



Annual Report & Financial Statements

JPMorgan Fund III ICVC

30 April 2019

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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 2019, 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 2019.

Authorised Corporate Director's (ACD) Report

Board of Directors of JPMorgan Funds Limited ("JPMFL"), the Authorised Corporate Director ("ACD") of JPMorgan Fund III ICVC as at 30 April 2019.

Chairman

Andrew Lewis

Executive Director. A member of the ACD since 5 November 2018.

Mr Lewis is the Head of UK Platform and Client Service for J.P. Morgan Asset Management in Europe.

Mr Lewis joined J.P. Morgan Asset Management in 2011. For two years he ran the Client Reporting Group, covering both funds and institutional clients. He became the UK Funds COO in 2013 additionally taking responsibility for talent, promotions and ratings across Client Service and Platform in Europe. He covered Funds Client Service in Europe for two years before taking up his current role. He leads the Management Committees running the UK Funds entities and the Life Company. His group provides Client Service, Transfer Agency and Fund Administration for UK Funds, supports Funds distribution channels in UK, provides Board Management services to Fund boards. He continues to sit as COO on the management committee of the UK Funds business and is a Director of several UK legal entities.

Mr Lewis joined the British Army aged 18, leaving as a Colonel in 2011. He has a BA from Cranfield University and holds the Investment Management Certificate.

Directors

Kate Jones

Independent Non-Executive Director of the ACD since 14 June 2019.

Ms Jones' career spans senior investment leadership and Board roles in the financial services industry including the Pension Protection Fund, BlackRock, Schroders and M&G.

Ms Jones began her career as a portfolio manager at Prudential M&G before playing an instrumental role in the growth of BlackRock's Solutions business where she built and led the portfolio management function with responsibility for over £300bn of assets. Ms Jones then moved to Schroders where she sponsored their largest ever change programme to allow the organisation to grow assets under management whilst managing costs.

Ms Jones is a Non Executive Director at the Pension Protection Fund and Chair of the Investment Committee, Trustee of Smart Pension DC Mastertrust and Chair of the Investment Committee and Chair of Trustees for RedSTART, a financial education charity which aims to give all young people in the UK access to quality financial education.

With a focus on senior leaders in the financial sector, Ms Jones is also an executive coach.

Ms Jones has a degree in Mathematical Economics from the University of Birmingham and is a CFA charter holder.

Stephen Pond

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

Mr Pond is the AM EMEA CFO and is also the lead Finance and Business Manager for the International Institutional business. He is a director on our main European holding company, JPMorgan International Limited, and on several regulated 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 charter holder 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 Non-Executive Director of the ACD since 28 December 2016.

Mr Smith has over 30 years' experience in the pension fund and investment industry.

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

His past experience has included 14 years as the Group Pensions Director at Tesco, where the UK scheme alone has over 200,000 employed members (and 350,000 members in a closed DB Scheme). He was also the CEO of Tesco Pension Investment their FCA approved in house investment manager, which he setup, which has over £15bn of assets under management.

Other responsibilities included Group Insurable Risk, HR systems, Payroll, Employee Relations, Global Mobility, Health & Wellness, Executive Reward, Pay and Benefits.

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

Mr Smith is now the Non-Executive Chairman of Tesco Pension Trustees Limited and Tesco Pension Investment Ltd, Non-Executive Chairman of JP Morgan Asset Management UK and International Ltd, Chair of PTL Limited, Chair of the Money Advice Service's Financial Capability Strategy Workplace Steering Group, a Director of Standard Life's Master Trust Company, Independent Trustee of the BAE Pension Fund, Non-Executive Director and Chair of the International Advisory Board of Smart Pension, a Governor of the Pensions Policy Institute and Chairman of Grocery Aid, an industry charity.

Mr Smith was the Co Chair of the DWP's 2017 Auto Enrolment Review Advisory Board leading on Engagement, and led the Simpler Annual Statement initiative launched in 2018 and chairs the cross regulator and industry 'Standardised Assumptions Group'. In the past, he was also a former Trustee of the People's Pension, Chairman of the Pensions and Lifetime Savings Association and Trustee of the National Council for Palliative Care.

He has an MBA (with distinction), is a Fellow of the Pensions Management Institute and a Fellow of the Institute of Management.

Patrick Thomson

Executive 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 principal legal and regulated entities and funds boards in Europe.

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

Mr Thomson is on the Investment Association Board of Directors as well as the HM Treasury Asset Management Taskforce.

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), Mr Thomson 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.

Background

JPMorgan Funds Limited ("JPMFL") 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 Annual Report and Financial Statements for the year ended 30 April 2019.

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.

The Company was launched as a non-UCITS Retail Scheme and acts as an umbrella company comprising of 1 sub-fund. Its registration number is IC000174 and its registered address is 60 Victoria Embankment, London EC4Y 0JP.

Structure & Liabilities

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

The Report and Financial Statements includes for each sub-fund the:

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

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

Authorised Corporate Director's (ACD) Report – continued

Role and Responsibility of the Board

JPMFL 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 financial statements 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 financial statements, 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 JPMFL and those of the Company and its shareholders. JPMFL and its affiliates provide a variety of different services to the Company and receives compensation for these services. JPMFL 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. JPMFL 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.

Board Composition

JPMFL is chaired by Mr Lewis, and consists of three Executive Directors and two Independent Non Executive Directors. All Board meetings require a quorum of two Directors to be in attendance.

Induction and Training

All new Directors of JPMFL will receive a full induction incorporating relevant information regarding the Company and its duties and responsibilities as the ACD of the Company. In addition, JPMFL 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 Five JPMorgan Fund III ICVC board meetings held during the period. 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

JPMFL 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. The information in this section is in respect of the most recent complete remuneration period ("Performance Year") as at the reporting date.

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 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.

Authorised Corporate Director's (ACD) Report – continued

The Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. The Board last reviewed and adopted the Remuneration Policy that applied for the 2018 Performance Year in June 2018 with no material changes and was satisfied with its implementation.

Quantitative Disclosures

The table below provides an overview of the aggregate total remuneration paid to staff of the Management Company in respect of the 2018 Performance Year 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, the Management Company manages 32 Alternative Investment Funds and 2 UCITS (with 32 sub-Funds) as at 31 December 2018, with a combined AUM as at that date of £12,595m and £13,316m respectively.

	All staff (\$'000s)
Fixed remuneration	14,408
Variable remuneration	8,631
Total remuneration	23,039
Number of beneficiaries	107

The aggregate 2018 total remuneration paid to AIFMD Identified Staff was USD 68,884k, of which USD 12,470k relates to Senior Management and USD 56,414k relates to other Identified Staff¹.

¹ Since 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.

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.

Privacy Policy

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/emea-privacy-policy.

Change to the composition of the Board of JPMFL

Patrick Thomson was appointed as Director on 30 May 2018. Mike O'Brien resigned on 30 May 2018. Stephen Pond was appointed on 27 June 2018 and Andy Lewis was appointed Director on 5 November 2018. Dan Watkins resigned on 17 December 2018. On 14 June 2019 Kate Jones was appointed as a Director.

The Board would like to take this opportunity to record its thanks to Dan Watkins and Mike O'Brien 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)

Depositary*

NatWest Trustee and Depositary Services Limited, 250 Bishopsgate, London, EC2M 4AA
* Changed from National Westminster Bank plc on 2 October 2018
(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

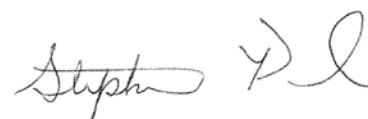
DST Systems, Inc.
DST House, Saint Nicholas Lane
Basildon, Essex, SS15 5FS
(Authorised and regulated by the Financial Conduct Authority)

By order of the Authorised Corporate Director,



Andrew Lewis

Director
JPMorgan Funds Limited
25 July 2019



Stephen Pond

Director
JPMorgan Funds Limited
25 July 2019

Investment Adviser's Report for the year ending 30 April 2019

Market review

The period was challenging for investors as markets were buffeted by disappointing global data and political tension. However, it ended on a more positive note as global equity markets rebounded in the first four months of 2019 amidst greater optimism over US-China trade and more accommodative US monetary policy.

Market outlook

Global earnings expectations have likely bottomed out and are starting to rise again. The global economic outlook looks supportive with growth risks more balanced against a dovish policy backdrop across most regions. This environment reinforces our high conviction in strongly favouring credit and carry assets, particularly given that US recession risk remains low over a one-year horizon.

JPMorgan Asset Management (UK) Limited
May 2019

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.

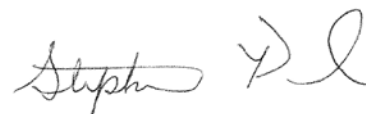


Andrew Lewis

Director

For and on behalf of JPMorgan Funds Limited

25 July 2019



Stephen Pond

Director

For and on behalf of JPMorgan Funds Limited

25 July 2019

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 2019

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:

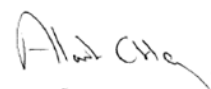
- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated 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.



