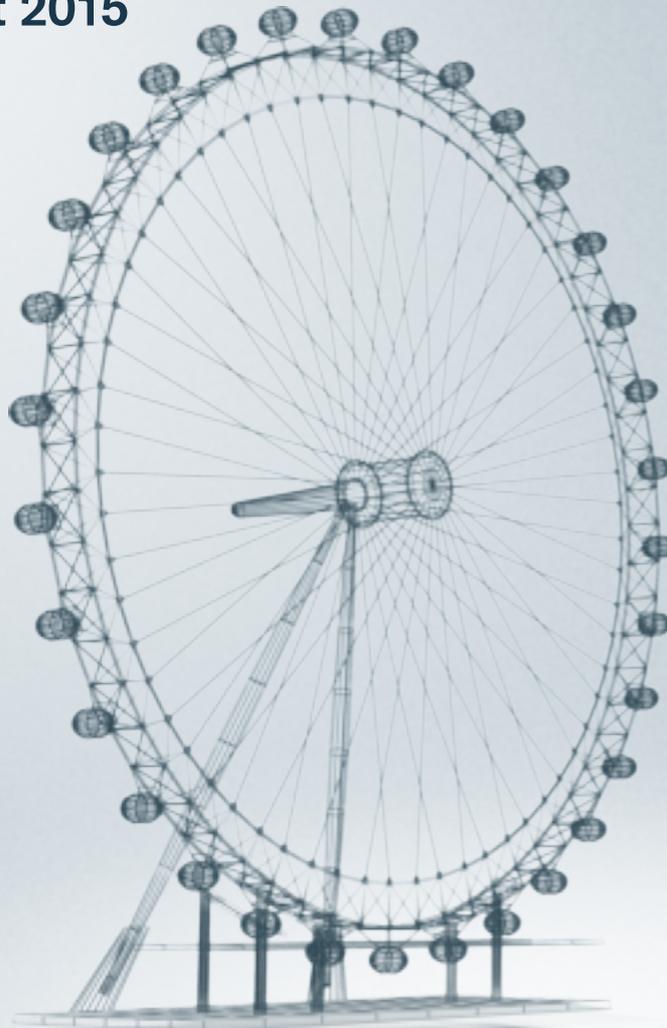


HENDERSON ALTERNATIVE STRATEGIES TRUST PLC

Annual Report 2015



(Formerly Henderson Value Trust plc)

MANAGED BY

Henderson
GLOBAL INVESTORS

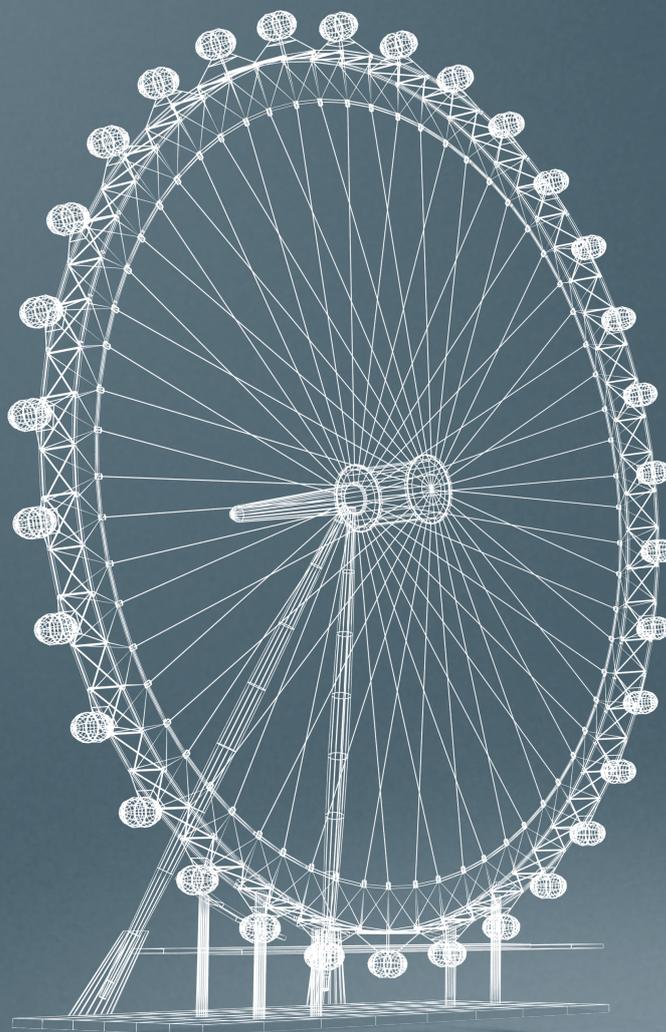
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Strategic Report

“In two years, we have substantially reduced our exposure to emerging markets and commodities and, with our NAV total return outperforming our benchmark in the second half of the year under review, we expect the Company’s performance to improve steadily from here to acceptable and sustainable levels of long-term NAV growth”.

Richard Gubbins, Chairman



Strategic Report: Business Model

Investment Objective

The Company exploits global opportunities to provide long-term growth to shareholders via a diversified, international, multi-strategy portfolio which offers access also to specialist funds including hedge and private equity. The Company aims to outperform the FTSE World Total Return Index.

Investment Strategy

The Company's strategy is to meet its investment objective. This is achieved through the appointment of external management which operates in accordance with the Company's investment policy. The investment trust company structure allows shareholders, whether institutions or private investors, to access a diversified portfolio that is professionally managed.

Investment Policy

Investments

The portfolio will comprise investments which are considered to have attractive medium to long-term return potential and a specialist or alternative asset focus. Specialist investments will target particular geographies or sectors and alternative investments will be focused on the private equity, hedge and property asset classes. There will be a minimum of 30 individual investments.

Investment Instruments

The Company aims to achieve its investment objective by investing in listed or unlisted closed-end investment funds, open-ended investment funds, listed or unlisted company shares, exchange traded funds, contracts for difference ("CFDs"), and warrants and related instruments.

Investment of Cash Resources

In the event the Company has significant cash resources it will typically invest in UK government securities or money market funds.

Benchmark

The Company's benchmark, the FTSE World Total Return Index, is a global equity market index which provides the Company with a total return yardstick for its investment portfolio. Given the flexibility of the Company's investment mandate, the pursuit of the Company's investment objective may result in the geographical weightings of its investment portfolio deviating significantly from the geographical weightings of the benchmark index. The investment portfolio may also include a significant number of unlisted investments which are not represented in the benchmark index.

Given the fact that the Company's portfolio includes a number of emerging market exposures, an additional informal performance measure has been adopted by the Board which the Company also report against. This is a composite index comprising the FTSE Developed Total Return Index (75%) and the FTSE Emerging Markets Total Return Index (25%).

Limits

The following limits address the need for maintaining an appropriate degree of portfolio diversification in relation to asset class, geography, sector, gearing and underlying portfolio liquidity:

- individual investments shall not exceed 10% of total portfolio value;
- investments in private equity funds shall not exceed 35% of total portfolio value;
- investments in hedge funds shall not exceed 20% of total portfolio value;
- investments in property funds shall not exceed 20% of total portfolio value;
- no more than 50% of total portfolio value shall be invested in emerging or frontier markets on a look-through basis;
- no more than 20% of total portfolio value shall be invested in one sector on a look-through basis;
- unlisted investments without redemption rights shall not exceed 20% of total portfolio value;
- borrowings and long-only CFDs' exposure shall not exceed 20% of the Company's net asset value on a combined basis; and
- portfolio hedging exposure shall not exceed 20% of the Company's net asset value.

For the purposes of the above limits, total portfolio value equals the total value of portfolio investments and excludes cash or cash equivalents.

The limits apply at the time a new investment is made. To the extent a limit is exceeded as a result of changes in the value of investments, the Manager will seek to manage the position in a manner consistent with the best interests of Shareholders.

Management

The Company has appointed Henderson Investment Funds Limited ("HIFL") to act as its Alternative Investment Fund Manager in accordance with an agreement effective from 22 July 2014 which is terminable on six months' notice. HIFL delegates investment management services to Henderson Global Investors Limited. Both entities are authorised and regulated by the Financial Conduct Authority. References to Henderson within this report refer to the services provided by both entities.

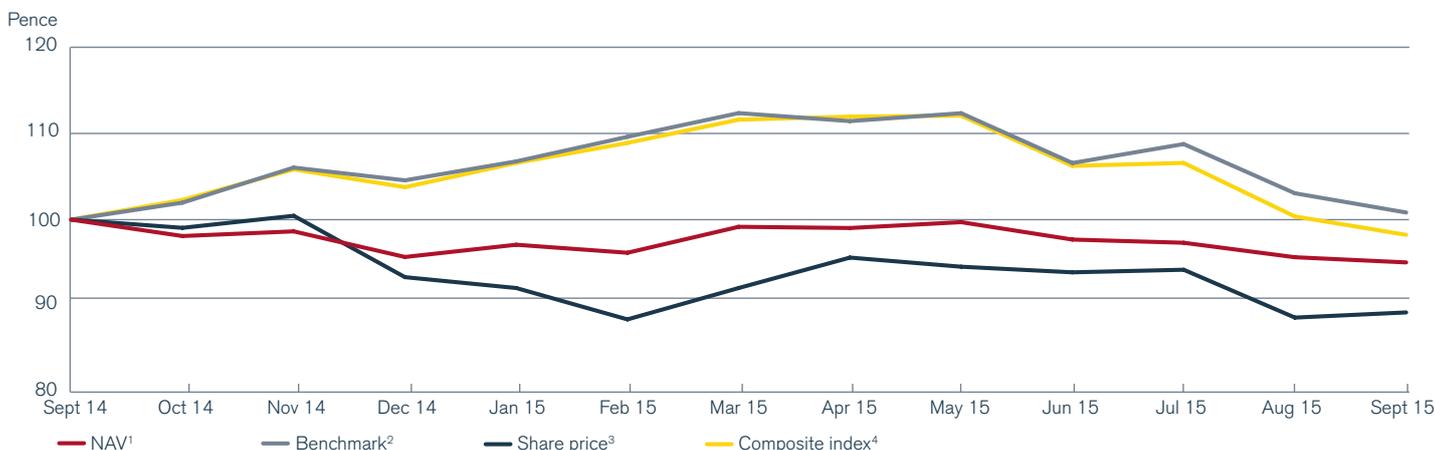
The management fee is charged at a rate of 0.7% per annum. Fees are payable quarterly in arrears based on the level of net chargeable assets at the relevant quarter end.

The portfolio is jointly managed by Ian Barrass and James de Bunsen.

Henderson and its subsidiaries also provide accounting, company secretarial and general administrative services. Some of the administration and accounting services are carried out, on behalf of Henderson, by BNP Paribas Securities Services. Rachel Peat ACIS acts as Company Secretary on behalf of Henderson Secretarial Services Limited.

Strategic Report: Performance Highlights

Total Return Performance for year to 30 September 2015 (rebased to 100)



NAV per ordinary share

2015 **275.6p** 2014 **291.9p**

Share price per ordinary share

2015 **221.0p** 2014 **250.9p**

Discount⁵

2015 **19.8%** 2014 **14.1%**

Number of investments

2015 **57** 2014 **58**

Total return per ordinary share

2015 **(14.9p)** 2014 **3.2p**

Market capitalisation

2015 **£95.0m** 2014 **£119.8m**

Dividend for year⁶

2015 **3.3p** 2014 **3.0p**

Ongoing charge for year

2015 **0.97%** 2014 **0.93%**

1 Net Asset Value total return (including dividends reinvested)

2 FTSE World Total Return Index in sterling terms

3 Share Price total return using mid-market prices

4 FTSE Developed Total Return Index (75%)/FTSE Emerging Markets Total Return Index (25%) – a composite index introduced as an additional informal performance measure

5 Calculated using year-end audited NAVs including current year revenue

6 2015 dividend subject to approval at the AGM to be held on 27 January 2016

Sources: Morningstar Funddata, Henderson, Datastream

A glossary of terms is included on pages 18 and 19

Strategic Report: Chairman's Statement



The Chairman of the Company, Richard Gubbins, reports on the year to 30 September 2015

Company Prospects

With two years of major change and restructuring behind us, your Board continues to pursue the improvement in performance that we anticipated at the beginning of the year. Adverse events and market movements have conspired to continue to frustrate our expectations and those of our investors. The beneficial effects of the change of manager two years ago and the consequent, essential portfolio restructuring (which reduced, in a timely manner, exposure to emerging markets and commodity-related investments) have only shown through in the second half of the year under review. This second half performance has at least demonstrated that our underlying investment portfolio has less volatility than developed markets.

Your Board has every confidence in its experienced and dedicated management team at Henderson and remains firmly of the view that improved performance will be delivered in the longer term from the chosen investment strategy and the portfolio of select funds and alternative investments. Ian Barrass and James de Bunsen have undertaken the management of our investment portfolio in a very deliberate and measured manner in order to protect value for shareholders and to put in place sound building blocks for the future.

The Company has a clear and differentiated investment strategy and in the past year has increased exposure to developed equity markets whilst emerging markets offered unsatisfactory returns. However, we will continue to explore ways whereby we can increase significantly our chances of exceeding our global market benchmark in the future and to expose shareholders to the long-term benefits of investments in alternative and specialist areas such as specialist credit, hedge funds and private equity. Such areas by their very nature may have to be viewed as a source of longer-term return which will not be reflected in shorter-term measures of performance. In recognising this, your Board, together with its management team, remain committed to achieving, on behalf of shareholders, long-term returns superior to those of the Company's benchmark, the FTSE World Total Return Index.

In December 2014 the Company passed its triennial continuation vote by a significant margin. On behalf of the Board, I would again like to thank shareholders for their continued support as the Company strives to deliver the long-term returns their patience deserves.

Performance

During the year the Company delivered a NAV total return of -5.0% compared with a 0.8% rise in its FTSE World Total Return Index global equity benchmark. However, it is very encouraging to see that in the second half of our financial year, the Company's NAV total return outperformed this benchmark by 6.1%. Our overall portfolio performance is reviewed in the Fund Managers' Report.

With Henderson's restructuring of the Company's investment portfolio largely complete, the Board expects the Company's performance to improve steadily to acceptable and sustainable levels of long-term NAV growth.

This, in turn, should help to render the Company more attractive to existing and new investors and to increase market demand for its shares, despite this year's very unsatisfactory share price total return of -10.8%. However, your Board considers that such a return fails to reflect the hidden value in the underlying newly invested portfolio, the returns from which can only be viewed over the longer term.

Discount

The Company's share price discount to NAV per share widened from 14.1% to 19.8%. The Board believes that improved portfolio performance is the key to a material and sustained re-rating of the Company's shares and narrowing of the discount. The Board's response to the Company's high discount has been to give shareholders the opportunity to participate in two tender offers, each for up to 10% of the Company's outstanding shares. The first of these tender offers was fully subscribed and completed last January, and returned a total of £12.8 million to tendering shareholders at a discount of 2% to NAV less costs. The second tender offer will be made available to shareholders if the Company's discount averages more than 10% during the twelve months to 30 September 2016. If the second tender offer is triggered, it will be priced at a discount of 5% to NAV less costs. The Board believes that the two tender offers strike the right balance between responding to shareholder concerns regarding the Company's persistently high discount, maintaining thereby sufficient scale for the Company and leaving Henderson with adequate resources to manage the Company's portfolio over the longer-term.

Strategic Report: Chairman's Statement (continued)

Change of Name

In June shareholders voted overwhelmingly in favour of the Company's proposal to change its name from Henderson Value Trust plc to Henderson Alternative Strategies Trust plc. The Board believes that the new name reflects more accurately Henderson's objective of creating a high-quality portfolio of 30 to 40 alternative asset and specialist funds capable of delivering long-term returns above those of the Company's FTSE World Total Return Index global equity benchmark.

Change of Broker

In March the Company announced that it has changed brokers from Panmure Gordon & Co. to Stifel Nicolaus Europe Limited (previously Oriel Securities). The Board would like to record its thanks to Panmure Gordon & Co. for its very valuable efforts.

Dividend

During 2013 the Board announced that, given Henderson's intention to increase the level of income produced by the Company's investment portfolio, it planned to pursue a more progressive dividend policy. Accordingly, the dividend for the year to 30 September 2014 was doubled to 3.0p per share. Following this large initial uplift, future increases are likely to be more modest. The Board is therefore proposing a 10% increase in the dividend for the year to 30 September 2015 to 3.3p per share.

