



Traditional Funds plc

Annual Report and Audited Financial Statements

31 March 2017

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 2017

TRADITIONAL FUNDS plc

TABLE OF CONTENTS

Management and Administration	2
Investment Managers' Reports	
– <i>F&C High Income Bond Fund</i>	3
– <i>Eastern European Fund</i>	4
– <i>F&C Global Emerging Markets Fund</i>	5
– <i>F&C Macro Global Bond Fund (£) (terminated 25 August 2016)</i>	6
– <i>F&C Global Unconstrained Equities Fund (terminated 25 August 2016)</i>	7
– <i>F&C Real Estate Securities Fund</i>	8
– <i>F&C Real Estate Equity Long/Short Fund</i>	9
– <i>F&C Multi Strategy Global Equity Fund</i>	10
– <i>BMO US Real Estate Equity Long/Short Fund (launched 31 March 2017)</i>	11
Directors' Report	12
Depositary's Report	16
Independent Auditors' Report	17
Portfolio Statements	19
Statement of Financial Position	56
Statement of Comprehensive Income	58
Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders	62
Notes to the Financial Statements	64
Significant Portfolio Movements (unaudited)	119
Appendix 1 – UCITS V Remuneration Policy (unaudited)	127
Appendix 2 – Securities Financing Transactions Regulations (unaudited)	128
General Information (unaudited)	130
Enquiries	134

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)*
Hugh Moir (British) (resigned 23 March 2017)
Charles Porter (British)* (appointed 19 August 2016)
Stuart Woodyatt (British) (appointed 23 March 2017)

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

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

Dillon Eustace (to 23 August 2016)
33 Sir John Rogerson's Quay
Dublin 2
Ireland

Matheson (from 23 August 2016)
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Independent Auditors

PricewaterhouseCoopers
1 Spencer Dock
North Wall Quay
Dublin 1
Ireland

Sponsoring Broker

J & E Davy
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 2017, the F&C High Income Bond Fund (A Acc share class) returned +7.3%, net of fees and in US dollar terms.

Over the twelve month period, the asset allocation shift from investment grade to high yield was positive for performance, as was the allocation to local currency debt. Security selection was positive across the board and our defensive strategy of protecting the fund against movements in interest rates was beneficial for performance. Our strategy of hedging the credit exposure of the fund detracted from performance over the reporting period – we exited this position in November 2016.

Strategy

During the review period, we increased exposure to developed and emerging market high yield. Geographically, exposure was increased in Europe, North America and Asia. Within emerging markets (EM), we strategically allocated to corporate debt, which has a higher credit quality than EM sovereign and local currency debt, as well as a lower sensitivity to movements in interest rates, which means it is a less volatile part of the EM marketplace in which to invest. This also meant the fund could benefit from the higher income in a relatively benign environment for credit. Towards the end of the reporting period, exposure to US high yield was increased as we continue to find attractive investment opportunities here.

Outlook

The economic environment has seen an improvement in global data and the start of a shift away from the accommodative monetary policies that many major central banks have employed in recent years, in favour of fiscal policy tools. In particular, the election of Trump in the US and the expectation of large fiscal expenditure including infrastructure spend and tax cuts, as well as reduced regulation, has widely been viewed as positive across most markets. US economic data and sentiment continues to be good, and we expect markets to price in two or three interest rate hikes in the US in 2017. Labour market tightness is starting to feed through into wage inflation. Within Europe, economic data has been strong and although the various recent and upcoming political events will cause bouts of uncertainty, the continued support from the European Central Bank should underpin markets. The UK continues to tread water between better-than-expected economic data, and the threat of Brexit. We are concerned that UK data will weaken going forward as disposable incomes grow more slowly in the year ahead. Emerging markets remain at risk from further moves higher in US interest rates and the US dollar.

The fund aims to generate an attractive yield of approximately 4.5% by investing in higher yielding corporate and sovereign bond markets. We seek to reduce the volatility associated with these asset classes by implementing hedging and asset allocation strategies.

F&C Management Limited
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

Eastern European Fund

Performance

In the twelve months to 31 March 2017 the Eastern European Fund (A USD Inc share class) returned +10.7%, compared to the index, the MSCI EM Eastern Europe TR Index, which returned +20.8%. Returns are net of fees and in US dollar terms.

The fund's overweight in Turkey detracted from relative performance over the period, with the local currency and market weakening amid concerns over political instability in the aftermath of July's failed coup attempt. Against this backdrop, our holding in the discount Turkish food retailer BIM was the biggest individual detractor over the period. The general local market weakness was compounded by some disappointment as revenue guidance was reduced, with management citing a weaker consumption outlook and increased competition. There were also concerns over the prospect of rising inflation given the Turkish lira's weakness. Also among the detractors were Turkish names such as investment manager Turkiye Sinai Kalkinma Bankasi and the distributor of alcohol-free beverages Coca-Cola Icecek.

On the plus side, notable individual positive contributors included Poland-listed restaurant operator AmRest, which was buoyed by strong financial results and improving sentiment towards Polish equities in general. Among the other holdings that performed well over the period was Georgia Healthcare as it was buoyed by plans to acquire a rival pharmacy chain.

Strategy

New additions during the period included Portugal-listed Jeronimo Martins (JMT), which generates the vast majority of its earnings from subsidiary Biedronka, the largest and most profitable food retailer in Poland. We expect both JMT's free cashflow generation and dividends to increase over the coming years. We also initiated a position in Romanian bank Banca Transilvania (BT), which we deem to be the best-managed and most profitable bank in Romania. We also added to existing holdings where we have strong conviction such as Turkish retailer BIM, as in our view weak sentiment had created a value opportunity to add to a core holding. Sales during the period included Greek-listed diversified retailer FF Group amid uncertainty surrounding the evolution of cashflow. We also sold our position in Poland-listed Bank Pekao owing to worries over its future growth and dividend policy. We trimmed our position in Russian miner Norilsk Nickel as we were concerned that it could look to increase debt. Overall, portfolio turnover remains relatively low; we are long-term investors in quality businesses that have sustainable business models, robust balance sheets, proven management teams and where we find alignment of interest with majority shareholders.

Outlook

We believe 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 doubt that recent disruptive events related to Donald Trump's policy decisions or the UK triggering the process of leaving the EU will become long-term determining factors in the returns generated by emerging market equities portfolios. In our view, there remains huge opportunities to invest in companies that can capitalise on the long-term trends driving secular growth in emerging market countries, as management teams that are focused on generating cash flow are also now capturing market share.

F&C Management Limited
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Global Emerging Markets Fund

Performance

In the twelve months to 31 March 2017, the A Inc USD shares returned +12.0%. The benchmark returned +17.7%.

The fund was behind its benchmark over the period owing to underperformance during the third and fourth quarters of 2016. During the third quarter, a number of holdings in the consumer and financial sectors saw profit taking. In the following quarter, meanwhile, significant exposure to India was a key contributor to underperformance, while an overweight in consumer staples and stock selection in the financial sector were also to blame. Over the final few months of the period, however, there was improvement in performance as stock selection contributed positively and holdings in India performed well.

Among the individual detractors from performance over the twelve-month period was Philippines-based food and beverages name Universal Robina as the company's revenue growth disappointed. Discount Turkish food retailer BIM also detracted over the period as the company issued disappointing revenue guidance and investor sentiment in Turkey-based stocks in general suffered from concerns surrounding July's failed coup attempt and the government's response. A lack of exposure to a strong rally in Korea was also a key detractor from relative performance. The biggest single positive contributor over the twelve-month period was the holding in Indian banking group Yes Bank, with the shares rallying strongly after it passed central bank stress tests unscathed.

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 India and South East Asia offer some of the best long-term investment opportunities in domestically orientated businesses. Major purchases during the period included baby-formula producer Mead Johnson. Sales included footwear and fashion name Bata India.

Outlook

We believe 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 doubt that recent disruptive events related to Donald Trump's policy decisions or the UK triggering the process of leaving the EU will become long-term determining factors in the returns generated by emerging market equities portfolios. In our view, there remains huge opportunities to invest in companies that can capitalise on the long-term trends driving secular growth in emerging market countries, as management teams that are focused on generating cash flow are also now capturing market share.

F&C Management Limited
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Macro Global Bond Fund (£)

Closing report to 25 August 2016

Performance

Over the period from 1 April 2016 until the closure of the fund on 25 August 2016, the F&C Macro Global Bond Fund (£) accumulating A share class returned -1.79%. Performance is net of fees and in sterling terms.

Strategy

The decision was taken to close the fund, as it had become too small to be managed economically and the likelihood of us being able to rebuild the assets under management and lower ongoing charges was greatly reduced. It closed on 25 August 2016.

F&C Management Limited
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Global Unconstrained Equities Fund

Closing report to 25 August 2016

Performance

Over the period from 1 April 2016 until the closure of the fund on 25 August 2016, the fund returned 3.64%. The fund's benchmark, the MSCI World Index, returned 6.59%. Performance is total return, net of fees and in sterling terms.

Strategy

The decision was taken to close the fund as it had become too small to be managed economically and the likelihood of us being able to build the assets under management and lower ongoing charges was greatly reduced.

Thames River Capital LLP
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Real Estate Securities Fund

Summary

In the 12 months to 31 March 2017, the B £ Acc shares returned +6.01% (net of fees) in sterling. The benchmark, the FTSE EPRA/NAREIT Developed Europe Capped Total Return (Net) Index, returned +6.66%.

Performance review

In terms of detractors, Swiss diversified (-68 basis points (bp)), European shopping centres (-24bp) and UK diversified majors (-17bp) were the most significant.

The main positive contributors to relative performance were German residential (+46bp), followed by hotels (+40bp), industrials (+23bp), UK self-storage (+21bp) and UK London retail/residential (+20bp).

Since inception in April 2010 to end March 2017, the fund has now outperformed in 25 out of 29 quarters.

Fund Strategy

Our fund strategy remains unchanged. We have classified the pan-European sector 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.

Market Outlook

Within Europe the geopolitical environment will remain a dominant consideration with elections in the UK and Germany in the coming months. The discussions over the terms of the UK's exit from the European Union will temporarily become background noise as the gritty reality of the complex negotiations leads to limited progress reports from the government. We remain concerned about businesses' ability to commit to longer term investment (such as new lease obligations) without clarity on such key aspects as potential trade barriers and cross border supply chains. For UK property we expect a deferral of the development cycle with reduced speculative construction starts. Given this clear macro risk we expect the Bank of England to be accommodative with the base rate remaining at its historic low.

Expectations of global growth continue to improve and Europe is no exception. The US has been on this recovery trajectory for some time and the Federal Reserve has embarked on a path of normalising base rates. In Europe, it is clear that the economic backdrop is improving with key indicators such as the Purchasing Managers Index (PMI) recording successive positive data points. Whilst the European Central Bank has begun the process of reducing monetary stimulus (by buying fewer bonds) we think it unlikely that base rate rises will occur until well into next year. Bond yields have risen, in response to improving economics and some inflationary response but still remain at historically low levels. Investors therefore need to find income which offers some inflationary protection and our management team remain focused on businesses which offer secure income with the potential to grow as economic conditions improve. The manager's decision to maintain gearing reflects both his optimism in the robustness of underlying earnings growth as well as the risk mitigation of such a diversified portfolio invested across numerous submarkets and geographies.

Thames River Capital LLP
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Real Estate Equity Long/Short Fund

Summary

The fund (GBP C Accumulation) returned -0.26% during the 12 months to 31 March 2017, net of all costs.

Strategy & Performance

We believe that monitoring geographical exposures by country can be deceptive and irrelevant and therefore we designed a framework to classify the Pan-European real estate equity sector into 30 proprietary sub-sectors such as French offices, German residential, hotel properties, European shopping centres, UK student housing and UK retail. Then we endeavour to remain broadly market neutral (with a soft tolerance limit of $\pm 2\%$) within each sub-sector and to generate alpha through stock picking at the sub-sector level. By doing this we aim to keep the risks derived from market directional exposure to a minimum. In turn, we can reduce our exposure to rate tightening cycle risks.

Over the review period the main sectors contributing to relative performance were German residential (+46 basis points (bp)), hotels (+46bp), industrials (+31 bp), and UK retail (+30bp). In the US, there were positive contributions among the hotel (+23bp) and industrial (+10bp) sectors. In terms of detractors, Swiss diversified (-77bp) and Swedish diversified (-42bp) were notable in Europe. In the US, positions in the Mall sector (-17bp) were the most significant.

From May 2016, we widened the geographical remit of the fund and invest up to 20% in US REITs. This expansion adds 134 investable companies across 14 property sub-sectors. Similarly to Europe, the objective is to generate alpha through research-intensive, bottom-up stock selection at the sub-level and avoid unwanted sub-sector or market bias.

In addition, after a period of strong interest and resulting asset growth, the decision was made to 'soft close' the fund on the 27 April 2016 in an effort to retain sufficient flexibility to implement our portfolio strategy. During the soft closure, existing investors who wish to make incremental investments will be prioritised, although the extent to which investments can be accommodated will be constrained by the ultimate fund capacity, currently estimated to be €365 million.

