferable securities and money market instruments admitted to an official exchange listing

India

19,494	Bharat Heavy Electricals 09/01/2014 P-Note	1,030,850	2.17
7,862	Bharat Heavy Electricals C/Wts 25/08/14	415,747	0.87
69,295	JP Morgan P-Note 13/08/12 (Tata Steel)	725,856	1.53
29,612	JP Morgan P-Note 25/08/14 (Tata Steel)	310,181	0.65
		2,482,634	5.22

Investment in Securities	46,740,633	98.24
Other Net Assets	837,517	1.76
Total Net Assets	47,578,150	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Asian Growth Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares/Notes	USD	USD
Cayman Islands		
Sands China	1,638,617	195,104
China		
Guangzhou R&F Properties	1,665,374	30,450
China Dongxiang Group	1,160,210	112,575
Hong Kong		
China Mobile	-	1,859,107
South Korea		
Samsung Electronics	1,934,967	188,812
LG Display	1,333,951	31,570
Taiwan		
Foxconn Technology	1,375,665	33,253
ASE	1,368,223	36,160
United Kingdom		
Standard Chartered	764,599	1,632,536
Rio Tinto	645,266	2,576,743

Portfolio by Country

Country	Market Value USD	% of Net Assets
China	15,645,183	32.88
Taiwan	8,242,215	17.32
South Korea	6,556,469	13.78
India	3,951,533	8.31
Hong Kong	3,642,028	7.65
Singapore	3,238,408	6.81
Indonesia	2,030,205	4.27
Cayman Islands	1,601,398	3.36
Thailand	968,830	2.04
Australia	864,364	1.82
Investment in Securities	46,740,633	98.24
Other Net Assets	837,517	1.76
Total Net Assets	47,578,150	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Continental European Equity Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 12.4%* in euro terms. The FTSE World Europe ex UK index rose 20.5% in euro terms over the same period.

The last 12 months were considerably better for European equity investors than the year that preceded them. Following the trough in the market in March 2009, the positive actions taken by companies, governments, and central banks began to have an effect and we witnessed a rally lasting through to the first quarter of 2010. More recently, the market fell back as many of the old concerns surrounding the financial sector and government deficits returned to haunt equity markets.

Against this backdrop, it is perhaps not surprising that the winners and losers were more broadly spread between sectors than they had been in the early stages of the rally. Back then, cyclical companies with heavily depressed earnings were seen to have the most recovery potential and consequently rallied the hardest. While industrials and basic materials featured among the best performing sectors of the past year, they were also joined by more traditionally defensive corners of the market, such as healthcare and consumer goods.

This represents a broadening out of the recovery and is also replicated to an extent in the portfolio. Cyclical winners such as ASML, Vallourec, and AP Moller Maersk were joined by defensive stalwarts, such as Fresenius, on the leaderboard. Paddy Power and Dufry also did well, defying the gloom of the Irish recession and volcano-disrupted international air travel, respectively. On the negative side, our Greek holdings did very poorly as investors shunned the market, concerned over the ability of the country to pay its debts. We continue to hold our positions, however, as we see tremendous value in them. Grifols also fell sharply on an attempt to buy a competitor. In this case, we sold out: we are concerned the price they pay will prove to be too much of a strain on the company balance sheet.

We also sold a number of positions that we felt to be fully valued including Adidas, Havas, Henkel, and Siemens. A bid for Prosafe Production prompted a sharp rally in the share price, which we took advantage of. Purchases included RWE and Enel, both cheap utility laggards, alongside DCC, which has done an excellent job of managing the recession. Finally, we added a new holding in Sodexo, where we find the organic growth profile in a lower economic growth world compelling.

At the beginning of 2010 we could find many interesting investment opportunities at the company level, but could not have described the market as cheap on average. The sell-off of the past two months has changed this, and we now believe investors are being far too negative on the prospects for growth in Europe and the scope for gains in European equities. Companies are beginning to grow revenues again and there are numerous examples of dividend yields far in excess of the returns available on bank deposits. Such a combination looks attractive in anything other than a swift return to recession, an outcome we consider unlikely.

Paul Casson, Fund Manager

*Relates to class A accumulation shares.

The base source for performance and indices statistics is Micropal.

Average PEA ratio 83.91%**

Lowest PEA ratio 78.81%**

**The PEA ratio represents the percentage in each fund of assets in eligible equity securities over the given period, where eligible securities are shares, or warrants relating to shares, issued by companies located in the EEA.

Continental European Equity Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	74,173,603
Cash at bank (note 14)	3,152,334
Interest and dividends receivable	99,967
Subscriptions receivable	7,604
Receivable for investments sold	41,564
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	36,682
Total assets	77,511,754
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	247,646
Redemptions payable	526,811
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	774,457

Net assets at the end of the year **76,737,297**

	A2	A1	I2	I1	X2
Number of shares outstanding:	3,393,019.12	2,199.73	192,781.23	21,136.51	1,331.22
Equivalent to a net asset value per share of:	21.23	20.72	21.77	21.10	20.74

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	84,679,885	Payments for shares redeemed	(22,333,273)
Net gain from investment	790,631	Net equalisation paid (note 12)	(123,221)
Net realised loss on investment	(9,782,648)	Increase in unrealised depreciation on investments	20,142,796
Net realised currency exchange loss	(31,227)	Dividends paid (note 13)	(10,896)
Proceeds from shares issued	3,405,250	Net assets at the end of the year	76,737,297

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A1	I2	I1	X2
Shares outstanding at the beginning of the year	4,280,167.35	----	187,886.90	15,726.63	1,598.54
Shares issued during the year	111,412.11	2,199.73	35,636.77	5,409.88	403.34
Shares redeemed during the year	(998,560.34)	----	(30,742.44)	----	(670.66)
Shares outstanding at the end of the year	3,393,019.12	2,199.73	192,781.23	21,136.51	1,331.22

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	2,421,584
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	2,145
Other income	56,861
Total income	2,480,590
Expenses	
Custodian fee	23,615
Management fee (note 5)	1,038,764
Shareholder servicing fee and distribution fee (notes 6 and 7)	416,439
Administration fee	117,583
Operations expenses	51,309
Annual tax (note 8)	42,249
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	1,689,959
Net gain from investment	790,631
Net realised loss on investment	(9,754,040)
Net realised loss on forward foreign exchange contracts	(28,608)
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(31,227)
Net realised loss	(9,023,244)
Increase in unrealised depreciation on investments	20,142,796
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----

Net increase in net assets as a result of operations 11,119,552

Continental European Equity Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Denmark

277	AP Moller-Maersk	1,825,935	2.38
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France

74,803	CGGVeritas	1,132,143	1.48
164,681	France Telecom	2,348,351	3.06
47,423	Sanofi Aventis	2,334,516	3.04
170,464	SES Global	2,923,884	3.81
45,247	Societe Generale	1,574,935	2.05
39,389	Sodexo	1,807,069	2.36
273,665	ST Microelectronics	1,820,693	2.37
67,574	Total	2,504,461	3.26
10,832	Vallourec	1,565,495	2.04
		18,011,547	23.47

Germany

16,848	Allianz	1,374,713	1.79
24,110	Deutsche Boerse	1,207,067	1.57
303,947	Deutsche Telekom	2,962,419	3.86
49,052	Fresenius Medical Care AG (preference)	2,664,750	3.47
44,316	HeidelbergCement	1,749,374	2.28
4,445	Puma	985,568	1.29
32,297	RWE	1,730,958	2.26
		12,674,849	16.52

Greece

337,641	Ellaktor	979,159	1.28
131,615	OPAP	1,376,693	1.79
144,416	OTE (Hellenic Telecommunications)	912,709	1.19
		3,268,561	4.26

Ireland

1,456,207	Bank of Ireland	995,714	1.30
169,331	CRH	2,944,666	3.84
68,090	DCC	1,271,411	1.66
508,560	Grafton	1,439,225	1.87
53,762	Paddy Power	1,381,683	1.80
		8,032,699	10.47

Italy

527,482	ENEL	1,848,165	2.41
130,004	ENI	1,979,961	2.58
		3,828,126	4.99

Luxembourg

39,466	ArcelorMittal	899,134	1.17
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Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Norway

590,750	Norwegian Energy	905,189	1.18
1,725,599	Sevan Marine	1,082,500	1.41
162,321	StatoilHydro	2,601,597	3.39
		4,589,286	5.98

Russia

118,793	Novorossiysk	1,066,178	1.39
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Spain

48,940	Telefonica	754,655	0.98
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Switzerland

18,651	Dufry Group	1,179,257	1.54
87,130	GAM Holding	769,196	1.00
71,759	Novartis	2,851,419	3.72
22,760	Roche Holding	2,561,089	3.34
14,683	Synthes	1,381,362	1.80
146,565	UBS	1,621,647	2.11
4,868	Zurich Financial Services	885,531	1.15
		11,249,501	14.66

The Netherlands

256,897	Aegon	1,151,926	1.50
105,875	ASML Holding	2,456,300	3.20
75,932	Heineken	2,657,240	3.46
162,210	Koninklijke KPN	1,707,666	2.23
		7,973,132	10.39

Investment in Securities

		74,173,603	96.66
	Other Net Assets	2,563,694	3.34
	Total Net Assets	76,737,297	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Continental European Equity Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	EUR	EUR
France		
Total	2,938,411	175,220
Germany		
DaimlerChrysler	1,262,222	1,251,879
Henkel	1,292,031	1,608,935
RWE	2,038,929	1,226,362
Siemens	784,313	2,629,848
Volkswagen	1,778,109	1,666,808
Spain		
Inditex	730,683	2,587,888
Switzerland		
Roche Holding	2,642,471	-
UBS	2,034,628	1,123,671
The Netherlands		
Aegon	2,379,323	964,935

Portfolio by Country

Country	Market Value EUR	% of Net Assets
France	18,011,547	23.47
Germany	12,674,849	16.52
Switzerland	11,249,501	14.66
Ireland	8,032,699	10.47
The Netherlands	7,973,132	10.39
Norway	4,589,286	5.98
Italy	3,828,126	4.99
Greece	3,268,561	4.26
Denmark	1,825,935	2.38
Russia	1,066,178	1.39
Luxembourg	899,134	1.17
Spain	754,655	0.98
Investment in Securities	74,173,603	96.66
Other Net Assets	2,563,694	3.34
Total Net Assets	76,737,297	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

European Growth Fund**

Manager's Report – for the period from 18 June 2010 to 30 June 2010

The European Growth Fund's strong track record is derived from its focus on mid-sized companies with strong local or global market positions that provide pricing power. These mid-sized companies tend to be easier to understand and easier to manage than large multinational conglomerates; and we also look for entrepreneurial or owner-managers with significant equity stakes in the business to lower the risk of damaging acquisitions and diversifications. In addition, we control risk by focusing on companies where valuations are well supported by visible cash flows.

As a result of these preferences, we have a high exposure to industrial service companies such as lift makers Kone and Schindler, with strong recurring, high-margin service and spares revenues. Other industrial companies with high levels of spares business include Zodiac and Sulzer. We also think the market undervalues high levels of recurring cash flows in supermarkets (Ahold and Delhaize), food-service (Sodexo, Autogrill), selected healthcare companies (Novo-Nordisk, Novartis) and professional publishers such as Wolters Kluwer and Reed Elsevier (which have been severely derated by the market despite very high subscription renewal rates). In addition, we have a significant exposure to oil and oil services.

By contrast we tend to avoid areas with high political, regulatory and technological risk such as utilities, telecoms and financials. However we do invest in these areas where there is a more attractive model or strong management – such as Nordic insurer Sampo. We also look for restructuring stories such as Heineken. This approach to investment means we tend to retain our holdings for longer periods.

Outlook

Economic data from the US remains mixed with few signs of encouragement from either construction or labour markets; and the economic outlook in Europe is dull. By contrast corporate results are much more encouraging, boosted by restructuring and exposure to emerging markets; companies are also increasingly prepared to use their strong balance sheets for acquisitions while target prices remain relatively reasonable. There have even been a number of medium-sized private equity deals. Although the fund has not directly benefited from these, we believe that a significant number of our holdings are potential targets because of their reasonable valuations, strong market positions and pricing power.

Simon Rowe, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

**The European Growth Fund was launched on 18 June 2010.

European Growth Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	67,570,041
Cash at bank (note 14)	343,324
Interest and dividends receivable	----
Subscriptions receivable	69,476
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	39,303
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	141,103
Total assets	68,163,247
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	44,266
Redemptions payable	24,196
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	68,462

Net assets at the end of the period **68,094,785**

	R1	B1	R HGBP (GBP)	R HUSD (USD)
Number of shares outstanding:	5,575,148.31	791,045.07	70,318.66	466,740.19
Equivalent to a net asset value per share of:	8.67	19.71	9.26	8.92

Statement of Changes in Net Assets

For the period from 18 June 2010 to 30 June 2010 (EUR)

Net assets at the beginning of the period	----	Payments for shares redeemed	(24,309)
Net loss from investment	(44,265)	Net equalisation paid (note 12)	----
Net realised loss on investment	----	Decrease in unrealised depreciation on investments	(2,838,145)
Net realised currency exchange gain	92	Dividends paid (note 13)	----
Proceeds from shares issued	71,001,412	Net assets at the end of the period	68,094,785

Share Transactions

For the period from 18 June 2010 to 30 June 2010

	R1	B1	R HGBP (GBP)	R HUSD (USD)
Shares outstanding at the beginning of the period	----	----	----	----
Shares issued during the period	5,576,824.16	791,045.07	71,118.66	466,740.19
Shares redeemed during the period	(1,675.85)	----	(800.00)	----
Shares outstanding at the end of the period	5,575,148.31	791,045.07	70,318.66	466,740.19

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the period from 18 June 2010 to 30 June 2010 (EUR)

Income	
Dividend income	----
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	----
Other income	----
Total income	----
Expenses	
Custodian fee	923
Management fee (note 5)	36,420
Shareholder servicing fee and distribution fee (notes 6 and 7)	----
Administration fee	4,154
Operations expenses	1,846
Annual tax (note 8)	922
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	44,265
Net loss from investment	(44,265)
Net realised loss on investment	----
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	92
Net realised loss	(44,173)
Decrease in unrealised depreciation on investments	(2,877,448)
Increase in unrealised appreciation on forward foreign exchange contracts	39,303
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----

Net decrease in net assets as a result of operations (2,882,318)

European Growth Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Belgium			
29,872	Delhaize Group	1,793,366	2.63
240,855	Ageas	448,713	0.66
		2,242,079	3.29
Denmark			
25,775	Novo Nordisk	1,714,954	2.52
Finland			
107,429	Fortum	1,943,391	2.85
54,381	Kci Konecranes	1,181,427	1.74
95,888	Kone Corp	3,142,250	4.62
148,921	Sampo Oyj	2,603,884	3.82
		8,870,952	13.03
France			
18,852	Air Liquide Finance	1,569,429	2.30
24,029	BNP Paribas	1,086,651	1.60
47,891	Carrefour	1,570,825	2.31
61,578	CGGVeritas	931,983	1.37
25,489	Neopost	1,523,732	2.24
39,001	Sodexo	1,789,268	2.63
28,734	Total	1,064,954	1.56
27,752	Zodiac Aerospace	1,130,200	1.66
		10,667,042	15.67
Germany			
57,555	El Ringklinger	1,016,853	1.49
35,270	Fuchs Petrolub	2,576,826	3.78
33,516	K & S	1,265,983	1.86
23,473	Metro Ag	984,516	1.45
20,532	Rheinmetall	985,228	1.45
35,503	Wincor Nixdorf	1,645,032	2.41
		8,474,438	12.44
Greece			
64,938	OPAP	679,251	1.00
Ireland			
72,671	CRH	1,263,749	1.85
69,135	DCC	1,290,923	1.90
369,812	Grafton	1,046,568	1.54
		3,601,240	5.29
Italy			
91,357	Autogrill	888,447	1.30
302,989	Cir Compagnie Industries	423,579	0.62
58,103	ENI	884,909	1.30
409,594	Intesa Sanpaolo	902,643	1.33
		3,099,578	4.55

Number of Securities		Market Value EUR	% of Net Assets	
Norway				
142,534	Prosafe SE	476,804	0.70	
121,861	Telenor	1,272,177	1.87	
		1,748,981	2.57	
Switzerland				
49,184	Actelion	1,495,178	2.20	
35,116	Nestle	1,382,151	2.03	
20,238	Novartis	804,178	1.18	
48,486	Schindler holdings	3,352,230	4.92	
12,043	Sulzer Ag	933,507	1.37	
6,018	Syngenta	1,126,218	1.65	
6,437	Zurich Financial Services	1,170,946	1.72	
		10,264,408	15.07	
The Netherlands				
100,022	Aalberts Industries	1,087,739	1.60	
142,535	Aegon	639,127	0.94	
190,288	Ahold	1,946,171	2.86	
47,314	Fugro	1,850,687	2.72	
43,989	Heineken Holdings	1,319,890	1.94	
49,028	Randstad Holding	1,615,963	2.37	
163,863	Reed Elsevier	1,494,840	2.19	
70,477	SBM Offshore	846,429	1.24	
56,599	Sligro Food Group	1,334,463	1.96	
187,779	Walters Kluwer	2,945,313	4.33	
		15,080,622	22.15	
United Kingdom				
54,308	Royal Dutch Shell	1,126,496	1.65	
Investment in Securities		67,570,041	99.23	
Derivative Instruments				
Forward Foreign Exchange Contracts				
635,000	GBP	Buy Sterling: Sell Euro 30/07/2010	15,709	0.02
4,365,000	USD	Buy US Dollar: Sell Euro 30/07/2010	23,594	0.04
			39,303	0.06
Other Net Assets		485,441	0.71	
Total Net Assets		68,094,785	100.00	

Any differences in the percentage of Net Asset figures are the result of roundings.

European Growth Fund

Top ten changes in the securities portfolio from 18 June 2010 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	EUR	EUR
Belgium		
Delhaize Group	1,965,578	
Finland		
Fortum	2,020,739	
Kone Corp	3,313,889	
Sampo Oyj	2,747,592	
France		
Sodexho	1,925,089	
Germany		
Fuchs Petrolub	2,533,797	
Switzerland		
Schindler holdings	3,314,181	
The Netherlands		
Ahold	2,037,033	
Fugro	2,015,813	
Wolters Kluwer	2,960,336	

Portfolio by Country

Country	Market Value EUR	% of Net Assets
The Netherlands	15,080,622	22.15
France	10,667,042	15.67
Switzerland	10,264,408	15.07
Finland	8,870,952	13.03
Germany	8,474,438	12.44
Ireland	3,601,240	5.29
Italy	3,099,578	4.55
Belgium	2,242,079	3.29
Norway	1,748,981	2.57
Denmark	1,714,954	2.52
United Kingdom	1,126,496	1.65
Greece	679,251	1.00
Investment in Securities	67,570,041	99.23
Forward Foreign Exchange Contracts	39,303	0.06
Other Net Assets	485,441	0.71
Total Net Assets	68,094,785	100.00

Japanese Equity Fund

Manager's report – annual review to 30 June 2010

The total return for the period, excluding any initial charges paid on investment, with gross income reinvested, was a fall of 2.6%* in US dollar terms. The MSCI Japan index rose by 0.9% in US dollar terms over the same period.

It was a volatile year for the market, which despite improvements in economic data ended the period lower in yen terms, as fears over the longevity of the global economic upturn weighed on investor sentiment. Most striking were the fall in bond yields (rise in prices) and the strength of the yen, which gained about 20% against the embattled euro. Within the market, sector performance lacked direction with certain defensive and cyclical areas performing in a similar manner, which is unusual. Overweight positions in the information technology and consumer discretionary sectors were accretive to performance. The stand-out winner was ABC Mart, a shoe retailer, a tightly run company whose management understands the selling process from sourcing to final sale. Additionally, Keyence (sensor equipment), Disco (laser dicers), and Canon (printers and cameras) all contributed to performance as earnings recovered from depressed levels. Domestic companies Asahi Breweries and NS Solutions (software) also performed strongly on valuation grounds.

Financial stocks, where the fund is overweight on the premise of valuation and recovery potential, were amongst the weakest elements as the drag from further equity issuance ran its course. Positions in bank stocks Mitsubishi UFJ Financial, Mizuho Financial, Sumitomo Financial, along with brokerage company Daiwa Securities largely accounted for the fund's underperformance against the index. We have maintained our commitment to the financial area, however, as financing efforts have been completed and valuations are suppressed.

The bias of the portfolio was unchanged over the period, with commitment to the domestic areas of the market favoured over the export-facing sectors, on the basis that the benefits of recovery have yet to be fully reflected. Nevertheless, it was an active period with a number of additions to, and deletions from, the portfolio. Shin-Etsu Chemical, Keyence, and Benesse (educational services) were re-introduced to the portfolio by taking the opportunity to purchase quality companies at opportune prices. An interesting purchase was that of Sankyo, which manufactures pachinko (pinball) machines. The stock had performed poorly as earnings had slipped, but recovery is anticipated and cash levels are high, resulting in a very cheap valuation. Deletions included Asahi Kasei (conglomerate), which had performed strongly on the back of a recovery in activity, and West Japan Railway, where business prospects are not anticipated to meaningfully improve. Another deletion was Leopalace, which was sold having recovered some of the underperformance of the past couple of years before a subsequent profit revision and decline in share price.

At the time of writing, recent events have revealed concerns over the sustainability of economic recovery in the face of fading economic stimuli and planned fiscal retrenchment. Markets are right to be concerned about these areas, although the reaction in equities has been marked. Some respite may therefore be in order over the coming months. The portfolio may look for such opportunities near term, whilst keeping a careful eye on economic developments.

Michael Wood-Martin, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Japanese Equity Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	48,923,727
Cash at bank (note 14)	644,429
Interest and dividends receivable	383,816
Subscriptions receivable	142,967
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	----
Total assets	50,094,939
Liabilities	
Bank overdrafts	18,160
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	256,585
Redemptions payable	386,004
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	660,749

Net assets at the end of the year **49,434,190**

	A2	A2(EUR)	A2(JPY)	A1	I2	X2
Number of shares outstanding:	2,241,919.58	28,065.52	10,764.50	8,479.12	3,103,970.12	28,800.56
Equivalent to a net asset value per share of:	8.89	7.23	788.61	8.81	9.29	8.67

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	1,018,247
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	----
Other income	1,803
Total income	1,020,050
Expenses	
Custodian fee	14,618
Management fee (note 5)	492,551
Shareholder servicing fee and distribution fee (notes 6 and 7)	123,448
Administration fee	61,944
Operations expenses	30,425
Annual tax (note 8)	14,324
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	737,310
Net gain from investment	282,740
Net realised loss on investment	(3,549,029)
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	18,645
Net realised loss	(3,247,644)
Increase in unrealised depreciation on investments	2,151,756
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net decrease in net assets as a result of operations	(1,095,888)

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	50,490,250	Payments for shares redeemed	(28,595,474)
Net gain from investment	282,740	Net equalisation received (note 12)	4,109
Net realised loss on investment	(3,549,029)	Increase in unrealised depreciation on investments	2,151,756
Net realised currency exchange gain	18,645	Dividends paid (note 13)	(8,125)
Proceeds from shares issued	28,639,318	Net assets at the end of the year	49,434,190

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(GBP)	A2(JPY)	A1	I2	X2
Shares outstanding at the beginning of the year	3,033,615.48	12,138.00	298.06	10,764.50	63,912.12	2,295,229.24	36,708.59
Shares issued during the year	1,176,230.74	57,052.71	----	----	31,666.00	1,721,920.47	11,075.17
Shares redeemed during the year	(1,967,926.64)	(41,125.19)	(298.06)	----	(87,099.00)	(913,179.59)	(18,983.20)
Shares outstanding at the end of the year	2,241,919.58	28,065.52	----	10,764.50	8,479.12	3,103,970.12	28,800.56

The accompanying notes form an integral part of these financial statements.