Annual General Meeting

The Annual General Meeting will be held at the offices of Henderson Global Investors, 201 Bishopsgate, London EC2M 3AE on Wednesday 27 January 2016 at 11.30am. I would encourage as many shareholders as possible to attend as an opportunity to meet the Board and to watch a presentation from our Fund Managers. For the first time, the Company's AGM will be broadcast live on the internet. If you are unable to attend in person, you can watch the meeting as it happens by visiting www.henderson.com/trustslive

Key Priority – Improved Performance

The Board is under no illusion that improved performance continues to be the Company's top priority as it enters its new financial year. The Company remains committed to the profitable realisation of the potential within its portfolio. At the same time, the Board, its managers and its brokers will involve themselves in further, vigorous marketing efforts to attract new shareholders. The success of these efforts will, to a large extent, be determined by the Company's investment performance.

I have now been Chairman for just over one year and I am very pleased that we now have a fresh and newly invigorated team of directors, managers and advisers in place. I now very much look forward to engaging with as many of our shareholders as is possible at our AGM and, subsequently, to hear the views on our progress to date.

Finally, I would like to thank my fellow Board colleagues, the Company's fund managers and professional advisers for their commitment since I became Chairman. We have an excellent team dedicated to delivering satisfactory long-term returns for the Company's shareholders and I look forward to reporting on further progress towards that goal over the course of the new financial year.

Richard Gubbins
Chairman

Strategic Report: Fund Managers' Report



Ian Barrass and James de Bunsen, Fund Managers, report on the year to 30 September 2015

Market Overview

The year-ended 30 September 2015 was an eventful 12 months for world equity markets. The first half of the period to 31 March 2015 saw developed markets continue to perform well, driving the Company's FTSE World Total Return Index global equity benchmark up by 12.4%. The second half was very different. Another Greek crisis, more evidence of China's economic slowdown, a devaluation of the Chinese Renminbi and speculation regarding the timing and quantum of US interest rate rises all contributed, amongst other things, to a high level of market uncertainty and volatility. There were few places to hide, with developed and emerging equity markets both suffering over concerns regarding global growth. Accordingly, the Company's benchmark fell by 10.3% over the six months to 30 September 2015.

Portfolio Development

Since taking over the management of the Company's investment portfolio in April 2013 our aim has been to create a high-quality portfolio of 30 to 40 alternative asset and specialist funds capable of delivering long-term returns consistently above those of the Company's global equity benchmark. Importantly, in order to maintain the Company's position as a genuinely differentiated investment proposition, we are looking to deliver these returns by investing mainly in funds which are either niche, complex or hard-to-access and which our shareholders are generally unlikely to own directly. In addition, we prefer investments which exhibit limited correlation to global equity markets.

Restructuring the Company's investment portfolio along these lines has taken time, but by the 30 September 2015 year-end the core tranche of up to 30 longer-term investments was in place. During the new financial year we also expect to increase the number of shorter-term tactical investments, up to a maximum of ten, in order to take advantage of what are likely to be increasingly volatile markets. These tactical investments will be funded partly through cash generated from the remaining tail of inherited illiquid holdings which, at the time of writing, represents approximately 17% of the total portfolio.

Portfolio Performance

The Company's NAV total return was -5.0% during the year compared with a 0.8% increase in its FTSE World Total Return Index benchmark. The low correlation of the Company's portfolio to world equity markets was highlighted by its relative performance against benchmark over the year. For example, underperformance of 12.8% in the first half in a rising market environment was followed by second half outperformance of 6.1% as markets declined.

With our portfolio restructuring largely complete, we believe that the Company is now well-positioned to start delivering the NAV growth required to provide shareholders with satisfactory long-term returns.

The Company's share price total return was -10.8%, with the discount to NAV per share widening from 14.1% to 19.8%. It is our view that positive share price and discount performance is inextricably linked to the delivery of improved NAV returns, the latter clearly being our top priority.

Portfolio Activity

Our portfolio activity during the year was focused around two main objectives.

First, at a macro level, we sought to increase significantly the Company's exposure to developed market assets and, where necessary, reduce emerging market and commodity weightings. This reflected the generally stable or improving economic outlook for the US, Europe and Japan compared with many emerging markets and also our belief that developed markets currently offer the Company a much deeper and higher-quality universe of investable funds.

Secondly, we looked to further develop a number of our existing sector-specific investment themes, most notably with regard to the opportunities available in certain parts of both the private equity and floating rate loan markets. Also, we added to our long/short hedge fund sleeve in order to seek consistent absolute returns through direct exposure to listed equities.

Strategic Report: Fund Managers' Report (continued)

Purchases

Some of the key investments we made during the year are described below. In each case we believe the relevant fund managers and their underlying assets or investment strategies are high-quality.

Our new private equity investments accessed a range of investment strategies across the sector. For example, we opened a £3.8 million position in **Riverstone Energy Limited**, a UK-listed private equity fund mainly targeting the US shale oil and gas sector. The experienced managers of this fund have successfully accelerated their deployment of capital since last year's oil price fall. We subsequently added to our holding. We made a £6.5 million commitment to **Mantra Secondary Opportunities**, an unlisted vehicle which is pursuing a niche strategy investing globally in mature private equity partnerships at attractive valuations. We also invested £2.3 million in **Apax Global Alpha Limited**, a UK-listed private equity fund managed by Apax Partners, a leading global private equity investor. This vehicle provides access to Apax Partners' unlisted funds and also uniquely to other investments in public and private debt and listed equities which are derived from Apax Partners' core private equity activities. Finally we invested £4.0 million in **Princess Private Equity Holding Limited**, a UK-listed private equity vehicle managed by Partners Group, another leading private equity manager. The vehicle makes direct debt and equity investments across the large, mid- and small-cap buy-out markets, mainly in the US and Europe.

We increased our exposure to the floating-rate bank loan markets through a new £4.0 million investment in **Toro Limited**. This is a UK-listed fund which invests in European collateralised loan obligations and other structured credit instruments and is managed by Chenavari Capital Partners, a highly-regarded credit fund manager. We also added to our existing position in **Blackstone/GSO Loan Financing Limited**, a UK-listed vehicle with an experienced and market-leading manager focused on the European and US secured loan markets.

Towards the end of the year we added another investment to the Company's hedge fund sleeve through a £4.1 million purchase of **CT Invest Fund**, an unlisted long/short European equity fund with a focus on pan-European large and mid-cap cyclical/industrial stocks. We also added to our very successful existing holding in **BlackRock European Hedge Fund Limited** before it was closed to further investment.

Disposals and Redemptions

Since becoming the Company's investment manager in April 2013 we have reduced the Company's large exposures to the emerging market and commodity sectors. We accelerated this process during the year in order to protect the Company's NAV as the outlook for both sectors deteriorated further.

For example, in emerging markets we redeemed the Company's holdings in **IP Value Brazil**, a fund which invests in small and mid-cap Brazilian equities. We also reduced the Company's position in **Value Partners China Greenchip Fund Limited** (Hong Kong listed equities) and towards the end of the year issued a redemption

notice for the Company's investment in **Firebird New Russia Fund Limited** (Russian and other Eastern European listed equities). With regard to commodities, we disposed of the Company's holding in **BlackRock World Mining Trust plc** during January and February. In addition, **City Natural Resources High Yield Trust plc** was sold between January and June, as opportunities arose.

Other significant activity included the redemption of the Company's holding in **SW Mitchell Small Cap European Fund**, a long/short hedge fund, which we replaced with **CT Invest Fund** (see Purchases). We also demonstrated our willingness to take some profits on partial disposals of core holdings such as **Oryx International Growth Fund Limited** and **Real Estate Credit Investments PCC Limited** as liquidity in these tightly-held stocks became available.

Contribution Analysis

The following tables show the top and bottom five contributors to the gross total return of the Company's investment portfolio (including cash and cash equivalents) during the financial year.

Top Five Contributors	Contribution %
BlackRock European Hedge Fund Limited	1.73
Oryx International Growth Fund Limited	1.37
Century Capital Partners IV, L.P.	0.76
CEIBA Investments Limited	0.52
Ediston Property Investment Company plc	0.51

Source: Henderson

BlackRock European Hedge Fund Limited, a long/short European equities hedge fund with an outstanding track record, delivered more strong performance over the year. **Oryx International Growth Fund Limited** also continued to thrive with its own successful brand of active investment management in the UK and US small company sectors. The prospects for **CEIBA Investments Limited**, an unlisted fund invested in Cuban property, improved against a background of a thaw in US/Cuban relations. It is pleasing to see **Ediston Property Investment Company plc** emerge as a strong contributor. At the start of the Company's financial year we invested £4.0 million in the UK Initial Public Offering of this small fund which is focused on regional UK commercial property where attractive returns are still available. We were particularly impressed during our due diligence process by the quality and experience of the management team and the growth potential of the initial property portfolio. At the other end of the spectrum in terms of fund maturity, **Century Capital Partners IV, L.P.** is an unlisted private equity fund focused on the North American insurance sector. Rather than sell this mature fund into the secondary market at a discount to NAV, we chose to retain the investment and wait for the underlying portfolio companies to be realised. Only two investments now remain and, based on the fund's exit record to date, it is reasonable to expect these to be sold at attractive valuations over the coming months.

Strategic Report: Fund Managers' Report (continued)

Bottom Five Contributors	Contribution %
Baring Vostok Investments Limited core	-1.74
NB Distressed Debt Investment Fund Limited – Global Shares	-1.23
BlackRock World Mining Trust plc	-0.98
Ecofin Water and Power Opportunities plc	-0.81
Baring Vostok Investments Limited cell	-0.66

Source: Henderson

Two of the bottom five contributors were the Company's holdings in the two share classes of **Baring Vostok Investments Limited**. This USD-denominated vehicle is listed in the Channel Islands and holds Russian private equity investments which are managed by Baring Vostok, arguably the leading private equity manager operating in Russia. Although the Russian economy has clearly been facing major headwinds, the underlying portfolio companies in Baring Vostok's portfolio have generally held-up well. The weakness of the Russian Rouble has, however, severely impacted the USD value of the Company's holdings, although we see attractive potential upside at current price levels taking a medium-term view. The Company's investment in **NB Distressed Debt Investment Fund Limited – Global Shares** was impacted by a sell-off in the US distressed debt sector towards the end of last year. We still, however, consider the medium-term prospects for this fund's portfolio of distressed debt as fundamentally unchanged and positive. **Ecofin Water and Power Opportunities plc** was impacted by negative sentiment towards the energy and utility sectors. **BlackRock World Mining Trust plc** continued to suffer from the decline in mining and commodity markets and the Company's holding was sold during January and February.

Marketing

Marketing continues to be a priority as we seek to generate more interest in the Company's shares working closely with both the Company's new brokers, Stifel Nicolaus Europe Limited, and Henderson's own investment trust marketing team.

Our marketing efforts have again taken several forms during the year. A significant number of meetings and calls have been held with existing, previous and potential shareholders. We have also obtained a good level of national and trade media coverage and have communicated regularly with the market through the Company's Henderson sponsored website.

Outlook

At the time of writing world equity markets continue to be plagued by uncertainty, above all, regarding global growth and the timing and quantum of interest rate rises.

Our job is to construct a portfolio of alternative and specialist asset funds which, over the longer-term, can consistently outperform our mainly developed world equity market benchmark. Building such a portfolio is, to some extent, a "bottom-up" exercise as we seek to identify particular sectors, managers and assets which can deliver the necessary returns. We do, however, bring macro-economic issues into our investment process and portfolio monitoring as we navigate through the Company's investable universe of alternative and specialist asset funds. For example, we have over the last year continued to shift the geographic exposure of the Company's core portfolio towards developed markets where we currently see the best opportunities to implement our investment strategy.

Finally, we would stress again that we will not compromise on the quality, entry price and return target requirements of all our investments. We believe the quality and return potential of the Company's investments has increased significantly over the last year as we have progressed the restructuring of the Company's core longer-term portfolio. This, combined with the shorter-term tactical opportunities which we expect to emerge during the current financial year, make us confident that the Company's outlook is increasingly positive.

Ian Barrass and James de Bunsen
Fund Managers

Strategic Report: Portfolio Information

Ten Largest Investments at 30 September 2015

Ranking 2015	Ranking 2014	Company	Focus	Geographical area	Market Value £'000	Portfolio %
1	4	BlackRock European Hedge Fund Limited ³	Long and short investment in listed equities	Europe	7,573	7.1
2	7	Polar Capital Global Financials Trust plc ²	Investment in listed securities in the financial sector	Global	4,954	4.6
3	9	Eurovestech plc ¹	Investment in unlisted technology companies	Europe	4,393	4.1
4	n/a	Ediston Property Investment Company plc ²	Investment in UK regional property	UK	4,380	4.1
5	n/a	Riverstone Energy Limited ²	Investment in unlisted oil E&P companies	Global	4,229	3.9
6	13	CEIBA Investments Limited ⁴	Investment in Cuban real estate	Cuba	4,158	3.9
7	n/a	Princess Private Equity Holding Limited ²	Investment in unlisted companies	Global	4,030	3.8
8	10	Blackstone/GSO Loan Financing Limited ²	Investment in unlisted floating rate senior secured loans and CLO Income Notes	US and Europe	3,984	3.7
9	n/a	CT Invest Fund ³	Long and short investment in listed equities	Europe	3,958	3.7
10	n/a	Toro Limited	Investment across European structured credit markets	Europe	3,956	3.7
					45,615	42.6

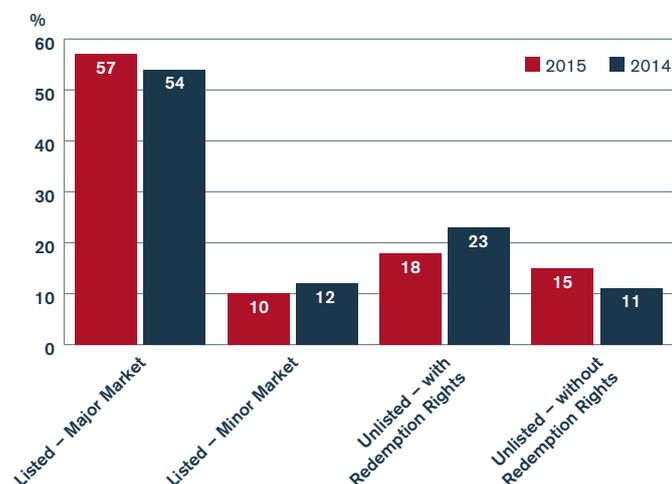
1 Listed on Minor Market (includes: Luxembourg Stock Exchange, Channel Islands Stock Exchange, ISDX and LMMX)

2 Listed on Major Market (includes: London Stock Exchange (full listing and AIM) and Euronext)

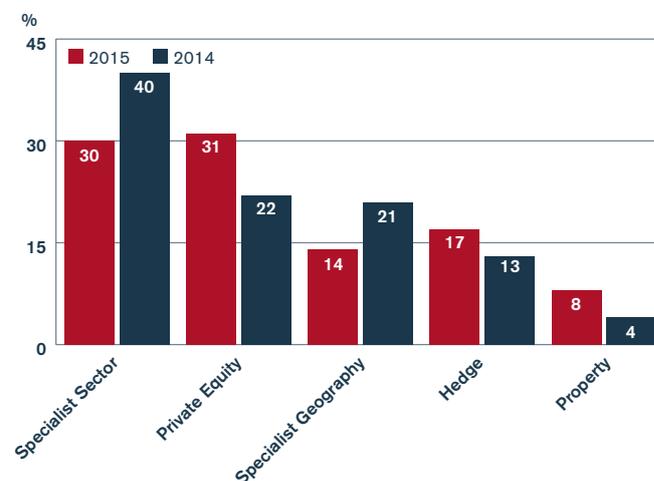
3 Unlisted Investment – with Redemption Rights