NatWest Trustee and Depositary Services
London
25 July 2019

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 2019 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 & Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 April 2019; the statement of total return, 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

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.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the fund's business and the wider economy.

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 (ACD) Report

In our opinion, the information given in the Authorised Corporate Director's (ACD) 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 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

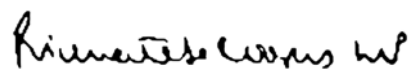
In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

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 2019

Policies and Risks

Accounting policies

- (a) The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for 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) Premiums received in respect of written call options, where the express purpose is to generate extra revenue, are accrued to the revenue account on a straight line basis over the life of the contract. All other premiums on written and bought options are treated as capital. In determining the accounting treatment for other derivatives, consideration is given to the instrument itself and the Fund's objectives for investment in derivative instruments. The revenue element in respect of futures is calculated by reference to the quoted yield of the relevant index compared to LIBOR.
- (f) 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.
- (g) 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.
- (h) 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.
- (i) The listed investments of the Fund and investments traded on regulated markets have been valued at market value at 12 noon on 30 April 2019. 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. The SORP allows for updates to close of business valuation where there are large market movements. Exchange traded derivatives, including futures and options, are priced at the market value at 12 noon on 30 April 2019. Non-exchange traded derivatives, including contracts for difference, are valued using information provided by the relevant third party brokers and as a consequence are the close of business values on the prior business day, and are then translated to sterling using the exchange rate at 12 noon on 30 April 2019. 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 2019 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 2019. Exchange traded derivatives including futures, are priced at the market value at 12 noon on 30 April 2019.
- (j) 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 2019.
- (k) The funds may apply a dilution adjustment, intended to cover certain dealing charges which could have a diluting effect on the performance of the funds. This adjustment is at the discretion of the ACD. Where applied it is included within the dealing price available to shareholders. For the purpose of disclosure within these financial statements the issues and redemptions are stated at the mid-market price with dilution adjustments disclosed separately. For the year ended 30 April 2019 the dilution adjustment has been shown separately on the Statement of change in net assets attributable to shareholders.

- (l) 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 2019.
- (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

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 forward currency contracts, futures and options 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 financial statements.

Investments considered to be related parties have been identified in the portfolio statement of the Sub-Fund and the revenue from these investments is disclosed in the financial statements.

There were no material holdings in the Sub-Fund.

JPM Diversified Growth Fund

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 JPM Diversified Growth Fund outperformed and delivered a positive absolute return against its benchmark.

The period was challenging for investors as markets were buffeted by disappointing global data and political tension. However, it ended on a more positive note as global equity markets rebounded in the first four months of 2019 amidst greater optimism over US-China trade and more accommodative US monetary policy.

We started to reduce our equity exposure at the start of summer, as we became more cautious on the direction of markets. Whilst we had reduced exposure, our remaining allocation was detrimental to performance in the fourth quarter, when we witnessed significant declines across equity markets, particularly in the US and Japan. However, the Fund benefited from the global equity market rebound in the first quarter of 2019.

Within fixed income, we made positive gains in the period. We removed our allocation to emerging market debt in the third quarter amid growing concerns over the trade dispute. We maintained our high yield bond allocation, which was negatively impacted by the declining oil price in the fourth quarter. We made small gains in government bonds (specifically US and Australian 10-year bonds).

We maintained positions in our highest conviction strategies and overall, alpha from underlying managers was positive. However, our global equity strategy lagged the broad market in a period when top-down concerns, dominated markets at times rather than fundamentals. Private equity provided a positive contribution to returns, despite being impacted by weak equity markets in the fourth quarter.

We have moderated our equity underweight toward neutral, predicated on increasingly supportive equity fundamentals; at the same time, we remain mindful of late-cycle dynamics and thus the low conviction stance.

* 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 2018)		
Fund size	£78.9m		
Benchmark Index [^]	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
Fund expenses (comprises)			
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	0.09%	0.09%	0.09%

Comparative tables

A-Class Accumulation Shares	2019 [†] pps	2018 pps	2017 pps
Change in net asset value per share			
Opening net asset value per share	261.55	249.54	200.73
Return before operating charges*	12.12	16.67	53.12
Operating charges	(2.45)	(4.66)	(4.31)
Return after operating charges*	9.67	12.01	48.81
Distributions	(3.68)	(2.34)	(1.72)
Retained distributions on accumulation shares	3.68	2.34	1.72
Closing net asset value per share	271.22	261.55	249.54
* after direct transaction costs of	(0.08)	(0.19)	0.00

Performance

% Return after operating charges [^]	3.70%	4.81%	24.32%
% Benchmark index ^{^^}	0.68%	0.38%	25.77%

Other information

Closing net asset value (£'000)	50,331	52,940	54,601
Closing number of shares	18,557,485	20,241,018	21,880,920
% Operating charges	0.93%	0.86%	1.91%
% Direct transaction costs	0.03%	0.07%	0.00%

Prices

Highest share price	271.3	278.9	253.0
Lowest share price	247.9	249.7	195.8

B-Class Accumulation Shares	2019 [†] pps	2018 pps	2017 pps
Change in net asset value per share			
Opening net asset value per share	267.25	253.79	203.15
Return before operating charges*	12.23	15.08	53.87
Operating charges	(1.86)	(1.62)	(3.23)
Return after operating charges*	10.37	13.46	50.64
Distributions	(4.25)	(3.60)	(2.90)
Retained distributions on accumulation shares	4.25	3.60	2.90
Closing net asset value per share	277.62	267.25	253.79
* after direct transaction costs of	(0.08)	(0.09)	0.00

Performance

% Return after operating charges [^]	3.88%	5.30%	24.93%
% Benchmark index ^{^^}	0.68%	0.38%	25.77%

Other information

Closing net asset value (£'000)	165	211	61
Closing number of shares	59,335	78,792	23,929
% Operating charges	0.69%	0.61%	1.41%
% Direct transaction costs	0.03%	0.07%	0.00%

Prices

Highest share price	277.7	284.6	257.1
Lowest share price	253.6	254.1	198.2

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.

[^] 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	2019 [‡] pps	2018 pps	2017 pps
Change in net asset value per share			
Opening net asset value per share	270.15	256.28	204.64
Return before operating charges*	12.05	16.22	54.32
Operating charges	(1.61)	(2.35)	(2.68)
Return after operating charges*	10.44	13.87	51.64
Distributions	(4.25)	(3.94)	(3.49)
Retained distributions on accumulation shares	4.25	3.94	3.49
Closing net asset value per share	280.59	270.15	256.28
* after direct transaction costs of	(0.08)	(0.17)	0.00

Performance

% Return after operating charges [^]	3.86%	5.41%	25.23%
% Benchmark index ^{^^}	0.68%	0.38%	25.77%

Other information

Closing net asset value (£'000)	28,372	30,432	24,364
Closing number of shares	10,111,806	11,264,844	9,506,712
% Operating charges	0.59%	0.51%	1.16%
% Direct transaction costs	0.03%	0.07%	0.00%

Prices

Highest share price	280.7	287.6	259.6
Lowest share price	256.4	256.6	199.8

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 26, for more detail regarding the nature of transaction costs and how they arise for different types of investments.

‡ To 30 April 2019.

[^] 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 period.

^{^^} 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.

Asset breakdown

	%
Collective Investment Schemes	51.63
Equities	45.31
Liquidity Funds	1.28
Forward Currency Contracts	0.20
Options	0.07
Futures	(0.25)
Net other assets	1.76

