



Traditional Funds plc

Annual Report and Audited Financial Statements

31 March 2018

Annual Report and Audited Financial Statements

TRADITIONAL FUNDS plc

(An investment company with variable capital structured as an umbrella fund
with segregated liability between Funds and incorporated under the laws of Ireland)

For the financial year ended 31 March 2018

TRADITIONAL FUNDS plc

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TRADITIONAL FUNDS plc

MANAGEMENT AND ADMINISTRATION

Registered Office

78 Sir John Rogerson's Quay
Dublin 2
Ireland

Directors

David Hammond (Irish) (Chairman)*
John Fitzpatrick (Irish)*
Gerald Moloney (Irish)*
Charles Porter (British)*
Stuart Woodyatt (British)

Investment Managers

Thames River Capital LLP
Exchange House
Primrose Street
London EC2A 2NY
United Kingdom

F&C Management Limited
Exchange House
Primrose Street
London EC2A 2NY
United Kingdom

Administrator, Registrar and Secretary

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Swiss Representative

Carnegie Fund Services S.A.
11, Rue du Général-Dufour,
CH – 1204 Genève
Switzerland

Corporate Governance Service Provider

Bridge Consulting Limited (to 1 July 2017)
33 Sir John Rogerson's Quay
Dublin 2
Ireland

KB Associates (from 1 July 2017)
5 George's Dock,
Dublin 1
Ireland

Depository

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Legal Advisers

On English and US law
Dechert LLP
160 Queen Victoria Street
London EC4V 4QQ
United Kingdom

On Irish law

Matheson
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Dublin 2
Ireland

Independent Auditors

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1 Spencer Dock
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Dublin 1
Ireland

Sponsoring Broker

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Davy House
49 Dawson Street
Dublin 2
Ireland

Swiss Paying Agent

Banque Cantonale de Genève
Quai de l'Île 17
Case postale 2251
1211 Genève 2
Switzerland

* Non-executive Directors independent of the Investment Managers

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C High Income Bond Fund

Performance

In the twelve months to 31 March 2018, the F&C High Income Bond Fund (A Acc shares) returned +0.27%, net of fees and in US dollar terms.

The fund benefited from exposure to high yielding but higher risk fixed income markets, such as developed market high yield and emerging market corporate debt. To manage the greater volatility of the underlying investments, we managed the interest rate and credit sensitivity of the portfolio. There was a small drag from defensive credit positioning over the period. At a regional level, the fund benefited from our continued bias to Latin America, and also from exposure to Africa. At a sector level, exposure to the energy sector had a beneficial impact on returns, reflecting the recovery in oil and gas prices.

Strategy

We intend to continue to generate an attractive level of income for the fund's underlying investors. Alongside income generation, we aim to minimise the volatility of the underlying investments through hedging and asset allocation strategies. The investment universe for the fund is global; by following an unconstrained approach we can look for the best opportunities in global fixed income markets. We shall continue to construct a portfolio that benefits from the maximum possible diversification.

Outlook

Global central banks are withdrawing liquidity from financial markets, while global economic growth remains relatively robust. Bond valuations are vulnerable to future weakness in fixed income markets, and the shift to a more normalised global interest rate environment may create funding stresses for high yield and emerging issuers. Our focus on managing volatility is well suited to the current environment.

F&C Management Limited

April 2018

Eastern European Fund

Performance

In the twelve months to 31 March 2018 the Eastern European Fund (A USD Inc share class) returned +16.4%, compared to the index, the MSCI EM Eastern Europe TR Index, which returned +22.8%. Returns are net of fees and in US dollar terms.

During the period under review, the regional benchmark underperformed the broader emerging markets index, but outperformed developed market peers. Central European markets performed well, and indeed were some of the best performers globally, as they are perceived to be a leveraged play on the recovery of growth within the EU.

This backdrop helped our holding in Philip Morris CR (PMCR), the producer and marketer of Philip Morris tobacco products in the Czech Republic and Slovakia, which was one of the best performers in absolute and relative terms during the period. Despite secular declines in consumption, they exhibit strong pricing power. They are also benefiting from Philip Morris International's decision to relocate much of its European cigarette production to PMCR's Kutna Hora facility, which helps fill underutilised capacity.

Another notable performer was Amrest, an operator of fast food restaurants mostly located throughout Central and Eastern Europe. The company has added a significant number of restaurants in the last 12 months, both organically and via mergers and acquisitions. We meet with the founder and his management team several times each year and always come away impressed with the company's corporate culture and operational ability. In addition to the strong performance over the last 12 months, it remains one of our core holdings as we believe there is more to come.

Both in absolute and relative terms, Russian food retailer Magnit was the notable underperformer over the period. The company used to command a premium valuation, based on strong sales growth and margins that were the envy of food retailers everywhere. A multi-year weak consumer environment and stiffer competition have had a part to play in the company releasing a series of poor operating results, culminating in a weak set of financial year 2017 results. However, management have also been guilty of complacency regarding their value proposition to consumers – too slow to adjust to the increasing promotional nature of the marketplace and to a major competitor's store refurbishment programme. During February, in a move that was a surprise to both ourselves and the market, CEO and major shareholder Sergey Galitsky sold his stake to VTB Bank. Galitsky was the founder and driving force behind Magnit, so despite weaker-than-expected results, it naturally sold off on the announcement. Following this painful correction and after a number of meetings with the management team and new largest shareholder outlining their revised strategy, we materially added to our position. We now view Magnit as one of the most attractive mid to long-term stocks in the region.

Strategy

Three new stocks were added to the portfolio. Sarantis Group is an owner and distributor of branded mass market cosmetics and household products in Greece and South-Eastern Europe. We view Sarantis' management team as prudent and experienced, with a strong track record in making accretive acquisitions to bolster the company's portfolio. Also added was Athens-listed retailer Jumbo Group, a highly profitable operator of hypermarkets, specialising in household and children's goods, with stores located throughout Greece and South Eastern Europe. We participated in the IPO (initial public offering) of DP Eurasia, the exclusive master franchise operator for Domino's Pizza in Turkey and Russia. Presently, the Turkish business represents the vast majority of the profits, where it is longer established and has a dominant market share. The majority of Turkish outlets are run by sub-franchisees, an asset light model resulting in a cash generative business for DP Eurasia. The Russian business is a more recent venture and will take a few years to attain the level of profitability they enjoy in Turkey, but the market has exciting growth potential.

We sold out of three positions during the period: Mail.Ru, an online Russian portal, due to rich valuations; Russian miner Norilsk Nickel, on concerns that debt levels would need to rise to maintain the current levels of dividend payments, and Russian oil & gas producer Lukoil.

Eastern European Fund (continued)

Outlook

The long-term structural investment case for less developed markets remains firmly in place. Their secular growth story is underwritten by some very powerful and predictable trends such as urbanisation, increasing incomes and improving education levels; factors that combine to create wealthier populations. We continue to believe that our approach of investing in high-quality companies is the right strategy for a long-term investor in the asset class. We invest in companies with strong business models, robust balance sheets, proven management teams, and a fair alignment between majority and minority shareholders, across a number of markets.

F&C Management Limited

April 2018

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Global Emerging Markets Fund

Performance

In the twelve months to 31 March 2018, the A Inc USD shares returned +15.19%. The benchmark, MSCI Emerging Markets TR Index returned +25.4%. Returns are net of fees and in US dollar terms.

The fund recorded a robust absolute return but underperformed its benchmark over the period in review. Having zero exposure to some very large cap technology stocks in Asia, including Tencent Holdings, Alibaba Group and TSMC, was a significant hinderance as they were major drivers of the index's return. A notable detractor which we hold in the portfolio was Philippines-based food and beverages company Universal Robina (URC). The company has faced challenges and headwinds from a number of issues in the past 18 months. We raised our concerns with the owner-CEO, Mr. Lance Gokongwei on a recent trip to Manila. The concerns were over URC's recent acquisition strategy, the competitive environment in general and also the residual problems caused by product recalls in Vietnam last year. We came away greatly reassured, even though the competitive environment is likely to remain tough over the medium term. The strategy now is to focus on core competencies, to rationalise products and to cut costs. We are encouraged that management has faced up to past mistakes and is looking to rectify them going forward. Positive political developments in South Africa led to strong returns in our South African stocks such as Mr Price and Clicks Group. Other notable positive performance came from quick service restaurant (QSR) business Yum China, and China-listed flavouring and food company Foshan Haitian.

Strategy

As bottom-up stock pickers, our focus is on quality companies that can grow their cash flows over the long term and generate high sustainable returns on invested capital over the economic cycle. We continue to believe that the less developed parts of the market offer some of the best long-term investment opportunities in domestically orientated businesses. However, when valuations start to look full, we will trim or exit positions, which we did with India during the reporting period. We sold out of Jyothy Laboratories and Mahindra & Mahindra and trimmed our positions in Container Corp of India, Emami, Hindustan Unilever, ITC, Pidilite, Titan Co. and Yes Bank. Meanwhile in Africa, we exited East African Breweries and in Mexico we sold food producer Grupo Herdez. The proceeds were reemployed in, among other stocks, Yum Brands and Tingyi, in China, BAT Malaysia, Magnit in Russia, Eastern Tobacco in Egypt.

Outlook

The long-term structural investment case for less developed markets remains firmly in place. Their secular growth story is underwritten by some very powerful and predictable trends such as urbanisation, increasing incomes and improving education levels; factors that combine to create wealthier populations. We continue to believe that our approach of investing in high-quality companies is the right strategy for a long-term investor in the asset class. We invest in companies with strong business models, robust balance sheets, proven management teams, and a fair alignment between majority and minority shareholders, across a number of markets. In addition, these companies must contribute to or benefit from the sustainable economic development of those countries, based on our six investment themes (Infrastructure for Development, Financing the Future, Rise of the Low Income Consumer, Human Capital, Access to New Technologies and Energy for Growth).

F&C Management Limited
April 2018

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Real Estate Securities Fund

Summary

In the twelve months to 31 March 2018, the GBP B Acc shares returned 15.3% (net of fees) in sterling. The benchmark, the FTSE EPRA/NAREIT Developed Europe Capped Total Return (Net GBP) Index, returned 10.42%.

Performance

The fund outperformed its benchmark by +488bp net on the back of positive stock selection.

The main positive contributors to the outperformance were Stockholm office (+103bp), European shopping centres (+87bp), Industrials (+76bp), UK student housing (+72bp), and Hotels (+61bp).

In terms of detractors, UK Majors (-30bp) and Spanish Diversified (-17bp) were the most significant.

Strategy

Our fund strategy remains unchanged. We have classified the pan-European sectors into 29 sub-sectors and aim to position the portfolio on a relatively neutral basis versus the benchmark in each property sub-sector level (e.g. French offices, German residential, UK retail) with the objective to generate alpha at the sub-sector level through research-intensive, bottom-up stock selection.

Outlook

Our portfolio is positioned towards sectors, and companies within sectors, which can exhibit strong pricing power and capture improving economic conditions and property occupational markets. These sectors include German residential, Paris central business district, Stockholm and Madrid offices and Hotels. We also remain positive on UK and Benelux student housing and Swedish affordable rental residential on the back of compelling secular growth trends. Capital markets are doing brisk business, with record low funding costs for property companies and record bond issuance.

Economic strength in Europe has recently started to moderate which means that the 'quantitative tightening' will likely follow an even more gradual path.

Property continues to be viewed as a levered asset play and therefore maintaining rates at historically low levels is seen as a positive with the 10-year Bund yield dropping back to near 50bp at the time of writing.

Thames River Capital LLP
May 2018

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Real Estate Equity Long/Short Fund

Summary

The F&C Real Estate Equity Long Short fund (GBP C class) delivered +4.7% during the 12 months to 31 March 2018, net of all costs.

Strategy & Performance

We believe that monitoring geographical exposures by country can be deceptive and irrelevant and therefore we have designed a framework to classify the Pan-European real estate equity sector into 29 proprietary sub-sectors such as French offices, German residential, hotel properties, European shopping centres, UK student housing and UK retail.

Over the review period, the main sectors contributing to gross alpha were European shopping centres (+144bp), Industrials (+113bp), Stockholm Offices (+112bp), UK student housing (+108bp) and Hotels (+102bp). In the US, there were positive contributions from Industrials (+19bp), Technology (+17bp) and Offices (+16bp).

In terms of detractors, UK retail (-45bp) and German offices (-32bp) were notable in Europe. In the US, Hotels (-17bp) and US Healthcare (-14bp) were the most significant subsectors.

Outlook

Our portfolio is positioned towards sectors, and companies within sectors, which can exhibit strong pricing power and capture improving economic conditions and property occupational markets. These sectors include German residential, Paris central business district, Stockholm and Madrid offices and Hotels. We also remain positive on UK and Benelux student housing and Swedish affordable rental residential on the back of compelling secular growth trends. Capital markets are doing brisk business, with record low funding costs for property companies and record bond issuance.

Economic strength in Europe has recently started to moderate, which means that 'quantitative tightening' will likely follow an even more gradual path.

Property continues to be viewed as a levered asset play and therefore maintaining rates at historically low levels is seen as a positive with the 10-year Bund yield dropping back to near 50bp at the time of writing.

Thames River Capital LLP
April 2018

F&C Multi Strategy Global Equity Fund

Performance

In the twelve months to 31 March 2018, the fund returned +2.6%. Over the same period, the MSCI AC World NR Index returned -0.1%. Performance is net of fees and in euro terms.

Being overweight in Europe ex UK equities was a positive driver of the outperformance over the first six months of the period. Later, this position detracted from returns as strength in the euro raised concerns over growth and US stocks benefited from planned tax cuts. In the case of Japan our overweight position underperformed ahead of elections and then added positively to relative performance after Prime Minister Shinzo Abe's win in October. His re-election was viewed as providing political stability and boosting confidence on the economic front. Our overweight stance on emerging markets was positive for performance.

In terms of individual stocks, being overweight in both Boeing and Mr Price Group provided the biggest positive contributions in relative terms. Having no exposure to General Electric proved notably beneficial. Not holding Chinese multinational investment group Tencent Holdings also hurt relative performance.

Strategy

At the start of the period, we increased our overweight positions in Europe and emerging markets. Europe was benefiting from better economic performance, attractive relative valuations, and the continued supportive stimulus actions from the central bank, whilst emerging market currencies stabilised. Japan was also held overweight and we added to this position towards the end of 2017 based on ongoing improvements in the underlying Japanese economy, corporate restructuring and factors such as increased demand for equities from the government pension fund. Around the same time, we closed our underweight to the US and adopted a neutral stance. Offsetting these additions, we slightly reduced our position in emerging markets and moved from a neutral to underweight position in the UK. Coming into 2018, we trimmed the size of the overweight in Europe ex UK equities and while remaining underweight, we raised our exposure to UK equities. Our allocation in Pacific ex Japan remained underweight throughout the period.

Outlook

In terms of fundamentals, the world economy remains in robust health but this view is now the consensus and the economic data are beginning to fall short of elevated expectations. Markets remain concerned as growth indicators continue to soften while trade tensions heat up. Investors and business leaders struggle to understand President Trump's strategy, and this uncertainty may dampen growth further even if the actual tariffs have limited effects. Underlying demand trends remain robust, but central banks may need to adjust their course after the weaker-than-expected start to the year to keep the expansion on track.

In summary, the rise in equity market volatility was not unexpected but the fact that the disruption has only really affected equity markets should actually provide some comfort. We still expect that, as the cycle progresses, credit spreads will begin to widen and investors will become more used to choppy markets than we saw in 2017. The sharp reversal in markets in the first quarter removed some of the extended short-term sentiment in equities and because economic and earnings releases are no longer firmly beating expectations the consensus has reappraised growth prospects. The bears are once again suggesting that the end of the cycle is upon us. We expect that they will, once again, find their pessimism misplaced. Growth is still robust and, despite rising concerns over military and trade action, as well as worries over regulatory pressure, fundamentals remain relatively sound. There is little in terms of warning signals for markets yet that would precede a sustained downturn. It is true that the yield curve in the US is flattening, though it has not yet inverted and history suggests that economic and market downturns are typically preceded by an inverted curve and a rise in real rates to levels substantially higher than we see today. In addition, the recent setback in equities, combined with ongoing earnings growth, has removed some of the froth from the markets.

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

BMO US Real Estate Equity Long/Short Fund

Summary

In the twelve months since launch (31 March 2017) to 31 March 2018, the BMO US Real Estate Equity Long/Short fund (USD F class) returned -1.4%, net of all costs.

Strategy & Performance

The BMO US Real Estate Equity Long/Short Fund is a market neutral UCITS fund aiming to deliver consistent positive returns through fundamental stock picking. The fund's maiden year was characterised by a very low level of volatility (around 1.4%). We expect volatility to be well anchored at these low levels.

The fund strategy has been consistent over the period. The team have classified the United States real estate companies into property sub-sectors and aim to position the portfolio on a relatively neutral basis within each sub-sector (e.g. Industrials, Retail) with the objective to generate alpha at the sub-sector level through research-intensive, bottom-up relative stock selection utilising third-party research data.

The largest negative contributor to performance was the impact from merger and acquisition (M&A) activity in the first half of the year (around -1.75%) due to our quality bias. This was further detailed in the Interim report. Following this, performance was broadly neutral, with positive contribution coming from relative stock selection within the Industrial and Office sectors, offset by negative performance in the Hotel, Triple Net and the Self Storage sectors.

The fund's dynamic risk allocation to property sectors was a marginal positive contributor to performance over the period (by approximately +0.8%), as the highest level of gross exposure was allocated to Offices and Industrials, whilst the lowest gross exposure was allocated to the Apartment and Triple Net sectors.

Outlook

Our portfolio is positioned towards companies within sectors, which can exhibit strong pricing power and capture improving economic conditions and property occupational markets.

The prospect of rising interest rates and increasing inflation weighed heavily on the sector at the start of 2018 and we expect this to remain a key focus for investors over the course of the year. We are confident that the key driver of negative sentiment towards the sector remains generalist investors' central concern that a rising yield environment is poor for a leveraged asset class such as property.

We would argue that as long as interest rates are rising in response to an improving economic backdrop then, subject to suitable constraints on the development of new supply, rents will rise as businesses and employment grows and wages rise. However, in these conditions investors need to focus on recurring earnings growth, further yield compression comes only in response to the prospect or the reality of rental growth.

Event after the reporting period

A number of the cornerstone investors, who supported the launch of the fund, redeemed their holding after the reporting period.

Following a review, the Board has taken the decision to close the fund as its size makes efficient portfolio management no longer possible.

Thames River Capital LLP
May 2018

TRADITIONAL FUNDS plc

DIRECTORS' REPORT

For the financial year ended 31 March 2018

The Directors of Traditional Funds plc (the "Company") submit their report together with the audited financial statements of the Company for the financial year ended 31 March 2018.

The Company is incorporated as an Irish open-ended umbrella investment company with segregated liability between its sub-funds (each a "Fund"). The Company is authorised by the Central Bank of Ireland (the "Central Bank") as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (collectively the "UCITS Regulations").

Directors' responsibility statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and applicable Irish Law.

Irish company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Company for that financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for safeguarding the assets of the Company. In this regard they have entrusted the assets of the Company to State Street Custodial Services (Ireland) Limited (the "Depositary") which has been appointed as depositary of the Company pursuant to the terms of a Depositary Agreement. Directors also have a general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Directors has contracted with State Street Fund Services (Ireland) Limited (the "Administrator") to put procedures in place to ensure all relevant accounting records are properly maintained and are readily available, including production of annual and half-yearly financial statements. The accounting records of the Company are maintained at the office of the Administrator at 78 Sir John Rogerson's Quay, Dublin 2, Ireland. The annual and half-yearly financial statements of the Company are required to be approved by the Board of Directors of the Company and filed with the Central Bank and the Irish Stock Exchange ("ISE"), which with effect from 27 March 2018 operates as Euronext Dublin. The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings.

Directors' Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act 2014 and have adopted a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations.

TRADITIONAL FUNDS plc

DIRECTORS' REPORT (continued)

Directors' Compliance Statement (continued)

These arrangements and structures were reviewed by the Directors during the financial year. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

Audit Committee

The Directors have considered whether to form an audit committee, and have taken the view that the functions that would be performed by an audit committee are capable of being performed by the full board. Therefore no audit committee has been formed.

Relevant audit information

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Review of business and future developments

There was no change in the nature of the Company's business during the financial year. The Thames River Capital LLP and F&C Management Limited (the "Investment Managers") Reports contain a review of the factors which contributed to the performance for the financial year.

Risk management objectives and policies

The principal risks and uncertainties faced by the Company are the investment risk associated with the portfolios maintained by the Company in relation to its Funds and the operational risks arising from their management. These risks are further discussed in note 11.

Results and dividends

The results for the financial year are set out in the Statement of Comprehensive Income.

The F&C High Income Bond Fund, the Eastern European Fund and the F&C Real Estate Securities Fund made a distribution from their distribution share classes during the financial year ended 31 March 2018. For more details please refer to note 8.

Significant events during the financial year

Following a review of the existing service provider, KB Associates replaced Bridge Consulting as provider of corporate governance service effective 1 July 2017.

Updated prospectuses were issued on 13 July 2017 and 21 December 2017.

There were no other significant events affecting the Company during the financial year.

Significant events after the financial year end

Significant events affecting the Company after the year end are outlined in Note 23.

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DIRECTORS' REPORT (continued)

Directors

The Directors of the Company who held office during the financial year are as follows:

David Hammond (Irish) (Chairman)*

John Fitzpatrick (Irish)*

Gerald Moloney (Irish)*

Charles Porter (British)*

Stuart Woodyatt (British)

None of the Directors held any interests in the shares of the Company at the financial year end.

* Non-executive Directors independent of the Investment Managers

Corporate Governance Statement

The Directors have adopted the Corporate Governance Code for Investment Funds and Management Companies (the "Code") published by Irish Funds (previously the Irish Funds Industry Association), the text of which is available on the Irish Funds website, www.irishfunds.ie. The Code is available to be voluntarily adopted on a 'comply or explain' basis by Irish authorised funds. The Directors confirm that the Company has complied in full with all of the provisions of the Code during the year.

Operation of the shareholder meeting, the key powers of the shareholder meeting, shareholders' rights and the exercise of such rights

The convening and conduct of shareholders' meetings are governed by the Articles of Association of the Company and the Companies Act 2014.

Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene an annual general meeting of the Company within fifteen months of the date of the previous annual general meeting. Annual general meetings shall be held each financial year within six months of the accounting date. Not less than twenty one days notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to shareholders.

Three shareholders present either in person or by proxy constitute a quorum at a general meeting. A representative of a corporation authorised pursuant to Article 22.13 of the Memorandum and Articles of Association and present at any meeting of the Company or at any meeting of a Fund or class of shareholders shall be deemed to be a shareholder for the purpose of a quorum.

Every holder of participating shares or management shares present in person or by proxy who votes on a show of hands is entitled to one vote. On a poll, every holder of participating shares present in person or by proxy is entitled to one vote in respect of each share held by him and every holder of management shares is entitled to one vote in respect of all management shares held by him. The chairman of a general meeting of the Company or at least five shareholders present in person or by proxy or any holder or holders of participating shares present in person or by proxy representing at least one tenth of the shares in issue having the right to vote at such meeting may demand a poll.

Shareholders may resolve to sanction an ordinary resolution or special resolution at a shareholders' meeting. An ordinary resolution of the Company or of the shareholders of a particular class requires a simple majority of the votes cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed. A special resolution of the Company or of the shareholders of a particular class requires a majority of not less than 75% of the shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

TRADITIONAL FUNDS plc

DIRECTORS' REPORT (continued)

Composition and operation of the Board of Directors

Unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may not be less than two nor more than nine. Currently the Board of the Company is composed of five Directors, being those listed in the directory in these financial statements.

The business of the Company is managed by the Board, who exercise all such powers of the Company that are not required by the Companies Act 2014 or by the Articles of Association of the Company to be exercised by the Company in general meeting.

The Board evaluates and discusses significant accounting and reporting issues as the need arises.

A Director may, and the company secretary of the Company on the requisition of a Director will, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two. There are no sub-committees of the Board.

Connected Party Transactions


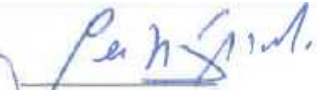
The UCITS Regulations require that any transaction between a UCITS and a connected person is conducted a) at arm's length; and b) in the best interest of the unit-holders of the UCITS. A "connected person" means the management company or depositary to a UCITS; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate.

The Directors of the Company are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that these obligations are applied to all transactions with a connected party; and all transactions with a connected party that were entered into during the period to which the report relates complied with the obligations.

Independent Auditors

The Directors will propose the re-appointment of the auditors, PricewaterhouseCoopers, for shareholders' approval at the annual general meeting in accordance with section 383(2) of the Companies Act 2014.

On behalf of the Board

	
David Hammond Director	John Fitzpatrick Director
5 July 2018	

TRADITIONAL FUNDS plc

DEPOSITARY'S REPORT

For the financial year ended 31 March 2018

Report of the Depositary to the Shareholders

We have enquired into the conduct of Traditional Funds plc ("the Company") during the financial year ended 31 March 2018, in our capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with Regulation 34, (1), (3) and (4) in Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (collectively the "UCITS Regulations") and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the financial year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and the UCITS Regulations; and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the UCITS Regulations.



State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

5 July 2018

Report on the audit of the financial statements

Opinion

In our opinion, Traditional Funds plc's financial statements:

- give a true and fair view of the Company's and Funds' (as listed on page 1) assets, liabilities and financial position as at 31 March 2018 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and promulgated by the Institute of Chartered Accountants in Ireland and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at 31 March 2018;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders for the year then ended;
- the Portfolio Statement for each of the Funds as at 31 March 2018; and
- the notes to the financial statements for the Company and for each of its Funds, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

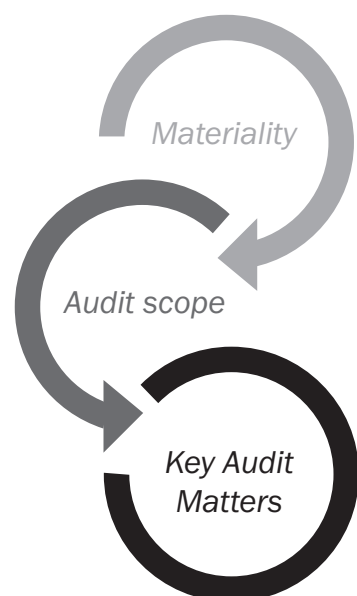
Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview



Materiality

- Overall materiality: 50 basis points of Net Assets Value ("NAV") at 31 March 2018 for each of the Company's Funds.

Audit scope

- The Company is an open-ended investment Company with variable capital and is self-managed. The directors have delegated certain responsibilities to Thames River Capital LLP and F&C Management Limited (the "Investment Managers") and State Street Fund Services (Ireland) Limited (the "Administrator") to manage certain duties and responsibilities with regards to the day-to-day management of the Company. We tailored the scope of our audit taking into account the types of investments within the Funds, the involvement of the third parties referred to below, the accounting processes and controls, and the industry in which the Company operates. We look at each of the Funds at an individual level.

Key audit matters

- Existence of financial assets and financial liabilities at fair value through profit or loss.
- Valuation of financial assets and financial liabilities at fair value through profit or loss.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example the selection of pricing sources to value the investment portfolio. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRADITIONAL FUNDS PLC (continued)

Key audit matter	How our audit addressed the Key audit matter
<p><i>Existence of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>Refer to the Portfolio Statements for each of the Funds, the accounting policies set out in note 2 'Financial assets and financial liabilities at fair value through profit or loss' and note 11 (viii) 'Fair value estimation'.</p> <p>The financial assets and financial liabilities at fair value through profit or loss included in the Statement of Financial Position of each Fund are held in each Fund's name at 31 March 2018.</p> <p>This is considered a key audit matter as it represents the principal element of the financial statements.</p>	<p>We obtained independent confirmation from the Depositary and counterparties for the investment portfolios held at 31 March 2018 and agreed the amounts held to the accounting records.</p> <p>No material misstatements were identified as a result of the procedures we performed.</p>
<p><i>Valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>Refer to the Portfolio of Investments for each of the Funds, the accounting policies set out in note 2 'Financial assets and financial liabilities at fair value through profit or loss' and note 11 (viii) 'Fair value estimation'.</p> <p>The financial assets and financial liabilities at fair value through profit or loss included in the Statement of Financial Position of each Fund at 31 March 2018 are valued at fair value in line with FRS 102.</p> <p>This is considered a key audit matter as it represents the principal element of the financial statements.</p>	<p>We tested the valuation of the transferable securities by independently agreeing the valuation of the transferable securities to third party vendor sources.</p> <p>We tested the valuation of forward currency contracts, contracts for difference and options by independently agreeing the valuation to third party vendor sources.</p> <p>We tested the valuation of futures options, futures, fx options, credit default swaps and swaptions by agreeing the valuation to independently obtained counterparty confirmations.</p> <p>No material misstatements were identified as a result of the procedures we performed.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As at 31 March 2018 there are seven Funds operating. The Company's Statement of Financial Position, Statement of Comprehensive Income, and Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders are an aggregation of the positions and results of the Funds.

The directors control the affairs of the Company and are responsible for the overall investment policy which is determined by them. The directors have delegated certain duties and responsibilities with regards to the day to day management of the Company to the Investment Managers. The directors have delegated certain responsibilities to the Administrator. The financial statements, which remain the responsibility of the directors, are prepared on their behalf by the Administrator. The Company has appointed State Street Custodial Services (Ireland) Limited (the "Depositary") to act as Depositary of the Company's assets. In establishing the overall approach to our audit we assessed the risk of material misstatement at a Fund level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Administrator, and we assessed the control environment in place at the Administrator.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRADITIONAL FUNDS PLC (continued)

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements of each of the Company's Funds as follows:

Overall materiality and how we determined it	50 basis points (2017: 50 basis points) of Net Assets Value ("NAV") at 31 March 2018 for each of the Company's Funds.
Rationale for benchmark applied	We have applied this benchmark because the main objective of the Company is to provide investors with a total return at a Fund level, taking account of the capital and income returns.

We agreed with the Board of Directors that we would report to them misstatements identified during our audit above 5 basis points of each Fund's NAV, for NAV per share impacting differences (2017: 5 basis points of each Fund's NAV, for NAV per share impacting differences) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are 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.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRADITIONAL FUNDS PLC (continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibility statement set out on page 11, the directors are 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 directors are 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 directors are responsible for assessing the Company's and Funds' ability to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

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 members as a body in accordance with section 391 of the Companies Act 2014 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

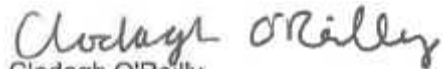
Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.



Clodagh O'Reilly

For and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

19 July 2018

- (a) The maintenance and integrity of the BMO Global Asset Management website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018

F&C High Income Bond Fund

Financial assets at fair value through profit or loss

Bonds – 94.75% (2017: 97.44%)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Argentina – 2.01% (2017: 1.87%)				
Arcor 6.000% 06.07.2023	USD	200,000	207	0.57
Autonomous City of Buenos Aires Argentina 7.500% 01.06.2027	USD	200,000	209	0.58
Cablevision 6.500% 15.06.2021	USD	150,000	157	0.43
Provincia de Buenos Aires 7.875% 15.06.2027	USD	150,000	155	0.43
			<u>728</u>	<u>2.01</u>
Australia – Nil (2017: 1.32%)				
Austria – 0.48% (2017: 0.40%)				
BRF 4.350% 29.09.2026	USD	200,000	173	0.48
			<u>173</u>	<u>0.48</u>
Azerbaijan – Nil (2017: 0.44%)				
Brazil – 3.76% (2017: 5.44%)				
Banco do Brasil 6.250% 29.10.2049	USD	200,000	182	0.50
Banco do Brasil 9.000% 29.06.2049	USD	300,000	321	0.89
Brazil Notas do Tesouro Nacional 10.000% 01.01.2025	BRL	1,050,000	338	0.93
Natura Cosmeticos 5.375% 01.02.2023	USD	300,000	301	0.83
Votorantim Cimentos 7.250% 05.04.2041	USD	200,000	221	0.61
			<u>1,363</u>	<u>3.76</u>
Canada – 1.16% (2017: 2.88%)				
Cenovus Energy 4.250% 15.04.2027	USD	105,000	102	0.28
First Quantum Minerals 7.000% 15.02.2021	USD	100,000	100	0.28
Stoneway Capital 10.000% 01.03.2027	USD	200,000	219	0.60
			<u>421</u>	<u>1.16</u>
Chile – 3.09% (2017: 2.46%)				
Cencosud 4.375% 17.07.2027	USD	200,000	194	0.54
Cencosud 6.625% 12.02.2045	USD	200,000	217	0.60
Empresa Electrica Guacolda 4.560% 30.04.2025	USD	200,000	188	0.52
Inversiones CMPC 4.750% 15.09.2024	USD	250,000	257	0.70
Latam Airlines Group 7.250% 09.06.2020	USD	250,000	263	0.73
			<u>1,119</u>	<u>3.09</u>
China – 1.10% (2017: Nil)				
Bank of China 5.000% 13.11.2024	USD	200,000	206	0.57
Sinopec Capital 2013 3.125% 24.04.2023	USD	200,000	195	0.53
			<u>401</u>	<u>1.10</u>
Colombia – 3.24% (2017: 2.61%)				
Bancolombia 5.125% 11.09.2022	USD	300,000	310	0.85
Colombia Telecomunicaciones 5.375% 27.09.2022	USD	200,000	202	0.56
Ecopetrol 5.375% 26.06.2026	USD	350,000	365	1.01
SURA Asset Management 4.375% 11.04.2027	USD	300,000	296	0.82
			<u>1,173</u>	<u>3.24</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Bonds – 94.75% (2017: 97.44%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Curacao – Nil (2017: 0.45%)				
Dominican Republic – Nil (2017: 0.68%)				
France – 1.40% (2017: 1.08%)				
Altice France 5.625% 15.05.2024	EUR	120,000	150	0.41
CMA CGM 5.250% 15.01.2025	EUR	150,000	167	0.46
Crown European Holdings 3.375% 15.05.2025	EUR	150,000	191	0.53
			<u>508</u>	<u>1.40</u>
Hong Kong – 5.45% (2017: 4.51%)				
Castle Peak Power Finance 3.250% 25.07.2027	USD	200,000	193	0.53
CLP Power HK Finance 4.250% 29.05.2049	USD	200,000	201	0.56
COSL Finance BVI 3.250% 06.09.2022	USD	200,000	194	0.54
CRCC Yupeng 3.950% 28.02.2049	USD	200,000	200	0.55
HKT Capital No 2 3.625% 02.04.2025	USD	200,000	197	0.54
Huarong Finance 2017 4.500% 31.12.2099	USD	200,000	197	0.54
Huarong Finance II 5.500% 16.01.2025	USD	200,000	210	0.58
Proven Glory Capital 3.250% 21.02.2022	USD	200,000	196	0.54
Proven Honour Capital 4.125% 06.05.2026	USD	200,000	195	0.54
Swire Properties MTN Financing 3.500% 10.01.2028	USD	200,000	193	0.53
			<u>1,976</u>	<u>5.45</u>
India – 1.09% (2017: 2.59%)				
Adani Transmission 4.000% 03.08.2026	USD	200,000	187	0.52
ONGC Videsh 4.625% 15.07.2024	USD	200,000	205	0.57
			<u>392</u>	<u>1.09</u>
Indonesia – 0.57% (2017: 0.46%)				
Perusahaan Gas Negara Persero 5.125% 16.05.2024	USD	200,000	208	0.57
			<u>208</u>	<u>0.57</u>
Ireland – 1.07% (2017: 3.20%)				
Credit Bank of Moscow Via CBOM Finance 7.500% 05.10.2027	USD	200,000	186	0.51
Novatek OAO Via Novatek Finance 4.422% 13.12.2022	USD	200,000	202	0.56
			<u>388</u>	<u>1.07</u>
Israel – 0.58% (2017: 1.37%)				
Israel Electric 5.000% 12.11.2024	USD	200,000	209	0.58
			<u>209</u>	<u>0.58</u>
Italy – 1.22% (2017: 0.61%)				
Cooperativa Muratori & Cementisti-CMC di Ravenna 6.000% 15.02.2023	EUR	100,000	117	0.32
Schumann 7.000% 31.07.2023	EUR	250,000	322	0.90
			<u>439</u>	<u>1.22</u>
Jersey – Nil (2017: 0.45%)				
Kazakhstan – Nil (2017: 0.42%)				