Japanese Equity Fund

Portfolio as at 30 June 2010

Number of Securities	Market Value USD	% of Net Assets
----------------------	------------------	-----------------

Shares

Transferable securities and money market instruments admitted to an official exchange listing

Japan

19,500	ABC Mart	764,952	1.55
89,800	Asahi Breweries	1,527,011	3.09
25,000	Benesse	1,134,296	2.29
92,700	Bridgestone	1,476,531	2.99
47,200	Canon	1,771,768	3.58
114,700	Credit Saison	1,216,026	2.46
549	Dai-ichi Mutual Life Insurance	758,104	1.53
137,000	Daiwa House Industry	1,241,644	2.51
414,000	Daiwa Securities Group	1,759,391	3.56
33,040	Hakuhodo DY Holdings	1,667,617	3.37
5,700	Keyence	1,326,188	2.68
640,500	Mitsubishi UFJ Financial Group	2,920,507	5.91
824,800	Mizuho Financial	1,362,093	2.76
78,200	MS and AD Insurance Group	1,690,296	3.42
25,800	Murata Manufacturing	1,239,666	2.51
6,600	Nintendo	1,959,286	3.96
59,600	Nippon System Development	680,575	1.38
37,300	Nippon Telegraph & Telephone	1,531,542	3.10
7,030	Nippon TV Network	969,968	1.96
49,853	NS Solutions	978,668	1.98
1,416	NTT DoCoMo	2,150,064	4.35
101,500	Renesas Electronics	885,580	1.79
17,700	Sankyo	803,082	1.62
36,400	Secom	1,624,865	3.29
208,000	Sekisui Chemical	1,307,160	2.64
65,100	Seven & I Holdings	1,503,272	3.04
40,400	Shin-Etsu Chemical	1,902,473	3.85
72,100	Sumitomo Mitsui Financial Group	2,060,316	4.17
36,200	Takeda Pharmaceutical	1,560,848	3.16
22,200	TDK	1,231,229	2.49
76,800	Toyko Broadcasting	1,050,129	2.12
59,600	Xebio	1,123,991	2.27
32,850	Yamada Denki	2,157,009	4.37
119,000	Yamato Holdings	1,587,580	3.22

Investment in Securities	48,923,727	98.97
Other Net Assets	510,463	1.03
Total Net Assets	49,434,190	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Japanese Equity Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
Japan		
Asahi Kasei	-	1,443,988
Keyence	1,451,930	368,691
Mitsubishi UFJ Financial Group	1,831,724	391,550
Mizuho Financial	1,110,715	323,378
NTT DoCoMo	669,981	674,259
Secom	534,008	844,397
Sekisui Chemical	971,223	882,642
Shin-Etsu Chemical	2,362,711	439,155
West Japan Railway	-	1,827,622
Yamato Holdings	702,249	685,253

Portfolio by Sector

Sector	Market Value USD	% of Net Assets
Consumer Cyclical	19,868,971	40.19
Financials	11,766,733	23.80
General Industries	8,892,974	17.99
Technology	5,307,191	10.74
Non-Cyclical Consumer Goods and Services	3,087,858	6.25
Investment in Securities	48,923,727	98.97
Other Net Assets	510,463	1.03
Total Net Assets	49,434,190	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Equity Fund

Managers' report – annual review to 30 June 2010

It was an eventful and positive year for the Horizon Pan European Equity Fund. On a total return basis, the fund returned 21.8%* (net of fees) during the period, in line with the FTSE World Europe index 21.8%.

A year ago the first signs of economic recovery were just beginning after the turmoil of 2008. In the early part of our financial year, the market was being led by a strong rally in the most cyclical and distressed parts of the market, which had suffered most in the earlier declines. During these months, the fund lagged well behind the index, but as the recovery became more established the market rally broadened to include some of the quality names that we hold. This fact, combined with some changes made in the holdings to reflect a better economic outlook, led to an improvement in the performance of the fund, especially over the last six months.

The strategy of the fund remains unchanged: to seek companies that have a consistent, reliable track record, and have the potential to increase returns to shareholders. The fund's track record, now almost nine years, has shown that this policy works well, and the fact that we have been pragmatic where we see those growth opportunities has stood us in good stead over the last 12 months in particular. We have added more names, which have begun to benefit already from the better economic environment, and which are also good quality. This last point is significant, because while we do expect the current economic recovery to continue, we have also said for the last twelve months that the shape of the recovery this time is more likely to be a 'square root', rather than either 'V' or 'W' shaped.

As with previous years, our performance arose from good stock selection and the resulting sector allocations; we continue to be sceptical of telecoms and utilities, and have had a very cautious approach to banks (significantly underweight with only two positions at end June) and insurance (neutral).

Our long-standing names provided a mixed performance. Capita was a significant laggard, in spite of meeting and even beating earnings expectations, due to concerns that a more frugal British government would refuse to pay a margin to outsourcing companies. We feel that scepticism is too simplistic, and arguably based more on the wish for an analyst to have a contrarian view to the crowd. Essilor (ophthalmic lenses), in contrast, performed well once again. Fresenius, a laggard in last year's report, was also a strong performer within the fund.

Towards the end of the 12-month period we began to adapt the portfolio to a lower economic growth scenario, something we feel will be the case over the next few years. We sold our position in Arcelor, and took some profits in a few of the transport and logistics-related names (eg, Maersk). We retained some of the more economically sensitive names in the portfolio – names including Adecco (temporary employment), and Deutsche Post, both of which were re-introduced during January and February 2010. Each displays elements of 'self help', as they integrate recent acquisitions (Adecco) or complete extensive restructuring (Deutsche Post), while also both being assisted by a better economic climate.

New names, perhaps better suited to the low growth environment that we believe lies ahead, included L'Oreal and Ericsson, the latter likely to be a beneficiary of the huge increase in mobile data traffic (iPhone, Blackberry, and other web browsing handsets).

The fund therefore has a judicious mix of economically sensitive names – especially noticeable in our large exposure to logistics and related companies – and the consistent stable growth names that have been within the portfolio for years (Inditex, Capita, SGS, Essilor, Fresenius).

For the entire twelve month period we retained a significant underweight (relative to the index) to banks and, as a result, financials in general. We were holders of a few insurance names, but reduced this positioning over recent months. We would like to own more financials, however, as we believe the growth in savings as governments shift the burden of funding pensions away from the state to the individual will be one of the biggest growth trends of the next twenty years. However, that potential continues to be dwarfed by poor lending practices and volatile trading profits. We will remain vigilant for opportunities.

European markets have experienced a torrent of damaging news flow over the last six months. The frailties of the euro have been starkly exposed, with the debt crisis of Greece a key factor, but the fears of contagion to other countries is also intense. Against that, the scale of support from the European Financial Stability Facility, backed in part by the International Monetary Fund, shows that the political commitment to the maintenance of the euro is vast. There has also been a growing acceptance that the unprecedented levels of fiscal and monetary support required to save the financial system, now have to be gradually unwound. The announcements of measures to rein in government spending and reduce deficits has been high profile in the UK, but measures are being taken across Europe. Far from seeing this as a threat, we feel that it is a welcome step, as the inexorable increase in the size of the State in European gross domestic product had to be reduced at some stage. It also means that monetary policy is likely, by necessity, to stay loose for much longer.

We see economic growth making a gradual transition to a slow and steady rate, and there will likely be fears, at times, that economies could stall. Nervous times are undoubtedly ahead, but also times that could be very good for quality, reliable companies with sound balance sheets. There are a plethora of businesses that have been blighted by government inefficiency over the last 20 years, and the unwinding of this may provide some interesting opportunities. As always, patience and vigilance will both be required.

Tim Stevenson & William Stormont, Fund Managers

*Relates to class A accumulation shares.

The base source for performance and indices statistics is Micropal.

Average PEA ratio 76.60%**

Lowest PEA ratio 69.84%**

**The PEA ratio represents the percentage in each fund of assets in eligible equity securities over the given period, where eligible securities are shares, or warrants relating to shares, issued by companies located in the EEA.

Pan European Equity Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	1,643,329,798
Cash at bank (note 14)	86,387,758
Interest and dividends receivable	1,652,620
Subscriptions receivable	21,438,177
Receivable for investments sold	10,519,746
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	1,082,873
Total assets	1,764,410,972
Liabilities	
Bank overdrafts	5,105,288
Interest and dividends payable	----
Payable for investments purchased	20,792,805
Taxes and expenses payable	6,677,840
Redemptions payable	28,661,676
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	61,237,609

Net assets at the end of the year **1,703,173,363**

	A2	A1	I2	I1	X2
Number of shares outstanding:	69,141,609.63	2,459,595.17	40,080,662.52	124,202.53	197,753.03
Equivalent to a net asset value per share of:	15.01	14.58	15.60	15.30	14.65

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	1,355,815,627	Payments for shares redeemed	(1,210,153,711)
Net gain from investment	11,972,997	Net equalisation paid (note 12)	(2,510,521)
Net realised gain on investment	60,526,927	Increase in unrealised appreciation on investments	200,241,176
Net realised currency exchange loss	(1,707,073)	Dividends paid (note 13)	(300,657)
Proceeds from shares issued	1,289,288,598	Net assets at the end of the year	1,703,173,363

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A1	I2	I1	X2
Shares outstanding at the beginning of the year	65,557,035.29	473,435.09	42,640,626.78	----	122,122.95
Shares issued during the year	50,571,189.52	2,325,741.97	33,280,747.18	2,565,379.53	195,388.81
Shares redeemed during the year	(46,986,615.18)	(339,581.89)	(35,840,711.44)	(2,441,177.00)	(119,758.73)
Shares outstanding at the end of the year	69,141,609.63	2,459,595.17	40,080,662.52	124,202.53	197,753.03

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	33,194,558
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	61,143
Other income	3,167,737
Total income	36,423,438
Expenses	
Custodian fee	151,025
Management fee (note 5)	16,361,578
Shareholder servicing fee and distribution fee (notes 6 and 7)	4,616,806
Administration fee	2,114,359
Operations expenses	664,876
Annual tax (note 8)	541,797
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	24,450,441
Net gain from investment	11,972,997
Net realised gain on investment	60,526,927
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(1,707,073)
Net realised gain	70,792,851
Increase in unrealised appreciation on investments	200,241,176
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----

Net increase in net assets as a result of operations **271,034,027**

Pan European Equity Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Denmark			
2,609	AP Moller-Maersk	17,198,066	1.01
France			
920,755	Carrefour	30,200,764	1.77
1,009,603	Essilor	49,321,631	2.90
1,491,839	France Telecom	21,273,624	1.25
374,991	L'Oreal	30,383,646	1.78
467,722	Schneider	39,447,673	2.32
986,715	Sodexo	45,268,017	2.66
1,148,339	Veolia Environnement	22,527,540	1.32
		238,422,895	14.00
Germany			
725,015	BASF AG	32,979,120	1.94
934,033	Deutsche Boerse	46,762,362	2.74
4,621,718	Deutsche Post	55,934,342	3.28
769,563	Fresenius Medical Care AG	33,955,043	1.99
960,728	Fresenius Medical Care AG (preference)	52,191,549	3.06
881,646	Henkel	35,182,084	2.07
1,283,813	Kabel Deutschland Holding	29,797,300	1.75
396,051	Linde	34,408,911	2.02
2,443,743	Lufthansa	28,060,279	1.65
1,629,989	SAP	60,232,169	3.54
603,281	Siemens	44,962,533	2.64
		454,465,692	26.68
Ireland			
1,213,993	CRH	21,111,338	1.24
Norway			
1,993,035	StatOilHydro	31,943,338	1.88
Spain			
633,243	Inditex	29,762,421	1.75
Sweden			
2,945,995	Ericsson	26,947,222	1.58

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Switzerland			
3,512,638	ABB	50,806,258	2.98
1,504,772	Adecco	58,943,951	3.46
403,400	Kuehne & Nagel	33,851,071	1.99
1,117,983	Nestle	44,003,345	2.58
272,819	Roche Holding	30,699,195	1.80
23,485	SGS	25,966,951	1.53
230,327	Syngenta	43,103,751	2.53
3,310,630	UBS	36,629,981	2.15
251,824	Zurich Financial Services	45,808,967	2.69
		369,813,470	21.71
The Netherlands			
674,266	Heineken	23,595,939	1.39
5,639,758	ING Groep	35,623,531	2.09
2,135,950	Philips Electronics	53,222,534	3.12
		112,442,004	6.60
United Kingdom			
1,772,275	Admiral Group	30,224,156	1.77
12,952,273	Barclays	43,912,066	2.58
2,251,989	BG Group	27,936,641	1.64
6,337,358	BP	25,314,695	1.49
3,200,000	British Sky Broadcasting Group	27,423,120	1.61
3,560,215	Cairn Energy	17,977,435	1.06
4,909,621	Capita Group	44,399,883	2.61
4,350,000	Essar Energy	25,172,161	1.47
1,099,576	Reckitt Benckiser	41,771,999	2.45
881,435	Rio Tinto	32,396,670	1.90
14,405,435	Vodafone Group	24,694,526	1.45
		341,223,352	20.03
Investment in Securities		1,643,329,798	96.48
Other Net Assets		59,843,565	3.52
Total Net Assets		1,703,173,363	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Equity Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	EUR	EUR
Finland		
Nokia	26,315,898	49,093,019
France		
Total	41,764,054	36,398,532
Germany		
Daimler Chrysler	37,513,609	44,103,538
Deutsche Post	58,518,384	36,303,224
Luxembourg		
ArcelorMittal	50,196,667	57,156,068
Switzerland		
Syngenta	40,819,404	40,617,287
UBS	40,424,111	50,228,586
United Kingdom		
Barclays	88,478,491	46,120,905
Rio Tinto	84,002,510	50,564,442
Vodafone Group	41,953,562	44,794,825

Portfolio by Country

Country	Market Value EUR	% of Net Assets
Germany	454,465,692	26.68
Switzerland	369,813,470	21.71
United Kingdom	341,223,352	20.03
France	238,422,895	14.00
The Netherlands	112,442,004	6.60
Norway	31,943,338	1.88
Spain	29,762,421	1.75
Sweden	26,947,222	1.58
Ireland	21,111,338	1.24
Denmark	17,198,066	1.01
Investment in Securities	1,643,329,798	96.48
Other Net Assets	59,843,565	3.52
Total Net Assets	1,703,173,363	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Equity Dividend Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 19.8%*. The MSCI Europe (gross-div) index posted a return of 21.8% over the same period.

European equity markets recovered strongly during the period. The prevailing low interest rate environment helped to support asset values, which increased confidence in the financial system, and there were signs that supply chain destocking had ended in some sectors, leading to increased investor confidence that a 'double-dip' recession would be avoided. Gross domestic product forecasts for several European economies were increased over the period and, in general, company results surprised positively, although earnings benefited more from cost cutting than from top-line sales growth. The market rally has been eventful, however, and in the final quarter equity markets fell as investors moderated their expectations for economic growth. Investors adjusted their expectations largely as a result of two factors: measures by the Chinese government to dampen inflationary pressures, and increasing concerns regarding some European countries' fiscal deficits.

The portfolio recovered strongly with the rising market. The most positive contributor to performance was the fund's overweight position in industrials; aerospace engineers Senior and MTU Aero Engines performed particularly well as investor confidence increased that order books at Boeing and Airbus would be completed rather than cancelled. Both companies have increased their order books as a result of significant investment in research and development in recent years, which was not appreciated by the market, and we initiated positions during the market sell-off in 2008 and 2009 when investors assumed that their customers and order books would be more significantly affected than they have been.

The fund also benefited from the underweight position in the banking sector, and low direct exposure to Greece, Spain, and Portugal, whose markets all fell heavily. Although the fund's exposure to Southern European economies was small, the most significant negative contributors to performance included the fund's holdings in Greek betting monopoly OPAP, and Bank of Cyprus, which sold off along with the Greek equity markets on bailout concerns and tax increases. The most significant detractor from performance at a sector level was the underweight position in the mining sector; the yield on the mining sector is low relative to the market and much of the sector's cash appears likely to be used in merger and acquisition activity, therefore we remain underweight.

During the period, we reduced or closed positions in a number of stocks that had performed strongly since purchase, including Unibail Rodamco, Henkel, TNT, and Serco, in order to invest in higher yielding opportunities. Positions were also closed in Hellenic Telecommunications Organisation and oil services provider SBM Offshore; the anticipated improvements in operating performance for both companies did not transpire and we see better investment opportunities elsewhere. New positions initiated included media company Publicis, where we think that increased corporate spending will increase the company's revenues more quickly than forecast by the market. We also added to positions in life and general insurance company Aviva, chemicals conglomerate BASF, and retailer Tesco, which are well positioned to grow their dividends over the next few years.

Whilst macro indicators have shown some signs of moderating economic growth after a very sharp rebound from recession levels, the International Monetary Fund has recently upgraded its forecasts for global economic growth and analysts' earnings and dividend forecasts suggest healthy growth for the next few years. We continue to find interesting opportunities to invest in companies that are well positioned to grow earnings and dividends in the medium term, and recent volatility has presented opportunities to invest at attractive valuations.

Ben Lofthouse, Fund Manager

*Represents class A accumulation shares.

The base source for performance and indices statistics is Micropal.

Average PEA ratio 91.78%**

Lowest PEA ratio 86.87%**

**The PEA ratio represents the percentage in each fund of assets in eligible equity securities over the given period, where eligible securities are shares, or warrants relating to shares, issued by companies located in the EEA.

Pan European Equity Dividend Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	11,948,018
Cash at bank (note 14)	268,011
Interest and dividends receivable	50,230
Subscriptions receivable	51,733
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	4,971
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	13,305
Total assets	12,336,268
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	38,844
Redemptions payable	828,997
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	58
Total liabilities	867,899

Net assets at the end of the year **11,468,369**

	A2	A1	I2	I1	X2
Number of shares outstanding:	855,761.49	48,719.88	19,350.34	0.12	27,824.31
Equivalent to a net asset value per share of:	12.21	9.71	11.20	10.81	11.87

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	12,537,733	Payments for shares redeemed	(7,072,465)
Net gain from investment	405,319	Net equalisation paid (note 12)	(79,230)
Net realised loss on investment	(91,936)	Increase in unrealised depreciation on investments	2,021,539
Net realised currency exchange loss	(10,064)	Dividends paid (note 13)	(50,674)
Proceeds from shares issued	3,808,147	Net assets at the end of the year	11,468,369

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A1	I2	I1	I1(GBP)	X2
Shares outstanding at the beginning of the year	1,090,264.28	45,562.01	1,783.72	0.12	75,236.44	33,218.66
Shares issued during the year	281,728.65	14,988.97	17,566.62	----	1,463.72	14,270.56
Shares redeemed during the year	(516,231.44)	(11,831.10)	----	----	(76,700.16)	(19,664.91)
Shares outstanding at the end of the year	855,761.49	48,719.88	19,350.34	0.12	----	27,824.31

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	594,159
Bond interest income	6,624
Interest received on contracts for difference	----
Bank interest	480
Other income	45,865
Total income	647,128
Expenses	
Custodian fee	8,146
Management fee (note 5)	128,966
Shareholder servicing fee and distribution fee (notes 6 and 7)	65,238
Administration fee	16,806
Operations expenses	12,997
Annual tax (note 8)	6,342
Amortisation of reorganisation and formation expenses	3,314
Interest paid on contracts for difference	----
Total expenses	241,809
Net gain from investment	405,319
Net realised loss on investment	(91,936)
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(10,064)
Net realised gain	303,319
Increase in unrealised depreciation on investments	2,021,539
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----

Net increase in net assets as a result of operations 2,324,858

Pan European Equity Dividend Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Cyprus			
35,038	Bank of Cyprus	116,677	1.02
France			
4,266	BNP Paribas	192,919	1.68
2,455	Casino Guichard Perrachon	152,824	1.33
15,582	France Telecom	222,199	1.94
3,738	M6 Metropole Television	63,079	0.55
2,004	Neopost	119,799	1.05
3,418	Publicis Groupe	113,811	0.99
4,683	Sanofi Aventis	230,532	2.01
16,831	SES Global	288,694	2.52
6,547	Total	242,648	2.12
693	Vallourec	100,156	0.87
9,912	Vivendi	165,332	1.44
		1,891,993	16.50
Germany			
2,242	Allianz	182,936	1.60
4,393	BASF AG	199,827	1.74
2,272	Deutsche Boerse	113,748	0.99
9,325	Deutsche Post	112,856	0.98
3,395	MTU Aero Engines Holding	157,104	1.37
1,780	Munchener Ruckvers Vink	184,319	1.61
2,378	RWE	127,449	1.11
2,957	Siemens	220,385	1.92
		1,298,624	11.32
Greece			
4,878	Coca-Cola Hellenic Bottling Company	85,511	0.75
9,455	OPAP	98,899	0.86
		184,410	1.61
Ireland			
8,377	CRH	145,718	1.27
Italy			
14,038	ENI	213,799	1.86
Norway			
4,988	Fred Olsen Energy	106,845	0.93
34,472	Prosafe SE	115,316	1.02
14,351	StatoilHydro	230,010	2.01
		452,171	3.95
Spain			
13,624	Banco Santander	120,375	1.05
Switzerland			
5,454	Credit Suisse	170,604	1.49
5,939	Nestle	233,757	2.04
2,343	Roche Holding	263,648	2.30
1,177	Zurich Financial Services	214,106	1.86
		882,115	7.69
Taiwan			
15,187	Taiwan Semiconductor	121,228	1.06

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
The Netherlands			
6,382	Exact Holdings	118,657	1.03
23,609	Reed Elsevier	215,373	1.88
7,968	Unilever	180,137	1.57
8,782	Wolters Kluwer	137,746	1.20
		651,913	5.68
United Kingdom			
6,420	AstraZeneca	252,073	2.20
58,423	Aviva	226,908	1.98
32,791	BAE Systems	124,931	1.09
17,639	BG Group	218,817	1.91
41,796	BP	166,955	1.46
22,483	Britvic	129,333	1.13
32,458	Catlin Group	139,237	1.21
37,523	Centrica	136,469	1.19
539,231	Cosalt	37,905	0.33
48,953	Costain Group	121,785	1.06
9,173	Dana Petroleum	127,559	1.11
38,810	Essar Energy	224,582	1.96
45,819	Galliford	176,023	1.53
75,000	Gartmore	102,552	0.89
22,516	GlaxoSmithKline	314,276	2.74
25,516	Halfords Group	155,904	1.36
57,959	Hilton Food Group	168,635	1.47
35,213	Hiscox	147,224	1.28
24,440	HSBC Holdings	186,050	1.62
153,949	Laird	203,823	1.78
37,578	National Grid	223,976	1.95
213,540	Renold	61,347	0.53
7,600	Rio Tinto	279,334	2.44
190,139	Senior	288,813	2.52
30,000	Sthree	95,722	0.83
38,266	Tesco	179,601	1.57
68,617	Thomas Cook	152,544	1.33
6,771	Unibet Group	102,188	0.89
25,696	United Business Media	156,187	1.36
188,679	Vodafone Group	323,442	2.82
89,382	Wincanton	257,464	2.25
82,776	Xchanging	193,938	1.69
		5,675,597	49.48
United States			
608	Diamond Offshore Drilling	29,763	0.26
Bonds			
Transferable securities and money market instruments admitted to an official exchange listing			
United Kingdom			
110,000	British Airways 5.8% 13/08/2014	161,841	1.41
Investment Trusts			
Transferable securities and money market instruments admitted to an official exchange listing			
The Netherlands			
7,322	Eurocastle Investment	1,794	0.02
Investment in Securities		11,948,018	104.18
Other Net Liabilities		(479,649)	(4.18)
Total Net Assets		11,468,369	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Equity Dividend Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	EUR	EUR
Germany		
Belgacom	210,462	217,446
France		
Sodexo	138,714	161,115
Unibail Rodamco	133,336	268,719
Germany		
Henkel (Non-voting preference shares)	143,724	145,593
Henkel (Ordinary shares)	145,508	158,956
The Netherlands		
Eurocommercial Properties	180,059	168,120
United Kingdom		
Findel	57,862	267,190
Hammerson	207,413	202,110
Imperial Tobacco	246,593	285,962
Rio Tinto	332,610	50,628

Portfolio by Country

Country	Market Value EUR	% of Net Assets
United Kingdom	5,837,438	50.89
France	1,891,993	16.50
Germany	1,298,624	11.32
Switzerland	882,115	7.69
The Netherlands	653,707	5.70
Norway	452,171	3.95
Italy	213,799	1.86
Greece	184,410	1.61
Ireland	145,718	1.27
Taiwan	121,228	1.06
Spain	120,375	1.05
Cyprus	116,677	1.02
United States	29,763	0.26
Investment in Securities	11,948,018	104.18
Other Net Liabilities	(479,649)	(4.18)
Total Net Assets	11,468,369	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Asia-Pacific Property Equities Fund

Manager's report – annual review to 30 June 2010

Asian property equities enjoyed a strong run over the year to 30 June 2010, with the net asset value of the Henderson Horizon Asia-Pacific Property Equities Fund finishing the period at \$11.61, a 9.3%* gain above the previous year's \$10.62. In terms of relative performance, the year also proved to be an extremely successful one, with the fund generating 471 basis points of outperformance relative to its benchmark (the bespoke FTSE EPRA NAREIT Pure Asia index). This has placed us in the top quartile amongst our peers on a two-year basis, and second quartile over the year-to-date and one-year periods.

A significant contributor to performance was our conviction call on the office sectors of Singapore and Hong Kong. Despite some supply issues for the broader commercial market, we were confident that demand for Grade A space in the central business district would recover strongly. True enough, towards the end of 2009, we witnessed several large multinational corporations relocate their middle office operations into Singapore, and firms such as Nomura, Barclays, and BHP Billiton take up new office space. Singapore's largest office developer, and our largest overweight bet, Keppel Land, rallied 80.2% over the period.

Likewise in Hong Kong, tight supply and increasing demand from hedge funds and Chinese corporates saw rents bottom and recover to pre-crisis levels. Concerns regarding 'shadow space' faded, as Western institutions not only gave up less space than expected, but also requested to take back some of the original space they relinquished. Thus, Hong Kong Central's premier office landlord, and our largest portfolio holding, Hongkong Land returned 45.6% over the period and outpaced its local peer group by 40.2% (as measured by Hang Seng Property index in Hong Kong dollar terms).

