



Annual Report & Accounts

JPMorgan Fund III ICVC

30 April 2018

J.P.Morgan
Asset Management

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This material should not be relied on as including sufficient information to support an investment decision.

The opinions and views expressed in this document are those held by J.P. Morgan Asset Management as at 25 July 2018, which are subject to change and are not to be taken as or construed as investment advice.

For up-to-date performance information please contact J.P. Morgan Asset Management using the numbers shown on the back of this document.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future.

The investment objective of a Fund may allow some flexibility in terms of portfolio composition.

Funds that invest predominantly in a single market, asset class or sector may be subject to greater volatility than those funds with a more diversified portfolio.

The information in this booklet is based on our understanding of law, regulation and HM Revenue & Customs practice as at 25 July 2018.

Authorised Corporate Director's (ACD) Report

Board of Directors of JPMorgan Funds Limited ("JPMF"), the Authorised Corporate Director ("ACD") of JPMorgan Fund III ICVC.

Chairman

Daniel Watkins

Connected Director. A member of the ACD since January 2010.

Mr Watkins, Managing Director, is the Deputy CEO of J.P. Morgan Asset Management's AM Europe and Global Head of AM Client Services and Business Platform. Mr Watkins has been an employee since 1997, and oversees the business infrastructure of Investment Management in Europe, U.S. and Asia including client services, fund administration, product development, and Request for Proposal. Mr Watkins also performs the role of Deputy CEO of AM EMEA, acting as a director of all the regulated legal entities across the region.

Mr Watkins has held a number of positions at J.P. Morgan namely: Head of Europe COO and Global IM Operations, Head of the European Operations Team, Head of the European Transfer Agency, Head of Luxembourg Operations, manager of European Transfer Agency and London Investment Operations; and manager of the Flemings Investment Operations Teams.

Mr Watkins obtained a BA in Economics and Politics from the University of York and is a qualified Financial Advisor. Mr Watkins is currently a director of several J.P. Morgan managed Luxembourg and Irish domiciled Investment funds and also several UK legal entities.

Directors

Patrick Thomson

Connected Director. A member of the ACD since 30 May 2018.

Mr Thomson, Managing Director, is the Chief Executive Officer for EMEA, and international head of institutional clients for J.P. Morgan Asset Management, based in London.

As CEO, Mr Thomson partners with the global investment, business and function heads to develop the business priorities in EMEA. A key area of his responsibility is ensuring the firm remains in line with the regulatory requirements and within a framework of appropriate risk management. Mr Thomson is also a director of J.P.Morgan's principle legal and regulated entities and funds boards in Europe.

Patrick joined J.P. Morgan Asset Management in 1995. He is a member of J.P.Morgan Asset and Wealth Management Operating Committee and J.P.Morgan Asset Management's Global Client Operating Committee.

Previously he spent five years at Ivy Asset Management, part of BNY Mellon, where he was global head of Client Development and chief executive of the London office.

After graduating from Edinburgh University with an MA (Hons), Patrick served as an officer in the British Army for five years. He qualified as a member of the UK Society of Investment Professionals in 2000.

Stephen Pond

Connected Director. A member of the ACD since 27 June 2018.

Mr Pond is the lead Finance and Business Manager for the International Institutional client business and also provides support to the European regional finance agenda. He has been a board director and SIMF2 of JPMorgan Life Limited since January 2018 and is a director of several J.P. Morgan UK legal entities. He was previously Head of the Europe Performance Analysis Group. He joined Investment Management in New York in 2004 and moved to London in 2007 and held several positions within the Finance department.

Prior to joining Investment Management he was an analyst on a JPMC corporate management training programme. He joined the company in 2002. He has been a CFA charterholder since 2009. Mr Pond obtained a BA in Economics from the College of William and Mary in Williamsburg, VA, USA.

Authorised Corporate Director's (ACD) Report – continued

Ruston Smith

Independent Director. A member of the ACD since December 2016.

Mr Smith has over 30 years' experience in the pension fund and investment industry, complemented by broader commercial experience.

He has held senior corporate positions with responsibility for strategy, investment, governance, communication and operations for a wide range of UK and international defined benefit and defined contribution schemes and provident funds, also acting as a Trustee and Chairman.

His experience includes over a decade as the Group Pensions and Insurable Risk Director at Tesco, where the award winning UK scheme has over 200,000 employed members. He was also the CEO of Tesco Pension Investment, FCA approved in house investment manager with £12bn of assets under management.

Mr Smith has a breadth of experience which has included responsibility for executive reward and benefits, employee relations, HR systems, payroll, global mobility and health & wellness.

Before joining Tesco, Mr Smith was a Director and Company Secretary at PZ Cussons, where he was also responsible for their group pensions, property, legal and insurance.

Mr Smith is Non Executive Chairman of the Tesco Pension Trustee Board and the Tesco DC Governance Committee, Non Executive Chairman of Tesco Pension Investment Limited, Non Executive Director of JPMorgan Asset Management International Limited, a Director of Standard Life's Master Trust Company, Director of Smart Pensions Limited, a Governor of the Pensions Policy Institute, Non-Executive Chairman of PTL Ltd and Chairman of National Grocers Benevolent Fund. He was former Chairman of the Pensions and Lifetime Savings Association.

He has an MBA, is a Fellow of the Pensions Management Institute and a Fellow of the Institute of Management.

Background

JPMorgan Funds Limited ("JPMF") is the Authorised Corporate Director ("ACD") of JPMorgan Fund III ICVC (the "Company") and is the sole Director of JPMorgan Fund III ICVC (the "Board"). The Board is pleased to present the report for the year ended 30 April 2018.

Authorised Status

JPMorgan Fund III ICVC is an Open-Ended Investment Company with variable capital, authorised under Regulation 12 of the OEIC Regulations by the Financial Conduct Authority on 16 May 2002.

The Company was launched as a non-UCITS Retail Scheme on 7 September 2002 and acts as an umbrella company comprising one Fund. Its registration number is IC000174 and its registered address is 60 Victoria Embankment, London EC4Y 0JP.

The sub-fund and share classes are registered for offer and distribution in the United Kingdom and Jersey.

Structure & Liabilities

The assets of the Fund are treated as separate from those of any other Fund and are invested in accordance with the investment objective and investment policies applicable to that Fund. Details of the investment objective, the policies for achieving these objectives, the performance record and a review of the investment activities for the Fund can be found in this report.

The ACD report includes for each sub-fund the:

- Investment objective and policy
- Risk profile
- Fund review
- Fund outlook
- Portfolio statement
- Portfolio movements

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after payment of their shares.

Role and Responsibility of the Board

JPMF is authorised and regulated by the FCA and its principle activity is investment management. The ACD is incorporated under and governed by the Companies Act 2006. With respect to the annual report and accounts of the Company, it is also required to comply with the Collective Investment Schemes Sourcebook issued by the FCA, applicable accounting standards and also with the latest Statement of Recommended Practice issued by The Investment Association.

The matters reserved for the Board include determination of each sub-fund's investment objective and policies, investment restrictions and powers, amendments to the Prospectus, reviewing and approving key investment and financial data, including the annual and semi-annual report and accounts, as well as the appointment of and review of the services provided by the depositary and auditor.

Prior to each meeting the Board receives detailed and timely information allowing them to prepare for the items under discussion during the meeting. For each quarterly meeting the Board requests, and receives, reports from, amongst others, the investment managers, risk management, compliance, as well as proposals for changes to existing sub funds or proposals to launch new ones as appropriate. Senior representatives of each of these functions attend Board meetings by invitation to enable the Board to question the reports presented to them. In addition the Board reviews on an annual basis all service providers.

The Board takes decisions in the interests of the Company and its shareholders as a whole and has procedures in place to manage any conflict of interest between personal interests of the directors of JPMF and those of the Company and its shareholders. JPMF and its affiliates provide a variety of different services to the Company and receives compensation for these services. JPMF and its affiliates therefore need to balance the desire to be compensated for these services with the requirement to act in the best interest of the Company. JPMF and its affiliates also face conflicts of interest where these services are provided to other funds or clients, and, from time to time, make decisions that differ from and/or negatively impact those made on behalf of the Company.

Authorised Corporate Director's (ACD) Report – continued

Board Composition

JPMF is chaired by Mr Watkins, and consists of three connected directors and one independent director. All Board meetings require a quorum of two directors to be in attendance.

Induction and Training

All new directors of JPMF will receive a full induction incorporating relevant information regarding the Company and its duties and responsibilities as the ACD of the Company. In addition, JPMF takes active steps to keep up to date with developments relevant to the Company.

Board Evaluation

The Board carries out a biennial review of its performance.

Board Meetings and Committees

The Board meets quarterly but if necessary additional meetings will be arranged.

There were eleven JPMF Board meetings held during 2017. Four of these were quarterly Board meetings where, amongst other matters, the agenda included those items highlighted under the section above called 'Role and Responsibility of the Board'.

Corporate Governance

The Board is responsible for ensuring that a high level of corporate governance is met and considers that the Company has complied with the best practices in the UK funds industry.

Proxy Voting Policy

JPMF delegates responsibility for proxy voting to the Investment Adviser. The Investment Adviser manages the voting rights of the shares entrusted in a prudent and diligent manner, based exclusively on the reasonable judgement of what will best serve the financial interests of clients.

So far as is practicable, the Investment Adviser will vote at all of the meetings called by companies in which they are invested.

A copy of the proxy voting policy is available from the Company's registered office upon request or on the website:
<https://am.jpmorgan.com/uk/institutional/corporate-governance>

Remuneration Disclosure

JPMorgan Funds Limited (the "Management Company") is the authorised manager of JPMorgan Fund III ICVC (the "Company") and is part of the J.P. Morgan Chase & Co. group of companies. In this section, the terms "J.P. Morgan" or "Firm" refer to that group, and each of the entities in that group globally, unless otherwise specified.

This section of the annual report has been prepared in accordance with the Alternative Investment Fund Managers' Directive (the "AIFMD"), the European Commission Delegated Regulation supplementing the AIFMD, and the 'Guidelines on sound remuneration policies' issued by the European Securities and Markets Authority under the AIFMD.

This section has also been prepared in accordance with the relevant provisions of the Financial Conduct Authority Handbook (FUND 3.3.5).

Remuneration Policy

A summary of the Remuneration Policy currently applying to the Management Company (the "Remuneration Policy Statement") can be found at <https://am.jpmorgan.com/gb/en/asset-management/gim/per/legal/emea-remuneration-policy>. This Remuneration Policy Statement includes details of how remuneration and benefits are calculated, including the financial and non-financial criteria used to evaluate performance, the responsibilities and composition of the Firm's Compensation and Management Development Committee, and the measures adopted to avoid or manage conflicts of interest. A copy of this policy can be requested free of charge from the Management Company.

The Remuneration Policy applies to all employees of the Management Company, including individuals whose professional activities may have a material impact on the risk profile of the Management Company or the Alternative Investment Funds it manages ("AIFMD Identified Staff"). The AIFMD Identified Staff include members of the Board of the Management Company (the "Board"), senior management, the heads of relevant Control Functions, and holders of other key functions. Individuals are notified of their identification and the implications of this status on at least an annual basis.

The Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFM Identified Staff. As at 31 December 2017, the Board last reviewed and adopted the Remuneration Policy in June 2017 with no material changes and was satisfied with its implementation.

Quantitative Disclosures

The table below provides an overview of the aggregate 2017 total remuneration paid to staff of the Management Company and the number of beneficiaries. These figures include the remuneration of all staff of JP Morgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to the Management Company on an AUM weighted basis.

Due to the Firm's operational structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, JPMF manages 32 AIFs and 2 UCITS (with 38 sub-funds) with a combined AUM as at 31 December 2017 of £13,204m and £15,004m respectively.

	All staff (\$'000s)
Fixed remuneration	14,845
Variable remuneration	9,801
Total remuneration	24,646
Number of beneficiaries	117

The aggregate 2017 total remuneration paid to AIFMD Identified Staff was USD 65,309,308, of which USD 7,505,126 relates to Senior Management and USD 57,804,181 relates to other Identified Staff.

For 2017 the AIFMD Identified Staff disclosures includes employees of companies to which portfolio management has been formally delegated, in line with the latest ESMA guidance.