Portfolio statement

As at 30 April 2019

Investment	Holding	Market value £'000	Total net assets %
Collective Investment Schemes 51.63% (46.66%)			
JPM Systematic Alpha Fund X (dist) - GBP (hedged) ^o	42,000	3,600	4.56
JPM Global Convertibles Fund (EUR) X (dist) - GBP (hedged) ^o	31,360	3,242	4.11
JPM Global Government Bond Fund X (dist) - GBP (hedged) ^o	111,270	11,282	14.31
JPM Global High Yield Bond Fund X - Gross Accumulation ^o	7,043,544	11,100	14.07
JPM Emerging Markets Fund X - Net Income ^o	998,810	1,126	1.43
JPM Emerging Markets Opportunities Fund X (dist) - GBP ^o	10,345	1,687	2.14
JPM Global Corporate Bond Fund X (dist) - GBP (hedged) ^o	60,593	3,861	4.90
JPM Global Real Estate Securities Fund (USD) 1 (dist) - EUR (hedged) ^o	52,169	4,821	6.11
Collective Investment Schemes total		40,719	51.63
Equities 45.31% (49.63%)			
Argentina 0.02% (0.01%)			
MercadoLibre, Inc.	38	14	0.02
		14	0.02
Australia 0.97% (1.08%)			
AGL Energy Ltd.	519	6	0.01
Alumina Ltd.	5,368	7	0.01
Arcor Ltd.	1,529	13	0.02
AMP Ltd.	2,347	3	-
APA Group	1,414	7	0.01
Aristocrat Leisure Ltd.	336	5	0.01
ASX Ltd.	107	4	-
Aurizon Holdings Ltd.	3,216	8	0.01
Australia & New Zealand Banking Group Ltd.	3,142	46	0.06
Bendigo & Adelaide Bank Ltd.	389	2	-
BHP Group Ltd.	3,189	65	0.08
BHP Group plc	1,875	34	0.04
Boral Ltd.	1,019	3	-
Brambles Ltd.	1,530	10	0.01
Caltex Australia Ltd.	371	6	0.01
Challenger Ltd.	438	2	-
Coca-Cola Amatil Ltd.	1,089	5	0.01
Cochlear Ltd.	89	9	0.01
Coles Group Ltd.	1,076	7	0.01
Commonwealth Bank of Australia	1,676	68	0.09
Computershare Ltd.	847	8	0.01
CSL Ltd.	450	49	0.06
Dexus, REIT	1,035	7	0.01
Fortescue Metals Group Ltd.	748	3	-
Goodman Group, REIT	2,019	14	0.02
GPT Group (The), REIT	692	2	-
Incitec Pivot Ltd.	1,245	2	-
Insurance Australia Group Ltd.	1,792	8	0.01
Lendlease Group	549	4	-
Macquarie Group Ltd.	343	25	0.03
Medibank Pvt Ltd.	2,090	3	-
Mirvac Group, REIT	6,569	10	0.01
National Australia Bank Ltd.	2,769	38	0.05
Newcrest Mining Ltd.	711	10	0.01
Orica Ltd.	590	6	0.01
Origin Energy Ltd.	1,513	6	0.01
QBE Insurance Group Ltd.	1,774	13	0.02
Ramsay Health Care Ltd.	179	6	0.01
REA Group Ltd.	105	5	0.01
Rio Tinto Ltd.	504	26	0.03
Santos Ltd.	1,361	5	0.01
Scentre Group, REIT	6,815	14	0.02
Sonic Healthcare Ltd.	243	3	-
South32 Ltd.	6,462	12	0.02
Stockland, REIT	2,466	5	0.01
Suncorp Group Ltd.	1,729	13	0.02
Sydney Airport	1,724	7	0.01
Tabcorp Holdings Ltd.	2,362	6	0.01
Telstra Corp. Ltd.	4,326	8	0.01
TPG Telecom Ltd.	794	3	-
Transurban Group	2,515	18	0.02
Treasury Wine Estates Ltd.	531	5	0.01
Vicinity Centres, REIT	2,877	4	-
Wesfarmers Ltd.	1,076	21	0.03
Westpac Banking Corp.	3,224	48	0.06
Woodside Petroleum Ltd.	727	14	0.02
Woolworths Ltd.	1,499	26	0.03
		767	0.97

Investment	Holding	Market value £'000	Total net assets %
Austria 0.05% (0.07%)			
Erste Group Bank AG	1,431	44	0.05
		44	0.05
Belgium 0.10% (0.19%)			
Anheuser-Busch InBev SA/NV	547	37	0.05
KBC Group NV	707	40	0.05
		77	0.10
Canada 1.40% (1.24%)			
Agnico Eagle Mines Ltd.	268	9	0.01
Alimentation Couche-Tard, Inc. 'B'	536	24	0.03
ARC Resources Ltd.	435	2	-
Bank of Montreal	798	49	0.06
Bank of Nova Scotia (The)	1,443	61	0.08
Barrick Gold Corp.	1,418	14	0.02
BCE, Inc.	187	6	0.01
Brookfield Asset Management, Inc. 'A'	1,137	42	0.05
Canadian Imperial Bank of Commerce	505	33	0.04
Canadian National Railway Co.	966	70	0.09
Canadian Natural Resources Ltd.	1,391	32	0.04
Canadian Pacific Railway Ltd.	185	32	0.04
Canadian Tire Corp. Ltd. 'A'	89	8	0.01
Cenovus Energy, Inc.	1,075	8	0.01
CGI, Inc. 'A'	282	15	0.02
Constellation Software, Inc.	24	16	0.02
Dollarama, Inc.	444	10	0.01
Enbridge, Inc.	999	29	0.04
Encana Corp.	1,066	6	0.01
Fairfax Financial Holdings Ltd.	29	11	0.01
Fortis, Inc.	356	10	0.01
Franco-Nevada Corp.	219	12	0.02
George Weston Ltd.	38	2	-
Gildan Activewear, Inc.	293	8	0.01
Great-West Lifeco, Inc.	378	7	0.01
Imperial Oil Ltd.	377	8	0.01
Intact Financial Corp.	167	10	0.01
Inter Pipeline Ltd.	431	5	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	9	0.01
National Bank of Canada	423	15	0.02
Nutrien Ltd.	804	33	0.04
Open Text Corp.	308	9	0.01
Pembina Pipeline Corp.	480	13	0.02
Power Corp. of Canada	476	8	0.01
Power Financial Corp.	316	6	0.01
Restaurant Brands International, Inc.	279	14	0.02
Rogers Communications, Inc. 'B'	460	18	0.02
Royal Bank of Canada	1,728	105	0.13
Saputo, Inc.	325	8	0.01
Shaw Communications, Inc. 'B'	518	8	0.01
SNC-Lavalin Group, Inc.	190	4	0.01
Sun Life Financial, Inc.	782	25	0.03
Suncor Energy, Inc.	1,970	50	0.06
Teck Resources Ltd. 'B'	684	12	0.02
Thomson Reuters Corp.	437	20	0.03
Toronto-Dominion Bank (The)	2,179	95	0.12
TransCanada Corp.	900	33	0.04
Wheaton Precious Metals Corp.	531	9	0.01
		1,105	1.40
China 0.04% (0.05%)			
BOC Hong Kong Holdings Ltd.	4,500	15	0.02
Sands China Ltd.	3,200	14	0.02
		29	0.04
Denmark 0.21% (0.24%)			
Carlsberg A/S 'B'	255	25	0.03
Chr Hansen Holding A/S	274	22	0.03
Novo Nordisk A/S 'B'	2,364	89	0.11
Novozymes A/S 'B'	783	28	0.04
		164	0.21
Finland 0.20% (0.16%)			
Elisa OYJ	838	27	0.03
Nokia OYJ	4,400	18	0.02
Nordea Bank Abp	7,063	43	0.06
UPM-Kymmene OYJ	1,812	39	0.05
Wartsila OYJ Abp	2,341	29	0.04
		156	0.20

Portfolio statement – continued

As at 30 April 2019

Investment	Holding	Market value £'000	Total net assets %
France 1.55% (1.84%)			
Accor SA	1,037	34	0.04
Air Liquide SA	578	59	0.08
Airbus SE	826	88	0.11
Alstom SA	903	31	0.04
Arkema SA	416	33	0.04
AXA SA	2,449	50	0.06
BioMerieux	413	25	0.03
BNP Paribas SA	1,814	74	0.09
Capgemini SE	374	35	0.05
Eiffage SA	353	28	0.04
Kering	78	35	0.04
L'Oreal SA	153	32	0.04
LVMH Moët Hennessy Louis Vuitton SE	366	109	0.14
Orange SA	3,745	45	0.06
Pernod Ricard SA	360	48	0.06
Renault SA	1,000	52	0.07
Sanofi	819	55	0.07
Schneider Electric SE	1,231	80	0.10
Thales SA	530	50	0.06
TOTAL SA	2,995	126	0.16
Valeo SA	1,074	30	0.04
Vinci SA	1,051	81	0.10
Vivendi SA	1,025	23	0.03
		1,223	1.55
Germany 1.05% (1.35%)			
adidas AG	351	69	0.09
Allianz SE	508	94	0.12
BASF SE	443	28	0.03
Bayer AG	671	35	0.04
Daimler AG	587	29	0.04
Deutsche Post AG	2,061	55	0.07
Deutsche Telekom AG	4,320	55	0.07
Fresenius SE & Co. KGaA	1,069	47	0.06
Infineon Technologies AG	2,928	53	0.07
Merck KGaA	360	29	0.04
Muenchener Rueckversicherungs-Gesellschaft AG	295	57	0.07
RWE AG	2,076	40	0.05
SAP SE	1,028	101	0.13
Siemens AG	807	74	0.09
Volkswagen AG Preference	490	66	0.08
		832	1.05
Guernsey 2.38% (2.80%)			
HarbourVest Global Private Equity Ltd.	125,157	1,877	2.38
		1,877	2.38
Hong Kong 0.51% (0.52%)			
AIA Group Ltd.	12,000	94	0.12
ASM Pacific Technology Ltd.	400	4	-
CK Asset Holdings Ltd.	2,000	12	0.02
CK Hutchison Holdings Ltd.	3,500	28	0.04
CK Infrastructure Holdings Ltd.	1,500	9	0.01
CLP Holdings Ltd.	2,500	22	0.03
Hang Seng Bank Ltd.	1,100	22	0.03
Henderson Land Development Co. Ltd.	2,200	10	0.01
HKT Trust & HKT Ltd.	3,000	4	-
Hong Kong & China Gas Co. Ltd.	11,200	21	0.03
Hong Kong Exchanges & Clearing Ltd.	1,200	32	0.04
Hongkong Land Holdings Ltd.	1,200	6	0.01
Jardine Matheson Holdings Ltd.	100	5	0.01
Kerry Properties Ltd.	2,000	7	0.01
Link REIT	2,000	18	0.02
MTR Corp. Ltd.	1,500	7	0.01
New World Development Co. Ltd.	4,000	5	0.01
NWS Holdings Ltd.	2,000	3	-
Power Assets Holdings Ltd.	1,500	8	0.01
Sino Land Co. Ltd.	6,000	8	0.01
Sun Hung Kai Properties Ltd.	2,000	26	0.03
Swire Pacific Ltd. 'A'	1,000	10	0.01
Techtronic Industries Co. Ltd.	500	3	-
WH Group Ltd.	5,000	5	0.01
Wharf Holdings Ltd. (The)	2,000	4	-
Wharf Real Estate Investment Co. Ltd.	2,000	12	0.02
Wheelock & Co. Ltd.	2,000	11	0.01
Yue Yuen Industrial Holdings Ltd.	1,500	4	0.01
		400	0.51