Stock selection also proved to be an important generator of relative performance, where the fund was positioned in names that could deliver results regardless of weaker overall markets. Thus, we outperformed in Japan, despite a lethargic economy and stock market, through our overweight bet in Kenedix Realty, which held up much stronger than its peers in the mid-sized office category, owing to its generous yield and strong REIT manager. Similarly, in Australia our position in Charter Hall Office Trust, a pure office REIT, also proved beneficial.

Key underweights in names including New World Development, Tokyo Tatemono, and CapitaLand ensured the Fund performed successfully, demonstrating our willingness to abstain from expensive valuations and our ability to source alternative names in the same sector that offered more value.

Throughout the course of the year, we made a deliberate effort to streamline the number of holdings in our portfolio, thus reflecting our views with more conviction and clarity. From the 36 stocks held a year ago, we whittled down the number of names in the portfolio to 28. This was achieved by selling out of stocks including CapitaLand in Singapore, Hang Lung Properties, and New World Developments in Hong Kong, as well as Dexus Property and General Property Trust in Australia.

Following several site and company visits to Indonesia, we gained further conviction on the archipelago's economic potential and the inherent strength of the residential property market. The growth outlook of the property market is reminiscent of China's a decade ago and we envision a multi-year structural boom for Indonesian real estate, driven by demographics, economic strength, historically low mortgage rates, and an increasingly capable government. Thus, we participated in the secondary offering of Bumi Serpong Damai and the initial public offering of Alam Sutera, both township developers that cater to the housing demands of the growing affluent middle classes in Jakarta.

We went further underweight both Japan and Australia, as in our view both markets have the largest contagion risks from further shocks to the global economy. Japan's sovereign debt rating and fiscal condition looks increasingly fragile in light of the European debt crisis, and both the economy and property market remain anaemic at best. The Australian economy, through the resources and mining industries, has become increasingly leveraged into the China growth engine. As China begins to shift its economic emphasis from fixed asset investment to domestic consumption, we see limited opportunities for the Australian economy, and by association its residential and commercial markets.

In our opinion, the overall outlook for Asian economies is bright and filled with promise. The recent global financial crisis has demonstrated the resilience of domestic economies and suggested a degree of independence from the West. Although the near-term risks of another global economic downturn and overtightening by central banks cannot be discounted, we believe that the medium-term trajectory for the region will be upwards and the property sector will be a key beneficiary.

The managed deceleration of the property market in China remains a concern for now, but, over time, demographic forces and urbanisation should take precedence. Although residential prices have risen significantly, our view is that this will be eventually outpaced by wage inflation and continued economic growth. Meanwhile, the potential for growth in other emerging property markets in Asia, such as Indonesia and India, is poised to upstage China's. At the same time, Western institutions will increasingly shift their attention and focus to Asia, incentivised by a lower tax rate and more opportunities for growth. Accordingly, we expect the mature financial hubs of Singapore and Hong Kong will find themselves in the limelight.

We remain excited by the breadth and depth of the opportunities to be found in Asian real estate markets and believe that the best way to participate is through a well-managed, diversified property securities fund. Over the past years, the fund has enjoyed consistent outperformance and we attribute this to our well-honed investment process. In addition, we believe our proximity to the region's property and capital markets provides us with a natural competitive advantage that we have seen demonstrated time and again through both rising and falling markets.

Frankie Lee, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Asia-Pacific Property Equities Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets

Investments in securities at market value	297,737,752
Cash at bank (note 14)	28,056,313
Interest and dividends receivable	2,047,058
Subscriptions receivable	123,899
Receivable for investments sold	3,648,778
Reorganisation and formation expenses, net of amortisation (note 3)	11,365
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	----
Total assets	331,625,165

Liabilities

Bank overdrafts	38,350
Interest and dividends payable	----
Payable for investments purchased	1,035,411
Taxes and expenses payable	1,158,267
Redemptions payable	637,137
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	2,869,165

Net assets at the end of the year **328,756,000**

	A2	A2 (EUR)	A2 (GBP)	A1	A1 (EUR)	A1 (GBP)	I2
Number of shares outstanding:	10,019,708.18	145,840.00	119,048.97	10,583,366.67	182.76	9,535.86	6,538,009.08
Equivalent to a net asset value per share of:	11.61	9.45	7.73	11.06	9.00	7.36	12.14
	I2(EUR)	I1	X2				
Number of shares outstanding:	559,254.73	373,389.72	156,464.05				
Equivalent to a net asset value per share of:	9.88	11.36	11.30				

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	365,910,750	Payments for shares redeemed	(207,997,853)
Net gain from investment	4,553,359	Net equalisation paid (note 12)	(869,650)
Net realised gain on investment	415,503	Increase in unrealised depreciation on investments	23,332,480
Net realised currency exchange gain	194,888	Dividends paid (note 13)	(2,583,263)
Proceeds from shares issued	145,799,786	Net assets at the end of the year	328,756,000

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	A1(GBP)	I2
Shares outstanding at the beginning of the year	17,632,378.70	112,116.58	220,392.56	12,202,165.55	179.59	81,148.02	2,826,625.80
Shares issued during the year	4,711,660.37	65,503.62	19,858.69	1,596,314.12	3.17	19,613.64	5,803,004.73
Shares redeemed during the year	(12,324,330.89)	(31,780.20)	(121,202.28)	(3,215,113.00)	----	(91,225.80)	(2,091,621.45)
Shares outstanding at the end of the year	10,019,708.18	145,840.00	119,048.97	10,583,366.67	182.76	9,535.86	6,538,009.08
	I2(EUR)	I1	X2				
Shares outstanding at the beginning of the year	1,118,509.73	295,642.78	218,554.26				
Shares issued during the year	----	95,097.80	21,364.33				
Shares redeemed during the year	(559,255.00)	(17,350.86)	(83,454.54)				
Shares outstanding at the end of the year	559,254.73	373,389.72	156,464.05				

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income

Dividend income	10,176,566
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	56,088
Other income	662,658
Total income	10,895,312

Expenses

Custodian fee	88,251
Management fee (note 5)	3,997,266
Shareholder servicing fee and distribution fee (note 6 and note 7)	1,418,387
Administration fee	498,951
Operations expenses	180,254
Annual tax (note 8)	147,934
Amortisation of reorganisation and formation expenses	10,910
Interest paid on contracts for difference	----
Total expenses	6,341,953
Net gain from investment	4,553,359
Net realised gain on investment	415,503
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	194,888
Net realised gain	5,163,750
Increase in unrealised depreciation on investments	23,332,480
Decrease in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised depreciation on contracts for difference	----
Decrease in unrealised appreciation on futures contracts	----
Increase in unrealised depreciation on swap contracts	----
Increase in unrealised depreciation on options contracts	----
Net increase in net assets as a result of operations	28,496,230

Asia-Pacific Property Equities Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Australia

3,700,000	Bunnings Warehouse Property	6,100,421	1.86
7,500,000	CFS Retail Property	12,157,756	3.70
1,900,000	Stockland Trust Management	6,054,562	1.84
		24,312,739	7.40

China

7,600,002	China Overseas Land and Investment	14,335,565	4.36
10,000,000	Glorious Property Holdings	2,895,515	0.88
22,000,000	Shanghai Jin Jiang International Hotels Group	5,014,185	1.53
7,500,000	Shimao Property Holdings	11,826,029	3.60
4,000,000	Yanlord Land Group	4,975,380	1.51
		39,046,674	11.88

Hong Kong

1,700,000	Henderson Land Development	10,030,296	3.05
5,450,000	HongKong Land Holdings	27,168,250	8.26
3,500,000	Kerry Properties	15,235,161	4.63
4,500,000	Link Real Estate Investment Trust	11,203,910	3.41
2,100,000	Sun Hung Kai Properties	28,946,805	8.81
		92,584,422	28.16

India

7,824,865	Eredene Capital	2,380,606	0.72
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Number of Securities		Market Value USD	% of Net Assets
----------------------	--	------------------	-----------------

Shares

Transferable securities and money market instruments admitted to an official exchange listing

Indonesia

150,896,000	Alam Sutra Realty	3,038,964	0.92
95,000,000	Bumi Serpong	7,495,742	2.28
		10,534,706	3.20

Japan

500	Japan Excellent	2,367,227	0.72
4,500	Kenedix Realty Investment	12,531,930	3.81
1,750,000	Mitsubishi Estate	24,569,842	7.47
1,580,000	Mitsui Fudosan	22,272,111	6.77
5,500	NTT Urban Development	4,401,915	1.34
370	Premier Investment	1,404,526	0.43
800,000	Sumitomo Realty & Development	13,765,988	4.19
1,400,000	TOC	5,618,218	1.71
		86,931,757	26.44

Singapore

21,600,000	Aims Amp Cap Industrial Npv (Reit) Sgd	3,368,060	1.03
7,700,000	Ascendas Real Estate Investment Trust	10,074,428	3.06
2,410,000	Cache Logistics	1,697,526	0.52
9,600,000	Keppel Land	26,806,834	8.15
		41,946,848	12.76

Investment in Securities

297,737,752

90.56

Other Net Assets

31,018,248

9.44

Total Net Assets

328,756,000

100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Asia-Pacific Property Equities Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
China		
China Overseas Land and Investment	11,428,640	13,000,011
Shimao Property Holdings	13,632,761	7,110,407
Yanlord Land Group	4,953,342	16,068,982
Hong Kong		
Hang Lung Properties Ltd	10,898,467	11,608,659
HongKong Land Holdings	11,568,907	8,647,254
Kerry Properties	19,182,750	469,546
Japan		
Kenedix Realty Investment	14,512,302	2,654,376
Mitsui Fudosan	8,307,460	10,802,182
Singapore		
CapitalLand	1,513,748	20,883,885
Keppel Land	16,953,802	3,181,395

Portfolio by Country

Country	Market Value USD	% of Net Assets
Hong Kong	92,584,422	28.16
Japan	86,931,757	26.44
Singapore	41,946,848	12.76
China	39,046,674	11.88
Australia	24,312,739	7.40
Indonesia	10,534,706	3.20
India	2,380,606	0.72
Investment in Securities	297,737,752	90.56
Other Net Assets	31,018,248	9.44
Total Net Assets	328,756,000	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

China Fund

Managers' report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was -0.3%. The MSCI Golden Dragon Index posted a return of 13.3% over the same period.

The Chinese equity market delivered a sluggish performance in the first half of 2010, after a strong rally in 2009. Investors' concerns about the risk of 'overheating' and policy tightening measures triggered an aggressive sell-off in the Chinese market at the beginning of 2010. The market remained volatile as European sovereign debt issues emerged and the economic outlook in developed countries remained murky. Local market sentiment lately has shifted towards anxiety over a slowdown in growth and a possible economic hard landing. The consumer discretionary, consumer staples, and information technology sectors outperformed the policy-sensitive financial sector significantly over the review period.

At the aggregate level, our overweight in financial names underperformed during the year. A long-held position in China Taiping Insurance, however, was a significant positive contributor to performance. Selective consumer and information technology names including Comba Telecom, Ctrip, Sands China, and Perfect World also contributed positively. Elsewhere, a short position in HK & China Gas cost the fund over 2%. A few of other names including China National Building Material Company, Inspur, and New World China Land were major detractors.

A number of new investments were made during the year including Ctrip, Sands China, Air China, Yurun Food, and Dongfeng Motors.

Ctrip is the largest online travel agency in China providing hotel room reservation, airline ticketing and package tour services. It has developed a sophisticated booking system and solid infrastructure to accommodate the fast growing travel market in China. We expect the continuous economic recovery to support the strengthening domestic demand for travel. Sands China owns and operates Sands Macau, Venetian Macau, and The Plaza. Over the next three years, the company is expected to deliver robust earnings growth as it continues to gain mass market share, expand new capacity, and execute cost saving plans. Air China is expected to benefit strongly from a recovery in travel demand for both the domestic and international markets and a benign capacity environment. Furthermore, it may also benefit from Renminbi appreciation given the high gearing in its balance sheet. China is expected to continue to provide policy support for the auto sector as it strives to shift growth from fixed asset investment and exports to domestic consumption and this should serve Dongfeng Motors well. We also initiated a new position in Yurun Food recently; Yurun is delivering impressive volume growth in its chilled pork business as industry consolidation continues. The rise in minimum wages should benefit the company in the mid to long term as well.

The fund also initiated a few new short positions in consumer and IT names with high valuations, such as Lenovo and Wumart. Lenovo delivered disappointing 2009 and first quarter 2010 results due to margin pressures. Even though we expect its top line to continue growing (supported by strong momentum in the PC demand cycle), rising component costs and its expansion into emerging markets ex-China is likely to introduce greater uncertainty to its ability to control costs. Wumart suffered from a decline in margins due to rising selling, general, and administrative expenses. The stock is trading close to 30 x 2010 price to earnings, factoring in most of its growth prospects. The fund also cut back its positions in mid-cap names.

The fund is currently fully invested with net exposure close to 100%. The positioning has reflected our constructive view on the market given its attractive valuation. We think that moderating growth is inevitable since China is rebalancing its economy towards a more sustainable level after aggressive stimulus to cushion the shockwaves from the financial crisis. In light of the concrete progress of tightening measures, we do not expect any drastic policies over the next few months. We also hold the view that the Chinese economy is unlikely to be heading towards a hard landing scenario as the fundamental strength of the economy has not changed. China remains well positioned and, even if global growth were to slow again, policymakers will have the flexibility to respond to the changing environment.

Andrew Mattock & Caroline Maurer, Fund Managers

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

China Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	140,231,017
Cash at bank (note 14)	110,836,728
Interest and dividends receivable	1,317,857
Subscriptions receivable	294,921
Receivable for investments sold	36,203,345
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	291,945
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	----
Total assets	289,175,813
Liabilities	
Bank overdrafts	15,876,385
Interest and dividends payable	----
Payable for investments purchased	467,862
Taxes and expenses payable	1,274,954
Redemptions payable	12,460,011
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	16,410,559
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	46,489,771

Net assets at the end of the year **242,686,042**

	A2	A2(EUR)
Number of shares outstanding:	13,889,740.75	14,473.67
Equivalent to a net asset value per share of:	11.29	9.19
	I2	I2(EUR)
Number of shares outstanding:	4,434,355.66	2,406.40
Equivalent to a net asset value per share of:	11.55	9.40

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	114,546,910
Net loss from investment	(4,311,763)
Net realised gain on investment	16,782,420
Net realised currency exchange loss	(575,700)
Proceeds from shares issued	504,060,853

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	3,198,357
Bond interest income	----
Interest received on contracts for difference	133,396
Bank interest	402
Other income	----
Total income	3,332,155
Expenses	
Custodian fee	59,477
Management fee (note 5)	2,934,959
Shareholder servicing fee and distribution fee (notes 6 and 7)	791,071
Administration fee	406,084
Operations expenses	185,064
Annual tax (note 8)	100,479
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	3,166,784
Total expenses	7,643,918
Net loss from investment	(4,311,763)
Net realised gain on investment	8,324,128
Net realised loss on forward foreign exchange contracts	----
Net realised gain on contracts for difference	9,667,890
Net realised loss on futures contracts	(1,209,598)
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(575,700)
Net realised gain	11,894,957
Decrease in unrealised appreciation on investments	(6,051,277)
Increase in unrealised appreciation on forward foreign exchange contracts	----
Decrease in unrealised depreciation on contracts for difference	(24,613,202)
Increase in unrealised appreciation on futures contracts	222,778
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net decrease in net assets as a result of operations	(18,546,744)

	A2	A2(SGD)	A2(GBP)	A1	A1(EUR)	A1(GBP)
Number of shares outstanding:	13,889,740.75	1,080,095.84	18,840.73	1,252,492.66	50,292.27	3,207.86
Equivalent to a net asset value per share of:	11.29	15.75	7.51	11.29	9.19	7.51
	I2	I1	I1(EUR)	X2		
Number of shares outstanding:	4,434,355.66	259,118.79	350.00	398,529.71		
Equivalent to a net asset value per share of:	11.55	11.55	9.40	10.82		

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(SGD)	A2(GBP)	A1	A1(EUR)	A1(GBP)
Shares outstanding at the beginning of the year	2,902,439.76	13,670.96	380,533.83	----	369,737.06	----	----
Shares issued during the year	22,812,116.45	29,225.83	2,057,385.55	38,555.98	2,185,232.40	58,972.72	7,692.55
Shares redeemed during the year	(11,824,815.46)	(28,423.12)	(1,357,823.54)	(19,715.25)	(1,302,476.80)	(8,680.45)	(4,484.69)
Shares outstanding at the end of the year	13,889,740.75	14,473.67	1,080,095.84	18,840.73	1,252,492.66	50,292.27	3,207.86
	I2	I2(EUR)	I1	I1(EUR)	X2		
Shares outstanding at the beginning of the year	1,471,490.33	52,232.36	4,674,752.86	----	109,270.14		
Shares issued during the year	9,418,281.41	2,406.40	2,217,390.45	350.00	701,357.04		
Shares redeemed during the year	(6,455,416.08)	(52,232.36)	(6,633,024.52)	----	(412,097.47)		
Shares outstanding at the end of the year	4,434,355.66	2,406.40	259,118.79	350.00	398,529.71		

The accompanying notes form an integral part of these financial statements.

China Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Bermuda			
2,536,000	China Yurun Food Group	8,018,715	3.30
Cayman Islands			
28,114,000	Evergrande Real Estate Group	8,122,402	3.35
2,250,000	Kingboard Laminates	1,906,803	0.78
		10,029,205	4.13
China			
7,408,000	Air China	7,376,699	3.04
5,790,000	Anhui Expressway	3,204,314	1.32
21,824,000	Baoye	12,876,540	5.31
5,868,000	Chaoda Modern Agriculture	5,790,463	2.39
730,000	China Insurance Group	2,922,191	1.21
1,900,000	China National Building Material	3,071,557	1.27
95,000	Ctrip.com International ADR	3,572,950	1.47
4,717,000	Digital China Ltd	7,310,590	3.01
6,736,000	Dongfeng Motor Group	7,888,169	3.25
8,924,000	Fushan International Energy Group	5,024,681	2.07
14,000,000	Industrial and Commercial Bank of China	10,309,575	4.25
1,694,000	Shanghai Industrial Holdings	6,791,960	2.80
4,844,000	Sichuan Expressway	2,680,777	1.10
1,047,000	Weichai Power	6,829,512	2.81
4,212,000	Zhejiang Glass	1,341,280	0.55
		86,991,258	35.85
Hong Kong			
7,000,000	361 Degrees International	5,019,962	2.07
140,000	Cheung Kong Holdings	1,629,129	0.67
3,693,873	China Insurance International Holdings	12,083,019	4.98
3,315,000	Great Eagle Holdings	8,453,607	3.48
1,142,000	New World Department Store China	1,039,661	0.43
16,068,000	Shougang Concord International	2,279,835	0.94
340,000	Sun Hung Kai Properties	4,686,626	1.93
		35,191,839	14.50
Investment in Securities		140,231,017	57.78

Number of Securities		Market Value USD	% of Net Assets
Derivative Instruments			
Contracts for Difference*			
2,366,000	USD Anhui Conch Cement	(51,388)	(0.02)
22,435,000	USD Bank of China	(9,200)	-
890,000	USD Cheung Kong Holdings	165,644	0.07
4,398,000	USD China Coal Energy	(1,425,651)	(0.60)
28,008,000	USD China Construction	(527,438)	(0.22)
2,684,000	USD China Life Insurance	217,329	0.09
1,295,000	USD China Mobile	796,160	0.33
4,066,000	USD China Oilfield Services	(218,332)	(0.09)
(2,256,000)	USD China Overseas Land And Investment	(186,067)	(0.08)
12,410,000	USD China Petroleum & Chemical	(342,342)	(0.14)
1,870,000	USD China Shenhua Energy	(1,434,664)	(0.59)
(2,100,909)	USD Chunghwa Telecom	(72,166)	(0.03)
(3,214,500)	USD CLP Holdings	(1,569,773)	(0.65)
6,492,000	USD CNOOC	1,555,023	0.64
(314,800)	USD Dong Electrical Machinery	(9,338)	-
8,341,600	USD Guangzhou R&F Properties	(863,481)	(0.36)
(272,500)	USD Hengan International	(279,769)	(0.12)
(10,429,500)	USD Hong Kong And China Gas	(3,348,547)	(1.38)
(1,504,500)	USD Hongkong Electric	(53,757)	(0.02)
10,670,000	USD Industrial & Commercial Bank Of China	23,412	0.01
(6,542,000)	USD Lenovo Group	698,754	0.29
151,000	USD Mediatek	(382,480)	(0.16)
5,481,000	USD New World Department Store	262,215	0.11
10,494,000	USD Petrochina	(939,601)	(0.39)
(5,814,000)	USD Picc Property And Casualty	(1,262,059)	(0.52)
1,649,500	USD Ping An Insurance Group	(836,777)	(0.34)
5,471,600	USD Sands China	1,103,069	0.45
6,406,000	USD Shimao Property Holdings	358,222	0.16
3,000,000	USD Taiwan Semiconductor Manufacturing	(338,657)	(0.14)
325,000	USD Tencent Holdings	(902,691)	(0.37)
(2,094,000)	USD Tingyi Holdings (Cayman Islands)	(713,950)	(0.29)
16,980,000	USD United Microelectronics	(1,340,706)	(0.55)
(5,975,000)	USD Want Want China Holdings	(358,708)	(0.15)
6,525,000	USD Wistron	(2,357,203)	(0.97)
(1,500,000)	USD Wumart Stores	164,612	0.07
13,900,000	USD Yuanta Financial	(2,495,894)	(1.03)
16,469,000	USD Zhejiang Glass	565,640	0.23
		(16,410,559)	(6.76)
Futures Contracts**			
(529)	TWD FTX Bank & Insurance Sec 21/07/2010	(261,565)	(0.11)
(999)	USD SGX MSCI Taiwan Index 29/07/2010	553,510	0.23
		291,945	0.12
Other Net Assets		118,573,639	48.86
Total Net Assets		242,686,042	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

* Total Commitment of USD 133,419,938

** Total Commitment of USD 38,114,985.06

China Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
Cayman Islands		
Sands China	14,607,133	13,971,261
China		
China Life Insurance	17,062,836	16,936,932
China Mobile	38,575,048	39,904,849
China Oilfield Services	8,552,637	14,535,392
Guangzhou R&F Properties	11,569,554	12,433,305
Industrial & Commercial Bank of China	26,279,071	16,172,322
iShares Asia Trust - iShares FTSE/Xinhua A50	12,479,516	14,703,276
Petrochina	25,628,253	25,105,704
Tencent Holdings	8,023,397	14,977,440
Hong Kong		
BOC Hong Kong Holdings	9,605,962	16,175,641

Portfolio by Sector

Sector	Market Value USD	% of Net Assets
Consumer Cyclical	54,512,309	22.46
Financials	38,123,813	15.71
General Industries	22,220,946	9.16
Non-Cyclical Consumer Goods and Services	13,038,678	5.37
Technology	7,310,590	3.01
Resources	5,024,681	2.07
Investment in Securities	140,231,017	57.78
Contracts for Difference	(16,410,559)	(6.76)
Futures Contracts	291,945	0.12
Other Net Assets	118,573,639	48.86
Total Net Assets	242,686,042	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Global Opportunities Fund

Manager's report – annual review to 30 June 2010

The total return for the period, excluding any initial charges paid on investment, with gross income reinvested, was 12.5%* in US dollar terms. The MSCI World Index rose 10.8% in US dollar terms over the same period.

During the period, positive stock selection – which, as a bottom-up, growth-biased manager is the key driver of our investment process – in Europe, Asia-Pacific, Japan and Emerging Markets, offset weakness in North America. By sector, consumer discretionary, healthcare, and industrials were the most positive, offsetting weakness in information technology.

Notable positive performers at the stock level were Sands China, the Hong Kong-listed, Chinese-focused resorts and casino operator, which benefited from strong Macau gaming data, Axis Bank in India, which reported a 45% jump in year-on-year net interest income and Chinese Sports retailer 361 Degrees, which also reported above-consensus earnings growth. Additionally, positions in Apple Corp, Emerson Electric, and Express Scripts in the US, Yamaha Motor, and Keyence in Japan, and Serco, Essar Energy, and Autonomy in the UK were also notable positive contributors after reporting strong results. Weakness from positions in US-based Dreamworks Animation and Anadarko, and Taiwanese IT hardware manufacturer Hon Hai was therefore mitigated.

The fund's positioning continues to be overweight and more economically exposed to structural growth in Asia-Pacific and Emerging Markets, where we have added to positions in the consumer discretionary and information technology sectors, and underweight and more defensively positioned across Europe and North America. At the stock level, we sold out of Wilmar and Goldman Sachs and added new positions in the US to gain exposure to the maturing economic cycle, such as Emerson Electric, Carnival, and UPS.

We remain positive on the corporate sector, buoyed by rising margins, solid balance sheets, and easy monetary policy. However, visibility in economic growth remains difficult due to fiscal retrenchment and continued deleveraging in the West, and with tightening policies in Asia beginning to take effect. We continue to favour Asia-Pacific and Emerging Markets – as these regions are benefiting from rising consumption, strong balance sheets and long-term secular growth – while remaining underweight in the US and Europe due to growth concerns. However, in the latter region, we are looking for attractive growth opportunities at the stock level given the region's underperformance.