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Bonds – 94.75% (2017: 97.44%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Luxembourg – 6.87% (2017: 5.39%)				
Altice Financing 7.500% 15.05.2026	USD	200,000	198	0.55
Altice Luxembourg 7.250% 15.05.2022	EUR	105,000	126	0.35
Cabot Financial Luxembourg 7.500% 01.10.2023	GBP	175,000	257	0.71
Central American Bottling 5.750% 31.01.2027	USD	74,000	76	0.21
CSN Resources 6.500% 21.07.2020	USD	200,000	194	0.54
Evraz Group 5.375% 20.03.2023	USD	200,000	202	0.56
Gazprom Neft OAO Via GPN Capital 6.000% 27.11.2023	USD	200,000	215	0.59
Gazprom OAO Via Gaz Capital 6.510% 07.03.2022	USD	100,000	108	0.30
Gazprom OAO Via Gaz Capital 8.625% 28.04.2034	USD	100,000	130	0.36
Intralot Capital Luxembourg 5.250% 15.09.2024	EUR	210,000	260	0.72
Kernel Holding 8.750% 31.01.2022	USD	200,000	216	0.60
Mallinckrodt International Finance 5.625% 15.10.2023	USD	135,000	110	0.30
Rede D'or Finance 4.950% 17.01.2028	USD	200,000	191	0.53
Rumo Luxembourg 5.875% 18.01.2025	USD	200,000	198	0.55
			2,481	6.87
Malaysia – 1.11% (2017: 0.89%)				
IOI Investment L 4.375% 27.06.2022	USD	200,000	204	0.56
Malayan Banking 3.905% 29.10.2026	USD	200,000	200	0.55
			404	1.11
Mexico – 5.75% (2017: 5.17%)				
Alfa SAB de CV 6.875% 25.03.2044	USD	200,000	209	0.58
Banco Inbursa Institucion de Banca Multiple 4.125% 06.06.2024	USD	150,000	149	0.41
Banco Inbursa Institucion de Banca Multiple 4.375% 11.04.2027	USD	300,000	290	0.80
Cemex 7.750% 16.04.2026	USD	200,000	221	0.61
Grupo Idesa 7.875% 18.12.2020	USD	200,000	194	0.54
Grupo Televisa 6.625% 18.03.2025	USD	200,000	229	0.63
Mexico City Airport Trust 5.500% 31.10.2046	USD	200,000	183	0.51
Petroleos Mexicanos 5.350% 12.02.2028	USD	78,000	77	0.21
Petroleos Mexicanos 6.500% 13.03.2027	USD	158,000	169	0.47
Petroleos Mexicanos 6.750% 21.09.2047	USD	150,000	151	0.42
Trust F/1401 5.250% 15.12.2024	USD	200,000	205	0.57
			2,077	5.75
Morocco – 0.68% (2017: 0.46%)				
OCP 4.500% 22.10.2025	USD	250,000	247	0.68
			247	0.68
Netherlands – 9.77% (2017: 6.93%)				
Ajecorp 6.500% 14.05.2022	USD	300,000	272	0.75
Bharti Airtel International Netherlands 5.350% 20.05.2024	USD	200,000	206	0.57
Equate Petrochemical 4.250% 03.11.2026	USD	200,000	199	0.55
IHS Netherlands Holdco 9.500% 27.10.2021	USD	200,000	211	0.58
InterGen 7.500% 30.06.2021	GBP	200,000	281	0.78
IPD 3 4.500% 15.07.2022	EUR	100,000	126	0.35
Listrindo Capital 4.950% 14.09.2026	USD	200,000	190	0.53
LKQ European Holdings 3.625% 01.04.2026	EUR	100,000	123	0.34
Lukoil International Finance 4.563% 24.04.2023	USD	200,000	202	0.56
Lukoil International Finance 4.750% 02.11.2026	USD	200,000	203	0.56
Minejesa Capital 4.625% 10.08.2030	USD	300,000	290	0.80
Myriad International Holdings 5.500% 21.07.2025	USD	200,000	213	0.59
Petrobras Global Finance 5.299% 27.01.2025	USD	200,000	198	0.55
Petrobras Global Finance 6.850% 31.12.2099	USD	275,000	260	0.72
Teva Pharmaceutical Finance Netherlands III 2.800% 21.07.2023	USD	300,000	255	0.70
Teva Pharmaceutical Finance Netherlands III 3.150% 01.10.2026	USD	200,000	161	0.45
Ziggo Bond Finance 6.000% 15.01.2027	USD	150,000	141	0.39
			3,531	9.77

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Bonds – 94.75% (2017: 97.44%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Nigeria – 0.56% (2017: Nil)				
Africa Finance 4.375% 29.04.2020	USD	200,000	202	0.56
			202	0.56
Oman – 1.07% (2017: Nil)				
Oman Government International Bond 5.625% 17.01.2028	USD	200,000	195	0.54
Oman Government International Bond 6.750% 17.01.2048	USD	200,000	193	0.53
			388	1.07
Peru – 3.01% (2017: 0.44%)				
Cerro del Aguila 4.125% 16.08.2027	USD	200,000	191	0.53
Orazul Energy Egenor 5.625% 28.04.2027	USD	200,000	192	0.53
Patrimonio EN Fideicomiso DS 093-2002-EF-Inretail Shopping Malls 5.750% 03.04.2028	USD	400,000	400	1.12
Petroleos del Peru 5.625% 19.06.2047	USD	200,000	199	0.55
Volcan Cia Minera 5.375% 02.02.2022	USD	100,000	103	0.28
			1,085	3.01
Philippines – Nil (2017: 0.45%)				
Qatar – Nil (2017: 0.61%)				
Russia – Nil (2017: 1.54%)				
Saudi Arabia – Nil (2017: 0.43%)				
Singapore – 2.23% (2017: 2.45%)				
DBS Group Holdings 3.600% 29.12.2049	USD	200,000	194	0.54
Oversea-Chinese Banking 4.250% 19.06.2024	USD	200,000	203	0.56
Studio City 7.250% 30.11.2021	USD	200,000	210	0.58
United Overseas Bank 3.500% 16.09.2026	USD	200,000	198	0.55
			805	2.23
South Africa – Nil (2017: 2.48%)				
South Korea – 0.56% (2017: 1.33%)				
Woori Bank 4.750% 30.04.2024	USD	200,000	204	0.56
			204	0.56
Spain – 0.71% (2017: Nil)				
Banco Santander 6.250% 12.03.2049	EUR	200,000	257	0.71
			257	0.71
Switzerland – 1.87% (2017: 1.45%)				
Credit Suisse Group 6.250% 29.12.2049	USD	250,000	258	0.71
UBS Group 6.875% 29.12.2049 (fixed rate)	USD	200,000	211	0.58
UBS Group 6.875% 29.12.2049 (variable rate)	USD	200,000	210	0.58
			679	1.87
Thailand – 0.56% (2017: 0.89%)				
PTT Exploration & Production 4.875% 31.12.2099	USD	200,000	201	0.56
			201	0.56

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Bonds – 94.75% (2017: 97.44%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Turkey – 3.06% (2017: 4.37%)				
Coca-Cola Icecek 4.215% 19.09.2024	USD	200,000	195	0.54
KOC Holding 5.250% 15.03.2023	USD	200,000	201	0.56
Turk Telekomunikasyon 4.875% 19.06.2024	USD	200,000	196	0.54
Turkey Government Bond 8.700% 11.07.2018	TRY	1,250,000	313	0.87
Turkiye Garanti Bankasi 5.250% 13.09.2022	USD	200,000	199	0.55
			1,104	3.06
United Arab Emirates – 3.43% (2017: 2.81%)				
Abu Dhabi National Energy 3.625% 12.01.2023	USD	200,000	198	0.55
BOS Funding 3.374% 08.06.2020	USD	200,000	199	0.55
DP World 6.850% 02.07.2037	USD	200,000	244	0.67
First Abu Dhabi Bank 5.250% 29.12.2049	USD	200,000	202	0.56
Kuwait Projects 4.500% 23.02.2027	USD	200,000	195	0.54
NBK Tier 1 Financing 5.750% 29.12.2049	USD	200,000	204	0.56
			1,242	3.43
United Kingdom – 8.37% (2017: 10.55%)				
Drax Finco 4.250% 01.05.2022	GBP	200,000	281	0.79
Ensco 7.750% 01.02.2026	USD	110,000	101	0.28
Grupo Unicomer 7.875% 01.04.2024	USD	300,000	326	0.90
Liquid Telecommunications Financing 8.500% 13.07.2022	USD	200,000	211	0.58
Lloyds Banking Group 7.625% 29.12.2049	GBP	300,000	471	1.30
MARB BondCo 7.000% 15.03.2024	USD	300,000	283	0.78
MEIF Renewable Energy UK 6.750% 01.02.2020	GBP	80,000	114	0.32
Phosphorus Holdco 10.000% 01.04.2019	GBP	1,000,000	44	0.12
Pinnacle Bidco 6.375% 15.02.2025	GBP	100,000	141	0.39
Polyus Finance 5.250% 07.02.2023	USD	200,000	203	0.56
RAC Bond 5.000% 06.11.2022	GBP	100,000	133	0.37
Royal Bank of Scotland Group 5.125% 28.05.2024	USD	200,000	204	0.56
Tesco 6.150% 15.11.2037	USD	100,000	106	0.29
Ukreximbank Via Biz Finance 9.750% 22.01.2025	USD	200,000	213	0.59
Vedanta Resources 6.125% 09.08.2024	USD	200,000	196	0.54
			3,027	8.37
United States – 18.13% (2017: 15.56%)				
ADCB Finance Cayman 4.500% 06.03.2023	USD	200,000	202	0.56
African Export-Import Bank 4.000% 24.05.2021	USD	200,000	199	0.55
Alibaba Group Holding 3.400% 06.12.2027	USD	200,000	190	0.53
Alpha Star Holding III 6.250% 20.04.2022	USD	200,000	203	0.56
American Axle & Manufacturing 6.250% 15.03.2026	USD	12,000	12	0.03
American Axle & Manufacturing 6.500% 01.04.2027	USD	85,000	85	0.23
AngloGold Ashanti Holdings 5.125% 01.08.2022	USD	100,000	103	0.28
Braskem America Finance 7.125% 22.07.2041	USD	200,000	233	0.64
Cequel Communications Holdings I/Cequel Capital 7.750% 15.07.2025	USD	200,000	212	0.59
China Evergrande Group 8.750% 28.06.2025	USD	200,000	200	0.55
Continental Resources 4.500% 15.04.2023	USD	65,000	66	0.18
Digicel 6.000% 15.04.2021	USD	200,000	188	0.52
Energuate Trust 5.875% 03.05.2027	USD	200,000	201	0.56
Federal-Mogul Financing 4.875% 15.04.2022	EUR	100,000	124	0.34
Frontier Communications 7.125% 15.03.2019	USD	50,000	50	0.14
Frontier Communications 8.125% 01.10.2018	USD	75,000	76	0.21
Frontier Communications 8.500% 15.04.2020	USD	100,000	101	0.28
Genesis Energy 6.250% 15.05.2026	USD	270,000	258	0.71
GrupoSura Finance 5.500% 29.04.2026	USD	300,000	319	0.88
Industrial Senior Trust 5.500% 01.11.2022	USD	170,000	169	0.47
L Brands 5.250% 01.02.2028	USD	10,000	9	0.02
L Brands 6.875% 01.11.2035	USD	160,000	155	0.43

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Bonds – 94.75% (2017: 97.44%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
United States – 18.13% (2017: 15.56%) (continued)				
Longfor Properties 4.500% 16.01.2028	USD	200,000	192	0.53
Melco Resorts Finance 4.875% 06.06.2025	USD	200,000	192	0.53
Newfield Exploration 5.625% 01.07.2024	USD	140,000	148	0.41
Noble Holding International 7.750% 15.01.2024	USD	65,000	60	0.17
Noble Holding International 7.875% 01.02.2026	USD	10,000	10	0.03
Ooredoo International Finance 4.750% 16.02.2021	USD	200,000	206	0.57
QNB Finance 2.125% 07.09.2021	USD	200,000	190	0.53
Reliance Holding USA 5.400% 14.02.2022	USD	250,000	264	0.73
Saudi Electricity Global Sukuk 3 4.000% 08.04.2024	USD	400,000	403	1.11
Scientific Games International 5.500% 15.02.2026	EUR	100,000	117	0.32
Sprint 7.875% 15.09.2023	USD	150,000	153	0.42
Stillwater Mining 6.125% 27.06.2022	USD	400,000	401	1.11
Tencent Holdings 3.595% 19.01.2028	USD	200,000	192	0.53
Valeant Pharmaceuticals International 6.750% 15.08.2021	USD	215,000	216	0.61
Vantiv 3.875% 15.11.2025	GBP	100,000	139	0.38
Vistra Energy 6.750% 01.11.2019	USD	204,000	208	0.57
Weight Watchers International 8.625% 01.12.2025	USD	110,000	117	0.32
			6,563	18.13
Uruguay – 0.56% (2017: Nil)				
Arcos Dorados Holdings 5.875% 04.04.2027	USD	200,000	202	0.56
			202	0.56
Venezuela – 0.23% (2017: Nil)				
Petroleos de Venezuela 5.500% 12.04.2037	USD	300,000	83	0.23
			83	0.23
Total Bonds – 94.75% (2017: 97.44%)			34,280	94.75
Futures Options – 0.02% (2017: Nil)				
United States – 0.02% (2017: Nil)				
US 10 Year Treasury Note Futures May 2018 Put 119.500 20.04.2018	USD	35,000	2	0.01
US 10 Year Treasury Note Futures June 2018 Put 119.000 25.05.2018	USD	35,000	4	0.01
			6	0.02
Total Futures Options – 0.02% (2017: Nil)			6	0.02
FX Options – 0.03% (2017: 0.04%)				
Europe – 0.03% (2017: 0.04%)				
EUR SEK Put 9.800 05.12.2018	EUR	1,654,400	10	0.03
			10	0.03
Total FX Options – 0.03% (2017: 0.04%)			10	0.03
Futures – 0.39% (2017: 0.28%)				
Germany – Nil (2017: 0.02%)				
United States – 0.39% (2017: 0.26%)				
US 10 Year Treasury Note Futures June 2018	USD	138	140	0.39
			140	0.39
Total Futures – 0.39% (2017: 0.28%)			140	0.39

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Credit Default Swaps – 3.32% (2017: Nil)	Maturity Date	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Fixed (Buy Protection)					
Europe – 3.32% (2017: Nil)					
iTraxx X-Over CDS 500	21.12.2022	EUR	8,800,000	1,200	3.32
				1,200	3.32
Total Credit Default Swaps – 3.32% (2017: Nil)				1,200	3.32

Swaptions – 0.37% (2017: Nil)	Maturity Date	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Fixed (Buy Protection)					
Europe – 0.37% (2017: Nil)					
iTraxx X-Over CDS 275	22.12.2020	EUR	13,000,000	135	0.37
				135	0.37
Total Swaptions – 0.37% (2017: Nil)				135	0.37

Open Forward Foreign Currency Transactions – 0.51% (2017: 0.93%)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Gain US\$000	Mar 2018 % of NAV
Investment Level – 0.51% (2017: 0.68%)						
ZAR	11,610,538	MXN	18,451,467	11.05.2018	34	0.09
NZD	1,870,000	USD	1,374,515	11.05.2018	23	0.06
AUD	1,140,000	USD	892,330	11.05.2018	17	0.05
USD	971,364	CNH	6,176,087	11.05.2018	12	0.03
CAD	551,980	USD	440,000	11.05.2018	11	0.03
EUR	1,076,702	USD	1,337,490	30.04.2018	10	0.03
EUR	1,076,702	USD	1,337,490	30.04.2018	10	0.03
USD	973,190	CNH	6,176,087	11.05.2018	10	0.03
EUR	440,000	CAD	711,285	11.05.2018	10	0.03
SEK	5,724,896	EUR	565,000	11.05.2018	10	0.03
EUR	670,000	USD	835,094	11.05.2018	9	0.02
TRY	1,250,000	USD	320,685	18.05.2018	8	0.02
BRL	1,100,000	USD	335,458	18.05.2018	3	0.01
GBP	447,396	USD	631,028	30.04.2018	3	0.01
GBP	447,396	USD	631,028	30.04.2018	3	0.01
ZAR	4,900,000	USD	413,663	18.05.2018	2	0.01
GBP	447,396	USD	631,028	30.04.2018	2	0.01
GBP	390,000	USD	549,869	11.05.2018	2	0.01
NOK	3,089,853	CAD	510,000	11.05.2018	2	–
USD	409,950	ZAR	4,900,000	18.05.2018	1	–
EUR	322,500	USD	399,161	11.05.2018	1	–
JPY	75,822,820	EUR	580,000	11.05.2018	1	–
CAD	1,878,760	USD	1,460,000	11.05.2018	1	–
USD	826,064	EUR	670,000	11.05.2018	1	–
ZAR	59,462	MXN	94,643	11.05.2018	–*	–
CAD	250,825	USD	194,884	30.04.2018	–*	–
USD	415,000	BRL	1,375,310	18.05.2018	–*	–
EUR	900,000	CAD	1,431,738	08.06.2018	–*	–
EUR	1,903	USD	2,360	03.04.2018	–*	–
GBP	25	USD	35	03.04.2018	–*	–
					186	0.51

* Values are less than US\$500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial assets at fair value through profit or loss (continued)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Gain US\$000	Mar 2018 % of NAV
Share Class Level – 0.00% (2017: 0.25%)						
EUR	15,700	USD	19,497	27.04.2018	—*	—
GBP	11,684	USD	16,552	27.04.2018	—*	—
GBP	10,727	USD	15,196	27.04.2018	—*	—
					<u>—*</u>	<u>—</u>
Total Open Forward Foreign Currency Transactions – 0.51% (2017: 0.93%)					186	0.51

Total financial assets at fair value through profit or loss – 99.39% (2017: 98.69%) **35,957** **99.39**

Financial liabilities at fair value through profit or loss

Futures Options – (0.06)% (2017: Nil)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
United States – (0.06)% (2017: Nil)				
US 10 Year Treasury Note Futures May 2018 Call 121.500 20.04.2018	USD	(25,000)	(8)	(0.02)
US 10 Year Treasury Note Futures June 2018 Call 121.500 25.05.2018	USD	(25,000)	(15)	(0.04)
			<u>(23)</u>	<u>(0.06)</u>
Total Futures Options – (0.06)% (2017: Nil)				(0.06)

Futures – (0.47)% (2017: Nil)	Currency	No of Contracts	Unrealised Loss US\$000	Mar 2018 % of NAV
Germany – (0.24)% (2017: Nil)				
Euro-OAT Futures June 2018	EUR	(26)	(85)	(0.24)
			<u>(85)</u>	<u>(0.24)</u>
United Kingdom – (0.01)% (2017: Nil)				
UK Long Gilt Bond Futures June 2018	GBP	(2)	(5)	(0.01)
			<u>(5)</u>	<u>(0.01)</u>
United States – (0.22)% (2017: Nil)				
US 5 Year Treasury Note June 2018	USD	(76)	(29)	(0.08)
US Ultra Bond Futures June 2018	USD	(9)	(50)	(0.14)
			<u>(79)</u>	<u>(0.22)</u>
Total Futures – (0.47)% (2017: Nil)				(0.47)

Credit Default Swaps – (2.35)% (2017: Nil)	Maturity Date	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Fixed (Sell Protection)					
Europe – (0.99)% (2017: Nil)					
iTraxx CDS 100	21.12.2022	EUR	13,250,000	(358)	(0.99)
				<u>(358)</u>	<u>(0.99)</u>
United States – (1.36)% (2017: Nil)					
Markit NA.IG. CDX 100	21.12.2022	USD	26,000,000	(492)	(1.36)
				<u>(492)</u>	<u>(1.36)</u>
Total Credit Default Swaps – (2.35)% (2017: Nil)				(850)	(2.35)

* Values are less than US\$500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial liabilities at fair value through profit or loss (continued)

Swaptions – (0.28)% (2017: Nil)	Maturity Date	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Fixed (Sell Protection)					
Europe – (0.28)% (2017: Nil)					
iTraxx X-Over CDS 250	22.12.2020	EUR	13,000,000	(100)	(0.28)
				(100)	(0.28)
Total Swaptions – (0.28)% (2017: Nil)				(100)	(0.28)

Open Forward Foreign Currency Transactions – (1.01)% (2017: (1.55)%)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Loss US\$000	Mar 2018 % of NAV
Investment Level – (0.41)% (2017: (1.19)%)						
USD	19,465	EUR	15,700	04.04.2018	–*	–
USD	31,719	GBP	22,411	04.04.2018	–*	–
USD	950,000	INR	62,270,600	18.05.2018	–*	–
GBP	236,766	JPY	35,244,538	11.05.2018	(1)	–
GBP	473,234	JPY	70,510,114	11.05.2018	(1)	–
EUR	580,000	JPY	75,828,794	11.05.2018	(1)	–
EUR	450,000	USD	553,889	11.05.2018	(1)	–
USD	415,000	BRL	1,375,310	18.05.2018	(1)	–
USD	1,346,675	EUR	1,090,000	11.05.2018	(2)	(0.01)
NOK	3,355,000	SEK	3,549,754	11.05.2018	(2)	(0.01)
NOK	3,355,000	SEK	3,549,754	11.05.2018	(2)	(0.01)
NOK	9,325,095	CAD	1,530,000	11.05.2018	(3)	(0.01)
USD	53,773	NZD	623,333	11.05.2018	(3)	(0.01)
EUR	385,000	PLN	1,611,548	11.05.2018	(4)	(0.01)
EUR	385,000	PLN	1,611,548	11.05.2018	(4)	(0.01)
EUR	385,000	PLN	1,611,548	11.05.2018	(4)	(0.01)
EUR	385,000	PLN	1,611,548	11.05.2018	(4)	(0.01)
CAD	704,374	EUR	440,000	11.05.2018	(4)	(0.01)
USD	553,817	GBP	390,000	11.05.2018	(6)	(0.02)
USD	907,904	NZD	1,246,667	11.05.2018	(7)	(0.02)
EUR	565,000	SEK	5,745,174	11.05.2018	(7)	(0.02)
USD	440,000	CAD	554,583	11.05.2018	(9)	(0.03)
CAD	1,445,090	EUR	900,000	08.06.2018	(10)	(0.03)
USD	452,387	AUD	570,000	11.05.2018	(15)	(0.04)
CNH	12,352,174	USD	1,940,000	11.05.2018	(26)	(0.07)
CAD	2,040,000	NOK	12,178,718	11.05.2018	(30)	(0.08)
					(147)	(0.41)

Share Class Level – (0.60)% (2017: (0.36)%)

USD	35	GBP	25	27.04.2018	–*	–
USD	241	GBP	169	27.04.2018	–*	–
USD	400	GBP	283	27.04.2018	–*	–
USD	2,363	EUR	1,903	27.04.2018	–*	–
USD	1,683	NOK	12,976	27.04.2018	–*	–
USD	3,144	GBP	2,219	27.04.2018	–*	–
USD	6,687	GBP	4,718	27.04.2018	–*	–
USD	6,589	NOK	50,816	27.04.2018	–*	–
USD	21,614	EUR	17,396	27.04.2018	–*	–
USD	26,999	GBP	19,052	27.04.2018	–*	–
USD	34,055	EUR	27,408	27.04.2018	–*	–
USD	31,809	GBP	22,438	27.04.2018	–*	–
USD	49,739	EUR	40,032	27.04.2018	–*	–
USD	55,793	GBP	39,371	27.04.2018	(1)	–
USD	109,032	NOK	840,533	27.04.2018	(2)	–
USD	243,686	GBP	171,900	27.04.2018	(2)	(0.01)

* Values are less than US\$500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C High Income Bond Fund (continued)

Financial liabilities at fair value through profit or loss (continued)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Loss US\$000	Mar 2018 % of NAV
Share Class Level – (0.60)% (2017: (0.36)%) (continued)						
USD	508,585	GBP	358,765	27.04.2018	(5)	(0.01)
USD	497,689	NOK	3,836,701	27.04.2018	(8)	(0.02)
USD	2,160,186	GBP	1,523,833	27.04.2018	(20)	(0.06)
USD	3,342,864	EUR	2,689,222	27.04.2018	(29)	(0.08)
USD	4,308,266	GBP	3,039,127	27.04.2018	(41)	(0.11)
USD	5,299,232	EUR	4,263,054	27.04.2018	(46)	(0.12)
USD	7,658,597	EUR	6,161,084	27.04.2018	(66)	(0.19)
					(220)	(0.60)
Total Open Forward Foreign Currency Transactions – (1.01)% (2017: (1.55)%)					(367)	(1.01)
					Fair Value US\$000	Mar 2018 % of NAV
Total financial liabilities at fair value through profit or loss – (4.17)% (2017: (1.55)%)					(1,509)	(4.17)
Total investments at fair value through profit or loss – 95.22% (2017: 97.14%)					34,448	95.22
Cash at bank – 6.65% (2017: 1.37%)					2,404	6.65
Margin cash – 0.53% (2017: 0.96%)					190	0.53
Cash collateral – 2.90% (2017: Nil)					1,050	2.90
Due to broker – (3.87)% (2017: Nil)					(1,400)	(3.87)
Other net liabilities – (1.43)% (2017: 0.53%)					(516)	(1.43)
Total Net Assets					36,176	100.00
Analysis of Portfolio (unaudited)					% of Gross Assets	
Transferable securities admitted to official stock exchange listing					70.12	
Transferable securities dealt in on another regulated market					13.90	
Other transferable securities of the type referred to in Regulation 68(1)(a), (b), (c)					0.38	
OTC financial derivative instruments					3.78	
Exchange traded financial derivative instruments					0.35	
Other assets					11.47	
					100.00	

The counterparties and brokers to the derivative contracts held on the Fund at 31 March 2018 are as follows:

Futures Options: Goldman Sachs

FX Options: Barclays Bank

Futures: Goldman Sachs

Credit Default Swaps: BNY Mellon and Goldman Sachs

Swaptions: Goldman Sachs

Forwards: Bank of Montreal, Barclays Bank, BNP Paribas, Canadian Imperial Bank of Commerce, HSBC Bank, ING Bank, JP Morgan, Rabobank, Royal Bank of Canada, Societe Generale, State Street Bank and Trust, Westpac Banking

* Values are less than US\$500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

Eastern European Fund

Financial assets at fair value through profit or loss

Equities – 93.98% (2017: 94.56%)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Czech Republic – 7.19% (2017: 5.31%)				
Komerční Banka	CZK	36,924	1,686	2.56
Philip Morris	CZK	3,661	3,049	4.63
			<u>4,735</u>	<u>7.19</u>
Georgia – 11.31% (2017: 11.73%)				
Bank of Georgia Holdings	GBP	109,201	5,484	8.33
Georgia Healthcare Group	GBP	460,919	1,965	2.98
			<u>7,449</u>	<u>11.31</u>
Greece – 7.57% (2017: 2.28%)				
JUMBO	EUR	90,852	1,623	2.46
OPAP	EUR	153,328	1,755	2.67
Sarantis	EUR	91,294	1,608	2.44
			<u>4,986</u>	<u>7.57</u>
Netherlands – 6.77% (2017: 2.70%)				
DP Eurasia	GBP	900,416	2,571	3.91
Yandex	USD	46,748	1,881	2.86
			<u>4,452</u>	<u>6.77</u>
Poland – 12.27% (2017: 12.18%)				
AmRest Holdings	PLN	38,470	4,935	7.49
Bank Zachodni	PLN	14,161	1,505	2.29
Powszechny Zakład Ubezpieczeń	PLN	133,881	1,640	2.49
			<u>8,080</u>	<u>12.27</u>
Portugal – 4.35% (2017: 5.33%)				
Jeronimo Martins	EUR	157,024	2,862	4.35
			<u>2,862</u>	<u>4.35</u>
Romania – 3.50% (2017: 2.79%)				
Banca Transilvania	RON	3,337,525	2,306	3.50
			<u>2,306</u>	<u>3.50</u>
Russia – 24.89% (2017: 31.38%)				
Magnit	USD	32,226	2,615	3.97
Magnit GDR	USD	128,060	2,360	3.58
MegaFon GDR	USD	141,098	1,395	2.12
Mobile Telesystems ADR	USD	179,568	2,031	3.08
Moscow Exchange MICEX-RTS	RUB	2,058,460	4,191	6.36
NovaTek GDR	USD	6,441	877	1.34
Sberbank of Russia ADR	USD	157,301	2,923	4.44
			<u>16,392</u>	<u>24.89</u>
Turkey – 16.13% (2017: 20.86%)				
BİM Birlesik Magazalar	TRY	208,250	3,754	5.70
Coca-Cola İçecek	TRY	106,053	965	1.47
Logo Yazılım Sanayi Ve Ticaret	TRY	131,528	1,630	2.48
Türkiye Garanti Bankası	TRY	546,992	1,502	2.28
Türkiye Sınai Kalkınma Bankası	TRY	7,172,077	2,766	4.20
			<u>10,617</u>	<u>16.13</u>
Total Equities – 93.98% (2017: 94.56%)			61,879	93.98

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

Eastern European Fund (continued)

Financial assets at fair value through profit or loss (continued)

	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Investment Funds – 3.34% (2017: 4.66%)				
Romania – 3.34% (2017: 4.66%)				
Fondul Proprietatea (Non-UCITS) ETF	RON	8,945,532	2,202	3.34
			<u>2,202</u>	<u>3.34</u>
Total Investment Funds – 3.34% (2017: 4.66%)			2,202	3.34
Total financial assets at fair value through profit or loss – 97.32% (2017: 99.22%)			64,081	97.32
Cash at bank – 3.16% (2017: 1.07%)			2,082	3.16
Other net liabilities – (0.48)% (2017: (0.29)%)			(317)	(0.48)
Total Net Assets			<u>65,846</u>	<u>100.00</u>

Analysis of Portfolio (unaudited)

	% of Gross Assets
Transferable securities admitted to an official stock exchange listing	93.43
Investment funds	3.33
Other assets	3.24
	<u>100.00</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Global Emerging Markets Fund

Financial assets at fair value through profit or loss

	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Equities – 100.16% (2017: 96.22%)				
Brazil – 0.59% (2017: 0.72%)				
CCR	BRL	40,900	154	0.59
			154	0.59
Chile – 1.11% (2017: 1.48%)				
Aguas Andinas	CLP	442,172	289	1.11
			289	1.11
China – 3.48% (2017: 1.96%)				
Foshan Haitian Flavouring & Food	CNY	64,133	585	2.25
Tingyi Cayman Islands Holding	HKD	154,000	319	1.23
			904	3.48
Egypt – 4.48% (2017: 4.52%)				
Commercial International Bank Egypt GDR	USD	171,416	871	3.36
Eastern Tobacco	EGP	8,651	292	1.12
			1,163	4.48
Hong Kong – 10.65% (2017: 6.63%)				
AIA Group	HKD	99,200	840	3.24
Dairy Farm International Holdings	USD	82,046	652	2.51
Sands China	HKD	236,800	1,273	4.90
			2,765	10.65
India – 19.56% (2017: 29.74%)				
Colgate-Palmolive India	INR	17,682	285	1.10
Emami	INR	37,564	616	2.37
HDFC Bank	INR	30,494	884	3.40
ICICI Bank	INR	241,219	1,031	3.97
ITC	INR	288,466	1,128	4.35
Yes Bank	INR	241,738	1,134	4.37
			5,078	19.56
Indonesia – 8.08% (2017: 15.26%)				
Bank Mandiri Persero	IDR	2,481,000	1,383	5.33
Bank Rakyat Indonesia Persero	IDR	2,730,300	714	2.75
			2,097	8.08
Malaysia – 5.32% (2017: 1.29%)				
British American Tobacco Malaysia	MYR	118,800	808	3.11
Public Bank	MYR	92,500	574	2.21
			1,382	5.32
Mexico – 10.56% (2017: 11.88%)				
Bolsa Mexicana de Valores	MXN	373,352	711	2.74
Fomento Economico Mexicano	MXN	69,000	629	2.42
Wal-Mart de Mexico	MXN	555,864	1,401	5.40
			2,741	10.56

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Global Emerging Markets Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 100.16% (2017: 96.22%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Nigeria – 1.59% (2017: 0.84%)				
Guaranty Trust Bank	NGN	3,319,527	414	1.59
			414	1.59
Peru – 2.36% (2017: 1.37%)				
Credicorp	USD	2,697	612	2.36
			612	2.36
Philippines – 4.82% (2017: 3.99%)				
Universal Robina	PHP	429,620	1,252	4.82
			1,252	4.82
Russia – 4.60% (2017: Nil)				
Magnit	USD	14,812	1,194	4.60
			1,194	4.60
South Africa – 6.90% (2017: 5.93%)				
Clicks Group	ZAR	30,989	476	1.83
Famous Brands	ZAR	42,778	405	1.56
Mr Price Group	ZAR	37,931	912	3.51
			1,793	6.90
Taiwan – 2.51% (2017: 1.69%)				
President Chain Store	TWD	65,000	653	2.51
			653	2.51
Thailand – 2.17% (2017: 1.98%)				
Kasikornbank NVDR	THB	83,200	564	2.17
			564	2.17
Turkey – 1.63% (2017: 2.96%)				
BIM Birlesik Magazalar	TRY	23,494	423	1.63
			423	1.63
United States – 9.75% (2017: 3.98%)				
PriceSmart	USD	4,600	384	1.48
Western Union	USD	34,054	655	2.52
Yum China Holdings	USD	35,955	1,492	5.75
			2,531	9.75
Total Equities – 100.16% (2017: 96.22%)			26,009	100.16
Rights – Nil (2017: 0.05%)				
South Africa – Nil (2017: 0.05%)				

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Global Emerging Markets Fund (continued)

	Fair Value US\$000	Mar 2018 % of NAV
Total financial assets at fair value through profit or loss – 100.16% (2017: 96.27%)	26,009	100.16
Cash at bank – 6.01% (2017: 5.08%)	1,561	6.01
Other net liabilities – (6.17)% (2017: (1.35)%)	(1,603)	(6.17)
Total Net Assets	25,967	100.00
Analysis of Portfolio (unaudited)	% of	Gross Assets
Transferable securities admitted to an official stock exchange listing	91.64	
Other assets	8.36	
	100.00	

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Securities Fund

Financial assets at fair value through profit or loss

Equities – 77.02% (2017: 53.10%)	Currency	Nominal Holding	Fair Value £000	Mar 2018 % of NAV
Diversified – 17.51% (2017: 15.39%)				
Aedifica	EUR	52,710	3,457	1.76
Befimmo	EUR	12,539	577	0.29
CA Immobilien Anlagen	EUR	75,722	1,802	0.92
Castellum	SEK	156,896	1,823	0.93
D Carnegie & Co	SEK	462,444	4,838	2.47
Dios Fastigheter	SEK	80,161	384	0.20
Hemfosa Fastigheter	SEK	270,633	2,334	1.19
Hemfosa Fastigheter Pref	SEK	16,478	259	0.13
Inmobiliaria Colonial Socimi	EUR	295,466	2,435	1.24
Kungsleden	SEK	194,909	925	0.47
LondonMetric Property	GBP	257,758	459	0.24
Merlin Properties Socimi	EUR	346,428	3,778	1.93
Nieuwe Steen Investments	EUR	18,697	560	0.29
PSP Swiss Property	CHF	54,361	3,772	1.93
Swiss Prime Site	CHF	45,907	3,159	1.61
Technopolis	EUR	42,482	137	0.07
Wihlborgs Fastigheter	SEK	218,393	3,595	1.84
			34,294	17.51
Healthcare – 1.21% (2017: 0.45%)				
Assura	GBP	3,624,367	2,149	1.10
Target Healthcare	GBP	218,638	225	0.11
			2,374	1.21
Hotels – 2.71% (2017: 2.63%)				
Hispania Activos Inmobiliarios Socimi	EUR	292,510	4,431	2.26
Pandox	SEK	69,806	890	0.45
			5,321	2.71
Industrials – 1.38% (2017: 3.42%)				
Warehouses De Pauw	EUR	30,515	2,702	1.38
			2,702	1.38
Offices – 12.98% (2017: 5.77%)				
Aroundtown	EUR	654,147	3,613	1.84
DIC Asset	EUR	137,896	1,238	0.63
Entra	NOK	75,298	730	0.37
Fabege	SEK	657,193	10,114	5.16
Fonciere Des Regions	EUR	8,806	692	0.35
Gecina	EUR	9,266	1,146	0.59
Godewind Immobilien	EUR	412,580	1,447	0.74
Green	EUR	640,443	850	0.43
Hibernia	EUR	676,431	857	0.44
Icade	EUR	5,580	386	0.20
Norwegian Property	NOK	1,018,360	936	0.48
Sirius Real Estate	GBP	1,430,332	881	0.45
TLG Immobilien	EUR	130,083	2,543	1.30
			25,433	12.98
Opportunistic – Nil (2017: 0.10%)				