Market Outlook

Within Europe the geopolitical environment will remain a dominant consideration with elections in the UK and Germany in the coming months. The discussions over the terms of the UK's exit from the European Union will temporarily become background noise as the gritty reality of the complex negotiations leads to limited progress reports from the government. We remain concerned about businesses' ability to commit to longer term investment (such as new lease obligations) without clarity on such key aspects as potential trade barriers and cross border supply chains. For UK property we expect a deferral of the development cycle with reduced speculative construction starts. Given this clear macro risk we expect the Bank of England to be accommodative with the base rate remaining at its historic low.

Expectations of global growth continue to improve and Europe is no exception. The US has been on this recovery trajectory for some time and the Federal Reserve has embarked on a path of normalising base rates. In Europe, it is clear that the economic backdrop is improving with key indicators such as the Purchasing Managers Index (PMI) recording successive positive data points. Whilst the European Central Bank has begun the process of reducing monetary stimulus (by buying fewer bonds) we think it unlikely that base rate rises will occur until well into next year. Bond yields have risen, in response to improving economics and some inflationary response but still remain at historically low levels. Investors therefore need to find income which offers some inflationary protection and our management team remain focused on businesses which offer secure income with the potential to grow as economic conditions improve. The manager's decision to maintain gearing reflects both his optimism in the robustness of underlying earnings growth as well as the risk mitigation of such a diversified portfolio invested across numerous submarkets and geographies.

We aim to limit downside risk to a minimum during market sell-offs and generate uncorrelated, incremental positive returns irrespective of the broader direction of the market. This is possible by not only maintaining a strict market neutrality at the fund level but also a relative market neutrality within each of our proprietary property sub-sectors.

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

F&C Multi Strategy Global Equity Fund

Performance

In the twelve months to 31 March 2017, the fund returned +19.8%. Over the same period, the MSCI AC World NR Index returned +22.6%. Performance is net of fees and in euro terms.

During the first half of the period, US exposure detracted from performance while on a sector basis consumer discretionary hindered relative performance. Towards period-end, negative contributions came from the overweight in Japan and the underweight in Pacific ex Japan. On the plus side, the fund's exposure to India provided the biggest positive contribution to relative returns during the first half of the period. Towards period end, our overweight position in Europe ex UK contributed positively.

In terms of individual stocks, Ford Motor was among the laggards as it disappointed earnings expectations and issued weaker guidance amid rising costs. Pharmacy operator CVS Health sharply underperformed as the shares were hindered by political controversy over rising drugs costs as well as lacklustre guidance. Foods company Kerry Group was another laggard as higher commodity prices hurt profitability. Positive contributors included technology name Apple, which beat earnings expectations with strong sales of its iPhone 7 Plus. Our holding in commercial banking group SVB Financial rallied on higher US interest rate expectations.

Strategy

Throughout the reporting period, we retained a preference for Japan, because of hopes of ongoing improvements in the underlying economy, corporate restructuring and factors such as heavy demand for equities from the government pension fund. We also remained positive on Europe because of the better economic performance of the region, attractive valuations, and the continued supportive stimulus actions from the central bank. Initially, we held a neutral stance on emerging markets (EM), but revised this position to overweight as the economic growth differential with developed markets started to increase and EM currencies stabilised. EM central banks cutting interest rates and improved current accounts for EM countries also supported this move. We maintained an underweight in Pacific ex-Japan and ended the period with underweights in the US and UK. The largest buys over the period were Citigroup and Motorola while the biggest sells were 3M and Stryker Corporation.

Outlook

Investors are now questioning the US administration's ability to deliver stimulus via tax reform and infrastructure spending, and whether it can do this in a manner that will satisfy the expectations that have helped propel equity markets to record highs. As European economic data continues to improve, we should see the valuation discount on European equities narrow further. By contrast, in the UK, the triggering of Article 50 and higher inflation have raised concerns about the political and economic challenges ahead, including the resilience of consumer spending. In Japan, accelerating real exports support our view that competitive exporters offer an attractive investment opportunity. Overall, we still believe that sustainable growth companies will outperform over the long term, due to their robust cash flows, focus on growing franchise value and commitment to improving total shareholder returns.

F&C Management Limited
May 2017

TRADITIONAL FUNDS plc

INVESTMENT MANAGER'S REPORT

BMO US Real Estate Equity Long/Short Fund

This sub-fund launched on 31 March 2017, so no investment management report is being provided for this reporting period.

Thames River Capital LLP
May 2017

TRADITIONAL FUNDS plc

DIRECTORS' REPORT

For the financial year ended 31 March 2017

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 2017.

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 ("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 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 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"). The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings.

Directors Compliance Statement

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in section 225 of the Companies Act 2014, which includes drawing up a compliance policy statement that sets out the Company's policies respecting compliance by the Company with its relevant obligations, putting in place appropriate arrangements or structures that are designed to secure material compliance with the Company's relevant obligations and conducting an annual review during the financial year of any arrangements or structures referred to above that have been put into place.

TRADITIONAL FUNDS plc

DIRECTORS' REPORT (continued)

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 10.

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 F&C Real Estate Securities Fund and the Eastern European Fund made a distribution from their distribution share classes during the financial year ended 31 March 2017. For more details please refer to note 8.

Significant events during the financial year

On 27 April 2016 the decision was taken to 'soft close' the F&C Real Estate Long/Short Equity Fund in an effort to retain sufficient flexibility to implement the Investment Manager's portfolio strategy. During the soft closure, existing investors who wish to make incremental investments will be prioritised, although the extent to which investments can be accommodated will be constrained by the ultimate fund capacity.

The Board approved the closure of F&C Macro Global Bond Fund (£) and the F&C Global Unconstrained Equities Fund. These funds closed on 25 August 2016.

Charles Porter was appointed to the Board of Directors on 19 August 2016.

Hugh Moir resigned as a director and Stuart Woodyatt was appointed to the Board of Directors on 23 March 2017.

Effective 24 March 2017, the listing of the Company transferred from the Main Securities Market of the Irish Stock Exchange ("ISE") to the Global Exchange Market ("GEM"). GEM is a market regulated by the ISE and is not a 'regulated market' as defined under the Directive on Markets in Financial Instruments 2004/39/EC.

BMO US Real Estate Equity Long/Short Fund launched on 31 March 2017.

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

Significant events after the financial year end

Effective 1 July 2017 KB Associates replaced Bridge Consulting in providing management services to assist the Company in carrying out the management functions specified by the Central Bank.

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

TRADITIONAL FUNDS plc

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)*

Hugh Moir (British) (resigned 23 March 2017)

Charles Porter (British)* (appointed 19 August 2016)

Stuart Woodyatt (British) (appointed 23 March 2017)

Directors' interests in the shares of the Company at the financial year end and in any transactions with related parties are disclosed in note 16.

* 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 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 as 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 AGM in accordance with section 383(2) of the Companies Act 2014.

On behalf of the Board

David Hammond
Director

John Fitzpatrick
Director

30 June 2017

TRADITIONAL FUNDS plc

DEPOSITARY'S REPORT

For the financial year ended 31 March 2017

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 2017, 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 ("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, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 ("the Central Bank UCITS Regulations"); and

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

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

30 June 2017

Independent auditors' report to the members of Traditional Funds plc

Report on the financial statements

Our opinion

In our opinion, Traditional Funds plc's financial statements (the "financial statements"):

- give a true and fair view of the Company's and Funds' assets, liabilities and financial position as at 31 March 2017 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

What we have audited

The financial statements, included within the Annual Report and Audited Financial Statements, comprise:

- the statement of financial position of the Company and each of its Funds as at 31 March 2017;
- the statement of comprehensive income of the Company and each of its Funds for the year then ended;
- the statement of comprehensive income of the Company and each of its Funds for the year then ended;
- the portfolio statements for each of the Funds as at 31 March 2017; and
- the notes to the financial statements for the company and for each of its Funds which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Matters on which we are required to report by the Companies Act 2014

- 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.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matter on which we are required to report by exception

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 12 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Audited Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Clodagh O'Reilly
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
30 June 2017

- (a) The work of the auditors does not involve consideration of the maintenance and integrity of the BMO GAM website 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 2017

F&C High Income Bond Fund

Financial assets at fair value through profit or loss

Bonds – 97.44% (2016: 91.23%)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Argentina – 1.87% (2016: 1.86%)				
Cablevision 6.500% 15.06.2021	USD	150,000	158	0.34
IRSA Propiedades Comerciales 8.750% 23.03.2023	USD	200,000	222	0.48
Petrobras Argentina 7.375% 21.07.2023	USD	150,000	157	0.34
YPF 8.500% 28.07.2025	USD	300,000	325	0.71
			<u>862</u>	<u>1.87</u>
Australia – 1.32% (2016: 0.46%)				
Australia & New Zealand Banking Group 6.750% 29.12.2049	USD	300,000	330	0.72
QBE Insurance Group 6.750% 02.12.2044	USD	250,000	274	0.60
			<u>604</u>	<u>1.32</u>
Austria – 0.40% (2016: Nil)				
BRF 4.350% 29.09.2026	USD	200,000	184	0.40
			<u>184</u>	<u>0.40</u>
Azerbaijan – 0.44% (2016: 0.32%)				
International Bank of Azerbaijan OJSC 5.625% 11.06.2019	USD	200,000	200	0.44
			<u>200</u>	<u>0.44</u>
Barbados – Nil (2016: 0.37%)				
Brazil – 5.44% (2016: 7.36%)				
Banco do Brasil 6.250% 29.10.2049	USD	200,000	168	0.37
Brazil Letras do Tesouro Nacional 0.000% 01.07.2017	BRL	3,000,000	936	2.04
Brazil Notas do Tesouro Nacional 10.000% 01.01.2025	BRL	3,000,000	984	2.14
Centrais Eletricas Brasileiras 5.750% 27.10.2021	USD	200,000	204	0.44
Votorantim Cimentos 7.250% 05.04.2041	USD	200,000	205	0.45
			<u>2,497</u>	<u>5.44</u>
Canada – 2.88% (2016: 0.46%)				
New Red Finance 6.000% 01.04.2022	USD	150,000	156	0.34
First Quantum Minerals 7.000% 15.02.2021	USD	100,000	103	0.22
First Quantum Minerals 7.250% 15.05.2022	USD	200,000	206	0.45
First Quantum Minerals 7.250% 01.04.2023	USD	400,000	403	0.88
St Marys Cement Canada 5.750% 28.01.2027	USD	300,000	300	0.65
Stoneway Capital 10.000% 01.03.2027	USD	150,000	157	0.34
			<u>1,325</u>	<u>2.88</u>
Chile – 2.46% (2016: 1.83%)				
Cencosud 4.875% 20.01.2023	USD	200,000	208	0.45
Cencosud 6.625% 12.02.2045	USD	200,000	205	0.45
Empresa Electrica Guacolda 4.560% 30.04.2025	USD	200,000	192	0.42
Inversiones CMPC 4.750% 15.09.2024	USD	250,000	259	0.56
Latam Airlines Group 7.250% 09.06.2020	USD	250,000	265	0.58
			<u>1,129</u>	<u>2.46</u>
China – Nil (2016: 1.37%)				
Colombia – 2.61% (2016: 2.38%)				
Colombia Telecomunicaciones 8.500% 29.12.2049	USD	300,000	298	0.65
Ecopetrol 5.375% 26.06.2026	USD	300,000	309	0.67
Ecopetrol 5.875% 28.05.2045	USD	200,000	183	0.40
Empresa de Energia de Bogota 6.125% 10.11.2021	USD	200,000	206	0.45
Oleoducto Central 4.000% 07.05.2021	USD	200,000	204	0.44
			<u>1,200</u>	<u>2.61</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C High Income Bond Fund (continued)