Directors and Officers Indemnity Insurance

The Company's Articles of Incorporation indemnify the directors against expenses reasonably incurred in connection with any claim against them arising in the course of their duties or responsibilities as long as they have not acted fraudulently or dishonestly. To protect shareholders against any such claim, the Board has taken out Directors and Officers Indemnity Insurance which indemnifies the ACD against certain liabilities arising in the course of their duties and responsibilities but does not cover against any fraudulent or dishonest actions on their part.

Authorised Corporate Director's (ACD) Report – continued

Auditor

PricewaterhouseCoopers LLP, has been the Company's Auditor since January 2010. The Board reviewed the services of PwC in 2016 and decided that, subject to any other influencing factor, they should continue to be appointed as Auditor for a further 8 years.

Changes to JPM Portfolio Fund (renamed JPM Diversified Growth Fund)

The change to the investment objective and policy of the Fund, to enable the diversification of assets that the Fund can hold across different asset classes and geographical regions, so to provide long term capital growth with lower volatility, was approved at Extraordinary General Meeting held on 9 March 2018.

The shareholder vote facilitated the following Board approved changes: The Fund was renamed to JPM Diversified Growth Fund. The benchmark was changed to ICE 1 month GBP Libor. The risk profile and the profile of the typical investor were amended and the annual fee of the ACD was reduced as follows:

- A Share Class: from 1.50% to 0.70%;
- B Share Class: from 1.00% to 0.45%;
- C Share Class: from 0.75% to 0.35%.

These changes became effective on 13 April 2018.

Changes to the Prospectus

Published on 11 July 2017

To add a general risk disclosure related to cyber security.

Published on 29 September 2017

To add target markets and distribution strategies so to address the MiFiD II requirements.

To include a risk warning on the impact of margin requirements for OTC derivative transactions.

Published on 1 February 2018

To introduce capped O&A expenses and to reduce the O&A for A, B and C share classes from 0.18% to 0.15% max.

Published on 19 March 2018

To include a statement that the ACD complies with a privacy policy that has been issued by J.P. Morgan Asset Management which can be accessed at www.jpmorgan.com/emeaprivacy-policy.

Change to the composition of the Board of JPMF

Tanaquil McDowall resigned from the Board with effect from the close of business on 6 September 2017. Jasper Berens resigned from the Board with effect from the close of business on 12 April 2018. Ioan Roberts was appointed as Director following approval by the FCA on 20 November 2017 and resigned on 31 May 2018. Patrick Thomson was appointed as Director following approval by the FCA on 30 May 2018. Mike O'Brien resigned on 30 May 2018. Stephen Pond was appointed as director on 27 June 2018.

The Board would like to take this opportunity to record its thanks to Tanaquil, Jasper, Ioan and Mike for their service to the Company and to shareholders.

Management and Administration

Authorised Corporate Director

JPMorgan Funds Limited
3 Lochside View, Edinburgh Park,
Edinburgh, EH12 9DH
(Authorised and regulated by the Financial Conduct Authority)

Custodian and Bankers:

JPMorgan Chase Bank, N.A. London Branch
25 Bank Street, Canary Wharf, London, E14 5JP
(Authorised and regulated by the Prudential Regulation Authority and by the Financial Conduct Authority)

Depository

National Westminster Bank plc
280 Bishopsgate, London, EC2M 4RB
(Authorised and regulated by the Prudential Regulation Authority and by the Financial Conduct Authority)

Independent Auditors

PricewaterhouseCoopers LLP
Atria One, 144 Morrison Street,
Edinburgh, EH3 8EX

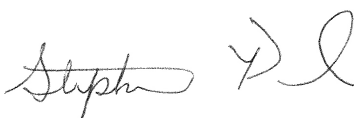
Investment Adviser

JPMorgan Asset Management (UK) Limited
25 Bank Street, Canary Wharf,
London, E14 5JP
(Authorised and regulated by the Financial Conduct Authority)

Registrar

DST Systems, Inc.
(renamed from International Financial Data Services Limited on 14 August 2017)
DST House, Saint Nicholas Lane
Basildon, Essex, SS15 5FS
(Authorised and regulated by the Financial Conduct Authority)

By order of the Authorised Corporate Director,



Stephen Pond

Director
JPMorgan Funds Limited
25 July 2018



Ruston Smith

Director
JPMorgan Funds Limited
25 July 2018

Investment Adviser's Report for the year ending 30 April 2018

Market review

Global equity markets were well supported over the period as growth accelerated and broadened out across developed and emerging markets, supporting company earnings growth. Markets demonstrated historically low volatility as subdued inflation resulted in only modest monetary policy tightening and political concerns in Europe and the US and geopolitics surrounding North Korea kept bond yields contained.

Market outlook

The growth outlook for 2018 remains robust, but emergence of two-sided inflation risks, and moderation in both the pace of growth and earnings revisions, lead to a mild dip of confidence in our moderately pro-risk tilt.

Recent market volatility represents a repricing of tail risks and an overdue correction rather than anything more sinister. Policy rates are set to tighten steadily but remain accommodative and supportive for risky assets. We keep a moderate overweight to stock-bond and a small underweight to duration. Within our equity exposure, we are placing increasing emphasis on relative value positions rather than the overall level of equity exposure, with the U.S. and emerging markets our preferred regions.

We expect further flattening of yield curves, particularly as the global bid for duration remains supported at higher prevailing yields both by ongoing central bank buying and demand from liability driven investors. Credit still offers modestly positive returns, but tight spreads in high quality corporates lead us to downgrade U.S. investment grade credit.

JPMorgan Asset Management (UK) Limited
May 2018

Statement of the Authorised Corporate Director

Statement of the Authorised Corporate Director's responsibilities in relation to the financial statements of the scheme

The Rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Corporate Director to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the company and of its income and expenditure for the period.

In preparing those financial statements the Authorised Corporate Director is required to:

- comply with the Prospectus and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements;

- comply with the Statement of Recommended Practice for Authorised Funds issued by The Investment Association (formerly the Investment Management Association (IMA)) in May 2014, which supercedes the SORP issued in October 2010;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation for the foreseeable future; and
- take reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

The Authorised Corporate Director is required to keep proper accounting records and to manage the company in accordance with the regulations and the Prospectus.

The report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook. The shareholders of the ICVC are not liable for the debts of the ICVC.



Stephen Pond

Director

For and on behalf of JPMorgan Funds Limited
25 July 2018



Ruston Smith

Director

For and on behalf of JPMorgan Funds Limited
25 July 2018

Statement of the Depositary's Responsibilities and Report of the Depositary to the Shareholders of JPMorgan Fund III ICVC ("the Company") for the year ended 30 April 2018

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

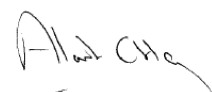
- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated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

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

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and

(ii) has observed the Investment and borrowing powers and restrictions applicable to the Company.



National Westminster Bank plc
London
25 July 2018

Independent Auditors' Report to the Shareholders of JPMorgan Fund III ICVC

Report on the audit of the financial statements

Opinion

In our opinion, JPMorgan Fund III ICVC's financial statements:

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

JPMorgan Fund III ICVC (the "company") is an Open Ended Investment Company ('OEIC') with a single sub-fund. The financial statements of the company comprise the financial statements of its sub-fund. We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the balance sheet as at 30 April 2018; the statement of total return and the statement of change in net assets attributable to shareholders for the year then ended; the distribution tables; the accounting policies; and the notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Reporting on other information

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

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

Authorised Corporate Director's Report

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

Independent Auditors' Report to the Shareholders of JPMorgan Fund III ICVC – continued

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities in relation to the financial statements of the scheme set out on page 7, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting Opinion on matter required by the Collective Investment Schemes sourcebook

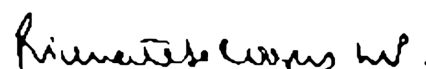
In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
25 July 2018

Policies and Risks

Accounting policies

- (a) The accounts have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds (SORP) issued by the Investment Management Association (IMA (now the Investment Association)) in May 2014 and in accordance with United Kingdom Generally Accepted Accounting Practice as defined within FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".
- (b) Dividends on equities and other collective investment schemes are recognised when the security goes ex-dividend. Accumulation distributions from shares held in other collective investment schemes are reflected as revenue of the respective Fund, and equalisation on distributions received from other collective investment schemes is deducted from the cost of the investment. Interest on deposits and other revenue is accounted for on an accruals basis.
- (c) Dividends from Real Estate Investment Trusts ("REITs") are recognised as distributable revenue when the securities are quoted ex-dividend. Dividends from US REITs are initially accounted for on a 70% revenue and 30% capital split when the security goes ex-dividend. Following the end of the calendar year, US REIT companies publish the split between revenue and capital of the dividends they have previously declared. When this information is received the initial allocation is adjusted to reflect the correct split between revenue and capital.
- (d) Management fee rebates received from underlying funds are recognised as revenue or capital in the same way as the underlying investments account for their management fee, and form part of the distribution where the underlying fund pays its management fee from revenue.
- (e) Where the Fund holds assets in other funds managed by an associate of the ACD then these funds are excluded from the calculation of the ACD fees paid. Operating expenses are also charged to revenue. Transaction charges and expenses relating to the purchase and sale of investments are charged directly to the capital of the Fund. Taxation is computed by reference to the revenue after expenses attributable to each class.
- (f) The charge for taxation is based at the current rate on taxable revenue for the period less allowable expenses. UK dividend income is disclosed net of any related tax credit. Overseas dividends are disclosed gross of any foreign tax suffered, with the tax element being separately disclosed in the taxation note.
- (g) The listed investments of the Fund and investments traded on regulated markets have been valued at market value at 12 noon on 30 April 2018. Market value is defined, by the SORP, as fair value which generally is the bid value of each security excluding any accrued interest in the case of floating or fixed rate securities. Investments in collective investment schemes managed by the ACD or its associates have been valued either at the quoted price calculated as at 12 noon on 30 April 2018 or the latest quoted price available at that time. Investments in other Collective Investment Schemes have been valued at the latest quoted price available at 12 noon on 30 April 2018. Exchange traded derivatives including futures, are priced at the market value at 12 noon on 30 April 2018.
- (h) All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the date of such transactions. The unrealised asset or liability position of each forward foreign currency contract held at the year end is determined with reference to the spot currency rate and the expected interest rate return over the currency contract to settlement date. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rate at 12 noon on 30 April 2018.
- (i) The underlying circumstances behind special dividends are reviewed on a case by case basis in determining whether the amount is capital or revenue in nature. Any tax treatment thereon will follow the accounting treatment of the principal amount. Amounts recognised as revenue will form part of the Fund's distribution.
- (j) In accordance with the AIFMD requirements, the Fund has treated some investments in the Portfolio statement as Cash equivalents for the purposes of the Balance Sheet disclosure. Investments are regarded as Cash equivalents if they meet all of the following criteria:
 - highly liquid investments held in sterling that are readily convertible to a known amount of cash;
 - are subject to an insignificant risk of change in value; and
 - provide a return no greater than the rate of a three month high quality government bond.

Distribution policies

- (a) The income available for distribution for the Fund is the total revenue earned by the Fund, less deductible expenses and taxation charged to revenue. Accumulation distributions from shares held in other Collective Investment Schemes are reflected as revenue of the Fund and form part of the distribution. Income will be distributed on 31 July 2018.
- (b) The Fund is not more than 60% invested in qualifying investments (as defined by SI2006/964) and where applicable will pay a dividend distribution.
- (c) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund, and forms part of the distribution. Any excess in value of shares received over the amount of cash forgone is reviewed on a case by case basis and treated appropriately as income or capital.
- (d) Revenue and not share class specific expenses are allocated each day pro rata to the value of assets attributable to each class. The ACD's annual fee is charged to revenue of the respective share class.

Financial instruments

Currency exposures

In pursuing its investment objective as stated in the Fund highlights of each individual fund, the Company holds a number of financial instruments. The Company's financial instruments, other than derivatives, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for redemptions and debtors for accrued income.

The main risks arising from the Company's financial instruments and the ACD's policies for managing these risks are summarised below. These policies have been applied throughout the period.

Market price risk

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

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

Foreign currency risk

Foreign currency risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

A proportion of some of the Company's investment portfolios are invested in overseas securities and the balance sheet can be affected by movements in foreign exchange rates. The ACD may seek to manage exposure to currency movements by using forward currency contracts or by hedging the sterling value of investments that are priced in other currencies. Income received in other currencies is converted to sterling on the date of the transaction.