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Securities Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 77.02% (2017: 53.10%) (continued)	Currency	Nominal Holding	Fair Value £000	Mar 2018 % of NAV
Residential – 25.76% (2017: 20.96%)				
Deutsche Wohnen	EUR	506,142	16,818	8.59
Fastighets Balder	SEK	103,777	1,851	0.94
Irish Residential Properties	EUR	364,090	444	0.23
LEG Immobilien	EUR	108,246	8,668	4.42
TAG Immobilien	EUR	233,853	3,457	1.76
Victoria Park	SEK	105,080	284	0.14
Vonovia	EUR	537,330	18,961	9.68
			<u>50,483</u>	<u>25.76</u>
Retail – 0.30% (2017: Nil)				
Shaftesbury	GBP	58,925	579	0.30
			<u>579</u>	<u>0.30</u>
Self Storage – Nil (2017: 0.26%)				
Shopping Centres – 13.74% (2017: 2.92%)				
Carmila	EUR	10,864	229	0.12
Eurocommercial Properties	EUR	381,392	11,221	5.73
Hamborner	EUR	63,621	526	0.27
Immobiliare Grande Distribuzione	EUR	55,820	207	0.11
Klepierre	EUR	7,233	208	0.11
Lar Espana Real Estate Socimi	EUR	53,213	455	0.23
Mercialys	EUR	49,909	683	0.35
Unibail-Rodamco	EUR	82,071	13,358	6.82
			<u>26,887</u>	<u>13.74</u>
Student Housing – 1.43% (2017: 1.20%)				
UNITE Group	GBP	225,826	1,787	0.91
Xior Student Housing	EUR	32,949	1,024	0.52
			<u>2,811</u>	<u>1.43</u>
Total Equities – 77.02% (2017: 53.10%)			150,884	77.02
Investment Funds – 0.44% (2017: 0.81%)				
Picton Property Income (Non-UCITS) ETF	GBP	1,013,455	854	0.44
Total Investment Funds – 0.44% (2017: 0.81%)			854	0.44
Contracts for Difference – 2.09% (2017: 0.97%)				
Diversified – 0.14% (2017: 0.11%)				
Allreal Holding	CHF	(21,612)	68	0.03
Cofinimmo	EUR	(25,175)	59	0.03
Kloven	SEK	(1,426,405)	99	0.05
LondonMetric Property	GBP	845,388	30	0.02
Mobimo Holding	CHF	(2,725)	10	0.01
Schroder Real Estate Investment Trust	GBP	(487,993)	2	–
			<u>268</u>	<u>0.14</u>
Healthcare – 0.01% (2017: 0.08%)				
Assura	GBP	1,044,677	8	–
MedicX Fund	GBP	(313,212)	28	0.01
Primary Health Properties (Class C shares)	GBP	27,515	1	–
			<u>37</u>	<u>0.01</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Securities Fund (continued)

Financial assets at fair value through profit or loss (continued)

Contracts for Difference – 2.09% (2017: 0.97%) (continued)	Currency	Nominal Holding	Unrealised Gain £000	Mar 2018 % of NAV
Industrials – 0.50% (2017: 0.20%)				
Hansteen Holdings	GBP	(667,249)	91	0.05
Segro	GBP	1,531,687	882	0.45
			<u>973</u>	<u>0.50</u>
Offices – 0.42% (2017: 0.19%)				
Derwent London	GBP	53,411	192	0.10
Fonciere Des Regions	EUR	16,946	51	0.03
Gecina	EUR	63,660	43	0.02
Helical	GBP	71,475	13	0.01
Hufvudstaden	SEK	(303,858)	272	0.14
ICADE	EUR	17,975	75	0.04
Workspace Group	GBP	177,135	163	0.08
			<u>809</u>	<u>0.42</u>
Residential – 0.02% (2017: 0.07%)				
Grainger	GBP	423,132	38	0.02
			<u>38</u>	<u>0.02</u>
Retail – 0.21% (2017: 0.10%)				
Capital & Counties Properties	GBP	393,637	43	0.02
Capital & Regional	GBP	3,157,420	35	0.02
Hammerson	GBP	827,158	334	0.17
			<u>412</u>	<u>0.21</u>
Self Storage – 0.10% (2017: 0.09%)				
Big Yellow Group	GBP	54,000	22	0.01
Safestore Holdings	GBP	484,618	177	0.09
			<u>199</u>	<u>0.10</u>
Shopping Centres – 0.38% (2017: 0.07%)				
Carmila	EUR	11,523	–*	–
Citycon	EUR	(1,551,594)	396	0.20
Deutsche Euroshop	EUR	(147,710)	226	0.12
Wereldhave	EUR	(16,810)	125	0.06
			<u>747</u>	<u>0.38</u>
Student Housing – 0.31% (2017: 0.06%)				
UNITE Group	GBP	949,648	610	0.31
			<u>610</u>	<u>0.31</u>
Total Contracts for Difference – 2.09% (2017: 0.97%)			4,093	2.09

* Values are less than £500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Securities Fund (continued)

Financial assets at fair value through profit or loss (continued)

Open Forward Foreign Currency Transactions – 0.10% (2017: 0.03%)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Gain £000	Mar 2018 % of NAV
Investment Level – 0.10% (2017: 0.03%)						
SEK	146,600,000	GBP	12,695,389	24.05.2018	198	0.10
					198	0.10
Share Class Level – 0.00% (2017: 0.00%)						
GBP	10,944	EUR	12,502	27.04.2018	–*	–
GBP	2,395,877	EUR	2,732,219	27.04.2018	1	–
GBP	7,137,931	EUR	8,139,979	27.04.2018	3	–
					4	–
Total Open Forward Foreign Currency Transactions – 0.10% (2017: 0.03%)					202	0.10

Total financial assets at fair value through profit or loss – 79.65% (2017: 54.91%)

156,033 79.65

Financial liabilities at fair value through profit or loss

Contracts for Difference – (0.55)% (2017: (1.52)%)		Currency	Nominal Holding	Unrealised Loss £000	Mar 2018 % of NAV
Diversified – (0.08)% (2017: (0.64)%)					
British Land		GBP	(278,892)	(26)	(0.01)
Kungsleden		SEK	5,925	(1)	–
Land Securities Group		GBP	930,723	(71)	(0.04)
RDI		GBP	838,518	(40)	(0.02)
Technopolis		EUR	58,050	(10)	(0.01)
				(148)	(0.08)
Healthcare – (0.02)% (2017: (0.01)%)					
Primary Health Properties		GBP	467,758	(22)	(0.01)
Target Healthcare		GBP	144,019	(17)	(0.01)
				(39)	(0.02)
Industrials – (0.00)% (2017: (0.11)%)					
Tritax Big Box		GBP	1,420,059	(8)	–
				(8)	–
Offices – (0.09)% (2017: (0.21)%)					
Alstria Office		EUR	(237,415)	(39)	(0.02)
Beni Stabili		EUR	(362,867)	(2)	–
Great Portland Estates		GBP	251,226	(129)	(0.07)
				(170)	(0.09)
Offshore Propcos – Nil (2017: (0.00)%)					
Opportunistic – Nil (2017: (0.20)%)					
Residential – (0.11)% (2017: (0.04)%)					
ADO Properties		EUR	(58,370)	(54)	(0.03)
Grand City Properties		EUR	(232,096)	(104)	(0.05)
Wallenstam		SEK	(107,539)	(56)	(0.03)
				(214)	(0.11)
Retail – (0.09)% (2017: (0.12)%)					
Intu Properties		GBP	937,548	(53)	(0.02)
NewRiver		GBP	287,909	(115)	(0.06)
Shaftesbury		GBP	314,808	(11)	(0.01)
				(179)	(0.09)

* Values are less than £500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Securities Fund (continued)

Financial liabilities at fair value through profit or loss (continued)

	Currency	Nominal Holding	Unrealised Loss £000	Mar 2018 % of NAV
Contracts for Difference – (0.55)% (2017: (1.52)%) (continued)				
Shopping Centres – (0.15)% (2017: (0.19)%)				
Klepierre	EUR	157,187	(49)	(0.03)
Mercialys	EUR	78,329	(79)	(0.04)
Unibail-Rodamco	EUR	8,331	(152)	(0.08)
Vastned Retail	EUR	(13,070)	(7)	–
			(287)	(0.15)
Student Housing – (0.01)% (2017: Nil)				
Empiric Student Property	GBP	578,456	(15)	(0.01)
			(15)	(0.01)
Total Contracts for Difference – (0.55)% (2017: (1.52)%)			(1,060)	(0.55)

Open Forward Foreign Currency Transactions – (0.00)% (2017: (0.12)%)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Loss £000	Mar 2018 % of NAV
Investment Level – (0.00)% (2017: (0.00)%)						
GBP	2,205,393	CHF	2,950,000	24.05.2018	(5)	–
					(5)	–
Share Class Level – (0.00)% (2017: (0.12)%)						
EUR	16,591	GBP	14,555	27.04.2018	–*	–
EUR	67,155	GBP	58,914	27.04.2018	–*	–
GBP	200	NOK	2,178	27.04.2018	–*	–
GBP	674,770	NOK	7,374,104	27.04.2018	(5)	–
					(5)	–
Total Open Forward Foreign Currency Transactions – (0.00)% (2017: (0.12)%)					(10)	–
Total financial liabilities at fair value through profit or loss – (0.55)% (2017: (1.64)%)					(1,070)	(0.55)

	Fair value £000	Mar 2018 % of NAV
Total investments at fair value through profit or loss – 79.10% (2017: 53.27%)	154,963	79.10
Cash at bank – 10.86% (2017: 28.22%)	21,275	10.86
Cash collateral – 13.32% (2017: 17.85%)	26,098	13.32
Due to broker – (1.48)% (2017: Nil)	(2,905)	(1.48)
Other net liabilities – (1.80)% (2017: 0.66%)	(3,535)	(1.80)
Total Net Assets	195,896	100.00

	% of Gross Assets
Analysis of Portfolio (unaudited)	
Transferable securities admitted to an official stock exchange listing	73.72
Investment funds	0.42
OTC financial derivative instruments	2.10
Other assets	23.76
	100.00

The counterparties to the derivative contracts held on this fund at 31 March 2018 are as follows:

Forwards: Goldman Sachs, HSBC Bank, JP Morgan, State Street Bank and Trust

Contracts for Difference: Goldman Sachs

* Values are less than £500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund

Financial assets at fair value through profit or loss

	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Bonds – 10.32% (2017: 17.99%)				
Sovereign – 10.32% (2017: 17.99%)				
France Treasury 0% Bill BTF 24.05.2018	EUR	10,000,000	10,009	5.16
France Treasury 0% Bill BTF 15.08.2018	EUR	10,000,000	10,024	5.16
			<u>20,033</u>	<u>10.32</u>
Total Bonds – 10.32% (2017: 17.99%)			20,033	10.32
Certificates of Deposit – Nil (2017: 9.00%)				
Diversified – Nil (2017: 9.00%)				
Equities – 41.85% (2017: 27.94%)				
Apartments – 0.39% (2017: 0.20%)				
Mid-America Apartment Communities	USD	5,300	393	0.20
UDR	USD	12,600	367	0.19
			<u>760</u>	<u>0.39</u>
Diversified – 7.95% (2017: 5.38%)				
Aedifica	EUR	69,175	5,174	2.67
D Carnegie & Co	SEK	416,100	4,966	2.56
Hemfosa Fastigheter	SEK	106,176	1,044	0.54
LondonMetric Property	GBP	392,693	798	0.41
NSI	EUR	1,951	67	0.03
PSP Swiss Property	CHF	11,609	919	0.47
Wihlborgs Fastigheter	SEK	130,883	2,458	1.27
			<u>15,426</u>	<u>7.95</u>
Healthcare – 1.45% (2017: 1.19%)				
Assura	GBP	2,219,953	1,502	0.77
Healthcare Trust of America	USD	31,100	670	0.35
Ventas	USD	16,100	650	0.33
			<u>2,822</u>	<u>1.45</u>
Hotels – 2.74% (2017: 3.69%)				
Hispania Activos Inmobiliarios SOCIMI	EUR	220,829	3,816	1.97
Host Hotels & Resorts	USD	36,000	548	0.28
Pandox	SEK	8,865	129	0.07
Pebblebrook Hotel Trust	USD	8,600	243	0.13
Sunstone Hotel Investors	USD	45,400	563	0.29
			<u>5,299</u>	<u>2.74</u>
Industrials – 2.16% (2017: 2.56%)				
Duke Realty	USD	71,100	1,531	0.79
First Industrial Realty Trust	USD	57,500	1,367	0.70
Warehouses De Pauw	EUR	12,930	1,306	0.67
			<u>4,204</u>	<u>2.16</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 41.85% (2017: 27.94%) (continued)	Currency	Nominal Holding	Fair value €000	Mar 2018 % of NAV
Manufactured Homes – 0.45% (2017: 0.37%)				
Sun Communities	USD	11,600	865	0.45
			<u>865</u>	<u>0.45</u>
Offices – 9.79% (2017: 5.43%)				
Aroundtown	EUR	339,890	2,141	1.10
Corporate Office Properties Trust	USD	20,900	439	0.23
DIC Asset	EUR	95,714	980	0.51
Empire State Realty Trust	USD	30,400	417	0.21
Fabege	SEK	524,642	9,209	4.74
Godewind Immobilien	EUR	463,709	1,855	0.96
Highwoods Properties	USD	12,000	425	0.22
Norwegian Property	NOK	1,162,750	1,219	0.63
Sirius Real Estate	GBP	1,453,072	1,021	0.53
TLG Immobilien	EUR	38,601	861	0.44
Washington Real Estate Investment Trust	USD	19,000	425	0.22
			<u>18,992</u>	<u>9.79</u>
Residential – 6.25% (2017: 7.22%)				
Deutsche Wohnen	EUR	143,865	5,452	2.81
LEG Immobilien	EUR	40,543	3,703	1.91
TAG Immobilien	EUR	88,038	1,484	0.76
Victoria Park	SEK	106,240	327	0.17
Vonovia	EUR	28,857	1,161	0.60
			<u>12,127</u>	<u>6.25</u>
Retail – 1.44% (2017: 0.23%)				
American Assets Trust	USD	22,800	623	0.32
Regency Centers	USD	12,500	601	0.31
Retail Properties of America	USD	62,200	594	0.31
Shaftesbury	GBP	31,954	358	0.18
Weingarten Realty Investors	USD	27,100	622	0.32
			<u>2,798</u>	<u>1.44</u>
Self Storage – 0.30% (2017: 0.29%)				
CubeSmart	USD	25,000	574	0.30
			<u>574</u>	<u>0.30</u>
Shopping Centres – 5.37% (2017: Nil)				
Eurocommercial Properties	EUR	310,503	10,421	5.37
			<u>10,421</u>	<u>5.37</u>
Single Family Rental – 0.51% (2017: 0.24%)				
Invitation Homes	USD	52,850	981	0.51
			<u>981</u>	<u>0.51</u>
Student Housing – 2.27% (2017: 0.52%)				
American Campus Communities	USD	36,600	1,150	0.59
UNITE Group	GBP	230,550	2,081	1.07
Xior Student Housing	EUR	33,387	1,185	0.61
			<u>4,416</u>	<u>2.27</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 41.85% (2017: 27.94%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Technology – 0.50% (2017: 0.31%)				
American Tower	USD	2,700	318	0.16
CoreSite Realty	USD	3,800	312	0.16
Equinix	USD	1,000	341	0.18
			<u>971</u>	<u>0.50</u>
Triple Net – 0.28% (2017: 0.31%)				
STORE Capital	USD	26,700	538	0.28
			<u>538</u>	<u>0.28</u>
Total Equities – 41.85% (2017: 27.94%)			81,194	41.85
Contracts for Difference – 2.67% (2017: 1.24%)	Currency	Nominal Holding	Unrealised Gain €000	Mar 2018 % of NAV
Apartments – Nil (2017: 0.00%)				
Diversified – 0.39% (2017: 0.19%)				
Aedifica	EUR	(36,771)	252	0.13
Allreal Holding	CHF	(37,422)	162	0.08
Cofinimmo	EUR	(44,520)	143	0.07
Klovern	SEK	(1,782,124)	148	0.08
Mobimo Holding	CHF	(8,808)	60	0.03
Schroder Real Estate Investment Trust	GBP	(1,137,379)	9	–
			<u>774</u>	<u>0.39</u>
Healthcare – 0.09% (2017: 0.07%)				
Healthcare Realty Trust	USD	(29,100)	41	0.02
MedicX Fund	GBP	(913,346)	130	0.07
			<u>171</u>	<u>0.09</u>
Hotels – 0.03% (2017: Nil)				
Park Hotels & Resorts	USD	(24,976)	22	0.01
Pebblebrook Hotel Trust	USD	(27,700)	30	0.02
			<u>52</u>	<u>0.03</u>
Industrials – 0.47% (2017: 0.05%)				
EastGroup Properties	USD	(21,700)	94	0.05
Hansteen Holdings	GBP	(964,543)	147	0.08
PS Business Parks	USD	(16,100)	182	0.09
Segro	GBP	679,648	486	0.25
			<u>909</u>	<u>0.47</u>
Mall – Nil (2017: 0.11%)				
Manufactured Homes – 0.00% (2017: Nil)				
Equity LifeStyle Properties	USD	(11,600)	–*	–
			<u>–*</u>	<u>–</u>

* Values are less than €500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund (continued)

Financial assets at fair value through profit or loss (continued)

Contracts for Difference – 2.67% (2017: 1.24%) (continued)	Currency	Nominal Holding	Unrealised Gain €000	Mar 2018 % of NAV
Offices – 0.37% (2017: 0.22%)				
Beni Stabili	EUR	(1,194,535)	10	0.01
Hufvudstaden	SEK	(434,223)	422	0.21
ICADE	EUR	(13,200)	26	0.01
Mack-Cali Realty	USD	(23,500)	115	0.06
Paramount Group	USD	(29,300)	40	0.02
Piedmont Office Realty Trust	USD	(24,600)	33	0.02
Workspace Group	GBP	50,677	74	0.04
			<u>720</u>	<u>0.37</u>
Retail – 0.08% (2017: 0.18%)				
Brixmor Property Group	USD	(47,400)	14	0.01
Capital & Counties Properties	GBP	(304,952)	112	0.05
DDR	USD	(98,500)	3	–
Kimco Realty	USD	(50,500)	32	0.02
			<u>161</u>	<u>0.08</u>
Self Storage – 0.07% (2017: 0.09%)				
Safestore Holdings	GBP	271,293	144	0.07
			<u>144</u>	<u>0.07</u>
Shopping Centres – 0.84% (2017: 0.23%)				
Citycon	EUR	(1,913,833)	544	0.28
Deutsche EuroShop	EUR	(185,495)	269	0.14
Klepierre	EUR	(44,128)	154	0.08
Unibail-Rodamco	EUR	(10,489)	224	0.12
Wereldhave	EUR	(54,542)	430	0.22
			<u>1,621</u>	<u>0.84</u>
Single Family Rental – 0.01% (2017: Nil)				
American Homes 4 Rent	USD	(60,800)	16	0.01
			<u>16</u>	<u>0.01</u>
Student Housing – 0.30% (2017: 0.10%)				
Education Realty Trust	USD	(41,985)	42	0.02
GCP Student Living	GBP	(365,881)	29	0.01
UNITE Group	GBP	687,485	522	0.27
			<u>593</u>	<u>0.30</u>
Technology – 0.01% (2017: Nil)				
Digital Realty Trust	USD	(11,200)	10	0.01
			<u>10</u>	<u>0.01</u>
Triple Net – 0.01% (2017: 0.00%)				
Vereit	USD	(99,100)	14	0.01
			<u>14</u>	<u>0.01</u>
Total Contracts for Difference – 2.67% (2017: 1.24%)			5,185	2.67

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund (continued)

Financial assets at fair value through profit or loss (continued)

Open Forward Foreign Currency Transactions – 0.24% (2017: 0.59%)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Gain €000	Mar 2018 % of NAV
Investment Level – 0.23% (2017: 0.01%)						
SEK	184,800,000	EUR	18,319,339	24.05.2018	378	0.19
GBP	5,560,000	EUR	6,359,300	24.05.2018	27	0.01
NOK	14,678,000	EUR	1,542,747	24.05.2018	26	0.01
USD	20,011,000	EUR	16,228,337	24.05.2018	15	0.01
CHF	2,260,000	EUR	1,931,938	24.05.2018	12	0.01
EUR	111,669	USD	138,939	03.04.2018	1	–
					459	0.23
Share Class Level – 0.01% (2017: 0.58%)						
EUR	1,352,942	USD	1,681,788	27.04.2018	12	0.01
GBP	2,261	EUR	2,583	27.04.2018	–*	–
GBP	41,662	EUR	47,495	27.04.2018	–*	–
					12	0.01
Total Open Forward Foreign Currency Transactions – 0.24% (2017: 0.59%)					471	0.24
Total financial assets at fair value through profit or loss – 55.08% (2017: 56.76%)					106,883	55.08

Financial liabilities at fair value through profit or loss

Contracts for Difference – (1.20)% (2017: (2.79)%)	Currency	Nominal Holding	Unrealised Loss €000	Mar 2018 % of NAV
Apartments – (0.02)% (2017: (0.00)%)				
AvalonBay Communities	USD	(2,900)	(20)	(0.01)
Camden Property Trust	USD	(5,700)	(19)	(0.01)
			(39)	(0.02)
Diversified – (0.52)% (2017: (1.37)%)				
British Land	GBP	(1,383,497)	(673)	(0.35)
Castellum	SEK	(126,488)	(127)	(0.07)
Kungsleden	SEK	5,635	(1)	–
Land Securities Group	GBP	165,257	(38)	(0.02)
Swiss Prime Site	CHF	(28,616)	(128)	(0.07)
UK Commercial Property Trust	GBP	(632,637)	(18)	(0.01)
			(985)	(0.52)
Healthcare – (0.00)% (2017: (0.08)%)				
HCP	USD	(35,000)	(8)	–
			(8)	–
Hotels – Nil (2017: (0.19)%)				
Industrials – Nil (2017: (0.05)%)				
Mall – Nil (2017: (0.26)%)				
Manufactured Homes – Nil (2017: (0.02)%)				
Offices – (0.31)% (2017: (0.37)%)				
Alstria Office	EUR	(400,732)	(155)	(0.08)
Derwent London	GBP	(49,321)	(235)	(0.13)
Fonciere Des Regions	EUR	(14,929)	(44)	(0.02)
Gecina	EUR	23,575	(131)	(0.07)
JBG Smith Properties	USD	(13,900)	(28)	(0.01)
SL Green Realty	USD	(4,800)	(5)	–
			(598)	(0.31)

* Values are less than €500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund (continued)

Financial liabilities at fair value through profit or loss (continued)

Contracts for Difference – (1.20)% (2017: (2.79)%) (continued)	Currency	Nominal Holding	Unrealised Loss €000	Mar 2018 % of NAV		
Offshore Propcos – Nil (2017: (0.02)%)						
Residential – (0.22)% (2017: (0.18)%)						
ADO Properties	EUR	(91,113)	(138)	(0.07)		
Grand City Properties	EUR	(349,883)	(204)	(0.11)		
Wallenstam	SEK	(298,384)	(71)	(0.04)		
			(413)	(0.22)		
Retail – (0.01)% (2017: (0.16)%)						
Capital & Regional	GBP	3,119,197	(9)	–		
Retail Opportunity Investments	USD	(41,800)	(12)	(0.01)		
Shaftesbury	GBP	86,995	(1)	–		
			(22)	(0.01)		
Self Storage – (0.06)% (2017: Nil)						
Big Yellow Group	GBP	(97,285)	(80)	(0.04)		
Extra Space Storage	USD	(8,300)	(48)	(0.02)		
			(128)	(0.06)		
Shopping Centres – (0.06)% (2017: (0.02)%)						
Mercialys	EUR	75,756	(84)	(0.04)		
Vastned Retail	EUR	(28,108)	(48)	(0.02)		
			(132)	(0.06)		
Single Family Rental – Nil (2017: (0.02)%)						
Technology – Nil (2017: (0.05)%)						
Total Contracts for Difference – (1.20)% (2017: (2.79)%)			(2,325)	(1.20)		
Open Forward Foreign Currency Transactions – (0.01)% (2017: (0.08)%)						
Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Loss €000	Mar 2018 % of NAV
Investment Level – (0.00)% (2017: (0.07)%)						
EUR	2,585	GBP	2,261	03.04.2018	–*	–
EUR	47,531	GBP	41,662	04.04.2018	–*	–
					–*	–
Share Class Level – (0.01)% (2017: (0.01)%)						
EUR	290,023	GBP	254,433	27.04.2018	–*	–
USD	10,344	EUR	8,327	27.04.2018	–*	–
USD	138,939	EUR	111,421	27.04.2018	(1)	–
EUR	1,271,935	GBP	1,113,423	27.04.2018	(3)	–
EUR	48,512,173	GBP	42,540,227	27.04.2018	(22)	(0.01)
					(26)	(0.01)
Total Open Forward Foreign Currency Transactions – (0.01)% (2017: (0.08)%)					(26)	(0.01)
Total financial liabilities at fair value through profit or loss – (1.21)% (2017: (2.87)%)					(2,351)	(1.21)

* Values are less than €500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Real Estate Equity Long/Short Fund (continued)

	Fair Value €000	Mar 2018 % of NAV
Total investment at fair value through profit or loss – 53.87% (2017: 53.89%)	104,532	53.87
Cash at bank – 36.81% (2017: 29.78%)	71,423	36.81
Cash collateral – 12.20% (2017: 16.67%)	23,674	12.20
Due to broker – (1.12)% (2017: Nil)	(2,177)	(1.12)
Other net liabilities – (1.76)% (2017: (0.34)%)	(3,421)	(1.76)
Total Net Assets	194,031	100.00

	% of Gross Assets
Analysis of Portfolio (unaudited)	
Transferable securities admitted to an official stock exchange listing	49.91
OTC financial derivative instruments	2.79
Other assets	47.30
	100.00

The counterparties to the derivative contracts held on this fund at 31 March 2018 are as follows:

Forwards: Bank of Montreal, BNP Paribas, HSBC Bank, State Street Bank and Trust, Westpac Banking
Contracts for Difference: Goldman Sachs

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund

Financial assets at fair value through profit or loss

Equities – 91.76% (2017: 91.72%)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Consumer Discretionary – 14.85% (2017: 13.84%)				
Adidas	EUR	3,509	690	0.17
Amazon.com	USD	1,818	2,139	0.53
Amer Sports	EUR	23,792	596	0.15
Bed Bath & Beyond	USD	34,589	590	0.15
Big Lots	USD	10,902	386	0.10
Burberry Group	GBP	9,061	175	0.04
Cairn Homes	EUR	391,620	709	0.18
Cie Plastic Omnium	EUR	12,329	480	0.12
Cinemark Holdings	USD	23,472	719	0.18
Comcast	USD	52,193	1,450	0.36
Continental	EUR	7,689	1,725	0.43
CTS Eventim	EUR	21,574	821	0.20
Dalata Hotel Group	EUR	117,773	730	0.18
Famous Brands	ZAR	82,108	632	0.16
Foot Locker	USD	7,254	269	0.07
Forbo Holding	CHF	355	404	0.10
Ford Motor	USD	863,326	7,777	1.94
Home Depot	USD	29,208	4,233	1.06
Honda Motor	JPY	46,600	1,297	0.32
Hugo Boss	EUR	9,983	706	0.18
Kindred Group SDR	SEK	50,110	555	0.14
Kohl's	USD	35,002	1,864	0.47
Lear	USD	2,598	393	0.10
LKQ	USD	23,559	727	0.18
Lowe's	USD	61,677	4,401	1.09
Magna International	CAD	20,300	929	0.23
Maisons du Monde	EUR	20,981	622	0.16
Marks & Spencer Group	GBP	86,863	268	0.07
Mazda Motor	JPY	38,600	416	0.10
Monro	USD	11,878	518	0.13
Mr Price Group	ZAR	90,712	1,774	0.44
Neinor Homes	EUR	54,003	824	0.21
Peugeot	EUR	17,618	344	0.09
ProSiebenSat.1 Media	EUR	5,597	158	0.04
Ross Stores	USD	8,251	523	0.13
Royal Caribbean Cruises	USD	8,137	779	0.19
Sands China	HKD	466,400	2,039	0.50
Signet Jewelers	USD	3,848	121	0.03
Sirius XM Holdings	USD	43,681	222	0.06
Starbucks	USD	10,005	471	0.12
Suzuki Motor	JPY	6,600	288	0.07
Swatch Group	CHF	2,310	827	0.21
Target	USD	12,344	697	0.17
Tarsus Group	GBP	167,169	572	0.14
Ted Baker	GBP	19,026	543	0.14
TJX	USD	58,629	3,888	0.96
Toll Brothers	USD	33,033	1,162	0.29
Vail Resorts	USD	8,023	1,446	0.36
Valeo	EUR	30,901	1,658	0.41
Vapiano	EUR	26,629	585	0.15
Wyndham Worldwide	USD	2,856	266	0.07
XXL	NOK	65,616	546	0.14
Yum China Holdings	USD	76,317	2,575	0.64
			59,529	14.85

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Consumer Staples – 10.93% (2017: 12.41%)				
Altria Group	USD	24,087	1,221	0.30
Beiersdorf	EUR	2,013	185	0.05
BIM Birlesik Magazalar	TRY	55,458	812	0.20
British American Tobacco Malaysia	MYR	211,100	1,167	0.29
Clicks Group	ZAR	60,164	752	0.19
Coca-Cola European Partners	USD	4,047	137	0.03
Colgate-Palmolive India	INR	43,886	574	0.14
Colruyt	EUR	12,700	570	0.14
Costco Wholesale	USD	18,664	2,860	0.71
CVS Health	USD	18,737	948	0.24
Dairy Farm International Holdings	USD	179,463	1,160	0.29
Eastern Tobacco	EGP	17,263	474	0.12
Emami	INR	71,166	949	0.24
Estee Lauder	USD	5,232	637	0.16
Fomento Economico Mexicano	MXN	171,900	1,274	0.32
Foshan Haitian Flavouring & Food	CNY	143,680	1,065	0.27
Glanbia	EUR	38,338	537	0.13
Heineken	EUR	10,531	919	0.23
ITC	INR	541,465	1,721	0.43
Kerry Group	EUR	12,103	997	0.25
Koninklijke Ahold Delhaize	EUR	25,369	488	0.12
Kose	JPY	5,100	861	0.21
Kusuri no Aoki Holdings	JPY	11,600	680	0.17
L'Oreal	EUR	5,051	926	0.23
Magnit GDR	USD	29,556	1,938	0.48
Nestle India	INR	3,977	407	0.10
Origin Enterprises	EUR	122,515	655	0.16
PepsiCo	USD	10,651	945	0.24
Performance Food Group	USD	25,967	630	0.16
President Chain Store	TWD	181,000	1,479	0.37
PriceSmart	USD	7,300	496	0.12
Tingyi Cayman Islands Holding	HKD	300,000	506	0.13
Tyson Foods	USD	3,142	187	0.05
Universal Robina	PHP	720,900	1,708	0.43
Vietnam Dairy Products	VND	165,460	1,221	0.30
Viscofan	EUR	15,773	885	0.22
Walgreens Boots Alliance	USD	19,737	1,051	0.26
Wal-Mart de Mexico	MXN	1,021,144	2,092	0.52
Wal-Mart Stores	USD	102,864	7,440	1.86
Wm Morrison Supermarkets	GBP	108,575	264	0.07
			<hr/> 43,818	<hr/> 10.93

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Energy – 3.93% (2017: 2.92%)				
Baker Hughes	USD	16,412	371	0.09
Cabot Oil & Gas	USD	20,363	397	0.10
Canadian Natural Resources	CAD	43,800	1,119	0.28
China Petroleum & Chemical	HKD	3,046,000	2,174	0.54
China Shenhua Energy	HKD	183,000	370	0.09
Ecopetrol ADR	USD	58,134	914	0.23
Exxaro Resources	ZAR	14,122	106	0.03
Exxon Mobil	USD	42,530	2,580	0.65
Imperial Oil	CAD	5,400	116	0.03
James Fisher & Sons	GBP	26,074	468	0.12
Marathon Petroleum	USD	16,387	974	0.24
OMV	EUR	6,016	284	0.07
Parkland Fuel	CAD	27,297	499	0.12
PetroChina	HKD	2,728,000	1,523	0.38
PTT	THB	37,900	540	0.13
PTT Exploration & Production	THB	134,700	401	0.10
Rosneft Oil GDR	USD	1	–*	–
Valero Energy	USD	25,775	1,944	0.48
Woodside Petroleum	AUD	26,126	476	0.12
Z Energy	NZD	125,352	515	0.13
			<hr/> 15,771	<hr/> 3.93
Financials – 16.87% (2017: 17.27%)				
3i Group	GBP	77,986	764	0.19
Aareal Bank	EUR	16,671	646	0.16
ABN AMRO Group	EUR	6,090	149	0.04
Aflac	USD	17,968	639	0.16
AGNC Investment	USD	9,550	147	0.04
AIA Group	HKD	205,200	1,412	0.35
Alleghany	USD	2,663	1,330	0.33
Allianz	EUR	6,146	1,127	0.28
Allstate	USD	925	71	0.02
Annaly Capital Management	USD	396,622	3,364	0.84
Athene Holding	USD	7,694	299	0.07
Axis Capital Holdings	USD	9,540	447	0.11
B2Holding	NOK	380,796	773	0.19
Banco de Sabadell	EUR	90,922	151	0.04
Bank Mandiri Persero	IDR	5,315,000	2,409	0.60
Bank of America	USD	98,934	2,413	0.60
Bank of Nova Scotia	CAD	22	1	–
Bank Rakyat Indonesia Persero	IDR	6,541,700	1,391	0.35
Bolsa Mexicana de Valores	MXN	538,700	834	0.21
Canadian Imperial Bank of Commerce	CAD	3,800	273	0.07
Citigroup	USD	97,701	5,362	1.35
Commercial International Bank Egypt GDR	USD	410,991	1,698	0.42
Credicorp	USD	3,900	720	0.18
Deutsche Boerse	EUR	10,217	1,130	0.28
Discover Financial Services	USD	23,213	1,358	0.34
DNB	NOK	86,255	1,359	0.34
Element Fleet Management	CAD	83,912	220	0.05
Everest Re Group	USD	1,860	388	0.10
Grupo Financiero Banorte	MXN	216,280	1,062	0.26
Guaranty Trust Bank	NGN	2,849,210	289	0.07
HDFC Bank	INR	62,400	1,470	0.37
ICICI Bank	INR	446,110	1,551	0.39
ING Groep	EUR	76,406	1,047	0.26
Intesa Sanpaolo	EUR	445,747	1,317	0.33

* Values are less than €500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Financials – 16.87% (2017: 17.27%) (continued)				
Investor	SEK	38,780	1,390	0.35
Itausa - Investimentos Itau Pref	BRL	115,800	391	0.10
Jafco	JPY	13,500	505	0.13
JPMorgan Chase & Co	USD	34,490	3,084	0.77
Kasikornbank	THB	157,900	875	0.22
KBC Group	EUR	12,740	901	0.22
Krung Thai Bank	THB	423,400	209	0.05
Leucadia National	USD	12,410	229	0.06
Lincoln National	USD	3,682	219	0.05
Mitsubishi UFJ Lease & Finance	JPY	104,200	500	0.12
Morgan Stanley	USD	64,651	2,837	0.71
NN Group	EUR	14,070	507	0.13
Partners Group Holding	CHF	1,354	816	0.20
PNC Financial Services Group	USD	15,701	1,931	0.48
PRA Group	USD	18,750	579	0.14
ProAssurance	USD	13,451	531	0.13
Prudential Financial	USD	21,471	1,808	0.45
Public Bank	MYR	121,100	611	0.15
Ringkjoebing Landbobank	DKK	14,240	634	0.16
Royal Bank of Canada	CAD	3,800	239	0.06
S&P Global	USD	1,022	159	0.04
Shinhan Financial Group	KRW	4,299	148	0.04
SpareBank	NOK	54,218	484	0.12
State Bank Financial	USD	38,210	932	0.23
Sterling Bancorp	USD	26,084	478	0.12
Storebrand	NOK	115,533	763	0.19
Svenska Handelsbanken	SEK	71,670	725	0.18
Swiss Re	CHF	33,196	2,742	0.68
Synchrony Financial	USD	21,928	598	0.15
Torchmark	USD	4,520	309	0.08
Travelers	USD	3,745	423	0.11
UBS Group	CHF	75,746	1,080	0.27
Wells Fargo & Co	USD	11,500	490	0.12
Yes Bank	INR	494,970	1,889	0.47
			67,627	16.87
Health Care – 10.62% (2017: 11.52%)				
Amgen	USD	44,883	6,221	1.56
Anthem	USD	4,921	879	0.22
Bayer	EUR	12,062	1,107	0.28
Biogen	USD	2,331	519	0.13
Celgene	USD	43,862	3,182	0.79
Centene	USD	15,252	1,325	0.33
Cerner	USD	13,233	624	0.16
Cigna	USD	9,824	1,340	0.33
Clinigen Healthcare	GBP	46,935	478	0.12
Craneware	GBP	27,963	562	0.14
Dechra Pharmaceuticals	GBP	40,814	1,223	0.31
Encompass Health	USD	15,726	731	0.18
Essilor International Cie Generale d'Optique	EUR	1,234	135	0.03
Genus	GBP	21,554	573	0.14
Gerresheimer	EUR	9,355	624	0.16
Gilead Sciences	USD	80,752	4,950	1.24
GlaxoSmithKline	GBP	44,802	712	0.18
HCA Healthcare	USD	10,841	855	0.21
Humana	USD	9,432	2,062	0.51
ICON	USD	7,552	725	0.18