4 Unlisted Investment – without Redemption Rights

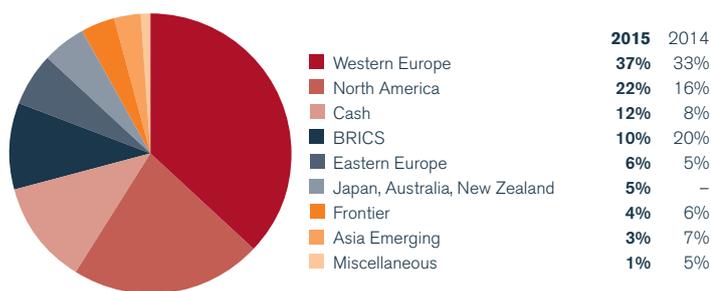
Investment by type at the portfolio level



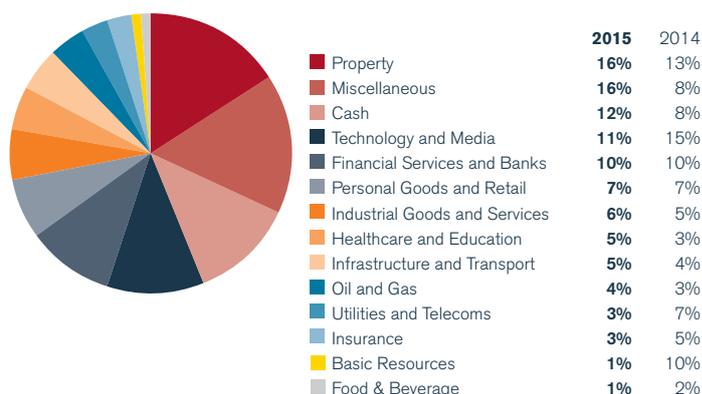
Investment by focus at the portfolio level



Investment by geography on a look-through basis



Investment by sector on a look-through basis



Source: Henderson

Investment Portfolio at 30 September 2015

Investments (excluding CFDs)	Focus	Market Value £'000	Portfolio %
BlackRock European Hedge Fund Limited ³	Specialist Geography	7,573	7.1
Polar Capital Global Financials Trust plc ²	Specialist Sector	4,954	4.6
Eurovestech plc ¹	Private Equity	4,393	4.1
Ediston Property Investment Company plc ²	Property	4,380	4.1
Riverstone Energy Limited ²	Private Equity	4,229	3.9
CEIBA Investments Limited ⁴	Property	4,158	3.9
Princess Private Equity Holding Limited ²	Private Equity	4,030	3.8
Blackstone/GSO Loan Financing Limited ²	Specialist Sector	3,984	3.7
CT Invest Fund ³	Hedge	3,958	3.7
Toro Limited ²	Specialist Sector	3,956	3.7
Ten largest		45,615	42.6
Oryx International Growth Fund Limited ²	Specialist Sector	3,750	3.5
Value Partners China Greenchip Fund Limited ³	Specialist Geography	3,554	3.3
Pershing Square Holdings Limited ²	Hedge	3,547	3.3
NB Private Equity Partners Limited ²	Private Equity	3,416	3.2
NB Distressed Debt Investment Fund Limited - Global Shares ²	Specialist Sector	3,408	3.2
Baring Vostok Investments Limited core ¹	Private Equity	3,142	2.9
Ishares V MSCI Japan GBP Hedged UCITS ²	Specialist Geography	3,121	2.9
Standard Life European Private Equity Trust plc ²	Private Equity	2,968	2.8
Firebird Republics Fund SPV ⁴	Specialist Geography	2,853	2.7
Weiss Korea Opportunity Fund Limited ²	Specialist Geography	2,532	2.4
Twenty largest		77,906	72.8
Tetragon Financial Group Limited ²	Specialist Sector	2,450	2.3
Mantra Secondary Opportunities ⁴	Private Equity	2,366	2.2
Apax Global Alpha Limited ²	Private Equity	2,319	2.2
NB Distressed Debt Investment Fund Limited - Extended Life Shares ²	Specialist Sector	1,786	1.7
Century Capital Partners IV L.P. ⁴	Private Equity	1,746	1.6
Chenavari Capital Solutions Limited ²	Specialist Sector	1,729	1.6
Renewable Energy and Infrastructure Fund II ⁴	Specialist Sector	1,683	1.6
Metage Emerging Markets Opportunities Fund ³	Hedge	1,555	1.4
Real Estate Credit Investments PCC Limited ²	Specialist Sector	1,458	1.4
The Renewables Infrastructure Group Limited ²	Specialist Sector	1,438	1.3
Thirty largest		96,436	90.1
ASM Asian Recovery Fund ⁴	Hedge	1,351	1.3
Amber Trust SCA ⁴	Private Equity	1,245	1.2
Baring Vostok Investments Limited cell ¹	Private Equity	1,151	1.1
EPE Special Opportunities plc (CULS) ¹	Private Equity	980	0.9
Firebird Republics Fund Limited ³	Specialist Geography	960	0.9
Zouk Solar Opportunities Limited ⁴	Specialist Sector	853	0.8
BP Marsh & Partners plc ²	Private Equity	733	0.7
Ludgate Environmental Fund Limited ²	Specialist Sector	712	0.7
EPE Special Opportunities plc Ordinary ²	Private Equity	637	0.6
Acheron Portfolio Corporation (A Shares) ¹	Specialist Sector	618	0.6
Forty largest		105,676	98.9

Investment Portfolio at 30 September 2015 (continued)

Investments (excluding CFDs)	Focus	Market Value £'000	Portfolio %
South African Property Opportunities plc ²	Property	608	0.6
Prosperity Voskhod Fund Limited ⁴	Specialist Geography	203	0.2
Denholm Hall Russia Arbitrage Fund B - Investment ⁴	Hedge	162	0.1
Armadillo Investments Limited ⁴	Liquidation	87	0.1
Value Catalyst Fund Limited ⁴	Specialist Sector	81	0.1
Strathdon Investments Plc ⁴	Specialist Sector	67	0.1
Denholm Hall Russia Arbitrage Fund B - Redemption ⁴	Hedge	37	0.0
Low Carbon Accelerator Limited ⁴	Liquidation	36	0.0
Polar Capital Global Financials Trust plc - Subscription Shares ²	Specialist Sector	24	0.0
China CDM Exchange Centre Limited ¹	Specialist Sector	1	0.0
Fifty largest		106,982	100.1
Buena Vista Latin America Fund Limited ⁴	Property	0	0.0
Buena Vista Latin America Fund (CULS) ⁴	Property	0	0.0
International Oil & Gas Technology Limited ²	Specialist Sector	0	0.0
iO Adria Limited ¹	Property	0	0.0
PSource Structured Debt Limited ⁴	Liquidation	0	0.0
Thompson Clive Investments plc ⁴	Liquidation	0	0.0
Total Investments (excluding CFDs)		106,982	100.1

CFD Investments	Focus	Gross market exposure £'000	Fair value of CFD £'000	Portfolio %
Ecofin Water and Power Opportunities plc	Specialist Sector	2,423	(101)	(0.1)
Total Investments			106,881	100.0

1 Listed on Minor Market (includes: Luxembourg Stock Exchange, Channel Islands Stock Exchange, ISDX and LMMX)

2 Listed on Major Market (includes: London Stock Exchange (full listing and AIM) and Euronext)

3 Unlisted Investment – with Redemption Rights

4 Unlisted Investment – without Redemption Rights

Strategic Report: Historical Performance and Financial Information

Total Return Performance to 30 September 2015

	1 year %	3 years %	5 years %	10 years %
NAV ¹	-5.0	0.8	-10.8	-2.2
Share price ²	-10.8	-10.4	-13.2	-14.2
Benchmark ³	0.8	34.4	51.8	95.7
Composite Index ⁴	-1.8	25.6	37.0	98.4

Ten Year Historical Performance to 30 September 2015 (rebased to 100)



Financial Information at 30 September

At 30 September	Net assets £'000	NAV p	Mid-market price per ordinary share p	Discount/ (premium) %	Profit/ (loss) for year £'000	Revenue return per ordinary share p	Capital return per ordinary share p	Total return per ordinary share p	Final dividend p	Expenses ⁶ %
2006	191,735	353.30	355.75	(0.7)	35,301	1.05	64.00	65.05	1.25	0.80
2007	241,444	426.81	420.00	1.6	41,021	1.05	72.95	74.00	1.25	0.77
2008	187,535	328.46	319.50	2.7	(55,503)	2.20	(99.92)	(97.72)	1.75	0.86
2009	166,521	291.66	259.75	10.9	(20,015)	2.18	(37.23)	(35.05)	2.00	0.91
2010	172,403	319.06	264.50	17.1	15,136	0.78	26.30	27.08	1.00	0.90
2011	170,082	320.85	289.50	9.8	1,215	2.33	(0.07)	2.26	2.00	0.93
2012	135,201	279.83	253.50	9.4	(20,851)	2.01	(42.89)	(40.88)	2.00	0.93
2013	138,580	290.20	245.00	15.6	5,700	0.85	11.07	11.92	1.50	0.84
2014	139,408	291.94	250.88	14.1	1,544	3.53	(0.30)	3.23	3.00	0.93
2015	118,444	275.60	221.00	19.8	(6,606)	3.72	(18.61)	(14.89)	3.30⁵	0.97

1 Net Asset Value per ordinary share with income reinvested for 1, 3 and 5 years and capital NAV plus income reinvested for 10 years

2 Share price total return using mid-market prices

3 FTSE World Total Return Index in sterling terms

4 FTSE Developed Total Return Index (75%)/FTSE Emerging Markets Total Return Index (25%) – a composite index introduced as an additional informal performance measure

5 2015 final dividend subject to approval at the AGM to be held on 27 January 2016

6 Using total expense ratio methodology for 2011 and previous years (excluding performance fees); ongoing charge methodology thereafter

Sources: Morningstar Funddata, Henderson, Datastream

Strategic Report: Corporate Information

Directors

The Directors appointed to the Board at the date of this report are:

Richard Gubbins

Position: Chairman of the Board and of the Nominations and Management Engagement Committees

Date of Appointment: 25 July 2014

Richard is the Senior Corporate Partner of Ashurst LLP and for the past 19 years has had a senior role in developing business in Emerging Markets (South-East Asia (1996-2000), Russia (2004-2008) and India for the past 7 years). He is an independent member of the Audit Committee of The England and Wales Cricket Board, a Director of The American European Business Association, a Non-Executive Director of The Masuri Group Limited and a member of the Development Committee of the London Chamber Orchestra.

Graham Fuller

Position: Senior Independent Director

Date of Appointment: 19 December 2007

Graham was a founding partner of PSigma Asset Management from which he retired in 2011. He is a Non-Executive Director of Jupiter Primadona Growth Trust plc. He is a Fellow of the Institute of Chartered Accountants and a Fellow of the CFA Society of the UK. He spent 11 years leading the segregated pension team at Newton Investment Management prior to which he worked at Credit Suisse and de Zoete and Bevan.

Graham Oldroyd

Position: Audit Committee Chairman

Date of Appointment: 25 July 2014

Graham was a Partner with 23 years' service at European private equity fund manager Bridgepoint until June 2013. He is a Non-Executive Director of Nobina AB (publ.), Sweden, a Non-Executive Director of Phs Group Investments Limited, a Senior Adviser to MCF Corporate Finance, and a Senior Adviser to fund manager Downing LLP. He is a Church of England Church Commissioner, and a member of the Church Commissioners' Fund Assets Committee. A graduate in Engineering from Cambridge University, he also holds an MBA from INSEAD Business School. He is a Chartered Engineer, a Fellow of the Institution of Mechanical Engineers, and a Member of the Chartered Institute for Securities & Investment.

Jamie Korner

Position: Director

Date of Appointment: 13 May 2013

Jamie is a partner of Stanhope Capital LLP. A Cambridge graduate, he joined Inchcape in 1978 following a period in farming. After working at stockbroker Fielding Newson Smith and as a manager of institutional funds at M&G, he moved to Newton Investment Management in 1995. He led the charity and smaller institutional business of Newton until his retirement in 2011. He is a trustee of the Foyle Foundation and other charities as well as an adviser to a number of Oxbridge colleges.

Fund Management

Ian Barrass

Ian has 31 years of investment and finance experience encompassing private equity investment and portfolio management, infrastructure investment and advisory, leveraged senior debt lending and corporate restructuring. He joined Henderson in 2005 and until 2013 was a partner in Henderson's private equity team primarily responsible for managing its listed and unlisted private equity fund of funds portfolios. He is now a Fund Manager within Henderson's Multi-Asset team with a particular focus on alternative and specialist asset funds.

James de Bunsen

James is a Fund Manager in Henderson's Multi-Asset team and has particular focus on alternative asset classes and strategies. He joined Henderson in 2013 from multi-asset boutique Armstrong Investment Managers (AIM) where he helped run a number of multi-asset strategies targeting real returns above inflation within clearly defined risk budgets.

Strategic Report: Corporate Information (continued)

Service Providers

Alternative Investment Fund Manager
Henderson Investment Funds Limited
201 Bishopsgate
London
EC2M 3AE

Corporate Secretary
Henderson Secretarial Services Limited
201 Bishopsgate
London
EC2M 3AE
Telephone: 020 7818 1818

Depository
State Street Trustees Limited
525 Ferry Road
Edinburgh
EH5 2AW

Registrar
Computershare Investors Services PLC
Leven House
10 Lochside Place
Edinburgh Park
Edinburgh
EH12 9DF
Telephone: 0370 707 1330

Corporate Broker
Stifel Nicolaus Europe Limited
150 Cheapside
London
EC2V 6ET

Independent Auditor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

Registered Office

Leven House
10 Lochside Place
Edinburgh Park
Edinburgh
EH12 9DF

Correspondence Address

201 Bishopsgate
London
EC2M 3AE

Financial Calendar

Annual General Meeting ¹	27 January 2016
Ex-dividend date	21 January 2016
Dividend record date	22 January 2016
Final dividend payable ²	26 February 2016
Half-year results	May 2016
Annual results	December 2016

Information Sources

For more information about the Company, visit the website at www.hendersonalternativestrategies.com

HGi

HGi is a content platform provided by Henderson that offers online personalisation where you can "follow" investment experts, topics and the trusts that are of interest to you. By creating your HGi profile you will be updated regularly on the topics that interest you most, bringing you closer to Henderson's investment expertise.

Scan the QR code or use this short URL to register for HGi.
<http://HGi.co/rb>



Follow Henderson Investment Trusts on Twitter, YouTube and Facebook

For alternative access to Henderson's insight you can now follow on Twitter, YouTube and Facebook



Investing

Shares can be purchased in the market via a stockbroker or through share dealing platforms. They can also be held through share plans, ISAs or pensions and links to various providers are included on the website. Individuals holding shares through Halifax Share Dealing Limited can write to them at Lovell Park Road, Leeds LS1 1NS or contact them via telephone 03457 225 525, email Henderson@halifax.co.uk or visit their website www.halifax.co.uk/sharedealing.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and investors may not receive back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

Nominee Share Code

Where notification has been provided in advance, the Company will arrange for copies of shareholder communications to be provided to the operators of nominee accounts. Nominee investors may attend general meetings and speak at them when invited to do so by the Chairman. Investors via Halifax Share Dealing receive all shareholder communications and a voting instruction form is provided to facilitate voting at general meetings of the Company.

¹ At 201 Bishopsgate, London EC2M 3AE at 11.30 am

² This dividend will be paid to shareholders on the register on 22 January 2016

Strategic Report: Corporate Information (continued)

Status

The Company is an investment company as defined in Section 833 of the Companies Act 2006 (the "Act") and operates as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010 ("Section 1158"), is subject to the Listing Rules of the Financial Conduct Authority and is governed by its Articles of Association, amendments to which must be approved by shareholders by way of a special resolution. The Company is not a close company.

The Company has obtained approval from HMRC of its status as an investment trust under Section 1158; the Directors are of the opinion that the Company has conducted its affairs in compliance with Section 1158 since approval was granted and intends to continue to do so. The Company is liable to corporation tax on its net revenue profits but is exempt from corporation tax on capital gains if it has complied at all times with Section 1158.

Name Change

At a General Meeting held on 19 June 2015, the Company's shareholders approved a change of name from Henderson Value Trust plc to Henderson Alternative Strategies Trust plc. The Directors recommended the change in order to reflect better the clear and distinct investment strategy that the Company offers versus that offered by other closed ended investment funds.