See the Fund for its foreign currency profile

Interest rate risk

Interest rate risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in interest rates.

The Fund may invest in fixed and floating rate securities. The income of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

See the Fund for its interest rate profile.

Policies and Risks – continued

Financial instruments – continued

Liquidity risk

The Company's assets comprise mainly of readily realisable securities. If insufficient cash is available to finance shareholder redemptions then securities held by the Company may need to be sold.

The risk of low market liquidity, through reduced trading volumes, may affect the ability of the Company to trade financial instruments at values indicated by market data vendors. From time to time, liquidity may also be affected by stock specific or economic events.

To manage these risks the Investment Manager undertakes detailed research to select appropriate investment opportunities in line with the Fund's objective. All stocks are valued daily but those stocks identified as being less liquid are reviewed on a regular basis for pricing accuracy.

Credit risk/Counterparty risk

Certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Derivative risk

The Company may also enter into derivative transactions in the form of futures for the purpose of efficient portfolio management.

Fair value of financial assets and financial liabilities

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

Related party transactions

JPMorgan Funds Limited, as Authorised Corporate Director ("ACD"), is a related party, and acts as principal in respect of all transactions of shares in the Company.

ACD fees and operating expenses paid to JPMorgan Funds Limited and their associates are shown in Note 4 and details of shares issued and cancelled by the ACD are shown in the Statement of change in net assets attributable to shareholders in the Fund's account.

Investments considered to be related parties have been identified in the portfolio statement and the revenue from these investments is disclosed in the accounts.

JPM Diversified Growth Fund

(formerly JPM Portfolio Fund)

Important information

The change to the investment objective and policy of the Fund, to enable the diversification of assets that the Fund can hold across different asset classes and geographical regions, so to provide long term capital growth with lower volatility, was approved at Extraordinary General Meeting held on 9 March 2018.

The shareholder vote facilitated the following Board approved changes: The Fund was renamed to JPM Diversified Growth Fund. The benchmark was changed to ICE 1 month GBP Libor. The risk profile and the profile of the typical investor were amended and the annual fee of the ACD was reduced.

These changes became effective on 13 April 2018.

Investment objective and policy

The Fund aims to provide long term capital growth by investing in a diversified mix of asset classes. As a result of its diversified portfolio the Fund is expected to have a lower level of volatility than equity markets as represented by the MSCI World Index.

The Fund may invest either directly or via collective investment schemes, which may be managed by the Investment Adviser or any other member of JPMorgan Chase & co., in a broad range of assets including, but not limited to, global equities, fixed income (including high yield and emerging market debt), alternatives (including private equity and property) and cash and cash equivalents. The Fund may have exposure to Emerging Markets and smaller companies.

The Fund may use Financial Derivative Instruments (derivatives) for investment purposes or Efficient Portfolio Management including hedging, where appropriate (see Section 11.6 of the Prospectus for Risk Warnings on derivatives).

The Fund may invest in assets denominated in any currency and non-Sterling currency exposure (excluding Emerging Markets local currency) will normally be hedged back to Sterling.

Risk profile

The value of your investment may fall as well as rise and you may get back less than you originally invested.

The value of Equity and Equity-Linked Securities held in the underlying funds may fluctuate in response to the performance of individual companies and general market conditions.

The Fund may use Financial Derivative Instruments (derivatives) and/or forward transactions for investment purposes. The value of derivatives can be volatile. This is because a small movement in the value of the underlying asset can cause a large movement in the value of the derivative and therefore, investment in derivatives may result in losses in excess of the amount invested by the Fund.

The value of Bonds and other Debt Securities may change significantly depending on market, economic and interest rate conditions as well as the creditworthiness of the issuer. Issuers of Bonds and other Debt Securities may fail to meet payment obligations (default) or the credit rating of Bonds and other Debt Securities may be downgraded. These risks are typically increased for Below Investment Grade and certain Unrated securities, which may also be subject to higher volatility and be more difficult to sell than Investment Grade securities.

The value of securities in which the Fund invests may be influenced by movements in commodity prices which can be very volatile.

Emerging Markets may be subject to increased political, regulatory and economic instability, less developed custody and settlement practices, poor transparency and greater financial risks. Emerging Market currencies may be subject to volatile price movements. Emerging Market securities may also be subject to higher volatility and be more difficult to sell than non-Emerging Market securities.

Investments in companies engaged in the business of real estate may be subject to increased liquidity risk and price volatility due to changes in economic conditions and interest rates.

The Fund's asset allocation is actively managed. There is a risk that the performance of the Fund will suffer if the allocation to any particular asset class is low when that asset class is outperforming or high when that asset class is underperforming.

Please refer to Part 11 of the Prospectus for details of the general risk factors affecting this Fund in addition to the specific risk factors above.

Fund review

The Fund delivered a positive return for the period and outperformed the new benchmark*. Our allocation to broad equities has been a positive contributor over the period with our overweight allocations to US and Japanese equities benefiting the portfolio. Elsewhere our UK and Asia Pacific equity strategies delivered positive manager selection alpha over the period. The largest outperformers were JPM UK Equity Plus, JPM Asia Pacific Equity and JPM Japan Equity funds.

* The benchmark was changed from 50% FTSE All-share Index (Net)/50% FTSE World ex-UK Index (Net) to ICE 1 month GBP Libor effective 13 April 2018.

Fund statistics

Risk and Reward Profile	5† (5 at 31 October 2017)		
Fund size	£83.6m		
Benchmark Index ^A	ICE 1 month GBP Libor		
Fund charges and expenses	A-Class	B-Class	C-Class
Initial charge (max.)	Nil	Nil	Nil
Exit charge	Nil	Nil	Nil
Ongoing charge (comprises)	0.86%	0.61%	0.51%
Annual management fee	0.70%	0.45%	0.35%
Operating expenses (max.)	0.15%	0.15%	0.15%
Synthetic fee adjustment from underlying fund holdings	0.01%	0.01%	0.01%

Comparative tables

	2018 [‡] pps	2017 pps	2016 pps
A-Class Accumulation Shares			
Change in net asset value per share			
Opening net asset value per share	249.54	200.73	206.80
Return before operating charges*	16.67	53.12	(2.24)
Operating charges	(4.66)	(4.31)	(3.83)
Return after operating charges*	12.01	48.81	(6.07)
Distributions	(2.34)	(1.72)	(2.38)
Retained distributions on accumulation shares	2.34	1.72	2.38
Closing net asset value per share	261.55	249.54	200.73
* after direct transaction costs of	(0.19)	0.00	0.00

Performance

% Return after operating charges [^]	4.81%	24.32%	(2.94)%
% Benchmark index ^{^^}	0.38%	25.77%	(2.65)%

Other information

Closing net asset value (£'000)	52,940	54,601	47,078
Closing number of shares	20,241,018	21,880,920	23,453,993
% Operating charges	0.86%	1.91%	1.92%
% Direct transaction costs	0.07%	0.00%	0.00%

Prices

Highest share price	278.9	253.0	211.1
Lowest share price	249.7	195.8	177.5

	2018 [‡] pps	2017 pps	2016 pps
B-Class Accumulation Shares			
Change in net asset value per share			
Opening net asset value per share	253.79	203.15	208.30
Return before operating charges*	15.08	53.87	(2.29)
Operating charges	(1.62)	(3.23)	(2.86)
Return after operating charges*	13.46	50.64	(5.15)
Distributions	(3.60)	(2.90)	(3.42)
Retained distributions on accumulation shares	3.60	2.90	3.42
Closing net asset value per share	267.25	253.79	203.15
* after direct transaction costs of	(0.09)	0.00	0.00

Performance

% Return after operating charges [^]	5.30%	24.93%	(2.47)%
% Benchmark index ^{^^}	0.38%	25.77%	(2.65)%

Other information

Closing net asset value (£'000)	211	61	46
Closing number of shares	78,792	23,929	22,569
% Operating charges	0.61%	1.41%	1.42%
% Direct transaction costs	0.07%	0.00%	0.00%

Prices

Highest share price	284.6	257.1	212.7
Lowest share price	254.1	198.2	179.5

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

† For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document (KIID) available on the following website <http://am.jpmorgan.co.uk/investor/prices-and-factsheets/?list=all&tab=Prices>

All equity indices stated as 'Net' are calculated net of tax as per the standard published approach by the index vendor unless stated otherwise.

^A The benchmark was changed from 50% FTSE All-share Index (Net)/50% FTSE World ex-UK Index (Net) to ICE 1 month GBP Libor effective 13 April 2018.

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Comparative tables (continued)

C-Class Accumulation Shares	2018 [‡] pps	2017 pps	2016 pps
Change in net asset value per share			
Opening net asset value per share	256.28	204.64	209.30
Return before operating charges*	16.22	54.32	(2.31)
Operating charges	(2.35)	(2.68)	(2.35)
Return after operating charges*	13.87	51.64	(4.66)
Distributions	(3.94)	(3.49)	(3.94)
Retained distributions on accumulation shares	3.94	3.49	3.94
Closing net asset value per share	270.15	256.28	204.64
* after direct transaction costs of	(0.17)	0.00	0.00

Performance

% Return after operating charges [^]	5.41%	25.23%	(2.23)%
% Benchmark index ^{^^}	0.38%	25.77%	(2.65)%

Other information

Closing net asset value (£'000)	30,432	24,364	16,753
Closing number of shares	11,264,844	9,506,712	8,186,819
% Operating charges	0.51%	1.16%	1.17%
% Direct transaction costs	0.07%	0.00%	0.00%

Prices

Highest share price	287.6	259.6	213.7
Lowest share price	256.6	199.8	180.7

The Operating charges are calculated on an accruals basis and as such may differ from the Ongoing charge figure where:

(a) Changes to fee rates were made during the year and the Ongoing charge figure has been amended to be future proofed for this change.

(b) The Ongoing charge has been annualised for a share class that has not yet been open for a full year.

Please refer to the Direct transaction costs note on page 27, for more detail regarding the nature of transaction costs and how they arise for different types of investments.

‡ To 30 April 2018.

[^] Performance returns are calculated using the net asset value per share from the financial statements as opposed to the dealing price for the last business day of the year.

^{^^} The benchmark was changed from 50% FTSE All-share Index (Net)/50% FTSE World ex-UK Index (Net) to ICE 1 month GBP Libor effective 13 April 2018. The benchmark returns, which are based on close of business prices, may reflect variances to the Fund performance that are due to timing differences. Performance returns are in Sterling. All equity indices stated as 'Net' are calculated net of tax as per the standard published approach by the index vendor unless stated otherwise.

Ongoing charges

A-Class Accumulation Shares	
30.04.17	1.91%
30.04.18	0.86%
B-Class Accumulation Shares	
30.04.17	1.41%
30.04.18	0.61%
C-Class Accumulation Shares	
30.04.17	1.16%
30.04.18	0.51%

The Ongoing charges takes into account the ACD fee, the operating expenses and any expenses paid to an affiliate in respect of stocklending activities, expressed as a percentage of the average daily net asset values over the year. As the Fund restructured on 13 April 2018, the ACD fee was reduced on the A-Class Shares, B-Class Shares and C-Class Shares, please refer to page 5 for further details. It also includes a synthetic adjustment of 0.01% (30.04.17: 0.23%) for the year in respect of indirect expenses charged within investments in underlying funds. Please refer to the ACD report on pages 2 to 5 for further details.

Top ten holdings (excluding Liquidity Funds)

	%
JPM Global Government Bond X (dist) - GBP (hedged) [‡]	14.48
JPM Global High Yield Bond Fund X - Gross Accumulation [‡]	9.95
JPM Systematic Alpha X (dist) - GBP (hedged) [‡]	8.69
JPM Global Corporate Bond X (dist) - GBP (hedged) [‡]	5.99
HgCapital Trust plc	3.32
HarbourVest Global Private Equity Ltd.	2.80
ICG Enterprise Trust plc	2.46
JPM Emerging Markets Opportunities X (dist) - GBP [‡]	2.38
JPM Global Real Estate Securities (USD) I (dist) - EUR (hedged) [‡]	2.11
JPM Emerging Markets Fund X - Net Income [‡]	1.59

[‡] A related party to the Fund.