Manraj Sekhon, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Global Opportunities Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	11,494,780
Cash at bank (note 14)	309,237
Interest and dividends receivable	14,871
Subscriptions receivable	124,534
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	2,047
Total assets	11,945,469
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	43,208
Redemptions payable	312
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	43,520

Net assets at the end of the year **11,901,949**

	A2	A2(GBP)	A1	I2	X2
Number of shares outstanding:	600,690.91	61.88	9,667.52	355,717.90	15,242.01
Equivalent to a net asset value per share of:	12.05	8.03	12.03	12.28	11.77

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	8,597,742				
Net loss from investment	(57,338)				(3,882,631)
Net realised gain on investment	1,077,117				476
Net realised currency exchange loss	(49,042)				23,871
Proceeds from shares issued	6,191,754				----
					Net assets at the end of the year
					11,901,949

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(GBP)	A1	I2	X2
Shares outstanding at the beginning of the year	446,804.78	----	4,859.24	345,648.75	2,587.90
Shares issued during the year	354,255.46	299,952.26	4,898.25	114,483.50	15,091.71
Shares redeemed during the year	(200,369.33)	(299,890.38)	(89.97)	(104,414.35)	(2,437.60)
Shares outstanding at the end of the year	600,690.91	61.88	9,667.52	355,717.90	15,242.01

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	132,025
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	16
Other income	5,661
Total income	137,702
Expenses	
Custodian fee	15,873
Management fee (note 5)	113,555
Shareholder servicing fee and distribution fee (notes 6 and 7)	36,864
Administration fee	16,525
Operations expenses	8,691
Annual tax (note 8)	3,532
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	195,040
Net loss from investment	(57,338)
Net realised gain on investment	1,077,117
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(49,042)
Net realised gain	970,737
Increase in unrealised appreciation on investments	23,871
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----

Net increase in net assets as a result of operations 994,608

Global Opportunities Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Cayman Islands			
166,800	Sands China	249,685	2.10
China			
270,000	Bank of China	137,784	1.16
30,000	China Overseas Land and Investment	56,577	0.48
4,866	Ctrip.com International ADR	188,606	1.58
15,780	Ping An Insurance Group	130,059	1.09
		513,026	4.31
Germany			
5,150	Fresenius Medical Care AG (preference)	343,301	2.88
Hong Kong			
425,000	361 Degrees International	304,726	2.56
India			
8,950	Axis Bank GDR	239,323	2.01
Italy			
4,102	Saipem	126,273	1.06
Japan			
28,000	Bank of Yokohama	129,370	1.09
900	Keyence	209,591	1.76
24,000	Kubota	186,438	1.57
7,700	Makita	208,508	1.75
1,200	SMC	161,864	1.36
2,290	Yamada Denki	150,505	1.26
13,000	Yamaha Motor	173,740	1.46
		1,220,016	10.25
Singapore			
115,000	Capitamalls Asia	173,225	1.46
123,000	Genting	103,420	0.87
31,000	Keppel	188,668	1.58
6,200	K-Green	4,681	0.04
		469,994	3.95
Switzerland			
9,472	ABB	166,717	1.40
1,557	Roche Holding	215,308	1.81
25,054	UBS	335,799	2.82
		717,824	6.03

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Taiwan			
44,650	HON HAI Precision Industry	158,021	1.33
The Netherlands			
4,016	Randstad Holding	160,982	1.35
United Kingdom			
4,985	Autonomy	136,640	1.15
22,204	Cairn Energy	138,711	1.17
50,718	Essar Energy	359,596	3.02
3,955	Rio Tinto	177,252	1.49
24,045	Serco Group	212,877	1.79
8,485	Shire	175,291	1.47
32,200	Tesco	183,411	1.54
14,040	Xstrata	189,096	1.59
		1,572,874	13.22
United States			
6,740	American Tower	303,671	2.55
4,267	Anadarko Petroleum	153,975	1.30
1,656	Apple Inc	423,191	3.56
3,500	Carnival	107,503	0.90
13,830	Cisco Systems	297,967	2.50
6,998	Covidien	281,355	2.36
6,174	CSX	309,132	2.60
7,368	Emerson Electric	320,987	2.70
2,772	Equinix	222,176	1.87
5,049	Express Scripts	237,631	2.00
3,888	Hess	200,951	1.69
9,583	Lazard	257,256	2.16
12,362	Lowe's Cos	255,090	2.14
5,039	Mead Johnson Nutrition	253,840	2.13
11,629	Microsoft	271,595	2.28
5,013	Northern Trust	238,493	2.00
4,394	PepsiCo	268,188	2.25
3,051	Praxair	236,651	1.99
8,593	Republic Services	256,544	2.16
5,028	Thermo Fisher	250,040	2.10
4,719	United Parcel Service	272,499	2.29
		5,418,735	45.53
Investment in Securities		11,494,780	96.58
Other Net Assets		407,169	3.42
Total Net Assets		11,901,949	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Global Opportunities Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
Cayman Islands		
Sands China	346,645	139,644
Japan		
Yamaha Motor	276,435	117,502
Singapore		
Wilmar International	96,091	339,571
Switzerland		
UBS	243,403	185,304
United Kingdom		
Essar Energy	357,771	31,899
United States		
Dreamworks Animations	219,993	177,806
Microsoft	354,281	35,883
Quanta Services	169,713	236,167
Republic Services	271,085	137,315
United Parcel Service	356,296	30,295

Portfolio by Country

Country	Market Value USD	% of Net Assets
United States	5,418,735	45.53
United Kingdom	1,572,874	13.22
Japan	1,220,016	10.25
Switzerland	717,824	6.03
China	513,026	4.31
Singapore	469,994	3.95
Germany	343,301	2.88
Hong Kong	304,726	2.56
Cayman Islands	249,685	2.10
India	239,323	2.01
The Netherlands	160,982	1.35
Taiwan	158,021	1.33
Italy	126,273	1.06
Investment in Securities	11,494,780	96.58
Other Net Assets	407,169	3.42
Total Net Assets	11,901,949	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Global Property Equities Fund

Managers' report – annual review to 30 June 2010

The total return for the 12-month period to 30 June, excluding any initial charges paid on investment, with gross income reinvested, was 26.3%* in US dollar terms. The FTSE EPRA NAREIT Developed Real Estate index increased 25.1%** over the period.

In the twelve months to June 2010, global equity markets experienced a considerable recovery from the turbulent conditions of the year before. Markets reached a trough in March 2009, but regained confidence, buoyed by signs of economic recovery and improvement in corporate debt markets, and continued on an upward trajectory until April 2010. As investors returned to risk assets late in 2009, governments began unwinding fiscal stimulus to prevent markets from overheating. From mid-April 2010, equity markets retraced, driven by sovereign debt concerns and recessionary fears re-surfacing.

In global property equities, North America posted the greatest gains over the period (54.2%**). The fund maintained fairly neutral regional positions, although a slight overweight allocation in favour of the US was established in the latter part of the year, enhancing relative performance. Stock selection in the region was particularly beneficial with a number of deep value holdings re-rated, including SL Green, Alexandria REIT, and Macerich, aiding performance. The addition of more growth-oriented stocks, such as Las Vegas Sands and Entertainment Properties Trust, also delivered significant returns.

The overall return for Asia Pacific was 6.1%**; but within the region there was significant divergence. Japanese property equities posted a negative return of -9.7%**; while the Australian property sector rose 24.6%**; as its economy managed to avoid recession. The Hong Kong market was relatively subdued, returning 4.9%**; as it reacted cautiously to policy tightening by the Chinese government. In light of the large dispersion in country level returns, asset allocation within the Asia-Pacific sub-fund added value. Over the period, the fund's exposure to the weaker markets of Japan and Hong Kong was kept in check, while we increased our allocation to Australia, as the sector repaired balance sheets and regained market confidence. In Singapore, we opened an active bet on the region's office market and, in particular, built a position in Keppel Land, benefiting from the subsequent 84%~ rally.

Over the period, equity markets in Europe were subject to considerable volatility as sovereign debt worries caused investors to de-risk their portfolios. The depreciation of the euro against the US dollar was striking, falling 14.5% in the first six months of 2010. In the property sector, the positive yield gap between rental yields and the cost of money remained supportive, stimulating an increase in direct market transactions. While confidence in physical property markets improved, the listed market languished. We believe that this is due to the limited size of the market and to fears of further falls in rental values.

The European index return for the period was +13.8%**. On the Continent, the fund was tilted in favour of the main property markets of France (+19.5%**), Sweden (+51.2%**), and the Netherlands (+7.8%**), which proved to be a sound decision. Stock selection in large Continental shopping centre owners Unibail-Rodamco and Klépierre reinforced gains.

The fund's overweight position in the UK was detrimental to performance, as property equities rose only 8.1%**. While UK property companies were active in capturing opportunities arising in the wake of the financial crisis, this did not translate into share price performance. Stakes in smaller companies, which raised equity to capitalise on distress, for example MAX Property and LXB Retail Properties, were costly. However, the fund's preference for West End specialists Great Portland Estates and Derwent London added value.

Looking forward, the developed REIT markets are expected to experience several years of low growth, with the risk of short-term share price declines in response to financial market turbulence. At the same time, there will be opportunities for some players to take profitable advantage of the opportunities emerging from the banks and more highly leveraged investors. Generous dividend yields are, in our opinion, underpinned by solid cash earnings and a modest capacity for growth. We believe that while this real estate cycle is likely to last longer than previous cycles, given the slow start, there is not the oversupply of new space that characterised the 1990s. As such, when the economy turns up, rental growth should follow quickly.

Patrick Sumner & Guy Barnard, Fund Managers

* Relates to Class A Accumulation Shares.

** Relates to the regional benchmarks of the EPRA/NAREIT Global Total Return index. All in US\$.

The base source for performance and indices statistics is Micropal.

~ Return of Keppel Land, 30/06/09 - 30/06/10 in US\$

Global Property Equities Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	524,471,937
Cash at bank (note 14)	15,636,229
Interest and dividends receivable	2,556,266
Subscriptions receivable	1,126,669
Receivable for investments sold	32,915,759
Reorganisation and formation expenses, net of amortisation (note 3)	4,738
Net unrealised gain on forward foreign exchange contracts	-----
Net unrealised gain on contracts for difference	-----
Net unrealised gain on futures contracts	-----
Net unrealised gain on swap contracts	-----
Purchased options at market value	-----
Other assets	66,897
Total assets	576,778,495
Liabilities	
Bank overdrafts	2,215,384
Interest and dividends payable	-----
Payable for investments purchased	16,678,241
Taxes and expenses payable	1,853,757
Redemptions payable	8,776,724
Net unrealised loss on forward foreign exchange contracts	-----
Net unrealised loss on contracts for difference	-----
Net unrealised loss on futures contracts	-----
Net unrealised loss on swap contracts	-----
Sold options at market value	-----
Other liabilities	-----
Total liabilities	29,524,106
Net assets at the end of the year	547,254,389

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	A1(GBP)	I2
Number of shares outstanding:	32,534,643.05	228,704.51	168,482.08	8,770,241.80	52,852.84	206,544.48	6,554,305.69
Equivalent to a net asset value per share of:	11.24	9.17	7.50	10.60	8.65	7.07	11.89
	I1	X2					
Number of shares outstanding:	218,820.17	95,465.51					
Equivalent to a net asset value per share of:	11.05	11.01					

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	232,275,133	Payments for shares redeemed	(279,391,950)
Net gain from investment	7,364,385	Net equalisation received (note 12)	5,058,996
Net realised gain on investment	68,032,575	Increase in unrealised depreciation on investments	2,738,749
Net realised currency exchange gain	25,875	Dividends paid (note 13)	(3,005,873)
Proceeds from shares issued	514,156,499	Net assets at the end of the year	547,254,389

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	A1(GBP)	I2
Shares outstanding at the beginning of the year	9,511,122.50	4,414,397.48	550,115.67	9,033,702.70	40,876.38	308,731.79	2,225,463.77
Shares issued during the year	37,356,166.54	132,388.29	223,307.44	2,054,360.22	162,171.74	328,730.99	8,783,810.10
Shares redeemed during the year	(14,332,645.99)	(4,318,081.26)	(604,941.03)	(2,317,821.12)	(150,195.28)	(430,918.30)	(4,454,968.18)
Shares outstanding at the end of the year	32,534,643.05	228,704.51	168,482.08	8,770,241.80	52,852.84	206,544.48	6,554,305.69
	I1	X2					
Shares outstanding at the beginning of the year	144,409.12	52,871.38					
Shares issued during the year	2,154,264.05	78,357.43					
Shares redeemed during the year	(2,079,853.00)	(35,763.30)					
Shares outstanding at the end of the year	218,820.17	95,465.51					

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	15,825,730
Bond interest income	-----
Interest received on contracts for difference	-----
Bank interest	2,931
Other income	469,681
Total income	16,298,342
Expenses	
Custodian fee	97,627
Management fee (note 5)	5,627,940
Shareholder servicing fee and distribution fee (note 6 and note 7)	2,047,223
Administration fee	687,716
Operations expenses	233,532
Annual tax (note 8)	234,260
Amortisation of reorganisation and formation expenses	5,659
Interest paid on contracts for difference	-----
Total expenses	8,933,957
Net gain from investment	7,364,385
Net realised gain on investment	68,032,575
Net realised loss on forward foreign exchange contracts	-----
Net realised loss on contracts for difference	-----
Net realised loss on futures contracts	-----
Net realised loss on swap contracts	-----
Net realised loss on options contracts	-----
Net realised currency exchange gain	25,875
Net realised gain	75,422,835
Increase in unrealised depreciation on investments	2,738,749
Increase in unrealised appreciation on forward foreign exchange contracts	-----
Increase in unrealised appreciation on contracts for difference	-----
Increase in unrealised appreciation on futures contracts	-----
Increase in unrealised appreciation on swap contracts	-----
Increase in unrealised appreciation on options contracts	-----
Net increase in net assets as a result of operations	78,161,584

Global Property Equities Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Australia			
2,200,000	Bunnings Warehouse Property	3,618,223	0.66
4,700,000	CFS Retail Property	7,599,844	1.39
500,000	Stockland Trust Management	1,589,329	0.29
2,400,000	Westfield Group	24,887,998	4.55
		37,695,394	6.89
Bermuda			
1,000,000	Jupiter Adria	612,970	0.11
Canada			
615,700	Chartwell Seniors Housing Real Estate Investment Trust	4,121,751	0.75
252,700	Cominar Real Estate Investment Trust	4,412,711	0.81
665,900	Extendicare Real Estate Investment Trust	5,481,690	1.00
		14,016,152	2.56
China			
3,800,000	China Overseas Land and Investment	7,166,427	1.31
2,000,000	China Resources Land	3,787,209	0.69
7,000,000	Glorious Property Holdings	2,026,478	0.37
12,000,000	Shanghai Jin Jiang International Hotels Group	2,734,493	0.50
3,000,000	Shimao Property Holdings	4,729,518	0.87
2,000,000	Yanlord Land Group	2,483,081	0.45
		22,927,206	4.19
France			
12,000	CFI Compagnie Fonciere Internationale	619,713	0.11
26,500	Icade	2,259,986	0.41
101,000	Klepierre	2,827,428	0.52
35,000	Nexity	1,009,301	0.19
29,000	Tour Eiffel	1,732,639	0.32
67,500	Unibail Rodamco	11,173,444	2.04
		19,622,511	3.59
Hong Kong			
500,000	Henderson Land Development	2,949,530	0.54
3,150,000	Hong Kong Land Holdings	15,702,750	2.87
2,100,000	Kerry Properties	9,139,370	1.67
2,500,000	Link Real Estate Investment Trust	6,223,219	1.14
800,000	Sino Land	1,444,018	0.26
2,050,000	Sun Hung Kai Properties	28,252,259	5.16
		63,711,146	11.64
India			
9,781,087	Eredene Capital	2,968,331	0.54
Indonesia			
115,329,000	Alam Sutra Realty	2,316,867	0.42
58,000,000	Bumi Serpong	4,564,925	0.83
		6,881,792	1.25

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
Japan			
200	Japan Excellent	947,763	0.17
2,973	Kenedix Realty Investment	8,287,054	1.51
1,060,000	Mitsubishi Estate	14,896,011	2.72
880,000	Mitsui Fudosan	12,416,145	2.27
2,500	NTT Urban Development	2,002,713	0.37
170	Premier Investment	645,917	0.12
400,000	Sumitomo Realty & Development	6,889,333	1.26
700,000	TOC	2,811,696	0.51
		48,896,632	8.93
Jersey			
775,000	LXB Retail Properties	1,049,664	0.19
Luxembourg			
2,750,000	Invista European Real Estate Trust	958,199	0.18
Singapore			
12,000,000	Aims Amp Cap Industrial Npv (Reit) Sgd	1,867,677	0.34
5,200,000	Ascendas Real Estate Investment Trust	6,790,903	1.24
1,660,000	Cache Logistics	1,167,084	0.22
6,500,000	Keppel Land	18,116,827	3.31
		27,942,491	5.11
Sweden			
235,000	Castellum	2,144,570	0.39
160,000	Fabege	965,324	0.18
105,000	JM	1,420,262	0.26
90,000	Wilborgs Fastigheter	1,709,525	0.31
		6,239,681	1.14
Switzerland			
61,000	PSP Swiss Property	3,653,604	0.67
The Netherlands			
158,000	Eurocommercial Properties	5,104,439	0.93
United Kingdom			
550,000	Conygar	879,895	0.16
165,000	Derwent London	3,088,493	0.57
1,900,000	Grainger	3,355,702	0.61
549,551	Great Portland Estates	2,394,572	0.44
570,000	Hammerson	2,933,855	0.54
403,484	Henderson Global Property	320,481	0.06
770,000	Land Securities	6,465,064	1.18
650,000	Max Property	1,032,570	0.19
600,000	Safestore Holdings	995,853	0.18
685,000	Shaftesbury	3,705,423	0.68
450,000	UNITE Group	1,175,466	0.21
		26,347,374	4.82

Global Property Equities Fund

Portfolio as at 30 June 2010
(continued)

Number of Securities	Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

United States			
404,603	Acadia Realty Trust	6,864,090	1.25
147,851	Alexandria Real Equities	9,471,335	1.73
169,900	American Campus Communities	4,696,886	0.86
329,700	Associated Estates Realty Corporation	4,221,809	0.77
727,563	Brandywine Realty Trust	7,908,610	1.45
700,700	Brookfield Properties	9,890,381	1.81
204,700	Camden Property Trust	8,482,768	1.55
601,900	CBL	7,626,073	1.39
177,420	Digital Realty Real Estate Investment Trust	10,311,650	1.88
833,400	Duke Realty	9,571,599	1.75
206,600	Eastgroup Properties	7,530,570	1.38
738,909	Education Realty Trust	4,499,956	0.82
215,300	Health Care REIT	9,176,086	1.68
1,002,976	Hersha Hospitality Trust	4,638,764	0.85
210,400	Kilroy Realty Corporation	6,386,692	1.17
765,540	Kimco Realty	10,545,314	1.93
322,405	Las Vegas Sands	7,512,037	1.37
324,900	Liberty Property Trust	9,441,594	1.73
280,415	Macerich	10,623,522	1.94
631,400	Medical Property	5,960,416	1.09
145,900	Mid-America Apartment Communities	7,556,891	1.38
333,569	Omega Healthcare Investors	6,701,401	1.22
335,322	Parkway Properties	4,823,607	0.88
138,400	Public Storage	12,386,800	2.26
534,759	Ramco-Gershenson Properties Trust	5,352,938	0.98
154,516	Simon Property Group	12,735,981	2.33
122,450	Starwood	5,242,085	0.96
254,485	Sun Communities	6,727,309	1.23
433,783	United Dominion Realty trust	8,393,701	1.53
210,600	Ventas	9,963,486	1.82
		235,244,351	42.99

Unlisted Securities

United States			
200,000	Fleming Family & Partners Russia Real Estate	600,000	0.11
Investment in Securities		524,471,937	95.84
Other Net Assets		22,782,452	4.16
Total Net Assets		547,254,389	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
France		
Unibail Rodamco	13,765,202	9,961,751
Hong Kong		
Hong Kong Land Holdings	19,319,112	6,114,652
United States		
AvalonBay Communities	12,928,605	19,932,950
Medical Property	14,147,663	8,979,601
Nationwide Health Properties	13,563,469	17,456,665
Omega Healthcare Investors	16,877,482	10,897,277
Simon Property Group	13,881,545	11,708,760
United Dominion Realty Trust	19,044,345	11,840,674
Ventas	25,350,505	20,213,140
Vornado Realty Trust	5,990,811	21,663,959

Portfolio by Country

Country	Market Value USD	% of Net Assets
United States	235,844,351	43.10
Hong Kong	63,711,146	11.64
Japan	48,896,632	8.93
Australia	37,695,394	6.89
Singapore	27,942,491	5.11
United Kingdom	26,347,374	4.82
China	22,927,206	4.19
France	19,622,511	3.59
Canada	14,016,152	2.56
Indonesia	6,881,792	1.25
Sweden	6,239,681	1.14
The Netherlands	5,104,439	0.93
Switzerland	3,653,604	0.67
India	2,968,331	0.54
Jersey	1,049,664	0.19
Luxembourg	958,199	0.18
Bermuda	612,970	0.11
Investment in Securities	524,471,937	95.84
Other Net Assets	22,782,452	4.16
Total Net Assets	547,254,389	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Global Technology Fund

Managers' report – annual review to 30 June 2010

The fund comfortably outperformed the MSCI AC World IT index over the period. The fund returned 18.2%*, with the MSCI AC World IT index returning 15.6%. The internet sector was the best performing sector over the 12 months. Additionally, the communications equipment and hardware sectors outperformed.

The main detractor from performance was the software sector, with McAfee and Adobe both underperforming. Software security giant McAfee reported a disappointing set of first quarter reports, missing analysts' profit expectations, with the stock falling sharply. Adobe was weak, as anticipation built around the delayed launch of Creative Suite 5 and sales were lower than analysts' expectations. Furthermore, within its second quarter report, Adobe failed to show any operating leverage with the stock plunging as a consequence. Game software manufacturer Activision Blizzard suffered from a stagnating game console market, as the market awaits a new wave of consoles from manufacturers.

First Solar in the renewable energy sector underperformed; the solar energy space struggled as a whole over the period, as governments in Western Europe eased subsidies and spending on renewable energy plans due to their current economic woes. However, on a long-term view, we believe that the opportunity for solar energy is still attractive, and the technological advantage that First Solar holds in thin film solar modules is compelling, so we continue to hold the stock.

The communications equipment sector outperformed, with our underweight positions in Research in Motion and Nokia aiding performance. Both of these suffered from Apple's complete dominance in the high-end smartphone market. Research in Motion and its Blackberry model did not experience enough of a corporate refresh demand for its handsets. Nokia failed to produce a compelling smartphone handset and was additionally harmed by the emergence of Mediatek in the low-end emerging markets winning market share. Our positions in F5 Networks and Starent were also both positive contributors in communications equipment. Starent were bought by Cisco at a 20% premium and F5 Networks benefitted greatly throughout the period from its very strong competitive position, with an increase in data growth driving demand for its products.

Within the internet sector, Netflix experienced a very positive 2010, as its nascent digital downloads business showed a very strong uptake of streaming films on the internet. This business grew rapidly alongside its 'traditional' DVD by mail business. Mercado Libre has capitalised upon the e-commerce opportunity in Latin America with a very strong performance over the period, and we are confident that a significant growth opportunity still remains, as broadband penetration in Latin America accelerates. Ctrip was also a very strong performer over the twelve months under review, only stumbling at the very end of the period, as Chinese airlines announced that they would cut the commissions paid to Ctrip. Prior to that, Ctrip had experienced a very strong year, as the theme of online travel continued to grow. Priceline, another online travel operator, performed well until declining over travel problems caused by the volcanic eruption in Iceland and questions over the stability of European economies. Also within the internet sector, Chinese search engine Baidu performed well on news that Google could be exiting the Chinese search market, leaving Baidu without a major competitor in the area.

Within the hardware sector, Apple prospered as the iPhone continued to sell well and early sales of the iPhone 4 exceeded expectations. Additionally, Apple released its new tablet product, the iPad, which also experienced very robust initial sales. These hit products – combined with a growing AppStore – contributed to a very positive year for Apple. Also within hardware, NetApp contributed to performance as it capitalised upon the increase in demand for data storage.

In terms of portfolio activity, the fund increased exposure to a corporate refresh cycle. The fund reduced the weight of the internet sector as valuations were beginning to become a little full and, whilst a long-term opportunity still remains, the sector was not as attractively valued.

Until we obtain a clearer view of the direction of macroeconomic indicators, our preference is to remain underweight both cyclical and defensive sectors and use the proceeds to fund growth areas, such as the internet and data growth, which should outperform in both rising and falling markets. Our only major cyclical bet remains a belief that corporate technology spending will rebound in all but the worst economic environments, due to the cost savings that upgrading outdated equipment can provide.