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Health Care – 10.62% (2017: 11.52%) (continued)				
IDEXX Laboratories	USD	5,804	903	0.23
Jazz Pharmaceuticals	USD	1,431	176	0.04
Johnson & Johnson	USD	6,183	644	0.16
Kalbe Farma	IDR	6,486,100	575	0.14
McKesson	USD	1,550	178	0.04
MEDNAX	USD	13,614	616	0.15
Novo Nordisk	DKK	58,786	2,346	0.60
NxStage Medical	USD	18,365	371	0.09
Roche Holding	CHF	5,709	1,062	0.26
Shire	GBP	4,869	198	0.05
Sonova Holding	CHF	2,416	311	0.08
STERIS	USD	14,849	1,127	0.28
UnitedHealth Group	USD	23,567	4,101	1.02
Waters	USD	4,388	709	0.18
WellCare Health Plans	USD	2,568	404	0.10
			<hr/> 42,548	<hr/> 10.62
Industrials – 9.53% (2017: 9.83%)				
Aena	EUR	6,553	1,072	0.27
Ashtead Group	GBP	6,451	143	0.04
Beijing Enterprises Holdings	HKD	38,000	161	0.04
Boeing	USD	21,846	5,823	1.44
Brenntag	EUR	17,321	837	0.21
Canadian National Railway	CAD	34,900	2,073	0.52
CCR	BRL	118,500	362	0.09
Central Japan Railway	JPY	2,900	446	0.11
CITIC	HKD	262,000	298	0.07
Covanta Holding	USD	34,824	411	0.10
Cubic	USD	7,986	413	0.10
Cummins	USD	8,651	1,140	0.28
Deutsche Lufthansa	EUR	5,932	154	0.04
Deutsche Post	EUR	28,779	1,022	0.25
Dun & Bradstreet	USD	664	63	0.02
Enav	EUR	133,381	578	0.14
Equifax	USD	3,148	302	0.08
FedEx	USD	2,610	510	0.13
Fortune Brands Home & Security	USD	7,578	363	0.09
Fraport Frankfurt Airport Services Worldwide	EUR	2,013	161	0.04
Granite Construction	USD	14,831	674	0.17
Ingersoll-Rand	USD	9,069	631	0.16
Kajima	JPY	36,000	272	0.07
Kirby	USD	9,009	564	0.14
Marubeni	JPY	54,400	319	0.08
Melrose Industries	GBP	348,300	918	0.23
National Express Group	GBP	128,355	567	0.14
Nobina	SEK	121,329	634	0.16
RELX	EUR	57,349	965	0.24
Republic Services	USD	3,248	175	0.04
Restore	GBP	87,859	544	0.14
Rexel	EUR	53,567	737	0.18
Ritchie Bros Auctioneers	CAD	17,248	441	0.11
Robert Half International	USD	50,224	2,364	0.59
Royal Mail	GBP	135,695	837	0.21
Ryanair Holdings	EUR	55,121	882	0.22
Schneider Electric	EUR	14,019	1,000	0.25
Secom	JPY	6,800	407	0.10
Senior	GBP	153,363	526	0.13

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Industrials – 9.53% (2017: 9.83%) (continued)				
Southwest Airlines	USD	27,267	1,270	0.32
Sumitomo	JPY	74,200	998	0.25
Turk Hava Yollari	TRY	331,929	1,322	0.33
Vestas Wind Systems	DKK	5,744	331	0.08
Waste Connections	CAD	18,261	1,065	0.27
Waste Management	USD	7,988	546	0.14
Wolters Kluwer	EUR	22,231	960	0.24
WSP Global	CAD	12,444	466	0.12
WW Grainger	USD	5,238	1,202	0.30
Yangzijiang Shipbuilding Holdings	SGD	342,000	257	0.06
			38,206	9.53
Information Technology – 15.02% (2017: 13.24%)				
Accenture	USD	28,068	3,503	0.87
Alliance Data Systems	USD	5,211	902	0.23
Amadeus IT Group	EUR	28,885	1,733	0.43
Amano	JPY	24,600	530	0.13
Amdocs	USD	37,678	2,044	0.51
Apple	USD	75,371	10,281	2.55
ASML Holding	EUR	7,555	1,210	0.30
AU Optronics	TWD	597,000	225	0.06
Broadcom	USD	13,732	2,631	0.66
CDW	USD	14,822	847	0.21
Cisco Systems	USD	114,492	3,993	1.00
Citrix Systems	USD	2,593	196	0.05
Cognizant Technology Solutions	USD	17,023	1,114	0.28
Corning	USD	18,584	421	0.11
CSRA	USD	28,533	957	0.24
Disco	JPY	3,700	631	0.16
F5 Networks	USD	10,398	1,223	0.31
Facebook	USD	1,663	216	0.05
Fiserv	USD	23,064	1,337	0.33
Fortinet	USD	3,239	141	0.04
GTT Communications	USD	13,817	637	0.16
Halma	GBP	35,895	483	0.12
Hewlett Packard Enterprise	USD	16,936	242	0.06
Intel	USD	64,946	2,750	0.68
Intuit	USD	12,267	1,729	0.42
Jack Henry & Associates	USD	3,900	384	0.10
Juniper Networks	USD	30,134	596	0.15
KLA-Tencor	USD	5,023	445	0.11
Lectra	EUR	17,774	408	0.10
MasterCard	USD	18,101	2,578	0.64
Maxim Integrated Products	USD	3,199	157	0.04
Micron Technology	USD	12,281	521	0.13
Microsemi	USD	13,386	704	0.18
Microsoft	USD	52,426	3,891	0.97
Motorola Solutions	USD	2,763	237	0.06
Nuance Communications	USD	33,928	434	0.11
Oracle	USD	41,740	1,553	0.39
Palo Alto Networks	USD	2,508	370	0.09
Red Hat	USD	6,171	750	0.19
Rocket Internet	EUR	31,618	788	0.20
Salesforce.com	USD	4,784	452	0.11
SAP	EUR	15,435	1,312	0.33
SK Hynix	KRW	12,869	788	0.20

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Information Technology – 15.02% (2017: 13.24%) (continued)				
Skyworks Solutions	USD	4,827	394	0.10
Sophos Group	GBP	43,170	213	0.05
Synopsys	USD	13,794	934	0.23
Taiwan Semiconductor Manufacturing	TWD	34,000	231	0.06
Total System Services	USD	5,297	372	0.09
Western Union	USD	55,640	870	0.22
WEX	USD	6,762	861	0.21
Wistron	TWD	345	—*	—
			<hr/> 60,219	<hr/> 15.02
Materials – 3.17% (2017: 3.32%)				
Air Liquide	EUR	10,373	1,032	0.26
Barrick Gold	CAD	60,600	613	0.15
BHP Billiton	GBP	52,512	841	0.21
BHP Billiton	AUD	22,876	402	0.10
CRH	EUR	24,830	685	0.17
Evonik Industries	EUR	26,117	748	0.19
Fortescue Metals Group	AUD	116,279	314	0.08
Graphic Packaging Holding	USD	41,813	522	0.13
Hitachi Chemical	JPY	24,000	430	0.11
Kansai Paint	JPY	25,700	484	0.12
Lenzing	EUR	7,995	802	0.20
LyondellBasell Industries	USD	6,389	549	0.14
Martin Marietta Materials	USD	2,594	437	0.11
Mitsubishi Chemical Holdings	JPY	26,900	210	0.05
Newmont Mining	USD	62,343	1,981	0.49
Rio Tinto	GBP	9,185	378	0.09
Sappi	ZAR	52,038	272	0.07
Smurfit Kappa Group	EUR	13,820	455	0.11
Symrise	EUR	6,722	439	0.11
Teck Resources	CAD	28,900	605	0.15
WestRock	USD	9,646	503	0.13
			<hr/> 12,702	<hr/> 3.17
Real Estate – 2.97% (2017: 2.73%)				
Aedas HomesU	EUR	18,653	558	0.14
American Tower	USD	30,720	3,630	0.90
CapitaLand	SGD	138,400	306	0.08
CatchMark Timber Trust	USD	61,473	623	0.16
CK Asset Holdings	HKD	79,000	539	0.13
CLS Holdings	GBP	337,618	907	0.23
Country Garden Holdings	HKD	154,000	258	0.06
Merlin Properties Socimi	EUR	83,171	1,035	0.26
Simon Property Group	USD	7,591	953	0.24
Sino-Ocean Group Holding	HKD	581,500	343	0.09
Sirius Real Estate	GBP	1,569,276	1,103	0.28
Ventas	USD	2,424	98	0.02
VEREIT	USD	38,799	220	0.05
Welltower	USD	21,762	963	0.24
Wharf Holdings	HKD	136,000	380	0.09
			<hr/> 11,916	<hr/> 2.97

* Values are less than €500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial assets at fair value through profit or loss (continued)

Equities – 91.76% (2017: 91.72) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2018 % of NAV
Telecommunication Services – 2.93% (2017: 2.78%)				
America Movil ADR	USD	68,080	1,057	0.26
AT&T	USD	17,668	512	0.13
BCE	CAD	3,500	122	0.03
Deutsche Telekom	EUR	215,712	2,858	0.71
Nippon Telegraph & Telephone	JPY	100,400	3,763	0.94
Telekomunikasi Indonesia Persero ADR	USD	17,224	370	0.09
Telenor	NOK	15,050	276	0.07
Telstra	AUD	73,628	144	0.04
TELUS	CAD	52,100	1,487	0.37
T-Mobile US	USD	8,847	439	0.11
Vodafone Group	GBP	329,738	730	0.18
			11,758	2.93
Utilities – 0.94% (2017: 1.86%)				
Aguas Andinas	CLP	884,383	469	0.12
Chubu Electric Power	JPY	17,300	201	0.05
Cia de Saneamento Basico do Estado de Sao Paulo	BRL	51,800	444	0.11
NextEra Energy	USD	11,964	1,589	0.40
Rubis	EUR	14,876	872	0.22
Terna Rete Elettrica Nazionale	EUR	31,083	148	0.04
			3,723	0.94
Total Equities – 91.76% (2017: 91.72%)			367,817	91.76
Investment Funds – 5.96% (2017: 7.42%)				
Amundi ETF MSCI Japan (UCITS)	EUR	88,262	16,451	4.09
Amundi ETF MSCI Pacific ex-Japan (UCITS)	EUR	2,007	957	0.24
F&C Investment Funds ICVC - UK Mid-Cap Fund (UCITS)	GBP	814,360	1,718	0.43
F&C Portfolios Fund - F&C Japanese Equity (UCITS)	EUR	135,521	2,466	0.62
iShares S&P 500 Financials Sector ETF (UCITS)	USD	399,026	2,317	0.58
			23,909	5.96
Total Investment Funds – 5.96% (2017: 7.42%)			23,909	5.96
Rights – Nil (2017: 0.00%)				
Health Care – Nil (2017: 0.00%)				
Futures – 0.08% (2017: 0.02%)				
Australia – Nil (2017: 0.02%)				
Germany – 0.03% (2017: Nil)				
Euro Stoxx Futures June 2018	EUR	(201)	123	0.03
			123	0.03
Japan – 0.04% (2017: Nil)				
Nikkei Futures June 2018	JPY	77	151	0.04
			151	0.04
Singapore – Nil (2017: 0.00%)				
United States – 0.01% (2017: 0.00%)				
MSCI Emerging Markets June 2018	USD	(18)	31	0.01
			31	0.01
Total Futures – 0.08% (2017: 0.02%)			305	0.08

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

F&C Multi Strategy Global Equity Fund (continued)

			Fair Value €000	Mar 2018 % of NAV
Total financial assets at fair value through profit or loss – 97.80% (2017: 99.16%)			392,031	97.80
Financial liabilities at fair value through profit or loss				
Futures – (0.11)% (2017: (0.02)%)	Currency	No of Contracts	Unrealised Loss €000	Mar 2018 % of NAV
Australia – (0.02)% (2017: Nil)				
SPI 200 Futures June 2018	AUD	22	(82)	(0.02)
			(82)	(0.02)
Germany – Nil (2017: 0.00%)				
Hong Kong – (0.01)% (2017: 0.00%)				
Hang Seng Index Futures April 2018	HKD	7	(57)	(0.01)
			(57)	(0.01)
Singapore – (0.00)% (31 March 2017: Nil)				
MSCI Singapore Index Futures April 2018	SGD	17	(12)	–
			(12)	–
United Kingdom – Nil (2017: (0.01)%)				
United States – (0.08)% (2017: (0.01)%)				
S&P 500 Emini Futures June 2018	USD	51	(303)	(0.08)
			(303)	(0.08)
Total Futures – (0.11)% (2017: (0.02)%)			(454)	(0.11)
Total financial liabilities at fair value through profit or loss – (0.11)% (2017: (0.02)%)			(454)	(0.11)
			Fair Value €000	Mar 2018 % of NAV
Total investment at fair value through profit or loss – 97.69% (2017: 99.14%)			391,577	97.69
Cash at bank – 2.04% (2017: 0.73%)			8,176	2.04
Margin cash – 0.36% (2017: 0.14%)			1,446	0.36
Other net liabilities – (0.09)% (2017: (0.01)%)			(369)	(0.09)
Total Net Assets			400,830	100.00
Analysis of Portfolio (unaudited)			% of Gross Assets	
Transferable securities admitted to an official stock exchange listing			91.08	
Other transferable securities of the type referred to in Regulation 68(1)(a), (b), (c)			0.30	
Investment funds			5.94	
Financial derivative instruments dealt on a regulated market			0.08	
Other assets			2.60	
			100.00	

The counterparties and brokers to the derivative contracts held on the Fund at 31 March 2018 are as follows:

Futures: Goldman Sachs

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

BMO US Real Estate Equity Long/Short Fund

Financial assets at fair value through profit or loss

	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Bonds – 8.45% (2017: Nil)				
Sovereign – 8.45% (2017: Nil)				
United States Treasury Bill 0% 24.05.2018	USD	1,000,000	997	4.23
United States Treasury Bill 0% 19.07.2018	USD	1,000,000	995	4.22
			<u>1,992</u>	<u>8.45</u>
Total Bonds – 8.45% (2017: Nil)			1,992	8.45
Equities – 51.87% (2017: Nil)				
Apartments – 2.32% (2017: Nil)				
Mid-America Apartment Communities	USD	3,000	274	1.16
UDR	USD	7,700	274	1.16
			<u>548</u>	<u>2.32</u>
Healthcare – 4.47% (2017: Nil)				
Healthcare Trust of America	USD	20,300	537	2.28
Ventas	USD	10,400	515	2.19
			<u>1,052</u>	<u>4.47</u>
Hotels – 3.78% (2017: Nil)				
Host Hotels & Resorts	USD	23,500	438	1.86
Sunstone Hotel Investors	USD	29,700	452	1.92
			<u>890</u>	<u>3.78</u>
Industrials – 10.06% (2017: Nil)				
Duke Realty	USD	46,400	1,229	5.22
First Industrial Realty Trust	USD	39,000	1,140	4.84
			<u>2,369</u>	<u>10.06</u>
Manufactured Homes – 2.82% (2017: Nil)				
Sun Communities	USD	7,300	667	2.82
			<u>667</u>	<u>2.82</u>
Offices – 5.87% (2017: Nil)				
Corporate Office Properties Trust	USD	13,300	344	1.46
Empire State Realty Trust	USD	20,800	349	1.48
Highwoods Properties	USD	7,900	346	1.47
Washington Real Estate Investment Trust	USD	12,600	344	1.46
			<u>1,383</u>	<u>5.87</u>
Retail – 8.27% (2017: Nil)				
American Assets Trust	USD	14,800	494	2.10
Regency Centers	USD	8,200	484	2.05
Retail Properties of America	USD	40,700	475	2.02
Weingarten Realty Investors	USD	17,600	494	2.10
			<u>1,947</u>	<u>8.27</u>
Self Storage – 1.94% (2017: Nil)				
CubeSmart	USD	16,200	457	1.94
			<u>457</u>	<u>1.94</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

BMO US Real Estate Equity Long/Short Fund (continued)

Financial assets at fair value through profit or loss (continued)

	Currency	Nominal Holding	Fair Value US\$000	Mar 2018 % of NAV
Equities – 51.87% (2017: Nil) (continued)				
Single Family Rental – 3.35% (2017: Nil)				
Invitation Homes	USD	34,541	789	3.35
			789	3.35
Student Housing – 3.87% (2017: Nil)				
American Campus Communities	USD	23,600	911	3.87
			911	3.87
Technology – 3.24% (2017: Nil)				
American Tower	USD	1,800	262	1.10
CoreSite Realty	USD	2,500	251	1.07
Equinix	USD	600	251	1.07
			764	3.24
Triple Net – 1.88% (2017: Nil)				
STORE Capital	USD	17,800	441	1.88
			441	1.88
Total Equities – 51.87% (2017: Nil)			12,218	51.87
Contracts for Difference – 0.39% (2017: Nil)				
Healthcare – 0.01% (2017: Nil)				
Healthcare Realty Trust	USD	(19,000)	3	0.01
			3	0.01
Hotels – 0.13% (2017: Nil)				
Park Hotels & Resorts	USD	(16,368)	8	0.03
Pebblebrook Hotel Trust	USD	(12,500)	23	0.10
			31	0.13
Offices – 0.19% (2017: Nil)				
Mack-Cali Realty	USD	(16,000)	34	0.14
Paramount Group	USD	(19,200)	–*	–
Piedmont Office Realty Trust	USD	(15,600)	11	0.05
			45	0.19
Retail – 0.06% (2017: Nil)				
Brixmor Property Group	USD	(30,900)	11	0.05
DDR	USD	(64,200)	2	0.01
			13	0.06
Total Contracts for Difference – 0.39% (2017: Nil)			92	0.39

* Values are less than US\$500

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

BMO US Real Estate Equity Long/Short Fund (continued)

Financial assets at fair value through profit or loss (continued)

Open Forward Foreign Currency Transactions – 0.05% (2017: Nil)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Gain US\$000	Sep 2017 % of NAV
Share Class Level – 0.05% (2017: Nil)						
GBP	1,000,000	USD	1,415,350	27.04.2018	11	0.05
Total Open Forward Foreign Currency Transactions – 0.05% (2017: Nil)					11	0.05
Total financial assets at fair value through profit or loss – 60.76% (2017: Nil)					14,313	60.76

Financial liabilities at fair value through profit or loss

		Currency	Nominal Holding	Unrealised Loss US\$000	Mar 2018 % of NAV
Contracts for Difference – (1.22)% (2017: Nil)					
Apartments – (0.12)% (2017: Nil)					
AvalonBay Communities		USD	(1,700)	(15)	(0.06)
Camden Property Trust		USD	(3,300)	(14)	(0.06)
				(29)	(0.12)
Healthcare – (0.03)% (2017: Nil)					
HCP		USD	(22,800)	(6)	(0.03)
				(6)	(0.03)
Industrials – (0.16)% (2017: Nil)					
EastGroup Properties		USD	(14,200)	(24)	(0.10)
PS Business Parks		USD	(10,500)	(14)	(0.06)
				(38)	(0.16)
Manufactured Homes – (0.17)% (2017: Nil)					
Equity LifeStyle Properties		USD	(7,600)	(40)	(0.17)
				(40)	(0.17)
Offices – (0.11)% (2017: Nil)					
JBG SMITH Properties		USD	(8,100)	(15)	(0.07)
SL Green Realty		USD	(2,800)	(10)	(0.04)
				(25)	(0.11)
Retail – (0.07)% (2017: Nil)					
Kimco Realty		USD	(33,000)	(6)	(0.03)
Retail Opportunity Investments		USD	(27,400)	(10)	(0.04)
				(16)	(0.07)
Self Storage – (0.15)% (2017: Nil)					
Extra Space Storage		USD	(5,200)	(36)	(0.15)
				(36)	(0.15)
Single Family Rental – (0.12)% (2017: Nil)					
American Homes 4 Rent		USD	(39,700)	(29)	(0.12)
				(29)	(0.12)
Student Housing – (0.21)% (2017: Nil)					
Education Realty Trust		USD	(27,429)	(48)	(0.21)
				(48)	(0.21)

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2018 (continued)

BMO US Real Estate Equity Long/Short Fund (continued)

Financial liabilities at fair value through profit or loss (continued)

Contracts for Difference – (1.22)% (2017: Nil) (continued)	Currency	Nominal Holding	Unrealised Loss US\$000	Mar 2018 % of NAV
Technology – (0.08)% (2017: Nil)				
Digital Realty Trust	USD	(7,400)	(19)	(0.08)
			(19)	(0.08)
Triple Net - 0.00% (2017: Nil)				
VEREIT	USD	(64,700)	(1)	–
			(1)	–
Total Contracts for Difference – (1.22)% (2017: Nil)			(287)	(1.22)

Open Forward Foreign Currency Transactions – (1.05)% (2017: Nil)

Currency Sold	Amount Sold	Currency Bought	Amount Bought	Maturity Date	Unrealised Gain US\$000	Mar 2018 % of NAV
Investment Level – (0.05)% (2017: Nil)						
USD	1,414,100	GBP	1,000,000	05.04.2018	(11)	(0.05)
					(11)	(0.05)
Share Class Level – (1.00)% (2017: Nil)						
USD	75	EUR	60	27.04.2018	–*	–
USD	75	EUR	61	27.04.2018	–*	–
USD	75	EUR	61	27.04.2018	–*	–
USD	6,083	EUR	4,296	27.04.2018	–*	–
USD	11,781	EUR	9,478	27.04.2018	–*	–
USD	11,868	GBP	9,548	27.04.2018	–*	–
USD	11,902	EUR	9,575	27.04.2018	–*	–
USD	304,577	GBP	215,108	27.04.2018	(3)	(0.01)
USD	478,452	GBP	337,508	27.04.2018	(5)	(0.02)
USD	24,121,872	GBP	17,015,993	27.04.2018	(228)	(0.97)
					(236)	(1.00)
Total Open Forward Foreign Currency Transactions – (1.05)% (2017: Nil)					(247)	(1.05)

Total financial liabilities at fair value through profit or loss – (2.27)% (2017: Nil) **(534)** **(2.27)**

	Fair Value US\$000	Mar 2018 % of NAV
Total investments at fair value through profit or loss – 58.49% (2017: Nil)	13,779	58.49
Cash at bank – 33.28% (2017: Nil)	7,840	33.28
Cash collateral – 14.44% (2017: Nil)	3,401	14.44
Other net liabilities – (6.21)% (2017: 100.00%)	(1,463)	(6.21)
Total Net Assets	23,557	100.00

Analysis of Portfolio (unaudited)

	% of Gross Assets
Transferable securities admitted to an official stock exchange listing	55.39
OTC financial derivative instruments	0.40
Other assets	44.21
	100.00

The counterparties to the derivative contracts held on the Fund at 31 March 2018 are as follows:

Forwards: State Street Bank and Trust
Contracts for Difference: Goldman Sachs

* Values are less than US\$500

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

TRADITIONAL FUNDS plc

STATEMENT OF FINANCIAL POSITION

As at 31 March 2018

	F&C High Income Bond Fund US\$000	Eastern European Fund US\$000	F&C Global Emerging Markets Fund US\$000	F&C Real Estate Securities Fund £000	F&C Real Estate Equity Long/Short Fund £000	F&C Multi Strategy Global Equity Fund £000	BMO US Real Estate Equity Long/Short Fund US\$000	Total £000
Current Assets								
Cash at bank	2,404	2,082	1,561	21,279	71,423	8,176	7,840	115,162
Margin cash	190	-	-	-	-	1,446	-	1,600
Cash collateral	1,050	-	-	26,098	23,674	-	3,401	57,061
Debtors	1,013	67	813	1,250	841	862	101	4,752
Financial assets at fair value through profit or loss	35,957	64,081	26,009	156,033	106,883	392,031	14,313	791,017
Total current assets	40,614	66,230	28,383	204,660	202,821	402,515	25,655	969,592
Current Liabilities								
Financial liabilities at fair value through profit or loss	2(i)	(1,509)	-	(1,070)	(2,351)	(454)	(534)	(5,687)
Bank overdraft	5(c)	-	-	(4)	-	-	-	(5)
Due to broker	6	(1,400)	-	(2,905)	(2,177)	-	-	(6,629)
Creditors – amounts falling due within one financial year	7	(1,529)	(384)	(2,416)	(4,785)	(1,231)	(1,564)	(15,743)
Total current liabilities	14	(4,438)	(384)	(2,416)	(8,764)	(8,790)	(2,098)	(28,064)
Net Assets attributable to redeemable participating shareholders								
	36,176	65,846	25,967	195,896	194,031	400,830	23,557	941,528

The financial statements were approved by the Board of Directors of Traditional Funds plc on 5 July 2018.




 David Hammond Director

 John Fitzpatrick Director

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

TRADITIONAL FUNDS plc

STATEMENT OF FINANCIAL POSITION

As at 31 March 2017

	F&C High Income Bond Fund US\$000	Eastern European Fund US\$000	F&C Global Emerging Markets Fund US\$000	F&C Macro Global Bond Fund (£)** £000	F&C Global Unconstrained Equities Fund** US\$000	F&C Real Estate Securities Fund £000	F&C Real Estate Equity Long/Short Fund £000	F&C Multi Strategy Global Equity Fund £000	BMO US Real Estate Equity Long/Short Fund* US\$000	Total €000
Current Assets	Notes									
Cash at bank	5	629	931	1,633	77	38	23,731	82,906	3,019	116,781
Margin cash	5(a)	439	-	-	-	-	-	-	574	984
Cash collateral	6	-	-	-	-	-	15,005	46,369	-	63,912
Debtors	4	865	24	114	-	2	889	2,864	830	12,030
Financial assets at fair value through profit or loss	2(i)	45,302	86,505	30,963	-	-	46,154	157,933	411,290	775,369
Total current assets		47,235	87,460	32,710	77	40	85,779	290,072	415,713	969,076
Current Liabilities										
Financial liabilities at fair value through profit or loss	2(i)	(711)	-	-	-	-	(1,378)	(8,002)	(51)	(10,329)
Bank overdraft	5(c)	-	-	-	-	-	(10)	(37)	-	(49)
Creditors – amounts falling due within one financial year	7	(620)	(271)	(546)	(77)	(40)	(342)	(3,795)	(872)	(6,539)
Total current liabilities		(1,331)	(271)	(546)	(77)	(40)	(1,730)	(11,834)	(923)	(16,917)
Net Assets attributable to redeemable participating shareholders	14	45,904	87,189	32,164	-	-	84,049	278,238	414,790	952,159

* Launched 31 March 2017

** Terminated 25 August 2016

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

TRADITIONAL FUNDS plc

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2018

		F&C High Income Bond Fund US\$000	Eastern European Fund US\$000	F&C Global Emerging Markets Fund US\$000	F&C Real Estate Securities Fund £000
Income	Notes				
	2				
Dividend income		–	2,670	719	5,039
Bank deposit interest		7	8	2	20
Bond interest income		2,288	–	–	–
Net gain on financial assets and financial liabilities at fair value through profit or loss	3	2,151	14,587	4,540	12,282
Total investment income		4,446	17,265	5,261	17,341
Expenses	2				
Investment Management fee	16	(428)	(848)	(534)	(1,461)
Performance fee	16	(6)	–	–	(236)
Administration fee	16	(37)	(75)	(28)	(118)
Depository fee	16	(48)	(211)	(57)	(93)
General expenses		(193)	(140)	(155)	(203)
Audit fee		(20)	(14)	(11)	(12)
Directors' fees		(12)	(23)	(8)	(39)
Management fee reimbursement		–	–	–	–
Total operating expenses		(744)	(1,311)	(793)	(2,162)
Net income before finance costs		3,702	15,954	4,468	15,179
Finance costs					
Bank interest expense		(5)	(1)	–	(39)
CFD financing charges		–	–	–	(458)
Distribution	8	(1,769)	(949)	–	(586)
Net equalisation	2	(446)	(1,129)	64	1,948
Total finance costs		(2,220)	(2,079)	64	865
Profit for the financial year		1,482	13,875	4,532	16,044
Withholding tax		–	(273)	(65)	(111)
Operating profit		1,482	13,602	4,467	15,933
Increase in net assets for the year attributable to redeemable participating shareholders resulting from operations		1,482	13,602	4,467	15,933

Gains and losses arose solely from continuing operations, with exception of BMO US Real Estate Equity Long/Short Fund that terminated 24 May 2018.

There were no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

The financial statements were approved by the Board of Directors of Traditional Funds plc on 5 July 2018.

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

TRADITIONAL FUNDS plc

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2018 (continued)

		F&C Real Estate Equity Long/Short Fund €000	F&C Multi Strategy Global Equity Fund €000	BMO US Real Estate Equity Long/Short Fund US\$000	Total €000
Income	2				
Dividend income		4,278	9,503	513	22,808
Bank deposit interest		141	29	51	250
Bond interest income		–	–	–	1,939
Net gain on financial assets and financial liabilities at fair value through profit or loss	3	5,669	3,956	2,023	43,315
Total investment income		10,088	13,488	2,587	68,312
Expenses	2				
Investment Management fee	16	(2,334)	(989)	(139)	(6,633)
Performance fee	16	(1,071)	–	–	(1,344)
Administration fee	16	(186)	(342)	(20)	(798)
Depositary fee	16	(147)	(254)	(28)	(798)
General expenses		(245)	(257)	(55)	(1,193)
Audit fee		(14)	(12)	(16)	(91)
Directors' fees		(54)	(102)	(6)	(242)
Management fee reimbursement		–	–	47	40
Total operating expenses		(4,051)	(1,956)	(217)	(11,059)
Net income before finance costs		6,037	11,532	2,370	57,253
Finance costs					
Bank interest expense		(485)	(38)	–	(572)
CFD financing charges		(915)	–	–	(1,435)
Distribution	8	–	–	–	(2,969)
Net equalisation	2	12,079	(594)	3	12,418
Total finance costs		10,679	(632)	3	7,442
Profit for the financial year		16,716	10,900	2,373	64,695
Withholding tax		(388)	(1,875)	(118)	(2,775)
Operating profit		16,328	9,025	2,255	61,920
Increase in net assets for the year attributable to redeemable participating shareholders resulting from operations		16,328	9,025	2,255	61,920

Gains and losses arose solely from continuing operations, with exception of BMO US Real Estate Equity Long/Short Fund that terminated 24 May 2018.

There were no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

The financial statements were approved by the Board of Directors of Traditional Funds plc on 5 July 2018.

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

TRADITIONAL FUNDS plc

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2017

			F&C High Income Bond Fund US\$000	Eastern European Fund US\$000	F&C Macro Global Emerging Markets Fund US\$000	F&C Macro Global Bond Fund (£)* £000	F&C Global Unconstrained Equities Fund* US\$000
Income	Notes						
	2						
Dividend income			–	3,004	729	–	28
Bank deposit interest			4	3	1	–	–
Bond interest income			3,010	–	–	114	–
Net (loss)/gain on financial assets and financial liabilities at fair value through profit or loss	3		(2,499)	7,249	3,553	(411)	(100)
Total investment income/(expense)			515	10,256	4,283	(297)	(72)
Expenses	2						
Investment Management fee	16		(514)	(858)	(553)	(44)	(20)
Performance fee	16		(1)	–	(104)	–	–
Administration fee	16		(46)	(75)	(28)	(5)	(1)
Depositary fee	16		(39)	(143)	(32)	(4)	(2)
General expenses			(94)	(150)	(95)	(30)	(50)
Audit fee			(15)	(13)	(13)	(6)	(8)
Directors' fees			(13)	(17)	(7)	(5)	(1)
Total operating expenses			(722)	(1,256)	(832)	(94)	(82)
Net (expense)/income before finance costs			(207)	9,000	3,451	(391)	(154)
Finance costs							
Bank interest expense			(2)	(1)	(1)	(1)	–
CFD financing charges			–	–	–	–	–
Distribution	8		(2,101)	(1,109)	–	–	–
Net equalisation	2		(636)	(541)	2	(48)	212
Total finance costs			(2,739)	(1,651)	1	(49)	212
Profit/(loss) for the financial year/period			(2,946)	7,349	3,452	(440)	58
Withholding tax			–	(280)	(79)	–	9
Operating (loss)/profit			(2,946)	7,069	3,373	(440)	67
(Decrease)/increase in net assets for the year/period attributable to redeemable participating shareholders resulting from operations			(2,946)	7,069	3,373	(440)	67

* For the period from 1 April 2016 to termination of the Fund on 25 August 2016

Gains and losses arose solely from continuing operations except for the F&C Macro Global Bond Fund (£) and F&C Global Unconstrained Equities Fund which terminated on 25 August 2016.

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

TRADITIONAL FUNDS plc

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2017 (continued)

		F&C Real Estate Securities Fund £000	F&C Real Estate Equity Long/Short Fund €000	F&C Multi Strategy Global Equity Fund €000	BMO US Real Estate Equity Long/Short Fund* US\$000	Total €000
Income	Notes 2					
Dividend income		3,207	4,634	8,710	–	20,585
Bank deposit interest		30	11	7	–	61
Bond interest income		–	–	–	–	2,882
Net (loss)/gain on financial assets and financial liabilities at fair value through profit or loss	3	4,197	(9,133)	67,891	–	70,740
Total investment income/(expense)		7,434	(4,488)	76,608	–	94,268
Expenses	2					
Investment Management fee	16	(1,116)	(3,487)	(1,003)	–	(7,643)
Performance fee	16	(262)	(742)	–	–	(1,149)
Administration fee	16	(84)	(279)	(352)	–	(874)
Depositary fee	16	(23)	(31)	(125)	–	(385)
General expenses		(213)	(477)	(302)	–	(1,423)
Audit fee		(12)	(14)	(12)	(2)	(94)
Directors' fees		(18)	(44)	(71)	–	(177)
Total operating expenses		(1,728)	(5,074)	(1,865)	(2)	(11,745)
Net (expense)/income before finance costs		5,706	(9,562)	74,743	(2)	82,523
Finance costs						
Bank interest expense		(14)	(339)	(28)	–	(388)
CFD financing charges		(321)	(1,354)	–	–	(1,735)
Distribution	8	(617)	–	–	–	(3,662)
Net equalisation	2	(301)	(2,551)	(1,312)	–	(5,156)
Total finance costs		(1,253)	(4,244)	(1,340)	–	(10,941)
Profit/(loss) for the financial year/period		4,453	(13,806)	73,403	(2)	71,582
Withholding tax		(89)	(308)	(1,654)	–	(2,387)
Operating (loss)/profit		4,364	(14,114)	71,749	(2)	69,195
(Decrease)/increase in net assets for the year/period attributable to redeemable participating shareholders resulting from operations		4,364	(14,114)	71,749	(2)	69,195

* Launched on 31 March 2017

Gains and losses arose solely from continuing operations except for the F&C Macro Global Bond Fund (£) and F&C Global Unconstrained Equities Fund which terminated on 25 August 2016.

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

TRADITIONAL FUNDS plc

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING SHAREHOLDERS

For the financial year ended 31 March 2018

	F&C High Income Bond Fund US\$000	Eastern European Fund US\$000	F&C Global Emerging Markets Fund US\$000	F&C Real Estate Securities Fund €000	F&C Real Estate Equity Long/Short Fund €000	F&C Multi Strategy Global Equity Fund €000	BMO US Real Estate Equity Long/Short Fund US\$000	Total €000
Net assets attributable to redeemable participating shareholders at the beginning of the financial year	2(b) 45,904	87,189	32,164	84,049	278,238	414,790	6,797	962,159
Notional exchange adjustment	2(b) -	-	-	-	-	-	-	(22,029)
Increase in net assets attributable to redeemable participating shareholders from operations	1,482	13,602	4,467	15,933	16,328	9,025	2,255	61,920
Share Transactions								
Proceeds from redeemable participating shares issued	746	643	1,776	191,946	69,604	16,364	23,853	326,729
Cost of redeemable participating shares redeemed	(11,956)	(35,588)	(12,440)	(96,032)	(170,139)	(39,349)	(9,348)	(377,251)
(Decrease)/increase in Net Assets	(11,210)	(34,945)	(10,664)	95,914	(100,535)	(22,985)	14,505	(50,522)
Net assets attributable to redeemable participating shareholders at the end of the financial year	36,176	65,846	25,967	195,896	194,031	400,830	23,557	941,528

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

TRADITIONAL FUNDS plc

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING SHAREHOLDERS

For the financial year ended 31 March 2017

	F&C High Income Bond Fund US\$000	Eastern European Fund US\$000	F&C Global Emerging Markets Fund US\$000	F&C Macro Global Bond Fund (£)** £000	F&C Global Unconstrained Equities Fund** US\$000	F&C Real Estate Securities Fund £000	F&C Real Estate Equity Long/Short Fund £000	F&C Multi Strategy Global Equity Fund £000	BMO US Real Estate Equity Long/Short Fund* US\$000	Total £000
Net assets attributable to redeemable participating shareholders at the beginning of the financial year/period	2(b) 57,424	86,870	33,735	16,979	3,471	84,790	266,539	401,074	-	954,369
Notional exchange adjustment	2(b) -	-	-	-	-	-	-	-	-	1,127
(Decrease)/increase in net assets attributable to redeemable participating shareholders from operations	(2,946)	7,069	3,373	(440)	67	4,364	(14,114)	71,749	(2)	69,195
Share Transactions										
Proceeds from redeemable participating shares issued	1,259	5,424	1,802	333	10	77,620	123,050	4,880	6,799	234,465
Cost of redeemable participating shares redeemed	(9,833)	(11,174)	(6,746)	(16,872)	(3,548)	(82,725)	(97,237)	(62,913)	-	(306,997)
(Decrease)/increase in Net Assets	(8,574)	(5,750)	(4,944)	(16,539)	(3,538)	(5,105)	25,813	(58,033)	6,799	(72,532)
Net assets attributable to redeemable participating shareholders at the end of the financial year/period	45,904	87,189	32,164	-	-	84,049	278,238	414,790	6,797	952,159

* Launched on 31 March 2017

** For the period from 1 April 2016 to termination of the Fund on 25 August 2016

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

31 March 2018

1. General

Traditional Funds plc (the “Company”) was incorporated on 25 February 1999 under the laws of the Republic of Ireland as an open-ended investment company with variable capital. The Company is an umbrella fund authorised by the Central Bank of Ireland (the “Central Bank”) as an investment company pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (collectively the “UCITS Regulations”). At the reporting date the Company had seven active sub-funds (the “Funds”), each of which has segregated liability.