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

Bonds – 97.44% (2016: 91.23%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Croatia – Nil (2016: 0.21%)				
Curacao – 0.45% (2016: 0.53%)				
SUAM Finance 4.875% 17.04.2024	USD	200,000	208	0.45
			208	0.45
Dominican Republic – 0.68% (2016: Nil)				
Aeropuertos Dominicanos Siglo XXI 6.750% 30.03.2029	USD	300,000	314	0.68
			314	0.68
France – 1.08% (2016: 1.53%)				
Credit Logement 0.820% 29.03.2049	EUR	300,000	266	0.58
Paprec Holding 7.375% 01.04.2023	EUR	200,000	228	0.50
			494	1.08
Guatemala – Nil (2016: 0.33%)				
Hong Kong – 4.51% (2016: 4.66%)				
Bank of China Hong Kong 5.550% 11.02.2020	USD	100,000	108	0.24
Bank of East Asia 6.125% 16.07.2020	USD	100,000	109	0.24
CLP Power HK Finance 4.250% 29.05.2049	USD	200,000	205	0.45
CNPC General Capital 2.750% 14.05.2019	USD	200,000	202	0.44
CRCC Yupeng 3.950% 28.02.2049	USD	200,000	204	0.44
Franshion Brilliant 5.750% 19.03.2019	USD	200,000	210	0.46
HKT Capital No 2 3.625% 02.04.2025	USD	200,000	200	0.44
Hongkong Electric Finance 4.250% 14.12.2020	USD	200,000	212	0.46
Proven Glory Capital 3.250% 21.02.2022	USD	200,000	199	0.43
Proven Honour Capital 4.125% 06.05.2026	USD	200,000	202	0.44
Skysea International Capital Management 4.875% 07.12.2021	USD	200,000	216	0.47
			2,067	4.51
India – 2.59% (2016: 3.90%)				
Adani Ports & Special Economic Zone 3.500% 29.07.2020	USD	200,000	201	0.44
NTPC 2.750% 01.02.2027	EUR	100,000	109	0.24
NTPC 4.750% 03.10.2022	USD	200,000	214	0.47
ONGC Videsh 3.250% 15.07.2019	USD	200,000	203	0.44
ONGC Videsh 4.625% 15.07.2024	USD	200,000	211	0.46
Reliance Industries 4.875% 10.02.2045	USD	250,000	249	0.54
			1,187	2.59
Indonesia – 0.46% (2016: 1.64%)				
Perusahaan Gas Negara Persero 5.125% 16.05.2024	USD	200,000	212	0.46
			212	0.46
Iraq – Nil (2016: 0.60%)				
Ireland – 3.20% (2016: 1.07%)				
Batelco International Finance No 1 4.250% 01.05.2020	USD	200,000	202	0.44
MMC Norilsk Nickel OJSC via MMC Finance 5.550% 28.10.2020	USD	200,000	215	0.47
MMC Norilsk Nickel OJSC via MMC Finance 6.625% 14.10.2022	USD	200,000	226	0.49
Novatek OAO via Novatek Finance 4.422% 13.12.2022	USD	200,000	204	0.44
Rosneft Oil via Rosneft International Finance 4.199% 06.03.2022	USD	400,000	401	0.87
VTB Bank PJSC via VTB Eurasia 9.500% 31.12.2049	USD	200,000	226	0.49
			1,474	3.20

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C High Income Bond Fund (continued)

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

Bonds – 97.44% (2016: 91.23%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Israel – 1.37% (2016: 2.24%)				
Israel Chemicals 4.500% 02.12.2024	USD	200,000	200	0.44
Israel Electric 5.000% 12.11.2024	USD	200,000	211	0.46
Israel Electric 7.250% 15.01.2019	USD	200,000	217	0.47
			<u>628</u>	<u>1.37</u>
Italy – 0.61% (2016: 0.62%)				
Schumann 7.000% 31.07.2023	EUR	150,000	163	0.36
Snaitech 6.375% 07.11.2021	EUR	100,000	113	0.25
			<u>276</u>	<u>0.61</u>
Japan – Nil (2016: 0.40%)				
Jersey – 0.45% (2016: 0.60%)				
Polyus Gold International 5.250% 07.02.2023	USD	200,000	205	0.45
			<u>205</u>	<u>0.45</u>
Kazakhstan – 0.42% (2016: 0.63%)				
Zhaikmunai 7.125% 13.11.2019	USD	200,000	195	0.42
			<u>195</u>	<u>0.42</u>
Luxembourg – 5.39% (2016: 1.86%)				
Altice Financing 7.500% 15.05.2026	USD	400,000	426	0.93
Cabot Financial Luxembourg 6.500% 01.04.2021	GBP	175,000	227	0.49
Central American Bottling 5.750% 31.01.2027	USD	74,000	77	0.17
Cirsa Funding Luxembourg 5.875% 15.05.2023	EUR	200,000	224	0.49
CSN Resources 6.500% 21.07.2020	USD	200,000	167	0.36
Evrax Group 6.500% 22.04.2020	USD	200,000	214	0.47
Intralot Capital Luxembourg 6.750% 15.09.2021	EUR	150,000	164	0.36
Kernel Holding 8.750% 31.01.2022	USD	400,000	416	0.91
Sberbank of Russia Via SB Capital 6.125% 07.02.2022	USD	200,000	220	0.48
SES 4.625% 29.12.2049	EUR	200,000	223	0.49
Wind Acquisition Finance 7.000% 23.04.2021	EUR	100,000	111	0.24
			<u>2,469</u>	<u>5.39</u>
Malaysia – 0.89% (2016: 0.35%)				
Cagamas Global 2.745% 10.12.2019	USD	200,000	201	0.44
IOI Investment L 4.375% 27.06.2022	USD	200,000	206	0.45
			<u>407</u>	<u>0.89</u>
Mexico – 5.17% (2016: 3.91%)				
Alpek 4.500% 20.11.2022	USD	200,000	203	0.44
America Movil 6.125% 30.03.2040	USD	200,000	233	0.51
Banco Inbursa Institucion de Banca Multiple 4.125% 06.06.2024	USD	150,000	150	0.33
Cemex 7.750% 16.04.2026	USD	200,000	225	0.49
Grupo Televisa 5.000% 13.05.2045	USD	200,000	182	0.40
Grupo Televisa 6.625% 18.03.2025	USD	200,000	233	0.51
Mexican Bonos 7.750% 13.11.2042	MXN	10,000,000	554	1.21
Mexichem 5.875% 17.09.2044	USD	200,000	195	0.42
Sigma Alimentos de CV 4.125% 02.05.2026	USD	200,000	195	0.42
Trust F/1401 6.950% 30.01.2044	USD	200,000	201	0.44
			<u>2,371</u>	<u>5.17</u>
Morocco – 0.46% (2016: 1.05%)				
OCP 5.625% 25.04.2024	USD	200,000	213	0.46
			<u>213</u>	<u>0.46</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C High Income Bond Fund (continued)

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

Bonds – 97.44% (2016: 91.23%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Netherlands – 6.93% (2016: 4.75%)				
Bharti Airtel International Netherlands 5.350% 20.05.2024	USD	200,000	212	0.46
Demeter Investments BV 5.750% 15.08.2050	USD	300,000	313	0.68
Equate Petrochemical 3.000% 03.03.2022	USD	200,000	196	0.43
Equate Petrochemical 4.250% 03.11.2026	USD	200,000	201	0.44
IHS Netherlands Holdco 9.500% 27.10.2021	USD	400,000	413	0.90
ING Groep 6.500% 29.12.2049	USD	200,000	199	0.43
Listrindo Capital 4.950% 14.09.2026	USD	200,000	196	0.43
Lukoil International Finance 4.563% 24.04.2023	USD	200,000	206	0.45
Lukoil International Finance 4.750% 02.11.2026	USD	200,000	203	0.44
Myriad International Holdings 6.000% 18.07.2020	USD	200,000	216	0.47
Petrobras Global Finance 4.375% 20.05.2023	USD	100,000	95	0.21
Petrobras Global Finance 5.375% 27.01.2021	USD	100,000	103	0.22
Petrobras Global Finance 6.850% 05.06.2115	USD	125,000	112	0.24
Petrobras Global Finance 8.375% 23.05.2021	USD	133,000	151	0.33
Teva Pharmaceutical Finance Netherlands III 2.800% 21.07.2023	USD	200,000	190	0.41
Teva Pharmaceutical Finance Netherlands III 3.150% 01.10.2026	USD	100,000	92	0.20
Teva Pharmaceutical Finance Netherlands III 4.100% 01.10.2046	USD	100,000	86	0.19
			3,184	6.93
Nigeria – Nil (2016: 0.71%)				
Peru – 0.44% (2016: 0.74%)				
InRetail Consumer 5.250% 10.10.2021	USD	100,000	103	0.22
Volcan Cia Minera 5.375% 02.02.2022	USD	100,000	101	0.22
			204	0.44
Philippines – 0.45% (2016: 0.70%)				
SM Investments 4.250% 17.10.2019	USD	200,000	207	0.45
			207	0.45
Qatar – 0.61% (2016: 0.50%)				
Ras Laffan Liquefied Natural Gas 6.750% 30.09.2019	USD	250,000	279	0.61
			279	0.61
Russia – 1.54% (2016: 1.01%)				
Russian Federal Bond 7.400% 14.06.2017	RUB	40,000,000	709	1.54
			709	1.54
Saudi Arabia – 0.43% (2016: Nil)				
Saudi Government International Bond 2.375% 26.10.2021	USD	200,000	197	0.43
			197	0.43
Singapore – 2.45% (2016: 2.34%)				
DBS Bank 3.625% 21.09.2022	USD	200,000	201	0.44
Mega Advance Investments 5.000% 12.05.2021	USD	200,000	214	0.47
SingTel Group Treasury 3.250% 30.06.2025	USD	200,000	201	0.44
SingTel Group Treasury 4.500% 08.09.2021	USD	280,000	301	0.66
United Overseas Bank 3.500% 16.09.2026	USD	200,000	201	0.44
			1,118	2.45
South Africa – 2.48% (2016: 2.47%)				
FirstRand Bank 4.250% 30.04.2020	USD	200,000	204	0.44
Republic of South Africa Government Bond 8.250% 15.09.2017	ZAR	7,000,000	524	1.14
Republic of South Africa Government Bond 10.500% 21.12.2026	ZAR	5,000,000	412	0.90
			1,140	2.48

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C High Income Bond Fund (continued)

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

Bonds – 97.44% (2016: 91.23%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
South Korea – 1.33% (2016: 1.80%)				
KEB Hana Bank 2.500% 12.06.2019	USD	200,000	201	0.44
Korea Hydro & Nuclear Power 3.000% 19.09.2022	USD	200,000	201	0.44
Woori Bank 4.750% 30.04.2024	USD	200,000	207	0.45
			<u>609</u>	<u>1.33</u>
Switzerland – 1.45% (2016: 1.09%)				
Credit Suisse Group 6.250% 29.12.2049	USD	250,000	254	0.55
UBS Group 6.875% 29.12.2049 (fixed rate)	USD	200,000	206	0.45
UBS Group 6.875% 29.12.2049 (variable rate)	USD	200,000	208	0.45
			<u>668</u>	<u>1.45</u>
Thailand – 0.89% (2016: 1.92%)				
PTT 3.375% 25.10.2022	USD	200,000	203	0.44
PTT Exploration & Production 4.875% 29.12.2049	USD	200,000	205	0.45
			<u>408</u>	<u>0.89</u>
Turkey – 4.37% (2016: 4.44%)				
Akbank TAS 5.125% 31.03.2025	USD	200,000	190	0.41
Arcelik 5.000% 03.04.2023	USD	200,000	198	0.43
KOC Holding 3.500% 24.04.2020	USD	200,000	199	0.43
Turkcell Iletisim Hizmetleri 5.750% 15.10.2025	USD	200,000	203	0.44
Turkey Government Bond 9.600% 14.06.2017	TRY	1,500,000	412	0.90
Turkiye Garanti Bankasi 4.750% 17.10.2019	USD	200,000	203	0.44
Turkiye Is Bankasi 5.375% 06.10.2021	USD	200,000	198	0.43
Yapi ve Kredi Bankasi 5.750% 24.02.2022	USD	200,000	199	0.43
Yapi ve Kredi Bankasi 8.500% 09.03.2026	USD	200,000	210	0.46
			<u>2,012</u>	<u>4.37</u>
United Arab Emirates – 2.81% (2016: 1.83%)				
Abu Dhabi National Energy 3.625% 12.01.2023	USD	200,000	203	0.44
Dolphin Energy 5.500% 15.12.2021	USD	200,000	221	0.48
DP World 3.250% 18.05.2020	USD	220,000	224	0.49
DP World 6.850% 02.07.2037	USD	200,000	232	0.51
Kuwait Projects 4.500% 23.02.2027	USD	200,000	200	0.44
NBK Tier 1 Financing 5.750% 29.12.2049	USD	200,000	207	0.45
			<u>1,287</u>	<u>2.81</u>
United Kingdom – 10.55% (2016: 8.26%)				
Coventry Building Society 6.375% 29.12.2049	GBP	300,000	370	0.81
Genel Energy Finance 7.500% 14.05.2019	USD	200,000	161	0.35
Gold Fields Orogen Holdings 4.875% 07.10.2020	USD	200,000	202	0.44
Grupo Unicomer 7.875% 01.04.2024	USD	300,000	314	0.68
Hiscox 6.125% 24.11.2045	GBP	100,000	136	0.30
IDH Finance 6.250% 15.08.2022	GBP	120,000	146	0.32
International Game Technology 6.500% 15.02.2025	USD	200,000	213	0.46
Investec 4.500% 05.05.2022	GBP	202,000	266	0.58
Jerrold Finco 6.125% 15.01.2024	GBP	100,000	125	0.27
JRP Group 9.000% 26.10.2026	GBP	150,000	207	0.45
Ladbrokes Group Finance 5.125% 08.09.2023	GBP	200,000	250	0.54
Lloyds Banking Group 7.625% 29.12.2049	GBP	300,000	410	0.89
MARB BondCo 7.000% 15.03.2024	USD	300,000	298	0.65
Melton Renewable Energy UK 6.750% 01.02.2020	GBP	80,000	103	0.22
Nationwide Building Society 6.875% 29.12.2049	GBP	200,000	255	0.56
Phosphorus Holdco 10.000% 01.04.2019	GBP	1,000,000	34	0.07
Punch Taverns Finance 14.366% 15.10.2028	GBP	2,443	3	0.01
Royal Bank of Scotland Group 5.125% 28.05.2024	USD	200,000	203	0.44