Asset breakdown

	%
Collective Investment Schemes	46.66
Equities	49.63
Liquidity Funds	5.20
Futures	(0.23)
Forward Currency Contracts	(1.33)
Net other assets	0.07

Portfolio turnover rate

30.04.17	41.60%
30.04.18	115.48%

The portfolio turnover rate (PTR) reflects the total of security purchases and sales (excluding Liquidity Funds), less the total of share issues and cancellations, expressed as a percentage of the average daily net asset values over the year.

Portfolio statement

As at 30 April 2018

Investment	Holding	Market value £'000	Total net assets %
Collective Investment Schemes 46.66% (99.00%)			
JPM Emerging Markets Debt X (dist) - GBP (hedged) ^o	12,585	1,226	1.47
JPM Emerging Markets Fund X - Net Income ^o	1,265,890	1,328	1.59
JPM Emerging Markets Opportunities X (dist) - GBP ^o	12,870	1,987	2.38
JPM Global Corporate Bond X (dist) - GBP (hedged) ^o	79,098	5,011	5.99
JPM Global Government Bond X (dist) - GBP (hedged) ^o	121,945	12,108	14.48
JPM Global High Yield Bond Fund X - Gross Accumulation ^o	5,572,337	8,319	9.95
JPM Global Real Estate Securities (USD) I (dist) - EUR (hedged) ^o	20,000	1,763	2.11
JPM Systematic Alpha X (dist) - GBP (hedged) ^o	81,250	7,261	8.69
Collective Investment Schemes total		39,003	46.66

Equities 49.63% (0.00%)

Argentina 0.01% (0.00%)

MercadoLibre, Inc.	20	5	0.01
		5	0.01

Australia 1.08% (0.00%)

AGL Energy Ltd.	659	8	0.01
Alumina Ltd.	6,825	10	0.01
Amcor Ltd.	1,944	15	0.02
AMP Ltd.	2,984	7	0.01
APA Group	1,797	8	0.01
Aristocrat Leisure Ltd.	426	6	0.01
ASX Ltd.	135	4	0.01
Aurizon Holdings Ltd.	4,089	10	0.01
Australia & New Zealand Banking Group Ltd.	3,995	59	0.07
Bendigo & Adelaide Bank Ltd.	494	3	-
BHP Billiton Ltd.	4,054	69	0.08
Boral Ltd.	1,295	5	0.01
Brambles Ltd.	1,945	11	0.01
Caltex Australia Ltd.	471	8	0.01
Challenger Ltd.	556	3	-
Coca-Cola Amatil Ltd.	1,384	7	0.01
Cochlear Ltd.	112	12	0.01
Commonwealth Bank of Australia	2,130	84	0.10
Computershare Ltd.	1,076	10	0.01
CSL Ltd.	571	54	0.06
Dexus, REIT	1,315	7	0.01
Fortescue Metals Group Ltd.	951	3	-
Goodman Group, REIT	2,567	13	0.02
GPT Group (The), REIT	879	2	-
Incitec Pivot Ltd.	1,582	3	-
Insurance Australia Group Ltd.	2,335	10	0.01
Lend Lease Group	698	7	0.01
Macquarie Group Ltd.	435	26	0.03
Medibank Pvt Ltd.	2,657	4	0.01
Mirvac Group, REIT	8,352	10	0.01
National Australia Bank Ltd.	3,521	56	0.07
Newcrest Mining Ltd.	904	11	0.01
Orica Ltd.	749	8	0.01
Origin Energy Ltd.	1,923	10	0.01
QBE Insurance Group Ltd.	2,255	12	0.02
Ramsay Health Care Ltd.	227	8	0.01
REA Group Ltd.	133	6	0.01
Rio Tinto Ltd.	640	28	0.03
Santos Ltd.	1,730	6	0.01
Scentre Group, REIT	8,665	19	0.02
Sonic Healthcare Ltd.	309	4	0.01
South32 Ltd.	8,217	17	0.02
Stockland, REIT	3,135	7	0.01
Suncorp Group Ltd.	2,198	17	0.02
Sydney Airport	2,191	9	0.01
Tabcorp Holdings Ltd.	3,003	7	0.01
Telstra Corp. Ltd.	5,500	10	0.01
TPG Telecom Ltd.	1,009	3	-
Transurban Group	3,198	20	0.02
Treasury Wine Estates Ltd.	674	7	0.01
Vicinity Centres, REIT	3,658	5	0.01
Wesfarmers Ltd.	1,367	33	0.04
Westfield Corp., REIT	1,641	8	0.01
Westpac Banking Corp.	4,099	65	0.08
Woodside Petroleum Ltd.	924	16	0.02
Woolworths Ltd.	1,905	29	0.04
		899	1.08

Austria 0.07% (0.00%)

Erste Group Bank AG	1,587	57	0.07
		57	0.07

Investment	Holding	Market value £'000	Total net assets %
Belgium 0.19% (0.00%)			
Anheuser-Busch InBev SA/NV	986	72	0.09
KBC Group NV	919	59	0.07
UCB SA	467	25	0.03
		156	0.19

Canada 1.24% (0.00%)

Agnico Eagle Mines Ltd.	268	9	0.01
Alimentation Couche-Tard, Inc. 'B'	536	17	0.02
ARC Resources Ltd.	435	4	-
Bank of Montreal	798	45	0.05
Bank of Nova Scotia (The)	1,443	65	0.08
Barrick Gold Corp.	1,418	14	0.02
BCE, Inc.	187	6	0.01
Brookfield Asset Management, Inc. 'A'	1,137	33	0.04
Canadian Imperial Bank of Commerce	505	32	0.04
Canadian National Railway Co.	966	55	0.07
Canadian Natural Resources Ltd.	1,391	36	0.04
Canadian Pacific Railway Ltd.	185	25	0.03
Canadian Tire Corp. Ltd. 'A'	89	9	0.01
Cenovus Energy, Inc.	1,075	8	0.01
CGI Group, Inc. 'A'	282	12	0.01
Constellation Software, Inc.	24	12	0.01
Crescent Point Energy Corp.	647	4	0.01
Dollarama, Inc.	148	12	0.01
Enbridge, Inc.	999	21	0.03
Encana Corp.	1,066	10	0.01
Fairfax Financial Holdings Ltd.	29	12	0.01
Fortis, Inc.	356	9	0.01
Franco-Nevada Corp.	219	11	0.01
Gildan Activewear, Inc.	293	6	0.01
Goldcorp, Inc.	1,018	10	0.01
Great-West Lifeco, Inc.	378	7	0.01
Imperial Oil Ltd.	377	8	0.01
Intact Financial Corp.	167	9	0.01
Inter Pipeline Ltd.	431	6	0.01
Kinross Gold Corp.	1,513	4	0.01
Loblaw Cos. Ltd.	288	11	0.01
Magna International, Inc.	506	22	0.03
Manulife Financial Corp.	2,501	35	0.04
Metro, Inc.	306	7	0.01
National Bank of Canada	423	15	0.02
Nutrien Ltd.	804	27	0.03
Open Text Corp.	308	8	0.01
Pembina Pipeline Corp.	480	11	0.01
Power Corp. of Canada	476	8	0.01
Power Financial Corp.	316	6	0.01
Restaurant Brands International, Inc.	279	11	0.01
Rogers Communications, Inc. 'B'	460	16	0.02
Royal Bank of Canada	1,728	96	0.11
Saputo, Inc.	325	8	0.01
Shaw Communications, Inc. 'B'	518	8	0.01
SNC-Lavalin Group, Inc.	190	6	0.01
Sun Life Financial, Inc.	782	24	0.03
Suncor Energy, Inc.	1,970	55	0.07
Teck Resources Ltd. 'B'	684	12	0.01
Thomson Reuters Corp.	437	13	0.02
Toronto-Dominion Bank (The)	2,179	89	0.11
TransCanada Corp.	900	28	0.03
Wheaton Precious Metals Corp.	531	8	0.01
		1,035	1.24

China 0.05% (0.00%)

BOC Hong Kong Holdings Ltd.	5,500	21	0.03
Sands China Ltd.	4,000	17	0.02
		38	0.05

Denmark 0.24% (0.00%)

Chr Hansen Holding A/S	281	18	0.02
Danske Bank A/S	578	15	0.02
Genmab A/S	261	39	0.04
Novo Nordisk A/S 'B'	3,862	132	0.16
		204	0.24

Finland 0.16% (0.00%)

Cargotec OYJ 'B'	538	20	0.02
Konecranes OYJ	699	21	0.02
Nokia OYJ	4,483	20	0.02
Outokumpu OYJ	2,770	13	0.02
UPM-Kymmene OYJ	2,455	64	0.08
		138	0.16