Investment objective and strategy

The Company had the following Funds during the financial year:

F&C High Income Bond Fund

The investment objective of the F&C High Income Bond Fund is to maximise total return subject to providing a high level of income relative to bonds issued by countries participating in the Euro.

Eastern European Fund

The investment objective of the Eastern European Fund is to achieve capital appreciation through investment in Eastern European markets.

F&C Global Emerging Markets Fund

The investment objective of the F&C Global Emerging Markets Fund is to achieve capital appreciation through investment primarily in Emerging Markets.

F&C Real Estate Securities Fund

The investment objective of the F&C Real Estate Securities Fund is to generate a total return greater than that produced by the FTSE EPRA/NAREIT Developed Europe Capped Index (Net) in Sterling (the “Index”) by investing in the securities, and indices of securities which meet the Central Bank’s requirements, of listed property companies and other listed companies related to the real estate sector (such as construction companies, property service providers and real estate fund managers), mainly in developed Europe. The Fund may also invest in convertible securities and rated and unrated debt securities of real estate companies and companies related to the real estate sector (for example, construction companies, property service providers and real estate fund managers as noted above).

F&C Real Estate Equity Long/Short Fund

The investment objective of the F&C Real Estate Equity Long/Short Fund is to generate long term capital appreciation by investing, both long and short, in the securities of issuers participating in real estate, the construction/development of real estate, the trading or management of real estate and related activities.

F&C Multi Strategy Global Equity Fund

The investment objective of the F&C Multi Strategy Global Equity Fund is to generate long term capital appreciation by investing in global equities through a range of strategies.

BMO US Real Estate Equity Long/Short Fund

The investment objective of the BMO US Real Estate Equity Long/Short Fund is to deliver a positive absolute return in the form of capital growth, over the medium term in all market conditions, using a long/short market neutral strategy.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

2. Principal Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of Preparation

These annual Financial Statements have been prepared for the financial year ended 31 March 2018.

Statement of compliance

These Financial Statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland, the UCITS Regulations and the Companies Act 2014.

The Company has availed of the exemption available to open-ended investment funds under FRS 102 and is not presenting a cash flow statement.

The format and wording of certain line items on the primary statements contains departures from the Guidelines under Schedule 2 Part 1 of the Companies Act 2014 to reflect this Company's structure as an Investment Fund.

All references to net assets throughout the documents refers to net assets attributable to holders of redeemable participating shares unless otherwise stated.

Historical Cost Convention

These financial statements are prepared on a going concern basis in accordance with FRS 102, except for BMO US Real Estate Equity Long/Short Fund which terminated on 24 May 2018, after the year end, and the financial statements for which have accordingly been prepared on non-going concern basis.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

Foreign Exchange Translation

(a) Functional Currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the respective Funds operate (the "functional currency"). The functional currency, which is either Euro, US Dollars or Sterling, is shown on the Statement of Financial Position for each Fund. The Company has also adopted these functional currencies as the presentation currency of each of the Funds. The functional and presentation currency of the Company is the Euro.

(b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Proceeds from subscriptions and amounts paid on redemption of redeemable participating shares are translated at actual exchange rates.

For the purposes of producing the combined financial statements, financial year end exchange rates are used for the Statement of Financial Position and average exchange rates (as an approximation of actual rates) are used for the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders. The notional currency gain/(loss) on retranslation of opening net assets is included in the Statement of Changes in Net Assets Attributable to Redeemable Participating Shares. The method of translation has no effect on the value of the net assets of each Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

2. Principal Accounting Policies (continued)

Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Company classifies its investments in debt and equity securities, and related derivatives, as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading or designated by the Board of Directors as held at fair value through profit or loss at inception.

Financial assets and liabilities designated at fair value through profit or loss at inception

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Company's documented investment strategy.

Financial assets and liabilities held for trading

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near-term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

The Company makes short sales through derivatives in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions or for hedging or other reasons. Derivatives in an unrealised gain or loss position at the financial year end date are classified as financial assets at fair value through profit or loss or liabilities at fair value through profit or loss, respectively.

(ii) Recognition/derecognition

Regular purchases and sales of investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income (see transaction costs accounting policy later in this note). Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities as held at fair value through profit or loss category are presented in the Statement of Comprehensive Income in the period in which they arise.

(iv) Critical accounting estimates and assumptions

The Directors make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined in sub-paragraph (v) below.

(v) Fair value of financial instruments

The fair value of financial instruments traded in active markets (such as equities) is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for financial reporting purposes for financial assets held by the relevant Fund is the last traded price for a long position in a security. The Directors, in consultation with the relevant Investment Manager, may as an alternative use the lowest market dealing offer or bid price on the relevant market or exchange. It is the Directors' current intention only to exercise this discretion to preserve the value of the holdings of existing or continuing shareholders in the event of significant or recurring net subscriptions or redemptions or other market factors affecting the Fund concerned. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

2. Principal Accounting Policies (continued)

Financial assets and financial liabilities at fair value through profit or loss (continued)

(v) Fair value of financial instruments (continued)

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter (“OTC”) derivatives) may be determined by using valuation techniques. The Company may use a variety of methods and makes assumptions that are based on market conditions existing at each Statement of Financial Position date. Valuation techniques used may include the use of comparable recent arm’s length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

In preparing the financial statements, the assets and liabilities of each Fund were valued at the respective valuation point for each Fund on 29 March 2018 as follows: close of business Dublin time for the F&C High Income Bond Fund, the F&C Global Emerging Markets Fund, the F&C Multi Strategy Global Equity Fund and the BMO US Real Estate Equity Long/Short Fund; 3.30 pm Dublin time for the Eastern European Fund; and 5.00 pm Dublin time for the F&C Real Estate Securities Fund and the F&C Real Estate Equity Long/Short Fund. The Funds were valued on 29 March 2018 as this was the last business day in the month.

Under FRS 102, in accounting for all of its financial instruments, an entity is required to apply either (a) the full requirements of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS 102, (b) the recognition and measurement provisions of International Accounting Standards 39 “Financial Instruments: Recognition and Measurement” (“IAS 39”) as adopted for use in the European Union and the disclosure requirements of Sections 11 and 12, or (C) the recognition and measurement provisions of International Financial Reporting Standards (“IFRS”) 9 “Financial Instruments” (“IFRS 9”) and the disclosure requirements of Sections 11 and 12. The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12.

Investment Funds

Investment funds which are traded in active markets are valued using quoted market prices at the Statement of Financial Position date. Investment funds which are not publicly traded are normally valued at the underlying unaudited net asset value (“NAV”) as advised by the managers or administrators of these Investment funds, unless the Company is aware of good reasons why such a valuation would not be the most appropriate indicator of fair value.

Credit Default Swaps

Credit default swap contracts are fair-valued based upon quotations from pricing vendors and the change, if any, is recorded as an unrealised gain or loss. Payments received or made as a result of a credit event or termination of the contract are recognised as realised gains or losses within net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

Swaptions

A Fund records an unrealised gain (loss) for the amount expected to be received or paid under the swaption agreement if the agreement was terminated on the balance sheet date and is reported within financial assets or financial liabilities at fair value through profit or loss on the Fund’s Balance Sheet and Schedule of Investments.

Option Contracts

For open option contracts, changes in the fair value of the contract are recognised as unrealised gains or losses by fair-valuing the contract at the Statement of Financial Position date and are included in the movement in unrealised gain or loss on securities in the Statement of Comprehensive Income. When the contract is closed, the difference between the proceeds from or cost of the closing transactions and the original transaction is recorded as a realised gain or loss. Exchange traded options in the Funds are fair valued at last traded market prices. Other options are fair valued using a pricing vendor or counterparty statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

2. Principal Accounting Policies (continued)

Financial assets and financial liabilities at fair value through profit or loss (continued)

(v) Fair value of financial instruments (continued)

Forward Foreign Currency Transactions

Forward foreign currency transactions ("FFCT") are measured at fair value based on the closing prices of the FFCT contract rates on the relevant foreign exchange market on a daily basis. Realised and unrealised gains and/or losses are reported in the Statement of Comprehensive Income.

Futures

For open futures contracts, changes in the fair value of the contract are recognised as unrealised gains or losses by "marking-to-market" the value of the contract at the Statement of Financial Position date and are included in net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income. When the contract is closed, the difference between the proceeds from (or cost of) the closing transactions and the original transaction is recorded as a realised gain or loss. The margins paid on open futures have been disclosed separately in the Statement of Financial Position. Futures are fair-valued using a pricing vendor.

Contracts for Difference

Open contracts for difference ("CFDs") are carried at the net amount due to/from the counterparty under the terms of the agreement, including unrealised gains and losses from changes in fair value of the notional equities, and are recorded as derivative assets/liabilities at fair value on the Statement of Financial Position. Realised and unrealised gains and losses are included within net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

When the Company holds long CFDs it receives the dividends relating to the underlying equity and pays interest to the third party. When the CFDs are sold short, the Company receives interest on the contract value and dividend expense on CFDs is included within the net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss.

The contracts are valued based on the market value of the underlying security.

Investment Transactions

Investment transactions are accounted for on a trade date basis. Profits and losses on the disposal of investments are calculated by reference to the net proceeds received on disposal, net of transaction costs, and the average cost attributable to those investments, and are included in the Statement of Comprehensive Income.

Income from Investments

Interest income and interest expense are recognised in the Statement of Comprehensive Income for all debt instruments using the effective interest method which is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability.

Dividend income is credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend".

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income or gains are received and such taxes may not be recoverable by the Company and its shareholders. Withholding tax and reclaims incurred on dividends are recorded on ex-date. Dividends receivable are shown net of withholding taxes payable, if any, in the Statement of Financial Position. The dividend withholding tax charge for the financial year ended 31 March 2018 is presented in the Statement of Comprehensive Income.

31 March 2018

2. Principal Accounting Policies (continued)

Income from Investments (continued)

The Company may be subject to taxes imposed on realised and unrealised gains on securities of certain foreign countries in which the Company invests. The foreign tax expense, if any, is recorded on an accrual basis and is included in "Net gain/(loss) on financial assets and financial liabilities at fair value through profit and loss" in the Statement of Comprehensive Income. The amount of foreign tax owed, if any, is included in "Creditors" in the Statement of Financial Position.

Cash at bank, Bank overdraft, Margin cash and Margin cash payable

Cash at bank, bank overdraft, margin cash and margin cash payable are valued at their face value with interest accrued, where applicable.

Collateral

A Fund's assets may be deposited by or on behalf of the Fund for collateral purposes with counterparties in respect of OTC financial derivative instruments held in the Fund. Such assets remain in the ownership of the relevant Fund and are recorded as an asset on the Statement of Financial Position.

Receivables

Receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition origination. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Payables

Payables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition origination and subsequently measured at amortised cost.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Redeemable Participating Shareholders

Redeemable participating shares are redeemable at the shareholders' option and are classified as financial liabilities. The participating share can be offered back to the Company at any time for cash equal to a proportionate share of the relevant Fund's NAV. The participating share is carried at the redemption amount that is payable at the Statement of Financial Position date if the shareholder exercises its right to offer the share back to the Company.

Operating Expenses

The Company is responsible for all normal operating expenses including audit fees, stamp and other duties and charges incurred on the acquisition and realisation of investments. Each Fund pays all of its expenses and such proportion of the Company's expenses as is allocated to that Fund, other than those expressly assumed by the Investment Manager. The costs and gains/(losses) of share class hedging transactions will be attributable to the relevant share class. To the extent that expenses are attributable to a specific share class of a Fund, that share class will bear such expenses. All expenses are accrued on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

2. Principal Accounting Policies (continued)

Distributions

In general, the Directors have arranged to make distributions of substantially the whole of the net income attributable to the distributing share classes of each Fund (see note 8). In addition, the Directors may distribute such part of any realised and unrealised capital gains less realised and unrealised capital losses attributable to the distributing share classes of the Funds as, in their opinion is appropriate to maintain a satisfactory level of distribution. Paid and proposed distributions to redeemable participating shares are classified as finance costs in the Statement of Comprehensive Income. No dividends will be paid in respect of accumulating share classes.

The Funds have distributing share classes which generally distribute substantially the whole of the net income (including interest and dividends) attributable to the share class. They may also have one or more classes of accumulating shares which do not generally pay a dividend or other distribution.

Income Equalisation

Income equalisation is a process by which accrued income included in the price of shares purchased and redeemed during the accounting financial year is reported to shareholders. The subscription price of shares is deemed to include an equalisation payment calculated by reference to the accrued income of the relevant Fund and the first distribution in respect of any recently issued share will include a repayment of capital usually equal to or greater than the amount of such equalisation payment. The redemption price of each share will also include an equalisation payment in respect of the accrued income of the relevant Fund up to the date of redemption. Income equalisation is classified as finance costs in the Statement of Comprehensive Income.

Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, it is measured at its fair value through profit or loss, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on purchases or sales of financial assets or financial liabilities are included in its purchase and sale price and in net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income. Separately identifiable transaction costs are disclosed in note 22 of the financial statements.

Transaction costs of the Depositary or the Sub-Custodian (as the case may be) are embedded in the Depositary fee line in the Statement of Comprehensive Income.

Critical accounting estimates and judgements

The preparation of the financial statements in conformity with FRS 102 requires the Directors to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

3. Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss

	F&C High Income Bond Fund 2018 US\$000	Eastern European Fund 2018 US\$000	F&C Global Emerging Markets Fund 2018 US\$000	F&C Real Estate Securities Fund 2018 £000
Net gain on financial assets and financial liabilities at fair value through profit or loss				
Realised gain on investments	306	7,169	3,607	6,950
Change in unrealised (loss)/gain on investments	(627)	11,199	1,834	1,036
Net gain/(loss) on currencies and FFCTs	2,472	(3,781)	(901)	4,296
	2,151	14,587	4,540	12,282

	F&C Real Estate Equity Long/Short Fund 2018 €000	F&C Multi Strategy Global Equity Fund 2018 €000	BMO US Real Estate Equity Long/Short Fund 2018 US\$000	Total 2018 €000
Net gain on financial assets and financial liabilities at fair value through profit or loss				
Realised gain on investments	1,184	32,981	56	51,494
Change in unrealised gain/(loss) on investments	6,335	(21,415)	(562)	(3,865)
Net (loss)/gain on currencies and FFCTs	(1,850)	(7,610)	2,529	(4,314)
	5,669	3,956	2,023	43,315

	F&C High Income Bond Fund 2017 US\$000	Eastern European Fund 2017 US\$000	F&C Macro Emerging Markets Fund 2017 US\$000	F&C Macro Global Bond Fund (£)* 2017 £000	Global Unconstrained Equities Fund* 2017 US\$000
Net (loss)/gain on financial assets and financial liabilities at fair value through profit or loss					
Realised gain/(loss) on investments	702	(4,351)	911	(172)	(150)
Change in unrealised gain/(loss) on investments	2,335	15,951	3,490	(1,269)	155
Net (loss)/gain on currencies and FFCTs	(5,536)	(4,351)	(848)	1,030	(105)
	(2,499)	7,249	3,553	(411)	(100)

	F&C Real Estate Securities Fund 2017 £000	F&C Real Estate Equity Long/Short Fund 2017 €000	F&C Multi Strategy Global Equity Fund 2017 €000	BMO US Real Estate Equity Long/Short Fund** 2017 US\$000	Total 2017 €000
Net (loss)/gain on financial assets and financial liabilities at fair value through profit or loss					
Realised gain/(loss) on investments	778	1,359	14,605	—	14,049
Change in unrealised gain/(loss) on investments	(1,152)	(2,132)	45,115	—	60,121
Net (loss)/gain on currencies and FFCTs	4,571	(8,360)	8,171	—	(3,430)
	4,197	(9,133)	67,891	—	70,740

* For the period from 1 April 2016 to termination of the Fund on 25 August 2016

** Launched on 31 March 2017

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

4. Debtors

Amounts falling due within one financial year:

	F&C High Income Bond Fund 2018 US\$000	Eastern European Fund 2018 US\$000	F&C Global Emerging Markets Fund 2018 US\$000	F&C Real Estate Securities Fund 2018 £000
Securities sold receivable	581	—	736	—
Bond interest receivable	427	—	—	—
Subscriptions receivable	1	1	—	127
Dividends receivable	—	66	77	1,123
Expense reimbursement receivable	—	—	—	—
Sundry debtors	4	—	—	—
	1,013	67	813	1,250

Amounts falling due within one financial year:

	F&C Real Estate Equity Long/Short Fund 2018 €000	F&C Multi Strategy Global Equity Fund 2018 €000	BMO US Real Estate Equity Long/Short Fund 2018 US\$000	Total 2018 €000
Securities sold receivable	—	11	—	1,082
Bond interest receivable	—	—	—	347
Subscriptions receivable	450	—	—	597
Dividends receivable	390	761	37	2,578
Expense reimbursement receivable	—	—	47	38
Sundry debtors	1	90	17	110
	841	862	101	4,752

Amounts falling due within one financial year:

	F&C High Income Bond Fund 2017 US\$000	Eastern European Fund 2017 US\$000	F&C Global Emerging Markets Fund 2017 US\$000	F&C Macro Global Bond Fund (£)* 2017 £000	F&C Global Unconstrained Equities Fund* 2017 US\$000
Securities sold receivable	209	—	—	—	—
Bond interest receivable	656	—	—	—	—
Subscriptions receivable	—	—	10	—	—
Dividends receivable	—	24	104	—	2
Sundry debtors	—	—	—	—	—
	865	24	114	—	2

* Terminated 25 August 2016

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

4. Debtors (continued)

	F&C Real Estate Securities Fund 2017 £000	F&C Real Estate Equity Long/Short Fund 2017 €000	F&C Multi Strategy Global Equity Fund 2017 €000	BMO US Real Estate Equity Long/Short Fund** 2017 US\$000	Total 2017 €000
<i>Amounts falling due within one financial year:</i>					
Securities sold receivable	427	2,066	–	–	2,761
Bond interest receivable	–	9	–	–	622
Subscriptions receivable	35	26	–	6,799	6,433
Dividends receivable	427	756	820	–	2,197
Sundry debtors	–	7	10	–	17
	889	2,864	830	6,799	12,030

** Launched 31 March 2017

5. Cash at bank

At 31 March 2018, cash at bank was deposited with the following institutions on behalf of the relevant Funds:

	F&C High Income Bond Fund 2018 US\$000	Eastern European Fund 2018 US\$000	F&C Global Emerging Markets Fund 2018 US\$000	F&C Real Estate Securities Fund 2018 €000
Bank of America	129	86	113	–
Barclays Bank	–	–	–	6,653
BNP Paribas	–	–	–	6,661
Natixis Bank	–	–	–	–
Rabobank	–	–	–	–
State Street Custodial Services (Ireland) Limited	2,275	1,996	1,448	7,965
	2,404	2,082	1,561	21,279

	F&C Real Estate Equity Long/Short Fund 2018 €000	F&C Multi Strategy Global Equity Fund 2018 €000	BMO US Real Estate Equity Long/Short Fund 2018 US\$000	Total 2018 €000
Bank of America	(15)	(10)	–	242
Barclays Bank	38,271	–	–	45,860
BNP Paribas	5,000	–	2,490	14,622
Natixis Bank	–	–	2,490	2,025
Rabobank	20,000	6,894	2,490	28,919
State Street Custodial Services (Ireland) Limited	8,167	1,292	370	23,494
	71,423	8,176	7,840	115,162

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

5. Cash at bank (continued)

At 31 March 2017, cash at bank was deposited with the following institutions on behalf of the relevant Funds:

	F&C High Income Bond Fund 2017 US\$000	Eastern European Fund 2017 US\$000	F&C Global Emerging Markets Fund 2017 US\$000	F&C Macro Global Bond Fund (£)* 2017 £000	F&C Global Unconstrained Equities Fund* 2017 US\$000
Barclays Bank	–	1	–	–	–
BNP Paribas	–	3	–	–	–
DNB Bank ASA	–	–	–	–	–
State Street Custodial Services (Ireland) Limited	629	927	1,633	77	38
	629	931	1,633	77	38

	F&C Real Estate Securities Fund 2017 £000	F&C Real Estate Equity Long/Short Fund 2017 €000	F&C Multi Strategy Global Equity Fund 2017 €000	BMO US Real Estate Equity Long/Short Fund** 2017 US\$000	Total 2017 €000
Barclays Bank	13,920	50,094	–	–	66,369
BNP Paribas	8,366	5,000	–	–	14,784
DNB Bank ASA	–	25	–	–	25
State Street Custodial Services (Ireland) Limited	1,445	27,787	3,019	–	35,603
	23,731	82,906	3,019	–	116,781

* Terminated 25 August 2016

** Launched 31 March 2017

5. (a) Margin cash

As at 31 March 2018, margin cash deposited with the following institutions on behalf of the relevant Funds:

	F&C High Income Bond Fund 2018 US\$000	F&C Multi Strategy Global Equity Fund 2018 €000	Total 2018 €000
Goldman Sachs	190	1,446	1,600
	190	1,446	1,600

As at 31 March 2017, margin cash was deposited with the following institutions on behalf of the relevant Funds:

	F&C High Income Bond Fund 2017 US\$000	F&C Multi Strategy Global Equity Fund 2017 €000	Total 2017 €000
Goldman Sachs	439	574	984
	439	574	984

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

5. (b) Margin cash payable

As at 31 March 2018 and 31 March 2017, there was no margin cash payable.

5. (c) Bank overdraft

At 31 March 2018 the F&C Real Estate Securities Fund held a bank overdraft with State Street Custodial Services (Ireland) Limited of £4,205. At 31 March 2017 the F&C Real Estate Securities Fund and F&C Real Estate Equity Long/Short Fund held a bank overdraft with State Street Custodial Services (Ireland) Limited of £9,779 and €37,382, respectively. Bank overdrafts are charged at rates of between 2.00% and 3.75% depending on the currency of the account.

6. Collateral

As at 31 March 2018, pledged cash collateral to support derivative positions were:

	F&C High Income Bond Fund	F&C Real Estate Securities Fund	F&C Real Estate Equity Long/Short Fund	BMO US Estate Equity Long/Short Fund	Total
	2018	2018	2018	2018	2018
	US\$000	£000	€000	US\$000	€000
Goldman Sachs	–	26,098	23,674	3,401	56,207
Merrill Lynch	1,050	–	–	–	854
	1,050	26,098	23,674	3,401	57,061

As at 31 March 2018 cash collateral due to brokers were as follows:

	F&C High Income Bond Fund	F&C Real Estate Securities Fund	F&C Real Estate Equity Long/Short Fund	Total
	2018	2018	2018	2018
	US\$000	£000	€000	€000
Goldman Sachs	–	(2,905)	(2,177)	(5,491)
Societe Generale	(1,400)	–	–	(1,138)
	(1,400)	(2,905)	(2,177)	(6,629)

As at 31 March 2017, pledged cash collateral to support derivative positions were:

	F&C Real Estate Securities Fund	F&C Real Estate Equity Long/Short Fund	Total
	2017	2017	2017
	£000	€000	€000
Goldman Sachs	15,005	46,369	63,912
	15,005	46,369	63,912

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

7. Creditors

	F&C High Income Bond Fund 2018 US\$000	Eastern European Fund 2018 US\$000	F&C Global Emerging Markets Fund 2018 US\$000	F&C Real Estate Securities Fund 2018 £000
<i>Amounts falling due within one financial year:</i>				
Securities purchased payable	(1,159)	–	–	(3,317)
Redemptions payable	(148)	(138)	(2,156)	(971)
Performance fee payable	(4)	–	–	(12)
Investment Management fee payable	(31)	(59)	(41)	(171)
Sundry creditors	(151)	(74)	(184)	(202)
Administration fee payable	(14)	(28)	(12)	(66)
Depository fee payable	(22)	(85)	(23)	(46)
	(1,529)	(384)	(2,416)	(4,785)

	F&C Real Estate Equity Long/Short Fund 2018 €000	F&C Multi Strategy Global Equity Fund 2018 €000	BMO US Real Estate Equity Long/Short Fund 2018 US\$000	Total 2018 €000
<i>Amounts falling due within one financial year:</i>				
Securities purchased payable	(3,040)	(591)	–	(8,357)
Redemptions payable	(204)	–	(1,418)	(4,450)
Performance fee payable	(358)	–	–	(375)
Investment Management fee payable	(175)	(87)	(12)	(573)
Sundry creditors	(360)	(287)	(109)	(1,298)
Administration fee payable	(60)	(142)	(9)	(329)
Depository fee payable	(65)	(124)	(16)	(360)
	(4,262)	(1,231)	(1,564)	(15,742)

	F&C High Income Bond Fund 2017 US\$000	Eastern European Fund 2017 US\$000	F&C Global Emerging Markets Fund 2017 US\$000	F&C Macro Global Bond Fund (£)* 2017 £000	F&C Global Unconstrained Equities Fund* 2017 US\$000
<i>Amounts falling due within one financial year:</i>					
Securities purchased payable	(426)	–	(276)	–	–
Redemptions payable	(5)	(25)	(130)	–	(5)
Performance fee payable	(1)	–	–	–	–
Investment Management fee payable	(39)	(73)	(45)	–	–
Sundry creditors	(99)	(69)	(62)	(77)	(35)
Administration fee payable	(18)	(30)	(11)	–	–
Depository fee payable	(32)	(74)	(22)	–	–
	(620)	(271)	(546)	(77)	(40)

* Terminated 25 August 2016

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

7. Creditors (continued)

	F&C Real Estate Securities Fund 2017 £000	F&C Real Estate Equity Long/Short Fund 2017 €000	F&C Multi Strategy Global Equity Fund 2017 €000	BMO US Real Estate Equity Long/Short Fund** 2017 US\$000	Total 2017 €000
<i>Amounts falling due within one financial year:</i>					
Securities purchased payable	–	–	(157)	–	(812)
Redemptions payable	(72)	(2,692)	(244)	–	(3,174)
Performance fee payable	–	–	–	–	(1)
Investment Management fee payable	(88)	(268)	(90)	–	(608)
Sundry creditors	(123)	(636)	(114)	(2)	(1,234)
Administration fee payable	(30)	(108)	(147)	–	(345)
Depositary fee payable	(29)	(91)	(120)	–	(365)
	(342)	(3,795)	(872)	(2)	(6,539)

** Launched 31 March 2017

8. Distributions

During the year ended 31 March 2018 the following distributions were declared and paid:

F&C High Income Bond Fund

Class A Euro Distributing

Date Declared	Date Paid	Rate per Share €	No. of Shares	Amount €	Relevant period
03.04.17	26.04.17	0.085	699,467	59,455	01.01.17 to 31.03.17
03.07.17	26.07.17	0.086	673,548	57,925	01.04.17 to 30.06.17
02.10.17	25.10.17	0.085	638,778	54,296	01.07.17 to 30.09.17
02.01.18	31.01.18	0.084	625,987	52,583	01.10.17 to 31.12.17
				224,259	

Class A Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
03.04.17	26.04.17	0.092	259,636	23,887	01.01.17 to 31.03.17
03.07.17	26.07.17	0.094	244,718	23,003	01.04.17 to 30.06.17
02.10.17	25.10.17	0.093	240,085	22,328	01.07.17 to 30.09.17
02.01.18	31.01.18	0.093	226,304	21,046	01.10.17 to 31.12.17
				90,264	

Class A US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
03.04.17	26.04.17	0.085	639,083	54,322	01.01.17 to 31.03.17
03.07.17	26.07.17	0.087	603,268	52,484	01.04.17 to 30.06.17
02.10.17	25.10.17	0.087	586,011	50,983	01.07.17 to 30.09.17
02.01.18	31.01.18	0.086	566,892	48,753	01.10.17 to 31.12.17
				206,542	

Class A Norwegian Krone Distributing

Date Declared	Date Paid	Rate per Share NOK	No. of Shares	Amount NOK	Relevant period
03.04.17	26.04.17	0.729	15,793	11,513	01.01.17 to 31.03.17
03.07.17	26.07.17	0.740	15,928	11,787	01.04.17 to 30.06.17
02.10.17	25.10.17	0.738	16,069	11,859	01.07.17 to 30.09.17
02.01.18	31.01.18	0.732	16,181	11,845	01.10.17 to 31.12.17
				47,004	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

8. Distributions (continued)

F&C High Income Bond Fund (continued)

Class A New Euro Distributing

Date Declared	Date Paid	Rate per Share €	No. of Shares	Amount €	Relevant period
03.04.17	26.04.17	0.061	1,559,916	95,155	01.01.17 to 31.03.17
03.07.17	26.07.17	0.062	1,485,596	92,107	01.04.17 to 30.06.17
02.10.17	25.10.17	0.062	1,384,128	85,816	01.07.17 to 30.09.17
02.01.18	31.01.18	0.061	1,326,227	80,900	01.10.17 to 31.12.17
				353,978	

Class A New Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
03.04.17	26.04.17	0.066	1,199,154	79,144	01.01.17 to 31.03.17
03.07.17	26.07.17	0.066	1,194,610	78,844	01.04.17 to 30.06.17
02.10.17	25.10.17	0.066	1,094,191	72,217	01.07.17 to 30.09.17
02.01.18	31.01.18	0.066	598,066	39,472	01.10.17 to 31.12.17
				269,677	

Class A New US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
03.04.17	26.04.17	0.065	1,486,023	96,592	01.01.17 to 31.03.17
03.07.17	26.07.17	0.066	1,461,542	96,462	01.04.17 to 30.06.17
02.10.17	25.10.17	0.066	1,429,178	94,326	01.07.17 to 30.09.17
02.01.18	31.01.18	0.065	1,428,963	92,883	01.10.17 to 31.12.17
				380,263	

Class A New Norwegian Krone Distributing

Date Declared	Date Paid	Rate per Share NOK	No. of Shares	Amount NOK	Relevant period
03.04.17	26.04.17	0.698	69,063	48,206	01.01.17 to 31.03.17
03.07.17	26.07.17	0.708	69,423	49,152	01.04.17 to 30.06.17
02.10.17	25.10.17	0.705	69,797	49,207	01.07.17 to 30.09.17
02.01.18	31.01.18	0.699	68,292	47,736	01.10.17 to 31.12.17
				194,301	

Class C Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
03.04.17	26.04.17	0.094	38,145	3,586	01.01.17 to 31.03.17
03.07.17	26.07.17	0.096	44,379	4,260	01.04.17 to 30.06.17
02.10.17	25.10.17	0.095	46,190	4,388	01.07.17 to 30.09.17
02.01.18	31.01.18	0.095	44,595	4,237	01.10.17 to 31.12.17
				16,471	

Eastern European Fund

Class B US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
03.04.17	26.04.17	0.144	6,606,925	948,821	01.04.16 to 31.03.17
				948,821	

F&C Real Estate Securities Fund

Class A Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
25.04.17	03.05.17	0.190	76,505	14,536	01.10.16 to 31.03.17
25.10.17	02.11.17	0.165	73,704	12,161	01.04.17 to 30.09.17
				26,697	

Class C Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
25.04.17	03.05.17	0.215	1,382,625	297,264	01.10.16 to 31.03.17
25.10.17	02.11.17	0.190	1,381,125	262,414	01.04.17 to 30.09.17
				559,678	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

8. Distributions (continued)

During the financial year ended 31 March 2017 the following distributions were declared and paid:

F&C High Income Bond Fund

Class A Euro Distributing

Date Declared	Date Paid	Rate per Share €	No. of Shares	Amount €	Relevant period
01.04.16	27.04.16	0.084	840,354	70,590	01.01.16 to 31.03.16
01.07.16	27.07.16	0.085	812,259	69,042	01.04.16 to 30.06.16
03.10.16	26.10.16	0.086	794,065	68,290	01.07.16 to 30.09.16
03.01.17	25.01.17	0.087	749,974	65,248	01.10.16 to 31.12.16
				273,170	

Class A Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
01.04.16	27.04.16	0.091	302,776	27,553	01.01.16 to 31.03.16
01.07.16	27.07.16	0.092	292,672	26,926	01.04.16 to 30.06.16
03.10.16	26.10.16	0.093	290,839	27,048	01.07.16 to 30.09.16
03.01.17	25.01.17	0.094	282,630	26,567	01.10.16 to 31.12.16
				108,094	

Class A US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
01.04.16	27.04.16	0.084	727,110	61,077	01.01.16 to 31.03.16
01.07.16	27.07.16	0.084	722,999	60,732	01.04.16 to 30.06.16
03.10.16	26.10.16	0.086	702,368	60,404	01.07.16 to 30.09.16
03.01.17	25.01.17	0.087	677,788	58,968	01.10.16 to 31.12.16
				241,181	

Class A Norwegian Krone Distributing

Date Declared	Date Paid	Rate per Share NOK	No. of Shares	Amount NOK	Relevant period
01.04.16	27.04.16	0.714	15,261	10,897	01.01.16 to 31.03.16
01.07.16	27.07.16	0.720	15,391	11,081	01.04.16 to 30.06.16
03.10.16	26.10.16	0.734	15,520	11,392	01.07.16 to 30.09.16
03.01.17	25.01.17	0.742	15,654	11,615	01.10.16 to 31.12.16
				44,985	

Class A New Euro Distributing

Date Declared	Date Paid	Rate per Share €	No. of Shares	Amount €	Relevant period
01.04.16	27.04.16	0.061	1,915,057	116,818	01.01.16 to 31.03.16
01.07.16	27.07.16	0.061	1,843,491	112,453	01.04.16 to 30.06.16
03.10.16	26.10.16	0.062	1,761,604	109,219	01.07.16 to 30.09.16
03.01.17	25.01.17	0.063	1,716,705	108,152	01.10.16 to 31.12.16
				446,642	

Class A New Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
01.04.16	27.04.16	0.065	1,468,944	95,481	01.01.16 to 31.03.16
01.07.16	27.07.16	0.065	1,354,279	88,028	01.04.16 to 30.06.16
03.10.16	26.10.16	0.066	1,329,370	87,738	01.07.16 to 30.09.16
03.01.17	25.01.17	0.067	1,266,712	84,870	01.10.16 to 31.12.16
				356,117	

Class A New US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
01.04.16	27.04.16	0.063	1,573,538	99,133	01.01.16 to 31.03.16
01.07.16	27.07.16	0.064	1,550,424	99,227	01.04.16 to 30.06.16
03.10.16	26.10.16	0.065	1,535,969	99,838	01.07.16 to 30.09.16
03.01.17	25.01.17	0.066	1,574,566	103,921	01.10.16 to 31.12.16
				402,119	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

8. Distributions (continued)

F&C High Income Bond Fund (continued)

Class A New Norwegian Krone Distributing

Date Declared	Date Paid	Rate per Share NOK	No. of Shares	Amount NOK	Relevant period
01.04.16	27.04.16	0.683	69,279	47,318	01.01.16 to 31.03.16
01.07.16	27.07.16	0.689	69,700	48,023	01.04.16 to 30.06.16
03.10.16	26.10.16	0.702	70,122	49,226	01.07.16 to 30.09.16
03.01.17	25.01.17	0.710	70,556	50,095	01.10.16 to 31.12.16
				194,662	

Class C Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
01.04.16	27.04.16	0.093	39,032	3,630	01.01.16 to 31.03.16
01.07.16	27.07.16	0.093	36,901	3,432	01.04.16 to 30.06.16
03.10.16	26.10.16	0.095	36,482	3,466	01.07.16 to 30.09.16
03.01.17	25.01.17	0.096	35,029	3,363	01.10.16 to 31.12.16
				13,891	

Eastern European Fund

Class B US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
01.04.16	27.04.16	0.172	6,454,782	1,109,408	01.04.15 to 31.03.16
				1,109,408	

F&C Real Estate Securities Fund

Class A Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
27.04.16	29.04.16	0.120	83,514	10,022	01.10.15 to 31.03.16
28.10.16	04.11.16	0.150	81,738	12,261	01.04.16 to 30.09.16
				22,283	

Class C Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
27.04.16	29.04.16	0.145	2,025,841	293,747	01.10.15 to 31.03.16
28.10.16	04.11.16	0.175	1,719,527	300,917	01.04.16 to 30.09.16
				594,664	

9. Share Capital

Subscriber Shares

The Company issued 30,000 subscriber shares of €1.27 each to comply with incorporation requirements. Of these 29,993 were redeemed on 24 August 1999; the remaining seven subscriber shares, all of which are fully paid, are held in a nominee capacity on behalf of Thames River Capital (UK) Limited.

The subscriber share capital does not form part of the NAV of the Company and is stated here for reference only.