Ian Warmerdam and Stuart O'Gorman, Fund Managers

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Global Technology Fund

Statement of Net Assets

As at 30 June 2010 (USD)

Assets	
Investments in securities at market value	1,082,937,620
Cash at bank (note 14)	27,862,929
Interest and dividends receivable	105,805
Subscriptions receivable	14,796,987
Receivable for investments sold	6,465,489
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	27,695
Total assets	1,132,196,525
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	2,535,713
Taxes and expenses payable	3,933,434
Redemptions payable	3,365,944
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	9,835,091
Net assets at the end of the year	1,122,361,434

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	A1(GBP)	I2
Number of shares outstanding:	27,982,248.75	151,443.30	93,783.58	1,975,010.31	32,916.32	60,007.25	9,059,515.68
Equivalent to a net asset value per share of:	27.18	22.17	18.14	27.18	22.17	18.14	27.79
	I2(EUR)	I1	X2	X2(EUR)			
Number of shares outstanding:	100.00	1,548,597.24	137,227.25	20,131.66			
Equivalent to a net asset value per share of:	22.67	27.72	26.33	21.48			

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (USD)

Net assets at the beginning of the year	356,165,958	Payments for shares redeemed	(431,116,796)
Net loss from investment	(9,062,040)	Net equalisation received (note 12)	236
Net realised gain on investment	40,481,069	Decrease in unrealised appreciation on investments	(16,285,089)
Net realised currency exchange loss	(1,755,338)	Dividends paid (note 13)	(51,782)
Proceeds from shares issued	1,183,985,216	Net assets at the end of the year	1,122,361,434

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(EUR)	A2(GBP)	A1	A1(EUR)	A1(GBP)	I2
Shares outstanding at the beginning of the year	11,340,412.30	117.07	37.02	328,604.13	----	----	3,222,894.72
Shares issued during the year	28,738,014.10	344,119.45	101,009.12	1,775,874.75	56,025.32	154,938.83	8,126,719.09
Shares redeemed during the year	(12,096,177.65)	(192,793.22)	(7,262.56)	(129,468.57)	(23,109.00)	(94,931.58)	(2,290,098.13)
Shares outstanding at the end of the year	27,982,248.75	151,443.30	93,783.58	1,975,010.31	32,916.32	60,007.25	9,059,515.68
	I2(EUR)	I1	I1 (EUR)	X2	X2(EUR)		
Shares outstanding at the beginning of the year	38,300.00	464,270.16	----	35,038.85	----		
Shares issued during the year	100.00	1,622,239.13	660	154,652.77	22,015.47		
Shares redeemed during the year	(38,300.00)	(537,912.05)	(660)	(52,464.37)	(1,883.81)		
Shares outstanding at the end of the year	100.00	1,548,597.24	----	137,227.25	20,131.66		

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (USD)

Income	
Dividend income	3,769,119
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	3,356
Other income	139,584
Total income	3,912,059
Expenses	
Custodian fee	108,031
Management fee (note 5)	8,460,267
Shareholder servicing fee and distribution fee (notes 6 and 7)	2,746,170
Administration fee	1,016,266
Operations expenses	316,206
Annual tax (note 8)	327,159
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	12,974,099
Net loss from investment	(9,062,040)
Net realised gain on investment	40,481,069
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange loss	(1,755,338)
Net realised gain	29,663,691
Decrease in unrealised appreciation on investments	(16,285,089)
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	13,378,602

Global Technology Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
China			
172,488	Baidu	11,865,450	1.06
317,096	Ctrip.com International ADR	12,290,641	1.10
1,042,822	Tencent Holdings	17,477,702	1.55
		41,633,793	3.71
Germany			
409,199	SAP	18,435,759	1.64
Ireland			
272,208	Accenture	10,700,496	0.95
South Korea			
20,678	Samsung Electronics	13,109,253	1.17
Sweden			
1,753,493	Ericsson	19,803,774	1.77
Switzerland			
384,275	Temenos Group	9,336,176	0.83
Taiwan			
4,478,050	HON HAI Precision Industry	15,848,315	1.41
594,354	Mediatek	8,335,691	0.74
3,022,717	Radiant Opto-Electronics	4,098,846	0.37
3,125,000	Siliconware Precision Industries	3,390,518	0.30
11,596,625	Taiwan Semiconductor (in TWD)	21,787,147	1.94
4,366,905	Wistron	6,442,385	0.58
		59,902,902	5.34
The Netherlands			
182,673	ASM International	3,641,363	0.32
214,169	ASML Holding	6,016,523	0.54
		9,657,886	0.86
United Kingdom			
529,762	Autonomy	14,520,940	1.29
575,363	Rightmove Group	5,449,532	0.49
365,800	Telety Group	2,213,382	0.20
115,987	Xyratex	1,670,213	0.15
		23,854,067	2.13

Number of Securities		Market Value USD	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
United States			
882,770	Activision	9,450,053	0.84
636,887	Adobe Systems	17,269,191	1.54
103,729	Amazon	11,581,343	1.03
352,400	Analog Devices	9,967,634	0.89
242,934	Ansys Com	10,033,174	0.89
414,807	Apple Inc	106,003,929	9.44
234,910	Atheros Communications	6,680,840	0.60
4,653,135	Cisco Systems	100,251,794	8.93
257,070	Cognizant Technology Solutions	13,032,164	1.16
231,374	ComScore	3,880,142	0.35
924,391	Corning	15,072,195	1.34
898,366	Dell	11,144,230	0.99
419,486	Finisar	6,560,761	0.58
39,068	First Solar	4,553,961	0.41
415,048	GSI Commerce	12,071,671	1.08
116,347	Google	52,951,847	4.72
1,311,635	Hewlett Packard	57,561,102	5.13
352,561	IBM	43,876,216	3.91
2,768,328	Intel	55,048,202	4.90
304,432	Intuit	10,671,864	0.95
249,180	Rovi	9,547,332	0.85
746,659	Marvell Technology Group	12,122,009	1.08
215,824	McAfee	6,707,810	0.60
333,239	MercadoLibre	18,141,531	1.62
528,940	Micron Technology	4,678,474	0.42
359,168	Micros Systems	11,592,147	1.03
3,126,287	Microsoft	73,014,433	6.51
823,333	NetApp	31,245,487	2.78
81,347	NetFlix	8,980,302	0.80
280,750	NetLogic Microsystems	7,761,334	0.69
872,027	On Semiconductor	5,846,941	0.52
147,060	OpenTable	6,319,168	0.56
2,147,932	Oracle	46,749,740	4.17
56,105	Priceline.com	10,230,466	0.91
243,672	Qualcomm	8,091,129	0.72
288,973	Redhat	8,517,479	0.76
141,186	Research In Motion	7,072,713	0.63
616,406	Skyworks Solutions	10,574,445	0.94
327,793	Vistaprint	15,742,259	1.40
167,728	VMware	10,748,851	0.96
110,621	WebMD Health Corp	5,157,151	0.46
		876,503,514	78.09
Investment in Securities		1,082,937,620	96.49
Other Net Assets		39,423,814	3.51
Total Net Assets		1,122,361,434	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Global Technology Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
Finland		
Nokia	19,940,739	25,789,352
Germany		
SAP	29,188,163	12,464,800
United States		
Amazon	19,624,913	16,581,192
Apple Inc	71,707,591	13,411,074
Cisco Systems	113,829,101	19,116,031
Google	40,601,706	3,032,499
Hewlett Packard	43,174,614	277,270
Intel	51,002,890	8,195,681
Microsoft	67,377,885	4,826,012
Oracle	34,382,536	964,187

Portfolio by Country

Country	Market Value USD	% of Net Assets
United States	876,503,514	78.09
Taiwan	59,902,902	5.34
China	41,633,793	3.71
United Kingdom	23,854,067	2.13
Sweden	19,803,774	1.77
Germany	18,435,759	1.64
South Korea	13,109,253	1.17
Ireland	10,700,496	0.95
The Netherlands	9,657,886	0.86
Switzerland	9,336,176	0.83
Investment in Securities	1,082,937,620	96.49
Other Net Assets	39,423,814	3.51
Total Net Assets	1,122,361,434	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Industries of the Future Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested was 24.7%*. The MSCI World index posted a return of 26.9% over the same period.

During the review period, there was a continued cyclical rally over the first six months, followed by a market decline on sovereign debt crisis concerns. Our top contributing themes over the year were Health and Efficiency, with Water and Sustainable Transport also strong. On the downside, however, we were hit by the negative performance of the Cleaner Energy theme, which suffered from weak electricity prices and lower finance availability.

Within the Health theme, home healthcare provider Amedisys performed well as the healthcare reform measures relating to its industry turned out to not be as harsh as feared: the shares rose over 50%. Paediatric care company Mednax also performed well by reporting good results and investing in attractive acquisitions. We benefitted from Singaporean hospital operator Parkway Group receiving a bid for a controlling interest in the company from shareholder Khazanah, which is contested by another shareholder. We also saw a bid for life science research company Millipore at a 40% premium to the share price. Home dialysis company NxStage Medical also performed well on demonstrating strong demand and good sales momentum.

Several companies in the Efficiency theme performed well over the year, some benefitting from stimulus measures encouraging the use of their products. Agilent, Regal Beloit, and Emerson all rose by over 50% over the review period. Against this, however, Telvent was weak on euro exposure concerns and Quanta Services underperformed on fewer contracts being awarded.

We maintained a low exposure to the Cleaner Energy theme, but were still impacted by the poor performance of stocks in this theme. This theme has now seen two years of underperformance and we have been selectively increasing our exposure to the theme in recent months as we see good value emerging in what continues to be an area of strong growth. With this in mind, we switched low cost Chinese solar cell manufacturer Yingli Green Energy into US thin film solar manufacturer First Solar, which we see as a lower risk, higher quality name – one we had been waiting for a valuation opportunity to buy into.

We have been gradually building up our exposure to the Efficiency theme, as we see strong growth opportunities for companies that can continue to expand in a tough economic environment. We initiated a position in LED equipment manufacturer Veeco, as we see strong potential for LED growth. We also bought into data storage management company NetApp, where we see an expanding market with opportunities for them to gain share. Efficiency has now become the largest theme in the fund.

In general, we have been moving into companies with higher growth prospects as the valuation premium for higher growth has been eroded so that relative valuations are looking more attractive. In some cases, this has meant moving into smaller companies within a theme so that our exposure to mid and smaller companies has been increasing. We continue to favour companies where the key selling point is demonstrable cost savings. As we move into a climate of austerity, companies with strong cost saving propositions should be able to post continued growth.

Tim Dieppe, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Industries of the Future Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	8,943,415
Cash at bank (note 14)	397,518
Interest and dividends receivable	9,309
Subscriptions receivable	56,759
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	1,546
Total assets	9,408,547
Liabilities	
Bank overdrafts	192,843
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	52,751
Redemptions payable	----
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	245,594

Net assets at the end of the year **9,162,953**

	A2	A1	I2	X2
Number of shares outstanding:	55,295.38	435.36	13,000.00	222.96
Equivalent to a net asset value per share of:	132.67	132.67	133.86	132.42

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	2,011,587	Payments for shares redeemed	(13,164,100)
Net loss from investment	(39,244)	Net equalisation paid (note 12)	(15,193)
Net realised gain on investment	1,323,293	Increase in unrealised appreciation on investments	740,549
Net realised currency exchange gain	17,963	Dividends paid (note 13)	----
Proceeds from shares issued	18,288,098	Net assets at the end of the year	9,162,953

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A1	I2	I2(GBP)	X2
Shares outstanding at the beginning of the year	5,100.47	0.47	----	13,791.14	----
Shares issued during the year	54,417.00	515.61	13,000.00	85,694.54	222.96
Shares redeemed during the year	(4,222.09)	(80.72)	----	(99,485.68)	----
Shares outstanding at the end of the year	55,295.38	435.36	13,000.00	----	222.96

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	117,503
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	155
Other income	13
Total income	117,671
Expenses	
Custodian fee	18,367
Management fee (note 5)	92,442
Shareholder servicing fee and distribution fee (notes 6 and 7)	23,422
Administration fee	13,861
Operations expenses	5,462
Annual tax (note 8)	3,361
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	156,915
Net loss from investment	(39,244)
Net realised gain on investment	1,323,293
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	17,963
Net realised gain	1,302,012
Increase in unrealised appreciation on investments	740,549
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	2,042,561

Industries of the Future Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Australia

3,241	CSL	72,987	0.80
17,917	Plantic Technologies	1,259	0.01
		74,246	0.81

Austria

1,314	Intercell	19,795	0.22
2,687	Verbund	67,786	0.74
		87,581	0.96

Belgium

5,493	Umicore	131,571	1.44
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Canada

1,627	Dorel Industries	42,262	0.46
11,048	Newalta	73,376	0.80
2,899	Stantec	52,134	0.57
16,421	TSO3	17,617	0.19
		185,389	2.02

China

48,000	Zhuzhou CSR Times Electric	83,943	0.92
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Denmark

4,902	Vestas Wind Systems	168,170	1.83
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France

1,906	Essilor	93,261	1.02
2,114	Nexans	102,270	1.12
2,330	Orpea	72,026	0.78
1,845	Schneider	154,390	1.68
7,010	Suez Environnement	95,161	1.04
		517,108	5.64

Germany

1,669	Centrotherm Photovoltaics	46,444	0.51
2,756	Fresenius Medical Care AG (preference)	149,858	1.63
1,412	Linde	122,512	1.34
693	Sma Solar Technology	58,358	0.64
		377,172	4.12

Hong Kong

200,713	China Everbright International	69,782	0.76
60,692	Wasion Group	31,143	0.34
		100,925	1.10

Italy

6,379	Ansaldo	85,032	0.93
41,393	Hera	56,005	0.61
		141,037	1.54

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Japan

3,600	Benesse	133,358	1.45
5,200	Daiseki	88,609	0.97
2,000	East Japan Railway	109,153	1.19
5,200	Horiba	114,070	1.24
410	Keyence	77,883	0.85
3,100	Secom	112,982	1.23
4,000	Shimano	140,721	1.54
2,100	Sysmex	97,893	1.07
		874,669	9.54

Jersey

27,317	Informa Plc	117,813	1.28
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Norway

15,540	Tomra Systems	53,097	0.58
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Singapore

108,000	ComfortDelgro	91,723	1.00
43,000	Parkway Holdings	89,855	0.98
		181,578	1.98

South Korea

2,960	Woongjin Thinkbig	50,052	0.55
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Spain

37,650	Iberdrola Renovables	96,290	1.05
4,015	Telvent Git SA	56,560	0.62
		152,850	1.67

Switzerland

9,192	ABB	131,971	1.44
310	Geberit	39,141	0.43
112	Gurit Holding	45,005	0.49
2,163	Lifewatch	20,842	0.23
4,646	Tyco International	134,688	1.47
		371,647	4.06

Taiwan

8,434	Epistar GDR	90,364	0.99
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The Netherlands

3,524	Arcadis	51,424	0.56
9,402	Qiagen	151,429	1.65
		202,853	2.21

United Kingdom

55,099	Clean Air Power	11,787	0.13
2,500	Clean Air Power (Warrant)	-	-
31,990	EAGA	45,480	0.50
17,184	Experian Group	123,414	1.35
14,641	FirstGroup	65,372	0.71
6,948	Intertek	123,454	1.35
57,683	Plant Health Care	78,359	0.85
7,330	Polyfuel	-	-
15,652	Reed Elsevier	95,325	1.04
124,822	Sirius Real Estate	33,702	0.37
7,468	Synergy Health	60,025	0.65
21,596	Trading Emissions	27,456	0.30
		664,374	7.25

Industries of the Future Fund

Portfolio as at 30 June 2010
(continued)

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
United States			
3,983	Acuity Brands	119,463	1.30
3,926	AGA Medical Holdings	42,176	0.46
7,025	Agilent Technologies	168,041	1.83
3,120	Amedisys	112,997	1.23
1,864	American Public Education	67,653	0.74
9,178	Cisco Systems	161,297	1.76
3,728	Codexis	27,201	0.30
9,200	Covanta	127,013	1.39
5,038	Danaher	154,394	1.69
2,827	DeVry	123,347	1.35
2,820	Emergency Mediacal Services	114,738	1.25
4,273	Emerson Electric	151,845	1.66
1,016	First Solar	96,603	1.05
2,944	Grand Canyon Education	57,622	0.63
2,252	Henry Schein	101,180	1.10
2,036	HMS Holdings	91,043	0.99
3,485	IPC The Hospitalist	73,328	0.80
5,354	Johnson Controls	119,466	1.30
2,478	Laboratory Corporation of America	154,145	1.68
2,974	Life Technologies	118,274	1.29
5,176	LKQ	81,845	0.89
2,927	Masimo	57,289	0.63
4,593	Maxwell Technologies	43,478	0.48
4,645	MedAssets	86,748	0.95
3,676	Mednax	168,487	1.84
6,819	Nalco Holding	115,417	1.26
5,004	NetApp	154,903	1.69
2,356	Nuvasive	68,935	0.75
6,910	NxStage Medical	84,378	0.92
2,663	Ocean Power Technologies	11,882	0.13
3,057	Ormat Technologies	70,207	0.77
3,621	Pentair	95,757	1.05
3,556	Polycom	88,223	0.96
9,282	Quanta Services	158,733	1.73
2,665	Regal-Beloit	121,192	1.32
3,552	Roper Industries	162,948	1.78
3,144	Stericycle	169,223	1.85
3,962	Thermo Fisher	160,718	1.75
2,404	Union Pacific	138,325	1.51
3,307	Veeco Instruments	96,462	1.05
		4,316,976	47.11
Investment in Securities		8,943,415	97.60
Other Net Assets		219,538	2.40
Total Net Assets		9,162,953	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases EUR	Sales EUR
Shares		
France		
Schneider	293,901	225,776
Switzerland		
Geberit	258,123	282,349
The Netherlands		
Qiagen	320,780	226,865
United States		
Acuity Brands	277,924	263,177
Agilent Technologies	298,520	219,065
Cisco Systems	336,708	193,159
Mednax	325,292	258,527
Nalco Holding	279,983	262,355
Quest Diagnostics	252,934	308,523
Union Pacific	293,148	260,044

Portfolio by Country

Country	Market Value EUR	% of Net Assets
United States	4,316,976	47.11
Japan	874,669	9.54
United Kingdom	664,374	7.25
France	517,108	5.64
Germany	377,172	4.12
Switzerland	371,647	4.06
The Netherlands	202,853	2.21
Canada	185,389	2.02
Singapore	181,578	1.98
Denmark	168,170	1.83
Spain	152,850	1.67
Italy	141,037	1.54
Belgium	131,571	1.44
Jersey	117,813	1.28
Hong Kong	100,925	1.10
Taiwan	90,364	0.99
Austria	87,581	0.96
China	83,943	0.92
Australia	74,246	0.81
Norway	53,097	0.58
South Korea	50,052	0.55
Investment in Securities	8,943,415	97.60
Other Net Assets	219,538	2.40
Total Net Assets	9,162,953	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Japanese Smaller Companies Fund

Managers' report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 7.8%* in US dollar terms. The Tokyo SE Second Section index (TSE2) increased 5.62% in US dollar terms over the same period.

The Japanese market slightly increased during the period, as improving company earnings offset the macro concerns of a 'double dip' recession. During the first six months of the period, Japan was the sole loser among the main global equity markets. There were three domestic factors behind weak Japanese share prices; the Democratic Party of Japan (DPJ), deflation, and dilution (capital increases). During the review period, DPJ policies continued to weigh on the market, with the Nikkei Average hitting 9,081 and the yen rising to ¥84/US\$ level, the highest in 14 years. However, the Japanese stock market began to outperform other countries' stocks for the second half of the period. This change was sparked by the Bank of Japan's (BoJ) decision to implement further quantitative easing at its 1 December extraordinary monetary policy meeting. BoJ Governor Masaaki Shirakawa said that deflation would not be tolerated, and this strong stance on anti-deflationary measures was also welcomed by the market.

The smaller companies sector outperformed larger companies over the period as Japanese retail investors became net buyers of Japanese equities after recent share price declines.

Major positive contributors to the fund during the period included Doshisha (wholesaler), Taikisha (construction), and Cocokara Fine Holdings (drug store). Doshisha turned in strong earnings results thanks to the good performance of several new products introduced. Taikisha obtained multiple large orders in India and China and Cocokara experienced strong monthly sales performance due to the spread of bird flu.

Major negative contributors included Leopalace 21 (rental apartment), Pronexus (printing), and Hikari Tsushin (marketing specialist). We increased our positions in Leopalace and Hikari Tsushin as we found the risk-return profile of the stocks more attractive, due to share price weakness.

Misguided economic policies from the last decade have manifested themselves in a soaring currency, mounting deflation, and weak stock prices in Japan. However, we now believe that the trend is changing: the BoJ's quantitative easing policies should lead to a weaker yen in the medium term; and structural changes implemented by corporate Japan by reducing excess capacity over the last few years should bring about the end of deflation. These two catalysts should help stock prices move higher on incremental purchases by foreigners; the Japanese market is currently the most under-owned of the major markets. Since the shock of Lehman Brothers' collapse in 2008, the coverage of Japanese smaller companies has materially reduced. This under-coverage of the smaller companies sector generates a large number of mispricing situations and, hence, the managers believe that bottom-up fundamental analysis (through company visits) should work well in uncovering such opportunities.

Yun Young Lee & Michael Wood-Martin, Fund Managers

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Japanese Smaller Companies Fund

Portfolio as at 30 June 2010

Number of Securities	Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Japan			
221,500	Aeon Fantasy	236,664	0.33
28,000	Alpen Co Ltd	441,882	0.61
134,600	Asahi Broadcasting	762,433	1.05
122,600	Askul	2,084,761	2.87
162,500	Chudenko Corporation	1,891,316	2.60
75,800	Cocokara Fine Holdings	1,374,393	1.89
222,100	Credit Saison	2,354,659	3.24
448,900	Culture Convenience Club	2,102,525	2.89
103,600	Daiichikosho	1,501,248	2.06
350,000	DCM Japan Holdings	1,925,345	2.65
101,400	Doshisha	2,353,504	3.24
179,200	Doutor Nichires	2,410,910	3.32
91,200	Fuji Oil Co Ltd	1,347,777	1.85
31,400	Fuji Pharma	640,662	0.88
396	Global One REIT	2,722,987	3.75
1,120	Gourmet Navigator	1,417,811	1.95
93,400	H.I.S. Company	1,876,709	2.58
135,700	Hikari Tsushin	2,442,898	3.36
25,950	Imperial Hotel Ltd	550,818	0.76
277,500	Ines	1,872,181	2.57
134,550	IT Holdings Corporation	1,606,961	2.21
813,000	Itoham Foods	3,060,960	4.21
39,000	Japan Wool Textile	264,656	0.36
45,000	Katakura Industries	445,377	0.61
10,590	Kenedix	1,774,522	2.44
139,000	Kissei Pharmaceutical	2,925,363	4.02
23,000	Koito Manufacturing	343,141	0.47
465,100	Leopalace	1,462,753	2.01
285,000	Meisei Industrial	697,148	0.96

Number of Securities	Market Value USD	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Japan Continued			
817,000	Mercian Co	1,367,632	1.88
39,700	Mimasu Semiconductor Industry Co	468,328	0.64
137	Nippon Building Fund	1,084,122	1.49
34,500	Nishimatsuya Chain Company	319,483	0.44
26,500	Nissha Printing	717,977	0.99
113,200	NPC Incorporated	1,809,436	2.49
90,000	Oenon Holdings	182,107	0.25
592	OPT	847,512	1.17
33,000	Otsuka Kagu Ltd	316,008	0.43
160,200	Pronexus	839,723	1.15
471,600	Round one Corp	2,596,922	3.57
11,000	Sakata Seed	142,845	0.20
29,100	Sanei-International	340,495	0.47
120,000	Sawada Holdings	439,628	0.60
21,340	SBI Holdings	2,700,234	3.71
163,100	Showa Shell Sekiyu K.K.	1,132,544	1.56
400,000	Sumitomo Osaka Cement Co.	766,531	1.05
68,000	Tadano Ltd	335,357	0.46
122,500	Taikisha	1,929,093	2.65
173,700	Toppan Forms Company Ltd	1,673,141	2.30
512,000	Toyo Tire & Rubber	1,099,475	1.51
18,300	Xebio	345,118	0.47
9,200	Yamatake	215,970	0.30
70,000	Yasuda Warehouse	413,081	0.59
100,000	Yonkyu Co Ltd	443,010	0.62
Investment in Securities		67,418,136	92.73
Other Net Assets		5,288,750	7.27
Total Net Assets		72,706,886	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Japanese Smaller Companies Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	USD	USD
Japan		
Askul	2,468,500	301,512
Credit Saison	3,140,178	673,510
Doshisha	2,168,954	618,918
Global One REIT	2,576,367	-
Itoham Foods	3,049,212	970,314
Kissei Pharmaceutical	3,267,828	465,782
Leopalace	2,279,757	251,322
Nippon Building Fund	1,948,984	735,078
Round one Corp	2,885,932	-
SBI Holdings	2,851,014	-

Portfolio by Sector

Sector	Market Value USD	% of Net Assets
Consumer Cyclical	21,634,914	29.76
Non-Cyclical Consumer Goods and Services	18,847,934	25.92
Financials	13,956,584	19.19
Technology	6,213,401	8.55
General Industries	5,632,759	7.75
Utilities	1,132,544	1.56
Investment in Securities	67,418,136	92.73
Other Net Assets	5,288,750	7.27
Total Net Assets	72,706,886	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Alpha Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested was 18.7%*. The MSCI Europe index posted a return of 11.1% over the same period.