Investment	Holding	Market value £'000	Total net assets %
Ireland 0.21% (0.16%)			
CRH plc	2,049	52	0.07
James Hardie Industries plc, CDI	640	7	0.01
Kerry Group plc 'A'	429	37	0.05
Kingspan Group plc	866	35	0.04
Ryanair Holdings plc	3,033	32	0.04
		163	0.21
Israel 0.02% (0.02%)			
Teva Pharmaceutical Industries Ltd., ADR	1,319	16	0.02
		16	0.02
Italy 0.24% (0.29%)			
Davide Campari-Milano SpA	3,595	28	0.04
Enel SpA	16,724	80	0.10
Intesa Sanpaolo SpA	5,033	10	0.01
Snam SpA	6,404	25	0.03
UniCredit SpA	4,234	45	0.06
		188	0.24
Japan 3.01% (3.70%)			
AEON Financial Service Co. Ltd.	300	5	0.01
AGC, Inc.	300	8	0.01
Ajinomoto Co., Inc.	800	10	0.01
Alfresa Holdings Corp.	300	6	0.01
Amada Holdings Co. Ltd.	1,000	9	0.01
Asahi Group Holdings Ltd.	600	20	0.03
Asahi Kasei Corp.	800	6	0.01
Astellas Pharma, Inc.	1,100	11	0.01
Bandai Namco Holdings, Inc.	500	18	0.02
Bridgestone Corp.	800	24	0.03
Canon, Inc.	800	17	0.02
Central Japan Railway Co.	100	16	0.02
Chubu Electric Power Co., Inc.	900	10	0.01
Chugai Pharmaceutical Co. Ltd.	200	10	0.01
Concordia Financial Group Ltd.	2,500	7	0.01
Dai Nippon Printing Co. Ltd.	200	4	-
Daicel Corp.	1,300	11	0.01
Dai-ichi Life Holdings, Inc.	800	9	0.01
Daiichi Sankyo Co. Ltd.	800	30	0.04
Daikin Industries Ltd.	400	39	0.05
Daito Trust Construction Co. Ltd.	100	10	0.01
Daiwa House Industry Co. Ltd.	800	17	0.02
Daiwa House REIT Investment Corp.	2	4	-
Denso Corp.	300	10	0.01
Dentsu, Inc.	100	3	-
East Japan Railway Co.	400	29	0.04
Eisai Co. Ltd.	300	13	0.02
Electric Power Development Co. Ltd.	700	12	0.02
FANUC Corp.	200	29	0.04
Fast Retailing Co. Ltd.	100	44	0.06
FUJIFILM Holdings Corp.	500	18	0.02
Fujitsu Ltd.	100	6	0.01
Hakuhodo DY Holdings, Inc.	300	4	-
Hankyu Hanshin Holdings, Inc.	200	6	0.01
Hino Motors Ltd.	800	6	0.01
Hisamitsu Pharmaceutical Co., Inc.	100	3	-
Hitachi High-Technologies Corp.	300	10	0.01
Hitachi Ltd.	1,300	33	0.04
Honda Motor Co. Ltd.	1,800	39	0.05
Hoya Corp.	300	16	0.02
Inpex Corp.	300	2	-
ITOCHU Corp.	1,900	26	0.03
J Front Retailing Co. Ltd.	1,000	9	0.01
Japan Airlines Co. Ltd.	500	13	0.02
Japan Exchange Group, Inc.	600	7	0.01
Japan Post Holdings Co. Ltd., ADR	400	3	-
Japan Prime Realty Investment Corp., REIT	1	3	-
Japan Real Estate Investment Corp., REIT	1	4	-
Japan Retail Fund Investment Corp., REIT	3	4	-
Japan Tobacco, Inc.	900	16	0.02
JFE Holdings, Inc.	400	5	0.01
JTEKT Corp.	200	2	-
JXTG Holdings, Inc.	4,400	16	0.02
Kao Corp.	600	35	0.04
Kawasaki Heavy Industries Ltd.	500	9	0.01
KDDI Corp.	1,200	21	0.03
Keikyuu Corp.	200	3	-