Participating Shares

The Company has an authorised share capital of 500 million shares of no par value. The issued redeemable participating share capital is at all times equal to the NAV attributable to the relevant class of shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

Participating Shares (continued)

Redeemable participating shares are redeemable at the shareholders' option and are classified as financial liabilities at fair value through profit or loss. During the financial years ended 31 March 2018 and 31 March 2017, the movement in the number of participating shares was as follows:

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C High Income Bond Fund				
Class A Euro Distributing (€)				
Opening Shares	699,467		840,354	
Subscriptions	3,957	34,909	4,745	40,056
Redemptions	(109,982)	(969,249)	(145,632)	(1,210,132)
Closing Shares	<u>593,442</u>		<u>699,467</u>	
Class A Sterling Distributing (£)				
Opening Shares	259,636		302,776	
Subscriptions	681	7,485	1,407	15,488
Redemptions	(67,842)	(747,877)	(44,547)	(477,485)
Closing Shares	<u>192,475</u>		<u>259,636</u>	
Class A US Dollar Distributing (US\$)				
Opening Shares	639,083		727,110	
Subscriptions	2,095	16,111	2,734	20,968
Redemptions	(112,410)	(860,312)	(90,761)	(697,810)
Closing Shares	<u>528,768</u>		<u>639,083</u>	
Class A Norwegian Krone Distributing (NOK)				
Opening Shares	15,793		15,261	
Subscriptions	562	4,567	532	4,178
Redemptions	(2,801)	(22,961)	–	–
Closing Shares	<u>13,554</u>		<u>15,793</u>	
Class A New Euro Accumulating (€)				
Opening Shares	296,436		457,217	
Subscriptions	491	7,122	6,517	87,380
Redemptions	(72,453)	(1,055,334)	(167,298)	(2,178,755)
Closing Shares	<u>224,474</u>		<u>296,436</u>	
Class A New Sterling Accumulating (£)				
Opening Shares	20,051		19,301	
Subscriptions	562	8,075	889	12,358
Redemptions	(4,992)	(72,878)	(139)	(1,978)
Closing Shares	<u>15,621</u>		<u>20,051</u>	
Class A New US Dollar Accumulating (US\$)				
Opening Shares	14,341		14,360	
Subscriptions	–	–	–	–
Redemptions	(4,931)	(56,240)	(19)	(216)
Closing Shares	<u>9,410</u>		<u>14,341</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C High Income Bond Fund (continued)				
Class A New Euro Distributing (€)				
Opening Shares	1,563,143		1,915,058	
Subscriptions	6,335	40,378	16,863	104,966
Redemptions	(383,694)	(2,453,176)	(368,778)	(2,238,235)
Closing Shares	<u>1,185,784</u>		<u>1,563,143</u>	
Class A New Sterling Distributing (£)				
Opening Shares	1,199,154		1,476,307	
Subscriptions	50,113	385,653	56,214	441,427
Redemptions	(704,997)	(5,476,450)	(333,367)	(2,613,548)
Closing Shares	<u>544,270</u>		<u>1,199,154</u>	
Class A New US Dollar Distributing (US\$)				
Opening Shares	1,486,023		1,573,538	
Subscriptions	15,582	90,478	67,881	396,382
Redemptions	(99,481)	(580,029)	(155,396)	(900,823)
Closing Shares	<u>1,402,124</u>		<u>1,486,023</u>	
Class A New Norwegian Krone Distributing (NOK)				
Opening Shares	69,063		69,279	
Subscriptions	1,475	11,444	7,130	51,984
Redemptions	(5,925)	(44,826)	(7,346)	(54,832)
Closing Shares	<u>64,613</u>		<u>69,063</u>	
Class C Sterling Accumulating (£)				
Opening Shares	1,809		991	
Subscriptions	526	7,712	1,361	19,223
Redemptions	(180)	(2,555)	(543)	(7,118)
Closing Shares	<u>2,155</u>		<u>1,809</u>	
Class C Sterling Distributing (£)				
Opening Shares	38,145		39,843	
Subscriptions	13,343	147,908	9,252	104,445
Redemptions	(6,748)	(75,786)	(10,950)	(127,665)
Closing Shares	<u>44,740</u>		<u>38,145</u>	
Eastern European Fund				
US Dollar Class (US\$)				
Opening Shares	529,354		658,005	
Subscriptions	9,542	692,044	79,233	4,665,949
Redemptions	(137,909)	(9,765,686)	(207,884)	(12,056,675)
Closing Shares	<u>400,987</u>		<u>529,354</u>	
Class B US Dollar Distributing (US\$)				
Opening Shares	6,606,925		6,454,782	
Subscriptions	–	–	152,143	1,100,000
Redemptions	(2,715,621)	(27,000,000)	–	–
Closing Shares	<u>3,891,304</u>		<u>6,606,925</u>	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C Global Emerging Markets Fund				
Class A Euro Accumulating (€)				
Opening Shares	86,830		121,292	
Subscriptions	1,321	40,654	1,285	33,978
Redemptions	(16,592)	(511,289)	(35,747)	(896,659)
Closing Shares	<u>71,559</u>		<u>86,830</u>	
Class A US Dollar Accumulating (US\$)				
Opening Shares	356,291		458,887	
Subscriptions	353	5,244	9,302	124,453
Redemptions	(70,497)	(1,065,189)	(111,898)	(1,384,316)
Closing Shares	<u>286,147</u>		<u>356,291</u>	
Class A Euro Distributing (€)				
Opening Shares	219,543		209,502	
Subscriptions	33,517	1,582,764	33,753	1,542,224
Redemptions	(86,761)	(4,195,166)	(23,712)	(1,007,198)
Closing Shares	<u>166,299</u>		<u>219,543</u>	
Class A Euro Distributing (€)				
Opening Shares	219,543		209,502	
Subscriptions	33,517	1,582,764	33,753	1,542,224
Redemptions	(86,761)	(4,195,166)	(23,712)	(1,007,198)
Closing Shares	<u>166,299</u>		<u>219,543</u>	
Class A Sterling Distributing (£)				
Opening Shares	54,863		70,208	
Subscriptions	572	41,278	235	15,456
Redemptions	(14,811)	(1,068,783)	(15,580)	(959,628)
Closing Shares	<u>40,624</u>		<u>54,863</u>	
Class A US Dollar Distributing (US\$)				
Opening Shares	244,052		304,134	
Subscriptions	509	23,305	1,070	44,987
Redemptions	(112,808)	(5,521,728)	(61,152)	(2,482,559)
Closing Shares	<u>131,753</u>		<u>244,052</u>	
Class C Sterling Distributing (£)				
Opening Shares	28,875		27,228	
Subscriptions	3,800	69,268	1,647	26,817
Redemptions	–	–	–	–
Closing Shares	<u>32,675</u>		<u>28,875</u>	
F&C Macro Global Bond Fund (£) (terminated 25 August 2016)				
Class A Sterling Accumulating (£)				
Opening Shares	–		120,448	
Subscriptions	–	–	35	517
Redemptions	–	–	(120,483)	(1,802,877)
Closing Shares	<u>–</u>		<u>–</u>	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C Macro Global Bond Fund (£) (terminated 25 August 2016) (continued)				
Euro Distributing Class (€)				
Opening Shares	–		13,892	
Subscriptions	–	–	–	–
Redemptions	–	–	(13,892)	(132,436)
Closing Shares	–		–	
Class A Sterling Distributing (£)				
Opening Shares	–		337,237	
Subscriptions	–	–	–	–
Redemptions	–	–	(337,237)	(4,342,815)
Closing Shares	–		–	
US Dollar Distributing Class (US\$)				
Opening Shares	–		38,531	
Subscriptions	–	–	–	–
Redemptions	–	–	(38,531)	(329,921)
Closing Shares	–		–	
Class C Sterling Accumulating (£)				
Opening Shares	–		341,359	
Subscriptions	–	–	23,293	226,388
Redemptions	–	–	(364,652)	(3,493,596)
Closing Shares	–		–	
Class C Sterling Distributing (£)				
Opening Shares	–		702,788	
Subscriptions	–	–	11,074	105,187
Redemptions	–	–	(713,862)	(6,818,221)
Closing Shares	–		–	
F&C Global Unconstrained Equities Fund (terminated 25 August 2016)				
Class A Euro Accumulating (€)				
Opening Shares	–		34,883	
Subscriptions	–	–	–	–
Redemptions	–	–	(34,883)	(400,372)
Closing Shares	–		–	
Class A Sterling Accumulating (£)				
Opening Shares	–		54,539	
Subscriptions	–	–	336	4,265
Redemptions	–	–	(54,875)	(681,746)
Closing Shares	–		–	
Class A US Dollar Accumulating (US\$)				
Opening Shares	–		119,337	
Subscriptions	–	–	–	–
Redemptions	–	–	(119,337)	(1,242,677)
Closing Shares	–		–	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C Global Unconstrained Equities Fund (terminated 25 August 2016) (continued)				
Class A Norwegian Krone Accumulating (NOK)				
Opening Shares	–		16,047	
Subscriptions	–	–	–	–
Redemptions	–	–	(16,047)	(184,023)
Closing Shares	<u>–</u>		<u>–</u>	
Class A Singapore Dollar Accumulating (SGD)				
Opening Shares	–		1,917	
Subscriptions	–	–	–	–
Redemptions	–	–	(1,917)	(12,455)
Closing Shares	<u>–</u>		<u>–</u>	
Class A Sterling Distributing (£)				
Opening Shares	–		36,402	
Subscriptions	–	–	–	–
Redemptions	–	–	(36,402)	(495,263)
Closing Shares	<u>–</u>		<u>–</u>	
Class C Sterling Accumulating (£)				
Opening Shares	–		21,595	
Subscriptions	–		439	5,487
Redemptions	–		(22,034)	(254,590)
Closing Shares	<u>–</u>		<u>–</u>	
Class C Sterling Distributing (£)				
Opening Shares	–		9,683	
Subscriptions	–		–	–
Redemptions	–		(9,683)	(111,094)
Closing Shares	<u>–</u>		<u>–</u>	
F&C Real Estate Securities Fund				
Class A Euro Accumulating (€)				
Opening Shares	73,068		463,033	
Subscriptions	71,907	1,518,273	1,938,540	32,780,879
Redemptions	(31,377)	(658,928)	(2,328,505)	(38,391,948)
Closing Shares	<u>113,598</u>		<u>73,068</u>	
Class A Sterling Accumulating (£)				
Opening Shares	1,238,950		154,858	
Subscriptions	50,507	1,260,865	1,303,516	27,902,635
Redemptions	(1,232,397)	(30,793,999)	(219,424)	(4,874,982)
Closing Shares	<u>57,060</u>		<u>1,238,950</u>	
Class A Norwegian Krone Accumulating (NOK)				
Opening Shares	41,277		41,277	
Subscriptions	–	–	4,850	86,329
Redemptions	(4,052)	(76,102)	(4,850)	(76,296)
Closing Shares	<u>37,225</u>		<u>41,277</u>	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C Real Estate Securities Fund (continued)				
Class A Sterling Distributing (£)				
Opening Shares	78,524		112,219	
Subscriptions	5,140	113,695	53,085	997,118
Redemptions	(5,573)	(117,526)	(86,780)	(1,724,257)
Closing Shares	<u>78,091</u>		<u>78,524</u>	
Class B Euro Accumulating (€)				
Opening Shares	292,243		560,395	
Subscriptions	958,103	21,098,477	312,756	5,622,877
Redemptions	(921,898)	(20,425,915)	(580,908)	(10,010,740)
Closing Shares	<u>328,448</u>		<u>292,243</u>	
Class B Sterling Accumulating (£)				
Opening Shares	733,340		1,049,499	
Subscriptions	5,544,017	145,203,438	175,193	3,953,148
Redemptions	(1,066,144)	(28,129,144)	(491,352)	(11,523,950)
Closing Shares	<u>5,211,213</u>		<u>733,340</u>	
Class C Sterling Distributing (£)				
Opening Shares	1,481,708		2,000,324	
Subscriptions	1,150,918	25,779,775	317,709	6,160,761
Redemptions	(772,825)	(16,911,624)	(836,325)	(16,307,108)
Closing Shares	<u>1,859,801</u>		<u>1,481,708</u>	
Class D Sterling Accumulating*				
Opening Shares	–		–	
Subscriptions	100	1,000	–	–
Redemptions	–	–	–	–
Closing Shares	<u>100</u>		<u>–</u>	

*Class D Sterling Accumulating launched 2 February 2018.

F&C Real Estate Equity Long/Short Fund

Class A Euro Accumulating (€)				
Opening Shares	2,823,618		3,287,757	
Subscriptions	1,336,798	15,233,610	958,484	10,768,763
Redemptions	(1,155,620)	(12,811,080)	(1,422,623)	(15,872,094)
Closing Shares	<u>3,004,796</u>		<u>2,823,618</u>	
Class A US Dollar Accumulating (US\$)				
Opening Shares	485,356		698,014	
Subscriptions	67,809	660,201	105,478	1,047,467
Redemptions	(424,142)	(4,239,245)	(318,136)	(3,364,875)
Closing Shares	<u>129,023</u>		<u>485,356</u>	
Class B Euro Accumulating (€)				
Opening Shares	10,808,176		7,274,243	
Subscriptions	2,472,302	28,888,402	5,696,035	64,921,316
Redemptions	(4,051,791)	(46,291,030)	(2,162,102)	(24,677,513)
Closing Shares	<u>9,228,687</u>		<u>10,808,176</u>	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
F&C Real Estate Equity Long/Short Fund (continued)				
Class B US Dollar Accumulating (US\$)*				
Opening Shares	–		1,699,201	
Subscriptions	–	–	–	–
Redemptions	–	–	(1,699,201)	(15,636,895)
Closing Shares	<u>–</u>		<u>–</u>	
Class C Sterling Accumulating (£)				
Opening Shares	8,931,609		8,585,476	
Subscriptions	1,172,361	15,865,925	2,464,757	35,157,315
Redemptions	(6,455,509)	(85,761,943)	(2,118,624)	(29,081,592)
Closing Shares	<u>3,648,461</u>		<u>8,931,609</u>	
*Class terminated 9 November 2016				
F&C Multi Strategy Global Equity Fund				
Class F Euro Accumulating (€)				
Opening Shares	30,056,690		34,824,329	
Subscriptions	1,183,632	16,953,614	435,920	4,991,284
Redemptions	(2,923,772)	(40,533,222)	(5,203,559)	(64,336,749)
Closing Shares	<u>28,316,550</u>		<u>30,056,690</u>	
BMO US Real Estate Equity Long/Short Fund (launched 31 March 2017)				
Class A Euro Hedged Accumulating (€)				
Opening Shares	1,000		–	
Subscriptions	–	–	1,000	10,696
Redemptions	–	–	–	–
Closing Shares	<u>1,000</u>		<u>1,000</u>	
Class B Euro Hedged Accumulating (€)				
Opening Shares	1,000		–	
Subscriptions	–	–	1,000	10,696
Redemptions	–	–	–	–
Closing Shares	<u>1,000</u>		<u>1,000</u>	
Class B US Dollar Accumulating (US\$)				
Opening Shares	100		–	
Subscriptions	25,329	250,000	100	1,000
Redemptions	–	–	–	–
Closing Shares	<u>25,429</u>		<u>100</u>	
Class C Sterling Hedged Accumulating (£)				
Opening Shares	1,000		–	
Subscriptions	59,716	773,449	1,000	12,504
Redemptions	(25,733)	(334,617)	–	–
Closing Shares	<u>34,983</u>		<u>1,000</u>	
Class F Euro Hedged Accumulating (€)				
Opening Shares	1,000		–	
Subscriptions	644,794	6,882,354	1,000	10,696
Redemptions	(644,794)	(7,527,166)	–	–
Closing Shares	<u>1,000</u>		<u>1,000</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

9. Share Capital (continued)

	Mar 2018 Shares	Mar 2018 Value	Mar 2017 Shares	Mar 2017 Value
BMO US Real Estate Equity Long/Short Fund (launched 31 March 2017) (continued)				
Class F Sterling Hedged Accumulating (£)				
Opening Shares	540,000		–	
Subscriptions	1,230,775	15,878,086	540,000	6,752,430
Redemptions	(102,564)	(1,414,099)	–	–
Closing Shares	<u>1,668,211</u>		<u>540,000</u>	
Class F US Dollar Accumulating (US\$)				
Opening Shares	100		–	
Subscriptions	–	–	100	1,000
Redemptions	–	–	–	–
Closing Shares	<u>100</u>		<u>100</u>	

10. Efficient Portfolio Management

The Company may enter into securities lending arrangements and repurchase agreements (together “Efficient Portfolio Management Techniques”) and may invest in over-the-counter financial derivative instruments (“OTC FDIs”), subject to the restrictions set forth in the Prospectus and to the extent consistent with the Fund’s investment objective and policies. The use of techniques and instruments relating to transferable securities, money market instruments and/or other financial instruments in which the Funds invest for efficient portfolio management purposes will generally be made for one or more of the following reasons:

- i) the reduction of risk;
- ii) the reduction of cost; or
- iii) the generation of additional capital or income for the relevant Fund with an appropriate level of risk, taking into account the risk profile of the Fund and the risk diversification rules set out in the UCITS Regulations issued by the Central Bank.

All the revenues arising from Efficient Portfolio Management Techniques employed shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees, (which are all fully transparent) which shall not include hidden revenue, shall include fees and expenses payable to repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the Company from time to time. Such fees and expenses of any repurchase/reverse repurchase agreements counterparties and/or stocklending agents engaged by the Company, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the Company or the Fund in respect of which the relevant party has been engaged. At any time a Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps, swaptions, forward foreign exchange contracts, caps, floors and credit derivatives, any of which may be listed or over-the-counter. Please refer to Note 2 (v) Fair value of financial instruments for a range of FDIs that the Company may employ for the purpose of efficient portfolio management.

11. Derivatives and Other Financial Instruments and Associated Risks

- (i) Strategy in using financial instruments

The Investment Managers have used derivatives both for investment purposes and to hedge portfolio exposure as part of their investment strategy. The derivatives used during the year consisted of CFDs, options, futures, swaps, swaptions and FFCTs. In each case, the derivative was used to construct part of the Funds’ portfolios as a more cost-effective alternative to using the related security, or to create or reduce exposure in a way that is not feasible using a direct holding of a security. Some of the resulting positions can involve leverage or shorting, which carries a greater risk of loss than a simple long exposure, which is generally limited to the initial capital invested.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(i) Strategy in using financial instruments (continued)

The Funds' investments in equities, bonds, CFDs, options, futures, swaps, swaptions and FFCTs expose them to various risks. All investments present a risk of loss of capital. The risks include but are not limited to market price risk, interest rate risk, credit risk, liquidity risk and currency risk. The Investment Manager of each Fund is responsible for monitoring the risks on each Fund and reports regularly to the Board of Directors.

FFCTs are utilised by all Funds for both investment management and currency hedging purposes. The realised and unrealised gains and losses on all FFCTs are disclosed in the Statement of Comprehensive Income. The income arising from these contracts cannot practically be split from the total return of the instrument or between income arising from transactions undertaken for investment purposes and that attributable to currency hedging. Transaction costs on forwards are embedded in their contract price and are therefore not separately identifiable for disclosure within the financial statements.

The accounting treatment of all other derivative instruments are disclosed in Note 2. The counterparties to OTC derivatives are disclosed at the end of each portfolio statement and associated collateral and margin cash are disclosed in the Statement of Financial Position.

(ii) Derivative exposure

Under the UCITS Regulations the Investment Managers are required to employ a risk management process to monitor the exposure to the Funds from derivatives. The Central Bank requires exposure to be measured in one of two ways, either using the Commitment Approach or Value at Risk ("VaR").

The Commitment Approach is a methodology that aggregates the underlying market or notional values of derivatives to determine the exposure of the Fund to derivatives. In accordance with the UCITS Regulations, exposure to derivatives for Funds which use the Commitment Approach must not exceed 100% of the relevant Fund's NAV.

VaR is a statistical risk measure that estimates the potential portfolio loss from adverse market moves in an ordinary market environment. It reflects interdependencies between risk variables unlike a traditional sensitivity analysis.

Historical VaR is used for the calculation of exposure and this approach estimates VaR by applying historical data to calculate the probability of a range of possible valuations of a Fund's portfolio. VaR analysis is then used to estimate the lowest value (or greatest loss) the portfolio could experience over a given period for a set level of confidence.

The VaR approach is used on the F&C High Income Bond Fund, F&C Real Estate Equity Long/Short Fund, F&C Multi Strategy Global Equity Fund and BMO US Real Estate Equity Long/Short Fund. The Commitment Approach is used on the other Funds.

For those Funds which use the VaR approach, the VaR of the Fund shall not exceed the limits as disclosed in the table below, based on a 1 day holding period and a "one-tailed" 99% confidence interval using historical market data taken from the last two financial years. A 99% 1 day VaR means that the expectation is that 99% of the time over a 1 day period the Fund will lose less than this number in percentage terms. Higher VaR numbers indicate higher risk.

During the financial year ended 31 March 2018 and 31 March 2017 none of the Funds exceeded the applicable limit.

Fund	VaR Limit	Methodology
F&C High Income Bond Fund	2.21%	Absolute VaR
F&C Real Estate Equity Long/Short Fund	1.47%	Absolute VaR
F&C Multi Strategy Global Equity Fund	N/A	Relative approach (2x MSCI World)
BMO US Real Estate Equity Long/Short Fund	1.47%	Absolute VaR

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(ii) Derivative exposure (continued)

VaR utilisation measures the relevant Fund's VaR relative to that Fund's VaR limit. The below tables detail the approach for each Fund, the minimum, maximum and average daily VaR utilisation that occurred during the financial year/period ending 31 March 2018 and 31 March 2017 expressed as a percentage of the VaR limit and the VaR expressed as a percentage of the NAV at the financial year end.

As at 31 March 2018					
Fund	Market Risk Approach	Highest utilisation of the VaR limit*	Lowest utilisation of the VaR limit*	Average utilisation of the VaR limit*	VaR as at 31 March 2018
F&C High Income Bond Fund	Absolute VaR	24.84%	8.81%	13.74%	0.43%
F&C Real Estate Equity Long/Short Fund	Absolute VaR	36.09%	16.17%	25.58%	0.36%
F&C Multi Strategy Global Equity Fund**	Relative VaR	1.40	0.93	1.20	2.00%
BMO US Real Estate Equity Long/Short Fund	Absolute VaR	36.57%	17.98%	26.48%	0.50%

* Absolute VaR Limit Utilisation = VaR (99% confidence interval, 1 day)/Limit as disclosed on previous page

** This Fund is measured on the relative VaR approach where the limit is twice the benchmark VaR

Utilisation = 100% equates to using the full limit allowed

As at 31 March 2017					
Fund	Market Risk Approach	Highest utilisation of the VaR limit*	Lowest utilisation of the VaR limit*	Average utilisation of the VaR limit*	VaR as at 31 March 2017
F&C High Income Bond Fund	Absolute VaR	61.60%	15.40%	39.40%	0.27%
F&C Macro Global Bond Fund (£)	Absolute VaR	98.45%	40.27%	71.01%	N/A
F&C Real Estate Equity Long/Short Fund	Absolute VaR	31.89%	13.75%	21.88%	0.35%
F&C Multi Strategy Global Equity Fund**	Relative VaR	1.31	0.99	1.25	2.91%

* Absolute VaR Limit Utilisation = VaR (99% confidence interval, 1 day)/Limit as disclosed on previous page

** This Fund is measured on the relative VaR approach where the limit is twice the benchmark VaR

Utilisation = 100% equates to using the full limit allowed

BMO US Real Estate Equity Long/Short Fund did not hold any investments during the financial year ended 31 March 2017.

VaR methods rely on a number of assumptions about the forecasting of investment markets and the ability to draw inferences about the future behaviour of market prices from historical movements. If those assumptions are incorrect by any significant degree (and even a small degree of inaccuracy in the forecasting models used can produce large deviations in the forecast produced), the size and frequency of losses actually incurred in the investment portfolio may considerably exceed those predicted by the VaR model.

In accordance with the UCITS Regulations, a Fund using VaR must disclose the level of leverage employed by the Fund during the financial year under review, calculated as the sum of the absolute value of notionals of the derivatives used. The leverage is calculated on a gross basis and does not take into account any netting and hedging arrangements that the Funds may have in place at any time, even though these arrangements may be used for risk reduction purposes. Therefore this calculation may not provide an accurate measure of the Funds' actual investment exposures.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(ii) Derivative exposure (continued)

Below is the average daily level of leverage for each Fund during the financial year ending 31 March 2018 and 31 March 2017.

As at 31 March 2018	Average leverage employed during the financial year as % of NAV* 31 March 2018
Fund	
F&C High Income Bond Fund	310.18%
F&C Real Estate Equity Long/Short Fund	99.81%
F&C Multi Strategy Global Equity Fund	4.23%
BMO US Real Estate Equity Long/Short Fund	54.99%
As at 31 March 2017	Average leverage employed during the financial year as % of NAV* 31 March 2017
Fund	
F&C High Income Bond Fund	208.57%
F&C Macro Global Bond Fund (€)	494.78%
F&C Real Estate Equity Long/Short Fund	83.76%
F&C Multi Strategy Global Equity Fund	9.52%

* It should be noted that the data above includes offsetting positions which are closed but not collapsed (i.e. where the Fund trades an offsetting position in an identical security and both securities are included in the valuation)

(iii) Market price risk

Market risks are reviewed below under the following headings:

Equity Funds

Eastern European Fund, F&C Global Emerging Markets Fund, F&C Real Estate Securities Fund, F&C Real Estate Equity Long/Short Fund, F&C Multi Strategy Global Equity Fund and BMO US Real Estate Equity Long/Short Fund.

The Funds invest in financial instruments, taking positions in securities, currencies and derivatives as appropriate, including where appropriate in view of their respective investment objectives and policy, CFDs, index futures and options, to take advantage of movements in the investment markets associated with their respective investment objectives.

All investments present a risk of loss of capital. The Investment Manager of each Fund seeks to reduce this risk through a careful selection of securities and other financial instruments within specified limits.

The maximum risk of loss resulting from financial instruments is determined by the fair value of the financial instruments at the date of purchase, except for long positions in derivatives, where the maximum loss may be the fair value of the underlying asset, and short positions. Possible losses from derivative positions sold short can theoretically be unlimited. Each Fund's overall market positions are monitored on a daily basis by the relevant Fund's Investment Manager.

The Funds' equity securities and related derivative instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Funds' market price risk is managed through a combination of monitoring the levels of exposures to individual securities and where relevant, industry sectors and countries, within the diversification requirements applicable to each Fund under the UCITS Regulations, while maintaining constant awareness of the portfolio's overall exposures.

In accordance with the Company's policy, the Investment Managers monitor each Fund's positions on a daily basis and report regularly to the Board of Directors, which reviews the information on the Funds' overall market exposures provided by the Investment Managers at its periodic meetings.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(iii) Market price risk (continued)

Equity Funds (continued)

The market risk of the Funds may be affected by three main components: changes in actual market prices, interest rates and foreign currency movements.

With regard to the changes in actual market prices, some of the Funds are managed on an absolute return orientated basis or are not constrained by any benchmark index. However, in order to comply with FRS 102 and assuming that the portfolios remain unchanged, the following table shows the impact of an upward or downward move in the price of all securities held in the portfolio on the NAV of the respective Fund. In view of the fact the Funds' portfolios are managed on an active and dynamic basis with frequent changes in the holdings and the balance of gross and net positions, the Directors caution that this sensitivity should not be relied on as a measure of future performance.

Equity Funds as at 31 March 2018	Impact of +/- 5% market move	
	Currency 000	%
Eastern European Fund	US\$3,204	4.87%
F&C Global Emerging Markets Fund	US\$1,300	5.01%
F&C Real Estate Securities Fund	£12,660	6.46%
F&C Real Estate Equity Long/Short Fund	€10,942	5.64%
F&C Multi Strategy Global Equity Fund	€19,976	4.98%
BMO US Real Estate Equity Long/Short Fund	US\$1,317	5.59%

Equity Funds as at 31 March 2017	Impact of +/- 5% market move	
	Currency 000	%
Eastern European Fund	US\$4,325	4.96%
F&C Global Emerging Markets Fund	US\$1,548	4.81%
F&C Real Estate Securities Fund	£5,003	5.95%
F&C Real Estate Equity Long/Short Fund	€16,609	5.97%
F&C Multi Strategy Global Equity Fund	€19,521	4.71%

Bond Fund – F&C High Income Bond Fund

Fixed income holdings are not subject to significant amounts of market price risk, therefore no sensitivity analysis is presented for the F&C High Income Bond Fund.

(iv) Interest rate risk

Equity Funds

The only interest-bearing assets in the Equity Funds portfolios are generally the Funds' cash balances and treasury bills which are normally held in the relevant Fund's base currency and invested at short-term market interest rates. Cash balances in these Funds are typically very low. As a result, the Equity Funds are not considered to be subject to significant amounts of direct risk due to fluctuations in the prevailing levels of market interest rates.

F&C High Income Bond Fund

The F&C High Income Bond Fund's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The F&C High Income Bond Fund has the flexibility to enter into interest rate and credit derivative contracts in order to limit the exposure to changes in prevailing interest rates.

Any excess cash and cash equivalents in the F&C High Income Bond Fund are invested at short-term market interest rates and are therefore not subject to significant amounts of direct risk due to fluctuations in the prevailing levels of market interest rates.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(iv) Interest rate risk (continued)

F&C High Income Bond Fund (continued)

In accordance with the Company's policy, the Investment Manager monitors the F&C High Income Bond Fund's interest rate exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

The table below summarises the F&C High Income Bond Fund's exposure to interest rate risks. It includes the Fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

F&C High Income Bond Fund As at 31 March 2018	Less than 1 month	1 month – 1 financial year	1–5 financial years	Over 5 financial years	Non-interest bearing	Total 2018
Assets	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
Financial assets at fair value						
through profit or loss	–	439	10,584	24,592	342	35,957
Cash at bank	2,404	–	–	–	–	2,404
Margin cash	190	–	–	–	–	190
Cash collateral	1,050	–	–	–	–	1,050
Debtors	–	–	–	–	1,013	1,013
Total assets	3,644	439	10,584	24,592	1,355	40,614
Liabilities						
Financial liabilities at fair value						
through profit or loss	–	–	(950)	–	(559)	(1,509)
Due to broker	(1,400)	–	–	–	–	(1,400)
Creditors	–	–	–	–	(1,529)	(1,529)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)	(1,400)	–	(950)	–	(2,088)	(4,438)
F&C High Income Bond Fund As at 31 March 2017	Less than 1 month	1 month – 1 financial year	1–5 financial years	Over 5 financial years	Non-interest bearing	Total 2017
Assets	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
Financial assets at fair value						
through profit or loss	–	2,578	13,559	28,248	917	45,302
Cash at bank	629	–	–	–	–	629
Margin cash	439	–	–	–	–	439
Debtors	–	–	–	–	865	865
Total assets	1,068	2,578	13,559	28,248	1,782	47,235
Liabilities						
Financial liabilities at fair value						
through profit or loss	–	–	–	–	(711)	(711)
Creditors	–	–	–	–	(620)	(620)
Total liabilities (excluding net assets attributable to holders of redeemabl participating shares)	–	–	–	–	(1,331)	(1,331)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(iv) Interest rate risk (continued)

F&C High Income Bond Fund (continued)

The following table shows, for the purposes of FRS 102, the impact on the F&C High Income Bond Fund of a 1% move in interest rates calculated by reference to the duration of the Fund's portfolio as at 31 March 2018 and 31 March 2017 and assuming no convexity. It also assumes that both the securities and derivatives other than interest rate options held in the Fund as at 31 March 2018 and 31 March 2017 and the overall balance of long and short positions would remain unchanged in the event such a shift in interest rates was anticipated or actually occurred, which would not generally be the case. Furthermore, as with the analysis of market price risk above, as the Fund's portfolio is managed on an active and dynamic basis with frequent changes in the holdings and balance of long and short positions, the Directors believe that this sensitivity should not be relied on as a measure of future performance. Finally, it should also be considered that although duration is widely used as a measure of portfolio interest rate sensitivity, it is only useful as a measure for interest rate changes which are relatively small in size and it is itself sensitive to changes in the level and term structure of interest rates, which may cause portfolio duration to change independently of changes in the actual portfolio held.

	Duration at 31.3.2018	Impact of +/- 1% Interest rate move
F&C High Income Bond Fund	5.27 years	5.27%

	Duration at 31.3.2017	Impact of +/- 1% Interest rate move
F&C High Income Bond Fund	4.87 years	4.87%

F&C Real Estate Equity Long/Short Fund and BMO US Real Estate Equity Long/Short Fund hold only treasury bills as a liquidity proxy. Therefore, no duration figures have been disclosed for these Funds.

(v) Credit risk

All the Funds take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Investment Managers place all securities trades with a selection of highly reputable counterparties. In the case of Thames River Capital LLP and F&C Management Limited, these are approved by the BMO Global Asset Management Credit and Counterparty Risk Committee. The risk of default on securities transactions is considered minimal as the vast majority of securities are dematerialised and thus the book entry is made for cash settlement at the same time as the book entry for the transfer of the security. A trade will fail if either party fails to meet its obligation.

Derivatives used by the Funds may be exchange traded or OTC. Exchange traded derivatives transactions are considered to create a minor risk of default, as the exchange involved will generally guarantee trades effected on the exchange.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(v) Credit risk (continued)

Each Fund restricts its exposure to credit losses on OTC derivative instruments it holds by limiting its exposure to counterparties in accordance with the investment restrictions set out in the respective Fund Particulars Supplement in the prospectus and by entering into a master netting arrangement with each counterparty with whom it undertakes such transactions. Master netting arrangements do not result in an offset of assets and liabilities as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by a master clearing arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis.

With regard to the securities held by the Depositary, these are ring fenced from the assets of the Depositary. The segregation of such assets should help to protect the Funds' ownership of the assets in the event of the Depositary's insolvency but it may take a considerable time before the Funds' assets are returned. Where cash assets are held with the Depositary or with another institution they are held unsegregated as unsecured debt and as such the respective Fund has counterparty exposure risk to the Depositary as the Fund will not generally be protected in the event of bankruptcy. Note 5 discloses the institutions where the Funds hold cash and margin cash. The credit risk on cash balances held with these institutions is with the underlying institution should they default.

At 31 March 2018 the Depositary held cash and investments of the Company and the parent company of the Depositary, State Street Corporation had an S&P credit rating of A (31 March 2017: A).

Cash or non-cash collateral received by the Funds are held by the Depositary through its affiliates in the State Street group, or through a sub-custodian within the State Street custodial network. Derivatives, cash deposited as margin or other similar investments/monies deposited by or entered into on behalf of the funds with a counterparty, options exchange, clearing broker or other parties are not held within the State Street custodial network.

Certain Funds are also exposed to credit risks in relation to issuers of the debt securities held as part of the Fund's investment portfolio. The Fund limits its exposure to individual issuers of debt securities in accordance with the investment restrictions set out in the Fund Particulars Supplement.

In accordance with the Company's policy, the relevant Investment Manager monitors the F&C High Income Bond Fund's credit risk exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

At 31 March 2018 and 31 March 2017 the exposure to credit risk on issuers of debt securities for the Funds concerned was as follows:

F&C High Income Bond Fund	At 31 March 2018	At 31 March 2017
	% of debt securities	% of debt securities
By rating category		
AA/Aa	0.56	0.45
A/A	7.51	11.92
BBB/Baa	33.95	36.89
BB/Ba	31.35	27.32
B/B	21.26	19.04
Below B	3.23	1.61
Unrated	2.14	2.77
Total	100.00	100.00

F&C Real Estate Equity Long/Short Fund	At 31 March 2018	At 31 March 2017
	% of debt securities	% of debt securities
By rating category		
AA/Aa	100.00	79.99
BBB/Baa	–	20.01
Total	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(v) Credit risk (continued)

BMO US Real Estate Equity Long/Short Fund*

At 31 March

2018

% of debt
securities

By rating category

AA/Aa

100.00

Total

100.00

* Fund did not hold any bonds at 31 March 2017

F&C High Income Bond Fund is both a buyer and seller of credit default swaps. The buyer of a credit default swap is generally contracted to pay the seller a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. Generally, a credit event for corporate or sovereign reference obligations means bankruptcy, failure to pay, obligation acceleration, repudiation/moratorium or restructuring. For credit default swaps on asset-backed securities, a credit event may be triggered by events such as failure to pay principal, maturity extension, rating downgrade or write-down. If a credit event occurs, the seller typically must pay the contingent payment to the buyer, which is typically the par value (full notional value) of the reference obligation, though the actual payment may be mitigated by netting the set-off provision in the swap agreement which typically follows the format of the standard master agreement produced by the International Swaps and Derivatives Association ("ISDA").

After a credit event occurs, the loss incurred by the seller of the swap may be reduced by anticipated recovery rates, segregated collateral and netting arrangements that may incorporate multiple transactions with a given counterparty. The table below shows the notional value for protection bought and sold as at 31 March 2018 and 31 March 2017:

	Currency	Protection bought Notional Value		Protection sold Notional Value	
		2018	2017	2018	2017
F&C High Income Bond Fund	US\$m	21.80	–	52.25	–

The notional amounts of the swaps are not recorded in the financial statements. However the notional amount does approximate the maximum potential amount of future payments that the Fund could be required to make if the Fund was the seller of protection and a credit event was to occur.