The last 12 months were considerably better for European equity investors than the year that preceded them. Following the trough in the market in March 2009, the positive actions taken by companies, governments, and central banks began to have an effect and we witnessed a rally lasting through to the first quarter of 2010. More recently, the market fell back as many of the old concerns surrounding the financial sector and government deficits returned to haunt equity markets.

In such a strongly rising market it was no surprise that the majority of the returns during the year came from the long book. However, the short book still added value. Cyclical stocks recovering from depressed levels of earnings featured prominently among the winners, with APMoller Maersk, Aer Lingus, ASML, and Dufry all performing well on the long side. In addition to this, a broadening out of the rally also saw useful gains from more defensive holdings, such as Fresenius, while serial deliverers including Paddy Power continued their march upward. Greece was the source of much disappointment, as were holdings in Noreco, and CRH.

Making money from the short book became increasingly difficult towards the end of 2009, although more recently we have begun to find more ideas again. Our positions in Q-Cells, Solarworld, Iliad, and Prisa all contributed strongly to fund returns during the year as investors punished firms with deteriorating cash-flow prospects and stretched balance sheets. We lost money on shorts in Antofagasta and ENRC, both of which we have now closed. In general, we managed the risk in a tougher environment for shorting by operating with lower average position sizes than normal.

Our purchases during the year included Vallourec and ITV, where we believe the recovery potential for earnings is not reflected in the current share price, leaving the way open for positive surprises. We also bought into a strong organic growth story at Sodexo and an upcoming significant mine development at European Goldfields. Finally, we have made BP our biggest holding on the long side. We believe the extreme negative reaction to the Macondo oil well disaster offers a high return investment opportunity rarely seen in mega-cap stocks. We raised cash by selling long positions in Adidas, Henkel, TNT, and Vueling among others. New shorts included Hansen Transmissions and Abengoa, both of which face issues in their respective markets with a heavy debt burden to bear. Short positions in Smurfit Kappa, Centrotherm, Gas Natural, and Electrolux were closed profitably.

Companies are beginning to grow revenues again and there are numerous examples of dividend yields far in excess of the returns available on bank deposits. Such a combination looks attractive in anything other than a swift return to recession, an outcome we consider unlikely. Nevertheless, there are still opportunities on the short side too – not all companies have emerged stronger from the recession and many still have fundamental business problems to address. This should allow us to target returns from both the long and the short book in the coming months.

Paul Casson, Fund Manager

*Relates to Class A Accumulation Shares.

The base source for performance and indices statistics is Micropal.

Pan European Alpha Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	123,104,319
Cash at bank (note 14)	29,409,612
Interest and dividends receivable	598,952
Subscriptions receivable	129,065
Receivable for investments sold	----
Reorganisation and formation expenses, net of amortisation (note 3)	12,633
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	64,469
Total assets	153,319,050
Liabilities	
Bank overdrafts	750,432
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	995,293
Redemptions payable	1,371,601
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	714,636
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	----
Total liabilities	3,831,962

Net assets at the end of the year **149,487,088**

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	3,056,229
Bond interest income	24,866
Interest received on contracts for difference	45,732
Bank interest	29,509
Other income	105,744
Total income	3,262,080
Expenses	
Custodian fee	19,658
Management fee (note 5)	1,168,623
Shareholder servicing fee and distribution fee (notes 6 and 7)	149,005
Administration fee	145,352
Operations expenses	32,108
Annual tax (note 8)	23,808
Amortisation of reorganisation and formation expenses	8,422
Interest paid on contracts for difference	374,475
Total expenses	1,921,451
Net gain from investment	1,340,629
Net realised gain on investment	3,062,107
Net realised loss on forward foreign exchange contracts	----
Net realised gain on contracts for difference	855,636
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	17,109
Net realised gain	5,275,481
Decrease in unrealised depreciation on investments	(6,235,002)
Increase in unrealised appreciation on forward foreign exchange contracts	----
Decrease in unrealised depreciation on contracts for difference	(265,953)
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net decrease in net assets as a result of operations	(1,225,474)

	A2	A2(GBP)	A2(SGD)	A1	I2	I2(GBP)	X2
Number of shares outstanding:	4,540,609.75	10,721.07	4,870.26	313,556.16	9,646,653.78	8,058.15	86,496.15
Equivalent to a net asset value per share of:	10.16	8.31	17.42	10.08	10.27	8.40	10.01

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	17,060,051	Payments for shares redeemed	(61,417,611)
Net gain from investment	1,340,629	Net equalisation received (note 12)	90,202
Net realised gain on investment	3,917,743	Decrease in unrealised depreciation on investments	(6,500,955)
Net realised currency exchange gain	17,109	Dividends paid (note 13)	(8,957)
Proceeds from shares issued	194,988,877	Net assets at the end of the year	149,487,088

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(GBP)	A2(SGD)	A1	I1	I2	I2(GBP)	X2
Shares outstanding at the beginning of the year	678,279.73	----	6,737.88	13,669.54	----	704,882.42	517,610.74	56,764.87
Shares issued during the year	6,388,618.41	10,850.24	628.58	885,572.08	27,422.32	11,145,729.17	8,181.24	146,286.00
Shares redeemed during the year	(2,526,288.39)	(129.17)	(2,496.20)	(585,685.46)	(27,422.32)	(2,203,957.81)	(517,733.83)	(116,554.72)
Shares outstanding at the end of the year	4,540,609.75	10,721.07	4,870.26	313,556.16	----	9,646,653.78	8,058.15	86,496.15

The accompanying notes form an integral part of these financial statements.

Pan European Alpha Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Canada

316,000	Euro Goldfields Com Npv	1,674,654	1.12
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Denmark

634	AP Moller-Maersk	4,179,216	2.80
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France

236,662	CGGVeritas	3,581,879	2.39
332,045	France Telecom	4,734,962	3.17
264,743	SES Global	4,541,004	3.04
98,995	Sodexho	4,541,643	3.04
678,554	ST Microelectronics	4,514,420	3.02
99,333	Total	3,681,529	2.46
20,585	Vallourec	2,975,047	1.99
		28,570,484	19.11

Germany

93,950	Deutsche Boerse	4,703,607	3.15
507,872	Deutsche Telekom	4,949,974	3.31
87,043	Fresenius Medical Care AG (preference)	4,728,611	3.16
78,856	HeidelbergCement	3,112,841	2.08
58,444	RWE	3,132,306	2.10
		20,627,339	13.80

Greece

344,710	Ellaktor	999,659	0.67
119,305	OPAP	1,247,930	0.84
255,990	OTE (Hellenic Telecommunications)	1,617,857	1.08
		3,865,446	2.59

Ireland

2,725,300	Bank of Ireland	1,863,542	1.25
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Italy

1,389,288	ENEL	4,867,718	3.26
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Luxembourg

64,586	ArcelorMittal	1,471,431	0.98
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Norway

935,379	Norwegian Energy	1,433,253	0.96
2,728,942	Sevan Marine	1,711,915	1.14
221,824	StatoilHydro	3,555,281	2.38
		6,700,449	4.48

Spain

87,287	Telefonica	1,345,966	0.90
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Switzerland

115,441	Adecco	4,521,980	3.02
139,001	GAM Holding	1,227,121	0.82
111,008	Novartis	4,411,019	2.95
37,182	Roche Holding	4,183,937	2.80
357,795	UBS	3,958,770	2.65
		18,302,827	12.24

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

The Netherlands

599,026	Aegon	2,686,033	1.79
191,325	ASML Holding	4,438,740	2.97
130,628	Heineken	4,571,327	3.06
343,247	Koninklijke KPN	3,613,533	2.42
		15,309,633	10.24

United Kingdom

360,022	Gartmore	492,282	0.33
5,064,856	ITV	3,160,907	2.11
		3,653,189	2.44

Investment Funds

Transferable securities and money market instruments admitted to an official exchange listing

Ireland

8,730,000	Henderson Liquid Asset Sterling Fund	10,672,425	7.14
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Investment in Securities 123,104,319 82.35

Derivative Instruments

Contracts for Difference*

(132,165)	Abengoa	20,906	0.01
2,053,305	Air Lingus	455,760	0.30
1,658,875	BP	(724,797)	(0.48)
231,506	CRH (Dublin)	(317,862)	(0.21)
(244,810)	Ericsson	(337,652)	(0.23)
313,762	Glaxosmithkline	(316,758)	(0.21)
606,962	Grafton	(72,354)	(0.05)
(1,382,676)	Hansen Transmissions International	320,480	0.21
1,408,703	HMV	(666,050)	(0.45)
(36,780)	Iliad	439,150	0.29
207,856	Imperial Tobacco	(82,703)	(0.06)
(166,614)	Indra Sistemas	166,705	0.12
1,126,795	Man Group	(451,654)	(0.30)
96,645	Paddy Power	374,011	0.26
(68,551)	Q Cells	405,688	0.27
(84,370)	Richemont	(63,286)	(0.04)
(26,075)	SMA Solar Technology	(336,610)	(0.23)
(66,461)	Solarworld	334,355	0.23
(77,905)	Tecnicas Reunidas	179,852	0.12
(86,912)	Vestas Wind Systems	344,930	0.23
3,102,780	Vodafone Group	88,626	0.06
1,671,420	William Hill	(475,373)	(0.32)
		(714,636)	(0.48)

Other Net Assets 27,097,405 18.13
Total Net Assets 149,487,088 100.00

*Total Commitment of EUR 16,723,133

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Alpha Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	EUR	EUR
France		
Total	6,251,892	1,937,857
Germany		
DaimlerChrysler	3,445,796	3,162,570
Deutsche Boerse	6,489,256	1,521,003
Siemens	3,225,672	3,692,518
Norway		
StatOilHydro	5,817,590	2,652,598
Spain		
Telefonica	3,448,926	3,021,828
Switzerland		
Adecco	5,407,258	888,226
UBS	4,735,510	1,359,087
The Netherlands		
Aegon	4,744,627	1,894,346
Investment Funds		
Ireland		
Henderson Liquid Asset Sterling Fund	12,766,977	3,974,827

Portfolio by Country

Country	Market Value EUR	% of Net Assets
France	28,570,484	19.11
Germany	20,627,339	13.80
Switzerland	18,302,827	12.24
The Netherlands	15,309,633	10.24
Ireland	12,535,967	8.39
Norway	6,700,449	4.48
Italy	4,867,718	3.26
Denmark	4,179,216	2.80
Greece	3,865,446	2.59
United Kingdom	3,653,189	2.44
Canada	1,674,654	1.12
Luxembourg	1,471,431	0.98
Spain	1,345,966	0.90
Investment in Securities	123,104,319	82.35
Contracts for Difference	(714,636)	(0.48)
Other Net Assets	27,097,405	18.13
Total Net Assets	149,487,088	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Property Equities Fund

Managers' report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 22.7%* in euro terms. The FTSE EPRA/NAREIT Developed Europe Capped index increased 28.9% in euro terms over the review period.

The general recovery in stock prices, which began in March 2009 continued into April 2010, when concerns over the credit quality of certain Southern European countries, most notably Greece, caused a significant reversal. In the direct property market, equity investors ranging from sovereign wealth funds to private individuals were attracted by the positive yield gap between the cost of money and rental yields on prime assets let on long leases to good quality tenants. Strong investment demand triggered a recovery in capital values, initially in the UK and more recently in Continental European shopping centres and offices in key centres, such as Paris and Stockholm.

On the Continent, the fund continued to concentrate holdings in the main property markets of France (+36.9%), Sweden (+73.1%), and the Netherlands (+23.5%). The main investment theme on the Continent was prime-quality retail. To that end, we benefitted from holdings in Paris-listed shopping centre owners Unibail-Rodamco and Klépierre. However, we were slow to recognise the recovery potential in French office specialists including Fonciere des Regions and Gecina, and the resulting underweight position accounted for a significant proportion of the fund's underperformance.

Elsewhere on the Continent, Sweden was a particular bright spot, with an early economic recovery driven by low interest rates magnified for euro-denominated investors by a strong currency. The fund's holdings in diversified office/retail names Castellum and Wihlborgs were among the best performers, returning 73% and 70% in euro terms, respectively.

The fund held an overweight position in the UK, built up through the rights issues in early 2009. While UK property companies were active in capturing opportunities arising in the wake of the financial crisis, this did not translate into share price performance, and our overweight position proved costly. However, while the UK was negative from an asset allocation perspective, at a stock level the fund bettered the index as a result of a preference for West End specialists Great Portland Estates and Derwent London over UK majors British Land and Liberty International**.

The biggest relative contributor also came from the UK. Having recapitalised itself, Segro was one of the only listed property companies to take advantage of the financial market distress, acquiring listed rival Brixton in 2009 and a 50% stake in a portfolio of warehouses in and around Heathrow Airport from Ferrovial in 2010. The fund built an overweight position in the stock early in 2009, benefitting from its stellar performance in the second half of the same year.

Detracting from UK performance were stakes in smaller, opportunistic vehicles that raised equity to capitalise on distress, such as MAX Property and LXB Retail Properties. The utilisation of capital has been slower than the market anticipated and these stocks have lagged.

Looking forwards, the recovery in the direct property market is underpinned by bond yields, which seem likely to remain low for a protracted period. Rental levels are under pressure, although prime shopping centres continue to perform well and there is evidence that office rents are rising in London and are stabilising in Paris and Stockholm.

The fund is overweight the large-cap, moderately geared stocks with exposure to dominant shopping centres, retail warehousing, and the office markets of London, Paris, and Stockholm. These assets were the first to recover in value and we believe that they will be the first to show rental growth.

The fund is overweight in sterling and Swedish kroner assets on the view that the euro will remain under pressure as a result of continued weakness in the Eurozone fringe economies. At the same time, the fund is underweight the fringe economies. While the majority of the fund's assets are invested in established and well-financed investment companies, it also has some exposure to companies that are recovering and to new ventures that are seeking to exploit the buying opportunities created by excess leverage.

Patrick Sumner & Adrian Elwood, Fund Managers

* Represents class A accumulation shares.

The base source for performance and indices statistics is Micropal.

Average PEA ratio 92.55%**

Lowest PEA ratio 84.38%**

** The PEA ratio represents the percentage in each fund of assets in eligible equity securities over the given period, where eligible securities are shares, or warrants relating to shares, issued by companies located in the EEA.

Pan European Property Equities Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	201,403,337
Cash at bank (note 14)	4,398,195
Interest and dividends receivable	484,602
Subscriptions receivable	232,595
Receivable for investments sold	445,787
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	15,444
Total assets	206,979,960
Liabilities	
Bank overdrafts	----
Interest and dividends payable	----
Payable for investments purchased	----
Taxes and expenses payable	669,650
Redemptions payable	2,397,040
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	591,860
Total liabilities	3,658,550

Net assets at the end of the year **203,321,410**

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	6,373,583
Bond interest income	----
Interest received on contracts for difference	----
Bank interest	3,884
Other income	498,879
Total income	6,876,346
Expenses	
Custodian fee	38,850
Management fee (note 5)	2,938,598
Shareholder servicing fee and distribution fee (notes 6 and 7)	1,159,557
Administration fee	341,585
Operations expenses	92,574
Annual tax (note 8)	120,311
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	----
Total expenses	4,691,475
Net gain from investment	2,184,871
Net realised loss on investment	(12,311,600)
Net realised loss on forward foreign exchange contracts	----
Net realised loss on contracts for difference	----
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	58,188
Net realised loss	(10,068,541)
Increase in unrealised depreciation on investments	52,483,728
Increase in unrealised appreciation on forward foreign exchange contracts	----
Increase in unrealised appreciation on contracts for difference	----
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	42,415,187

	A2	A2(GBP)	A1	A1(GBP)	I2	I1	X2
Number of shares outstanding:	10,062,041.95	36,053.16	1,299,523.90	601.88	764,337.49	67.09	36,191.14
Equivalent to a net asset value per share of:	16.73	13.69	15.63	12.79	17.60	16.37	16.34

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	166,388,162	Payments for shares redeemed	(205,896,083)
Net gain from investment	2,184,871	Net equalisation received (note 12)	1,914,901
Net realised loss on investment	(12,311,600)	Increase in unrealised depreciation on investments	52,483,728
Net realised currency exchange gain	58,188	Dividends paid (note 13)	(809,384)
Proceeds from shares issued	199,308,627	Net assets at the end of the year	203,321,410

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A2(GBP)	A1	A1(GBP)	I2	I1	X2
Shares outstanding at the beginning of the year	10,647,867.08	33,154.46	1,241,455.14	600.49	273,883.08	67.08	47,632.27
Shares issued during the year	9,352,625.59	6,986.23	296,609.62	1.39	1,445,849.12	1,106,452.62	40,175.03
Shares redeemed during the year	(9,938,450.72)	(4,087.53)	(238,540.86)	----	(955,394.71)	(1,106,452.61)	(51,616.16)
Shares outstanding at the end of the year	10,062,041.95	36,053.16	1,299,523.90	601.88	764,337.49	67.09	36,191.14

The accompanying notes form an integral part of these financial statements.

Pan European Property Equities Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Austria			
400,000	Conwert Immobilien Invest	3,399,800	1.67
Bermuda			
13,900,000	Jupiter Adria	6,950,000	3.42
Bulgaria			
3,462,654	Orchid Developments	1,333,425	0.66
Finland			
700,000	Sponda Oyj	1,760,500	0.87
700,000	Technopolis	2,226,000	1.09
		3,986,500	1.96
France			
15,000	CFI Compagnie Fonciere Internationale	631,875	0.31
142,500	Icade	10,068,338	4.95
360,000	Klepierre	8,258,400	4.06
135,000	Mercialys	3,128,963	1.54
140,000	Unibail Rodamco	19,061,000	9.38
		41,148,576	20.24
Germany			
314,585	Hahn-Immobilien	663,774	0.33
Greece			
3,787,780	Minoan Group	578,820	0.28
Italy			
207,834	Beni Stabili	130,935	0.07
900,000	Immobiliare Grande Distribuzione	1,003,500	0.49
		1,134,435	0.56
Jersey			
1,634,634	LXB Retail Properties	1,806,000	0.89
Luxembourg			
7,500,000	Invista European Real Estate Trust	2,154,656	1.06
Sweden			
650,000	Castellum	4,855,427	2.39
1,400,000	Fabege	6,947,154	3.42
225,000	JM	2,489,197	1.22
225,000	Wihlborgs Fastigheter	3,472,474	1.71
		17,764,252	8.74

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Switzerland			
95,000	PSP Swiss Property	4,635,057	2.28
The Netherlands			
242,500	Corio	9,781,844	4.81
220,000	Eurocommercial Properties	5,844,300	2.87
		15,626,144	7.68
United Kingdom			
2,033,119	British Land Company	10,805,659	5.31
4,514,999	Camper Nicholsons Marina Investments	1,131,515	0.56
5,700,000	Capital & Regional Properties	2,081,765	1.02
880,429	Conygar	1,148,976	0.56
625,000	Derwent London	9,527,859	4.69
825,000	Development Securities	2,607,134	1.28
6,071,429	Grainger	8,632,160	4.25
1,850,000	Great Portland Estates	5,834,534	2.87
3,300,000	Hammerson	13,889,923	6.83
170,000	Helical Bar	573,077	0.28
9,150,000	Inland	2,097,352	1.03
2,600,000	Land Securities	17,847,278	8.78
2,865,000	Max Property	3,712,610	1.83
1,600,000	Safestore Holdings	2,200,500	1.08
4,500,000	Segro	14,074,948	6.92
275,000	Shaftesbury	1,215,822	0.60
11,000,000	Workspace	2,840,786	1.40
		100,221,898	49.29
	Investment in Securities	201,403,337	99.06
	Other Net Assets	1,918,073	0.94
	Total Net Assets	203,321,410	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Property Equities Fund

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases	Sales
Shares	EUR	EUR
France		
Fonciere des Regions	11,405,117	11,998,493
Icade	5,943,420	11,273,828
Unibail Rodamco	10,945,171	13,068,632
Sweden		
Fabege	9,187,249	3,551,050
The Netherlands		
Corio	8,325,414	9,650,989
United Kingdom		
British Land Company	8,984,822	4,174,889
Derwent London	6,992,734	7,826,967
Hammerson	14,319,694	14,685,322
Land Securities	16,172,027	7,785,521
Segro	14,476,175	17,993,391

Portfolio by Country

Country	Market Value EUR	% of Net Assets
United Kingdom	100,221,898	49.29
France	41,148,576	20.24
Sweden	17,764,252	8.74
The Netherlands	15,626,144	7.68
Bermuda	6,950,000	3.42
Switzerland	4,635,057	2.28
Finland	3,986,500	1.96
Austria	3,399,800	1.67
Luxembourg	2,154,656	1.06
Jersey	1,806,000	0.89
Bulgaria	1,333,425	0.66
Italy	1,134,435	0.56
Germany	663,774	0.33
Greece	578,820	0.28
Investment in Securities	201,403,337	99.06
Other Net Assets	1,918,073	0.94
Total Net Assets	203,321,410	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Pan European Smaller Companies Fund

Manager's report – annual review to 30 June 2010

The total return for the year, excluding any initial charges paid on investment, with gross income reinvested, was 45.9%* in euro terms. The HSBC Smaller European Companies index rose 29.5% in euro terms over the same period. As the economy moved into recovery phase, predictably, smaller companies outperformed their larger counterparts and even proved more resilient during the macro-driven declines seen in the first half of 2010.

Our strong performance over the year was spread across many stocks. The most notable of the positive contributors to performance included International Personal Finance, the UK-based consumer lender, which benefitted as its operating performance improved in the company's major markets of Poland and Mexico. The market had been overly concerned that the bad debt problems it had in Hungary would spread elsewhere within Eastern Europe. Rhodia also performed well; the French chemicals company has been a beneficiary of the global recovery, in particular the rebound in automotive sales where the company is heavily exposed. Another outstanding performer was airport retailer Dufry. Dufry continued to gain recognition from the stock market after its valuation had fallen to absurdly low levels and it successfully appealed a ruling requiring it to leave sections of Rio de Janeiro airport. The growth prospects of the company remain exciting on the back of airline travel, particularly in emerging markets. In the second half of the year, better performers included Jungheinrich (fork lift trucks) and SAF-Holland (truck trailers). We bought the stocks in late 2009 on the belief that the uptick in the economy would help each return to revenue growth, which proved to be correct.

Of the disappointments over the year, Natra and Acino were the most significant. Spanish cocoa producer Natra disappointed following the collapse of plans to combine with the business-to-consumer chocolate division of Barry Callebaut. Swiss generics company Acino suffered following the recall of its clopidogrel drug. We are still positive on the company, but remain in regular contact with management during this challenging period.

During the 12-month period, there was a relatively high degree of turnover. As a general trend, we have repositioned the portfolio more towards growth stocks, away from the deep value stocks that served us well in the first half of 2009: whilst 2009 was all about companies being rewarded for cost cutting and cash-flow generation, companies in 2010 have been rewarded for returning to top-line growth. This involved exiting value names such as Hochtief and Telvent in favour of growth stocks including Gameloft, Dialog Semiconductor, Yoox, and Barco. Barco is a global leader in visualisation solutions. The company is enjoying exceptional sales growth from digital projectors as cinemas look to upgrade their systems to accommodate 3D films following the success of films such as Avatar.

More recently, we initiated two new positions following a fruitful research trip to Sweden where we met with many companies. The first was Lindab, which constructs metal sheeting used for ventilation and construction. We believe, with the worst of its trading behind it, the valuation looks compelling. The second is a return to Tomra, which has a highly successful reverse vending machine business. Its business in California has started showing signs of improvement and the scanning and sorting side of its operations is an exciting area with good growth.

Other complete sales included Aixtron, Micro Focus, Game Group, and ETAM Developments. Aixtron was sold as we believe it may suffer from a slowing of growth in its LED TV business, before the benefits of its LED lighting technology is fully adopted in the market. Towards the end of June, we exited completely our long-standing position in ETAM Developments. The company has repurchased over 25% of its issued share capital. The transaction benefitted the fund and, although we believe the company's shares are worth more than the €35 paid, the lower liquidity caused by the smaller free float justifies the sale.

The first half of 2010 has served well to remind us that many challenges still remain and that the path to recovery is not likely to be smooth. Austerity measures and other overhanging factors of the global recession (labour and property markets) have caused gross domestic product growth forecasts to be reduced. That said, the forecasts remain positive and with a number of key leading indicators still pointing towards expansion, we feel the chances of a 'double dip' recession are slim – only three out of the last 38 recessions have qualified as double dips. In addition, corporate balance sheets are in much better shape now than when we entered the recession and many, boosted by a high level of operational leverage, are returning to profitability and sales growth. The reporting season for the second quarter is about to begin, which should provide us with further evidence that the global recovery remains on course, albeit at a slower pace than some were predicting at the start of the year. Disciplined stock picking is, as ever, our approach to adding value for clients during this challenging period.

Ollie Beckett, Fund Manager

* Relates to class A accumulation shares.

The base source for performance and indices statistics is Micropal.