Portfolio statement – continued

As at 30 April 2019

Investment	Holding	Market value £'000	Total net assets %	Investment	Holding	Market value £'000	Total net assets %
Keyence Corp.	200	95	0.12	Sumitomo Chemical Co. Ltd.	1,000	4	0.01
Kikkoman Corp.	100	4	-	Sumitomo Electric Industries Ltd.	800	8	0.01
Kintetsu Group Holdings Co. Ltd.	100	3	-	Sumitomo Metal Mining Co. Ltd.	400	10	0.01
Kirin Holdings Co. Ltd.	800	14	0.02	Sumitomo Mitsui Financial Group, Inc.	1,400	39	0.05
Komatsu Ltd.	900	18	0.02	Sumitomo Mitsui Trust Holdings, Inc.	500	13	0.02
Kose Corp.	100	14	0.02	Sumitomo Realty & Development Co. Ltd.	200	6	0.01
Kubota Corp.	200	2	-	Suntory Beverage & Food Ltd.	200	7	0.01
Kyocera Corp.	200	10	0.01	Suzuken Co. Ltd.	200	9	0.01
Kyowa Hakko Kirin Co. Ltd.	800	12	0.02	Suzuki Motor Corp.	500	17	0.02
M3, Inc.	600	8	0.01	T&D Holdings, Inc.	1,000	8	0.01
Marui Group Co. Ltd.	800	12	0.02	Takeda Pharmaceutical Co. Ltd.	1,200	34	0.04
Mazda Motor Corp.	500	5	0.01	TDK Corp.	100	7	0.01
Mebuki Financial Group, Inc.	3,100	6	0.01	THK Co. Ltd.	300	6	0.01
MEIJI Holdings Co. Ltd.	100	6	0.01	Tohoku Electric Power Co., Inc.	600	5	0.01
MINEBEA MITSUMI, Inc.	500	7	0.01	Tokio Marine Holdings, Inc.	800	31	0.04
Mitsubishi Corp.	1,500	32	0.04	Tokyo Electric Power Co. Holdings, Inc.	500	2	-
Mitsubishi Electric Corp.	2,200	24	0.03	Tokyo Electron Ltd.	100	12	0.02
Mitsubishi Estate Co. Ltd.	1,800	23	0.03	Tokyo Gas Co. Ltd.	500	10	0.01
Mitsubishi Tanabe Pharma Corp.	200	2	-	Tokyu Corp.	1,300	16	0.02
Mitsubishi UFJ Financial Group, Inc.	11,000	42	0.05	Tokyu Fudosan Holdings Corp.	1,300	6	0.01
Mitsui & Co. Ltd.	1,500	19	0.02	Toppan Printing Co. Ltd.	300	4	0.01
Mitsui Chemicals, Inc.	700	13	0.02	Toray Industries, Inc.	2,500	13	0.02
Mitsui Fudosan Co. Ltd.	900	16	0.02	Toshiba Corp.	500	13	0.02
Mizuho Financial Group, Inc.	10,800	13	0.02	Toyota Industries Corp.	100	4	0.01
MS&AD Insurance Group Holdings, Inc.	400	9	0.01	Toyota Motor Corp.	2,000	95	0.12
Murata Manufacturing Co. Ltd.	900	37	0.05	Toyota Tsusho Corp.	100	3	-
Nexon Co. Ltd.	500	6	0.01	Unicharm Corp.	300	8	0.01
NGK Spark Plug Co. Ltd.	500	7	0.01	United Urban Investment Corp., REIT	3	4	0.01
Nidec Corp.	300	33	0.04	Yahoo Japan Corp.	800	2	-
Nintendo Co. Ltd.	200	52	0.07	Yakult Honsha Co. Ltd.	100	5	0.01
Nippon Building Fund, Inc., REIT	1	5	0.01	Yamato Holdings Co. Ltd.	400	7	0.01
Nippon Prologis REIT, Inc.	1	2	-	Yaskawa Electric Corp.	200	6	0.01
Nippon Steel Corp.	1,000	14	0.02	ZOZO, Inc.	200	3	-
Nippon Telegraph & Telephone Corp.	900	29	0.04			2,373	3.01
Nippon Yusen KK	500	7	0.01				
Nissan Motor Co. Ltd.	1,900	12	0.02	Luxembourg 0.03% (0.08%)			
Nitori Holdings Co. Ltd.	100	9	0.01	Eurofins Scientific SE	62	22	0.03
Nitto Denko Corp.	300	12	0.02			22	0.03
Nomura Holdings, Inc.	1,900	5	0.01	Macau 0.03% (0.01%)			
Nomura Real Estate Master Fund, Inc., REIT	3	3	-	Galaxy Entertainment Group Ltd.	3,000	17	0.02
Nomura Research Institute Ltd.	500	19	0.02	Wynn Macau Ltd.	1,600	4	0.01
NSK Ltd.	400	3	-			21	0.03
NTT DOCOMO, Inc.	1,500	25	0.03	Netherlands 0.88% (1.05%)			
Obayashi Corp.	1,400	11	0.01	Akzo Nobel NV	624	41	0.05
Oji Holdings Corp.	800	4	-	ASML Holding NV	542	86	0.11
Olympus Corp.	1,200	10	0.01	Heineken NV	433	36	0.05
Ono Pharmaceutical Co. Ltd.	500	7	0.01	ING Groep NV	6,572	64	0.08
Oriental Land Co. Ltd.	200	17	0.02	Koninklijke Ahold Delhaize NV	1,760	32	0.04
ORIX Corp.	1,800	20	0.03	Koninklijke Philips NV	925	30	0.04
Otsuka Corp.	500	15	0.02	NN Group NV	1,068	36	0.05
Otsuka Holdings Co. Ltd.	700	19	0.02	NXP Semiconductors NV	350	26	0.03
Panasonic Corp.	2,800	20	0.03	Royal Dutch Shell plc 'A'	5,235	128	0.16
Persol Holdings Co. Ltd.	800	12	0.02	Royal Dutch Shell plc 'B'	3,009	74	0.09
Rakuten, Inc.	300	3	-	Unilever NV, CVA	2,136	98	0.12
Recruit Holdings Co. Ltd.	900	21	0.03	Wolters Kluwer NV	796	43	0.06
Renesas Electronics Corp.	1,500	6	0.01			694	0.88
Resona Holdings, Inc.	1,100	4	-	New Zealand 0.02% (0.03%)			
Ricoh Co. Ltd.	300	2	-	Auckland International Airport Ltd.	1,569	6	0.01
Rohm Co. Ltd.	300	17	0.02	Fletcher Building Ltd.	1,184	3	-
Ryohin Keikaku Co. Ltd.	100	15	0.02	Ryman Healthcare Ltd.	580	4	-
Santen Pharmaceutical Co. Ltd.	300	4	0.01	Spark New Zealand Ltd.	3,004	6	0.01
SBI Holdings, Inc.	300	5	0.01			19	0.02
Secom Co. Ltd.	100	6	0.01	Norway 0.05% (0.08%)			
Seibu Holdings, Inc.	1,000	12	0.02	Telenor ASA	2,822	43	0.05
Seiko Epson Corp.	500	6	0.01			43	0.05
Sekisui House Ltd.	600	7	0.01	Papua New Guinea 0.01% (0.01%)			
Seven & i Holdings Co. Ltd.	900	24	0.03	Oil Search Ltd.	1,620	7	0.01
Shimano, Inc.	100	11	0.01			7	0.01
Shimizu Corp.	500	3	-	Singapore 0.17% (0.21%)			
Shin-Etsu Chemical Co. Ltd.	500	36	0.05	Ascendas Real Estate Investment Trust	2,600	4	0.01
Shinsei Bank Ltd.	500	5	0.01	CapitaLand Ltd.	4,200	8	0.01
Shionogi & Co. Ltd.	100	4	0.01	CapitaLand Mall Trust, REIT	1,900	3	-
Shiseido Co. Ltd.	500	30	0.04	ComfortDelGro Corp. Ltd.	1,900	3	-
Showa Denko KK	100	3	-	DBS Group Holdings Ltd.	2,300	37	0.05
SMC Corp.	100	32	0.04	Genting Singapore plc	3,700	2	-
SoftBank Group Corp.	700	56	0.07	Jardine Cycle & Carriage Ltd.	100	2	-
Sompo Holdings, Inc.	300	9	0.01				
Sony Corp.	1,200	43	0.05				
Stanley Electric Co. Ltd.	100	2	-				
Subaru Corp.	100	2	-				
SUMCO Corp.	400	4	-				

Portfolio statement – continued

As at 30 April 2019

Investment	Holding	Market value £'000	Total net assets %
Keppel Corp. Ltd.	2,100	8	0.01
Oversea-Chinese Banking Corp. Ltd.	3,900	27	0.03
Singapore Exchange Ltd.	400	2	-
Singapore Telecommunications Ltd.	8,000	14	0.02
United Overseas Bank Ltd.	1,300	20	0.03
Wilmar International Ltd.	3,000	6	0.01
		136	0.17
Spain 0.36% (0.46%)			
Amadeus IT Group SA 'A'	830	51	0.06
Banco Bilbao Vizcaya Argentaria SA	3,731	17	0.02
Banco Santander SA	14,537	56	0.07
Endesa SA	1,911	36	0.05
Iberdrola SA	12,032	82	0.10
Industria de Diseno Textil SA	386	9	0.01
Repsol SA	1,571	20	0.03
Telefonica SA	2,153	14	0.02
		285	0.36
Sweden 0.16% (0.21%)			
Lundin Petroleum AB	1,200	30	0.04
Sandvik AB	2,441	35	0.04
SKF AB 'B'	1,841	26	0.03
Svenska Handelsbanken AB 'A'	2,227	19	0.02
Volvo AB 'B'	1,602	20	0.03
		130	0.16
Switzerland 1.04% (1.15%)			
ABB Ltd.	1,384	22	0.03
Alcon, Inc.	488	21	0.03
Cie Financiere Richemont SA	547	31	0.04
Credit Suisse Group AG	5,489	57	0.07
Glencore plc	19,264	58	0.07
Lonza Group AG	206	49	0.06
Nestle SA	3,105	229	0.29
Novartis AG	2,444	154	0.20
Roche Holding AG	771	156	0.20
UBS Group AG	2,159	22	0.03
Zurich Insurance Group AG	78	19	0.02
		818	1.04
United Kingdom 6.76% (8.18%)			
3i Group plc	4,211	45	0.06
AstraZeneca plc	764	45	0.06
Barclays plc	9,599	16	0.02
Beazley plc	3,868	22	0.03
BP plc	17,094	96	0.12
British American Tobacco plc	1,402	42	0.05
Burberry Group plc	1,767	36	0.05
Compass Group plc	1,297	23	0.03
DCC plc	358	25	0.03
Diageo plc	3,279	105	0.13
Fiat Chrysler Automobiles NV	1,064	13	0.02
GlaxoSmithKline plc	3,530	55	0.07
HgCapital Trust plc	90,910	1,945	2.47
HSBC Holdings plc	15,612	104	0.13
ICG Enterprise Trust plc	217,534	1,923	2.44
Imperial Brands plc	2,020	49	0.06
InterContinental Hotels Group plc	709	36	0.05
Intertek Group plc	596	32	0.04
Johnson Matthey plc	592	20	0.02
Liberty Global plc 'A'	73	2	-
Liberty Global plc 'C'	376	8	0.01
Linde plc	517	70	0.09
Lloyds Banking Group plc	51,432	33	0.04
London Stock Exchange Group plc	795	40	0.05
Prudential plc	4,990	87	0.11
Reckitt Benckiser Group plc	461	28	0.03
RELX plc	2,802	49	0.06
Rio Tinto plc	1,920	85	0.11
Rolls-Royce Holdings plc	1,360	12	0.01
Rolls-Royce Holdings plc Preference	96,560	-	-
SSE plc	2,567	29	0.04
St James's Place plc	2,698	31	0.04
Standard Chartered plc	7,537	53	0.07
Taylor Wimpey plc	22,908	42	0.05
Tesco plc	22,295	55	0.07
Unilever plc	1,206	56	0.07
Vodafone Group plc	16,223	23	0.03
		5,335	6.76