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C High Income Bond Fund (continued)

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

Bonds – 97.44% (2016: 91.23%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
United Kingdom – 10.55% (2016: 8.26%) (continued)				
TalkTalk Telecom Group 5.375% 15.01.2022	GBP	100,000	128	0.28
Tullow Oil 6.000% 01.11.2020	USD	200,000	193	0.42
Tullow Oil 6.250% 15.04.2022	USD	200,000	187	0.41
Vedanta Resources 6.375% 30.07.2022	USD	200,000	201	0.44
Vedanta Resources 8.250% 07.06.2021	USD	200,000	216	0.47
Viridian Group Fund 7.500% 01.03.2020	EUR	200,000	225	0.49
			<hr/> 4,846	<hr/> 10.55
United States – 15.56% (2016: 16.13%)				
ADCB Finance Cayman 4.500% 06.03.2023	USD	200,000	207	0.45
African Export-Import Bank 4.750% 29.07.2019	USD	200,000	208	0.45
Braskem America Finance 7.125% 22.07.2041	USD	200,000	212	0.46
Calpine 5.250% 01.06.2026	USD	300,000	306	0.67
CCO Holdings Capital 5.875% 01.04.2024	USD	300,000	318	0.69
Cequel Capital 5.125% 15.12.2021	USD	250,000	254	0.55
Diamond 2 Finance 8.100% 15.07.2036	USD	300,000	378	0.82
Digicel Group 8.250% 30.09.2020	USD	400,000	346	0.76
Fresh Market 9.750% 01.05.2023	USD	230,000	186	0.41
Frontier Communications 11.000% 15.09.2025	USD	350,000	340	0.75
Glencore Funding LLC 4.125% 30.05.2023	USD	100,000	102	0.22
Gray Television 5.875% 15.07.2026	USD	200,000	204	0.44
GTL Trade Finance 5.893% 29.04.2024	USD	200,000	202	0.44
HCA 5.250% 15.06.2026	USD	300,000	316	0.69
HPHT Finance 15 2.875% 17.03.2020	USD	200,000	201	0.44
Hutchison Whampoa International 14 3.625% 31.10.2024	USD	200,000	205	0.45
Hyundai Capital America 2.550% 06.02.2019	USD	200,000	201	0.44
Industrial Senior Trust 5.500% 01.11.2022	USD	170,000	171	0.37
Infor US 6.500% 15.05.2022	USD	200,000	205	0.45
JC Penney 7.400% 01.04.2037	USD	300,000	240	0.52
JD.com 3.875% 29.04.2026	USD	200,000	196	0.43
MAF Global Securities 4.750% 07.05.2024	USD	200,000	210	0.46
MCE Finance 5.000% 15.02.2021	USD	200,000	203	0.44
Noble Group 6.750% 29.01.2020	USD	100,000	97	0.21
Ooredoo International Finance 3.250% 21.02.2023	USD	200,000	198	0.43
Reliance Holding USA 5.400% 14.02.2022	USD	250,000	273	0.59
Swire Pacific MTN Financing 3.875% 21.09.2025	USD	200,000	206	0.45
TAM Capital 3 8.375% 03.06.2021	USD	200,000	207	0.45
Tencent Holdings 3.800% 11.02.2025	USD	200,000	205	0.45
T-Mobile USA 6.500% 15.01.2024	USD	300,000	323	0.70
Vale Overseas 6.250% 10.08.2026	USD	100,000	109	0.24
XPO Logistics 5.750% 15.06.2021	EUR	100,000	112	0.24
			<hr/> 7,141	<hr/> 15.56
Total Bonds – 97.44% (2016: 91.23%)			<hr/> 44,730	<hr/> 97.44
FX Options – 0.04% (2016: 0.01%)				
	Currency	Notional Holding	Fair Value US\$000	Mar 2017 % of NAV
Asia – Nil (2016: 0.01%)				
Europe – 0.04% (2016: 0.00%)				
EUR USD Call 1.058 11.04.2017	EUR	1,450,000	20	0.04
GBP USD Put 1.180 12.04.2017	GBP	3,100,000	–*	–
			<hr/> 20	<hr/> 0.04
Total FX Options – 0.04% (2016: 0.01%)			<hr/> 20	<hr/> 0.04

* 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 2017 (continued)

F&C High Income Bond Fund (continued)

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

	Currency	No of contracts	Unrealised Gain US\$000	Mar 2017 % of NAV
Futures – 0.28% (2016: 0.02%)				
Germany – 0.02% (2016: Nil)				
Euro-OAT Futures June 2017	EUR	(13)	7	0.02
			7	0.02
United States – 0.26% (2016: 0.02%)				
US 2 Year Treasury Note Futures June 2017	USD	(62)	9	0.02
US 5 Year Treasury Note Futures June 2017	USD	(155)	41	0.09
US 10 Year Treasury Note June 2017	USD	77	59	0.13
US Ultra Bond Futures June 2017	USD	(9)	11	0.02
			120	0.26
Total Futures – 0.28% (2016: 0.02%)			127	0.28

Open Forward Foreign Currency Transactions – 0.93% (2016: 0.65%)

Currency Sold	Currency Bought	Unrealised Gain US\$000	Mar 2017 % of NAV
Investment Level – 0.25% (2016: 0.20%)			
USD 8,891,598	GBP	83	0.18
USD 2,720,655	GBP	25	0.05
USD 406,654	GBP	4	0.01
USD 281,361	GBP	3	0.01
USD 24,000	GBP	–*	–
NOK 92,940	USD	–*	–
NOK 20,638	USD	–*	–
		115	0.25
Share Class Level – 0.68% (2016: 0.45%)			
USD 1,401,574	INR	79	0.18
USD 983,291	BRL	44	0.11
EUR 1,321,478	CZK	35	0.08
ZAR 12,536,488	USD	23	0.05
USD 406,615	TRY	18	0.04
AUD 860,000	EUR	12	0.03
EUR 860,755	USD	11	0.02
EUR 860,755	USD	11	0.02
USD 672,466	RUB	10	0.02
EUR 881,257	SEK	7	0.02
USD 564,432	JPY	6	0.01
USD 582,204	NZD	6	0.01
AUD 1,136,922	NZD	5	0.01
AUD 549,835	NZD	5	0.01
USD 359,886	SGD	5	0.01
BRL 7,176,581	USD	4	0.01
SEK 8,380,000	EUR	4	0.01
KRW 1,433,380,000	USD	4	0.01
USD 2,289,181	BRL	3	0.01
USD 590,000	EUR	3	0.01
KRW 1,493,090,000	USD	3	0.01
AUD 1,136,922	NZD	2	–
NZD 600,000	AUD	2	–
BRL 3,216,344	USD	2	–
SEK 8,380,000	EUR	2	–
USD 686,729	INR	1	–
NZD 1,250,000	AUD	1	–
JPY 63,500,000	USD	1	–

* 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 2017 (continued)

F&C High Income Bond Fund (continued)

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

Currency Sold	Currency Bought	Unrealised Gain US\$000	Mar 2017 % of NAV
Share Class Level – 0.68% (2016: 0.45%) (continued)			
USD 25,252	KRW	1	–
NOK 7,450,000	SEK	–*	–
USD 27,339	TWD	–*	–
KRW 612,450,000	USD	–*	–
USD 24,984	TWD	–*	–
CZK 1,210,000	EUR	–*	–
INR 96,190,000	USD	–*	–
KRW 28,830,000	USD	–*	–
USD 3,631	GBP	–*	–
USD 264	GBP	–*	–
		<hr/>	<hr/>
		310	0.68
Total Open Forward Foreign Currency Transactions – 0.93% (2016: 0.65%)		425	0.93
Total financial assets at fair value through profit or loss – 98.69% (2016: 91.91%)		45,302	98.69

Financial liabilities at fair value through profit or loss

Credit Default Swaps – Nil (2016: (0.95)%)

Europe – Nil (2016: (0.95)%)

Total Credit Default Swaps – Nil (2016: (0.95)%)

Open Forward Foreign Currency Transactions – (1.55)% (2016: (1.28)%)

Currency Sold	Currency Bought	Unrealised Loss US\$000	Mar 2017 % of NAV
Investment Level – (0.36)% (2016: (1.25)%)			
GBP 85	USD	–*	–
GBP 212	USD	–*	–
GBP 908	USD	–*	–
GBP 1,429	USD	–*	–
GBP 2,912	USD	–*	–
GBP 13,208	USD	–*	–
GBP 32,591	USD	–*	–
USD 64,521	EUR	(1)	–
USD 125,022	NOK	(1)	–
USD 96,800	EUR	(1)	–
USD 156,098	EUR	(2)	–
USD 523,916	NOK	(4)	(0.01)
USD 3,827,078	EUR	(31)	(0.07)
USD 5,691,220	EUR	(47)	(0.10)
USD 9,201,104	EUR	(76)	(0.18)
		<hr/>	<hr/>
		(163)	(0.36)
Share Class Level – (1.19)% (2016: (0.03)%)			
USD 359,758	INR	–*	–
USD 367,921	INR	–*	–
USD 753,706	INR	–*	–
CZK 1,210,000	EUR	–*	–
USD 358,061	SGD	(1)	–
USD 548,606	JPY	(1)	–
USD 548,741	KRW	(1)	–

* 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 2017 (continued)

F&C High Income Bond Fund (continued)

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

Currency Sold	Currency Bought	Unrealised Loss US\$000	Mar 2017 % of NAV
Share Class Level – (1.19)% (2016: (0.03)%) (continued)			
SEK 7,892,828	NOK	(1)	–
USD 814,864	KRW	(2)	–
NZD 600,000	AUD	(2)	–
INR 23,360,000	USD	(2)	–
INR 48,940,000	USD	(3)	(0.01)
NOK 7,450,000	SEK	(4)	(0.01)
BRL 7,176,581	USD	(4)	(0.01)
USD 1,338,914	KRW	(4)	(0.01)
AUD 549,835	NZD	(4)	(0.01)
NZD 1,250,000	AUD	(5)	(0.01)
NZD 840,000	USD	(6)	(0.01)
GBP 1,080,201	USD	(6)	(0.01)
USD 3,326,055	BRL	(6)	(0.01)
GBP 1,080,201	USD	(8)	(0.02)
CAD 1,060,000	USD	(8)	(0.02)
CAD 760,000	USD	(8)	(0.02)
RUB 38,750,000	USD	(10)	(0.02)
INR 23,890,000	USD	(10)	(0.02)
CNY 9,630,000	USD	(11)	(0.02)
EUR 1,100,000	USD	(11)	(0.02)
SGD 1,010,000	USD	(11)	(0.02)
EUR 881,257	SEK	(12)	(0.03)
AUD 860,000	EUR	(13)	(0.03)
SEK 7,892,828	NOK	(14)	(0.03)
JPY 73,020,000	USD	(17)	(0.04)
TRY 2,962,013	USD	(24)	(0.05)
MXN 11,000,000	USD	(27)	(0.06)
EUR 1,321,478	CZK	(30)	(0.07)
KRW 909,470,000	USD	(44)	(0.10)
RUB 38,418,000	USD	(45)	(0.10)
TWD 44,790,000	USD	(47)	(0.10)
BRL 10,392,925	USD	(146)	(0.33)
		(548)	(1.19)
Total Open Forward Foreign Currency Transactions – (1.55)% (2016: (1.28)%)		(711)	(1.55)
Total financial liabilities at fair value through profit or loss – (1.55)% (2016: (2.23)%)		(711)	(1.55)
Total investments at fair value through profit or loss – 97.14% (2016: 89.68%)		44,591	97.14
Cash at bank – 1.37% (2016: 8.06%)		629	1.37
Margin cash – 0.96% (2016: 1.01%)		439	0.96
Collateral cash – Nil (2016: 1.01%)		–	–
Other net assets – 0.53% (2016: 0.03%)		245	0.53
Total Net Assets		45,904	100.00

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C High Income Bond Fund (continued)

	% of Gross Assets
Analysis of Portfolio (unaudited)	
Transferable securities admitted to official stock exchange listing	71.72
Transferable securities dealt in on another regulated market	22.11
Other transferable securities of the type referred to in Regulation 68(1)(a), (b), (c)	0.86
OTC financial derivative instruments	0.94
Exchange traded financial derivative instruments	0.27
Other assets	4.10
	<u>100.00</u>

The counterparties and brokers to the derivative contracts held on the Fund at 31 March 2017 are as follows:

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

Futures: Goldman Sachs

FX Options: Citibank, JP Morgan

* Values are less than US\$500

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

Eastern European Fund

Financial assets at fair value through profit or loss

Equities – 94.56% (2016: 93.85%)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Czech Republic – 5.31% (2016: 5.20%)				
Komerční Banka	CZK	51,260	1,904	2.18
Philip Morris	CZK	5,082	2,724	3.13
			<u>4,628</u>	<u>5.31</u>
Georgia – 11.73% (2016: 6.69%)				
Bank of Georgia Holdings	GBP	192,241	7,696	8.83
Georgia Healthcare Group	GBP	569,912	2,526	2.90
			<u>10,222</u>	<u>11.73</u>
Greece – 2.28% (2016: 3.74%)				
OPAP	EUR	212,857	1,986	2.28
			<u>1,986</u>	<u>2.28</u>
Netherlands – 2.70% (2016: 2.00%)				
Yandex	USD	107,015	2,358	2.70
			<u>2,358</u>	<u>2.70</u>
Poland – 12.18% (2016: 15.27%)				
AmRest Holdings	PLN	59,186	5,132	5.89
Bank Zachodni	PLN	32,913	2,859	3.28
Powszechny Zakład Ubezpieczeń	PLN	300,279	2,627	3.01
			<u>10,618</u>	<u>12.18</u>
Portugal – 5.33% (2016: Nil)				
Jeronimo Martins	EUR	260,889	4,646	5.33
			<u>4,646</u>	<u>5.33</u>
Romania – 2.79% (2016: Nil)				
Banca Transilvania	RON	3,891,173	2,435	2.79
			<u>2,435</u>	<u>2.79</u>
Russia – 31.38% (2016: 36.98%)				
Lukoil ADR	USD	36,880	1,953	2.24
Magnit GDR	USD	151,018	5,772	6.63
Mail.ru Group GDR	USD	75,143	1,660	1.90
MegaFon GDR	USD	236,354	2,746	3.15
MMC Norilsk Nickel ADR	USD	70,675	1,113	1.28
Mobile Telesystems ADR	USD	264,885	2,938	3.37
Moscow Exchange MICEX-RTS	RUB	2,509,910	5,049	5.79
NovaTek GDR	USD	16,771	2,093	2.40
Sberbank of Russia ADR	USD	349,184	4,031	4.62
			<u>27,355</u>	<u>31.38</u>
Turkey – 20.86% (2016: 23.97%)				
BİM Birleşik Magazalar	TRY	399,568	6,140	7.05
Coca-Cola İçecek	TRY	188,725	1,843	2.11
Logo Yazılım Sanayi Ve Ticaret	TRY	199,364	3,011	3.45
Türkiye Garanti Bankası	TRY	1,379,956	3,351	3.84
Türkiye İsmail Kalkınma Bankası	TRY	10,227,979	3,845	4.41
			<u>18,190</u>	<u>20.86</u>
Total Equities – 94.56% (2016: 93.85%)			82,438	94.56

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

Eastern European Fund (continued)

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

	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Investment Funds – 4.66% (2016: 4.85%)				
Romania – 4.66% (2016: 4.85%)				
Fondul Proprietatea (Non-UCITS) ETF	RON	19,516,831	4,067	4.66
			<u>4,067</u>	<u>4.66</u>
Total Investment Funds – 4.66% (2016: 4.85%)			4,067	4.66
Total financial assets at fair value through profit or loss – 99.22% (2016: 98.70%)			86,505	99.22
Cash at bank – 1.07% (2016: 1.73%)			931	1.07
Other net liabilities – (0.29)% (2016: (0.43)%)			<u>(247)</u>	<u>(0.29)</u>
Total Net Assets			<u>87,189</u>	<u>100.00</u>

Analysis of Portfolio (unaudited)

	% of Gross Assets
Transferable securities admitted to an official stock exchange listing	91.47
Transferable securities dealt in on another regulated market	2.78
Investment Funds	4.65
Other assets	<u>1.10</u>
	<u>100.00</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Global Emerging Markets Fund

Financial assets at fair value through profit or loss

	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Equities – 96.22% (2016: 100.87%)				
Brazil – 0.72% (2016: 1.09%)				
CCR	BRL	40,900	233	0.72
			233	0.72
Chile – 1.48% (2016: 1.43%)				
Aguas Andinas	CLP	841,675	477	1.48
			477	1.48
China – 1.96 (2016: Nil)				
Foshan Haitian Flavouring & Food	CNY	124,933	631	1.96
			631	1.96
Egypt – 4.52% (2016: 0.85%)				
Commercial International Bank Egypt GDR	USD	273,410	1,198	3.72
Edita Food Industries GDR	USD	36,692	256	0.80
			1,454	4.52
Hong Kong – 6.63% (2016: 5.34%)				
AIA Group	HKD	119,200	752	2.34
Dairy Farm International Holdings	USD	72,046	654	2.03
Sands China	HKD	157,200	728	2.26
			2,134	6.63
India – 29.74% (2016: 30.62%)				
Container Of India	INR	35,767	699	2.17
Emami	INR	76,945	1,275	3.96
HDFC Bank	INR	30,494	676	2.10
Hindustan Unilever	INR	26,855	377	1.17
ICICI Bank	INR	246,965	1,051	3.27
ITC	INR	340,521	1,472	4.59
Jyothy Laboratories	INR	10,982	59	0.18
Mahindra & Mahindra Financial Services	INR	137,560	668	2.08
Nestle India	INR	6,647	683	2.12
Pidilite Industries	INR	48,331	519	1.61
Titan	INR	115,607	816	2.54
Yes Bank	INR	53,336	1,270	3.95
			9,565	29.74
Indonesia – 15.26% (2016: 19.87%)				
Bank Mandiri Persero	IDR	1,995,600	1,752	5.45
Bank Rakyat Indonesia Persero	IDR	1,480,200	1,441	4.48
Hanjaya Mandala Sampoerna	IDR	2,080,750	609	1.89
Kalbe Farma	IDR	5,447,500	630	1.96
Unilever Indonesia	IDR	146,400	476	1.48
			4,908	15.26
Malaysia – 1.29% (2016: 1.32%)				
Public Bank	MYR	92,500	416	1.29
			416	1.29
Mexico – 11.88% (2016: 9.24%)				
Bolsa Mexicana de Valores	MXN	435,600	719	2.24
Fomento Economico Mexicano	MXN	38,000	335	1.04
Grupo Financiero Banorte	MXN	165,481	947	2.94
Grupo Herdez	MXN	128,412	265	0.82
Wal-Mart de Mexico	MXN	677,527	1,554	4.84
			3,820	11.88

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Global Emerging Markets Fund (continued)

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

Equities – 96.22% (2016: 100.87%) (continued)	Currency	Nominal Holding	Fair Value US\$000	Mar 2017 % of NAV
Nigeria – 0.84% (2016: 0.71%)				
Guaranty Trust Bank	NGN	3,319,527	270	0.84
			270	0.84
Peru – 1.37% (2016: 1.48%)				
Credicorp	USD	2,697	440	1.37
			440	1.37
Philippines – 3.99% (2016: 9.15%)				
Universal Robina	PHP	392,600	1,279	3.99
			1,279	3.99
South Africa – 5.93% (2016: 3.17%)				
Clicks Group	ZAR	78,370	749	2.33
Life Healthcare Group Holdings	ZAR	136,396	295	0.92
Mr Price Group	ZAR	72,334	863	2.68
			1,907	5.93
South Korea - Nil (2016: 2.85%)				
Taiwan – 1.69% (2016: 2.50%)				
President Chain Store	TWD	66,000	544	1.69
			544	1.69
Thailand – 1.98% (2016: 1.69%)				
Kasikornbank NVDR	THB	115,900	637	1.98
			637	1.98
Turkey – 2.96% (2016: 4.44%)				
BIM Birlesik Magazalar	TRY	62,027	952	2.96
			952	2.96
United Kingdom – Nil (2016: 3.74%)				
United States – 3.98% (2016: 1.38%)				
PriceSmart	USD	4,200	387	1.20
Yum China Holdings	USD	32,862	893	2.78
			1,280	3.98
Total Equities – 96.22% (2016: 100.87%)			30,947	96.22
Rights – 0.05% (2016: Nil)				
South Africa – 0.05% (2016: Nil)				
Life Healthcare Group Holdings 0.000% 13.04.2017	ZAR	46,670	16	0.05
			16	0.05
Total Rights – 0.05% (2016: Nil)			16	0.05

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Global Emerging Markets Fund (continued)

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

	Fair Value US\$000	Mar 2017 % of NAV
Total financial assets at fair value through profit or loss – 96.27% (2016: 100.87%)	30,963	96.27
Cash at bank – 5.08% (2016: (0.57)%)	1,633	5.08
Other net liabilities – (1.35)% (2016: (0.30)%)	(432)	(1.35)
Total Net Assets	32,164	100.00

Analysis of Portfolio (unaudited)

Transferable securities admitted to an official stock exchange listing
Other assets

% of Gross Assets
94.66
5.34
100.00

The counterparties and brokers to the derivative contracts held on the Fund at 31 March 2017 are as follows:

Rights: Citigroup Global Markets Limited

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Real Estate Securities Fund

Financial assets at fair value through profit or loss

Equities – 53.10% (2016: 60.38%)	Currency	Nominal Holding	Fair Value £000	Mar 2017 % of NAV
Diversified – 15.39% (2016: 18.10%)				
Aedifica	EUR	10,697	646	0.77
Axiare Patrimonio SOCIMI	EUR	27,436	328	0.39
Befimmo	EUR	7,645	348	0.41
CA Immobilien Anlagen	EUR	37,222	656	0.78
Castellum	SEK	45,345	483	0.57
Dios Fastigheter	SEK	47,155	186	0.22
Green	EUR	361,179	420	0.50
Hemfosa Fastigheter	SEK	26,775	192	0.23
Hemfosa Fastigheter Pref	SEK	13,022	191	0.23
Hibernia	EUR	414,610	442	0.53
Inmobiliaria Colonial	EUR	111,642	669	0.80
Intervest Offices & Warehouses	EUR	3,739	76	0.09
Klovern	SEK	386,053	309	0.37
Kungsleden	SEK	147,066	676	0.80
Kungsleden BTA	SEK	29,413	134	0.16
Merlin Properties Socimi	EUR	61,354	550	0.65
Nieuwe Steen Investments	EUR	65,676	216	0.26
PSP Swiss Property	CHF	42,268	3,078	3.66
Sponda	EUR	110,942	372	0.44
Swiss Prime Site	CHF	26,242	1,848	2.20
Wihlborgs Fastigheter	SEK	73,595	1,120	1.33
			12,940	15.39
Healthcare – 0.45% (2016: 0.97%)				
Assura	GBP	14,574	8	0.01
Target Healthcare	GBP	326,548	373	0.44
			381	0.45
Hotels – 2.63% (2016: 0.25%)				
Hispania Activos Inmobiliarios	EUR	131,895	1,520	1.81
Pandox	SEK	56,011	687	0.82
			2,207	2.63
Industrials – 3.42% (2016: 0.97%)				
LondonMetric Property	GBP	340,700	544	0.65
Tritax Big Box	GBP	1,060,021	1,533	1.82
Warehouses De Pauw	EUR	10,647	795	0.95
			2,872	3.42
Offices – 5.77% (2016: 4.48%)				
Beni Stabili	EUR	692,831	348	0.41
DIC Asset	EUR	152	1	-
Entra	NOK	46,845	409	0.49
Fabege	SEK	190,750	2,435	2.90
TLG Immobilien	EUR	106,147	1,658	1.97
			4,851	5.77
Opportunistic – 0.10% (2016: 0.63%)				
Redefine International	GBP	198,778	73	0.10
			73	0.10

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Real Estate Securities Fund (continued)

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

Equities – 53.10% (2016: 60.38%) (continued)	Currency	Nominal Holding	Fair Value £000	Mar 2017 % of NAV
Residential – 20.96% (2016: 20.98%)				
ADO Properties	EUR	31,679	911	1.08
BUWOG	EUR	80,162	1,622	1.93
D Carnegie & Co	SEK	24,418	227	0.27
Deutsche Wohnen	EUR	96,570	2,549	3.03
Fastighets Balder	SEK	112,571	1,886	2.24
Grand City Properties	EUR	46,156	680	0.81
LEG Immobilien	EUR	57,612	3,786	4.50
TAG Immobilien	EUR	19,804	214	0.25
Vonovia	EUR	203,919	5,761	6.85
			<u>17,636</u>	<u>20.96</u>
Retail – Nil (2016: 0.97%)				
Self Storage – 0.26% (2016: 0.55%)				
Safestore Holdings	GBP	55,047	209	0.26
			<u>209</u>	<u>0.26</u>
Shopping Centres – 2.92% (2016: 11.12%)				
Deutsche Euroshop	EUR	11,360	372	0.44
Eurocommercial Properties	EUR	21,568	620	0.74
Lar Espana Real Estate Socimi	EUR	28,759	178	0.21
Unibail-Rodamco	EUR	6,858	1,285	1.53
			<u>2,455</u>	<u>2.92</u>
Student Housing – 1.20% (2016: 1.36%)				
Empiric Student Property	GBP	211,980	229	0.27
Unite Group	GBP	122,495	780	0.93
			<u>1,009</u>	<u>1.20</u>
Total Equities – 53.10% (2016: 60.38%)			44,633	53.10
Investment Funds – 0.81% (2016: 0.89%)				
Picton Property Income (Non-UCITS) ETF	GBP	811,636	680	0.81
Total Investment Funds – 0.81% (2016: 0.89%)			680	0.81
Contracts for Difference – 0.97% (2016: 1.02%)				
	Currency	Nominal Holding	Unrealised Gain £000	Mar 2017 % of NAV
Diversified – 0.11% (2016: 0.01%)				
Aedifica	EUR	3,691	12	0.01
Land Securities Group	GBP	345,558	88	0.10
			<u>100</u>	<u>0.11</u>
Healthcare – 0.08% (2016: 0.04%)				
Assura	GBP	1,271,747	65	0.08
Primary Health Properties	GBP	283,492	1	–
			<u>66</u>	<u>0.08</u>
Industrials – 0.20% (2016: 0.00%)				
Hansteen Holdings	GBP	416,865	59	0.07
LondonMetric Property	GBP	294,910	49	0.06
Segro	GBP	729,685	41	0.05
Tritax Big Box	GBP	202,569	21	0.02
			<u>170</u>	<u>0.20</u>