Portfolio statement - continued

As at 30 April 2018

Investment	Holding	Market value £'000	Total net assets %	Investment	Holding	Market value £'000	Total net assets %
France 1.84% (0.00%)				Wharf Holdings Ltd. (The)			
Accor SA	1,422	59	0.07	Wharf Real Estate Investment Co. Ltd.	2,000	5	0.01
Air Liquide SA	939	89	0.11	Wheelock & Co. Ltd.	2,000	11	0.01
Airbus SE	1,092	94	0.11	Yue Yuen Industrial Holdings Ltd.	1,500	3	-
Alstom SA	616	20	0.02			431	0.52
Arkema SA	460	44	0.05	Ireland 0.16% (0.00%)			
AXA SA	616	13	0.02	CRH plc	2,978	77	0.09
BNP Paribas SA	1,956	110	0.13	James Hardie Industries plc, CDI	813	10	0.01
Capgemini SE	779	78	0.09	Ryanair Holdings plc	3,475	48	0.06
Cie Generale des Etablissements Michelin SCA	464	48	0.06			135	0.16
Engie SA	3,165	40	0.05	Israel 0.02% (0.00%)			
Kering	157	66	0.08	Teva Pharmaceutical Industries Ltd., ADR	1,511	20	0.02
Legrand SA	488	28	0.03			20	0.02
LVMH Moet Hennessy Louis Vuitton SE	524	132	0.16	Italy 0.29% (0.00%)			
Natixis SA	2,051	12	0.01	Assicurazioni Generali SpA	1,237	18	0.02
Pernod Ricard SA	528	64	0.08	Enel SpA	21,650	100	0.12
Publicis Groupe SA	1,209	65	0.08	Eni SpA	1,414	20	0.02
Renault SA	594	47	0.06	Intesa Sanpaolo SpA	3,186	9	0.01
Sanofi	728	42	0.05	Italgas SpA	6,169	29	0.04
Schneider Electric SE	1,583	104	0.12	Snam SpA	2,112	7	0.01
Sodexo SA	407	30	0.04	UniCredit SpA	3,707	59	0.07
Thales SA	632	58	0.07			242	0.29
TOTAL SA	3,336	152	0.18	Japan 3.70% (0.00%)			
Unibail-Rodamco SE, REIT	247	43	0.05	AEON Financial Service Co. Ltd.	300	5	0.01
Vinci SA	1,200	88	0.10	Aeon Mall Co. Ltd.	400	6	0.01
Vivendi SA	725	14	0.02	Ajinomoto Co., Inc.	1,000	13	0.02
		1,540	1.84	Alfresa Holdings Corp.	300	5	0.01
Germany 1.35% (0.00%)				Amada Holdings Co. Ltd.	1,000	9	0.01
adidas AG	511	92	0.11	Asahi Group Holdings Ltd.	800	30	0.04
Allianz SE	587	102	0.12	Asahi Kasei Corp.	1,900	19	0.02
BASF SE	1,231	93	0.11	Astellas Pharma, Inc.	1,500	16	0.02
Bayer AG	803	70	0.08	Bandai Namco Holdings, Inc.	800	20	0.02
Bayerische Motoren Werke AG	566	46	0.05	Bridgestone Corp.	1,200	37	0.04
Brenntag AG	298	12	0.02	Canon, Inc.	1,000	25	0.03
Continental AG	347	68	0.08	Central Japan Railway Co.	100	15	0.02
Daimler AG	506	29	0.04	Chugai Pharmaceutical Co. Ltd.	200	8	0.01
Deutsche Post AG	622	20	0.02	Coca-Cola Bottlers Japan Holdings, Inc.	200	6	0.01
Deutsche Telekom AG	7,121	91	0.11	Concordia Financial Group Ltd.	3,400	14	0.02
Henkel AG & Co. KGaA Preference	517	48	0.06	Dai Nippon Printing Co. Ltd.	200	3	-
Infinion Technologies AG	3,746	70	0.08	Daicel Corp.	2,200	19	0.02
Linde AG	184	30	0.04	Dai-ichi Life Holdings, Inc.	1,200	17	0.02
Muenchener Rueckversicherungs-Gesellschaft AG	531	89	0.11	Daiichi Sankyo Co. Ltd.	1,200	30	0.04
RWE AG	720	13	0.02	Daikin Industries Ltd.	500	43	0.05
SAP SE	1,481	119	0.14	Daito Trust Construction Co. Ltd.	100	12	0.01
Siemens AG	546	51	0.06	Daiwa House Industry Co. Ltd.	1,200	32	0.04
Volkswagen AG Preference	560	85	0.10	Daiwa House REIT Investment Corp.	1	2	-
		1,128	1.35	Denso Corp.	300	12	0.01
Guernsey 2.80% (0.00%)				East Japan Railway Co.	600	42	0.05
HarbourVest Global Private Equity Ltd.	185,715	2,336	2.80	Electric Power Development Co. Ltd.	1,000	20	0.02
		2,336	2.80	FANUC Corp.	200	31	0.04
Hong Kong 0.52% (0.00%)				Fast Retailing Co. Ltd.	100	32	0.04
AIA Group Ltd.	15,200	100	0.12	Fuji Electric Co. Ltd.	1,000	5	0.01
ASM Pacific Technology Ltd.	400	4	0.01	FUJIFILM Holdings Corp.	900	26	0.03
CK Asset Holdings Ltd.	2,500	16	0.02	Fujitsu Ltd.	3,000	13	0.02
CK Hutchison Holdings Ltd.	4,000	35	0.04	Hakuhodo DY Holdings, Inc.	300	3	-
CK Infrastructure Holdings Ltd.	1,500	9	0.01	Hankyu Hanshin Holdings, Inc.	200	6	0.01
CLP Holdings Ltd.	3,000	23	0.03	Hisamitsu Pharmaceutical Co., Inc.	400	23	0.03
Galaxy Entertainment Group Ltd.	3,000	19	0.02	Hitachi High-Technologies Corp.	100	3	-
Hang Seng Bank Ltd.	1,300	24	0.03	Hitachi Ltd.	8,000	43	0.05
Henderson Land Development Co. Ltd.	2,000	9	0.01	Honda Motor Co. Ltd.	2,500	63	0.08
HKT Trust & HKT Ltd.	3,000	3	-	Hoya Corp.	400	16	0.02
Hong Kong & China Gas Co. Ltd.	12,000	18	0.02	Hulic Co. Ltd.	1,800	14	0.02
Hong Kong Exchanges & Clearing Ltd.	1,400	33	0.04	ITOCHU Corp.	2,300	34	0.04
Hongkong Land Holdings Ltd.	1,400	7	0.01	J Front Retailing Co. Ltd.	1,400	17	0.02
Hutchison Port Holdings Trust 'U'	14,000	3	-	Japan Airlines Co. Ltd.	700	20	0.02
Jardine Matheson Holdings Ltd.	100	4	0.01	Japan Exchange Group, Inc.	200	3	-
Kerry Properties Ltd.	2,000	7	0.01	Japan Post Bank Co. Ltd.	400	4	0.01
Li & Fung Ltd.	10,000	4	-	Japan Prime Realty Investment Corp., REIT	1	3	-
Link REIT	2,500	16	0.02	Japan Real Estate Investment Corp., REIT	1	4	-
MTR Corp. Ltd.	1,500	6	0.01	Japan Retail Fund Investment Corp., REIT	3	4	0.01
New World Development Co. Ltd.	4,000	4	0.01	Japan Tobacco, Inc.	1,400	27	0.03
NWS Holdings Ltd.	2,000	3	-	JFE Holdings, Inc.	500	8	0.01
Power Assets Holdings Ltd.	1,500	8	0.01	JTEKT Corp.	200	2	-
Sino Land Co. Ltd.	6,000	8	0.01	JXTG Holdings, Inc.	6,800	32	0.04
Sun Hung Kai Properties Ltd.	2,000	24	0.03	Kansai Electric Power Co., Inc. (The)	1,400	14	0.02
Swire Pacific Ltd.	1,000	7	0.01	Kao Corp.	700	37	0.04
Techtronic Industries Co. Ltd.	500	2	-	Kawasaki Heavy Industries Ltd.	700	17	0.02
WH Group Ltd.	6,000	5	0.01	KDDI Corp.	1,800	35	0.04

Portfolio statement - continued

As at 30 April 2018

Investment	Holding	Market value £'000	Total net assets %	Investment	Holding	Market value £'000	Total net assets %
Keikyu Corp.	200	3	-	Sumitomo Realty & Development Co. Ltd.	1,000	29	0.03
Keyence Corp.	200	89	0.11	Sundrug Co. Ltd.	100	4	-
Kintetsu Group Holdings Co. Ltd.	100	3	-	Suntory Beverage & Food Ltd.	300	11	0.01
Kirin Holdings Co. Ltd.	900	18	0.02	Suzuki Motor Corp.	800	31	0.04
Komatsu Ltd.	1,000	25	0.03	T&D Holdings, Inc.	1,400	17	0.02
Kose Corp.	100	14	0.02	Takeda Pharmaceutical Co. Ltd.	400	12	0.02
Kubota Corp.	200	2	-	THK Co. Ltd.	500	13	0.02
Kyocera Corp.	200	9	0.01	Tohoku Electric Power Co., Inc.	300	3	-
Kyowa Hakko Kirin Co. Ltd.	1,100	17	0.02	Tokio Marine Holdings, Inc.	1,200	41	0.05
Kyushu Electric Power Co., Inc.	400	4	-	Tokyo Electric Power Co. Holdings, Inc.	1,200	4	0.01
M3, Inc.	800	22	0.03	Tokyo Electron Ltd.	200	28	0.03
Mabuchi Motor Co. Ltd.	400	15	0.02	Tokyo Gas Co. Ltd.	400	8	0.01
Marui Group Co. Ltd.	1,500	23	0.03	Tokyo Tatemono Co. Ltd.	1,300	14	0.02
Mazda Motor Corp.	1,300	13	0.02	Tokyu Corp.	1,900	23	0.03
Mebuki Financial Group, Inc.	4,300	12	0.01	Toppa Printing Co. Ltd.	1,000	6	0.01
MEIJI Holdings Co. Ltd.	100	6	0.01	Toray Industries, Inc.	2,800	19	0.02
Mitsubishi Chemical Holdings Corp.	1,900	13	0.02	Toshiba Corp.	6,000	12	0.01
Mitsubishi Corp.	2,500	50	0.06	Toyota Industries Corp.	300	13	0.02
Mitsubishi Electric Corp.	3,200	36	0.04	Toyota Motor Corp.	3,300	158	0.19
Mitsubishi Estate Co. Ltd.	400	5	0.01	Toyota Tsusho Corp.	100	3	-
Mitsubishi Tanabe Pharma Corp.	200	3	-	Unicharm Corp.	200	4	0.01
Mitsubishi UFJ Financial Group, Inc.	16,300	80	0.10	United Urban Investment Corp., REIT	3	3	-
Mitsubishi UFJ Lease & Finance Co. Ltd.	600	3	-	Yahoo Japan Corp.	800	2	-
Mitsui & Co. Ltd.	2,300	30	0.04	Yamato Holdings Co. Ltd.	1,000	19	0.02
Mitsui Chemicals, Inc.	900	19	0.02	Yaskawa Electric Corp.	200	6	0.01
Mitsui Fudosan Co. Ltd.	800	15	0.02			3,096	3.70
Mizuho Financial Group, Inc.	16,800	22	0.03	Luxembourg 0.08% (0.00%)			
MS&AD Insurance Group Holdings, Inc.	200	5	0.01	ArcelorMittal	2,737	68	0.08
Murata Manufacturing Co. Ltd.	200	18	0.02			68	0.08
NGK Spark Plug Co. Ltd.	1,100	21	0.02	Macau 0.01% (0.00%)			
NH Foods Ltd.	300	10	0.01	Wynn Macau Ltd.	2,000	5	0.01
Nidec Corp.	400	46	0.05			5	0.01
Nintendo Co. Ltd.	100	31	0.04	Netherlands 1.05% (0.00%)			
Nippon Building Fund, Inc., REIT	1	4	0.01	Akzo Nobel NV	287	19	0.02
Nippon Prologis REIT, Inc.	1	2	-	ASML Holding NV	764	106	0.13
Nippon Steel & Sumitomo Metal Corp.	1,600	25	0.03	ASR Nederland NV	395	14	0.02
Nippon Telegraph & Telephone Corp.	1,200	42	0.05	Heineken Holding NV	557	41	0.05
Nippon Yusen KK	700	11	0.01	Heineken NV	368	28	0.03
Nissan Motor Co. Ltd.	3,500	27	0.03	ING Groep NV	7,911	97	0.12
Nitori Holdings Co. Ltd.	100	12	0.01	Koninklijke Ahold Delhaize NV	4,264	75	0.09
Nitto Denko Corp.	300	16	0.02	Koninklijke KPN NV	8,870	20	0.02
Nomura Holdings, Inc.	2,600	11	0.01	Koninklijke Philips NV	1,060	33	0.04
Nomura Real Estate Master Fund, Inc., REIT	2	2	-	Royal Dutch Shell plc 'A'	5,699	144	0.17
Nomura Research Institute Ltd.	400	15	0.02	Royal Dutch Shell plc 'B'	5,615	145	0.17
NSK Ltd.	500	5	0.01	Unilever NV, CVA	2,933	123	0.15
NTT DOCOMO, Inc.	2,000	38	0.05	Wolters Kluwer NV	846	33	0.04
Obayashi Corp.	700	6	0.01			878	1.05
Olympus Corp.	700	19	0.02	New Zealand 0.03% (0.00%)			
Ono Pharmaceutical Co. Ltd.	1,200	20	0.02	Auckland International Airport Ltd.	1,995	6	0.01
Oriental Land Co. Ltd.	300	22	0.03	Fletcher Building Ltd.	1,505	5	0.01
ORIX Corp.	2,700	35	0.04	Ryman Healthcare Ltd.	737	4	-
Otsuka Corp.	600	20	0.02	Spark New Zealand Ltd.	3,819	7	0.01
Otsuka Holdings Co. Ltd.	900	34	0.04			22	0.03
Panasonic Corp.	3,800	41	0.05	Norway 0.08% (0.00%)			
Persol Holdings Co. Ltd.	800	14	0.02	Telenor ASA	4,243	69	0.08
Recruit Holdings Co. Ltd.	800	13	0.02			69	0.08
Resona Holdings, Inc.	1,500	6	0.01	Papua New Guinea 0.01% (0.00%)			
Rohm Co. Ltd.	300	20	0.02	Oil Search Ltd.	2,060	9	0.01
Santen Pharmaceutical Co. Ltd.	300	4	-			9	0.01
Seibu Holdings, Inc.	1,100	14	0.02	Singapore 0.21% (0.00%)			
Seiko Epson Corp.	600	8	0.01	Ascendas REIT	3,200	5	0.01
Sekisui House Ltd.	1,400	19	0.02	CapitaLand Ltd.	5,300	11	0.01
Seven & i Holdings Co. Ltd.	1,300	42	0.05	CapitaLand Mall Trust, REIT	2,300	3	-
Shimano, Inc.	100	10	0.01	ComfortDelGro Corp. Ltd.	2,400	3	-
Shimizu Corp.	2,300	17	0.02	DBS Group Holdings Ltd.	2,800	47	0.06
Shin-Etsu Chemical Co. Ltd.	400	29	0.04	Genting Singapore plc	4,700	3	-
Shionogi & Co. Ltd.	100	4	-	Jardine Cycle & Carriage Ltd.	100	2	-
Shiseido Co. Ltd.	200	9	0.01	Keppel Corp. Ltd.	2,600	12	0.02
Shizuoka Bank Ltd. (The)	1,000	7	0.01	Oversea-Chinese Banking Corp. Ltd.	4,900	37	0.05
SMC Corp.	100	28	0.03	Singapore Exchange Ltd.	500	2	-
SoftBank Group Corp.	1,100	62	0.07	Singapore Telecommunications Ltd.	10,100	19	0.02
Sompo Holdings, Inc.	400	12	0.01	United Overseas Bank Ltd.	1,600	26	0.03
Sony Corp.	1,700	61	0.07	Wilmar International Ltd.	3,800	7	0.01
Stanley Electric Co. Ltd.	100	3	-			177	0.21
Start Today Co. Ltd.	200	4	0.01				
Subaru Corp.	100	2	-				
Sumitomo Chemical Co. Ltd.	3,000	13	0.02				
Sumitomo Electric Industries Ltd.	2,000	22	0.03				
Sumitomo Metal Mining Co. Ltd.	600	19	0.02				
Sumitomo Mitsui Financial Group, Inc.	2,000	61	0.07				
Sumitomo Mitsui Trust Holdings, Inc.	700	22	0.03				