Investment	Holding	Market value £'000	Total net assets %
United States of America 23.84% (24.44%)			
3M Co.	133	19	0.02
Abbott Laboratories	582	35	0.04
AbbVie, Inc.	698	43	0.05
Accenture plc 'A'	626	87	0.11
Adobe, Inc.	445	98	0.12
Advance Auto Parts, Inc.	270	35	0.04
AES Corp.	652	9	0.01
Akamai Technologies, Inc.	98	6	0.01
Alexion Pharmaceuticals, Inc.	588	61	0.08
Alleghany Corp.	7	3	-
Allergan plc	424	48	0.06
Alliance Data Systems Corp.	193	23	0.03
Allstate Corp. (The)	629	47	0.06
Alphabet, Inc. 'A'	296	295	0.37
Alphabet, Inc. 'C'	363	359	0.46
Altice USA, Inc. 'A'	1,491	27	0.03
Altria Group, Inc.	1,739	72	0.09
Amazon.com, Inc.	419	625	0.79
American Electric Power Co., Inc.	1,457	94	0.12
American Express Co.	1,227	110	0.14
American Financial Group, Inc.	89	7	0.01
American International Group, Inc.	2,072	75	0.10
American Tower Corp., REIT	61	9	0.01
Amgen, Inc.	233	32	0.04
Analog Devices, Inc.	1,420	124	0.16
Anthem, Inc.	482	99	0.13
Apple, Inc.	4,649	731	0.93
Aramark	246	6	0.01
Arch Capital Group Ltd.	144	4	0.01
Arrow Electronics, Inc.	87	6	0.01
AT&T, Inc.	3,074	73	0.09
Automatic Data Processing, Inc.	1,127	141	0.18
AutoZone, Inc.	99	78	0.10
AvalonBay Communities, Inc., REIT	384	58	0.07
Avery Dennison Corp.	498	42	0.05
Bank of America Corp.	12,738	301	0.38
Bank of New York Mellon Corp. (The)	2,479	94	0.12
BB&T Corp.	744	29	0.04
Becton Dickinson and Co.	411	75	0.10
Berkshire Hathaway, Inc. 'B'	1,297	216	0.27
Best Buy Co., Inc.	1,348	76	0.10
Biogen, Inc.	292	51	0.06
BioMarin Pharmaceutical, Inc.	152	10	0.01
BlackRock, Inc.	154	57	0.07
Boeing Co. (The)	364	106	0.13
BorgWarner, Inc.	805	26	0.03
Boston Properties, Inc., REIT	195	20	0.03
Boston Scientific Corp.	4,154	117	0.15
Bristol-Myers Squibb Co.	491	17	0.02
Broadcom, Inc.	532	128	0.16
Camden Property Trust, REIT	74	6	0.01
Capital One Financial Corp.	838	60	0.08
Carnival plc	644	26	0.03
Caterpillar, Inc.	551	59	0.07
CBRE Group, Inc. 'A'	330	13	0.02
CDK Global, Inc.	129	6	0.01
CDW Corp.	142	11	0.01
Celanese Corp.	815	68	0.09
Celgene Corp.	877	64	0.08
Charles Schwab Corp. (The)	1,868	66	0.08
Charter Communications, Inc. 'A'	445	127	0.16
Cheniere Energy, Inc.	108	5	0.01
Chevron Corp.	1,732	157	0.20
Chubb Ltd.	328	36	0.05
Cigna Corp.	781	96	0.12
Cisco Systems, Inc.	2,195	95	0.12
Citigroup, Inc.	4,121	225	0.29
Citizens Financial Group, Inc.	1,772	50	0.06
CME Group, Inc.	75	10	0.01
Coca-Cola Co. (The)	6,390	238	0.30
Comcast Corp. 'A'	5,862	196	0.25
CommScope Holding Co., Inc.	178	3	-
Concho Resources, Inc.	628	56	0.07
Constellation Brands, Inc. 'A'	57	9	0.01
Cooper Cos., Inc. (The)	39	9	0.01
Crown Holdings, Inc.	519	23	0.03
CSX Corp.	163	10	0.01
Cummins, Inc.	586	74	0.09
CVS Health Corp.	992	41	0.05

Portfolio statement – continued

As at 30 April 2019

Investment	Holding	Market value £'000	Total net assets %	Investment	Holding	Market value £'000	Total net assets %
Danaher Corp.	590	60	0.08	Lincoln National Corp.	1,236	63	0.08
Darden Restaurants, Inc.	103	10	0.01	Lowe's Cos., Inc.	1,542	133	0.17
DaVita, Inc.	520	22	0.03	Lyft, Inc. 'A'	100	5	0.01
Deere & Co.	721	92	0.12	ManpowerGroup, Inc.	68	5	0.01
Dell Technologies, Inc. 'C'	135	7	0.01	Marathon Petroleum Corp.	2,358	111	0.14
Delta Air Lines, Inc.	1,382	61	0.08	Marvell Technology Group Ltd.	2,465	48	0.06
DexCom, Inc.	31	3	-	Masco Corp.	1,788	54	0.07
Diamondback Energy, Inc.	797	65	0.08	Mastercard, Inc. 'A'	1,219	232	0.29
Digital Realty Trust, Inc., REIT	283	25	0.03	Maxim Integrated Products, Inc.	259	12	0.02
Discovery, Inc. 'A'	1,549	38	0.05	McDonald's Corp.	320	48	0.06
Discovery, Inc. 'C'	1,851	42	0.05	Mckesson Corp.	190	17	0.02
DISH Network Corp. 'A'	214	6	0.01	Medtronic plc	2,059	138	0.17
Dollar General Corp.	437	42	0.05	Merck & Co., Inc.	3,439	203	0.26
Dow, Inc.	1,052	45	0.06	MetLife, Inc.	2,197	77	0.10
DowDuPont, Inc.	3,158	92	0.12	Microsoft Corp.	7,844	782	0.99
Duke Realty Corp., REIT	371	9	0.01	Molson Coors Brewing Co. 'B'	900	44	0.06
DXC Technology Co.	260	13	0.02	Mondelez International, Inc. 'A'	3,329	129	0.16
E*TRADE Financial Corp.	240	9	0.01	Morgan Stanley	3,592	134	0.17
East West Bancorp, Inc.	149	6	0.01	Motorola Solutions, Inc.	61	7	0.01
Eastman Chemical Co.	1,101	68	0.09	National Retail Properties, Inc., REIT	131	5	0.01
Eaton Corp. plc	1,625	105	0.13	Nektar Therapeutics	163	4	0.01
Edison International	1,239	60	0.08	Netflix, Inc.	554	158	0.20
Elanco Animal Health, Inc.	163	4	0.01	Newmont Goldcorp Corp.	333	8	0.01
Electronic Arts, Inc.	899	65	0.08	Newmont Goldcorp Corp.	179	4	0.01
Eli Lilly & Co.	1,453	134	0.17	NextEra Energy, Inc.	856	126	0.16
Emerson Electric Co.	649	35	0.04	Nielsen Holdings plc	524	10	0.01
EOG Resources, Inc.	1,674	125	0.16	NIKE, Inc. 'B'	1,185	80	0.10
Equinix, Inc., REIT	74	26	0.03	Nordstrom, Inc.	120	4	0.01
Equity Residential, REIT	775	45	0.06	Norfolk Southern Corp.	888	138	0.17
Essex Property Trust, Inc., REIT	100	21	0.03	Nucor Corp.	311	14	0.02
Estee Lauder Cos., Inc. (The) 'A'	74	10	0.01	NVIDIA Corp.	851	117	0.15
Everest Re Group Ltd.	44	8	0.01	Occidental Petroleum Corp.	1,009	47	0.06
Exelon Corp.	2,728	105	0.13	ON Semiconductor Corp.	1,309	22	0.03
Expedia, Inc.	726	73	0.09	ONEOK, Inc.	1,106	58	0.07
Exxon Mobil Corp.	2,510	154	0.20	Oracle Corp.	4,603	195	0.25
F5 Networks, Inc.	52	6	0.01	O'Reilly Automotive, Inc.	228	66	0.08
Facebook, Inc. 'A'	1,729	259	0.33	Owens Corning	101	4	-
Federal Realty Investment Trust, REIT	424	43	0.05	PACCAR, Inc.	1,376	75	0.10
Ferguson plc	796	43	0.05	Packaging Corp. of America	311	24	0.03
Fidelity National Financial, Inc.	112	3	-	Palo Alto Networks, Inc.	74	14	0.02
Fidelity National Information Services, Inc.	485	42	0.05	Parsley Energy, Inc. 'A'	1,486	23	0.03
First Data Corp. 'A'	1,266	25	0.03	PayPal Holdings, Inc.	2,093	181	0.23
FirstEnergy Corp.	1,016	32	0.04	PepsiCo, Inc.	969	94	0.12
Flex Ltd.	253	2	-	Pfizer, Inc.	7,211	220	0.28
Ford Motor Co.	4,027	32	0.04	Philip Morris International, Inc.	2,464	161	0.20
Fortinet, Inc.	139	10	0.01	Phillips 66	900	66	0.08
Freeport-McMoRan, Inc.	1,334	13	0.02	Pioneer Natural Resources Co.	892	114	0.14
General Motors Co.	617	19	0.02	Priceline Group, Inc. (The)	38	55	0.07
Gilead Sciences, Inc.	1,117	56	0.07	Principal Financial Group, Inc.	443	20	0.03
H&R Block, Inc.	189	4	0.01	Procter & Gamble Co. (The)	2,064	166	0.21
Hartford Financial Services Group, Inc. (The)	1,774	71	0.09	Prologis, Inc., REIT	1,216	70	0.09
HD Supply Holdings, Inc.	1,000	35	0.04	Prudential Financial, Inc.	871	70	0.09
Hewlett Packard Enterprise Co.	1,427	17	0.02	Public Service Enterprise Group, Inc.	531	24	0.03
Hilton Worldwide Holdings, Inc.	811	54	0.07	Public Storage, REIT	53	9	0.01
Hologic, Inc.	274	10	0.01	PVH Corp.	291	29	0.04
Home Depot, Inc. (The)	1,510	235	0.30	QUALCOMM, Inc.	581	39	0.05
Honeywell International, Inc.	1,453	193	0.24	Qurate Retail Group, Inc. QVC Group	191	3	-
Host Hotels & Resorts, Inc., REIT	2,058	30	0.04	Raytheon Co.	718	97	0.12
HP, Inc.	4,024	61	0.08	Regeneron Pharmaceuticals, Inc.	153	40	0.05
Huntington Bancshares, Inc.	2,869	31	0.04	Regions Financial Corp.	587	7	0.01
Huntington Ingalls Industries, Inc.	54	9	0.01	Reinsurance Group of America, Inc.	61	7	0.01
Illinois Tool Works, Inc.	106	13	0.02	Ross Stores, Inc.	1,281	97	0.12
Illumina, Inc.	133	32	0.04	Royal Caribbean Cruises Ltd.	573	54	0.07
Ingersoll-Rand plc	977	90	0.11	RPM International, Inc.	441	21	0.03
Intel Corp.	2,359	93	0.12	Sabre Corp.	246	4	0.01
Intercontinental Exchange, Inc.	1,959	123	0.16	salesforce.com, Inc.	1,456	185	0.23
International Business Machines Corp.	29	3	-	SBA Communications Corp., REIT	111	17	0.02
Intuit, Inc.	581	111	0.14	Sempra Energy	557	54	0.07
Intuitive Surgical, Inc.	108	42	0.05	ServiceNow, Inc.	167	35	0.04
Invitation Homes, Inc., REIT	190	4	0.01	Sherwin-Williams Co. (The)	40	14	0.02
JM Smucker Co. (The)	105	10	0.01	Snap-on, Inc.	465	60	0.08
Johnson & Johnson	2,024	218	0.28	Spirit AeroSystems Holdings, Inc. 'A'	53	4	-
Jones Lang LaSalle, Inc.	38	5	0.01	Square, Inc. 'A'	148	8	0.01
KeyCorp	4,017	54	0.07	Stanley Black & Decker, Inc.	674	76	0.10
Kimberly-Clark Corp.	327	31	0.04	Steel Dynamics, Inc.	103	3	-
Kraft Heinz Co. (The)	714	18	0.02	SunTrust Banks, Inc.	1,852	94	0.12
L3 Technologies, Inc.	149	25	0.03	Synchrony Financial	653	17	0.02
Las Vegas Sands Corp.	320	17	0.02	TD Ameritrade Holding Corp.	1,094	44	0.06
Lear Corp.	45	5	0.01	Teradyne, Inc.	1,383	52	0.07
Leidos Holdings, Inc.	146	7	0.01	Tesla, Inc.	102	19	0.02
Lennar Corp. 'A'	903	36	0.05	Texas Instruments, Inc.	1,955	175	0.22
Liberty Broadband Corp. 'C'	107	8	0.01	Thermo Fisher Scientific, Inc.	524	110	0.14
Liberty Media Corp-Liberty Formula One 'C'	65	2	-	TJX Cos., Inc. (The)	2,475	104	0.13
Liberty Property Trust, REIT	130	5	0.01	T-Mobile US, Inc.	1,032	58	0.07