At the financial year end the counterparties to OTC derivatives were as shown below. Exchange traded derivatives such as futures are excluded from these tables as the exposure is to the relevant exchange, rather than the counterparty, and the risk of default is considered minimal as the exchange involved will generally guarantee trades effected on the exchange. The tables show the rating of each counterparty and the exposure by derivative class to each counterparty. The balances shown in the tables below are unsecured and any related collateral cash is included in the balances disclosed in note 5 (a).

F&C High Income Bond Fund	2018	2018	2017	2017
FX Options	US\$000	Ratings	US\$000	Ratings
Barclays Bank	10	A	–	–
Citibank	–	–	–*	A+
JP Morgan	–	–	20	A+
Credit Default Swaps				
BNY Mellon	(850)	A	–	–
Goldman Sachs	1,200	A+	–	–

* Values are less than US\$500

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NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(v) Credit risk (continued)

F&C High Income Bond Fund (continued)	2018	2018	2017	2017
Swaptions	US\$000	Ratings	US\$000	Ratings
Goldman Sachs	35	A+	–	–
Forward Foreign Currency Transactions				
Bank of Montreal	–*	A+	–	–
Barclays Bank	16	A	(11)	A–
BNP Paribas	(51)	A	(115)	A
Canadian Imperial Bank of Commerce	13	A+	(57)	A+
Citibank	–	–	11	A+
HSBC Bank	25	AA–	(57)	AA–
ING Bank	1	A+	17	A
JP Morgan	32	A+	(4)	A–
Rabobank	11	A+	–	–
Royal Bank of Canada	(29)	AA–	(6)	AA–
Societe Generale	1	A	(5)	A
State Street Bank and Trust	(218)	AA–	(49)	AA–
Westpac Banking	18	AA–	(10)	AA–
F&C Real Estate Securities Fund	2018	2018	2017	2017
Contracts for Difference	£000	Ratings	£000	Ratings
Goldman Sachs	3,033	A+	(461)	A+
Forward Foreign Currency Transactions				
HSBC Bank	198	AA–	–	–
JP Morgan	(5)	A+	–	–
State Street Bank and Trust	(1)	AA–	(76)	AA–
* Values are less than US\$500				
BMO US Real Estate Equity Long/Short Fund*	2018	2018	2017	2017
Contracts for Difference	€000	Ratings	€000	Ratings
Goldman Sachs	(195)	A+	–	–
Forward Foreign Currency Transactions				
State Street Bank and Trust	(236)	AA–	–	–
* The Fund did not hold any OTC derivatives at 31 March 2017				
F&C Real Estate Equity Long/Short Fund	2018	2018	2017	2017
Contracts for Difference	€000	Ratings	€000	Ratings
Goldman Sachs	2,860	A+	(4,313)	A+
Forward Foreign Currency Transactions				
Bank of Montreal	15	A+	–	–
BNP Paribas	403	A	–	–
HSBC Bank	12	AA–	–	–
State Street Bank and Trust	(12)	AA–	1,430	AA–
Westpac Banking	27	AA–	–	–

At the financial year end cash and margin cash of the Funds was deposited with the institutions as disclosed in note 5 and 5 (a). The Company will be exposed to the credit risk of these institutions in relation to the Company's cash held by these institutions in the event of insolvency or bankruptcy of these institutions. The credit ratings of these institutions at 31 March 2018 and 31 March 2017 are disclosed in the tables above.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(vi) Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable shares. They therefore generally invest their assets in investments that are traded in a liquid market and can be readily disposed of. As part of the risk management process portfolio positions are monitored on a daily basis against the average level of daily dealing in each security.

In accordance with the Company's policy, the Investment Managers monitor each Fund's liquidity risk exposures on a daily basis and report regularly to the Board of Directors, which reviews the information provided by the Investment Managers on significant exposures at its periodic meetings.

The Funds' listed securities are generally considered readily realisable, as they are listed or traded on recognised stock exchanges. The Funds have the ability to borrow to ensure settlement of transactions.

As at 31 March 2018 and 31 March 2017 all non-derivative financial liabilities fall due for payment in less than 1 month.

The table below analyses the Funds' derivative financial instruments in a loss position as at 31 March 2018. Maturities are considered to be essential to an understanding of the timing of cash flows based on each Fund's investment strategy.

F&C High Income Bond Fund	Less than 1 month US\$000	1 month – 1 financial year US\$000	1–5 financial years US\$000	Over 5 financial years US\$000	No stated maturity US\$000	2018 Total US\$000
<i>Net settled derivatives</i>						
– Futures options	(8)	(15)	–	–	–	(23)
– Futures	–	(169)	–	–	–	(169)
– Credit default swaps	–	–	(850)	–	–	(850)
– Swaptions	–	–	(100)	–	–	(100)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	24,202	26,300	–	–	–	50,502
Forward foreign currency contracts – receive legs	24,420	26,449	–	–	–	50,869
F&C Real Estate Securities Fund	Less than 1 month £000	1 month – 1 financial year £000	1-5 financial years £000	Over 5 financial years £000	No stated maturity £000	2018 Total £000
<i>Net settled derivatives</i>						
– Contracts for difference	(1,060)	–	–	–	–	(1,060)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	742	2,201	–	–	–	2,943
Forward foreign currency contracts – receive legs	748	2,205	–	–	–	2,953
F&C Real Estate Equity Long/Short Fund	Less than 1 month €000	1 month – 1 financial year €000	1-5 financial years €000	Over 5 financial years €000	No stated maturity €000	2018 Total €000
<i>Net settled derivatives</i>						
– Contracts for difference	(2,325)	–	–	–	–	(2,325)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	50,219	–	–	–	–	50,219
Forward foreign currency contracts – receive legs	50,245	–	–	–	–	50,245
F&C Multi Strategy Global Equity Fund	Less than 1 month €000	1 month – 1 financial year €000	1-5 financial years €000	Over 5 financial years €000	No stated maturity €000	2018 Total €000
<i>Net settled derivatives</i>						
– Futures	(69)	(385)	–	–	–	(454)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(vi) Liquidity risk (continued)

BMO US Real Estate Equity Long/Short Fund	Less than 1 month US\$000	1 month – 1 financial year US\$000	1–5 financial years US\$000	Over 5 financial years US\$000	No stated maturity US\$000	2018 Total US\$000
<i>Liabilities</i>						
<i>Net settled derivatives</i>						
– Contracts for difference	(287)	–	–	–	–	(287)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	26,114	–	–	–	–	26,114
Forward foreign currency contracts – receive legs	26,361	–	–	–	–	26,361

The comparative tables for the Funds' derivative financial instruments in a loss position as at 31 March 2017 are as follows:

F&C High Income Bond Fund	Less than 1 month US\$000	1 month – 1 financial year US\$000	1–5 financial years US\$000	Over 5 financial years US\$000	No stated maturity US\$000	2017 Total US\$000
<i>Liabilities</i>						
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	38,322	17,257	–	–	–	55,579
Forward foreign currency contracts – receive legs	38,822	17,468	–	–	–	56,290
F&C Real Estate Securities Fund	Less than 1 month £000	1 month – 1 financial year £000	1–5 financial years £000	Over 5 financial years £000	No stated maturity £000	2017 Total £000
<i>Liabilities</i>						
<i>Net settled derivatives</i>						
– Contracts for difference	(1,278)	–	–	–	–	(1,278)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	7,514	–	–	–	–	7,514
Forward foreign currency contracts – receive legs	7,614	–	–	–	–	7,614
F&C Real Estate Equity Long/Short Fund	Less than 1 month €000	1 month – 1 financial year €000	1–5 financial years €000	Over 5 financial years €000	No stated maturity €000	2017 Total €000
<i>Liabilities</i>						
<i>Net settled derivatives</i>						
– Contracts for difference	(7,779)	–	–	–	–	(7,779)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	2,167	47,464	–	–	–	49,631
Forward foreign currency contracts – receive legs	2,195	47,659	–	–	–	49,854
F&C Multi Strategy Global Equity Fund	Less than 1 month €000	1 month – 1 financial year €000	1–5 financial years €000	Over 5 financial years €000	No stated maturity €000	2017 Total €000
<i>Liabilities</i>						
<i>Net settled derivatives</i>						
– Futures	–	(51)	–	–	–	(51)

(vii) Currency risk

Currency risk (or foreign exchange risk) arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items, as the currency risk is assumed to be part of other price risk or from financial instruments denominated in the functional currency.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(vii) Currency risk (continued)

The impact of currency exposures will generally vary from Fund to Fund. For the F&C High Income Bond Fund, currency exposures are considered a source of potential investment returns and are actively managed as part of the overall investment process employed by the Investment Manager for this Fund.

Funds investing across more than one currency frequently hold assets denominated in currencies other than the respective functional currency. However, each Fund's portfolio may or may not generally be exposed directly to currency risk depending on the view of the Investment Managers at any one time.

Net currency exposures as at the financial year end for the F&C High Income Bond Fund relating to its functional currency are shown below. The exposure to currencies on the Equity Funds are presented in the portfolio statements.

F&C High Income Bond Fund	2018	2017
	US\$000	US\$000
Australian Dollar	(438)	(652)
Brazilian Real	845	(329)
Canadian Dollar	(1,657)	(1,369)
Chinese Renminbi	(3)	(1,397)
Czech Koruna	–	1,378
Euro	14,900	17,622
Indian Rupee	950	688
Japanese Yen	996	(110)
Mexican Peso	1,020	(17)
New Taiwan Dollar	–	(1,424)
New Turkish Lira	16	46
Norwegian Krone	(282)	631
Polish Zloty	1,884	–
Russian Ruble	10	125
South African Rand	(981)	44
South Korean Won	–	(1,283)
Sterling Pound	6,246	12,373
Swedish Krona	855	(18)
	24,361	26,308

If the exchange rate at 31 March 2018 and 31 March 2017 between the functional currency of each Fund and all other currencies to which the Fund had exposure as at that date had increased by 5% with all other variables held constant, this would have increased net assets attributable to redeemable participating shares of the relevant Fund by the approximate amounts shown in the table below. Conversely, if the exchange rate had decreased by 5%, this would have decreased net assets attributable to redeemable shares of the Fund by the approximate amounts shown. Furthermore, as with the analysis of market price and interest rate risks above, in view of the fact the Funds' portfolios are managed on an active and dynamic basis with frequent changes in the holdings and the balance of gross and net positions, the Directors caution that this sensitivity should not be relied on as a measure of future performance.

As at 31 March 2018

	Effect of 5% upward movement in currency rates 000s	Effect of 5% downward movement in currency rates 000s
F&C High Income Bond Fund (US\$)	1,218	(1,218)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(vii) Currency risk (continued)

As at 31 March 2017

	Effect of 5% upward movement in currency rates 000s	Effect of 5% downward movement in currency rates 000s
F&C High Income Bond Fund (US\$)	1,315	(1,315)
F&C Real Estate Equity Long/Short Fund (€)	6,308	(6,308)

In accordance with the Company's policy, the Investment Manager of each Fund monitors the Fund's currency exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on any significant exposures at its periodic meetings.

(viii) Fair value estimation

FRS 102 Section 11.27 on "Fair Value: Disclosure" requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities. The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

The fair value hierarchy as required under FRS 102 is based on the valuation inputs used to fair value the financial assets and liabilities and consideration of the market activity for each individual financial asset and liability. The definition for Levels 1, 2 and 3 are set out below.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgment by the Investment Manager.

The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(viii) Fair value estimation (continued)

The following analyses within the fair value hierarchy each Fund's financial assets and liabilities (by type) measured at fair value at 31 March 2018:

F&C High Income Bond Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Bonds	–	34,280	–	34,280
Derivatives – futures options	6	–	–	6
Derivatives – FX options	–	10	–	10
Derivatives – futures	140	–	–	140
Derivatives – credit default swaps	–	1,200	–	1,200
Derivatives – swaptions	–	135	–	135
Derivatives – forward foreign currency contracts	–	186	–	186
Total assets	146	35,811	–	35,957
F&C High Income Bond Fund	Level 1	Level 2	Level 3	Total
Liabilities	US\$000	US\$000	US\$000	US\$000
Derivatives – futures options	(23)	–	–	(23)
Derivatives – futures	(169)	–	–	(169)
Derivatives – credit default swaps	–	(850)	–	(850)
Derivatives – swaptions	–	(100)	–	(100)
Derivatives – forward foreign currency contracts	–	(367)	–	(367)
Total Liabilities	(192)	(1,317)	–	(1,509)
Eastern European Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	61,879	–	–	61,879
Investment funds	2,202	–	–	2,202
Total assets	64,081	–	–	64,081
F&C Global Emerging Markets Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	26,009	–	–	26,009
Total assets	26,009	–	–	26,009
F&C Real Estates Securities Fund	Level 1	Level 2	Level 3	Total
Assets	£000	£000	£000	£000
Equities	150,884	–	–	150,884
Investment funds	854	–	–	854
Derivatives – contracts for difference	–	4,093	–	4,093
Derivatives – forward foreign currency contracts	–	202	–	202
Total assets	151,738	4,295	–	156,033
Liabilities				
Derivatives – contracts for difference	–	(1,060)	–	(1,060)
Derivatives – forward foreign currency contracts	–	(10)	–	(10)
Total Liabilities	–	(1,070)	–	(1,070)

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NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(viii) Fair value estimation (continued)

F&C Real Estate Equity Long/Short Fund	Level 1	Level 2	Level 3	Total
Assets	€000	€000	€000	€000
Bonds	–	20,033	–	20,033
Equities	81,194	–	–	81,194
Derivatives – contracts for difference	–	5,185	–	5,185
Derivatives – forward foreign currency contracts	–	471	–	471
Total assets	81,194	25,689	–	106,883
Liabilities				
Derivatives – contracts for difference	–	(2,325)	–	(2,325)
Derivatives – forward foreign currency contracts	–	(26)	–	(26)
Total Liabilities	–	(2,351)	–	(2,351)
F&C Multi Strategy Global Equity Fund	Level 1	Level 2	Level 3	Total
Assets	€000	€000	€000	€000
Equities	367,817	–	–	367,817
Investment funds	19,725	4,184	–	23,909
Derivatives – futures	305	–	–	305
Total assets	387,847	4,184	–	392,031
Liabilities				
Derivatives – futures	(454)	–	–	(454)
Total Liabilities	(454)	–	–	(454)
BMO US Real Estate Equity Long/Short Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Bonds	–	1,992	–	1,992
Equities	12,218	–	–	12,218
Derivatives – contracts for difference	–	92	–	92
Derivatives – forward foreign currency contracts	–	11	–	11
Total assets	12,218	2,095	–	14,313
Liabilities				
Derivatives – contracts for difference	–	(287)	–	(287)
Derivatives – forward foreign currency contracts	–	(247)	–	(247)
Total Liabilities	–	(534)	–	(534)

The following table analyses within the fair value hierarchy each Fund's financial assets and liabilities (by type) measured at fair value at 31 March 2017.

F&C High Income Bond Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Bonds	–	44,730	–	44,730
Derivatives – FX options	–	20	–	20
Derivatives – futures	127	–	–	127
Derivatives – forward foreign currency contracts	–	425	–	425
Total assets	127	45,175	–	45,302
Liabilities				
Derivatives – forward foreign currency contracts	–	(711)	–	(711)
Total Liabilities	–	(711)	–	(711)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

11. Derivatives and Other Financial Instruments and Associated Risks (continued)

(viii) Fair value estimation (continued)

Eastern European Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	82,438	–	–	82,438
Investment funds	4,067	–	–	4,067
Total assets	86,505	–	–	86,505
F&C Global Emerging Markets Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	30,947	–	–	30,947
Rights	–	16	–	16
Total assets	30,947	16	–	30,963
F&C Real Estates Securities Fund	Level 1	Level 2	Level 3	Total
Assets	£000	£000	£000	£000
Equities	44,633	–	–	44,633
Investment funds	680	–	–	680
Derivatives – contracts for difference	–	817	–	817
Derivatives – forward foreign currency contracts	–	24	–	24
Total assets	45,313	841	–	46,154
Liabilities				
Derivatives – contracts for difference	–	(1,278)	–	(1,278)
Derivatives – forward foreign currency contracts	–	(100)	–	(100)
Total Liabilities	–	(1,378)	–	(1,378)
F&C Real Estate Equity Long/Short Fund	Level 1	Level 2	Level 3	Total
Assets	€000	€000	€000	€000
Bonds	–	50,044	–	50,044
Certificates of deposit	–	25,035	–	25,035
Equities	77,736	–	–	77,736
Derivatives – contracts for difference	–	3,466	–	3,466
Derivatives – forward foreign currency contracts	–	1,652	–	1,652
Total assets	77,736	80,197	–	157,933
Liabilities				
Derivatives – contracts for difference	–	(7,779)	–	(7,779)
Derivatives – forward foreign currency contracts	–	(223)	–	(223)
Total Liabilities	–	(8,002)	–	(8,002)
F&C Multi Strategy Global Equity Fund	Level 1	Level 2	Level 3	Total
Assets	€000	€000	€000	€000
Equities	380,453	–	–	380,453
Investment funds	26,662	4,101	–	30,763
Rights	–	18	–	18
Derivatives – futures	56	–	–	56
Total assets	407,171	4,119	–	411,290
Liabilities				
Derivatives – futures	(51)	–	–	(51)
Total Liabilities	(51)	–	–	(51)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

12. Statement of Portfolio Movements

A statement of changes in the composition of the investment portfolio will be issued to shareholders, free of charge, on request. An analysis of significant portfolio movements is included towards the end of these financial statements. Significant portfolio movements display the top 1% securities purchased and sold for each Fund.

13. Commission Sharing

The Investment Managers have entered into dealing commission sharing agreements. Under these agreements, the brokers agree to provide best execution on all bargains and to use a percentage of commission received to pay either for research that the brokers supply themselves or to pay third party suppliers directly for a number of investment related services that the Investment Managers use to support their management and advisory services, or a combination of the two. The “unbundling” of execution and research has led to increased use of dealing commission arrangements which allow firms to execute business with the most efficient and financially strong counterparties and to reward third party analysts for their research services without executing the business with their firms. It should be noted that all clients may benefit from such research services whether they permit commission sharing or not.

The list of permitted services paid for by dealing commission arrangements is shown below:

- a. Fundamental and technical investment research; and
- b. The research element of market and price information services

In relation to the financial year ended 31 March 2018 some of the Funds were trading with executing brokers where commission sharing agreements are in place. Where eligible, research commission is kept as a credit with that broker, for the purpose of paying research commission at a later date – either to that broker, or another, as determined by the Investment Managers’ research usage analysis.

During this period, research credits were accumulated with the following brokers : Bloomberg Tradebook, Citigroup, Goldman Sachs, JP Morgan, Merrill Lynch and UBS.

CSA credits are not allocated to individual Funds or accounts managed by the Investment Managers.

14. Comparative Statistics

Net Asset Value	Audited 31.03.2018	Audited 31.03.2017	Audited 31.03.2016
F&C High Income Bond Fund (US\$000)	US\$36,176	US\$45,904	US\$57,424
Eastern European Fund (US\$000)	US\$65,846	US\$87,189	US\$85,870
F&C Global Emerging Markets Fund (US\$000)	US\$25,967	US\$32,164	US\$33,735
F&C Macro Global Bond Fund (£000)*	–	–	£16,979
F&C Global Unconstrained Equities Fund (US\$000)*	–	–	US\$3,471
F&C Real Estate Securities Fund (£000)	£195,896	£84,049	£84,790
F&C Real Estate Equity Long/Short Fund (€000)	€194,031	€278,238	€266,539
F&C Multi Strategy Global Equity Fund (€000)	US\$400,830	€414,790	€401,074
BMO US Real Estate Equity Long/Short Fund (US\$000)**	US\$23,557	US\$6,797	–

* Terminated 25 August 2016

** Launched 31 March 2017

NAV per Share

F&C High Income Bond Fund

– Class A Euro Distributing	€7.26	€7.72	€7.63
– Class A Sterling Distributing	£7.98	£8.42	£8.24
– Class A US Dollar Distributing	US\$7.47	US\$7.78	US\$7.57
– Class A Norwegian Krone Distributing	NOK 63.17	NOK 66.43	NOK 64.68
– Class A New Euro Accumulating	€12.05	€12.25	€11.57
– Class A New Sterling Accumulating	£11.19	£11.29	£10.59
– Class A New US Dollar Accumulating	US\$11.35	US\$11.32	US\$10.55

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

14. Comparative Statistics (continued)

	Audited 31.03.2018	Audited 31.03.2017	Audited 31.03.2016
NAV per Share (continued)			
F&C High Income Bond Fund (continued)			
– Class A New Euro Distributing	€5.25	€5.58	€5.52
– Class A New Sterling Distributing	£5.66	£5.96	£5.84
– Class A New US Dollar Distributing	US\$5.68	US\$5.91	US\$5.75
– Class A New Norwegian Krone Distributing	NOK 60.07	NOK 63.56	NOK 61.89
– Class C Sterling Accumulating	£10.59	£10.67	£10.01
– Class C Sterling Distributing	£8.13	£8.58	£8.38
Eastern European Fund			
– US Dollar Class	US\$73.18	US\$62.87	US\$56.81
– Class B US Dollar Distributing	US\$9.38	US\$8.16	US\$7.51
F&C Global Emerging Markets Fund			
– Class A Euro Accumulating	€25.77	€25.75	€21.71
– Class A US Dollar Accumulating	US\$15.7	US\$13.63	US\$12.17
– Class A Euro Distributing	€43.23	€43.21	€36.44
– Class A Sterling Distributing	£55.10	£53.67	£42.06
– Class A US Dollar Distributing	US\$50.03	US\$43.45	US\$38.79
– Class C Sterling Distributing	£13.86	£13.41	£10.38
F&C Macro Global Bond Fund (£)*			
– Class A Sterling Accumulating	–	–	£15.33
– Euro Distributing Class	–	–	€11.45
– Class A Sterling Distributing	–	–	£13.20
– US Dollar Distributing Class	–	–	US\$11.84
– Class C Sterling Accumulating	–	–	£9.87
– Class C Sterling Distributing	–	–	£9.77
* Fund terminated 25 August 2016			
F&C Global Unconstrained Equities Fund*			
– Class A Euro Accumulating	–	–	€10.24
– Class A US Dollar Accumulating	–	–	US\$10.31
– Class A Sterling Accumulating	–	–	£9.15
– Class A Norwegian Krone Accumulating	–	–	NOK 93.71
– Class A Singapore Dollar Accumulating	–	–	SGD 8.72
– Class A Sterling Distributing	–	–	£10.30
– Class C Sterling Accumulating	–	–	£8.75
– Class C Sterling Distributing	–	–	£8.75
* Fund terminated 25 August 2016			
F&C Real Estate Securities Fund			
– Class A Euro Accumulating	€24.35	€21.44	€20.58
– Class A Norwegian Krone Accumulating	NOK 203.49	NOK 177.99	NOK 168.98
– Class A Sterling Accumulating	£25.92	£22.57	£21.36
– Class A Sterling Distributing	£22.44	£19.90	£19.12
– Class B Euro Accumulating	€25.26	€22.17	€21.12
– Class B Sterling Accumulating	£26.83	£23.27	£21.95
– Class C Sterling Distributing	£22.84	£20.18	£19.38
– Class D Sterling Accumulating*	£10.07	–	–
* Share class launched 2 February 2018			
F&C Real Estate Equity Long/Short Fund			
– Class A Euro Accumulating	€11.41	€11.03	€11.22
– Class A US Dollar Accumulating	US\$11.87	US\$11.30	US\$11.34
– Class B Euro Accumulating	€11.75	€11.27	€11.39
– Class B Dollar Accumulating*	–	–	US\$10.01
– Class C Sterling Accumulating	£12.04	£11.50	£11.53

* Share class terminated 9 November 2016

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

14. Comparative Statistics (continued)

	Audited 31.03.2018	Audited 31.03.2017	Audited 31.03.2016
NAV per Share (continued)			
F&C Multi Strategy Global Equity Fund			
– Class F Euro Accumulating	€14.16	€13.80	€11.52
BMO US Real Estate Equity Long/Short Fund*			
– Class A Euro Hedged Accumulating	€9.55	€10.00	–
– Class B Euro Hedged Accumulating	€9.62	€10.00	–
– Class B US Dollar Accumulating	US\$9.83	US\$10.00	–
– Class C Sterling Hedged Accumulating	£9.70	£10.00	–
– Class F Euro Hedged Accumulating	€9.65	€10.00	–
– Class F Sterling Hedged Accumulating	£9.74	£10.00	–
– Class F US Dollar Accumulating	US\$9.86	US\$10.00	–

* Fund launched 31 March 2017

15. Exchange Rates

At 31 March 2018 and 31 March 2017, the following were the actual exchange rates to Euro, US Dollar and Sterling used in the preparation of these financial statements:

	Exchange Rate to € March 2018	Exchange Rate to € March 2017	Exchange Rate to £ March 2018	Exchange Rate to £ March 2017	Exchange Rate to US\$ March 2018	Exchange Rate to US\$ March 2017
Australian Dollar	1.60	1.40	1.83	1.64	1.30	1.31
Brazilian Real	4.09	3.40	4.66	3.97	3.32	3.17
Canadian Dollar	1.59	1.43	1.81	1.67	1.29	1.33
Chilean Peso	742.29	708.15	846.681	827.93	603.57	662.11
Chinese Renminbi	7.74	7.37	8.83	8.62	6.29	6.89
Czech Koruna	25.38	27.02	28.95	31.59	20.64	25.27
Danish Krone	7.45	7.44	8.5	8.69	6.06	6.95
Egyptian Pound	21.68	19.31	24.73	22.57	17.63	18.05
Euro	–	–	1.14	1.17	0.81	0.93
Hong Kong Dollar	9.65	8.31	11.01	9.72	7.85	7.77
Hungarian Forint	312.18	308.82	356.08	361.05	253.84	288.74
Indian Rupee	80.21	69.45	91.49	81.20	65.22	64.94
Indonesian Rupiah	16,931.97	14,252.28	19,313.05	16,662.87	13,767.50	13,325.50
Japanese Yen	130.79	119.18	149.19	139.34	106.35	111.43
Malaysian Ringgit	4.76	4.73	5.43	5.53	3.87	4.43
Mexican Peso	22.45	20.14	25.61	23.55	18.25	18.83
New Taiwan Dollar	35.86	32.45	40.9	37.94	29.16	30.34
New Turkish Lira	4.87	3.89	5.56	4.55	3.96	3.64
New Zealand Dollar	1.70	1.53	1.94	1.79	1.39	1.43
Nigerian Nira	442.68	327.34	504.94	382.70	359.95	306.05
Norwegian Krone	9.66	9.19	11.01	10.74	7.85	8.59
Philippine Peso	64.17	53.66	73.19	62.74	52.18	50.18
Polish Zloty	4.21	4.24	4.81	4.95	3.43	3.96
Romanian Leu	4.66	4.55	5.32	5.32	3.79	4.26
Russian Ruble	70.72	60.26	80.66	70.45	57.50	56.34
Singapore Dollar	1.61	1.49	1.84	1.75	1.31	1.40
South African Rand	14.57	14.34	16.62	16.77	11.85	13.41
South Korean Won	1,310.90	1,196.08	1,495.24	1,398.38	1,065.90	1,118.30
Sterling Pound	0.88	0.86	–	–	0.71	0.80
Swedish Krona	10.30	9.55	11.75	11.16	8.37	8.93
Swiss Franc	1.18	1.07	1.34	1.25	0.96	1.00
Thai Baht	38.46	36.75	43.87	42.97	31.27	34.36
United States Dollar	1.23	1.07	1.40	1.25	–	–
Vietnamese Dong	28,052.27	24,337.60	31,997.17	28,453.99	22,809.50	22,755.00

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

15. Exchange Rates (continued)

The average daily rates of exchange at 31 March 2018 and 31 March 2017 to the Euro also used in the preparation of these financial statements were as follows:

	2018	2017
Sterling Pound	0.88	0.84
United States Dollar	1.18	1.10

16. Fees and Expenses

Investment Management Fee

The relevant Investment Managers will be entitled to receive out of the assets of each Fund a periodic investment management fee (the "Investment Management Fee") which accrues daily and is payable monthly in arrears based on the following percentage of the NAV of each Fund.

Fund / Share Class (where relevant)	Annual Investment Management Fee Rate
F&C High Income Bond Fund Class A – Non Institutional Class C – Institutional	1.00% 0.75%
Eastern European Fund Class A – Non Institutional Class B – Institutional	1.30% 0.80%
F&C Global Emerging Markets Fund Class A – Non Institutional Class C – Institutional	1.75% 1.00%
F&C Real Estate Securities Fund Class A – Non Institutional Class B & C – Institutional Class D	1.50% 1.00% 0.65%
F&C Real Estate Equity Long/Short Fund Class A – Non Institutional Class B & C – Institutional	1.75% 1.00%
F&C Multi Strategy Global Equity Fund Class F – Institutional	0.25%
BMO US Real Estate Equity Long/Short Fund* Class A Class B & C Class F	1.75% 1.00% 0.60%

* During the year ended 31 March 2017 BMO US Real Estate Equity Long/Short Fund operated an expense cap of 0.35%.

Details of Investment Management fees charged to each Fund in the financial year are shown in the Statement of Comprehensive Income. Investment Management fees payable at 31 March 2018 and 31 March 2017 are disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

16. Fees and Expenses (continued)**Performance Fee**

In addition, the relevant Investment Manager will be entitled to receive a performance fee out of the assets of each Fund. Each performance fee is based on an outperformance percentage over the performance hurdle. The table below shows the outperformance percentage and the index performance hurdle for each Fund. Any further information on performance fees can be obtained in the Prospectus.

Fund	% Rate	Performance/Index Hurdle
F&C High Income Bond Fund	15%	3 month interbank interest rate relevant to the currency of the Share Class
Eastern European Fund*	N/A	N/A
F&C Global Emerging Markets Fund	20%	MSCI Emerging Markets Free Index
F&C Real Estate Securities Fund	15%	FTSE EPRA/NAREIT Developed Europe Capped Index (Net) in sterling
F&C Real Estate Equity Long/Short Fund	15%	3 month LIBOR in euro on the first business day of the performance period expressed as a percentage
F&C Multi Strategy Global Equity Fund*	N/A	N/A
BMO US Real Estate Equity Long/Short Fund	15%	3 month ICE LIBOR USD rate in US Dollars on the first business day of the performance period expressed as a quarterly percentage

*The Investment Manager of Eastern European Fund and F&C Multi Strategy Global Equity Fund is not entitled to receive a performance fee out of the assets of the Fund.

Details of performance fees charged to each Fund in the financial year are shown in the Statement of Comprehensive Income. Performance fees payable at 31 March 2018 and 31 March 2017 are disclosed in note 7.

Administration Fee

State Street Fund Services (Ireland) Limited (the "Administrator") is entitled to receive out of the assets of the Company an annual fee accrued daily, and payable monthly in arrears of up to 0.088% of the total net average monthly assets of the NAV of the Company. The administration fee will be exclusive of value added tax (if any).

The fees shall be payable in the base currency of each Fund.

In addition there are certain other transaction charges for some fund accounting, company secretarial and transfer agency services. The Administrator shall also be entitled to be repaid out of the assets of the Company all its reasonable out-of-pocket expenses incurred on behalf of the Company.

Details of administration fees charged to each Fund in the financial year are shown in the Statement of Comprehensive Income. Administration fees payable at 31 March 2018 and 31 March 2017 are disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS (continued)31 March 2018

16. Fees and Expenses (continued)**Depository Fee**

State Street Custodial Services (Ireland) Limited (the “Depository”) is entitled to receive a depository fee payable out of the assets of each Fund accruing daily and payable monthly in arrears at a rate of up to 0.07% per annum of the NAV of each Fund. The Depository is also entitled to be reimbursed out of the assets of each Fund for reasonable out-of-pocket expenses incurred by it in respect of each Fund. These fees will cover costs and expenses such as printing, translation, mailing and other sundry expenses. The Depository shall also be reimbursed out of the assets of each Fund for the fees and transaction charges and reasonable out-of-pocket expenses of any sub-custodian which shall be at normal commercial rates. The fees in respect of each Fund shall be calculated and payable in the base currency of the Fund.

Details of depository fees charged to each Fund in the financial year are shown in the Statement of Comprehensive Income. Depository fees payable at 31 March 2018 and 31 March 2017 are disclosed in note 7.

Other Expenses

In addition, each Fund will pay the costs and expenses incurred in its operation, including, without limitation, taxes, duties, expenses for legal, auditing, consulting, printing and other professional services, promotional expenses, registration fees, to include all fees in connection with obtaining advance treaty clearances from tax authorities in any jurisdiction for a Fund and other expenses due to supervisory authorities in various jurisdictions, insurance, interest, brokerage costs and all professional fees and expenses incurred in connection therewith and the cost of the publication of the NAV and NAV per Share of each Fund. Each Fund will also pay the issue costs, charges and expenses (including the fees of the legal advisers), in relation to the preparation of the Prospectus, relevant Fund Particulars Supplement and all other documents and matters relating to or concerning the issue and any other fees, charges and expenses on the creation and issue of Shares. In the event that such a listing is sought, a Fund will pay the cost of obtaining and maintaining a listing of its Shares on any stock exchange.

17. Related Party Disclosures

The Company has appointed Thames River Capital LLP and F&C Management Limited as Investment Managers. Mr. Woodyatt is an employee of F&C Management Limited. All fees in relation to the Investment Managers are disclosed separately in the Statement of Comprehensive Income.

At 31 March 2018, the Investment Manager, F&C Management Limited, held 100 shares in F&C Real Estate Securities Fund (31 March 2017: none) and 4,200 shares in BMO US Real Estate Equity Long/Short Fund (31 March 2017: 4,200 shares).

At 31 March 2018, F&C Diversified Growth, a sub-fund of F&C Portfolios Fund, which is managed by the same Investment Manager, F&C Management Limited, held 1,004,823 shares of F&C Multi Strategy Global Equity Fund (31 March 2017: 1,004,823 shares)

At 31 March 2018, F&C Multi Strategy Global Equity Fund invested in related funds as disclosed in the Portfolio Statement (at 31 March 2017: 814,360 shares of F&C Investment Funds ICVC – UK Mid-Cap Fund (UCITS) and 134,918 shares of F&C Portfolios Fund – F&C Japanese Equity (UCITS)). When a Fund invests in the shares/units of other investment funds (“CIS”) that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding (“a substantial direct or indirect holding” may be defined as more than 10% of the capital or voting rights), the Investment Manager or other company may not charge management, subscription, conversion or redemption fees on account of the Fund’s investment in the shares/units of such other CIS.

In most instances where the Funds invest in other funds, rebate agreements are in place with the investment manager to refund some or all of the management fee charged by the underlying fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

17. Related Party Disclosures (continued)

The rebate for the financial year ended 31 March 2018 for F&C Global Emerging Markets Fund are €45,252 and are included in "Net gain on financial assets and financial liabilities at fair value through profit or loss" line in the Statement of Comprehensive Income.

At 31 March 2018, the following Funds had shareholders who held more than 10% of the relevant Fund's NAV:

Fund	No. of Shareholders	% Shareholding
F&C High Income Bond Fund	1	15.98
Eastern European Fund	2	73.88
F&C Global Emerging Markets Fund	1	15.82
F&C Real Estate Securities Fund	1	51.24
F&C Multi Strategy Global Equity Fund	1	83.06
BMO US Real Estate Equity Long/Short Fund	5	96.77

F&C Real Estate Equity Long/Short Fund did not have any shareholders who held more than 10% of the NAV of this Fund as at 31 March 2018.

At 31 March 2017, the following Funds had shareholders who held more than 10% of the relevant Fund's NAV:

Fund	No. of Shareholders	% Shareholding
F&C High Income Bond Fund	2	28.33
Eastern European Fund	1	92.56
F&C Global Emerging Markets Fund	1	11.41
F&C Real Estate Securities Fund	3	52.49
F&C Real Estate Equity Long/Short Fund	1	21.36
F&C Multi Strategy Global Equity Fund	1	86.78
BMO US Real Estate Equity Long/Short Fund	2	99.23

During the financial year, Directors' fees of €242,436 (31 March 2017: €176,803) were charged to the Company and are disclosed in the Statement of Comprehensive Income. The total Directors' fees outstanding at financial year ended 31 March 2018 were €65,237 (31 March 2017: €56,822).

During the year ended 31 March 2018 BMO US Real Estate Equity Long/Short Fund operated an expense cap. For the financial year ended 31 March 2018 an amount of US\$46,812 was reimbursed by the Investment Manager to the Fund.

18. Taxation

Under current tax law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to unitholders or any encashment, redemption, cancelling or transfer of units and the holding of shares at the end of each eight financial year period beginning with the acquisition of such shares.