Principal Risks

The Board, with the assistance of Henderson, has carried out a robust assessment of the principal risks facing the Company. The Board has drawn up a matrix of risks and has put in place a schedule of investment limits and restrictions, appropriate to the Company's investment objective and policy, in order to mitigate these risks as far as practicable. The principal risks facing the Company are market related and include market price, foreign exchange, interest rate, liquidity and credit risk. An explanation of these risks and how they are mitigated is detailed in Note 15 to the Financial Statements.

Some of the Company's investments are in funds, some of which are unquoted, exposed to less developed markets and may be seen as carrying a higher degree of risk. The Board believe that these risks are mitigated through portfolio diversification, in-depth analysis, the experience of Henderson and a rigorous internal control culture. The use of CFDs involves counterparty risk exposure.

Additional risks faced by the Company are summarised below:

Risk	Controls and mitigation
<p>Investment Strategy</p> <p>The performance of the portfolio may not match the performance of the benchmark through divergent geographic, sector or stock selection. In addition, the Company may be affected by economic conditions.</p>	<p>Henderson has a clearly defined investment philosophy and manages a broadly diversified portfolio to mitigate this risk.</p>
<p>Discount</p> <p>The level of the discount varies depending upon performance, market sentiment and investor appetite.</p>	<p>The Company has the ability to issue and purchase its own shares which can reduce discount volatility.</p>
<p>Regulatory/Operational</p> <p>Failure to comply with applicable legal and regulatory requirements could lead to a suspension of the Company's shares, fines or a qualified audit report.</p> <p>A breach of Section 1158 of the Corporation Tax Act 2010 could lead to the Company being subject to corporation tax on realised capital gains.</p> <p>Failure of Henderson or third party service providers could prevent accurate reporting and monitoring of the Company's financial position.</p>	<p>The Board regularly considers the risks associated with the Company and receives both formal and regular reports from Henderson and third party service providers addressing these risks.</p>

The Board considers these risks to have remained unchanged throughout the year under review.

Strategic Report: Corporate Information (continued)

Viability Statement

The Directors have assessed the viability of the Company over a three year period, taking account of the Company's current position and the potential impact of the principal risks and uncertainties as documented in this Strategic Report. The assessment has considered the impact of the likelihood of the principal risks and uncertainties facing the Company, in particular the Investment Strategy risk, in severe but plausible scenarios, and the effectiveness of any mitigating controls in place.

The Directors took into account the nature of the investment portfolio, including its liquidity and redemption restrictions that exist on certain investments, and the income stream that the current portfolio generates in considering the viability of the Company over the next three years and its ability to meet liabilities as they fall due.

The Directors conducted this review for a period of three years because they consider this to be an appropriate period over which they do not expect there to be any significant change in the current principal risks and adequacy of the mitigating controls in place. Also the Directors do not envisage any change in strategy or objectives or any events that would prevent the Company from continuing to operate over that period as the Company's assets are sufficiently liquid, its commitments are limited and the Company intends to continue to operate as an investment trust. A substantial financial crisis affecting the global economy could have an impact on this assessment.

The Directors recognise that there is a continuation vote that is due to take place at the AGM following the 30 September 2017 year end. The Directors currently support the continuation of the Company and expect that the Company will continue to exist for the foreseeable future, at least for the period of assessment. However, if such a vote were not passed, the Directors would follow the provisions in the Articles of Association relating to the winding up of the Company and the realisation of its assets.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next three year period.

Future Developments

While the future performance of the Company is mainly dependent on the performance of international financial markets which are subject to various external factors, the Board's intention is that the Company will continue to pursue its stated investment objective and strategy explained earlier. The Chairman's Statement and Fund Managers' Report provide commentary on the outlook for the Company.

Key Performance Indicators

In order to measure the success of the Company in meeting its objective and to evaluate the performance of Henderson, the Directors take into account the following key performance indicators ("KPIs"):

Performance measured against the benchmark

The Board reviews and compares the total return of the NAV per share and share price for the Company compared with the movement of the Company's benchmark, the FTSE World Total Return Index on a total return basis in sterling terms. During the year under review the NAV per ordinary share showed a total return of -5.0% compared to a return in the benchmark of 0.8%.

Discount to NAV

The Board also monitors the performance of the Company's shares and the level of discount at which the shares trade relative to NAV per share. The discount at the start of the year was 14.1% compared to 19.8% at the year-end.

Ongoing charge

The Board reviews the costs of running the Company calculated using the AIC methodology for the ongoing charge. The Company's ongoing charge for the year ended 30 September 2015 was 0.97% compared to 0.93% in 2014.

The charts and data on pages 3 and 12 show how the Company has performed against these KPIs.

Corporate Responsibility

Responsible Investment

Henderson is responsible for reporting on its work on corporate governance and corporate responsibility (or social, environmental and ethical ("SEE") issues) in the companies in which it invests on its clients' behalf, across all funds as part of its management duties. In May 2005 Henderson became a founding signatory to the United Nations Principles for Responsible Investment. The Principles, developed under the auspices of the UN Secretary-General, are a voluntary and aspirational framework for incorporating environmental, social and corporate governance ("ESG") issues into mainstream investment decision-making and ownership practices.

The way companies respond to sustainability and corporate responsibility can affect their business performance, both directly and indirectly. An investee company's policy on social responsibility and the environment is therefore considered as part of the investment risk decision; however, an investment may not necessarily be ruled out on social and environmental grounds only.

Voting Policy and the UK Stewardship Code

Henderson's responsible investment policy, which is endorsed by the Board, sets out its approach to corporate governance and corporate responsibility for all the companies in which it invests on behalf of its clients and its policy on proxy voting. The policy also sets out how Henderson implements the Stewardship Code. The Company has reviewed the policy and has delegated responsibility for voting to Henderson. The Board receives regular reports on the voting undertaken by Henderson on behalf of the Company. The Board and Henderson believe that voting at general meetings is an important aspect of corporate stewardship and a means of signalling shareholder views on board policy, practices and performance.

Strategic Report: Corporate Information (continued)

Voting recommendations are guided by the best interests of the investee companies' shareholders. Depending on the nature of the resolution the Fund Manager will give specific instructions on voting non-routine and unusual or controversial resolutions. Decisions not to support resolutions and the rationale for doing so are fed back to the investee company prior to voting.

Practical difficulties may prevent Henderson voting in some markets. In particular, various factors, including restrictions on dealing and costs, may inhibit voting in some international markets and must be taken into account.

The Henderson responsible investment policy and further details of Henderson's responsible investment activities can be found on the Henderson website, www.henderson.com.

Employees, Social, Community, Human Rights and Environmental Matters

The Company's core activities are undertaken by Henderson, which has implemented environmental management practices, including systems to limit the use of non-renewable resources and to minimise the impact of operations on the environment, and is focused on reducing greenhouse gas emissions and minimising waste, where possible. The Company has therefore not reported on these, or social, community or human rights issues here; Henderson's policies are included in its annual report which can be found on the website www.henderson.com.

Henderson's corporate responsibility statement is included on the website stated above. In 2012 it was granted CarbonNeutral® Company status which it has committed to maintain at least until the end of 2018.

The Company's Annual Report is printed on paper produced using 50% recycled post-consumer waste and 50% wood fibre from fully sustainable forests with certification by the Forest Stewardship Council; the printing company used is certified as CarbonNeutral®.

Board Diversity

As set out on page 13, all of the Company's Directors are male. Their appointment was based on their skills and experience. The Company has no employees and therefore there is nothing further to report in respect of gender representation within the Company. The Board considers the diversity of Board membership as part of the annual performance evaluation, details of which are set out in the Corporate Governance Statement.

For and on behalf of the Board

Graham Oldroyd
Director
18 December 2015

Strategic Report: Glossary

Alternative Investment Fund Managers Directive (“AIFMD”)

Agreed by the European Parliament and the Council of the European Union and transposed into UK legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds (“AIFs”) and requires them to appoint an Alternative Investment Fund Manager (“AIFM”) and depositary to manage and oversee the operations of the investment vehicle. The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

Association of Investment Companies (“AIC”)

The Company is a member of the AIC which is the trade body for investment companies and represents the industry in relation to various matters which impact the regulation of such entities.

Benchmark

An index against which performance is compared. For the Company this is the FTSE World Total Return Index in sterling terms.

Beta

The beta of an investment is a measure of the risk arising from exposure to general market movements as opposed to investment specific or idiosyncratic factors.

Custodian

The Custodian is responsible for ensuring the safe custody of the Company's assets and that all transactions in the underlying holdings are transacted in an accurate and timely manner.

Depositary

With effect from 22 July 2014 all AIFs were required to appoint a Depositary which has responsibility for overseeing the operations of the Company including safekeeping, cash monitoring and verification of ownership and valuation of the underlying holdings and is responsible for the appointment of a Custodian. The Depositary is strictly liable for the loss of any investments or other assets in its custody unless it has notified that it has discharged its liability in certain markets. The Depositary has confirmed that it has not discharged liability in relation to any of the Company's assets.

Derivative

A contract between two or more parties in relation to an underlying security. The value of a derivative will fluctuate in accordance with the value of the security and is a form of gearing as the fluctuations in value are usually greater than the fluctuations in the underlying security's value. Examples of derivatives are put and call options, swap contracts, futures and contracts for difference. Foreign exchange, interest rates and commodities may also be traded using derivative contracts.

Dividend dates

When declared or recommended, each dividend will have three key dates applied to it. The payment date is the date on which shareholders will receive their dividend, either by BACS transfer or by receipt of a dividend cheque. The record date applied to the dividend is used as a cut-off for the Company's registrars to know which shareholders should be paid a dividend. Only shareholders on the register of members at the close of business on the record date will receive the dividend. The ex-dividend date is the business day before the record date and is the date upon which the Company's Net Asset Value will be disclosed ex-dividend.

Gearing

Gearing means borrowing money to buy assets with the expectation that the return on investments bought will exceed the interest cost of the borrowings. The gearing percentage reflects the amount of borrowings (e.g. bank loans or overdrafts) the Company has used to invest in the market and is calculated by taking the difference between total investments and equity shareholders' funds, dividing this by equity shareholders' funds and multiplying by 100. The Company can also use synthetic gearing through derivatives and foreign exchange hedging.

Investment trusts

Investment trusts are public limited companies, listed on the London Stock Exchange, which provide shareholders with a professionally managed portfolio of investments. Investment trusts are exempt from tax on the capital gains arising on their investments subject to meeting certain criteria. Income, net of expenses and tax, is substantially distributed to shareholders. Investment trusts are also known as investment companies, although the tax legislation retains the reference to investment trusts.

Strategic Report: Glossary (continued)

Liquidity

In the context of the liquidity of shares in the stock market, this refers to the availability of buyers in the market for the share in question. Where the market in a particular share is described as liquid, that share will be in demand and holders wishing to sell their shares should find ready buyers. Conversely, where the market in a share is illiquid the difficulty of finding a buyer will tend to depress the price that might be negotiated for a sale.

Market capitalisation (market cap)

The market value of a company, calculated by multiplying the mid-market price per share by the number of shares in issue.

Net asset value (“NAV”) per ordinary share

The value of the Company's assets (i.e. investments and cash held) less any liabilities (i.e. bank borrowings and debt securities) for which the Company is responsible, divided by the number of ordinary shares in issue. The aggregate NAV is also referred to as shareholders' funds on the balance sheet. The NAV is published weekly.

Ongoing charge

The ongoing charge reflects those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the Company as a collective fund, excluding the costs of acquisition or disposal of investments, financing charges and gains or losses arising on investments. The ongoing charge is based on actual costs incurred in the year as being the best estimate of future costs.

Premium/discount

The amount by which the market price per ordinary share of an investment company is either higher (premium) or lower (discount) than the NAV per share, expressed as a percentage of the NAV per share.

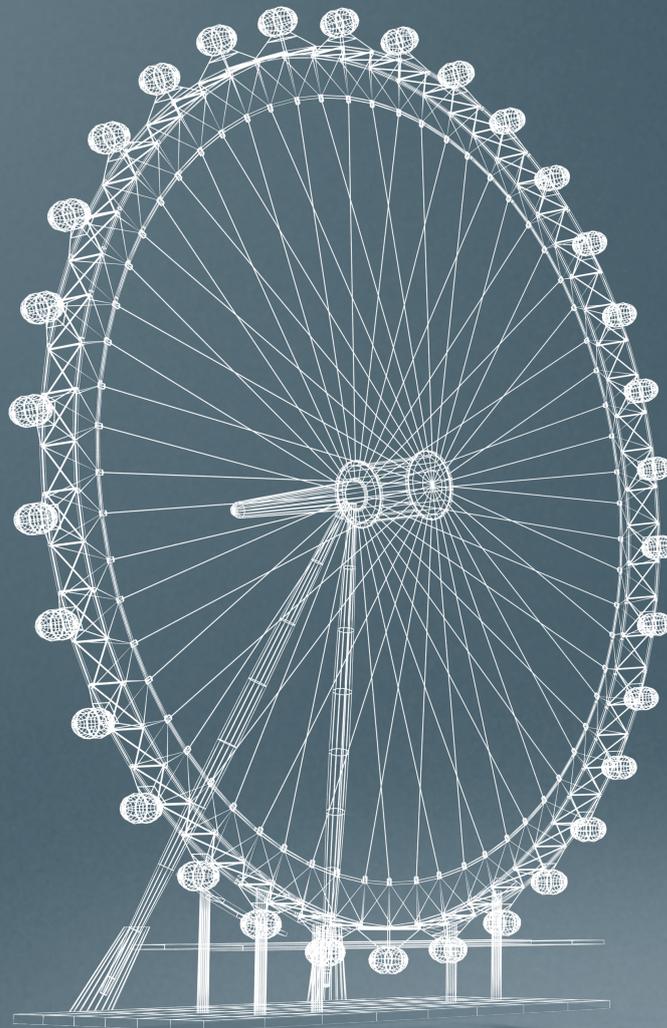
Total return performance

This is the return on the share price or NAV taking into account both the rise and fall of share prices and the dividends and interest paid to shareholders. Any dividends received by a shareholder are assumed to have been reinvested in either additional shares (for share price total return) or the Company's assets (for NAV total return).

Yield

The annual dividend expressed as a percentage of the share price.

Corporate Report



Report of the Directors

The Directors present the Annual Report of the Company and their report for the year from 1 October 2014 to 30 September 2015. The Company, registered in Scotland with company registration number SC015905, was active throughout the year under review and was not dormant.

Directors' Remuneration and Shareholdings

The Directors' Remuneration Report on pages 24 and 25 provides information on the remuneration and share interests of the Directors.

Directors' Conflicts of Interest

The Company's Articles of Association permit the Board to consider and, if it sees fit, to authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Company ("situational conflicts"). The Board has a formal system in place for Directors to declare situational conflicts to be considered for authorisation by those Directors who have no interest in the matter being considered. In deciding whether to authorise a situational conflict, the non-conflicted Directors must act honestly and in good faith with a view to the best interests of the Company and they may impose limits or conditions when giving the authorisation, or subsequently, if they think this is appropriate. Any situational conflicts considered, and any authorisations given, are recorded in the relevant meetings' minutes. The prescribed procedures have been followed in deciding whether, and on what terms, to authorise situational conflicts and the Board believes that the system it has in place for reporting and considering situational conflicts continues to operate effectively.

Related Party Transactions

Other than the relationship between the Company and its Directors, the provision of services by Henderson is the only related party arrangement currently in place as defined in the Listing Rules. Other than fees payable by the Company in the ordinary course of business and the provision of sales and marketing services (see Note 16 on page 47), there have been no material transactions with this related party affecting the financial position of the Company during the year under review.

Share Capital

The Company's share capital comprises ordinary shares of 25p nominal value each. The voting rights of the shares on a poll are one vote for every share held. There are no restrictions on the transfer of the Company's ordinary shares and there are no shares with specific rights with regards to control of the Company.

As at 30 September 2015 there were 42,976,264 shares in issue. No shares were held in treasury.

At the Annual General Meeting in February 2015 shareholders gave the Board authority to buy back 7,157,935 ordinary shares during the following 15 months for cancellation or to be held in treasury. In addition, shareholders gave the Board authority to buy back 4,775,140 ordinary shares pursuant to the terms of the tender offer. This authority expired on 28 February 2015. During the year ended 30 September 2015 the Company did not buy back any shares other than 4,775,140 pursuant to the tender offer.