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Real Estate Securities Fund (continued)

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

Contracts for Difference – 0.97% (2016: 1.02%) (continued)	Currency	Nominal Holding	Unrealised Gain £000	Mar 2017 % of NAV
Offices – 0.19% (2016: 0.36%)				
Alstria Office	EUR	48,221	45	0.05
Derwent London	GBP	26,954	30	0.04
Fabege	SEK	1,948	3	–
Gecina	EUR	11,314	10	0.01
Icade	EUR	32,390	79	0.09
			<u>167</u>	<u>0.19</u>
Offshore Propcos – Nil (2016: 0.01%)				
Opportunistic – Nil (2016: 0.04%)				
Residential – 0.07% (2016: 0.02%)				
Grainger	GBP	212,579	55	0.07
			<u>55</u>	<u>0.07</u>
Retail – 0.10% (2016: 0.16%)				
Hammerson	GBP	651,390	32	0.04
NewRiver	GBP	118,127	29	0.03
Shaftesbury	GBP	173,767	28	0.03
			<u>89</u>	<u>0.10</u>
Self Storage – 0.09% (2016: 0.05%)				
Big Yellow Group	GBP	47,684	33	0.04
Safestore Holdings	GBP	96,276	40	0.05
			<u>73</u>	<u>0.09</u>
Shopping Centres – 0.07% (2016: 0.33%)				
Citycon	EUR	469,779	7	0.02
Immobiliare Grande Distribuzione	EUR	130,649	4	–
Klepierre	EUR	156,278	24	0.03
Vastned Retail	EUR	10,010	16	0.02
			<u>51</u>	<u>0.07</u>
Student Housing – 0.06% (2016: 0.00%)				
Unite Group	GBP	210,771	46	0.06
			<u>46</u>	<u>0.06</u>
Total Contracts for Difference – 0.97% (2016: 1.02%)			817	0.97
Open Forward Foreign Currency Transactions – 0.03% (2016: 0.22%)				
Investment Level – 0.03% (2016: Nil)				
Currency Sold	Currency Bought		Unrealised Gain £000	Mar 2017 % of NAV
SEK 22,900,000	GBP		24	0.03
			<u>24</u>	<u>0.03</u>
Share Class Level – 0.00% (2016: 0.22%)				
EUR 77	GBP		–*	–
EUR 9,504	GBP		–*	–
EUR 1,680	GBP		–*	–
NOK 112,473	GBP		–*	–
			<u>–*</u>	<u>–</u>

* 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 2017 (continued)

F&C Real Estate Securities Fund (continued)

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

Currency Sold	Currency Bought		Unrealised Gain £000	Mar 2017 % of NAV
Total Open Forward Foreign Currency Transactions – 0.03% (2016: 0.22%)			24	0.03
Total financial assets at fair value through profit or loss – 54.91% (2016: 62.51%)			46,154	54.91
Financial liabilities at fair value through profit or loss				
Contracts for Difference – (1.52)% (2016: (2.49)%)	Currency	Nominal Holding	Unrealised Loss £000	Mar 2017 % of NAV
Diversified – (0.64)% (2016: (1.33)%)				
Allreal Holding	CHF	8,257	(198)	(0.24)
British Land	GBP	608,596	(92)	(0.11)
Cofinimmo	EUR	9,235	(102)	(0.12)
Mobimo Holding	CHF	2,663	(100)	(0.12)
Technopolis	EUR	58,050	(31)	(0.04)
Wereldhave	EUR	16,322	(6)	(0.01)
			(529)	(0.64)
Healthcare – (0.01)% (2016: (0.01)%)				
MedicX Fund	GBP	183,761	(9)	(0.01)
			(9)	(0.01)
Hotels – Nil (2016: (0.02)%)				
Industrials – (0.11)% (2016: (0.12)%)				
GS Custom	EUR	1,400	(92)	(0.11)
			(92)	(0.11)
Offices – (0.21)% (2016: (0.68)%)				
Fonciere Des Regions	EUR	17,410	(39)	(0.05)
Great Portland Estates	GBP	239,038	(9)	(0.01)
Hufvudstaden	SEK	51,167	(62)	(0.07)
Workspace Group	GBP	94,628	(69)	(0.08)
			(179)	(0.21)
Offshore Propcos – (0.00)% (2016: (0.00)%)				
Schroder Real Estate Investment Trust	GBP	538,773	(1)	–
UK Commercial Property Trust	GBP	31,647	(2)	–
			(3)	–
Opportunistic – (0.20)% (2016: (0.01)%)				
Helical Bar	GBP	52,580	(43)	(0.05)
Kennedy Wilson Europe Real Estate	GBP	71,450	(113)	(0.13)
Redefine International	GBP	391,741	(21)	(0.02)
			(177)	(0.20)
Residential – (0.04)% (2016: (0.04)%)				
Wallenstam	SEK	88,249	(26)	(0.04)
			(26)	(0.04)
Retail – (0.12)% (2016: (0.28)%)				
Capital & Counties Properties	GBP	366,982	(11)	(0.01)
Capital & Regional	GBP	1,423,984	(91)	(0.11)
Intu Properties	GBP	30,610	(2)	–
			(104)	(0.12)

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (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 2017 % of NAV
Contracts for Difference – (1.52)% (2016: (2.49)% (continued))				
Shopping Centres – (0.19)% (2016: Nil)				
Hamborner	EUR	26,130	(16)	(0.02)
Mercialys	EUR	88,561	(36)	(0.04)
Unibail-Rodamco	EUR	37,099	(107)	(0.13)
			<u>(159)</u>	<u>(0.19)</u>
Total Contracts for Difference – (1.52)% (2016: (2.49)%)			(1,278)	(1.52)

Open Forward Foreign Currency Transactions – (0.12)% (2016: (0.01)%)

Investment Level – (0.00)% (2016: (0.01)%)

Currency Sold	Currency Bought	Unrealised Loss £000	Mar 2017 % of NAV
GBP 67	EUR	–*	–

Share Class Level – Nil (2016: (0.00)%)

Currency Sold	Currency Bought	Unrealised Loss £000	Mar 2017 % of NAV
GBP 23	EUR	–*	–
GBP 698,267	NOK	(10)	(0.01)
GBP 1,346,523	EUR	(18)	(0.02)
GBP 5,569,640	EUR	(72)	(0.09)
		<u>(100)</u>	<u>(0.12)</u>

Total Open Forward Foreign Currency Transactions – (0.12)% (2016: (0.01)%)

Total financial liabilities at fair value through profit or loss – (1.64)% (2016: (2.50)%)

	Fair value £000	Mar 2017 % of NAV
Total investment at fair value through profit or loss – 53.27% (2016: 60.01%)	44,776	53.27
Cash at bank – 28.22% (2016: 23.82%)	23,721	28.22
Cash collateral – 17.85% (2016: 16.68%)	15,005	17.85
Other net assets – 0.66% (2016: (0.51)%)	547	0.66
Total Net Assets	<u>84,049</u>	<u>100.00</u>

Analysis of Portfolio (unaudited)

	% of Gross Assets
Transferable securities admitted to an official stock exchange listing	52.98
Investment funds	0.79
OTC financial derivative instruments	0.03
Other assets	46.20
	<u>100.00</u>

The counterparties to the derivative contracts held on this fund at 31 March 2017 are as follows:

Forwards: State Street
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 2017 (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 2017 % of NAV
Bonds – 17.99% (2016: Nil)				
Sovereign – 17.99% (2016: Nil)				
France Treasury 0% Bill BTF 20.04.2017	EUR	10,000,000	10,003	3.59
France Treasury 0% Bill BTF 17.05.2017	EUR	10,000,000	10,007	3.60
France Treasury 0% Bill BTF 24.05.2017	EUR	10,000,000	10,008	3.60
France Treasury 0% Bill BTF 08.06.2017	EUR	10,000,000	10,012	3.60
Spain Letras del Tesoro 0% 18.08.2017	EUR	10,000,000	10,014	3.60
			50,044	17.99
Total Bonds – 17.99% (2016: Nil)			50,044	17.99
Certificates of Deposit – 9.00% (2016: Nil)				
Diversified – 9.00% (2016: Nil)				
Lloyds Bank 0.000% 10.05.2017	EUR	25,000,000	25,035	9.00
			25,035	9.00
Total Certificates of Deposit – 9.00% (2016: Nil)			25,035	9.00
Equities – 27.94% (2016: 23.85%)				
Apartments – 0.20% (2016: Nil)				
Equity Residential	USD	4,700	273	0.10
Mid-America Apartment Communities	USD	3,000	285	0.10
			558	0.20
Diversified – 5.38% (2016: 12.69%)				
Aedifica	EUR	40,157	2,835	1.02
Klovern	SEK	441,848	413	0.15
Kungsleden (non-voting rights)	SEK	50,508	270	0.10
Kungsleden (voting rights)	SEK	252,542	1,358	0.49
PSP Swiss Property	CHF	86,290	7,347	2.64
Wihlborgs Fastigheter	SEK	152,945	2,721	0.98
			14,944	5.38
Healthcare – 1.19% (2016: 0.82%)				
Healthcare Trust of America	USD	35,400	1,041	0.37
Omega Healthcare Investors	USD	32,100	990	0.36
Target Healthcare	GBP	959,244	1,281	0.46
			3,312	1.19
Hotels – 3.69% (2016: Nil)				
Hispania Activos Inmobiliarios Socimi	EUR	330,696	4,454	1.60
Pandox	SEK	127,820	1,834	0.66
Pebblebrook Hotel Trust	USD	27,200	743	0.27
RLJ Lodging Trust	USD	73,700	1,620	0.58
Sunstone Hotel Investors	USD	112,200	1,608	0.58
			10,259	3.69
Industrials – 2.56% (2016: Nil)				
Duke Realty	USD	51,300	1,260	0.45
LondonMetric Property	GBP	1,267,069	2,367	0.85
Tritax Big Box	GBP	1,579,116	2,670	0.96
Warehouses De Pauw	EUR	9,618	839	0.30
			7,136	2.56

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

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

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

Equities – 27.94% (2016: 23.85%) (continued)	Currency	Nominal Holding	Fair value €000	Mar 2017 % of NAV
Manufactured Homes – 0.37% (2016: Nil)				
Sun Communities	USD	13,600	1,021	0.37
			<u>1,021</u>	<u>0.37</u>
Offices – 5.43% (2016: 1.62%)				
Beni Stabili	EUR	690,421	405	0.15
Boston Properties	USD	4,500	557	0.20
Brandywine Realty Trust	USD	35,400	537	0.19
Cousins Properties	USD	70,800	547	0.20
Fabege	SEK	502,987	7,506	2.70
Kilroy Realty	USD	7,900	532	0.19
TLG Immobilien	EUR	275,260	5,028	1.80
			<u>15,112</u>	<u>5.43</u>
Opportunistic – Nil (2016: 0.54%)				
Residential – 7.22% (2016: 4.53%)				
ADO Properties	EUR	70,747	2,379	0.86
BUWOG	EUR	154,576	3,656	1.31
Fastighets Balder	SEK	270,297	5,294	1.90
LEG Immobilien	EUR	114,129	8,770	3.15
			<u>20,099</u>	<u>7.22</u>
Retail – 0.23% (2016: Nil)				
Acadia Realty Trust	USD	6,500	183	0.07
Regency Centers	USD	3,000	186	0.07
Retail Properties of America	USD	17,700	239	0.09
			<u>608</u>	<u>0.23</u>
Self Storage – 0.29% (2016: 0.06%)				
CubeSmart	USD	26,500	643	0.23
Safestore Holdings	GBP	40,611	180	0.06
			<u>823</u>	<u>0.29</u>
Shopping Centres – Nil (2016: 3.07%)				
Single Family Rental – 0.24% (2016: Nil)				
American Homes 4 Rent	USD	31,400	674	0.24
			<u>674</u>	<u>0.24</u>
Student Housing – 0.52% (2016: 0.52%)				
Education Realty Trust	USD	36,700	1,402	0.50
Unite Group	GBP	8,224	61	0.02
			<u>1,463</u>	<u>0.52</u>
Technology – 0.31% (2016: Nil)				
American Tower	USD	3,600	409	0.15
CoreSite Realty Corp	USD	5,400	455	0.16
			<u>864</u>	<u>0.31</u>
Triple Net – 0.31% (2016: Nil)				
STORE Capital	USD	38,600	863	0.31
			<u>863</u>	<u>0.31</u>
Total Equities 27.94% (2016: 23.85%)			77,736	27.94