No Irish tax will arise in respect of chargeable events in respect of:

(a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes. At the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended are held by the Company or has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations and,

(b) certain exempted Irish tax resident unitholders who have provided the Company with the necessary signed statutory declarations.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

18. Taxation (continued)

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

19. Segregated Liability between the Funds

The Company is an umbrella fund with segregated liability between Funds. Accordingly, as a matter of Irish law, any liability attributable to a particular Fund may only be discharged out of the assets of that Fund, and the assets of other Funds may not be used to satisfy the liability. In addition, any contract entered into by the Company will by operation of law include an implied term to the effect that the counterparty to the contract may not have any recourse to assets of any of the Funds other than the Fund(s) in respect of which the contract was entered into. These provisions are binding both on creditors and in any insolvency. Notwithstanding the foregoing, there can be no guarantee or assurance that, should an action be brought against the Company in a court of another jurisdiction, that the segregated nature of the Funds would necessarily be upheld.

20. Reporting Fund Status

Certain share classes of the Funds have been accepted into the United Kingdom's Reporting Fund regime for offshore funds. A full list of these share classes is available at: <http://www.hmrc.gov.uk>

21. Auditors Remuneration

The remuneration for all work carried out by the statutory audit firm in respect of the financial year is as follows:

	2018	2017
	€	€
Statutory audit of Company accounts	91,800	93,064
Tax advisory services	63,130	39,400
Other non-audit services	—	—
	<u>154,930</u>	<u>132,464</u>

22. Transaction Costs

In order to achieve its investment objective, a Fund will incur transaction costs in relation to trading activity on its portfolio. Disclosed in the table below are separately identifiable transaction costs incurred by the Company for the financial years ended 31 March 2018 and 31 March 2017. These include all brokers commission, settlement fees, stamp duties and broker fees charges on equities, exchange traded futures contracts and some fixed income investments.

Fund	2018	2017
F&C High Income Bond Fund (US\$000)	30	24
Eastern European Fund (US\$000)	74	92
F&C Global Emerging Markets Fund (US\$000)	59	70
F&C Macro Global Bond Fund (£) (£000) – terminated 25 August 2016	—	8
F&C Macro Global Bond Fund (€) (€000) – terminated 23 March 2016	—	1
F&C Global Unconstrained Equities Fund (US\$000) – terminated 25 August 2016	—	12
F&C Real Estate Securities Fund (£000)	272	149
F&C Real Estate Equity Long/Short Fund (€000)	216	430
F&C Multi Strategy Global Equity Fund (€000)	438	510
BMO US Real Estate Equity Long/Short Fund (US\$000) – launched 31 March 2017	31	—

Not all transaction costs are separately identifiable. For some fixed income investments and FFCTs, transaction costs will be included in the purchase and sales price of the investment and not separately disclosed.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2018

23. Significant events after the financial year end

The F&C High Income Bond Fund made a distribution from its 9 distributing share classes with an ex-dividend date of 3 April 2018 and a payment date of 25 April 2018. The total amount distributed was US\$371,235.

The F&C Real Estate Securities Fund made a distribution from its 2 distributing share classes with an ex-dividend date of 25 April 2018 and a payment date of 2 May 2018. The total amount distributed was £532,413.

The Eastern European Fund made a distribution from its one distributing share class with an ex-dividend date of 3 April 2018 and a payment date of 25 April 2018. The total amount distributed was £303,444.

The BMO US Real Estate Equity Long/Short terminated on 24 May 2018.

There were no other significant events affecting the Company after the financial year end.

24. Approval of Financial Statements

The financial statements were approved by the Directors on 5 July 2018.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED)

For the financial year ended 31 March 2018

F&C High Income Bond Fund

	Nominal Purchases	Nominal Sales
Australia & New Zealand Banking Group 6.750% 29.12.2049		300,000
Banco do Brasil 9.000% 29.06.2049	300,000	
Bancolombia 5.125% 11.09.2022	300,000	
Bank of China 2.875% 20.04.2022	328,000	328,000
Bankmuscat 3.750% 03.05.2021	400,000	400,000
Bonitron 8.750% 30.10.2022	400,000	400,000
Brazil Letras do Tesouro Nacional 0.000% 01.10.2017	1,500,000	
Brazil Letras do Tesouro Nacional 0.000% 01.01.2018	1,500,000	
Brazil Notas do Tesouro Nacional 10.000% 01.01.2025		1,950,000
Coventry Building Society 6.375% 29.12.2049		300,000
Demeter Investments 5.750% 15.08.2050		300,000
Diamond 2 Finance 8.100% 15.06.2036		300,000
Digicel 6.000% 15.04.2021	450,000	
Digicel Group 8.250% 30.09.2020		400,000
Ecopetrol 5.875% 28.05.2045		350,000
First Abu Dhabi Bank 5.250% 29.12.2049	400,000	
First Quantum Minerals 7.250% 01.04.2023		400,000
GrupoSura Finance 5.500% 29.04.2026	300,000	
Liquid Telecommunications Financing 8.500% 13.07.2022	400,000	
Mexican Bonos 7.750% 13.11.2042		10,000,000
Nostrum Oil & Gas 8.000% 25.07.2022	400,000	400,000
Patrimonio EN Fideicomiso DS 093-2002-EF-Inretail Shopping Malls 5.750% 03.04.2028	400,000	
Petrobras Global Finance 5.299% 27.01.2025	326,000	
Republic of South Africa Government Bond 10.500% 21.12.2026		5,000,000
Rosneft Oil via Rosneft International Finance 4.199% 06.03.2022		400,000
Russian Federal Bond - OFZ 6.200% 31.01.2018	24,000,000	24,000,000
Saudi Electricity Global Sukuk 3 4.000% 08.04.2024	400,000	
Stillwater Mining 6.125% 27.06.2022	400,000	
Stillwater Mining 7.125% 27.06.2025	400,000	400,000
T-Mobile USA 6.500% 15.01.2024		300,000
Turkey Government Bond 6.300% 14.02.2018	1,500,000	1,500,000
Turkey Government Bond 8.700% 11.07.2018	1,500,000	
YPF 8.500% 28.07.2025		300,000

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2018

Eastern European Fund

	Nominal Purchases*	Nominal Sales
AmRest Holdings		20,716
Banca Transilvania		1,295,787
Bank Zachodni		18,752
BGEO Group		83,040
BIM Birlesik Magazalar		191,318
Coca-Cola Icecek		82,672
DP Eurasia	1,250,000	349,584
Fondul Proprietatea (Non-UCITS) ETF		10,571,299
Georgia Healthcare Group	63,846	172,839
Jeronimo Martins		103,865
JUMBO	90,852	
Komerční Banka		14,336
Logo Yazilim Sanayi Ve Ticaret	19,522	87,358
Lukoil ADR		27,580
Magnit	32,226	
Magnit GDR	25,525	48,483
Mail.ru Group GDR		75,143
MegaFon GDR		95,256
MMC Norilsk Nickel ADR		70,675
Mobile Telesystems ADR	48,425	133,742
Moscow Exchange MICEX-RTS	883,600	1,335,050
NovaTek GDR		10,330
OPAP		59,529
Philip Morris		1,421
Powszechny Zakład Ubezpieczeń		166,398
Sarantis	100,035	
Sberbank of Russia ADR	9,484	201,367
Türkiye Garanti Bankası		832,964
Türkiye İsmail Kalkınma Bankası		4,802,142
Yandex		60,267

* There were no other purchases during the financial year

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2018

F&C Global Emerging Markets Fund

	Nominal Purchases	Nominal Sales
Aguas Andinas		478,387
AIA Group	27,600	47,600
Bank Mandiri Persero		1,155,800
Bank Rakyat Indonesia Persero		3,937,100
BIM Birlesik Magazalar	7,163	45,696
British American Tobacco Malaysia	118,800	
Clicks Group		47,381
Colgate-Palmolive India	17,682	
Commercial International Bank Egypt GDR		101,994
Container Of India		44,708
Dairy Farm International Holdings	10,000	
Eastern Tobacco	8,651	
Emami		39,381
Famous Brands	42,778	
Fomento Economico Mexicano	31,000	
Foshan Haitian Flavouring & Food	10,100	70,900
Grupo Financiero Banorte		165,481
Grupo Herdez		128,412
Hanjaya Mandala Sampoerna		2,080,750
Hindustan Unilever		26,855
ITC	72,587	124,642
Kalbe Farma		5,447,500
Kasikornbank NVDR	20,100	52,800
Life Healthcare Group Holdings		136,396
Magnit	14,812	
Mahindra & Mahindra Financial Services		137,560
Mr Price Group	26,178	60,581
Nestle India		6,647
Pidilite Industries		48,331
President Chain Store	26,000	27,000
Sands China	79,600	
Tingyi Cayman Islands Holding	154,000	
Titan		115,607
Unilever Indonesia		146,400
Universal Robina	37,020	
Wal-Mart de Mexico		121,663
Western Union	34,054	
Yes Bank	86,400	48,602
Yum China Holdings	3,093	

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2018

F&C Real Estate Securities Fund

	Nominal Purchases	Nominal Sales
ADO Properties		56,710
Aedifica	58,957	16,944
Aroundtown	898,326	560,861
Assura	4,843,075	
Axiare Patrimonio SOCIMI	178,731	146,110
BUWOG	157,804	121,037
Castellum	287,016	175,465
D Carnegie & Co	453,404	
Deutsche Wohnen	602,271	192,699
Eurocommercial Properties	416,149	66,175
Fabege	746,513	280,070
Fastighets Balder		108,221
Gecina	40,288	31,022
Grand City Properties		118,687
Hemfosa Fastigheter	379,045	135,187
Hispania Activos Inmobiliarios Socimi	399,286	238,671
Icade		13,927
Inmobiliaria Colonial Socimi	497,600	313,776
Kaufman & Broad		50,444
Klepierre	156,611	149,378
LEG Immobilien	98,489	47,855
Merlin Properties Socimi	823,829	538,755
Pandox	289,238	401,206
PSP Swiss Property	49,680	37,587
Swiss Prime Site	52,768	33,103
TAG Immobilien	402,586	188,537
TLG Immobilien	152,875	128,939
Tritax Big Box		2,259,816
Unibail-Rodamco	86,258	11,045
Vonovia	529,819	203,080
Warehouses De Pauw	29,397	
Wihlborgs Fastigheter	192,066	

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2018

F&C Real Estate Equity Long/Short Fund

	Nominal Purchases	Nominal Sales
ADO Properties		91,952
Aedifica	55,480	26,462
Aroundtown	1,005,529	1,416,638
Aroundtown Property	821,985	
Assura	6,802,906	4,622,568
Axiare Patrimonio SOCIMI	267,364	267,364
Brandywine Realty Trust		146,500
BUWOG	157,184	331,082
Carmila		78,917
CoreSite Realty		20,900
D Carnegie & Co (non-voting rights)	537,021	178,218
Deutsche Wohnen	143,865	
Duke Realty	158,500	138,700
DuPont Fabros Technology		36,600
Education Realty Trust		64,600
Eurocommercial Properties	466,815	169,545
Fabege	534,716	513,061
Fastighets Balder		305,842
France Treasury 0% Bill BTF 26.07.2017	10,000,000	
France Treasury 0% Bill BTF 27.09.2017	10,000,000	
France Treasury 0% Bill BTF 25.10.2017	10,000,000	
France Treasury 0% Bill BTF 08.11.2017	10,000,000	
France Treasury 0% Bill BTF 06.12.2017	10,000,000	
France Treasury 0% Bill BTF 24.05.2018	10,000,000	
France Treasury 0% Bill BTF 15.08.2018	10,000,000	
Healthcare Trust of America		78,100
Hemfosa Fastigheter	439,058	332,882
Hispania Activos Inmobiliarios SOCIMI	222,928	332,795
Inmobiliaria Colonial Socimi	479,405	479,405
Kaufman & Broad	157,880	157,880
LEG Immobilien		99,825
Merlin Properties Socimi	542,999	542,999
Pandox	408,913	527,868
Prologis		45,700
PSP Swiss Property		74,681
Sunstone Hotel Investors		135,400
TAG Immobilien	273,424	185,386
TLG Immobilien		302,979
Tritax Big Box	3,595,005	5,424,891
Vonovia	185,608	156,751
Wihlborgs Fastigheter		101,836

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2018

F&C Multi Strategy Global Equity Fund

	Nominal Purchases	Nominal Sales
Alliance Data Systems	13,127	
Ally Financial		159,207
Altria Group	33,017	
Amazon.com		4,068
Amgen		17,878
Amundi ETF MSCI Japan (UCITS)		36,837
Annaly Capital Management	366,465	
Anthem		23,032
Apple		21,430
Bed Bath & Beyond	107,707	
Broadcom	13,732	
Celgene	44,268	
China Petroleum & Chemical	3,254,000	
Cisco Systems		113,320
Citigroup	79,882	51,580
Citrix Systems		40,222
Costco Wholesale	19,744	
CVS Health	35,461	46,044
Deutsche Lufthansa		142,958
Deutsche Telekom	215,712	
Estee Lauder		59,897
Exxon Mobil	42,718	
Ford Motor	538,172	
Gilead Sciences	55,643	
Home Depot	15,627	
iShares S&P 500 Financials Sector ETF (UCITS)	399,026	
iShares US Aerospace & Defense ETF		14,500
Lowe's		34,414
Magnit GDR	29,556	
Robert Half International	52,212	
Schlumberger	26,838	54,734
Sirius Real Estate		3,492,277
SPDR S&P Bank ETF	60,700	60,700
United Parcel Service		55,593
UnitedHealth Group		26,838
Wal-Mart Stores		38,388

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2018

BMO US Real Estate Equity Long/Short Fund

	Nominal Purchases	Nominal Sales
Acadia Realty Trust	19,800	19,800
American Assets Trust	14,800	
American Campus Communities	23,600	
American Homes 4 Rent		16,200
Apartment Investment & Management	11,700	11,700
Boston Properties	3,500	3,500
Brandywine Realty Trust	62,700	62,700
Brixmor Property Group		16,900
CoreSite Realty	12,200	9,700
Corporate Office Properties Trust	25,100	11,800
Cousins Properties	67,000	67,000
CubeSmart	61,600	45,400
DCT Industrial Trust	19,200	19,200
DiamondRock Hospitality	43,100	43,100
Douglas Emmett	15,900	15,900
Duke Realty	85,400	39,000
Dupont Fabros Technology	14,600	14,600
Education Realty Trust	28,200	28,200
Empire State Realty Trust	61,800	41,000
Extra Space Storage	6,500	6,500
First Industrial Realty Trust	39,000	
GGP		15,300
HCP	24,400	24,400
Healthcare Trust of America	51,400	31,100
Highwoods Properties	10,500	
Host Hotels & Resorts	35,200	
Invitation Homes	25,200	
Kilroy Realty	10,100	10,100
Mid-America Apartment Communities	7,500	4,500
National Retail Properties	16,600	16,600
Omega Healthcare Investors	13,600	13,600
Pennsylvania Real Estate Investment Trust	39,500	39,500
Prologis	17,700	17,700
Regency Centers	10,000	
Retail Properties Of America	60,000	
RLJ Lodging Trust	32,500	32,500
Sabra Health Care	36,700	36,700
Store Capital	36,000	18,200
Sun Communities	8,300	
Sunstone Hotel Investors	86,100	56,400
United States Treasury Bill 0% 01.02.2017	1,000,000	
United States Treasury Bill 0% 20.07.2017	1,000,000	
United States Treasury Bill 0% 19.10.2017	1,000,000	
United States Treasury Bill 0% 07.12.2017	1,000,000	
United States Treasury Bill 0% 24.05.2018	1,000,000	
United States Treasury Bill 0% 19.07.2018	1,000,000	
Urban Edge Properties	24,100	24,100
Ventas	10,400	
Vereit	69,000	69,000
Vornado Realty Trust	8,000	8,000
Weingarten Realty Investors	17,600	
Welltower	9,900	9,900
Wi Treasury Sec.	1,000,000	

These statements present the aggregate purchases and sales of an investment exceeding 1% of the total value of purchases and sales for the period or at least the top 20 purchases and sales.

APPENDIX 1 – REMUNERATION POLICY (UNAUDITED)

Traditional Funds (the “Company”) has adopted a remuneration policy as required by the UCITS V Regulations (the “Company’s Remuneration Policy”). The Company’s board of directors (each a “Director” and collectively, the “Board”) is responsible for the remuneration policy of the Company and for determining the remuneration of the directors of the Company. The Board considers that its members have appropriate expertise in risk management and remuneration to perform this review.

The Company currently does not have any employees other than its Directors. Due to the size and internal organisation of the Company and the nature, scope and complexity of its activities, a remuneration committee has not been established by the Company. Any fee arrangements with the Directors shall be subject to the approval of the Board. The Directors who are separately employed by the investment manager of the company (the “Investment Manager”), or its affiliated entities, do not receive remuneration from the Company for acting in their capacity as directors. The Directors who are eligible to receive payment for their role as Directors of the Company receive a fixed annual fee. The Directors do not receive performance-based or variable remuneration. The aggregate amount of remuneration paid to those Directors who are eligible to receive payment for their role as Directors of the Company for the financial year was €242,436. Please see the prospectus of the Company for further details of the fees and expenses payable to the Directors.

The Company has also appointed a corporate governance services provider, Bridge Consulting Limited, to assist it with undertaking some of the regulatory functions required by the UCITS Regulations. Bridge Consulting Limited served as corporate government service provider until 1 July 2017. Effective 1 July 2017 KB Associates replaced Bridge Consulting in providing these services. These services include the secondment of a number of individuals to undertake certain compliance and risk management functions on behalf of the Company, as a result of which the Company believes the individuals concerned are “identified staff” for the purposes of the Company’s Remuneration Policy. The individuals were employed and remunerated by Bridge Consulting, and Bridge Consulting was paid a fixed fee by the Company which was not affected by the performance of the Company or the Funds. The fee paid to Bridge Consulting until 1 July 2017 was €9,994. The corresponding fee paid to KB Associates was €27,051 for the period from 1 July 2017 until the end of the financial year.

The Company’s Remuneration Policy will be reviewed annually by the Board. The Company’s Remuneration Policy, including a description of how remuneration and benefits are calculated, the identify of persons responsible for awarding the remuneration and benefits are available on www.bmogam.com. The Company’s Remuneration Policy summary will be made available for inspection and a paper copy may be obtained, free of charge, at the registered office of the Company.

UCITS Regulations requirements also apply to those appointed by the Company to carry out investment management functions. The Company has appointed Thames River Capital LLP and F&C Management Limited as Investment Managers.

The Investment Managers are part of the F&C Group, the parent of which, BMO Global Asset Management (Europe) Limited, is ultimately a wholly owned subsidiary of the Bank of Montreal and therefore part of the Bank of Montreal Financial Group.

F&C Group Company	Abbreviation	Country of incorporation	Prudential regulator	CRD III/CRD IV
Thames River Capital LLP	TRC	England	FCA	CRD III
F&C Management Limited	FCM	England	FCA	CRD IV

The Investment Managers detailed are consolidated into the F&C Group for prudential and accounting purposes. There are additional regulated firms in the Group that have no disclosure requirement under the CRD III or CRD IV but are however included in the accounting consolidation.

APPENDIX 1 – REMUNERATION POLICY (UNAUDITED) (continued)

The F&C Group has been subject, on a consolidated basis, since 1 January 2014, to the requirements of the revised FCA Remuneration Code (“the Code”) applying in respect of remuneration paid to CRD IV categorised code staff (“Code Staff”). A key objective of the Code is to ensure remuneration policies promote effective risk management and that the pay practices within firms do not encourage inappropriate risk taking by staff or result in an inappropriate quantum of incentives being distributed relative to the company’s capital base.

The Risk & Remuneration Committee of the F&C Board (“the Committee”) determines those employees whose roles and responsibilities meet the definition of Code Staff. The list of employees who are designated as Code Staff is maintained by the HR department. An annual review of the list of designated staff is completed by the Committee.

49 individuals have been identified as Code Staff for the performance year, of whom 18 are classified as Senior Management. The remainder have been identified as members of staff whose actions have a material impact on the risk profile of the F&C Group. The remuneration paid to Code Staff of the F&C Group is:

	Senior Management (£'000)	Remainder (£'000)
Fixed remuneration	2,814	6,078
Variable remuneration	7,243	8,277
Total Remuneration	10,057	14,355
Variable remuneration in cash	3,809	5,178
Variable remuneration in share linked instruments	3,434	3,099
Variable remuneration in other types of instruments	–	–
Outstanding vested deferred remuneration	–	–
Outstanding unvested deferred remuneration	17,114	18,497

The Investment Manager has also approved and adopted a revised remuneration policy which is consistent with the remuneration principles applicable to UCITS management companies. The size of the Investment Manager and the size of the funds it manages, the internal organisation and the nature, the scope and the complexity of their activities have been taken into consideration. The purpose of the Investment Manager’s remuneration policy is to describe the remuneration principles and practices within the Investment Manager and for such principles and practices:

- (a) to be consistent with, and promote, sound and effective risk management;
- (b) to be in line with the business strategy, objectives, values and interests of the Investment Manager;
- (c) not to encourage excessive risk-taking as compared to the investment policy of the relevant funds the Investment Manager manages;
- (d) to provide a framework for remuneration to attract, motivate and retain staff (including directors) to which the policy applies in order to achieve the objectives of the Investment Manager; and
- (e) to ensure that any relevant conflicts of interest can be managed appropriately at all times.

APPENDIX 2 – SECURITIES FINANCING TRANSACTIONS REGULATIONS (UNAUDITED)

1. Market value of assets engaged in securities financing transactions as at 31 March 2018

Below is the amount of assets engaged in each type of securities financing transaction (“SFT”), which for the purposes of this disclosure, includes contracts for difference (“CFDs”), expressed as an absolute amount and as a proportion of each Fund’s Assets Under Management (“AUM”).

F&C Real Estate Securities Fund	Currency	CFD's	% of
		£000	AUM
	Euro	479	0.24
	Sterling Pound	2,162	1.10
	Swedish Krona	314	0.16
	Swiss Franc	78	0.04
		<u>3,033</u>	<u>1.54</u>

F&C Real Estate Equity Long/Short Fund	Currency	CFD's	% of
		€000	AUM
	Euro	1,248	0.65
	Sterling Pound	599	0.29
	Swedish Krona	371	0.18
	Swiss Franc	94	0.04
	United States Dollar	548	0.31
		<u>2,860</u>	<u>1.47</u>

BMO US Real Estate Equity Long/Short Fund	Currency	CFD's	% of
		US\$000	AUM
	United States Dollar	(195)	(0.83)
		<u>(195)</u>	<u>(0.83)</u>

2. Listed below are the top 10 Counterparties used for the SFTs held as at 31 March 2018*

Listed below are the Top 10 counterparties in respect of SFTs including the name of the counterparty, gross volume of outstanding transactions and country in which the counterparties are established.

	Currency	Gross Value of Counterparty Name	Gross Value of outstanding Assets	Gross Value of outstanding Liabilities	Country of Establishment
F&C Real Estate Securities Fund	£000	Goldman Sachs	4,093	(1,060)	USA
F&C Real Estate Equity Long/Short Fund	€000	Goldman Sachs	5,185	(2,325)	USA
BMO US Real Estate Equity Long/Short Fund	US\$000	Goldman Sachs	92	(287)	USA

*This list is a complete list of the counterparties for the SFTs held as at 31 March 2018.

3. Settlement/clearing for each SFT

Bi-lateral.

4. Maturity tenor of the SFTs

The maturity tenor of the SFTs is broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one month to three months, three months to one year, above one year, open transactions;

	Maturity tenor
F&C Real Estate Securities Fund	Open transactions
F&C Real Estate Equity Long/Short Fund	Open transactions
BMO US Real Estate Equity Long/Short Fund	Open transactions

APPENDIX 2 – SECURITIES FINANCING TRANSACTIONS REGULATIONS (UNAUDITED)
(continued)

5. Maturity tenor of Collateral pledged in respect of SFTs

	F&C Real Estate Securities Fund £000	F&C Real Estate Equity Long/Short Fund €000	BMO US Real Estate Equity Long/ Short Fund US\$000
Open Maturity	18,936	21,497	3,401

6. Listed below are the Type, Quality and Currency of Collateral pledged in respect of SFTs at 31 March 2018

	Type	Quality	Currency
F&C Real Estate Securities Fund	Cash Collateral	Not rated	GBP
F&C Real Estate Equity Long/Short Fund	Cash Collateral	Not rated	EUR
BMO US Real Estate Equity Long/Short Fund	Cash Collateral	Not rated	USD

7. Collateral received

There was no collateral received in respect of SFTs held during the financial year ended 31 March 2018.

8. Safe-keeping of Collateral pledged

Included in the table below are details of the safe-keeping of the collateral pledged from the Funds to the relevant counterparties in relation to SFTs held on the Funds.

	F&C Real Estate Securities Fund £000	F&C Real Estate Equity Long/Short Fund €000	BMO US Real Estate Equity Long/ Short Fund US\$000
Total Value of Collateral pledged	18,936	21,497	3,401
Counterparty	Goldman Sachs	Goldman Sachs	Goldman Sachs
% held in segregated accounts	18,936	18,001	2,302
% held in pooled accounts	–	–	–
% held in other accounts	–	3,496	1,099
Total	18,936	21,497	3,401

9. Returns and Costs of SFTs

	Currency	Gains/(Losses)*	Costs incurred**	Net returns
F&C Real Estate Securities Fund	£000	5,058	–	5,058
F&C Real Estate Equity Long/Short Fund	€000	(2,177)	–	(2,177)
BMO US Real Estate Equity Long/Short Fund	US\$000	460	–	460

*The net amounts of interest payments and receipts are included in realised gains and (losses).

**Costs incurred in relation to SFTs are not separately identifiable for disclosure within the financial statements.

GENERAL INFORMATION (UNAUDITED)

Information in this section is selective and should be read in conjunction with the full text of the prospectus.

Information about the Company

The Funds are valued on each Dealing Day and shares may normally be purchased or realised by application on a Dealing Day. Dealing days are every Business Day and/or such other day or days as the Directors may determine. A Business Day is any day, other than a Saturday or Sunday, on which banks in both Dublin and London are open for business. For all Funds, public holidays in countries where the closure of local stock exchanges and markets makes it difficult to price a significant portion of the assets held within the Fund will not be a Dealing Day. In addition the following Business Days are not Subscription Dealing Days: Easter Thursday, a Business Day falling on a Friday before Christmas Eve where Christmas Eve falls on a Saturday or Sunday in that financial year, Christmas Eve of each financial year.

An initial charge upon subscription of up to 5% of the NAV per share is payable in respect of subscriptions for shares of all the Funds. The Company does not impose any redemption charges.

Information for Investors in Norway and Switzerland

In the light of an EU Commission recommendation, the Norwegian Mutual Funds Association ("NMFA") has added a new section in its branch standards. The branch standards now include requirements for publishing total operating cost ("TER") for Funds semi-annually.

The Company has appointed Carnegie Fund Services S.A., 11, Rue du Général-Dufour, Case postale 5842, CH – 1211 Genève 11, Switzerland, as representative (the "Swiss Representative") and Banque Cantonale de Genève, Quai de l'Île 17, Case postale 2251, 1211 Genève 2, Switzerland as paying agent for Switzerland (the "Swiss Paying Agent").

The prospectus, the articles of association, the annual and semi-annual report as well as a list containing all purchases and sales which have been made during the reporting period can be obtained free of charge at the Swiss Representative.

Following a guideline from the Swiss Funds Association (the "SFA") dated 27 July 2004, the Company is required to supply performance data in conformity with these guidelines. This data can be found below.

TRADITIONAL FUNDS plc

GENERAL INFORMATION (UNAUDITED) (continued)

Information for Investors in Norway and Switzerland

Total Expense Ratios for the financial year ended 31 March 2018

	TER	
	Excluding Performance	Including Performance
F&C High Income Bond Fund		
– Class A Euro Distributing	1.77%	1.77%
– Class A Sterling Distributing	1.77%	1.77%
– Class A US Dollar Distributing	1.77%	1.77%
– Class A Norwegian Krone Distributing	1.77%	1.77%
– Class A New Euro Accumulating	1.77%	1.77%
– Class A New Sterling Accumulating	1.77%	1.77%
– Class A New US Dollar Accumulating	1.77%	1.77%
– Class A New Euro Distributing	1.77%	1.77%
– Class A New Sterling Distributing	1.77%	1.77%
– Class A New US Dollar Distributing	1.77%	1.77%
– Class A New Norwegian Krone Distributing	1.77%	1.77%
– Class C Sterling Accumulating	1.69%	1.70%
– Class C Sterling Distributing	1.69%	1.70%
Eastern European Fund		
– Class A US Dollar Class	1.84%	1.84%
– Class B US Dollar Distributing	1.34%	1.34%
F&C Global Emerging Markets Fund		
– Class A Euro Accumulating	2.59%	2.59%
– Class A US Dollar Accumulating	2.59%	2.59%
– Class A Euro Distributing	2.59%	2.59%
– Class A Sterling Distributing	2.59%	2.59%
– Class A US Dollar Distributing	2.59%	2.59%
– Class C Sterling Distributing	1.87%	1.87%
F&C Real Estate Securities Fund		
– Class A Euro Accumulating	1.87%	1.91%
– Class A Sterling Accumulating	1.87%	1.91%
– Class A Norwegian Krone Accumulating	1.87%	1.91%
– Class A Sterling Distributing	1.87%	1.91%
– Class B Euro Accumulating	1.35%	1.59%
– Class B Sterling Accumulating	1.35%	1.59%
– Class C Sterling Distributing	1.34%	1.43%
– Class D Sterling Accumulating*	0.99%	1.11%
*Share class launched 2 February 2018		
F&C Real Estate Equity Long/Short Fund		
– Class A Euro Accumulating	2.04%	2.47%
– Class A US Dollar Accumulating	2.04%	2.47%
– Class B Euro Accumulating	1.28%	1.75%
– Class C Sterling Accumulating	1.34%	1.90%
F&C Multi Strategy Global Equity Fund		
– Class F Euro Accumulating	0.49%	0.49%

TRADITIONAL FUNDS plc

GENERAL INFORMATION (UNAUDITED) (continued)

Information for Investors in Norway and Switzerland (continued)

Total Expense Ratios for the financial year ended 31 March 2018 (continued)

	TER	
	Excluding Performance	Including Performance
BMO US Real Estate equity Long/Short Fund*		
– Class A Euro Hedged Accumulating	2.10%	2.10%
– Class B Euro Hedged Accumulating	1.35%	1.35%
– Class B US Dollar Accumulating	1.35%	1.35%
– Class C Sterling Hedged Accumulating	1.35%	1.35%
– Class F Euro Hedged Accumulating	0.95%	0.95%
– Class F Sterling Hedged Accumulating	0.95%	0.95%
– Class F US Dollar Accumulating	0.95%	0.95%

*Fund launched 31 March 2017

TRADITIONAL FUNDS plc

GENERAL INFORMATION (UNAUDITED) (continued)

Information for Investors in Norway and Switzerland (continued)

Fund performance data

	Since inception to 31 March 2018	31 December 2017	31 December 2016	31 December 2015
F&C High Income Bond Fund**				
– Class A Euro Distributing	-27.40%	-1.96%	+0.79%	-9.50%
– Class A Sterling Distributing	-20.20%	-1.20%	+1.71%	-8.81%
– Class A US Dollar Distributing	-25.30%	0.00%	+2.13%	-8.93%
– Class A Norwegian Krone Distributing	+531.70%	-0.82%	+2.28%	-8.02%
– Class A New Euro Accumulating	+20.50%	+2.50%	+5.36%	-4.05%
– Class A New Sterling Accumulating	+11.90%	+3.08%	+6.26%	-3.37%
– Class A New US Dollar Accumulating	+13.50%	+4.07%	+6.87%	-3.58%
– Class A New Euro Distributing	-47.50%	-1.81%	+0.73%	-9.49%
– Class A New Sterling Distributing	-43.40%	-1.19%	+1.73%	-8.81%
– Class A New US Dollar Distributing	-43.20%	0.00%	+2.28%	-9.14%
– Class A New Norwegian Krone Distributing	+500.70%	-0.96%	+2.27%	-8.03%
– Class C Sterling Accumulating	+5.90%	+3.06%	+6.52%	-3.16%
– Class C Sterling Distributing	-18.70%	-0.94%	+1.93%	-6.98%
Eastern European Fund				
– US Dollar Class	+631.80%	+23.32%	+13.03%	-13.20%
– Class B US Dollar Distributing	-6.20%	+21.77%	+11.00%	-12.74%
F&C Global Emerging Markets Fund				
– Class A Euro Accumulating	+157.70%	+18.98%	+8.58%	-6.09%
– Class A US Dollar Accumulating	+57.00%	+35.53%	+5.54%	-18.21%
– Class A Euro Distributing	+332.30%	+18.89%	+8.57%	-6.08%
– Class A Sterling Distributing	+451.00%	+23.83%	+25.54%	-12.74%
– Class A US Dollar Distributing	+400.30%	+35.47%	+5.57%	-18.21%
– Class C Sterling Distributing*	+38.60%	+24.60%	–	–
INDEX: MSCI TR Net Daily Series EM USD				
F&C Macro Global Bond Fund (£) (terminated 25 August 2016)				
– Class A Sterling Accumulating	–	–	–	-0.95%
– Class A Sterling Distributing	–	–	–	-0.96%
– US Dollar Distributing Class	–	–	–	+100%
– Class C Sterling Accumulating	–	–	–	-0.59%
– Class C Sterling Distributing	–	–	–	-0.50%
– Class Old Euro Accumulating	–	–	–	-1.35%
– Class Old USD Accumulating	–	–	–	-1.15%
INDEX: 50% FTSE All Stock . 50% Citigroup World Global Government Bond				
F&C Macro Global Bond Fund (€) (terminated 23 March 2016)				
– Class A Euro Accumulating	–	–	–	-0.49%
– Class A Euro Distributing	–	–	–	-0.48%
– Class C Euro Accumulating	–	–	–	-0.10%
INDEX: 50% Citigroup Euro Govt Bond . 50% Citigroup World Government Bond in €				
F&C Global Unconstrained Equities Fund (terminated 25 August 2016)***				
– Class A Euro Accumulating	–	–	–	-15.55%
– Class A Sterling Accumulating	–	–	–	-15.29%
– Class A US Dollar Accumulating	–	–	–	-15.04%
– Class A Norwegian Krone Accumulating	–	–	–	-14.76%
– Class A Singapore Dollar Accumulating	–	–	–	-14.16%
– Class A Euro Distributing	–	–	–	-15.38%
– Class A Sterling Distributing	–	–	–	-15.40%
– Class C Sterling Accumulating	–	–	–	-14.59%
– Class C Sterling Distributing	–	–	–	-14.59%

* Share class launched 9 March 2016

** The Fund is a total return fund managed with reference to global credit markets and is not benchmarked against a specific index

*** The Fund is an absolute return fund and is not benchmarked against a specific index

TRADITIONAL FUNDS plc

GENERAL INFORMATION (UNAUDITED) (continued)

Information for Investors in Norway and Switzerland (continued)

Fund performance data (continued)

	Since inception to 31 March 2018	31 December 2017	31 December 2016	31 December 2015
F&C Real Estate Securities Fund				
– Class A Euro Accumulating	+143.50%	+19.04%	+7.19%	+13.87%
– Class A Sterling Accumulating	+159.20%	+20.57%	+8.44%	+14.01%
– Class A Norwegian Krone Accumulating	+1,934.90%	+20.60%	+8.05%	+13.80%
– Class A Sterling Distributing	+124.40%	+18.52%	+6.87%	+12.76%
– Class B Euro Accumulating	+152.60%	+19.67%	+7.95%	+13.98%
– Class B Sterling Accumulating	+168.30%	+21.14%	+8.84%	+14.31%
– Class C Sterling Distributing	+128.40%	+18.90%	+6.90%	+12.88%
– Class D Sterling Accumulating*	+0.70%	–	–	–
INDEX: FTSE EPRA/NAREIT Developed Europe Capped Total Return (Net) Index				
F&C Real Estate Equity Long/Short Fund***				
– Class A Euro Accumulating	+14.10%	+2.45%	-1.87%	+5.07%
– Class A US Dollar Accumulating	+18.70%	+3.90%	-0.53%	+5.30%
– Class B Euro Accumulating	+17.50%	+3.20%	-1.23%	+5.61%
– Class C Sterling Accumulating	+20.40%	+3.66%	-0.43%	+6.08%
F&C Multi Strategy Global Equity Fund				
– Class F Euro Accumulating	+41.60%	+11.91%	+7.70%	+7.70%
BMO US Real Estate Equity Long/Short Fund (launched 31 March 2017)***				
– Class A Euro Hedged Accumulating	-4.50%	–	–	–
– Class B Euro Hedged Accumulating	-3.80%	–	–	–
– Class B US Dollar Accumulating	-1.70%	–	–	–
– Class C Sterling Hedged Accumulating	-3.00%	–	–	–
– Class F Euro Hedged Accumulating	-3.50%	–	–	–
– Class F Sterling Hedged Accumulating	-2.60%	–	–	–
– Class F US Dollar Accumulating	-1.40%	–	–	–

* Share class launched 2 February 2018

** The Fund is a total return fund managed with reference to global credit markets and is not benchmarked against a specific index

*** The Fund is an absolute return fund and is not benchmarked against a specific index

DISCLAIMER:

Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares.

TRADITIONAL FUNDS plc

ENQUIRIES

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