Average PEA ratio 82.01%**

Lowest PEA ratio 73.17%**

** The PEA ratio represents the percentage in each fund of assets in eligible equity securities over the given period, where eligible securities are shares, or warrants relating to shares, issued by companies located in the EEA.

Pan European Smaller Companies Fund

Statement of Net Assets

As at 30 June 2010 (EUR)

Assets	
Investments in securities at market value	266,683,368
Cash at bank (note 14)	10,772,363
Interest and dividends receivable	232,953
Subscriptions receivable	2,105,105
Receivable for investments sold	203,096
Reorganisation and formation expenses, net of amortisation (note 3)	----
Net unrealised gain on forward foreign exchange contracts	----
Net unrealised gain on contracts for difference	----
Net unrealised gain on futures contracts	----
Net unrealised gain on swap contracts	----
Purchased options at market value	----
Other assets	84,636
Total assets	280,081,521
Liabilities	
Bank overdrafts	120,783
Interest and dividends payable	----
Payable for investments purchased	633,789
Taxes and expenses payable	784,038
Redemptions payable	11,975,903
Net unrealised loss on forward foreign exchange contracts	----
Net unrealised loss on contracts for difference	----
Net unrealised loss on futures contracts	----
Net unrealised loss on swap contracts	----
Sold options at market value	----
Other liabilities	2,643
Total liabilities	13,517,156

Net assets at the end of the year **266,564,365**

	A2	A1	I2	I1	X2
Number of shares outstanding:	10,934,949.49	130,598.63	3,028,213.44	1,100.00	254,317.11
Equivalent to a net asset value per share of:	18.45	18.26	19.11	18.86	18.06

Statement of Changes in Net Assets

For the year from 1 July 2009 to 30 June 2010 (EUR)

Net assets at the beginning of the year	87,696,663	Payments for shares redeemed	(230,535,615)
Net loss from investment	(586,943)	Net equalisation received (note 12)	507,446
Net realised gain on investment	5,557,009	Increase in unrealised appreciation on investments	49,582,432
Net realised currency exchange gain	148,336	Dividends paid (note 13)	(13,255)
Proceeds from shares issued	354,208,292	Net assets at the end of the year	266,564,365

Share Transactions

For the year from 1 July 2009 to 30 June 2010

	A2	A1	I2	I1	X2
Shares outstanding at the beginning of the year	6,019,044.12	123,042.42	685,149.90	----	98,566.73
Shares issued during the year	15,570,274.42	145,503.10	4,525,158.21	29,828.14	373,930.89
Shares redeemed during the year	(10,654,369.05)	(137,946.89)	(2,182,094.67)	(28,728.14)	(218,180.51)
Shares outstanding at the end of the year	10,934,949.49	130,598.63	3,028,213.44	1,100.00	254,317.11

The accompanying notes form an integral part of these financial statements.

Statement of Operations

For the year from 1 July 2009 to 30 June 2010 (EUR)

Income	
Dividend income	3,211,029
Bond interest income	----
Interest received on contracts for difference	1,479
Bank interest	8,196
Other income	11,680
Total income	3,232,384
Expenses	
Custodian fee	55,052
Management fee (note 5)	2,375,539
Shareholder servicing fee and distribution fee (notes 6 and 7)	893,654
Administration fee	282,362
Operations expenses	107,188
Annual tax (note 8)	99,884
Amortisation of reorganisation and formation expenses	----
Interest paid on contracts for difference	5,648
Total expenses	3,819,327
Net loss from investment	(586,943)
Net realised gain on investment	4,473,303
Net realised loss on forward foreign exchange contracts	----
Net realised gain on contracts for difference	1,083,706
Net realised loss on futures contracts	----
Net realised loss on swap contracts	----
Net realised loss on options contracts	----
Net realised currency exchange gain	148,336
Net realised gain	5,118,402
Increase in unrealised appreciation on investments	50,004,552
Increase in unrealised appreciation on forward foreign exchange contracts	----
Decrease in unrealised depreciation on contracts for difference	(422,120)
Increase in unrealised appreciation on futures contracts	----
Increase in unrealised appreciation on swap contracts	----
Increase in unrealised appreciation on options contracts	----
Net increase in net assets as a result of operations	54,700,834

Pan European Smaller Companies Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Austria

153,304	A Tec Industries	1,304,464	0.49
108,879	AT&S Austria Technologie & Systemtechnik	1,135,064	0.43
		2,439,528	0.92

Belgium

141,636	Barco	5,254,696	1.97
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Bermuda

5,006,220	Asian Citrus	2,853,299	1.07
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Cayman islands

1,950,000	Polarcus Limited	1,070,009	0.40
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Finland

72,228	Cargotec	1,576,737	0.59
375,000	Ramirent	2,675,625	1.01
		4,252,362	1.60

France

78,214	Adenclassfieds	1,589,308	0.60
251,156	Club Mediterranee	3,045,267	1.14
142,266	Etam Development	4,990,691	1.87
539,769	Gameloft.com	2,018,736	0.76
948,378	Hi-Media	4,106,477	1.54
66,000	Imerys	2,800,050	1.05
163,689	Imgenico	2,877,243	1.08
55,585	Lisi	2,368,755	0.89
68,723	Maisons France Confort	1,987,469	0.74
125,784	Meetic Com	2,576,056	0.97
168,318	Nexity	3,959,681	1.49
177,112	NextradioTV	2,315,739	0.87
285,000	Rhodia	4,019,213	1.51
24,804	Rubis	1,642,769	0.62
111,822	Saft Groupe	2,806,453	1.05
101,941	SeLoger.com	2,965,973	1.11
26,139	VIRBAC	2,273,570	0.85
		48,343,450	18.14

Germany

95,177	Aareal Bank	1,322,722	0.50
425,544	Adva	1,789,413	0.67
133,315	Bauer	3,777,814	1.42
171,506	Carl Zeiss Meditec	1,891,282	0.71
69,074	CTS Eventim	2,732,395	1.02
118,746	Demag Cranes	2,968,056	1.11
192,500	Dialog Semiconductors	1,915,760	0.72
217,000	Jungheinrich	4,118,118	1.54
5,000	KSB	2,327,625	0.87
100,000	Kuka	1,031,500	0.39
350,000	MLP	2,551,325	0.96
77,048	Nabaltec	320,828	0.12
166,888	Sartorius	3,244,303	1.22
76,548	Schoeller-Bleckmann Oilfield	2,875,908	1.08
248,233	Tognum GMBH	3,831,476	1.44
384,217	Tom Tailor Holding	4,719,145	1.77
415,000	TUI	3,027,425	1.14
468,950	Wirecard	3,336,345	1.25
33,800	Xing AG	944,964	0.35
		48,726,404	18.28

Number of Securities		Market Value EUR	% of Net Assets
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Shares

Transferable securities and money market instruments admitted to an official exchange listing

Greece

382,098	Sidenor	840,616	0.32
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Guernsey

360,000	KKR Private Equity Investors	2,677,392	1.00
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Ireland

2,550,000	Greencore	3,289,500	1.23
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Italy

609,056	Astaldi	2,602,192	0.98
231,774	Autogrill	2,254,002	0.85
256,588	Biesse Spa	1,303,467	0.49
245,000	Buzzi Unicem SpA	2,053,713	0.77
261,000	Danieli & C Di Risp	2,252,430	0.84
690,845	Elica	1,093,953	0.41
668,354	Gruppo Coin	3,569,010	1.34
394,316	Mutaonline	1,890,745	0.71
525,000	Yoox Group	2,968,875	1.11
		19,988,387	7.50

Luxembourg

524,917	SAF Holland	2,751,615	1.03
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Norway

885,000	Storebrand	3,779,145	1.42
880,000	Tomra Systems	3,001,362	1.12
		6,780,507	2.54

Russia

305,000	Novorossiysk	2,737,402	1.03
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Spain

173,925	Dinamia Privado	1,680,116	0.63
133,000	Duro Felguera	1,071,315	0.40
138,200	Obrascón Huarte	2,569,829	0.96
264,757	Vueling Airlines	2,287,500	0.86
		7,608,760	2.85

Sweden

228,802	Aangpanneforeningen AB-B SHS	2,504,235	0.94
447,300	Bygghem Group	2,047,503	0.77
281,260	Lindab International	2,470,831	0.93
213,221	Nobia	874,159	0.33
212,000	Orc Software	2,896,248	1.08
		10,792,976	4.05

Switzerland

36,000	Bucher Industries	3,195,750	1.20
1,920	Day Software Holdings	125,987	0.05
69,015	Dufry Group	4,363,650	1.64
6,800	Gurit Holding	2,745,571	1.03
132,708	Kudelski	2,955,142	1.11
13,000	Kuoni Reisen Holding	2,942,557	1.10
282,271	Lifewatch	2,693,833	1.01
37,100	Schweizerhall	2,878,580	1.08
54,467	Swissquote Group Holdings	1,752,153	0.66
136,221	Temenos Group	2,694,904	1.01
87,868	Uster Technologies	1,629,159	0.61
2,000	Vetropack Holding	2,754,983	1.03
		30,732,269	11.53

Pan European Smaller Companies Fund

Portfolio as at 30 June 2010

Number of Securities		Market Value EUR	% of Net Assets
Shares			
Transferable securities and money market instruments admitted to an official exchange listing			
The Netherlands			
287,500	A&D Pharma Holding NV-GDR	1,135,625	0.43
228,000	ASM International	3,731,220	1.40
83,962	Boskalis Westminster	2,718,480	1.02
323,076	Smartrac	4,615,948	1.73
150,000	TenCate	2,682,750	1.01
388,660	Wavin	3,719,671	1.39
		18,603,694	6.98
United Kingdom			
1,988,070	Ashtead Group	2,232,944	0.84
124,443	Aveva Group	1,721,369	0.65
1,155,000	Clapham House Group	875,432	0.33
1,072,222	CPP Group	3,291,397	1.24
5,685,168	Debenhams	3,730,476	1.40
820,000	Galliford	3,150,199	1.18
1,014,175	ICAP	4,981,013	1.87
540,000	IG Group Holdings	2,785,173	1.04
1,175,000	Intermediate Capital Group	3,591,094	1.35
1,804,000	International Ferro Metals	636,806	0.24
1,087,000	International Personal Finance	2,595,923	0.97
344,466	Keller Group	2,231,881	0.84
560,000	London Mining Plc	1,460,765	0.55
2,100,000	Paragon Group of Companies	3,031,922	1.14
557,536	Park Plaza Hotels	913,328	0.34
1,900,000	Promethean World	4,373,738	1.64
8,200,000	Taylor Wimpey	2,730,672	1.02
400,000	Ted Baker	2,606,370	0.97
		46,940,502	17.61
Investment in Securities		266,683,368	100.05
Other Net Liabilities		(119,003)	(0.05)
Total Net Assets		266,564,365	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Top ten changes in the securities portfolio from 1 July 2009 to 30 June 2010

Description of Securities	Purchases EUR	Sales EUR
Shares		
France		
Rhodia	5,870,376	5,162,635
Germany		
Aixtron	6,182,485	7,062,234
Dialog Semiconductors	4,203,514	3,761,940
Norway		
Sevan Marine	3,950,350	4,455,003
Storebrand	5,189,575	2,394,550
Tomra Systems	5,636,608	2,854,215
Spain		
Telvent Git	2,691,457	4,972,473
Vueling Airlines	5,412,631	2,372,537
The Netherlands		
Boskalis Westminster	4,470,012	3,215,393
United Kingdom		
Micro Focus	3,602,496	4,703,361

Portfolio by Sector

Country	Market Value EUR	% of Net Assets
Germany	48,726,404	18.28
France	48,343,450	18.14
United Kingdom	46,940,502	17.61
Switzerland	30,732,269	11.53
Italy	19,988,387	7.50
The Netherlands	18,603,694	6.98
Sweden	10,792,976	4.05
Spain	7,608,760	2.85
Norway	6,780,507	2.54
Belgium	5,254,696	1.97
Finland	4,252,362	1.60
Ireland	3,289,500	1.23
Bermuda	2,853,299	1.07
Luxembourg	2,751,615	1.03
Russia	2,737,402	1.03
Guernsey	2,677,392	1.00
Austria	2,439,528	0.92
Cayman Islands	1,070,009	0.40
Greece	840,616	0.32
Investment in Securities	266,683,368	100.05
Other Net Liabilities	(119,003)	(0.05)
Total Net Assets	266,564,365	100.00

Any differences in the percentage of Net Asset figures are the result of roundings.

Notes to the Financial Statements

As at 30 June 2010

1. General

Henderson Horizon Fund (the "Fund") was incorporated in Luxembourg on 30 May 1985 and is qualified, under Part I of the law of 20 December 2002, as a "Société d'Investissement à Capital Variable" (SICAV).

On 16 September 2009 the China Fund Launched GBP Class A and I income and accumulation shares.

On 16 September 2009 the Japanese Smaller Companies Fund Launched JPY Class A and I income and accumulation shares.

On 1 December 2009 the Pacific Equity Fund changed its name to Asian Growth Fund.

It also changed its benchmark from MSCI AC Pacific ex Japan Index to MSCI AC ex Japan

On 18 December 2009, 10 Sub Funds of the SICAV The New Star Global Fund merged into 6 Sub Funds of the Henderson Horizon Fund:

New Star Fund

British Lion Portfolio and European Portfolio
Global Bond Portfolio and Income Portfolio
China Portfolio and Hong Kong Portfolio
International Portfolio
North American Portfolio
UK Smaller Companies Portfolio and
European Smaller Companies Portfolio

Horizon Absorbing funds

Pan European Equity Fund
Euro Corporate Bond Fund
China Fund
Global Opportunities Fund
American Equity Fund
Pan European Smaller Companies Fund

On 18 December 2009 the Euro Corporate Bond Fund was launched. It is benchmarked against the iBoxx Euro Corporates Index.

It is denominated in euro and is a sophisticated fund under UCITS legislation.

On 16 March 2010 the Industries of the Future Fund launched X accumulation shares.

On 31 March 2010 the Euro Corporate Bond Fund launched I accumulation shares.

On 8 April 2010 the Euro Corporate Bond Fund launched A accumulation shares.

On 18 June 2010 the European Growth Fund was launched with Shareclass B & R. It is benchmarked against the FTSE World Europe ex UK Total Return Index. It is denominated in euro and is a sophisticated fund under UCITS legislation.

On 18 June 2010, the New Star European Growth Fund, a Sub Fund of New Star Global Investment Funds Plc merged into the European Growth Fund.

On 24 June 2010 the Industries of the Future Fund closed GBP I accumulation shares.

On 29 June 2010 the Global Opportunities Fund launched GBP A accumulation shares.

Bond Funds

Absolute Return Fixed Income Fund
Euro Corporate Bond Fund

Regional Funds

American Equity Fund
Asian Dividend Income Fund
Asian Growth Fund
Continental European Equity Fund
European Growth Fund
Japanese Equity Fund
Pan European Equity Fund
Pan European Equity Dividend Fund

Specialist Funds

Asia-Pacific Property Equities Fund
China Fund
Global Opportunities Fund
Global Property Equities Fund
Global Technology Fund
Industries of the Future Fund
Japanese Smaller Companies Fund
Pan European Alpha Fund
Pan European Property Equities Fund
Pan European Smaller Companies Fund

2. Presentation of Financial Statements

The accompanying financial statements present the assets and liabilities of the individual funds and of the fund taken as a whole. The financial statements of each individual fund are expressed in the currency designated in the prospectus for that particular fund and the financial statements of the fund are expressed in United States Dollars. The financial statements have been prepared in accordance with the format prescribed by Luxembourg legal and regulatory requirements for undertakings for collective investment.

A separate pool of assets is maintained for each fund and is invested in accordance with the investment objective applicable to the fund. The liabilities are segregated on a fund-by-fund basis with third party creditors having recourse only to the assets of the fund concerned.

Notes to the Financial Statements (continued)

As at 30 June 2010

3. Significant Accounting Policies

The following is a summary of the significant accounting policies followed by the Fund:

Valuation of Investment Securities

The investments of each fund will normally be valued on the basis of either the last available mid-market price (the mid point between the quoted bid and offer prices) or, for certain markets, the last traded price on the principal stock exchange or market on which the investments are quoted, listed or normally dealt in as at 1.00pm Luxembourg time on the relevant Dealing Day with the exception of the Global Opportunities Fund, the Global Technology Fund, the Global Property Equities Fund, the Absolute Return Fixed Income Fund, the Industries of the Future Fund and the American Equity Fund which are valued as at 4pm Luxembourg time. All other assets, including restricted and not readily marketable securities, will be valued in such manner as the Directors consider appropriate to reflect their fair value.

In the event that net subscriptions or redemptions on any Dealing Day represent a material proportion of the Shares in issue, or in such other circumstances as the Directors consider appropriate, the investments may be valued on an offer or bid basis, as appropriate, taking into account the applicable dealing costs, or in such a manner as the Directors deem appropriate, to reflect more fairly the value of the investments in the circumstances.

The last dealing day of the current year was 30 June 2010 and the investments have been valued based on the relevant market or traded price attributable to that Dealing day.

As a result of time variations in certain markets the prices applied to certain funds do not necessarily reflect the closing market prices for the same calendar day as the relevant Dealing Day.

Forward foreign exchange contracts

Open forward foreign exchange contracts which are all covered are shown in the portfolio at fair value and the net gains/(losses) are reflected in net realised gain/(loss) on forward foreign exchange contracts in the statement of operations.

Financial futures contracts

Financial future contracts are valued at the exchange quoted price at 1.00 pm Luxembourg time with the exception of the Global Opportunities Fund, the Global Technology Fund, the Global Property Equities Fund, the Absolute Return Fixed Income Fund, the Industries of the Future Fund and the American Equity Fund which are valued as at 4.00pm Luxembourg time. Initial margin deposits are made in cash upon entering into futures contracts. During the year the future contract is open, changes in the value of the contract are recognised as unrealised gains and losses by marking to market on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending upon whether unrealised losses or gains are incurred. Variation margin payments are recorded in the Futures margin account in the statement of net assets. When the contract is closed, the Fund records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the opening transaction.

Options

When the Sub-Fund purchases an option, it pays a premium and an amount equal to that premium is recorded as an investment. When the Sub-Fund writes an option, it receives a premium and an amount equal to that premium is recorded as a liability. The investment or liability is adjusted daily to reflect the current market value of the option. If an option expires unexercised, the Sub-Fund realises a gain or loss to the extent of the premium received or paid.

Swap contracts

Sub-Funds may enter into Credit Default Swaps and other types of swap agreements such as interest rate swaps, swaptions and inflation linked swaps. Gains or losses resulting from swap contracts are recognised in the statement of operations and changes in net assets. The premiums received resulting from Credit Default Swaps are recognised under other income in the statement of operations. Swaps are valued at fair market value as determined in good faith pursuant to procedures established by the Management Company.

Contracts For Difference

For contracts for difference, changes in the value of the contracts are recognised as unrealised gains or losses in the statement of operations by "marking-to-market" the value at the balance sheet date, using prices supplied by independent pricing services that are based on the closing prices of the underlying securities on the recognised exchanges. When a contract is closed, the difference between the proceeds from (or cost of) the closing transaction and the original transaction is recorded as a realised gain or loss in the statement of operations.

Realised Gains & Losses on Sale of Investments

The computation of realised gains and losses on sales of investments is made on the basis of average cost.

Income

Dividends are recognised as income on the dates that securities are first quoted as "ex-dividend" to the extent information thereon is reasonably available to the Fund. Interest is accrued on a daily basis.

Dividend and interest income is disclosed net of irrecoverable withholding tax where applicable.

Notes to the Financial Statements (continued)

As at 30 June 2010

Designated Currencies

As permitted by Luxembourg law, the books of the Fund are kept in United States dollars ("USD") with the exception of the Continental European Equity Fund, the European Growth Fund, the Pan European Smaller Companies Fund, the Pan European Property Equities Fund, the Pan European Equity Fund, the Pan European Equity Dividend Fund, the Pan European Alpha Fund, the Absolute Return Fixed Income Fund, Industries of the Future Fund and the Euro Corporate Bond Fund which are kept in euros ("EUR").

Foreign currency items are translated into these currencies at the rates of exchange ruling at the balance sheet date for assets and liabilities, and for transactions at the rates ruling when they arose.

The EUR figures have been converted into USD dollars in order to produce consolidated combined financial statements to comply with Luxembourg regulations.

Realised and Unrealised exchange differences on the re-evaluation of foreign currencies are taken to the statements of operations.

Reorganisation and Formation Expenses

Each Fund itself bears the costs incurred in obtaining authorisation for distribution in Chile, Germany, Italy, Ireland and Lichtenstein, and the cost of obtaining a stock exchange listing in Amsterdam, these costs are amortised over 5 years.

Expenses relating to the reorganisation of the Henderson Horizon Fund have been allocated to all funds effected and are being amortised over 5 years.

Expenses relating to the formation of Euro Corporate Bond Fund are being amortised over 5 years.

4. Rates of Exchange

The rates of exchange used for the conversion into USD of assets and liabilities of the Fund denominated in other currencies as at 30 June 2010 are as follows:

USD1=AUD	1.1720913	USD1=GBP	0.6656017	USD1=SEK	7.7503994
USD1=CAD	1.0491214	USD1=HKD	7.787906	USD1=SGD	1.3948682
USD1=CHF	1.0807042	USD1=IDR	9061.811102	USD1=THB	32.4083287
USD1=COP	1920.56686	USD1=JPY	88.7113951	USD1=TRY	1.580205
USD1=CZK	20.9563518	USD1=MXN	12.8128661	USD1=TWD	32.2799521
USD1=DKK	6.0633986	USD1=NOK	6.465422	USD1=ZAR	7.6290935
USD1=EUR	0.8136981	USD=NZD	1.44945		
USD1=KRW	1223.57652	USD1=PLN	3.3627196		

5. Management Fee

On 31 March 2005, the Fund signed a Fund Management and Advisory Agreement appointing Henderson Management S.A. as Investment Adviser and Henderson Fund Management (Luxembourg) S.A., a company incorporated under the laws of Luxembourg on 18 February 2005, as the Management Company.

For the year ended 30 June 2010 the management fees, as a percentage per annum on the total net assets of the relevant fund, were as follows:

	Class A and Class X Shares*	Class I Shares	Class B	Class R
Bond Funds				
Absolute Return Fixed Income Fund	0.75%	0.75%		
Euro Corporate Bond Fund	0.75%	0.75%		
Regional Funds				
American Equity Fund	1.20%	1.00%		
Asian Dividend Income Fund	1.20%	1.00%		
Continental European Equity Fund	1.20%	1.00%		
European Growth Fund	1.20%	1.00%	1.00%	1.75%
Japanese Equity Fund	1.20%	1.00%		
Asian Growth Fund	1.20%	1.00%		

Notes to the Financial Statements (continued)

As at 30 June 2010

	Class A and Class X Shares*	Class I Shares	Class B	Class R
Pan European Equity Fund	1.20%	1.00%		
Pan European Equity Dividend Fund	1.00%	1.00%		
Specialist Funds				
Asia-Pacific Property Equities Fund		1.20%		1.00%
China Fund		1.20%		1.00%
Global Opportunities Fund		1.20%		1.00%
Global Property Equities Fund		1.20%		1.00%
Global Technology Fund		1.20%		1.00%
Industries of the Future Fund		1.20%		1.00%
Japanese Smaller Companies		1.20%		1.00%
Pan European Alpha Fund		1.20%		1.00%
Pan European Properties Equities Fund		1.20%		1.00%
Pan European Smaller Companies Fund		1.20%		1.00%

Additional fees and expenses will be charged to Shareholders of Class I Shares as part of the management fee subject to the limit on the relevant management fee set out above. All additional fees and expenses that the Company cannot recover from the Shareholders of the Class I Shares through the management fee shall be borne by the Investment Manager (note 15).

The Investment Adviser is also entitled to performance fees on all funds as detailed in the Prospectus. At 30 June 2010 the following provision was made for performance fees: Euro Corporate Bond Fund EUR 7,269, Asian Growth Fund USD 2,131, Pan European Equity Fund EUR 833,797, Asia-Pacific Property Equities Fund USD 8,672, Global Technology Fund USD 276,859, Industries of the Future Fund EUR 8,311, Japanese Smaller Companies Fund USD 188 and Pan European Alpha Fund EUR 446,560.

* Class X shares are distributed only in Italy and Spain and only to retail investors in these countries.

6. Shareholder Servicing Fee

A shareholder servicing fee with respect to each sub-class of Class A Shares and Class X Shares (note 9) is payable out of the assets of each fund to the Distributor at the annual rate of 0.5% per annum for the Regional and Specialist Funds (note 2) and 0.25% per annum for the Bond Funds of the relevant fund's average daily net assets, accrued daily and payable monthly in arrears. This fee is payable to the Distributor for services provided and expenses incurred by it in respect of the ongoing liaison with, and the ongoing costs of the remuneration of, those distributors appointed by the Distributor to procure sale of the shares of the Fund.

7. Distribution Fee

A distribution fee is payable to the distributor in respect of Class X shares out of the assets of each fund at the rate of 0.6% per annum for the Regional and Specialist funds, and 0.35% per annum for the Bond funds of the relevant fund's average daily net assets, accrued daily and payable monthly in arrears. The fee is payable to the Distributor as remuneration for providing distribution-related services to the funds with respect to Class X shares.