Holdings in the Company's Shares

Declarations of interests in the voting rights of the Company as at 30 September 2015 in accordance with the FCA Disclosure Rules and Transparency Rules were as follows:

	% of voting rights
1607 Capital Partners, LLC	20.9
Old Mutual plc	8.1
City of London	8.1
Aberdeen Asset Management	6.8
Miton Asset Management	4.2

On 1 October 2015, Wells Capital Management Inc notified that they had a shareholding of 5.0%.

On 6 November 2015, 1607 Capital Partners LLC notified that their shareholding has increased to 21.02%.

There have been no further notifications to the date of this report.

Duration of the Company and Going Concern

The Company's Articles of Association were amended in 2011 and a continuation vote was introduced requiring that shareholders be asked to approve the continuation of the Company every three years; the first vote was passed in 2011 and then again in December 2014. The next continuation vote will be in respect of the financial year ending 30 September 2017.

The Directors assessment of Going Concern is detailed on page 38.

Dividend

The Directors are proposing a final dividend of 3.3p per ordinary share which will be paid on 26 February 2016 to shareholders on the register on 22 January 2016, subject to approval at the Annual General Meeting.

Annual General Meeting ("AGM")

The AGM will be held on Wednesday 27 January 2016 at 11.30 am at the offices of Henderson, 201 Bishopsgate, London EC2M 3AE. The Notice and details of the resolutions to be put to shareholders at the AGM are contained in the separate document being sent to shareholders with this report.

In addition to the ordinary business and renewal of existing authorities, the Directors are proposing an additional ordinary resolution to amend the hedge funds limit within the Company's investment policy by increasing it from 20% to 30% of total portfolio value.

Corporate Governance

The Corporate Governance Statement on pages 26 to 29 forms part of the Report of the Directors.

Report of the Directors (continued)

Directors' Statement as to Disclosure of Information to Auditors

Each of the Directors who were members of the Board at the date of approval of this report confirms that to the best of his knowledge and belief, there is no information relevant to the preparation of the Annual Report which the Company's Auditor is unaware and he has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's Auditor is aware of that information.

Global Greenhouse Gas Emissions

As an externally managed investment company, the Company has no greenhouse gas emissions to report from its operations for the year to 30 September 2015 (2014: same), nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Listing Rule 9.8.4

Listing Rule 9.8.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

By order of the Board

Henderson Secretarial Services Limited
Corporate Secretary
18 December 2015

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements respectively; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Directors' Responsibilities under DTR 4.1.12

Each of the Directors, who are listed on page 13 confirms that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The Directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

For and on behalf of the Board

Graham Oldroyd
Director
18 December 2015

The financial statements are published on www.hendersonalternativestrategies.com which is a website maintained by Henderson.

The maintenance and integrity of the website is the responsibility of Henderson; the work carried out by the Auditor does not involve consideration of these matters and, accordingly, the Auditor

accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Remuneration Report

Introduction

This report is submitted in accordance with Schedule 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended in August 2013 (the "Regulations"). The report also meets the relevant requirements of the Companies Act 2006 (the "Act") and the Listing Rules of the Financial Conduct Authority and describes how the Board has applied the principles relating to Directors' remuneration. As required by section 439 of the Act, an ordinary resolution to approve the report will be proposed at the Annual General Meeting on 27 January 2016. The Company's remuneration policy was approved by shareholders at the AGM held on 24 February 2014 for the first time in accordance with section 439A of the Act.

The Company's Auditor is required to report on certain information contained within this report; where information set out below has been audited it is indicated as such.

All Directors are non-executive and the Company has no chief executive officer or employees; as such some of the reporting requirements contained in the Regulations are not applicable and have not been reported on, including the requirement for a future policy table and an illustrative representation of the level of remuneration that could be received by each individual Director. It is believed that all relevant information is disclosed within this report in an appropriate format.

The Board as a whole considers the Directors' remuneration. The Board has not been provided with advice or services by any person in respect of its consideration of the Directors' remuneration (although the Directors review annually the fees paid to the boards of directors of other comparable investment trust companies).

Remuneration Policy

Directors are remunerated in the form of fees, payable quarterly in arrears to the Director personally. In accordance with the Company's Articles of Association the aggregate remuneration of the Directors may not exceed £150,000 per annum. Subject to the overall limit, the Company's policy is that remuneration should reflect the experience of the Board as a whole, be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and similar investment objectives and should be of a sufficient level to promote the long-term success of the Company. Non-executive Directors are not eligible for bonuses, pension benefits, share options or other benefits and no long-term incentive schemes are in place.

All Directors, including any new appointments to the Board, are paid at the same rate, apart from the Chairman of the Board and the Chairman of the Audit Committee who are paid a higher fee in recognition of their additional responsibilities. The level of remuneration paid to each Director is reviewed annually, although review will not necessarily result in any change to the rate; any feedback from shareholders would be taken into account when setting remuneration levels.

Directors are authorised to claim reasonable expenses from the Company in relation to the performance of their duties. This policy has been in place since 1 October 2012. A resolution approving this policy was approved at the AGM held on 24 February 2014 and accordingly it will remain in force until next put to shareholders which will be not later than the AGM in respect of the financial year ending 30 September 2016.

The Board may amend the level of remuneration paid to individual Directors within the parameters of the remuneration policy. No Director has a service contract with the Company.

The terms of their engagement are set out in letters of appointment. There is a three month notice period and the Company reserves the right to make a payment in lieu of notice.

Annual Statement

As Chairman, Richard Gubbins reports that Directors' fees were increased with effect from 12 February 2015. The increases were made after consideration of the fees paid to directors of other investment trusts in the peer group, other sectors and the Henderson managed investment trusts. These increases were to ensure that Directors are properly remunerated for their services to the Company. This is the first increase in fees since 2007. There have been no other major decisions on Directors' remuneration or any other changes to the remuneration paid to each individual Director in the year under review.

Annual Report on Remuneration

Directors' interests in shares (audited)

	Ordinary shares of 25p	
	30 September 2015	1 October 2014
Graham Fuller	10,000	10,000
Richard Gubbins ¹	8,717	–
Daniel Hodson ²	N/A	30,121
Jamie Korner	24,000	15,000
Graham Oldroyd ³	15,000	6,074
Shane Ross ⁴	N/A	150,625

1 Appointed as a Director on 25 July 2014

2 Ceased to be a Director on 19 December 2014

3 Appointed as a Director on 25 July 2014

4 Ceased to be a Director on 11 November 2014

The interests of the Directors in the ordinary shares of the Company at the beginning and end of the financial year are shown above. There have been no changes to any of the Directors' holdings in the period 1 October 2015 to the date of this report.

Directors' Remuneration Report (continued)

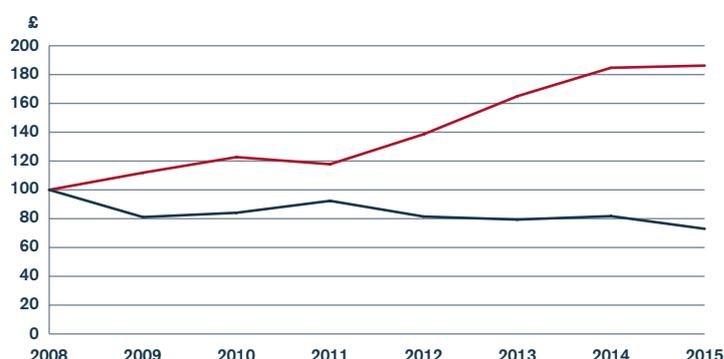
Performance

The Company's performance is measured against the FTSE World Total Return Index (the "Benchmark Index"). The graph compares the mid-market price of the Company's ordinary shares over the seven year period ended 30 September 2015 with the return from the Benchmark Index over the same period, assuming the investment of £100 on 30 September 2008 and reinvestment of all dividends and income (excluding dealing expenses).

Source: Morningstar Funddata and Datastream

— FTSE World Total Return Index

— Henderson Alternative Strategies Trust plc share price total return



Directors' Remuneration (audited)

The remuneration paid to the Directors who served during the years ended 30 September 2015 and 30 September 2014 was as follows:

	Year ended 30 September 2015 Total salary and fees £	Year ended 30 September 2014 Total salary and fees £	Year ended 30 September 2015 Expenses and taxable benefits £	Year ended 30 September 2014 Expenses and taxable benefits £	Year ended 30 September 2015 Total £	Year ended 30 September 2014 Total £
Graham Fuller	20,067	15,000	–	–	20,067	15,000
Richard Gubbins ¹	31,096	2,753	–	–	31,096	2,753
Daniel Hodson ²	3,913	18,000	–	215	3,913	18,215
Peter Hulse ³	–	6,042	–	–	–	6,042
Jamie Korner	20,067	15,000	–	–	20,067	15,000
Graham Oldroyd ⁴	25,217	2,753	109	–	25,326	2,753
Shane Ross ⁵	2,568	22,500	4,322	3,160	6,890	25,660
Total	102,928	82,048	4,431	3,375	107,359	85,423

Notes:

The table above omits other columns set out in the relevant regulations because no payments of other types such as performance related pay, vesting performance related pay and pension related benefits were made

1 Appointed on 25 July 2014. Chairman since 11 November 2014

2 Chairman of the Audit Committee and Senior Independent Director until 19 December 2014

3 Ceased to be a Director on 24 February 2014

4 Appointed on 25 July 2014. Chairman of the Audit Committee since 19 December 2014

5 Chairman until 11 November 2014

Since 12 February 2015, the fees increased as follows (previous rates shown in brackets): Chairman £33,000 (2014: £22,500) per annum, Audit Committee Chairman £26,000 (2014: £18,000) per annum and other Directors £23,000 (2014: £15,000) per annum

No other remuneration or compensation was paid or payable by the Company during the year to any of the current or former Directors or third parties specified by any of them.

Relative Importance of Spend on Pay

In order to show the relative importance of spend on pay, the table below sets out the total level of remuneration compared to the distributions paid to shareholders by way of dividends and share buybacks. There were no share buybacks or other significant distributions, payments or other uses of the Company's profit or cash flow deemed to assist in the understanding of the relative importance of spend on pay during the year, other than pursuant to the tender offer in December 2014.

	2015 £	2014 £	Change £
Total remuneration	107,359	85,423	21,936
Ordinary dividend paid	1,432,542	716,271	716,271
Buy back of Ordinary Shares pursuant to tender offer	12,925,142	–	12,925,142

Statement of Voting at Annual General Meeting ("AGM")

At the AGM held on 19 December 2014, 28,626,764 votes (96.70%) were received voting for the resolution seeking approval of the Directors' Remuneration Report, 942,749 (3.18%) were against, 33,762 (0.12%) were discretionary and 226,844 were withheld; the percentage of votes excludes votes withheld. In relation to the approval of the Remuneration Policy in February 2014, 25,240,466 votes (99.78%) were received voting for the resolution, 41,755 (0.17%) were against, 14,121 (0.05%) were discretionary and 11,231 were withheld.

For and on behalf of the Board

Graham Oldroyd
Director
18 December 2015

Corporate Governance Statement

The Corporate Governance Statement forms part of the Report of the Directors.

Applicable Corporate Governance Codes

The Board is accountable to shareholders for the governance of the Company's affairs. As an investment trust, the Company's day-to-day responsibilities are delegated to third parties; the Company has no employees and the Directors are all non-executive. Therefore not all the provisions of the UK Corporate Governance Code (the "UK Code") issued by the Financial Reporting Council ("FRC") in September 2014 are directly applicable to the Company. The Board has therefore considered the principles and recommendations of the Code of Corporate Governance published by the Association of Investment Companies in February 2015 (the "AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies (the "AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the applicable principles set out in the UK Code as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The FRC has confirmed that by following the AIC Guide, boards of investment companies should fully meet their obligations in relation to the UK Code and paragraph 9.8.6 of the Listing Rules.

Copies of the AIC Code, the AIC Guide and the UK Code can be found on the respective organisations' websites: www.theaic.co.uk and www.frc.org.uk.

Statement of Compliance

The Directors believe that the Company has complied with the recommendations of the AIC Code that are applicable to smaller companies (those below the FTSE 350) during the year under review and up to the date of this report and thereby the provisions of the UK Code except as set out below.

The UK Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function.

For the reasons set out in the AIC Guide, and as explained in the UK Code, the Board considers these provisions are not relevant to the position of the Company as it is an externally managed investment company. In particular, all of the Company's day to day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations.

Directors

Terms of Appointment

It is the Board's policy that none of the Directors has a service contract. However, the terms of their engagement are set out in letters of appointment, copies of which are available for inspection at the Company's registered office during normal business hours and at the Company's Annual General Meeting ("AGM"). There is a three month notice period and the Company reserves the right to make a payment in lieu of notice.

Directors' Appointment and Retirement

The appointment of new Directors is considered by the Nominations Committee, which makes recommendations to the Board.

Any Director appointed by the Board must stand for election by shareholders at the AGM following appointment. No Directors are subject to these provisions this year.

All Directors are appointed for an initial term of three years. The Articles of Association require each Director to retire and submit themselves for re-election at least every three years. Graham Fuller will stand for re-election in accordance with this provision.

The contribution and performance of Mr Fuller was considered at the Nominations Committee meeting held in October 2015, after which his continued appointment was recommended to the Board. Any Director who has served more than six years on the Board is subject to rigorous review.

Under the Articles of Association, shareholders may remove a Director before the end of his term by passing a special resolution at a meeting. A special resolution is passed if more than 75% of the votes cast, in person or by proxy, are in favour of the resolution.

Directors' Independence

The Directors have a wide range of interests and are not dependent on the Company itself. At the Nominations Committee meeting in October 2015, the Directors reviewed their independence and confirmed that all Directors are independent of Henderson and are independent in character and judgement and that their skills, broad business experience, knowledge and understanding of the Company are of benefit to shareholders.

Graham Fuller is the Company's Senior Independent Director. In line with the AIC Code, the Board believes that length of service does not diminish the contribution from a Director as experience and knowledge of the Company is a positive factor and should not impact a Director's independence.

There were no contracts subsisting during or at the end of the year in which a Director of the Company is or was materially interested and which is or was significant in relation to the Company's business. No Director has a contract of service with the Company and there are no agreements between the Company and its Directors concerning compensation for loss of office.

Directors' Professional Development

When a new Director is appointed he or she is offered an induction seminar which is held by Henderson at the request of the Chairman. Directors are also provided on a regular basis with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise. Directors are also able to attend external training facilities and industry seminars at the expense of the Company and each Director's individual training requirements are considered by the Chairman as part of the annual performance evaluation process.

Directors' Insurance and Indemnification

Directors' and officers' liability insurance cover is in place which indemnifies the Directors against certain liabilities arising from the carrying out of their duties. Under the Company's Articles of Association and, subject to the provisions of UK legislation, a qualifying third party provision indemnity may be provided to Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of

Corporate Governance Statement (continued)

their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court. The Company has granted indemnity to Directors to the extent permitted by law in respect of liabilities that may attach to them in their capacity as Directors of the Company.

The Board

Board composition

The Company's Articles of Association provide that the total number of Directors shall be not less than three nor more than nine. The Board currently consists of four non-executive Directors.

The biographies of the Directors holding office at the date of this report, are set out on page 13, and demonstrate the breadth of investment management, financial services and professional experience relevant to their positions as Directors.

All Directors served throughout the year with the exception of Shane Ross who ceased to be a Director on 11 November 2014 and Daniel Hodson who stood down at the AGM held in December 2014.

Responsibilities of the Board and its Committees

The Board meets formally at least four times a year, with additional Board or committee meetings arranged when required. The Directors have regular contact with Henderson and the Secretary between formal meetings. The Board has a formal schedule of matters specifically reserved for its decision which include strategy/management and structure, financial reporting and other communications, Board membership, and other appointments, performance, business model and strategy.

The Board is responsible for the approval of annual and half year results and other public documents and for ensuring that such documents provide a fair, balanced and understandable assessment of the Company's position and prospects. The Directors confirm that they believe that the Annual Report for the year ended 30 September 2015, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

At each meeting the Board reviews the Company's investment performance and considers financial analyses and other reports of an operational nature. The Board monitors compliance with the Company's objective and is responsible for setting asset allocation, investment and gearing limits within which Henderson has discretion to act and regularly reviews investment strategy. It has adopted a procedure for Directors to take independent professional advice in the furtherance of their duties at the expense of the Company. In order to enable them to discharge their responsibilities, all Directors have full and timely access to relevant information.