Portfolio statement – continued

As at 30 April 2019

Investment	Holding	Market value £'000	Total net assets %
Trimble, Inc.	108	3	-
Tyson Foods, Inc. 'A'	295	17	0.02
Union Pacific Corp.	1,251	170	0.22
United Continental Holdings, Inc.	55	4	0.01
United Parcel Service, Inc. 'B'	113	9	0.01
United Rentals, Inc.	75	8	0.01
United Technologies Corp.	1,661	181	0.23
UnitedHealth Group, Inc.	1,240	226	0.29
Unum Group	100	3	-
Ventas, Inc., REIT	538	25	0.03
VEREIT, Inc., REIT	1,101	7	0.01
Verizon Communications, Inc.	4,429	194	0.25
Vertex Pharmaceuticals, Inc.	467	62	0.08
Visa, Inc. 'A'	1,560	197	0.25
Vornado Realty Trust, REIT	486	26	0.03
Wal-Mart Stores, Inc.	399	31	0.04
Walt Disney Co. (The)	1,411	151	0.19
Wells Fargo & Co.	5,362	199	0.25
Westrock Co.	237	7	0.01
Weyerhaeuser Co., REIT	426	9	0.01
Willis Towers Watson plc	36	5	0.01
Workday, Inc. 'A'	261	41	0.05
Xcel Energy, Inc.	2,128	91	0.12
Yum! Brands, Inc.	1,145	91	0.12
Zimmer Biomet Holdings, Inc.	1,071	99	0.13
Zoetis, Inc.	187	15	0.02
		18,801	23.84
Equities total		35,739	45.31
Options 0.07% (0.00%)			
S&P 500 Index, Put, 2,725, 20/09/2019	17	52	0.07
Options total		52	0.07
Forward Currency Contracts 0.20% ((1.33)%)			
Buy GBP 842,259 sell AUD 1,541,487 dated 29/05/2019		7	0.01
Buy GBP 995,741 sell CAD 1,735,562 dated 29/05/2019		4	0.01
Buy GBP 893,127 sell CHF 1,175,184 dated 29/05/2019		6	0.01
Buy GBP 8,551,993 sell EUR 9,864,335 dated 29/05/2019		43	0.05
Buy GBP 1,300,868 sell HKD 13,223,672 dated 29/05/2019		6	0.01
Buy GBP 2,338,851 sell JPY 339,856,790 dated 07/05/2019		(8)	(0.01)
Buy GBP 2,349,375 sell JPY 339,856,790 dated 29/05/2019		1	-
Buy GBP 19,256,291 sell USD 24,962,604 dated 29/05/2019		97	0.12
Buy JPY 339,856,790 sell GBP 2,347,961 dated 07/05/2019		(1)	-
Forward Currency Contracts total		155	0.20
Futures (0.25)% ((0.23)%)			
Australia 10 Year Bond 17/06/2019	42	52	0.06
EURO STOXX 50 Index 21/06/2019	(56)	(95)	(0.12)
FTSE 100 Index 21/06/2019	(4)	(11)	(0.01)
S&P 500 Emini Index 21/06/2019	(23)	(120)	(0.15)
S&P/TSX 60 Index 20/06/2019	(2)	(9)	(0.01)
SPI 200 Index 20/06/2019	(7)	(13)	(0.02)
TOPIX Index 13/06/2019	(10)	(2)	-
Futures total		(198)	(0.25)
Liquidity Funds 1.28% (5.20%)			
JPM Sterling Liquidity Fund X (dist.) ^{§§}	1,012,958	1,013	1.28
Liquidity Funds total		1,013	1.28
Investment assets (including investment liabilities)		77,480	98.24
Net other assets		1,388	1.76
Net assets		78,868	100.00

The comparative percentage figures in brackets are as at 30 April 2018.

[§] A related party to the Fund.

^{§§} Cash equivalent.

* Including derivative liabilities and cash equivalents.