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

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

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

Contracts for Difference – 1.24% (2016: 0.78%)	Currency	Nominal Holding	Unrealised Gain €000	Mar 2017 % of NAV
Apartments – 0.00% (2016: Nil)				
Camden Property Trust	USD	(3,700)	11	–
			11	–
Diversified – 0.19% (2016: 0.02%)				
Aedifica	EUR	(41,218)	160	0.06
Castellum	SEK	(379,985)	118	0.04
Hemfosa Fastigheter	SEK	(114,553)	156	0.06
Merlin Properties Socimi	EUR	(330,757)	81	0.03
			515	0.19
Healthcare – 0.07% (2016: 0.03%)				
Assura	GBP	1,556,800	81	0.03
HCP	USD	(28,400)	38	0.01
Welltower	USD	15,500	90	0.03
			209	0.07
Industrials – 0.05% (2016: 0.01%)				
DCT Industrial Trust	USD	27,800	11	–
Hansteen Holdings	GBP	203,867	34	0.01
Segro	GBP	786,608	11	–
Tritax Big Box	GBP	1,147,991	121	0.04
			177	0.05
Mall – 0.11% (2016: Nil)				
CBL & Associates Properties	USD	(89,900)	138	0.05
Macerich	USD	(12,800)	162	0.06
			300	0.11
Offices – 0.22% (2016: 0.11%)				
Alstria Office	EUR	(411,203)	379	0.14
Great Portland Estates	GBP	240,092	19	0.01
Icade	EUR	61,493	181	0.07
Mack-Cali Realty	USD	(21,000)	3	–
			582	0.22
Opportunistic – Nil (2016: 0.07%)				
Retail – 0.18% (2016: 0.31%)				
American Assets Trust	USD	(4,800)	5	–
Hammerson	GBP	996,294	351	0.13
Intu Properties	GBP	(1,935,440)	53	0.02
Shaftesbury	GBP	138,865	95	0.03
Weingarten Realty Investors	USD	(5,900)	7	–
			511	0.18
Self Storage – 0.09% (2016: 0.00%)				
Big Yellow Group	GBP	(123,515)	101	0.04
Extra Space Storage	USD	(9,100)	57	0.02
Safestore Holdings	GBP	173,900	93	0.03
			251	0.09

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

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

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

Contracts for Difference – 1.24% (2016: 0.78%) (continued)	Currency	Nominal Holding	Unrealised Gain €000	Mar 2017 % of NAV
Shopping Centres – 0.23% (2016: 0.20%)				
Citycon	EUR	(2,386,244)	72	0.03
Deutsche Euroshop	EUR	(48,015)	89	0.03
Hamborner	EUR	(228,705)	74	0.03
Immobiliare Grande Distribuzione	EUR	(798,720)	6	–
Klepierre	EUR	224,575	160	0.06
Unibail-Rodamco	EUR	8,175	33	0.01
Vastned Retail	EUR	(71,634)	201	0.07
			<u>635</u>	<u>0.23</u>
Student Housing – 0.10% (2016: 0.03%)				
American Campus Communities	USD	(31,500)	57	0.02
Empiric Student Property	GBP	(186,280)	19	0.01
Unite Group	GBP	892,063	189	0.07
			<u>265</u>	<u>0.10</u>
Triple Net – 0.00% (2016: Nil)				
Vereit	USD	(105,800)	10	–
			<u>10</u>	<u>–</u>
Total Contracts for Difference – 1.24% (2016: 0.78%)			3,466	1.24
Open Forward Foreign Currency Transactions – 0.59% (2016: 0.05%)				
Currency Sold	Currency Bought		Unrealised Gain €000	Mar 2017 % of NAV
Investment Level – 0.01% (2016: 0.03%)				
EUR 1,724,307	GBP		22	0.01
EUR 392,524	GBP		5	–
EUR 51,584	GBP		–*	–
			<u>27</u>	<u>0.01</u>
Share Class Level – 0.58% (2016: 0.02%)				
EUR 120,405,318	GBP		1,593	0.57
EUR 5,072,056	USD		30	0.01
EUR 178,263	GBP		2	–
EUR 23,798	GBP		–*	–
EUR 16,326	GBP		–*	–
EUR 23,986	USD		–*	–
EUR 9,880	GBP		–*	–
			<u>1,625</u>	<u>0.58</u>
Total Open Forward Foreign Currency Transactions – 0.59% (2016: 0.05%)			1,652	0.59
Total financial assets at fair value through profit or loss – 56.76% (2016: 24.68%)			157,933	56.76

* 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 2017 (continued)

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

Financial liabilities at fair value through profit or loss

	Currency	Nominal Holding	Unrealised Loss €000	Mar 2017 % of NAV
Contracts for Difference – (2.79)% (2016: (2.03)%)				
Apartments – (0.00)% (2016: Nil)				
AvalonBay Communities	USD	(1,600)	(11)	–
			(11)	–
Diversified – (1.37)% (2016: (1.01)%)				
Allreal Holding	CHF	(56,481)	(1,605)	(0.59)
Befimmo	EUR	(6,654)	(13)	–
British Land	GBP	368,670	(30)	(0.01)
Cofinimmo	EUR	(80,375)	(938)	(0.34)
Land Securities Group	GBP	(249,516)	(35)	(0.01)
Mobimo Holding	CHF	(23,895)	(1,013)	(0.37)
Swiss Prime Site	CHF	(25,951)	(145)	(0.05)
			(3,779)	(1.37)
Healthcare – (0.08)% (2016: (0.01)%)				
Care Capital Properties	USD	(41,400)	(82)	(0.03)
Healthcare Realty Trust	USD	(34,300)	(65)	(0.02)
MedicX Fund	GBP	(1,448,578)	(74)	(0.03)
			(221)	(0.08)
Hotels – (0.19)% (2016: (0.07)%)				
LaSalle Hotel Properties	USD	(56,800)	(288)	(0.10)
Pebblebrook Hotel Trust	USD	(85,100)	(259)	(0.09)
			(547)	(0.19)
Industrials – (0.05)% (2016: (0.00)%)				
EastGroup Properties	USD	(17,800)	(87)	(0.03)
PS Business Parks	USD	(11,300)	(60)	(0.02)
			(147)	(0.05)
Mall – (0.26)% (2016: Nil)				
GGP	USD	35,500	(224)	(0.08)
Pennsylvania Real Estate Investment Trust	USD	53,300	(471)	(0.18)
			(695)	(0.26)
Manufactured Homes – (0.02)% (2016: Nil)				
Equity LifeStyle Properties	USD	(14,400)	(54)	(0.02)
			(54)	(0.02)
Offices – (0.37)% (2016: (0.58)%)				
Derwent London	GBP	(85,603)	(46)	(0.02)
DIC Asset	EUR	(45,699)	(57)	(0.02)
Douglas Emmett	USD	(15,100)	(37)	(0.01)
Gecina	EUR	(27,752)	(149)	(0.05)
Hufvudstaden	SEK	(457,892)	(650)	(0.24)
Piedmont Office Realty Trust	USD	(26,700)	(9)	–
Washington Real Estate Investment Trust	USD	(18,700)	(8)	–
Workspace Group	GBP	130,817	(85)	(0.03)
			(1,041)	(0.37)
Offshore Propcos – (0.02)% (2016: (0.01)%)				
Schroder Real Estate Investment Trust	GBP	(1,012,493)	(31)	(0.01)
UK Commercial Property Trust	GBP	(1,323,742)	(30)	(0.01)
			(61)	(0.02)

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

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

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

Contracts for Difference – (2.79)% (2016: (2.03)%) (continued)	Currency	Nominal Holding	Unrealised Loss €000	Mar 2017 % of NAV
Residential – (0.18)% (2016: (0.18)%)				
Deutsche Wohnen	EUR	(229,701)	(64)	(0.02)
TAG Immobilien	EUR	(172,984)	(31)	(0.01)
Vonovia	EUR	(62,460)	(87)	(0.03)
Wallenstam	SEK	(787,304)	(335)	(0.12)
			<u>(517)</u>	<u>(0.18)</u>
Retail – (0.16)% (2016: (0.02)%)				
Capital & Regional	GBP	5,616,983	(404)	(0.16)
Retail Opportunity Investments	USD	(13,800)	(8)	–
			<u>(412)</u>	<u>(0.16)</u>
Self Storage – Nil (2016: (0.01)%)				
Shopping Centres – (0.02)% (2016: (0.14)%)				
Mercialys	EUR	255,539	(67)	(0.02)
Wereldhave	EUR	(130,694)	(9)	–
			<u>(76)</u>	<u>(0.02)</u>
Single Family Rental – (0.02)% (2016: Nil)				
Colony Starwood Homes	USD	(22,600)	(66)	(0.02)
			<u>(66)</u>	<u>(0.02)</u>
Technology – (0.05)% (2016: Nil)				
DuPont Fabros Technology	USD	(18,300)	(152)	(0.05)
			<u>(152)</u>	<u>(0.05)</u>
Total Contracts for Difference – (2.79)% (2016: (2.03)%)			(7,779)	(2.79)
Open Forward Foreign Currency Transactions – (0.08)% (2016: (0.63)%)				
Currency Sold	Currency Bought		Unrealised Loss €000	Mar 2017 % of NAV
Investment Level – (0.07)% (2016: 0.01%)				
CHF 4,806,000	EUR		(1)	–
SEK 190,854,000	EUR		(15)	(0.01)
GBP 5,500,000	EUR		(76)	(0.03)
USD 17,950,000	EUR		(104)	(0.03)
			<u>(196)</u>	<u>(0.07)</u>
Share Class Level – (0.01)% (2016: (0.62)%)				
GBP 44,327	EUR		–*	–
GBP 340,307	EUR		(5)	–
GBP 1,493,357	EUR		(22)	(0.01)
			<u>(27)</u>	<u>(0.01)</u>
Total Open Forward Foreign Currency Transactions – (0.08)% (2016: (0.63)%)			(223)	(0.08)
Total financial liabilities at fair value through profit or loss – (2.87)% (2016: (2.66)%)			(8,002)	(2.87)

* 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 2017 (continued)

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

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

	Fair Value €000	Mar 2017 % of NAV
Total investment at fair value through profit or loss – 53.89% (2016: 22.02%)	149,931	53.89
Cash at bank – 29.78% (2016: 63.88%)	82,869	29.78
Margin cash – Nil (2016: 0.00%)	–	–
Cash collateral – 16.67% (2016: 13.52%)	46,369	16.67
Other net liabilities – (0.34)% (2016: 0.58%)	(931)	(0.34)
Total Net Assets	278,238	100.00

	% of Gross Assets
Analysis of Portfolio (unaudited)	
Transferable securities admitted to an official stock exchange listing	44.05
OTC financial derivative instruments	1.76
Certificates of Deposit	8.63
Other assets	45.56
	100.00

The counterparties to the derivative contracts held on the Fund at 31 March 2017 are as follows:

Forwards: State Street
CFDs: 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 2017 (continued)

F&C Multi Strategy Global Equity Fund

Financial assets at fair value through profit or loss

Equities – 91.72% (2016: 97.20%)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Consumer Discretionary – 13.84% (2016: 15.60%)				
Adidas	EUR	3,509	626	0.15
Amazon.com	USD	5,648	4,682	1.13
Amer Sports	EUR	57,246	1,212	0.29
AutoZone	USD	292	197	0.05
Big Lots	USD	14,552	662	0.16
Burberry Group	GBP	8,673	175	0.04
Carriage Services	USD	31,623	802	0.19
Cie Plastic Omnium	EUR	24,908	850	0.20
Cinemark Holdings	USD	31,331	1,299	0.31
ClubCorp Holdings	USD	52,712	791	0.19
Comcast	USD	22,904	805	0.19
Continental	EUR	7,261	1,492	0.36
Dalata Hotel Group	EUR	157,203	703	0.17
Forbo Holding	CHF	474	679	0.16
Ford Motor	USD	414,506	4,511	1.09
Home Depot	USD	14,424	1,980	0.48
Honda Motor	JPY	40,800	1,147	0.28
Hugo Boss	EUR	9,299	636	0.15
Kindred Group SDR	SEK	79,125	770	0.19
Kohl's	USD	10,927	407	0.10
Lear	USD	952	126	0.03
LKQ	USD	31,447	861	0.21
Lowe's	USD	86,839	6,674	1.61
Macy's	USD	11,946	331	0.08
Magna International	CAD	4,900	197	0.05
Maisons du Monde	EUR	28,005	826	0.20
Marks & Spencer Group	GBP	64,949	256	0.06
Mazda Motor	JPY	67,500	908	0.22
Mediaset Espana Comunicacion	EUR	50,539	611	0.15
Michael Kors Holdings	USD	17,540	625	0.15
Monro Muffler Brake	USD	12,635	615	0.15
Mr Price Group	ZAR	85,245	950	0.23
New Oriental Education & Technology Group	USD	5,400	305	0.07
Publicis Groupe	EUR	10,821	709	0.17
Renault	EUR	4,077	332	0.08
Ross Stores	USD	8,488	523	0.13
Sands China	HKD	182,400	790	0.19
Sirius XM Holdings	USD	189,120	911	0.22
Sky	GBP	149,366	1,704	0.41
Starbucks	USD	45,264	2,471	0.60
Subaru	JPY	15,600	534	0.13
Swatch Group	CHF	2,310	774	0.19
Target	USD	1,640	85	0.02
Tarsus Group	GBP	223,136	743	0.18
Titan	INR	140,567	928	0.22
TJX	USD	41,622	3,077	0.74
Vail Resorts	USD	10,709	1,921	0.46
Valeo	EUR	47,386	2,958	0.71
Yum China Holdings	USD	48,972	1,245	0.30
			<hr/> 57,416	<hr/> 13.84