Portfolio statement - continued

As at 30 April 2018

Investment	Holding	Market value £'000	Total net assets %	Investment	Holding	Market value £'000	Total net assets %
Spain 0.46% (0.00%)				Allergan plc			
Amadeus IT Group SA 'A'	298	16	0.02	Alliance Data Systems Corp.	729	86	0.10
Banco Bilbao Vizcaya Argentaria SA	1,389	8	0.01	Alnylam Pharmaceuticals, Inc.	180	27	0.03
Banco Santander SA	22,828	108	0.13	Alphabet, Inc. 'A'	42	3	-
Iberdrola SA	14,450	82	0.10	Alphabet, Inc. 'C'	382	287	0.34
Industria de Diseno Textil SA	2,206	50	0.06	Altria Group, Inc.	470	353	0.42
Red Electrica Corp. SA	2,462	37	0.04	Amazon.com, Inc.	1,327	54	0.06
Repsol SA	4,270	59	0.07	Ameren Corp.	565	647	0.77
Telefonica SA	2,939	22	0.03	American Electric Power Co., Inc.	235	10	0.01
		382	0.46	American Express Co.	1,646	85	0.10
				American Financial Group, Inc.	940	68	0.08
Sweden 0.21% (0.00%)				American International Group, Inc.	54	4	0.01
Atlas Copco AB 'B'	524	14	0.02	American International Group, Inc.	2,801	115	0.14
Autoliv, Inc.	43	4	0.01	American Tower Corp., REIT	425	42	0.05
Nordea Bank AB	5,857	44	0.05	AmerisourceBergen Corp.	800	54	0.06
Sandvik AB	5,366	67	0.08	Amgen, Inc.	458	59	0.07
Svenska Handelsbanken AB 'A'	5,588	46	0.05	Analog Devices, Inc.	1,973	126	0.15
		175	0.21	Andeavor	736	66	0.08
				Antero Resources Corp.	177	2	-
Switzerland 1.15% (0.00%)				Apple, Inc.	5,905	698	0.84
ABB Ltd.	3,199	54	0.07	Aptiv plc	685	43	0.05
Credit Suisse Group AG	7,256	89	0.11	Aramark	212	6	0.01
Glencore plc	19,781	71	0.08	Arch Capital Group Ltd.	60	4	-
Julius Baer Group Ltd.	1,259	55	0.07	Arista Networks, Inc.	59	11	0.01
LafargeHolcim Ltd.	1,312	53	0.06	Arrow Electronics, Inc.	109	6	0.01
Lonza Group AG	252	46	0.05	Arthur J Gallagher & Co.	337	17	0.02
Nestle SA	3,362	190	0.23	AT&T, Inc.	3,815	92	0.11
Novartis AG	3,463	195	0.23	Athene Holding Ltd.	109	4	-
Roche Holding AG	1,076	174	0.21	Atmos Energy Corp.	60	4	-
UBS Group AG	3,035	37	0.04	AutoZone, Inc.	128	59	0.07
		964	1.15	AvalonBay Communities, Inc., REIT	561	67	0.08
				Axis Capital Holdings Ltd.	111	5	0.01
United Kingdom 8.18% (0.00%)				Ball Corp.	2,276	67	0.08
3i Group plc	4,755	45	0.05	Bank of America Corp.	16,146	354	0.42
AstraZeneca plc	1,432	73	0.09	BB&T Corp.	2,502	97	0.12
Aviva plc	16,508	87	0.10	Becton Dickinson and Co.	579	99	0.12
BHP Billiton plc	1,169	18	0.02	Berkshire Hathaway, Inc. 'B'	1,163	167	0.20
BP plc	17,705	94	0.11	Best Buy Co., Inc.	1,116	63	0.08
British American Tobacco plc	3,217	130	0.16	Biogen, Inc.	294	59	0.07
BT Group plc	7,787	20	0.02	BioMarin Pharmaceutical, Inc.	189	12	0.01
Bunzl plc	1,666	35	0.04	BlackRock, Inc.	279	107	0.13
Compass Group plc	5,371	84	0.10	Boeing Co. (The)	408	101	0.12
DCC plc	463	33	0.04	Boston Scientific Corp.	5,452	116	0.14
Diageo plc	5,184	134	0.16	Bristol-Myers Squibb Co.	2,227	85	0.10
Ferguson plc	917	52	0.06	Brixmor Property Group, Inc., REIT	1,773	19	0.02
GlaxoSmithKline plc	4,791	71	0.08	Broadcom, Inc.	973	165	0.20
HgCapital Trust plc	145,980	2,774	3.32	Broadridge Financial Solutions, Inc.	142	11	0.01
HSBC Holdings plc	17,190	125	0.15	CA, Inc.	392	10	0.01
ICG Enterprise Trust plc	241,300	2,056	2.46	Camden Property Trust, REIT	92	6	0.01
Imperial Brands plc	3,052	80	0.10	Capital One Financial Corp.	1,903	127	0.15
InterContinental Hotels Group plc	1,181	54	0.07	Caterpillar, Inc.	802	85	0.10
Johnson Matthey plc	602	20	0.02	CBRE Group, Inc. 'A'	178	6	0.01
Legal & General Group plc	6,869	19	0.02	CDK Global, Inc.	161	8	0.01
Liberty Global plc 'A'	91	2	-	CDW Corp.	178	9	0.01
Liberty Global plc 'C'	477	10	0.01	Celanese Corp.	969	77	0.09
Lloyds Banking Group plc	58,946	38	0.05	Celgene Corp.	913	61	0.07
London Stock Exchange Group plc	1,742	75	0.09	Centene Corp.	194	16	0.02
National Grid plc	2,092	18	0.02	Charles Schwab Corp. (The)	2,261	92	0.11
Prudential plc	6,489	123	0.15	Charter Communications, Inc. 'A'	604	116	0.14
Reckitt Benckiser Group plc	114	6	0.01	Chevron Corp.	2,492	230	0.27
RELX plc	1,874	29	0.04	Chubb Ltd.	560	56	0.07
Rio Tinto plc	2,898	116	0.14	Cigna Corp.	968	123	0.15
RSA Insurance Group plc	2,636	17	0.02	Cisco Systems, Inc.	2,760	90	0.11
Standard Chartered plc	12,024	93	0.11	Citigroup, Inc.	4,982	250	0.30
Taylor Wimpey plc	20,540	40	0.05	CME Group, Inc.	172	20	0.02
Tesco plc	13,770	33	0.04	CMS Energy Corp.	2,028	70	0.08
Unilever plc	1,897	78	0.09	Coca-Cola Co. (The)	2,978	94	0.11
Vodafone Group plc	50,792	108	0.13	Cognex Corp.	87	3	-
Whitbread plc	596	26	0.03	Colgate-Palmolive Co.	1,157	56	0.07
WPP plc	1,916	24	0.03	Comcast Corp. 'A'	9,122	211	0.25
		6,840	8.18	CommScope Holding Co., Inc.	221	6	0.01
				Concho Resources, Inc.	866	97	0.12
United States of America 24.44% (0.00%)				Constellation Brands, Inc. 'A'	455	78	0.09
3M Co.	99	14	0.02	Cooper Cos., Inc. (The)	56	9	0.01
Abbott Laboratories	2,111	92	0.11	Corning, Inc.	271	5	0.01
AbbVie, Inc.	1,299	93	0.11	CoStar Group, Inc.	20	5	0.01
Accenture plc 'A'	1,329	147	0.18	Crown Holdings, Inc.	167	6	0.01
Activision Blizzard, Inc.	103	5	0.01	Cummins, Inc.	722	85	0.10
Adobe Systems, Inc.	734	119	0.14	CVS Health Corp.	2,155	110	0.13
Agilent Technologies, Inc.	152	7	0.01	Danaher Corp.	744	55	0.07
Alcoa Corp.	570	21	0.03	Deere & Co.	806	81	0.10
Alexion Pharmaceuticals, Inc.	281	25	0.03	Dell Technologies, Inc. Class V	181	10	0.01
Alleghany Corp.	9	4	-	Delphi Technologies plc	194	7	0.01
Allegion plc	1,359	77	0.09	Delta Air Lines, Inc.	1,739	68	0.08
				Diamondback Energy, Inc.	1,057	97	0.12