Committees of the Board

The Board has three committees; the Audit Committee, the Nominations Committee and the Management Engagement Committee. Terms of reference for each of the Committees are available on the Company's website or from the Secretary.

A separate Remuneration Committee has not been established as the Board consists of only non-executive Directors. The whole Board is responsible for setting Directors' fees in line with the Remuneration Policy, as set out on page 24.

Audit Committee

The Audit Committee is chaired by Graham Oldroyd and comprises all the Directors. The Report of the Audit Committee which forms part of the Corporate Governance Statement can be found on pages 30 to 31.

Nominations Committee

The Nominations Committee is chaired by Richard Gubbins and comprises all the Directors. When considering succession planning, the Committee bears in mind the balance of skills, knowledge, experience and diversity existing on the Board. It is considered that there is a range of backgrounds with each Director bringing an appropriate and balanced range of qualities to the Board and its discussions. It is not considered necessary for the Company to have set targets in relation to diversity due to the size of the Board; candidates will be assessed in relation to the relevant needs of the Company at the time of appointment.

The Nominations Committee will make recommendations to the Board when the recruitment of additional non-executive Directors is required. Once a decision is made to recruit additional Directors to the Board, a formal job description is drawn up. The Committee may use external agencies as and when there is a requirement to recruit an additional Board member. All appointments to the Board are based on merit and the skills needed to fill any gaps. The Committee also reviews and recommends to the Board the Directors seeking re-election. Recommendation is not automatic and will follow a process of evaluation of each Director's performance and consideration of the Director's independence.

The Committee also takes into account the spread of experience and knowledge of the current Board members. In accordance with the UK Code any Director serving for longer than six years is subject to particularly rigorous assessment of his contribution.

Directors' fees are set out in the Remuneration Report detailed on page 25. A resolution approving the Remuneration Policy was passed at the AGM held on 24 February 2014.

Management Engagement Committee

The Management Engagement Committee is chaired by Richard Gubbins and comprises all the Directors. The Committee is responsible for reviewing the management contract on a regular basis, ensuring that the terms are fair and reasonable and that its continuance, given the Company's performance over both short and longer terms, is in the best interests of the Company and its shareholders and also for reviewing the performance and cost effectiveness of the Company's other service providers.

The Committee met in October 2015 to carry out its annual review of Henderson, the results of which are detailed on page 29.

Board attendance

The following table sets out the number of Board and Committee meetings held during the year under review and the number of meetings attended by each Director. At the AGM in December 2014, all those Directors serving at the time were in attendance.

Corporate Governance Statement (continued)

	Board	AC	MEC	NC
Number of meetings	4	2	1	1
Graham Fuller	4	2	1	1
Richard Gubbins	4	2	1	1
Daniel Hodson ¹	2	1	–	–
Jamie Korner	4	2	1	1
Graham Oldroyd	4	2	1	1
Shane Ross ²	1	1	–	–

AC: Audit Committee

MEC: Management Engagement Committee

NC: Nominations Committee

¹ Ceased to be a Director on 19 December 2014

² Ceased to be a Director on 11 November 2014

Committees of the Board also met during the year to undertake business such as the approval of the Company's results and dividend.

Performance evaluation

The Board conducted a review of its own performance, together with that of its Committees, the Chairman and each individual Director, through individual discussions. It was concluded that each were satisfactory and the Board had a good balance of skills and experience.

Internal Controls

The Board has established an ongoing process for identifying, evaluating and managing any major risks faced by the Company (see Principal Risks on page 15). The process accords with Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the FRC in September 2014 and is subject to regular review by the Board.

The Board has overall responsibility for the Company's system of internal controls and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate risks of failure to achieve the Company's business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has reviewed the effectiveness of the Company's system of internal controls for the year ended 30 September 2015. During the course of the review the Board has not identified or been advised of any failings or weaknesses that have been determined as significant. All business risks faced by the Company are recorded in a risk map which is subject to regular review.

Henderson has established an internal controls framework to provide reasonable, but not absolute, assurance on the effectiveness of the internal controls operated on behalf of its clients. The effectiveness of the internal controls is assessed by Henderson's compliance, internal audit and risk departments on a continuing basis. The Board receives a formal report on a quarterly basis which details the steps taken to monitor the areas of risk, including those that are not directly the responsibility of Henderson, and which reports the details of any known internal control failures. The Board receives a report on Henderson's internal controls each year which includes a report from

Henderson's service auditors on the control policies and procedures in operation.

The Board confirms that in the event of any significant failings or weakness identified from the annual review of effectiveness of the company's system of internal control, necessary action would be taken to remedy them.

The ongoing process for identifying, evaluating and managing significant risks faced by the Company has been in place throughout the year under review and up to the date of this report. Systems are in operation to safeguard the Company's assets and shareholders' investments, to maintain proper accounting records and to ensure that financial information used within the business, or published, is reliable. As all of the Company's management functions are delegated to third parties, and the Board monitors the controls in place with support from Henderson's internal audit department, the Board feels that there is currently no need for the Company to have its own internal audit function.

Accountability and relationship with Henderson

The Statement of Directors' Responsibilities in respect of the financial statements is set out on page 23, the Independent Auditor's Report on pages 32 to 33 and the Viability Statement on page 16.

The Board has delegated contractually to external third parties, including Henderson, the management of the investment portfolio, the custodial services (which include the safeguarding of the assets which is delegated through the appointment of the Depositary as explained on page 18), the day-to-day accounting, company secretarial and administration requirements and registration services. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of the services offered, including the control systems in operation in so far as they relate to the affairs of the Company.

The Board receives and considers regular reports from Henderson and ad hoc reports and information are supplied to the Board as required. In addition, the Chairman is able to attend meetings of all the chairmen of the investment trust companies managed by Henderson which provide a forum to discuss industry matters which would then be reported to the Board.

Henderson takes decisions as to the purchase and sale of individual investments. Henderson also ensures that all Directors receive, in a timely manner, all relevant management, regulatory and financial information. Representatives of Henderson attend each Board meeting enabling the Directors to probe further on matters of concern. The Directors have access to the advice and services of the Corporate Secretary through its appointed representative who is responsible to the Board for ensuring that Board and Committee procedures are followed and that applicable rules and regulations are complied with. The proceedings at all Board and Committee meetings are fully recorded through a process that allows any Director's concerns to be recorded in the minutes. The Board and Henderson operate in a supportive, co-operative and open environment.

Corporate Governance Statement (continued)

The Corporate Secretary, Henderson Secretarial Services Limited, is a subsidiary of Henderson with its own reporting lines and audited internal controls. There are processes and controls in place to ensure that there is a clear distinction between the two entities particularly when dealing with any conflicts or issues between the Company and Henderson. Any correspondence from shareholders addressed to the Chairman or the Company received at Henderson's offices is forwarded to the Chairman of the Company in line with the audited procedures in place. Any correspondence is also submitted to the next Board meeting for discussion.

Henderson and BNP Paribas Securities Services, which acts for Henderson, have arrangements in place by which their staff may, in confidence, raise concerns about possible improprieties in relation to financial reporting or other matters.

The Board confirms its zero tolerance to bribery and corruption in its business activities. It has sought assurances from the Company's main contractors and suppliers that they will maintain adequate safeguards to protect against any potentially illegal behaviour by their employees and agents.

Continued Appointment of Henderson

The Board considers the arrangements for the provision of investment management and other services to the Company on an ongoing basis. The principal contents of the agreement with Henderson are contained on page 2.

In addition to the monitoring of investment performance at each meeting, through the Management Engagement Committee, an annual review of the Company's investment performance over both the short and longer terms, together with the quality of other services provided by Henderson, including company secretarial and accounting, is undertaken.

It is the Directors' opinion that the continuing appointment of Henderson on the existing terms is in the interests of the Company and its shareholders as a whole.

Share Capital

Please see the Report of the Directors on page 21.

Relations with Shareholders

Shareholder relations are given high priority by the Board. The prime medium by which the Company communicates with its shareholders is through the half year results and Annual Report which aim to provide shareholders with a clear understanding of the Company's activities and their results. This information is supplemented by the weekly calculation and publication of the NAV per share to a regulatory information service and a monthly fact sheet which is available on the website. Henderson also provides information on the Company and Fund Manager videos on the website, via various social media channels and through its HGi content platform, more details of which are included on page 14.

The Board considers that shareholders should be encouraged to attend and participate in the AGM. Shareholders have the opportunity to address questions to the Chairman of the Board, the Chairman of the Audit Committee and all other Directors at the meeting and the Fund Managers will make a presentation to shareholders. A summary of the proxy votes received on the resolutions proposed is displayed at the meeting and each substantial issue is dealt with in a separate resolution. These documents are also included on the Company's website. Shareholders wishing to lodge questions in advance of the meeting, or raise issues or concerns at any time, are invited to do so by writing to the Chairman at the correspondence address given on page 14 of this report.

General presentations to both shareholders and analysts follow the publication of the annual results. All meetings between Henderson and shareholders are reported to the Board.

By order of the Board

Henderson Secretarial Services Limited
Corporate Secretary
18 December 2015

Report of the Audit Committee

The Audit Committee comprises all the Directors, including the Chairman of the Company. Details of the investment management and financial experience of the Directors can be found in the biographies on page 13.

Meetings

The Committee meets at least twice a year. The quorum for a meeting is two members. The Company's Auditor is invited to attend meetings of the Committee on a regular basis. Representatives of Henderson and BNP Paribas Securities Services ("BNP") may also be invited to attend if deemed necessary by the Committee.

Responsibilities

The Audit Committee formally reports to the Board. The Committee's responsibilities are set out in formal terms of reference which are reviewed at least annually. In the year under review the main duties undertaken were:

- consideration of the appropriateness of the Company's accounting policies;
- a review of the half year results and the Annual Report, including the disclosures made therein in relation to internal controls and risk management, viability, going concern and related parties and consideration of whether the report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy in order to make recommendations to the Board. In assessing whether the report is fair, balanced and understandable, each Director reviewed the disclosures made, applying their respective knowledge and expertise. The internal controls over financial reporting were also considered together with feedback from the Company's Auditor and the Corporate Secretary;
- consideration of the quality and effectiveness of the accounting records and management information maintained on behalf of the Company, relying on meetings with and reports from Henderson;
- consideration of the appropriate level of dividend to be paid by the Company for recommendation to the Board;
- consideration of the internal controls in place at Henderson and BNP as administrator and Henderson's policies in relation to cyber risk and business continuity, meeting with representatives of Henderson's internal audit and risk departments periodically;
- consideration of the key risks, risk management systems in place and the Company's risk map;
- consideration of the nature and scope of the external audit and the findings therefrom;
- annual consideration of whether there is a need for an internal audit function, in order to make a recommendation to the Board;
- consideration of the appointment of the Auditor, their effectiveness and their performance and remuneration;
- consideration of the Auditor's independence and objectivity and the provision of any non-audit services and the reporting of the external Auditor; and
- consideration of the whistle blowing policy that Henderson has put in place for its staff to raise concerns about possible improprieties, including in relation to the Company, in confidence. The policy includes the necessary arrangements for independent investigation and follow up action.

Annual Report for the year ended 30 September 2015

In relation to the Annual Report for the year ended 30 September 2015 the following significant issues were considered by the Committee:

Significant issue	How the issue was addressed
Valuation and ownership of the Company's investments	Actively traded investments are valued using stock exchange prices provided by third party pricing vendors. Investments that are unquoted or not actively traded are valued using a variety of techniques to determine their fair value; all such valuations are reviewed by both Henderson's Fair Value Pricing Committee and by the Directors at least twice each year. Ownership of listed investments is verified by reconciliation to the custodian's records; for unquoted investments, verification is via additional reconciliation to the records of the investee entities.
Recognition of income	Income received is accounted for in line with the Company's accounting policies (as set out on page 38) and is reviewed by the Committee at each meeting.
Compliance with Section 1158 of the Corporation Tax Act 2010	The Committee regularly considers the controls in place to ensure that the regulations for ensuring investment trust status are observed at all times.
Maintaining internal controls	The Committee receives regular reports on internal controls from Henderson and its delegates and has access to the relevant personnel of Henderson who have a responsibility for risk management and internal audit.

Report of the Audit Committee (continued)

External Audit Process

The Auditor provides a planning report in advance of the audit and a report on the annual audit. The Committee assess the performance of the Auditor and the audit process through discussions both with the Auditor present and privately, with the Fund Managers and the Company Secretary. Fees paid or payable to the Auditors are detailed in note 4 on page 39.

Auditor's Appointment

Grant Thornton UK LLP were appointed as Auditor in 2013.

The Audit Committee remains satisfied with the effectiveness of the audit provided by Grant Thornton. On the basis of the Auditor's performance the Audit Committee recommended their continuing appointment to the Board. The Auditor has indicated their willingness to continue in office. Accordingly, resolutions to confirm the re-appointment of Grant Thornton UK LLP as Auditor to the Company and to authorise the Audit Committee to determine their remuneration will be proposed at the AGM.

As a Public Interest Entity listed on the London Stock Exchange, the Company will in future be subject to the mandatory rotation requirements of the European Union. Subject to the detailed implementation of the EU regulation in the UK, this is likely to mean that the Company will be required to put its audit contract out to tender at least every 10 years and change auditors at least every 20 years. The Auditors are required to rotate partners every five years and this is the second year the current partner has been in place.

Policy on Non-Audit Services

In accordance with Financial Reporting Council's Guidance on Audit Committees, the Committee has formulated a written policy on the provision of non-audit services by the Company's statutory independent Auditor. The Audit Committee has determined that the Company's appointed Auditor will never be considered for the provision of accounting and preparation of the financial statements, internal audit and custody. The Auditor may, if required, provide non-audit services relating to a review of the Company's half year report. All other non-audit services will be judged on a case-by-case basis and will be approved by the Audit Committee.

The Committee is satisfied that the Annual Report, taken as a whole, is fair, balanced and understandable and has made the appropriate recommendation to the Board.

Graham Oldroyd
Audit Committee Chairman
18 December 2015

Independent Auditor's Report to the Members of Henderson Alternative Strategies Trust plc

Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Who are we reporting to

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

What we have audited

Henderson Alternative Strategies Trust plc's financial statements comprise the Income Statement, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, the Cash Flow Statement and the related notes.

The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Practice.

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that are, in our judgement, likely to be most important to users' understanding of our audit.

Ownership and valuation of quoted and unquoted investments

The risk: The Company's business is to provide long-term growth to shareholders via a diversified, international, multi-strategy portfolio which offers access to specialist funds including hedge funds and private equity funds. As a consequence of this, the Company has significant exposure to investments which are the main drivers of long-term growth, with the investment portfolio valued at £107m. There is a risk that investments shown in the Balance Sheet may not be owned by the Company or are incorrectly valued. We identified ownership and valuation of investments as risks that required particular or special audit attention.

Quoted investments

Our response on ownership: In order to confirm that the quoted investments were owned by the Company our audit work included, but was not restricted to, obtaining a confirmation of investments held at the year-end directly from the independent custodian; testing the reconciliation of the independent custodian records to the records maintained by the Company's administrator and testing a selection of investment additions and disposals shown in the Company's records to supporting documentation.

Our response on valuation: Our audit work on valuation included, but was not restricted to, understanding management's process to value quoted investments; agreeing the valuation of quoted investments to an independent source of market prices; and in order to confirm

investments are actively traded we obtained trading volumes of listed investments held at the year-end.

Unquoted investments

Our response on ownership: In order to confirm that the unquoted investments were owned by the Company our audit work included, but was not restricted to, obtaining confirmations of a sample of the investments directly from the underlying investment managers or the independent custodian; agreeing a sample of investment additions and distributions to trade notes and bank records, testing the cut off of distributions at year end; and testing the reconciliation of movements in investments held.