Financial statements

Statement of total return

For the year ending 30 April

	2019	2018
£'000	£'000	£'000
Income		
Net capital gains (Note 2)	1,694	2,941
Revenue (Note 3)	1,844	2,106
Expenses (Note 4)	(581)	(1,201)
Net revenue before taxation	1,263	905
Taxation (Note 5)	(90)	(4)
Net revenue after taxation	1,173	901
Total return before distributions	2,867	3,842
Distributions (Note 6)	(1,173)	(904)
Change in net assets attributable to shareholders from investment activities	1,694	2,938

Statement of change in net assets attributable to shareholders

For the year ending 30 April

	2019	2018
£'000	£'000	£'000
Opening net assets attributable to shareholders	83,583	79,026
Amounts receivable on issue of shares	4,288	7,512
Amounts payable on cancellation of shares	(11,813)	(6,813)
	(7,525)	699
Dilution adjustment	1	-
Change in net assets attributable to shareholders from investment activities (see above)	1,694	2,938
Retained distributions on accumulation shares	1,115	920
Closing net assets attributable to shareholders	78,868	83,583

Balance sheet

As at 30 April

	2019	2018
£'000	£'000	£'000
Assets:		
Investments	76,726	80,596
Current assets:		
Debtors (Note 8)	266	118
Cash and bank balances (Note 9)	1,391	1,999
Cash equivalents	1,013	4,344
Total assets	79,396	87,057
Liabilities:		
Investment liabilities	(259)	(1,419)
Creditors:		
Other creditors (Note 10)	(269)	(2,055)
Total liabilities	(528)	(3,474)
Net assets attributable to shareholders	78,868	83,583

The notes to these financial statements are shown on pages 23 to 27.

Notes to the financial statements for the year ending 30 April 2019

1. Accounting policies

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

2. Net capital gains

	2019 £'000	2018 £'000
Capital management fee rebates	-	124
Realised gains/(losses) on currencies	1,043	(87)
Realised losses on derivative contracts	(911)	(137)
Realised losses on forward currency contracts	(3,810)	-
Realised gains on non-derivative securities	883	23,190
Unrealised (losses)/gains on currencies	(9)	11
Unrealised losses on derivative contracts	(32)	(168)
Unrealised gains/(losses) on forward currency contracts	1,269	(1,114)
Unrealised gains/(losses) on non-derivative securities	3,261	(18,878)
Net capital gains	1,694	2,941

3. Revenue

	2019 £'000	2018 £'000
Distributions from authorised ICVCs	404	767
Distributions from overseas investments	461	247
Franked income from UK equity investments	143	3
Income from Liquidity Funds	5	1
Income from overseas equity investments	772	42
Interest on bank and term deposits	4	-
Interest on derivatives	9	-
Management fee rebates	44	1,046
Stock dividends	2	-
Total revenue	1,844	2,106

4. Expenses

	2019 £'000	2018 £'000
Payable to the ACD or associate of the ACD:		
ACD fee	460	1,052
Operating expenses	117	148
	577	1,200
Interest payable	4	1
Total expenses	581	1,201

The ACD paid fees to the auditor of £5,830 (30.04.18: £5,830) for the year ending 30 April 2019.

5. Taxation

	2019 £'000	2018 £'000
a) Analysis of charge in the year		
Overseas tax suffered	90	4
Current year tax charge (Note 5b)	90	4
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	1,263	905
Corporation tax at 20%	253	181
Effects of:		
Dividends not subject to corporation tax	(200)	(212)
Excess expenses for which no relief taken	(52)	6
Overseas tax expensed	(1)	-
Overseas tax suffered	90	4
Taxable income not reflected in net income	-	25
	(163)	(177)
Current year tax charge (Note 5a)	90	4

No deferred tax asset has been recognised in the financial statements. At the year end date, the Fund had a deferred tax asset of £283,705 (30.04.18: £336,119) in relation to £1,418,523 (30.04.18: £1,680,597) 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:

	2019 £'000	2018 £'000
Final dividend distribution	1,115	920
Add: Amounts payable on cancellation of shares	84	20
Deduct: Amounts receivable on issue of shares	(26)	(36)
Distributions for the year	1,173	904

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

7. Movement between net revenue after taxation and distributions

	2019 £'000	2018 £'000
Net revenue after taxation	1,173	901
Add: RDR transfer equalisation (capital)	-	1
Add: Undistributed revenue brought forward	1	3
Deduct: Undistributed revenue carried forward	(1)	(1)
	1,173	904

8. Debtors

	2019 £'000	2018 £'000
Accrued income	108	77
Due from the ACD for shares issued	100	3
Overseas tax recoverable	7	1
Sales awaiting settlement	51	37
Total debtors	266	118

Notes to the financial statements – continued

9. Cash and bank balances

	2019 £'000	2018 £'000
Amounts held at futures clearing houses and brokers	847	1,169
Cash and bank balances	544	830
Total cash and cash equivalents	<u>1,391</u>	<u>1,999</u>

10. Other creditors

	2019 £'000	2018 £'000
Accrued expenses	47	69
Due to the ACD for shares cancelled	171	50
Purchases awaiting settlement	51	1,936
Total other creditors	<u>269</u>	<u>2,055</u>

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (30.04.18: £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 £108,376 (30.04.18: £105,842). 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 £1,065,728 (30.04.18: £819,879).

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 financial statements. Amounts due at the balance sheet date are £4,706 (30.04.18: £51,420) disclosed under Debtors in the Notes to the financial statements.

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 £1,430 (30.04.18: £84). Commission was paid to the associated company JPMorgan Securities Ltd.

13. Stock lending

The Fund has not entered into stock lending arrangements in the current or prior year.

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.

Net foreign currency assets/(liabilities)

Currency	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000
30.04.19			
Swedish Krona	173	-	173
Danish Krone	165	1	164
Singapore Dollar	137	1	136
Canadian Dollar	130	(974)	1,104
Japanese Yen	103	(2,268)	2,371
Norwegian Krone	44	1	43
Australian Dollar	33	(753)	786
New Zealand Dollar	19	-	19
Swiss Franc	(126)	(886)	760
US Dollar	(155)	(18,957)	18,802
Euro	(210)	(8,356)	8,146
Hong Kong Dollar	(855)	(1,294)	439
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

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 £54,200 (30.04.18: £700).

Interest rate risk

At the year end date, 3.05% (30.04.18: 7.59%) 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 £7,647,000 (30.04.18: £7,918,000).

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 (max.)
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 pages 14 and 15. All classes have the same rights on winding up.

16. Counterparty exposure

Financial derivative exposure

Counterparty	Forwards currency contracts £'000	Futures contracts £'000	Options contracts £'000	Total £'000
30.04.19				
BNP Paribas	139	-	-	139
Citibank	7	-	-	7
Goldman Sachs	-	52	52	104
HSBC	9	-	-	9
	155	52	52	259
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)

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 and options 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.

	2019 Assets £'000	2019 Liabilities £'000	2018 Assets £'000	2018 Liabilities £'000
Level 1: Quoted prices	35,843	(250)	41,584	(296)
Level 2: Observable market data	41,896	(9)	43,356	(1,123)
Total	77,739	(259)	84,940	(1,419)

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
30.04.19						
Purchases*						
Purchases of Equity stocks	(12,026)	(5)	(11)	(12,042)	0.04	0.09
Purchases of Bond stocks	(5,787)	-	-	(5,787)	0.00	0.00
Purchases of Funds	(10,695)	-	-	(10,695)	0.00	0.00
Corporate action purchases						
Purchases of Equity stocks	(5)	-	-	(5)	0.00	0.00
	(28,513)	(5)	(11)	(28,529)		
Sales*						
Sales of Equity stocks	21,371	(9)	-	21,362	0.04	0.00
Sales of Bond stocks	9,118	-	-	9,118	0.00	0.00
Sales of Funds	9,543	-	-	9,543	0.00	0.00
	40,032	(9)	-	40,023		
Total		(14)	(11)			
Percentage of Fund average net assets		0.02%	0.01%			

* Excluding in specie and corporate action activity.

Notes to the financial statements – continued

18. Direct transaction costs – continued

	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
	<u>(93,587)</u>	<u>(14)</u>	<u>(40)</u>	<u>(93,641)</u>		
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
	<u>91,873</u>	<u>-</u>	<u>-</u>	<u>91,873</u>		
Total		<u>(14)</u>	<u>(40)</u>			
Percentage of Fund average net assets		<u>0.02%</u>	<u>0.05%</u>			

Dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.07% (30.04.18: 0.11%). 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	20,241,018	164,577	(1,733,503)	(114,607)	18,557,485
B-Class Accumulation Shares	78,792	114	(9,335)	(10,236)	59,335
C-Class Accumulation Shares	11,264,844	1,427,033	(2,700,999)	120,928	10,111,806

Distribution table

Final distribution in pence per share

Group 1 - Shares purchased prior to 1 May 2018

Group 2 - Shares purchased 1 May 2018 to 30 April 2019

	Net revenue	Equalisation	Distribution payable 31.07.19	Distribution paid 31.07.18
A-Class Accumulation Shares				
Group 1	3.680000	-	3.680000	2.340000
Group 2	2.168340	1.511660	3.680000	2.340000
B-Class Accumulation Shares				
Group 1	4.250000	-	4.250000	3.600000
Group 2	2.259354	1.990646	4.250000	3.600000
C-Class Accumulation Shares				
Group 1	4.250000	-	4.250000	3.940000
Group 2	2.404649	1.845351	4.250000	3.940000

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

0800 727 770

If you are an investor with us please call

0800 20 40 20

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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