Portfolio statement - continued

As at 30 April 2018

Investment	Holding	Market value £'000	Total net assets %	Investment	Holding	Market value £'000	Total net assets %
Digital Realty Trust, Inc., REIT	352	28	0.03	MetLife, Inc.	1,892	67	0.08
Discover Financial Services	837	43	0.05	Microchip Technology, Inc.	1,031	64	0.08
DISH Network Corp. 'A'	1,559	39	0.05	Micron Technology, Inc.	1,146	40	0.05
Dollar General Corp.	477	34	0.04	Microsoft Corp.	9,947	694	0.83
Dollar Tree, Inc.	1,204	85	0.10	Mid-America Apartment Communities, Inc., REIT	350	23	0.03
DowDuPont, Inc.	4,630	217	0.26	Mohawk Industries, Inc.	263	42	0.05
DR Horton, Inc.	1,718	56	0.07	Molson Coors Brewing Co. 'B'	1,594	84	0.10
Dr Pepper Snapple Group, Inc.	218	19	0.02	Mondelez International, Inc. 'A'	4,355	127	0.15
Duke Realty Corp., REIT	471	9	0.01	Morgan Stanley	4,194	158	0.19
DXC Technology Co.	349	26	0.03	MSCI, Inc.	65	7	0.01
E*TRADE Financial Corp.	163	7	0.01	Mylan NV	624	18	0.02
East West Bancorp, Inc.	185	9	0.01	National Retail Properties, Inc., REIT	163	5	0.01
Eastman Chemical Co.	1,444	110	0.13	Netflix, Inc.	238	54	0.06
Eaton Corp. plc	1,982	110	0.13	Newmont Mining Corp.	375	11	0.01
Eli Lilly & Co.	1,982	119	0.14	NextEra Energy, Inc.	1,269	152	0.18
EOG Resources, Inc.	1,940	165	0.20	NIKE, Inc. 'B'	2,622	133	0.16
EQT Corp.	841	31	0.04	Norfolk Southern Corp.	1,283	137	0.16
Equinix, Inc., REIT	126	39	0.05	Northrop Grumman Corp.	590	138	0.17
Equity Residential, REIT	975	44	0.05	Nucor Corp.	387	17	0.02
Essex Property Trust, Inc., REIT	154	27	0.03	NVIDIA Corp.	1,091	180	0.22
Estee Lauder Cos., Inc. (The) 'A'	496	54	0.06	NVR, Inc.	2	5	0.01
Exxon Mobil Corp.	3,125	177	0.21	Occidental Petroleum Corp.	1,999	112	0.13
Facebook, Inc. 'A'	2,667	337	0.40	ONEOK, Inc.	1,369	60	0.07
Fastenal Co.	1,176	44	0.05	Oracle Corp.	4,892	162	0.19
Federal Realty Investment Trust, REIT	389	33	0.04	O'Reilly Automotive, Inc.	571	109	0.13
Fidelity National Information Services, Inc.	1,125	78	0.09	Owens Corning	125	6	0.01
FleetCor Technologies, Inc.	59	9	0.01	PACCAR, Inc.	1,606	75	0.09
Flex Ltd.	314	3	-	Palo Alto Networks, Inc.	92	13	0.02
FNF Group	139	4	-	Parker-Hannifin Corp.	163	20	0.02
Ford Motor Co.	8,665	72	0.09	Parsley Energy, Inc. 'A'	1,381	30	0.04
Franklin Resources, Inc.	1,093	27	0.03	PayPal Holdings, Inc.	303	16	0.02
Freeport-McMoRan, Inc.	1,679	19	0.02	PepsiCo, Inc.	2,504	185	0.22
Gilead Sciences, Inc.	2,098	113	0.14	Pfizer, Inc.	9,079	245	0.29
Global Payments, Inc.	892	72	0.09	PG&E Corp.	664	23	0.03
Goldman Sachs Group, Inc. (The)	195	34	0.04	Philip Morris International, Inc.	3,090	186	0.22
Harris Corp.	148	17	0.02	Pioneer Natural Resources Co.	943	137	0.16
Hartford Financial Services Group, Inc. (The)	2,266	90	0.11	Plains GP Holdings LP 'A'	197	4	-
HCP, Inc., REIT	1,172	20	0.02	Priceline Group, Inc. (The)	34	53	0.06
HD Supply Holdings, Inc.	141	4	-	Principal Financial Group, Inc.	1,014	45	0.05
Hewlett Packard Enterprise Co.	5,762	73	0.09	Procter & Gamble Co. (The)	1,733	92	0.11
Hilton Worldwide Holdings, Inc.	1,332	78	0.09	Prologis, Inc., REIT	311	15	0.02
Hologic, Inc.	226	6	0.01	Prudential Financial, Inc.	895	70	0.08
Home Depot, Inc. (The)	1,900	258	0.31	Public Service Enterprise Group, Inc.	2,251	84	0.10
Honeywell International, Inc.	1,750	187	0.22	Public Storage, REIT	240	35	0.04
HP, Inc.	5,065	80	0.10	PVH Corp.	474	55	0.07
Huntington Bancshares, Inc.	5,722	63	0.08	Qurate Retail Group, Inc. QVC Group	237	4	-
IAC/InterActiveCorp	45	5	0.01	Raymond James Financial, Inc.	98	6	0.01
IDEX Corp.	42	4	0.01	Raytheon Co.	323	48	0.06
Illumina, Inc.	111	20	0.02	Reinsurance Group of America, Inc.	76	9	0.01
Ingersoll-Rand plc	1,764	111	0.13	Robert Half International, Inc.	152	7	0.01
Ingredion, Inc.	76	7	0.01	Ross Stores, Inc.	820	49	0.06
Intel Corp.	2,702	104	0.12	Sabre Corp.	185	3	-
Intercontinental Exchange, Inc.	1,753	93	0.11	salesforce.com, Inc.	1,424	125	0.15
International Business Machines Corp.	776	83	0.10	SEI Investments Co.	78	4	-
Intuit, Inc.	589	80	0.10	ServiceNow, Inc.	207	25	0.03
Intuitive Surgical, Inc.	103	34	0.04	Shire plc	945	37	0.04
Invitation Homes, Inc., REIT	236	4	-	Sirius XM Holdings, Inc.	2,163	10	0.01
Johnson & Johnson	2,864	268	0.32	Snap-on, Inc.	696	75	0.09
Jones Lang LaSalle, Inc.	48	6	0.01	Spectrum Brands Holdings, Inc.	41	2	-
KeyCorp	3,614	54	0.06	Spirit AeroSystems Holdings, Inc. 'A'	66	4	-
Kraft Heinz Co. (The)	1,169	49	0.06	Splunk, Inc.	70	5	0.01
L3 Technologies, Inc.	386	55	0.07	Square, Inc.	303	10	0.01
Las Vegas Sands Corp.	398	21	0.03	Stanley Black & Decker, Inc.	1,007	106	0.13
Lear Corp.	56	8	0.01	Starbucks Corp.	720	31	0.04
Leidos Holdings, Inc.	87	4	0.01	State Street Corp.	1,453	106	0.13
Lennar Corp. 'A'	1,480	59	0.07	Steel Dynamics, Inc.	128	4	0.01
Lennox International, Inc.	42	6	0.01	SunTrust Banks, Inc.	1,606	79	0.09
Liberty Broadband Corp. 'C'	133	7	0.01	Synchrony Financial	1,291	31	0.04
Liberty Media Corp-Liberty Formula One	80	2	-	Take-Two Interactive Software, Inc.	52	4	-
Liberty Media Corp-Liberty SiriusXM	137	4	0.01	TD Ameritrade Holding Corp.	284	12	0.01
Liberty Property Trust, REIT	162	5	0.01	Teleflex, Inc.	25	5	0.01
Lincoln National Corp.	1,033	54	0.06	Tesla, Inc.	127	27	0.03
Live Nation Entertainment, Inc.	64	2	-	Texas Instruments, Inc.	2,350	175	0.21
Lowe's Cos., Inc.	1,654	101	0.12	Thermo Fisher Scientific, Inc.	603	93	0.11
ManpowerGroup, Inc.	85	6	0.01	Time Warner, Inc.	958	66	0.08
Marathon Petroleum Corp.	1,110	66	0.08	T-Mobile US, Inc.	1,728	81	0.10
Markel Corp.	8	7	0.01	Toll Brothers, Inc.	211	7	0.01
Marvell Technology Group Ltd.	496	7	0.01	Trimble, Inc.	135	3	-
Masco Corp.	2,270	63	0.08	Twenty-First Century Fox, Inc. 'A'	3,673	97	0.12
Mastercard, Inc. 'A'	596	76	0.09	Twenty-First Century Fox, Inc. 'B'	497	13	0.02
Maxim Integrated Products, Inc.	322	13	0.02	Twitter, Inc.	265	6	0.01
McDonald's Corp.	398	46	0.05	Tyson Foods, Inc. 'A'	367	19	0.02
Medtronic plc	2,547	151	0.18	UGI Corp.	112	4	-
Merck & Co., Inc.	2,481	107	0.13	Union Pacific Corp.	2,002	197	0.24

Portfolio statement – continued

As at 30 April 2018

Investment	Holding	Market value £'000	Total net assets %
United Rentals, Inc.	93	10	0.01
United Technologies Corp.	1,457	130	0.16
UnitedHealth Group, Inc.	1,755	307	0.37
Unum Group	124	4	0.01
Vail Resorts, Inc.	25	4	0.01
Ventas, Inc., REIT	422	16	0.02
VEREIT, Inc., REIT	1,389	7	0.01
Verizon Communications, Inc.	1,978	74	0.09
Vertex Pharmaceuticals, Inc.	648	74	0.09
Visa, Inc. 'A'	3,296	303	0.36
VMware, Inc. 'A'	46	4	0.01
Vornado Realty Trust, REIT	927	46	0.05
Voya Financial, Inc.	1,146	44	0.05
Walgreens Boots Alliance, Inc.	1,574	77	0.09
Wal-Mart Stores, Inc.	611	39	0.05
Walt Disney Co. (The)	2,495	180	0.22
Waste Connections, Inc.	331	18	0.02
WEC Energy Group, Inc.	1,498	70	0.08
Wells Fargo & Co.	6,280	239	0.29
WestRock Co.	1,362	60	0.07
Weyerhaeuser Co., REIT	540	15	0.02
Workday, Inc. 'A'	484	44	0.05
Worldpay, Inc.	1,101	64	0.08
Wyndham Worldwide Corp.	243	20	0.02
Xcel Energy, Inc.	2,851	98	0.12
Yum Brands, Inc.	1,317	83	0.10
Zimmer Biomet Holdings, Inc.	974	83	0.10
Zoetis, Inc.	232	14	0.02
		20,430	24.44
Equities total		41,479	49.63
Forward Currency Contracts (1.33)% (0.00%)			
Buy GBP 941,491 sell AUD 1,735,300 dated 24/05/2018		(12)	(0.01)
Buy GBP 982,484 sell CAD 1,772,655 dated 24/05/2018		(21)	(0.03)
Buy GBP 856,770 sell CHF 1,175,184 dated 24/05/2018		(9)	(0.01)
Buy GBP 6,067,773 sell EUR 7,012,323 dated 24/05/2018		(115)	(0.14)
Buy GBP 1,181,114 sell HKD 13,223,672 dated 24/05/2018		(46)	(0.05)
Buy GBP 2,957,973 sell JPY 453,234,153 dated 24/05/2018		(65)	(0.08)
Buy GBP 20,690,199 sell USD 29,608,602 dated 24/05/2018		(855)	(1.02)
Buy USD 821,651 sell GBP 588,745 dated 24/05/2018		9	0.01
Forward Currency Contracts total		(1,114)	(1.33)
Futures (0.23)% ((0.03)%)			
Australia 10 Year Bond 15/06/2018	35	(7)	(0.01)
E-mini Russell 2000 Index Futures 15/06/2018	61	(1)	-
EURO STOXX 50 Index 15/06/2018	(129)	(87)	(0.10)
FTSE 100 Index 15/06/2018	(30)	(88)	(0.11)
MSCI Emerging Markets Index 15/06/2018	102	(47)	(0.06)
S&P 500 Emini Index 15/06/2018	3	(3)	-
S&P/TSX 60 Index 14/06/2018	5	14	0.01
SPI 200 Index 21/06/2018	(10)	(19)	(0.02)
TOPIX Index 07/06/2018	27	80	0.10
US 2 Year Note 29/06/2018	(47)	11	0.01
US Long Bond 20/06/2018	28	(44)	(0.05)
Futures total		(191)	(0.23)
Liquidity Funds 5.20% (0.00%)			
JPM Sterling Liquidity X (dist.) ⁹⁵	4,343,606	4,344	5.20
Liquidity Funds total		4,344	5.20
Investment assets*		83,521	99.93
Net other assets		62	0.07
Net assets		83,583	100.00

The comparative percentage figures in brackets are as at 30 April 2017.

⁹ A related party to the Fund.

⁵ Cash equivalent.

* Including derivative liabilities and cash equivalents.

Portfolio movements

For the year ending 30 April 2018

	£'000		£'000
Total of all purchases for the year (Note 18)	93,641	Total of all sales for the year (Note 18)	91,873
Purchases	Cost	Sales	Proceeds
JPM Global Government Bond X (dist) - GBP (hedged) ^Ø	12,145	JPM US Equity All Cap Fund A (dist) - USD ^Ø	16,236
JPM Global High Yield Bond Fund X - Gross Accumulation ^Ø	9,515	JPM UK Equity Plus Fund C - Net Accumulation ^Ø	11,212
JPM Systematic Alpha X (dist) - GBP (hedged) ^Ø	7,303	JPM UK Dynamic Fund A - Net Accumulation ^Ø	11,080
JPM Global Corporate Bond X (dist) - GBP (hedged) ^Ø	5,040	JPM US Select Equity Plus Fund A (dist) - USD ^Ø	10,328
JPM Sterling Liquidity X (dist.) ^Ø	5,000	JPM UK Strategic Equity Income Fund A - Net Accumulation ^Ø	8,795
HgCapital Trust plc	2,666	JPM UK Equity Growth Fund A - Net Accumulation ^Ø	8,676
HarbourVest Global Private Equity Ltd.	2,198	JPM Asia Pacific Equity Fund A (dist) - USD ^Ø	6,420
JPM Europe Dynamic Fund A (dist) - EUR ^Ø	2,077	JPM Europe Equity Plus Fund A (perf) (dist) - GBP ^Ø	4,358
ICG Enterprise Trust plc	1,962	JPM Europe Strategic Dividend Fund A (dist) - EUR ^Ø	3,076
JPM Emerging Markets Opportunities X (dist) - GBP ^Ø	1,939	JPM Europe Select Equity Fund A (dist) - EUR ^Ø	2,902
JPM Global Real Estate Securities (USD) I (dist) - EUR (hedged) ^Ø	1,692	JPM Japan Strategic Value Fund A (dist) - GBP ^Ø	2,832
JPM US Equity All Cap Fund A (dist) - USD ^Ø	1,343	JPM Europe Dynamic Fund A (dist) - EUR ^Ø	1,964
JPM Emerging Markets Fund X - Net Income ^Ø	1,295	JPM Japan Equity Fund A (dist) - GBP ^Ø	1,789
JPM Emerging Markets Debt X (dist) - GBP (hedged) ^Ø	1,246	JPM Global High Yield Bond Fund X - Gross Accumulation A ^Ø	1,125
JPM Asia Pacific Equity Fund A (dist) - USD ^Ø	1,133	JPM Sterling Liquidity X (dist.) ^Ø	656
JPM US Select Equity Plus Fund A (dist) - USD ^Ø	1,070	International Business Machines Corp.	60
Apple, Inc.	725	Adobe Systems, Inc.	40
Microsoft Corp.	660	AXA SA	34
JPM Europe Select Equity Fund A (dist) - EUR ^Ø	643	Skandinaviska Enskilda Banken	32
Amazon.com, Inc.	575	NN Group	27

Ø A related party to the Fund.