Our response on valuation: Our audit work included, but was not restricted to, obtaining an understanding of how the valuations were performed by management; consideration of whether the valuations were made in accordance with published guidance, in particular the International Private Equity and Venture Capital Guidelines; discussions with management, reviewing and challenging the reasonableness of both the valuation techniques used and the assumptions made by management, including, on a sample basis corroboration of financial inputs underlying those valuation and other supporting information; obtaining confirmations of a sample of the investment valuations directly from the underlying investment managers; observing the review procedures implemented by the Manager on investment valuations by reading the valuation committee minutes; assessing management's consideration of other factors that might require adjustment to the valuation resulting from the normal process; and assessing the quality of the confirmations produced from the underlying investment managers by comparing the information on the confirmations to periodic audited financial statements.

The Company's accounting policy on the valuation of investments is shown in Note 1(f) and its disclosures about investment movements are included in Note 8. The Audit Committee identified ownership and valuation of the Company's investments as a significant issue in its report on page 30, where the Committee also described the action that it has taken to address this issue.

Our application of materiality and an overview of the scope of our audit

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We determined materiality for the audit of the financial statements as a whole to be £1.2m which is 1% of the Company's net assets. This benchmark is considered the most appropriate because net assets, which is primarily composed of the Company's investment portfolio, is considered to be the key driver of the Company's total return performance. We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality. We also determine a lower level of specific materiality for certain areas such as Directors' remuneration and related party transactions.

We determined the threshold at which we will communicate misstatements to the audit committee to be £0.06m. In addition we will communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Overview of the scope of our audit

We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland). Our responsibilities under those standards are further described in the 'Responsibilities for the

Independent Auditor's Report to the Members of Henderson Alternative Strategies Trust plc (continued)

financial statements and the audit' section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

Our audit approach was based on a thorough understanding of the Company's business and is risk-based. The day-to-day management of the Company's investment portfolio, the custody of its investments and the maintenance of the Company's accounting records are outsourced to third-party service providers. Accordingly, our audit work included obtaining an understanding of, and evaluating relevant internal controls at both the Company and third-party service providers. This included obtaining and evaluating controls reports prepared by third-party auditors on the description, design and operating effectiveness of internal controls at investment manager, custodian and administrator. We undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, our evaluation of the design effectiveness of controls over individual systems and the management of specific risks.

Other reporting required by regulations

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified
In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that were communicated to the audit committee which we consider should have been disclosed; or
- we have anything material to add or to draw attention to in relation to:
 - the Directors' confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the Company including those that would threaten its business model, future performance, solvency or liquidity;
 - the disclosures in the annual report that describe those risks and explain how they are being managed or mitigated;

- the Directors' statement in the financial statements about whether they have considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements; and
- the Directors' explanation in the annual report as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules, we are required to review:

- the Directors' statements in relation to going concern and longer-term viability set out on pages 38 and 16 respectively; and
- the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Responsibilities for the financial statements and the audit

What an audit of financial statements involves:

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

What the Directors are responsible for:

As explained more fully in the Statement of Directors' Responsibilities set out on page 23, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

What are we responsible for:

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

Julian Bartlett
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

18 December 2015

Income Statement

Notes		Year ended 30 September 2015			Year ended 30 September 2014		
		Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
8	(Losses)/gains on investments at fair value through profit or loss	–	(7,482)	(7,482)	–	1,105	1,105
	Exchange differences	–	61	61	–	(147)	(147)
	Net (losses)/gains on investments	–	(7,421)	(7,421)	–	958	958
2	Investment income	2,090	–	2,090	2,129	–	2,129
3	Investment management fees	(86)	(782)	(868)	(98)	(879)	(977)
4	Other expenses	(351)	(27)	(378)	(327)	(45)	(372)
	Net (loss)/return before interest and taxation	1,653	(8,230)	(6,577)	1,704	34	1,738
	Finance costs - interest	(3)	(26)	(29)	(19)	(175)	(194)
	Net (loss)/return before taxation	1,650	(8,256)	(6,606)	1,685	(141)	1,544
5	Taxation	–	–	–	–	–	–
7	Net (loss)/return on ordinary activities after taxation	1,650	(8,256)	(6,606)	1,685	(141)	1,544
7	(Loss)/return per ordinary share	3.72p	(18.61)p	(14.89)p	3.53p	(0.30)p	3.23p

The total column of this statement represents the profit and loss account of the Company. The Company had no recognised gains or losses other than those recognised in the Income Statement. No operations were acquired or discontinued in the year. All revenue and capital items in the above statement derive from continuing operations.

Reconciliation of Movements in Shareholders' Funds

Notes	Year ended 30 September 2015	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
	Balance at 1 October 2014	11,938	10,966	6,515	108,289	1,700	139,408
	Return attributable to shareholders	–	–	–	(8,256)	1,650	(6,606)
	Shares bought back - tender offer	(1,194)	–	1,194	(12,925)	–	(12,925)
6	Ordinary dividends	–	–	–	–	(1,433)	(1,433)
	Balance at 30 September 2015	10,744	10,966	7,709	87,108	1,917	118,444

Notes	Year ended 30 September 2014	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
	Balance at 1 October 2013	11,938	10,966	6,515	108,430	731	138,580
	Return attributable to shareholders	–	–	–	(141)	1,685	1,544
6	Ordinary dividends	–	–	–	–	(716)	(716)
	Balance at 30 September 2014	11,938	10,966	6,515	108,289	1,700	139,408

Balance Sheet

Notes	As at 30 September	2015 £'000	2014 £'000
	Fixed Assets		
8	Investments at fair value through profit or loss	106,982	119,933
	Current assets		
	Debtors	1,990	1,037
	Money market funds	6,995	16,250
	Cash at bank	220	129
9	Cash held as CFD margin deposit	2,692	2,641
	Total current assets	11,897	20,057
10	Creditors: amounts falling due within one year	(435)	(582)
	Net current assets	11,462	19,475
	Total assets less current liabilities	118,444	139,408
	Capital and reserves		
11	Called up share capital	10,744	11,938
	Share premium	10,966	10,966
	Capital redemption reserve	7,709	6,515
	Capital reserve	87,108	108,289
	Revenue reserve	1,917	1,700
	Total equity shareholders' funds	118,444	139,408
7	Net asset value per Ordinary share (pence)	275.60	291.94

The financial statements were approved by the Board of Directors and authorised for issue on 18 December 2015 and were signed on its behalf by:

Graham Oldroyd
Director

Cash Flow Statement

Year ended 30 September	2015 £'000	2014 £'000
Reconciliation of revenue before interest and taxation to net cash flows from operating activities		
Net (loss)/return before interest and taxation	(6,577)	1,738
Net losses/(gains) on investments	7,421	(958)
Transaction costs	27	45
Movement in creditors	(248)	293
Movement in debtors	17	(47)
Net cash inflow from operating activities	640	1,071
Returns on investment and servicing of finance		
Finance costs paid	(29)	(194)
Capital expenditure and financial investment		
Purchases of fixed asset investments	(38,057)	(31,733)
Sales of fixed asset investments	42,630	28,913
	4,573	(2,820)
Equity dividends paid	(1,433)	(716)
Management of liquid resources		
Purchases of money market funds	(40,699)	(42,497)
Sales of money market funds	49,954	37,919
Net cash inflow/(outflow) from management of liquid resources	9,255	(4,578)
Net cash inflow/(outflow) before financing	13,006	(7,237)
Financing		
Shares bought back – tender offer	(12,925)	–
Increase/(decrease) in cash	81	(7,237)
Reconciliation of net cash flow to movement in net cash		
Movement in cash in the year	81	(7,237)
Net funds at start of the year	19,020	21,826
Net change in liquid resources	(9,255)	4,578
Exchange rate differences	61	(147)
Net funds at end of the year	9,907	19,020

Net funds at the end of the year comprised cash held at bank of £220,000 (2014: £129,000), cash held at UBS related to CFD transactions of £2,692,000 (2014: £2,641,000) and balances held at money market funds of £6,995,000 (2014: £16,250,000).

Notes to the Financial Statements

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost basis of accounting, modified to include the revaluation of investments at fair value. The financial statements have been prepared in accordance with the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice and with the Statement of Recommended Practice ("the SORP") for investment trusts issued by the Association of Investment Companies ("the AIC") in January 2009. The Company's accounting policies are consistent with the prior year.

Having considered the Company's investment objective, risk management and capital management policies, the nature of the portfolio and expenditure projections, the Directors believe that the Company has adequate resources and an appropriate financial structure in place to continue in operational existence for at least twelve months from the date of approval of the financial statements. The Board considers that there is reasonable evidence to support continuing to adopt the going concern basis in preparing the financial statements.

b) Income

Investment income is included in the Income Statement on an ex-dividend basis. Deposit interest is included on an accruals basis.

c) Expenses and interest

Expenses and interest payable are dealt with on an accruals basis.

d) Investment management fees and finance costs

The investment management fee and interest payable have been allocated 10% to revenue and 90% to capital. The allocation is in line with the Board's expected long-term split of returns, in the form of income and capital gains respectively, from the investment portfolio. The terms of the investment management agreement are detailed in the Strategic Report on page 2.

e) Taxation

The taxation charge represents the sum of current and deferred taxation. Current taxation is based on the results showing in the accounts and is calculated using the prevailing taxation rates. Deferred taxation is accounted for in respect of all material timing differences to the extent that it is probable that an asset or liability will crystallise. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods.

f) Investments

The Company's investments are categorised as 'fair value through profit or loss'. All investments are held at fair value. For listed investments, this is deemed to be quoted bid prices as at 30 September 2015 or closing prices for SETS stocks sourced from the London Stock Exchange.

CFDs are derivatives in the form of synthetic equities and are fair valued with reference to the investment's underlying bid price. The aggregate of CFD liability positions is presented in creditors: amounts due in less than one year.

Unquoted investments are valued at fair value based on the latest available information, principally net asset value, and with reference to the International Private Equity and Venture Capital Valuation Guidelines. All such valuations are reviewed by both Henderson's fair value pricing committee and by the Directors at least twice each year. Where fair value cannot be reliably measured, the investment will be carried at the previous reporting date value unless there is evidence that the investment has since been impaired, in which case the value will be reduced.

All changes in fair value and transaction costs on the acquisition and disposal of portfolio investments are included in the Income Statement as a capital item.

Purchases and sales of investments are accounted for on the trade date.

g) Use of estimates

The preparation of financial statements requires the Company to make judgements, estimates and assumptions that affect amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. However, the nature of estimation means that the actual outcomes could differ from those estimates, possibly significantly. The estimates and underlying assumptions are reviewed on an ongoing basis. The judgements relate to the fair value of unquoted investments where there is no appropriate market price.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

h) Foreign currencies

Assets and liabilities in foreign currencies are converted at the year end exchange rates. Foreign currency transactions are translated at the exchange rate on the transaction date. Exchange differences are dealt with as either revenue or capital items depending on the nature of the exchange gain or loss.

i) Capital reserve

Gains and losses on realisations of fixed asset investments, and transaction costs, together with appropriate exchange differences, are dealt with in this reserve. A portion of the investment management fee and finance costs, together with any tax relief, is also taken to this reserve. Increases and decreases in the valuation of fixed asset investments are dealt with in this reserve. The cost of share buybacks is also charged directly to this reserve.

j) Dividends payable

Final dividends are recognised in the period in which they are paid.

2 Investment income

	2015 £'000	2014 £'000
Income from equity shares and securities		
UK investment income	355	684
Overseas income	1,672	1,384
	2,027	2,068
Other income		
Interest from money market funds	25	32
Bank interest	12	27
Other income	26	2
	63	61
Total income	2,090	2,129

3 Investment management fees

	2015 £'000	2014 £'000
Revenue		
Investment management fee	86	98
Capital		
Investment management fee	782	879
Total	868	977

Details of the fee basis are contained in the Strategic Report on page 2.

4 Other expenses

	2015 £'000	2014 £'000
Revenue		
General expenses	179	199
Directors' fees	103	82
Auditor's remuneration – audit services ¹	35	30
– all other services ²	–	10
Depositary charges ³	34	6
	351	327
Capital		
Transaction costs	27	45
Total	378	372

1 These figures include VAT. Fees for audit services excluding VAT were £29,000 (2014: £25,000).

2 2014 includes review of process for valuation of unlisted investments.

3 Depositary appointed on 22 July 2014 to meet the requirements of AIFMD.

Notes to the Financial Statements (continued)

5 Taxation

	2015 £'000	2014 £'000
Net return on ordinary activities before taxation	(6,606)	1,544
The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are noted below:		
Corporation tax 20.5% (2014: 22%)	(1,354)	340
Non-taxable dividends	(335)	(399)
Non-taxable losses/(gains) on investments	1,530	(201)
Gains on disposal of non-qualifying offshore funds	414	8
Movement in unutilised management expenses	(255)	252
Total taxation charge for the year	–	–

The Company is subject to taxation on gains arising from the realisation of investments in non-qualifying offshore funds but is otherwise exempt from taxation on chargeable gains. Excess management expenses are available to be offset against future taxable profits including any profits on the disposal of interests in non-qualifying offshore funds. The position as at the year end is as follows:

	2015 £'000	2014 £'000
Excess management expenses	6,160	11,945
Unrealised appreciation on non-qualifying offshore funds	(2,880)	(10,791)
Excess management expenses	3,280	1,154

No deferred tax asset on excess management expenses has been recognised as they are unlikely to be utilised against taxable profits within the foreseeable future.

6 Dividends on equity shares

	2015 £'000	2014 £'000
2014 final dividend 3.0p (2013: 1.5p)	1,433	716

The proposed final dividend of 3.3p per share is subject to shareholder approval at the Annual General Meeting and has not been included as a liability in these financial statements. This dividend of £1,418,000 (2014: £1,433,000) is the basis on which the requirements of Section 1158 of the Corporation Tax Act 2010 are considered. The revenue available for distribution by way of dividend for the year is £1,650,000 (2014: £1,685,000).

7 Returns/Net Asset Value per ordinary share

Returns per share are based on a weighted average of 44,363,017 (2014: 47,751,404) ordinary shares in issue during the year.

Total loss per ordinary share is based on the total loss for the year of £6,606,000 (2014: £1,544,000 return).

Capital loss per ordinary share is based on the net capital loss for the year of £8,256,000 (2014: £141,000).

Revenue return per ordinary share is based on revenue after taxation for the year of £1,650,000 (2014: £1,685,000).

The net asset values per share are based on the net assets of £118,444,000 (2014: £139,408,000) divided by the number of shares in issue at the year end of 42,976,264 (2014: 47,751,404).

Notes to the Financial Statements (continued)

8 Fixed assets – Investments at fair value through profit or loss

	2015 £'000	2014 £'000
Listed investments	72,490	65,715
Unlisted investments	34,492	54,218
	106,982	119,933

	Listed £'000	Unlisted £'000	2015 £'000	2014 £'000
Valuation as at 1 October 2014	65,715	54,218	119,933	119,191
Investment holding (losses)/gains as at 1 October	(6,179)	16,386	10,207	16,095
Cost as at 1 October 2014	71,894	37,832	109,726	103,096
Purchases of investments at cost	27,867	10,176	38,043	31,566
Proceeds from sale of investments	(25,365)	(18,248)	(43,613)	(29,889)
Net (losses)/gains on sale of investments	(59)	7,671	7,612	4,953
Transfers	2,173	(2,173)	–	–
Cost as at 30 September 2015	76,510	35,258	111,768	109,726
Investment holding gains/(losses) as at 30 September	(4,020)	(766)	(4,786)	10,207
Valuation as at 30 September 2015	72,490	34,492	106,982	119,933
Net (losses)/gains on sale of investments	(59)	7,671	7,612	4,953
Movement in investment holding gains/(losses)	2,159	(17,152)	(14,993)	(5,888)
Total gains/(losses) on investments	2,100	(9,481)	(7,381)	(935)
Total (losses)/gains on CFD liabilities held at fair value through profit or loss (see note 10)			(101)	2,040
Total (losses)/gains on investments held at fair value through profit or loss			(7,482)	1,105

Transaction costs

Fixed asset investments are categorised as “financial assets at fair value through profit or loss”. Transaction costs on the acquisition and disposal of portfolio investments are charged to Capital Reserve. In the year to 30 September 2015 these costs amounted to £27,000 (acquisitions £14,000 and disposals £13,000). In the year to 30 September 2014 these costs amounted to £45,000 (acquisitions £33,000 and disposals £12,000).