8. Taxation

Under Luxembourg law, there is no Luxembourg income, withholding or capital gains taxes payable by the Company. The Company will, however, be subject to an annual tax, calculated and payable quarterly, on the aggregate net asset value of each fund at the end of each quarter being 0.05% per annum on the Regional, Specialist and Bond Funds and 0.01% per annum on the Class I and Class B Shares. No such tax is due on the portion of the Company's assets invested in other Luxembourg undertakings for collective investment. Capital gains, dividends and interest on securities issued in other countries and held by the Fund may be subject to withholding and capital gains taxes imposed by such countries.

Under current legislation, Shareholders are not subject to any capital gains, income, inheritance or other taxes in Luxembourg (except for Shareholders domiciled, resident or having a permanent establishment in Luxembourg and for certain residents of Luxembourg owning more than 10% of the share capital of the Company or non resident Shareholders owning more than 10% of the share capital of the Company, selling the whole or part of their Shares within 6 months of acquisition)

In accordance with the provisions of the European Union Savings Directive ("EUSD") which came into force on 1 July 2005, withholding tax will apply when a Luxembourg paying agent makes distributions from and redemptions of Shares in certain funds and where the beneficiary of these proceeds is an individual residing in another Member State. Such distributions and redemptions will be subject to withholding tax at the rate of 20% until 31 December 2010 and 35% thereafter.

Notes to the Financial Statements (continued)

As at 30 June 2010

9. Share Capital

The Company offers Class A Shares and Class I Shares and Class X shares for each of its Funds (in addition, the European Growth Fund offers share class B and share class R shares). The fee structure for each of these share classes is described in notes 5, 6 and 7.

There are two sub-classes of Shares, "sub-class 1 Shares" or "Distribution Shares" and "sub-class 2 shares" or "Accumulation Shares". These sub-classes of Shares are abbreviated in the financial statements as "A1" and "A2", "I1" and "I2". Class X shares offer only accumulation shares. The Absolute Return Fixed Income Fund offers only Accumulation shares and for the European Growth Fund only Distribution Shares are available for Class B and Class R.

Sub-class 1 Shares or Distribution Shares entitle the shareholder to the periodical distribution of net income and/or realised capital gains. Sub-class 2 Shares or Accumulation Shares do not entitle the shareholder to the distribution of net income or realised capital gains, which instead are accumulated.

All shares of the Fund are of no par value and, subject to the restrictions of Luxembourg law, are each entitled to one vote at all meetings of the Shareholders.

Shareholders may switch all or part of their shareholdings from one or more of the funds into the same Class of one or more of the other funds on any Business Day. Switches into Class I Shares are not permitted, unless the investor switching into Class I is an institutional investor within the meaning of Article 129 of the law of 20 December 2002.

Switches into Class X shares are only permitted if the investor is a retail investor and an Italian or Spanish resident.

10. Charges and Expenses

In addition to the charges described in notes 5, 6, 7 and 8 above, global operating and other expenses of the Fund are charged to the funds on a pro-rata basis calculated on the net asset value of each fund. This includes audit and legal fees. Custodian fees are charged to each fund on an actual basis. Administration fees are charged to each fund up to a maximum rate. Additional fees and expenses will be charged to Shareholders of Class I Shares as part of the management fee subject to the limit on the relevant management fee set out above (note 5).

11. Net Asset Value

The net asset value is calculated on each business day in Luxembourg.

12. Equalisation

An equalisation account is operated in connection with the issue and redemption of shares. The income element of the issue and redemption prices of the Portfolio is taken to the statement of changes in net assets.

Notes to the Financial Statements (continued)

As at 30 June 2010

13. Dividends Paid

During the period dividends were declared and were paid on the following funds:

Sub-Fund	Share Class	Pay Date	Amount paid in Sub-Fund Currency	No of shares	Rate per share in Sub-Fund Currency
American Equity Fund	I1	20/10/2009	USD 9,360	119,941.61	0.078040
Asian Dividend Income Fund	A1	20/10/2009	USD 703,696	3,780,011.70	0.186162
	I1	20/10/2009	USD 648,088	3,428,257.84	0.189043
	A1	20/01/2010	USD 206,560	2,520,066.24	0.081966
	I1	20/01/2010	USD 271,868	3,324,289.23	0.081782
	A1	20/04/2010	USD 297,666	2,428,978.04	0.122548
	I1	20/04/2010	USD 512,336	4,089,722.25	0.125274
	A1	20/07/2010	USD 646,106	2,583,556.16	0.250084
	I1	20/07/2010	USD 813,803	3,235,704.19	0.251507
			USD 4,100,123		
Asian Growth Fund Fund	A1	20/10/2009	USD 279	347.08	0.803073
Continental European Equity Fund	I1	20/10/2009	EUR 10,896	15,726.63	0.692859
Japanese Equity Fund	A1	20/10/2009	USD 8,125	94,979.12	0.085549
Pan European Equity Fund	A1	20/10/2009	EUR 117,439	501,235.97	0.234299
	I1	20/10/2009	EUR 183,218	670,000.00	0.273459
			EUR 300,657		
Pan European Equity Dividend Fund	A1	20/10/2009	EUR 15,060	40,476.01	0.372080
	I1	20/10/2009	EUR 27,844	74,500.06	0.373734
	A1	20/04/2010	EUR 7,770	48,911.28	0.158863
			EUR 50,674		
Asia-Pacific Property Equities Fund	A1	20/10/2009	USD 2,497,278	12,320,037.85	0.202700
	I1	20/10/2009	USD 85,985	295,642.78	0.290842
			USD 2,583,263		
China Fund	A1	20/10/2009	USD 704	834,323.48	0.000844
	I1	20/10/2009	USD 5,593	5,937,317.35	0.000942
			USD 6,297		
Global Property Equities Fund	A1	20/10/2009	USD 2,561,302	9,255,283.88	0.276739
	I1	20/10/2009	USD 444,571	1,380,925.12	0.321937
			USD 3,005,873		
Global Technology Fund	I1	20/10/2009	USD 51,782	773,147.36	0.066976
Japanese Smaller Companies Fund	A1	20/10/2009	USD 13,722	52,972.52	0.259036
Pan European Alpha Fund	A1	20/10/2009	EUR 8,957	193,045.88	0.046399
Pan European Property Equities Fund	A1	20/10/2009	EUR 577,032	1,352,016.14	0.426794
	I1	20/10/2009	EUR 232,352	476,212.92	0.487913
			EUR 809,384		
Pan European Smaller Companies Fund	A1	20/10/2009	EUR 13,229	131,840.81	0.100339
	I1	20/10/2009	EUR 26	119.00	0.219039
			EUR 13,255		

Notes to the Financial Statements (continued)

As at 30 June 2010

14. Cash at Bank

Cash at Bank as at 30 June 2010 comprised of:

Sub-Fund	Amount in Fund Currency	Sub-Fund	Amount in Sub-Fund Currency
Absolute Return Fixed Income Fund	EUR	Global Technology Fund	USD
Current Accounts	1,146,729	Current Accounts	27,862,929
Margin account (Futures)	99,028		
Term deposits	11,302,087	Industries of the Future Fund	EUR
Collateral (note 22)	270,000	Current Accounts	397,518
	12,817,844		
Euro Corporate Bond Fund	EUR	Japanese Smaller Companies Fund	USD
Current Accounts	382,982	Current Accounts	5,480,733
Margin account (Futures)	37,467		
	420,449	Pan European Alpha Fund	EUR
		Current Accounts	8,202,403
American Equity Fund	USD	Margin account (Contracts for Difference)	6,201,815
Current Accounts	9,582,773	Term Deposits	15,005,394
			29,409,612
Asian Dividend Income fund	USD	Pan European Property Equities Fund	EUR
Current Accounts	2,663,914	Current Accounts	4,398,195
Asian Growth Fund	USD	Pan European Smaller Companies Fund	EUR
Current Accounts	906,005	Current Accounts	10,772,363
Continental European Equity Fund	EUR		
Current Accounts	3,152,334		
European Growth Fund	EUR		
Current Accounts	343,324		
Japanese Equity Fund	USD		
Current Accounts	644,429		
Pan European Equity Fund	EUR		
Current Accounts	86,387,758		
Pan European Equity Dividend Fund	EUR		
Current Accounts	268,011		
Asia-Pacific Property Equities Fund	USD		
Current Accounts	28,049,965		
Margin account (Contracts for Difference)	6,348		
	28,056,313		
China Fund	USD		
Current Accounts	28,736		
Margin account (Futures)	3,683,261		
Margin account (Contracts for Difference)	107,124,731		
	110,836,728		
Global Opportunities Fund	USD		
Current Accounts	309,237		
Global Property Equities Fund	USD		
Current Accounts	15,636,229		

Notes to the Financial Statements (continued)

As at 30 June 2010

15. Securities Lending

Henderson has entered into securities lending agreements for a number of equity and Fixed income Sub-Funds. In return for making securities available for loan throughout the year, the Sub-Funds participating in the programmes received fees which are reflected in the Financial Statements of each participating Sub-Fund under the "other income" caption. The Fund has appointed BNP Paribas Securities Service UK Limited (BP2S UK), acting through its London branch as agent for the equity and fixed income lending program. As remuneration for this agency role, BP2S UK receives a percentage of the variable fees from the associated program. All security loans are fully collateralized.

Securities lending commissions are classified as 'other income' in the statement of operations.

As at 30 June 2010, the market value of the securities lent is as follows:

Fund Description	Counterparty	Currency	Nominal	Price	Market Value
				USD	USD
Asian Dividend Income Fund					
Amcors Limited	RBS Group NV (Former ABN)	AUD	540,000	5.47	2,953,183
Incitec Pivot	RBS Group NV (Former ABN)	AUD	1,000,000	2.43	2,431,551
QBE Insurance	RBS Group NV (Former ABN)	AUD	170,000	15.61	2,654,230
					8,038,964
				USD	USD
Asian Growth Fund					
Agile Property Holdings	Deutsche Bank AG (intl equities)	HKD	1,200,000	1.07	1,278,906
Guangzhou R&F Properties	Morgan Stanley & co (intl equities)	HKD	785,000	1.30	1,022,085
					2,300,991
				USD	USD
Japanese Equity Fund					
Renesas Electronics	Goldman Sachs International (intl equities)	JPY	50,000.00	8.86	443,010
Mizuho Financial	Merrill Lynch International (intl equities)	JPY	783,000.00	1.66	1,297,477
Renesas Electronics	Morgan Stanley & co (intl equities)	JPY	46,000.00	8.86	407,569
					2,148,056
				EUR	EUR
Pan European Equity Fund					
Schneider Electric	Goldman Sachs International (intl equities)	EUR	5,017.00	83.59	419,371
StatoilHydro	RBS Group NV (Former ABN)	NOK	1,568,731.00	15.83	24,833,012
					25,252,383
				USD	USD
Asia-Pacific Property Equities Fund					
Keppel Land	Morgan Stanley & co (intl equities)	SGD	2,505,000.00	2.78	6,987,970
CFS Retail Property	RBS Group NV (Former ABN)	AUD	6,650,000.00	1.64	10,893,350
Stockland Trust Management	RBS Group NV (Former ABN)	AUD	1,685,000.00	3.17	5,333,501
Bunnings Warehouse Property	RBS Group NV (Former ABN)	AUD	45,000.00	1.65	74,098
					23,288,919
				USD	USD
Global Property Equities Fund					
Bunnings Warehouse Property	RBS Group NV (Former ABN)	AUD	2,054,600.00	1.65	3,390,090
CFS Retail Property	RBS Group NV (Former ABN)	AUD	3,600,000.00	1.64	5,897,152
Stockland Trust Management	RBS Group NV (Former ABN)	AUD	315,000.00	3.17	997,064
Westfield Group	RBS Group NV (Former ABN)	AUD	2,000,000.00	10.62	21,244,079
					31,528,385
				USD	USD
Japanese Smaller Companies Fund					
Nissha Printing	Goldman Sachs International (intl equities)	JPY	25,000.00	26.24	656,060
Culture Convenience Club	Goldman Sachs International (intl equities)	JPY	426,400.00	4.58	1,951,479
Gourmet Navigator	Merrill Lynch International (intl equities)	JPY	500.00	1228.70	614,352
Kenedix	Merrill Lynch International (intl equities)	JPY	6,500.00	171.40	1,114,090
NPC Incorporated	Morgan Stanley & co (intl equities)	JPY	60,000.00	16.38	982,737
Gourmet Navigator	Morgan Stanley & co (intl equities)	JPY	564.00	1228.70	692,989
					6,011,707

Notes to the Financial Statements (continued)

As at 30 June 2010

16. Transactions with Connected Persons

During the year under review, the following transactions were entered into by the Fund with the following connected persons of the Fund:

(1) The Management Company and Investment Adviser – Note 5 documents the percentages of management fees relevant to each fund. The total amount paid by the Fund to the Management Company, Henderson Fund Management (Luxembourg) S.A., and the Investment Adviser, Henderson Management SA, during the year in respect of these fees was USD 58,198,473 (June 2009: USD 42,089,718).

Out of the fees of the Investment Adviser and Management Company, the Investment Manager was entitled to fees at the rate of 25% of the Manager's management fee for the Equity funds (except for the Pan European Property Equities Fund) and 12.5% of the Investment Adviser's and Management Company's management fee for the Bond funds and the Pan European Property Equities Fund. The total amount paid by the Manager to the Investment Manager during the year in respect of fees was USD 13,587,566 (June 2009: USD 9,783,502).

(2) The shareholder servicing – as from 19 November 2001, fees paid to the Distributor were up to 0.5% per annum of the average total net assets (excluding those assets attributable to shareholders of the I shares) of the Equity funds and 0.25% per annum for the Bond funds. The total amount paid by the Fund to the Distributor during the year in respect of these fees was USD 18,477,709 (June 2009, USD 14,360,445).

Further, a Distribution fee at the annual rate of 0.6% per annum for the Regional and Specialist Funds and 0.35% per annum for the Bond Funds of the Fund's average daily net assets is payable to the distributor. The total amount paid by the Fund to the Distributor during the year in respect of these fees was USD 142,531 (June 2009, USD 77,476).

(3) The Directors- fees payable to the Directors were USD 28,673 (June 2009, USD 29,878)

(4) The Directors- Directors' transactions into the fund during the year were USD nil (June 2009, USD nil)

These transactions were entered into in the ordinary course of business and on normal terms

17. Soft Commission

No cash rebates were retained by the Manager or any of its connected persons. All transactions carried out on behalf of the Fund were conducted on an arm's length basis and were executed on the best available terms.

The Manager and any of its connected persons may effect transactions by or through the agency of another person with whom the Manager and any of its connected persons have an arrangement under which that party will from time to time provide to or procure for the Manager and any of its connected persons goods, services or other benefits, such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc., the nature of which is such that their provision can reasonably be expected to benefit the Fund as a whole and may contribute to an improvement in the Fund's performance and that of the Manager or any of its connected persons in providing services to the Fund and for which no direct payment is made. Instead, the Manager and any of its connected persons undertake to place business with the party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments. Soft dollar commissions may be retained by the Manager or any connected persons of the Manager provided that the brokerage rates are not in excess of customary institutional full-service brokerage rates.

18. Withholding tax reclaims

Withholding tax reclaims (WHT) have been filed in respect of WHT applied on French, German, Italian, Norwegian, Spanish and Swedish dividends during the years 2003 to 2009. The likely outcome of these reclaims cannot be assessed at the current point in time and consequently no amounts in respect of these reclaims have been included in these financial statements. Should all of the claims be successful, the effect on each of the impacted sub-funds (expressed in absolute terms and as a percentage of Net Assets as at 30 June 2010) would be as follows:

Fund	Total (EUR)	% Weighting of Total Net Assets
Continental European Equity Fund	2,530,261.26	3.30%
Global Opportunities Fund	20,188.27	0.21%
Global Property Equities Fund	220,884.79	0.05%
Global Technology Fund	10,326.47	0.00%
Pan European Alpha Fund	5,065.43	0.00%
Pan European Equity Fund	2,716,089.43	0.16%
Pan European Equity Dividend Fund	514,335.06	4.48%
Pan European Property Equities Fund	3,093,909.47	1.52%
Pan European Smaller Companies Fund	1,788,838.44	0.67%

19. Purchase and Sales of Securities

A listing of purchases and sales of securities during the year is available upon request at the registered office of the Fund.

Notes to the Financial Statements (continued)

As at 30 June 2010

20. Special Information for Swiss Investors

Fund	Share Class	TER -	
		Before performance fee	After performance fee
Absolute Return Fixed Income Fund	A	1.22%	1.22%
	I	0.75%	0.75%
	X	1.57%	1.57%
Euro Corporate Bond Fund	A	1.41%	1.85%
	I	0.75%	0.77%
American Equity Fund	A	1.96%	1.96%
	I	1.00%	1.00%
	X	2.56%	2.56%
Asian Dividend Income Fund	A	2.02%	2.02%
	I	1.00%	1.00%
	X	2.61%	2.61%
Asian Growth Fund	A	2.01%	2.01%
	I	1.00%	1.58%
	X	2.61%	2.61%
Continental European Equity Fund	A	1.97%	1.97%
	I	1.00%	1.00%
	X	2.58%	2.58%
Japanese Equity Fund	A	1.99%	1.99%
	I	1.00%	1.00%
	X	2.57%	2.57%
Pan European Equity Fund	A	1.94%	1.94%
	I	1.00%	1.15%
	X	2.55%	2.55%
Pan European Equity Dividend Fund	A	1.86%	1.86%
	I	1.00%	1.00%
	X	2.46%	2.46%
Asia-Pacific Property Equities Fund	A	1.96%	1.96%
	I	1.00%	1.01%
	X	2.55%	2.55%
China Fund	A	1.96%	1.96%
	I	1.00%	1.00%
	X	2.57%	2.57%
Global Opportunities Fund	A	2.09%	2.09%
	I	1.00%	1.00%
	X	2.71%	2.71%
Global Property Equities Fund	A	1.96%	1.96%
	I	1.00%	1.00%
	X	2.56%	2.56%
Global Technology Fund	A	1.95%	1.95%
	I	1.00%	1.14%
	X	2.55%	2.55%
Industries of the Future Fund	A	2.15%	2.16%
	I	1.00%	1.17%
	X	2.75%	2.87%
Japanese Smaller Companies Fund	A	1.98%	1.98%
	I	1.00%	1.00%
	X	2.58%	2.58%
Pan European Alpha Fund	A	2.02%	2.14%
	I	1.00%	1.81%
	X	2.59%	2.59%
Pan European Property Equities Fund	A	1.94%	1.94%
	I	1.00%	1.00%
	X	2.55%	2.55%
Pan European Smaller Companies Fund	A	1.96%	1.96%
	I	1.00%	1.00%
	X	2.56%	2.56%

As at 30 June 2010 the European Growth Fund is less than 90 days old therefore no TER is required.

Notes to the Financial Statements (continued)

As at 30 June 2010

21. Portfolio Turnover Rates

Fund	Portfolio Turnover Rate %
Absolute Return Fixed Income Fund	906.96
Euro Corporate Bond Fund	186.79
American Equity Fund	45.50
Asian Dividend Income Fund	(16.51)
Asian Growth Fund	13.77
Continental European Equity Fund	94.21
Japanese Equity Fund	(31.33)
Pan European Equity Fund	58.17
Pan European Equity Dividend Fund	41.94
Asia-Pacific Property Equities Fund	44.06
China Fund	37.33
Global Opportunities Fund	112.28
Global Property Equities Fund	126.26
Global Technology Fund	(6.16)
Industries of the Future Fund	48.63
Japanese Smaller Companies Fund	(114.81)
Pan European Alpha Fund	(46.37)
Pan European Property Equities Fund	(29.31)
Pan European Smaller Companies Fund	(1.03)

As at 30 June 2010 the European Growth Fund was less than 90 days old therefore no Portfolio turnover rate is calculated.

22. Impaired Asset

During the week of 15 September 2008, certain Lehman Brothers entities in various jurisdictions became subject to bankruptcy, administration or other restrictions. The Absolute Return Fixed Income Fund ("the Sub-fund") held 9 OTC positions with some of these Lehman Brothers entities. The combined unrealised loss of USD 20,984 of the OTC positions has been realised in the profit and loss of the Sub-fund. The Sub-Fund also had a collateral for EUR170,000 at Lehman Brothers, which is presented under "Cash at bank" (note 14).

A claim of USD 215,107 has been submitted to Lehman Brothers' liquidators (corresponding to the USD equivalent of EUR 170,000 minus USD 20,984). Given the uncertainty of this claim, a provision of EUR 170,000 has been made, which is accounted for under "other liabilities".

23. Subsequent Events

The Global Currency Fund was launched on 1 July 2010. More information on this can be found in the Fund prospectus.

To the Shareholders of
Henderson Horizon Fund
33 rue de Gasperich
L-5826 Hespérange
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

We have audited the accompanying financial statements of Henderson Horizon Fund (the "SICAV") and each of its sub-funds, which comprise the statement of net assets and the portfolio as at 30 June 2010 and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Board of Directors of the SICAV's responsibility for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Henderson Horizon Fund and each of its sub-funds as of 30 June 2010, and of the results of their operations and changes in their net assets for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matter

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Luxembourg, 22 September 2010

KPMG Audit S.à r.l.
Cabinet de révision agréé
Nathalie Dogniez

General Information

Henderson Horizon Fund (the "Fund") is an open-ended investment company incorporated in Luxembourg as a société d'investissement à capital variable (SICAV) on 30 May 1985 and is a recognised collective investment scheme for the purposes of Section 76 of the United Kingdom Financial Services Act 1986. Potential investors in the United Kingdom are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Fund and that compensation will not be available under the Financial Services Compensation Scheme.

This Report is issued by Henderson Global Investors Limited (regulated by the FSA), the Investment Manager. Henderson Global Investors Limited has its registered office at 201 Bishopsgate, London EC2M 3AE. Tel +44 207 818 1818.

The Fund provides a simple and cost effective way of investing in world equity and bond markets. The Fund, through its twenty funds, provides investors with access to eighteen equity funds and two bond funds.

Applications for shares may be made on any business day in Luxembourg to the Registrar and Transfer Agent between 9.00am and 6.00pm (local time), or to the Distributor in London between 9.00am and 5.00pm (local time). Applications should be made on the application form circulated with the Prospectus or by fax, telephone or in writing and may be made in any major currency. If you are sending applications by fax or telex, you should also subsequently send the original form by post. Applications are accepted by telephone only from existing investors who have previously been issued with a Personal Service Number.

For full information, including a copy of the Prospectus, please write to the Registrar and Transfer Agent or Distributor at the addresses shown on page 1. Alternatively, contact the main dealing desk on Luxembourg +352 2696 2050 or visit the Fund's website: www.henderson.com/horizon.

Please remember that past performance is not necessarily a guide to future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Tax assumptions may change if the law changes and the value of tax relief will depend upon individual circumstances. Please refer to the Prospectus for information on the Henderson Horizon Fund.

Henderson Global Investors

Founded in 1934, Henderson is a leading investment manager, providing a wide range of investment products and services to institutions and individuals in Asia, Europe and North America. Henderson manages over USD 84.4 billion (as at 30 June 2010) in assets and employs more than 900 people around the world.

Henderson has a clear focus on investment management and manufactures a broad range of actively-managed investment products for institutional and retail investors across multiple asset classes including equities, fixed income, private equity and property.

Henderson has offices in Amsterdam, Frankfurt, Paris, Milan, Vienna and Zurich and in London where our headquarters are based. Henderson has had a presence in North America since 1999 when it acquired US real estate investment manager Phoenix Realty Advisers, and has offices in Chicago and Hartford. In Asia, Henderson has offices in Hong Kong, Singapore and Tokyo.

With investment expertise across every asset class, Henderson's skilful investment managers invest in every major market around the globe. They are supported by a global team of researchers and economists who have a keen understanding of the economic forces driving the security markets and who undertake rigorous sector and theme analysis. Underpinning this process is a comprehensive risk control framework to ensure that investment views are translated into portfolios managed in line with investors' risk and return requirements.

Listed below is an overview of the key components of our business:

- Leading manager of investment trusts and investment companies with USD 3.5 billion managed for 16 client boards
- USD 17.7 billion managed in 51 OEIC sub funds
- Based in London, Henderson Global Investors has a growing network of international operations, with offices in Australia, France, Germany, Hong Kong, Italy, Japan, Jersey, Luxembourg, Republic of Ireland, The Netherlands, New Zealand, Singapore, Switzerland, and the USA
- In Canada, Henderson Global Investors has a successful distribution partnership with Mackenzie Financial Corporation, one of Canada's leading mutual fund providers
- Henderson Global Investors manages over USD 53.7* billion in institutional funds and USD 30.6 billion in retail funds
- Successfully selling our range of fund management skills to an increasingly broad range of UK and European institutions
- Clients in Canada, Japan, the Netherlands, Australia, Singapore and the US, and increasingly in other European countries. In total, over USD 27.1 billion is managed for non-UK clients.

*Includes Pearl Group funds

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