Financial statements

Statement of total return

For the year ending 30 April

	2018	2017
	£'000	£'000
Income		
Net capital gains (Note 2)	2,941	14,713
Revenue (Note 3)	2,106	1,708
Expenses (Note 4)	(1,201)	(1,043)
Net revenue before taxation	905	665
Taxation (Note 5)	(4)	-
Net revenue after taxation	901	665
Total return before distributions	3,842	15,378
Distributions (Note 6)	(904)	(684)
Change in net assets attributable to shareholders from investment activities	2,938	14,694

Statement of change in net assets attributable to shareholders

For the year ending 30 April

	2018	2017
	£'000	£'000
Opening net assets attributable to shareholders	79,026	63,877
Amounts receivable on issue of shares	7,512	5,414
Amounts payable on cancellation of shares	(6,813)	(5,668)
	699	(254)
Change in net assets attributable to shareholders from investment activities (see above)	2,938	14,694
Retained distributions on accumulation shares	920	709
Closing net assets attributable to shareholders	83,583	79,026

Balance sheet

As at 30 April

	2018	2017
	£'000	£'000
Assets:		
Investments	80,596	78,271
Current assets:		
Debtors (Note 8)	118	522
Cash and bank balances (Note 9)	1,999	834
Cash equivalents	4,344	-
Total assets	87,057	79,627
Liabilities:		
Investment liabilities	(1,419)	(57)
Creditors:		
Other creditors (Note 10)	(2,055)	(544)
Total liabilities	(3,474)	(601)
Net assets attributable to shareholders	83,583	79,026

The notes to these financial statements are shown on pages 24 to 27.

Notes to the financial statements for the year ending 30 April 2018

1. Accounting policies

The applicable accounting policies adopted by JPM Diversified Growth Fund are disclosed on page 11.

2. Net capital gains

	2018 £'000	2017 £'000
Capital management fee rebates	124	99
Realised (losses)/gains on currencies	(87)	22
Realised losses on derivative contracts	(137)	(375)
Realised gains on non-derivative securities	23,190	4,654
Unrealised gains/(losses) on currencies	11	(3)
Unrealised losses on derivative contracts	(168)	(13)
Unrealised losses on forward currency contracts	(1,114)	-
Unrealised (losses)/gains on non-derivative securities	(18,878)	10,329
Net capital gains	<u>2,941</u>	<u>14,713</u>

3. Revenue

	2018 £'000	2017 £'000
Distributions from authorised ICVCs	767	405
Distributions from overseas investments	247	438
Franked income from UK equity investments	3	-
Income from Liquidity Funds	1	-
Income from overseas equity investments	42	-
Interest on bank and term deposits	-	1
Management fee rebates	1,046	864
Total revenue	<u>2,106</u>	<u>1,708</u>

4. Expenses

	2018 £'000	2017 £'000
Payable to the ACD or associate of the ACD:		
ACD fee	1,052	915
Operating expenses	148	128
	<u>1,200</u>	<u>1,043</u>
Interest payable	1	-
Total expenses	<u>1,201</u>	<u>1,043</u>

The ACD paid fees to the auditor of £5,830 (30.04.17: £5,830) for the year ending 30 April 2018.

5. Taxation

	2018 £'000	2017 £'000
a) Analysis of charge in the year		
Corporation tax at 20%	4	-
Current year tax charge (Note 5b)	<u>4</u>	<u>-</u>
b) Factors affecting the tax charge for the year		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an Open-Ended Investment Company (OEIC) (20%). The differences are explained below.		
Net revenue before taxation	905	665
Corporation tax at 20%	<u>181</u>	<u>133</u>
Effects of:		
Dividends not subject to corporation tax	(212)	(169)
Excess expenses for which no relief taken	6	16
Overseas tax suffered	4	-
Taxable income not reflected in net income	<u>25</u>	<u>20</u>
	<u>(177)</u>	<u>(133)</u>
Current year tax charge (Note 5a)	<u>4</u>	<u>-</u>

No deferred tax asset has been recognised in the financial statements. At the year end date, the Fund had a deferred tax asset of £336,123 (30.04.17: £330,251) in relation to £1,680,617 (30.04.17: £1,651,254) of excess management expenses which would only be utilised to reduce the tax charge if the Fund had an excess of unfranked income over expenses in a future period. There is no excess of unfranked income expected in the future.

6. Distributions

The distributions take account of amounts receivable on the issue of shares and amounts payable on the cancellation of shares and comprise:

	2018 £'000	2017 £'000
Final dividend distribution	920	709
Add: Amounts payable on cancellation of shares	20	13
Deduct: Amounts receivable on issue of shares	(36)	(38)
Distributions for the year	<u>904</u>	<u>684</u>

Details of the distribution per share are set out on page 28.

7. Movement between net revenue after taxation and distributions

	2018 £'000	2017 £'000
Net revenue after taxation	901	665
Add: RDR transfer equalisation (capital)	1	-
Add: Tax relief payable from capital	-	20
Add: Undistributed revenue brought forward	3	2
Deduct: Undistributed revenue carried forward	(1)	(3)
	<u>904</u>	<u>684</u>

8. Debtors

	2018 £'000	2017 £'000
Accrued income	77	84
Due from the ACD for shares created	3	54
Overseas tax recoverable	1	-
Sales awaiting settlement	37	384
Total debtors	<u>118</u>	<u>522</u>

Notes to the financial statements – continued

9. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	1,169	425
Cash and bank balances	830	409
Total cash and bank balances	1,999	834

10. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	69	87
Due to the ACD for shares cancelled	50	64
Purchases awaiting settlement	1,936	393
Total other creditors	2,055	544

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (30.04.17: £nil).

12. Related party transactions

JPMorgan Funds Limited, as Authorised Corporate Director (“ACD”), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation, are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

The balance due to the ACD and their associates at the year end date in respect of related party transactions was £105,842 (30.04.17: £97,255). Details of related party transactions are given under the note on page 12.

Investments considered to be related parties have been identified in the portfolio statement on page 16 and the revenue from these investments was £820,000 (30.04.17: £1,806,189).

Management fee rebates received or receivable from underlying funds considered to be related parties are disclosed under Net capital gains and Revenue in the Notes to the Accounts. Amounts due at the balance sheet date are £51,420 (30.04.17: £84,430) disclosed under Debtors in the Notes to the Accounts.

Some of the dealing transactions for the Fund are carried out through associates of the ACD. Such transactions are carried out on an arm's length basis. The commissions paid to these companies over the year were £84 (30.04.17: £nil). Commission was paid to the associated company JPMorgan Securities Ltd.

The following party held a material interest in the fund at the year end date: - Old Mutual Wealth Ltd 10.13% (30.04.17: 0.00%)

13. Stock lending

The Fund has not entered into stock lending arrangements in the current year or prior year. At the comparative year end, 30 April 2017, there were no securities on loan and consequently no collateral was held.

14. Financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than Sterling, with the effect that the Balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets/(liabilities)		
	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000
30.04.18			
Japanese Yen	216	(2,960)	3,176
Danish Krone	204	-	204
Singapore Dollar	179	2	177
Swedish Krona	151	(20)	171
Norwegian Krone	69	-	69
Canadian Dollar	63	(986)	1,049
Euro	57	(6,044)	6,101
Swiss Franc	29	(864)	893
New Zealand Dollar	22	-	22
Australian Dollar	(6)	(898)	892
US Dollar	(209)	(20,573)	20,364
Hong Kong Dollar	(768)	(1,228)	460
30.04.17			
US Dollar	28,163	(120)	28,283
Euro	5,137	2	5,135
Japanese Yen	70	78	(8)
Canadian Dollar	26	24	2
Hong Kong Dollar	25	32	(7)
Australian Dollar	2	2	-

At the year end date, if the value of sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £700 (30.04.17: £3,342,000).

Interest rate risk

At the year end date, 7.59% (30.04.17: 1.06%) of the fund's net assets by value were interest bearing and as such, the interest rate risk is not considered significant.

Market price risk

At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £7,918,000 (30.04.17: £7,821,000).

For consideration of other risks including liquidity, pricing and credit risk, please refer to the accounting policies on pages 11 and 12.

Notes to the financial statements – continued

15. Share classes

The Fund currently has three share classes; Class A Shares, Class B Shares, Class C Shares. The Authorised Corporate Director's (ACD) fee and operating expenses charge are shown below.

	ACD Fee	Operating expenses
Class A Shares:	0.70%	0.15%
Class B Shares:	0.45%	0.15%
Class C Shares:	0.35%	0.15%

The net asset value of each share class, the net asset value per share and the number of shares in each class are shown on page 14. All classes have the same rights on winding up.

16. Counterparty exposure

Financial derivative exposure

Counterparty	Forwards currency contracts £'000	Futures contracts £'000	Total £'000
30.04.18			
CitiGroup	(87)	-	(87)
Credit Suisse	(971)	-	(971)
Goldman Sachs	-	105	105
Royal Bank of Canada	(56)	-	(56)
	(1,114)	105	(1,009)
30.04.17			
Goldman Sachs	-	34	34

At the balance sheet date no collateral was held or pledged by the company or on behalf of the counterparties in respect of the above.

The counterparty exposure on forward currency contracts is reported at their mark to market values but for futures contracts it is only the positive mark to market values that are reported.

Notes to the financial statements – continued

17. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

	2018 Assets £'000	2018 Liabilities £'000	2017 Assets £'000	2017 Liabilities £'000
Level 1: Quoted prices	41,584	(296)	34	(57)
Level 2: Observable market data	43,356	(1,123)	78,237	-
Total	84,940	(1,419)	78,271	(57)

18. Direct transaction costs

In the case of shares, broker commissions and transfer taxes, stamp duty are paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the manager's investment decisions in improving returns and the associated costs of the investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a fund invests.
- As the manager's investment decisions are not predictable, transaction costs are also not predictable.

	Principal before costs £'000	Commission £'000	Taxes £'000	Total after costs £'000	Commission as % of Principal	Taxes as % of Principal
30.04.18						
Purchases						
Purchases of Equity stocks	(40,222)	(14)	(40)	(40,276)	0.03	0.10
Purchases of Bond stocks	(5,000)	-	-	(5,000)	0.00	0.00
Purchases of Funds	(48,365)	-	-	(48,365)	0.00	0.00
	(93,587)	(14)	(40)	(93,641)		
Sales						
Sales of Equity stocks	423	-	-	423	0.00	0.00
Sales of Bond stocks	657	-	-	657	0.00	0.00
Sales of Funds	90,793	-	-	90,793	0.00	0.00
	91,873	-	-	91,873		
Total		(14)	(40)			
Percentage of Fund average net assets		0.02%	0.05%			

30.04.17

No portfolio transactions costs were incurred during the prior year.

Dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.11% (30.04.17: nil). This spread represents the difference between the values determined retrospectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

19. Shares in issue

	Opening position	Creations	Cancellations	Conversions	Closing position
A-Class Accumulation Shares	21,880,920	208,137	(1,602,068)	(245,971)	20,241,018
B-Class Accumulation Shares	23,929	46,283	(114)	8,694	78,792
C-Class Accumulation Shares	9,506,712	2,498,390	(987,898)	247,640	11,264,844

Distribution table

Final distribution in pence per share

Group 1 - Shares purchased prior to 1 May 2017

Group 2 - Shares purchased 1 May 2017 to 30 April 2018

	Net revenue	Equalisation	Distribution payable 31.07.18	Distribution paid 31.07.17
A-Class Accumulation Shares				
Group 1	2.340000	-	2.340000	1.720000
Group 2	1.924662	0.415338	2.340000	1.720000
B-Class Accumulation Shares				
Group 1	3.600000	-	3.600000	2.900000
Group 2	2.125019	1.474981	3.600000	2.900000
C-Class Accumulation Shares				
Group 1	3.940000	-	3.940000	3.490000
Group 2	2.528699	1.411301	3.940000	3.490000

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

Who to contact

Intermediaries

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If you are an investor with us please call

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Lines are open 9.00am to 5.30pm Monday to Friday.

Telephone lines are recorded to ensure compliance with our legal and regulatory obligations and internal policies.

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