9 Debtors

	2015 £'000	2014 £'000
Accrued income	15	65
Due from brokers	1,934	964
Prepayments and other receivables	41	8
	1,990	1,037

10 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
CFD liabilities held at fair value through profit or loss	101	–
Other creditors	334	582
	435	582

Notes to the Financial Statements (continued)

11 Share capital

	2015 £'000	2014 £'000
Allotted, issued and fully paid		
47,751,404 (2014: 47,751,404) ordinary 25p shares at start of year	11,938	11,938
4,775,140 ordinary 25p shares bought back and cancelled pursuant to tender offer	(1,194)	–
42,976,264 (2014: 47,751,404) ordinary 25p shares at end of the year	10,744	11,938
Every shareholder has the right to one vote for each share held.		
At 30 September	10,744	11,938

In December 2014, a tender offer, for up to 10% of the Company's shares, was fully subscribed. As a result, 4,775,140 ordinary shares were bought back and subsequently cancelled. The cost of the purchases amounted to £12,771,000 and a further £154,000 of costs were incurred in connection with the tender offer. The total costs incurred of £12,925,000 have been charged to Capital Reserve as shown in note 12.

12 Retained earnings

	2015 £'000	2014 £'000
Capital reserve		
At 1 October	108,289	108,430
Movement in investment holding losses	(15,080)	(3,848)
Gains on realisation of investments at fair value	7,598	4,953
Currency gains/(losses)	61	(147)
Finance costs	(26)	(175)
Investment management fees	(782)	(879)
Transaction costs	(27)	(45)
Shares bought back – Tender Offer	(12,925)	–
At 30 September	87,108	108,289

The capital reserve includes investment holding losses amounting to £4,887,000 (2014: £10,207,000 gains) as disclosed in notes 8 and 10.

	2015 £'000	2014 £'000
Revenue reserve		
At 1 October	1,700	731
Net revenue return	1,650	1,685
Dividends paid	(1,433)	(716)
At 30 September	1,917	1,700

13 Substantial interests

The Company is aware of the following interests of 10% or more of units, shares or capital in the following investment funds.

Company	% held
Armadillio Investments Limited (in liquidation)	25.00
Baring Vostok Investments Limited cell	22.85
Buena Vista Latin America Fund Limited	20.00
Buena Vista Latin America Fund (CULS)	46.67
Eurovestech plc	17.25
Mantra Secondary Opportunities (Class A shares)	71.43

The Company is not aware of any other substantial interests in the investee undertakings that require disclosure.

Notes to the Financial Statements (continued)

14 Financial information on significant unlisted investments

In accordance with the AIC SORP, the following information is provided for the unlisted investments in the Company's ten largest investments.

Investment	% of capital owned	Cost £'000	Income recognised by the Company £'000	Turnover £'000	Pre-tax profits £'000	Net assets attributable £'000
BlackRock European Hedge Fund Limited	0.63	5,486	–	12,718	134,154	877,380
CEIBA Investments Limited	7.24	4,457	–	6,217	10,007	76,622
CT Invest Fund	4.21	4,076	–	n/a	n/a	n/a

Turnover, pre-tax profits and net assets attributable are taken from the latest audited accounts of the investment and translated into sterling at 30 September 2015 exchange rates.

CT Invest Fund was launched on 1 October 2014 and its first financial reporting period will be the 15 months to 31 December 2015.

15 Financial instruments

Risk management policies and procedures

As an investment trust company the Company invests in equities and other investments for the long-term so as to secure its investment objectives as stated in the Strategic Report. In pursuing its investment objective, the Company is exposed to a variety of financial risks that could result in either a reduction in the Company's net assets or a reduction in the profits available for distribution by way of dividends.

These financial risks, market risk (comprising equity price risk, currency risk and interest rate risk), liquidity risk and credit risk, and the Directors' approach to the management of these risks, are set out below. The Board of Directors and Henderson coordinate the Company's risk management and there are various risk management systems in place as detailed below:

- straight-through processing via a deal order and management system ("OMS") is utilised for listed securities, exchange-traded derivatives and OTC derivatives contracts with connectivity to third-party affirmation and trade repository services;
- portfolio modelling and investment management functions (including order-raising, dealing and trade execution) are performed using one of, or a combination of, the following third-party software applications: Charles River Development OMS and/or Imagine;
- fund pricing and accounting services are outsourced to a third-party administrator (currently BNP Paribas Securities Services) which utilises HiPortfolio software;
- the IT tools to which the Henderson Risk, Compliance and Operations teams have access for independent monitoring and risk measurement purposes include:
 - Charles River Compliance module for investment restrictions monitoring;
 - Arc Logics operational risk database;
 - Riskmetrics, UBS Delta, Style Research, Finanalytica and Barra Aegis for market risk measurement;
 - Bloomberg for market data and price-checking; and
 - HiPortfolio for portfolio holdings and valuations.

These are supplemented by in-house developments: Derivatives Risk and Compliance database ("DRAC") and Counterparty Exposure ("CER") reports.

Appropriate guidelines for the management of the Company's financial instruments and gearing have been established by the Board of Directors. Specifically, gearing (borrowings and gross exposure of long-only CFDs) is targeted to fall between 0 and 20% of total assets. The Company does not use currency hedging nor is it the Company's policy to invest materially in derivatives.

Market risk exists where there are changes in share prices, equity valuations, interest rates and the liquidity of financial instruments. The Company addresses this risk by owning a diversified portfolio of investments covering a range of market capitalisation, sectors and geographic regions. Market price risk management is part of the Company management process and is typical of equity related investment. The portfolio is managed so as to minimise the effects of adverse price movements and results from detailed and continuing analysis with an objective of maximising overall returns to shareholders.

Notes to the Financial Statements (continued)

15 Financial instruments (continued)

Liquidity risk exists where the Company is a forced seller of its investments at times where there may not be sufficient demand for these assets. Although some holdings are unlisted or trade on illiquid markets and are by their nature less liquid than larger companies, the Company maintains a long term investment view and is rarely required to sell its investments in a forced manner. In addition, the Company maintains an overdraft facility to ensure that the Company is not a forced seller of its investments.

Interest rate risk exists where the Company has an unhedged exposure to floating rate interest on borrowing and where the returns generated from the investments may inadequately compensate the cost of borrowing. This risk has been mitigated by operating with a relatively small level of gearing at most times. The level will only be increased where an opportunity exists to add to net asset value performance.

Credit risk exists where a counterparty fails to discharge an obligation or commitment entered into with the Company. Henderson monitors counterparty risk as part of the overall investment management process. This risk is reduced by using counterparties that are substantial, well financed organisations which are reviewed on a regular basis. Most investment transactions are conducted on-market and are delivery versus payment. The Company's principal counterparties are bankers State Street, money market funds provider Deutsche Bank and CFD provider UBS. Henderson only uses trade execution broker organisations that are authorised by the Financial Conduct Authority.

Sensitivity analysis

The following table details the impact on returns and net assets of the Company to changes in the principal drivers of performance, namely investment returns, foreign currencies and interest rates. The calculations are based on the balances at the respective balance sheet dates and are not representative of the year as a whole.

	2015 £'000	2014 £'000
Investment portfolio		
10% increase in price of investments ¹	10,941	12,336
10% decrease in price of investments ¹	(10,941)	(12,336)
Other assets/liabilities		
Interest rate +0.5%	57	97
Interest rate -0.5%	(57)	(97)
Foreign currency		
US Dollar strengthens by 5% against Sterling	1,589	2,471
US Dollar weakens by 5% against Sterling	(1,589)	(2,471)
Hong Kong Dollar strengthens by 5% against Sterling	178	300
Hong Kong Dollar weakens by 5% against Sterling	(178)	(300)
Euro strengthens by 5% against Sterling	987	338
Euro weakens by 5% against Sterling	(987)	(338)

¹ For CFDs this is calculated by a 10% increase or decrease in the underlying share price.

Notes to the Financial Statements (continued)

15 Financial instruments (continued)

The Company's investment policy is to hold investments and cash balances with gearing being provided by a bank overdraft and the use of long-only CFDs. All financial assets and liabilities are carried at fair value. The fair value is the same as the carrying value of all financial assets and liabilities.

The Company has the following foreign currency exposures.

	2015 £'000	2014 £'000
Fixed asset investments		
– US Dollar	31,582	49,345
– Euro	19,709	6,762
– Hong Kong Dollar	3,554	6,002
– Singapore Dollar	–	394
Bank		
– US Dollar	201	78
– Euro	22	6
Debtors		
– US Dollar	–	50
Exchange rate		
– US Dollar	1,357	1,621
– Euro	1,515	1,283
– Hong Kong Dollar	11,739	12,588
– Singapore Dollar	2,154	2,067

Where appropriate, gearing is utilised in order to enhance net asset value. The Company does not invest in fixed rate securities other than where the Company has substantial cash resources. In this situation, the Company has typically held short dated UK Government Securities, or money market funds. Investments, which comprise mainly equity investments, are valued as detailed in the Company's accounting policies.

The Company only operates short-term gearing, which combined with the use of long-only CFDs, is limited to 20% of the Company's net asset value. Borrowing is undertaken through an unsecured variable rate bank overdraft with interest being charged based on prevailing interest rates. The fair value is not materially different from the carrying value of all financial assets and liabilities as disclosed in notes 8, 9 and 10.

Classification of financial instruments at fair value	2015 £'000	2014 £'000
Level 1	61,492	64,812
Level 2	30,391	36,038
Level 3	14,998	19,083
Total	106,881	119,933

Level 1 reflects financial instruments quoted in active markets.

Level 2 reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets. These include CFDs, where the price is based on the underlying quoted investment price, and investments in funds with redemption rights where the price is based on valuations provided by the funds' administrators.

Level 3 reflects financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by unobservable inputs. These include monthly priced funds and quarterly priced limited partnerships.

Notes to the Financial Statements (continued)

15 Financial instruments (continued)

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Valuation as at 1 October	64,812	36,038	19,083	119,933
Investment holding (losses)/gains as at 1 October	(7,082)	21,820	(4,531)	10,207
Cost as at 1 October	71,894	14,218	23,614	109,726
Purchases of investments at cost	27,867	4,627	5,549	38,043
Proceeds from sale of investments	(24,986)	(14,937)	(3,690)	(43,613)
Net (losses)/gains on sale of investments	(275)	7,785	102	7,612
Transfers from level 1 to level 2	(3,186)	3,186	–	–
Transfers from level 2 to level 3	–	(434)	434	–
Transfers from level 3 to level 2	–	2,173	(2,173)	–
Cost as at 30 September	71,314	16,618	23,836	111,768
Investment holding (losses)/gains as at 30 September	(9,822)	13,773	(8,838)	(4,887)
Valuation as at 30 September	61,492	30,391	14,998	106,881

The total financial instruments shown above include investments held at fair value through profit and loss of £106,982,000 and the CFD liability held at fair value through profit or loss of £101,000.

The gains and losses included in the above table have all been included within (losses)/gains on investments in the Income Statement on page 34. The Directors believe that the use of reasonable possible alternative assumptions for its Level 3 holdings would not result in a valuation significantly different from the valuation included in these financial statements.

Transfers from Level 1 to Level 2 represent investments which are no longer actively traded. Transfers from Level 2 to Level 3 represent investments where there are no longer any redemption rights. Transfers from Level 3 to Level 2 represent investments where it has been determined that there are redemption rights and a Level 2 classification would be more appropriate.

The Board has granted Henderson a limited authority to invest in CFDs to achieve some degree of gearing and/or hedging without incurring the gross cost of investment.

Classification of financial instruments

The Board requires Henderson to operate within certain risk ranges of normal exposure, as detailed in the Report of the Directors and Fund Managers' Report.

	2015 £'000	2014 £'000
CFD analysis		
Number of holdings (2015: 1, 2014: 1)		
Gross exposure – all long	2,423	3,427
Net unrealised (losses)/gains at 30 September	(101)	903

	2015 £'000	2014 £'000
Contractual maturity analysis		
Creditors – due not later than one month	(334)	(582)

	2015 £'000	2014 £'000
Maximum credit risk analysis		
As at the year end the Company's maximum credit risk exposure was as follows:		
Bank	220	129
Money market funds	6,995	16,250
Cash held as CFD margin deposit	2,692	2,641
Accrued income	15	65
Payments and other receivables	41	8
Due from brokers	1,934	964
Total maximum credit risk	11,897	20,057

Notes to the Financial Statements (continued)

15 Financial instruments (continued)

Capital management policies

The Company's management objectives are to provide shareholders with long term capital growth, deploying the proceeds of ordinary shareholders' equity and making tactical use of a restricted level of gearing.

	2015 £'000	2014 £'000
Capital and reserves:		
Share capital	10,744	11,938
Share premium	10,966	10,966
Capital redemption reserve	7,709	6,515
Capital reserve	87,108	108,289
Revenue reserve	1,917	1,700
Total shareholders' funds	118,444	139,408

The Company's objectives for managing capital are detailed in the Strategic Report and have been complied with throughout the year. The Company normally restricts effective gearing (borrowings and gross exposure of long-only CFDs) to 20% of net assets, maintains a minimum share capital of £50,000 (as a public company) and adheres to the capital restrictions imposed by relevant company and tax legislation.

16 Transactions with the Manager

Under the terms of an agreement effective from 22 July 2014 (which replaced the agreement dated 1 March 2013 in order to reflect the appointment of an Alternative Investment Fund Manager in accordance with the Alternative Investment Fund Managers Directive) the Company has appointed Henderson to provide investment management, accounting, secretarial and administration services. Henderson has contracted with BNP Paribas Securities Services to provide accounting and administration services.

Details of the fee arrangements for these services are given on page 2. The total of management fees paid or payable to Henderson under this agreement in respect of the year ended 30 September 2015 was £868,000 (2014: £977,000). The amount outstanding at 30 September 2015 was £207,000 payable to Henderson (2014: £487,000).

In addition to the above services, Henderson has provided the Company with sales and marketing services during the year. The total fees, excluding VAT, for the year ended 30 September 2015 amounted to £24,000 (2014: £24,000).

17 Commitments

The Company had outstanding commitments of £7.7 million (2014: £5.6 million) and no contingencies at 30 September 2015 (2014: nil).

General Shareholder Information

AIFMD Disclosures

Periodic disclosures required in accordance with the Alternative Investment Fund Managers Directive are included within a Key Investor Information Document (KIID) which can be found on the Company's website www.hendersonalternativestrategies.com.

BACS

Dividends can be paid by means of BACS (Bankers' Automated Clearing Services); mandate forms for this purpose are available from Computershare Investor Services PLC ("the Registrar"). Alternatively, shareholders can write to the Registrar (the address is given on page 14) to give their instructions; these must include the bank account number, the bank account title and the sort code of the bank to which payments are to be made.

Equality Act 2010

Copies of this report and other documents issued by the Company are available from the Corporate Secretary. If needed, copies can be made available in a variety of formats, including Braille or larger type as appropriate.

You can contact the Registrar who has installed textphones to allow speech and hearing impaired people who have their own textphone to contact them directly, without the need for an intermediate operator by dialling 0870 702 0005. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by the Royal National Institute for Deaf People) dial 18001 followed by the number you wish to dial.

Non-Mainstream Pooled Investments (NMPI) Status

The Company currently conducts its affairs so that its ordinary shares of 25p each can be recommended by IFAs to ordinary retail investors in accordance with the Financial Conduct Authority's ("FCA") rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

ISA

The Company intends to continue to manage its affairs in order to qualify as an eligible investment for a stocks and shares ISA.

Share price listings

The market price of the Company's ordinary shares is published daily in The Financial Times and other leading newspapers.

Performance details/share price information

Details of the Company's share price and NAV per share can be found on the website www.hendersonalternativestrategies.com. The Company's NAV is published weekly.

Shareholder details

Shareholders who hold their shares in certificated form can check their shareholding with the Registrar, via www.computershare.com. Please note that to gain access to your details on the Computershare site you will need the holder reference number shown on your share certificate.

Warning to shareholders

Many companies are aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares in US or UK investments. They can be very persistent and extremely persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

Please note that it is very unlikely that either the Company or the Company's Registrar, Computershare Investor Services PLC, would make unsolicited telephone calls to shareholders and that any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment 'advice'.

If you are in any doubt about the veracity of an unsolicited phone call, please call the Corporate Secretary at the number provided on page 14.

Henderson Alternative Strategies Trust plc
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Registration Number SC015905
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