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Equities – 91.72% (2016: 97.20%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Consumer Staples – 12.41% (2016: 11.28%)				
Alimentation Couche-Tard	CAD	7,000	295	0.07
Archer-Daniels-Midland	USD	19,572	842	0.20
BIM Birlesik Magazalar	TRY	84,849	1,218	0.29
Church & Dwight	USD	10,286	480	0.12
Clicks Group	ZAR	78,153	698	0.17
Colgate-Palmolive India	INR	43,886	627	0.15
Colruyt	EUR	12,571	579	0.14
Costco Wholesale	USD	4,708	738	0.18
CVS Health	USD	29,320	2,152	0.52
Dairy Farm International Holdings	USD	96,718	821	0.20
Edita Food Industries	USD	32,998	216	0.05
Emami	INR	87,379	1,354	0.33
Estee Lauder	USD	61,842	4,903	1.17
Fevertree Drinks	GBP	39,504	695	0.17
Fomento Economico Mexicano	MXN	45,100	372	0.09
Foshan Haitian Flavouring & Food Co	CNY	194,680	920	0.22
Glanbia	EUR	87,225	1,579	0.38
Grupo Herdez	MXN	149,200	287	0.07
Heineken	EUR	9,307	743	0.18
Hindustan Unilever	INR	34,558	454	0.11
Hanjaya Mandala Sampoerna	IDR	3,137,450	859	0.21
ITC	INR	431,308	1,744	0.42
JM Smucker	USD	6,667	817	0.20
Jyothy Laboratories	INR	12,647	64	0.02
Kerry Group	EUR	9,581	706	0.17
Kose	JPY	6,000	507	0.12
Kroger	USD	41,769	1,152	0.28
Kusuri no Aoki Holdings	JPY	15,500	646	0.16
Lamb Weston Holdings	USD	14,854	584	0.14
Nestle India	INR	7,729	742	0.18
Origin Enterprises	EUR	231,098	1,540	0.37
PepsiCo	USD	18,559	1,941	0.47
Performance Food Group	USD	34,661	771	0.19
President Chain Store	TWD	82,000	632	0.15
PriceSmart	USD	4,900	422	0.10
Shoprite Holdings	ZAR	25,821	349	0.08
Tyson Foods	USD	17,102	987	0.24
Unilever Indonesia	IDR	272,900	830	0.20
Unilever	EUR	22,022	1,026	0.25
Universal Robina	PHP	584,530	1,781	0.43
Vietnam Dairy Products	VND	301,000	1,772	0.43
Viscofan	EUR	17,285	838	0.20
Wal-Mart Stores	USD	118,139	7,961	1.91
Wal-Mart de Mexico	MXN	958,278	2,055	0.50
Whole Foods Market	USD	7,957	221	0.05
Wm Morrison Supermarkets	GBP	186,904	524	0.13
			<hr/> 51,444	<hr/> 12.41

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Equities – 91.72% (2016: 97.20%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Energy – 2.92% (2016: 3.13%)				
Apache	USD	2,388	115	0.03
Baker Hughes	USD	54,510	3,049	0.74
Canadian Natural Resources	CAD	24,100	736	0.18
Carrizo Oil & Gas	USD	27,234	730	0.18
Continental Resources	USD	3,672	156	0.04
Crescent Point Energy	CAD	34,500	348	0.08
Helmerich & Payne	USD	8,482	528	0.13
Husky Energy	CAD	8,500	89	0.02
James Fisher & Sons	GBP	28,299	528	0.13
JXTG Holdings	JPY	91,900	422	0.10
Kinder Morgan	USD	8,596	175	0.04
Marathon Petroleum	USD	6,190	292	0.07
PTT Exploration & Production	THB	210,500	533	0.13
Rosneft Oil GDR	USD	29,685	158	0.04
Schlumberger	USD	27,896	2,037	0.49
SK Innovation	KRW	5,271	734	0.18
Valero Energy	USD	13,260	822	0.20
Z Energy	NZD	130,972	596	0.14
			<hr/> 12,048	<hr/> 2.92
Financials – 17.27% (2016: 16.48%)				
3i Group	GBP	25,481	223	0.05
Aareal Bank	EUR	22,252	806	0.19
Aflac	USD	10,042	680	0.16
AGNC Investment	USD	12,301	229	0.06
AIA Group	HKD	205,200	1,210	0.29
Alleghany	USD	3,333	1,915	0.46
Allianz	EUR	5,781	1,004	0.24
Ally Financial	USD	155,226	2,951	0.71
Annaly Capital Management	USD	34,492	358	0.09
AXA	EUR	28,336	687	0.17
Axis Capital Holdings	USD	19,093	1,197	0.29
Azimut Holding	EUR	17,045	278	0.07
Banco de Sabadell	EUR	389,996	670	0.16
Bank Mandiri Persero	IDR	2,657,500	2,182	0.53
Bank of America	USD	95,294	2,102	0.51
Bank of Communications	HKD	917,000	666	0.16
Bank of Nova Scotia	CAD	2,622	143	0.03
Bank Rakyat Indonesia Persero	IDR	1,632,000	1,486	0.36
Berkshire Hathaway	USD	1,491	232	0.06
Bolsa Mexicana de Valores	MXN	538,700	832	0.20
Canadian Imperial Bank of Commerce	CAD	19,400	1,560	0.38
Capital One Financial	USD	15,433	1,250	0.30
China Construction Bank	HKD	2,871,000	2,159	0.52
Citigroup	USD	69,399	3,881	0.94
Commercial International Bank Egypt	USD	354,656	1,452	0.35
Commerzbank	EUR	18,005	153	0.04
Credicorp	USD	3,900	595	0.14
Deutsche Boerse	EUR	7,624	655	0.16
DNB	NOK	87,101	1,290	0.31
Everest Re Group	USD	9,565	2,091	0.50
Grupo Financiero Banorte	MXN	186,891	1,000	0.24
Guaranty Trust Bank	NGN	2,849,210	217	0.05
HDFC Bank	INR	50,024	1,037	0.25
ICICI Bank	INR	328,094	1,306	0.31
ING Groep	EUR	194,639	2,758	0.66
Intesa Sanpaolo	EUR	247,857	631	0.15
Itaúsa – Investimentos Itaú	BRL	435,000	1,217	0.29
Jafco	JPY	18,100	568	0.14

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Equities – 91.72% (2016: 97.20%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Financials – 17.27% (2016: 16.48%) (continued)				
JPMorgan Chase & Co	USD	42,732	3,509	0.85
Kasikornbank	THB	118,800	611	0.15
Krung Thai Bank	THB	811,100	450	0.11
Leonteq	CHF	11,016	421	0.10
Lincoln National	USD	2,788	171	0.04
Mahindra & Mahindra Financial Services	INR	176,251	800	0.19
Mitsubishi UFJ Lease & Finance	JPY	139,000	647	0.16
Morgan Stanley	USD	58,443	2,341	0.56
Muenchener Rueckversicherungs-Gesellschaft in Muenchen	EUR	3,885	713	0.17
National Bank of Canada	CAD	8,200	321	0.08
Partners Group Holding	CHF	1,263	635	0.15
ProAssurance	USD	17,954	1,011	0.24
Prudential Financial	USD	25,658	2,559	0.62
Public Bank	MYR	121,100	509	0.12
RenaissanceRe Holdings	USD	1,008	136	0.03
Royal Bank of Canada	CAD	9,100	618	0.15
Societe Generale	EUR	31,490	1,497	0.36
SpareBank 1 SR-Bank	NOK	72,370	506	0.12
State Bank Financial	USD	51,002	1,246	0.30
Sterling Bancorp	USD	34,817	772	0.19
Storebrand	NOK	154,212	959	0.23
Svenska Handelsbanken	SEK	31,898	411	0.10
Swiss Re	CHF	13,889	1,167	0.28
Synchrony Financial	USD	24,098	773	0.19
Toronto-Dominion Bank	CAD	18,100	845	0.20
Travelers	USD	7,849	885	0.21
UBS Group	CHF	59,612	893	0.22
Wells Fargo & Co	USD	16,036	835	0.20
Yes Bank	INR	79,343	1,766	0.43
			71,678	17.27
Health Care – 11.52% (2016: 14.60%)				
Amgen	USD	55,314	8,484	2.05
Anthem	USD	22,347	3,455	0.83
Bayer	EUR	7,511	812	0.20
Biogen	USD	3,286	840	0.20
Bioverativ	USD	1,588	81	0.02
Cigna	USD	12,302	1,685	0.41
Clinigen Healthcare	GBP	72,548	674	0.16
CR Bard	USD	2,441	567	0.14
Craneware	GBP	24,816	356	0.09
Dechra Pharmaceuticals	GBP	59,508	1,165	0.28
Edwards Lifesciences	USD	2,488	219	0.05
Genus	GBP	25,541	515	0.12
Gerresheimer	EUR	20,173	1,498	0.36
Gilead Sciences	USD	39,326	2,497	0.60
HealthSouth	USD	20,991	840	0.20
Humana	USD	2,250	434	0.10
ICON	USD	7,600	566	0.14
Jazz Pharmaceuticals	USD	2,666	362	0.09
Johnson & Johnson	USD	20,290	2,363	0.57
Kalbe Farma	IDR	8,960,000	968	0.23
Life Healthcare Group Holdings	ZAR	166,631	337	0.08
McKesson	USD	1,225	170	0.04
MEDNAX	USD	10,648	691	0.17
Merck & Co	USD	16,185	962	0.23
Novartis	CHF	16,824	1,168	0.28
Novo Nordisk	DKK	81,450	2,623	0.63

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Equities – 91.72% (2016: 97.20%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Health Care – 11.52% (2016: 14.60%) (continued)				
Pfizer	USD	2,316	74	0.02
Roche Holding	CHF	6,368	1,522	0.37
Shire	GBP	31,224	1,702	0.41
Sonova Holding	CHF	6,294	817	0.20
STERIS	USD	19,849	1,289	0.31
United Therapeutics	USD	1,584	200	0.05
UnitedHealth Group	USD	47,317	7,255	1.75
US Physical Therapy	USD	9,389	573	0.14
			<hr/> 47,764	<hr/> 11.52
Industrials – 9.83% (2016: 12.43%)				
Aena	EUR	2,465	366	0.09
Aggreko	GBP	26,684	276	0.07
Alaska Air Group	USD	10,428	899	0.22
Beijing Enterprises Holdings	HKD	45,000	218	0.05
Boeing	USD	21,944	3,629	0.87
C.H. Robinson Worldwide	USD	7,144	516	0.12
Canadian National Railway	CAD	45,400	3,124	0.75
Capita	GBP	28,227	186	0.04
CCR	BRL	79,800	424	0.10
Container Of India	INR	35,386	647	0.16
Covanta Holding	USD	46,483	682	0.16
Cubic	USD	15,543	767	0.18
Cummins	USD	7,570	1,070	0.26
Delta Air Lines	USD	26,273	1,129	0.27
Deutsche Lufthansa	EUR	148,167	2,252	0.54
Deutsche Post	EUR	25,908	832	0.20
Enav	EUR	248,217	946	0.23
FedEx	USD	6,932	1,265	0.30
Fortive	USD	4,880	275	0.07
Fuji Electric	JPY	76,000	422	0.10
Granite Construction	USD	22,660	1,063	0.26
Interpump Group	EUR	47,997	1,046	0.25
Melrose Industries	GBP	464,909	1,212	0.29
National Express Group	GBP	171,328	721	0.17
Nobina	SEK	161,949	903	0.22
Qantas Airways	AUD	239,655	665	0.16
RELX	EUR	44,023	764	0.18
Restore	GBP	191,119	793	0.19
Rexel	EUR	37,227	634	0.15
Ritchie Bros Auctioneers	CAD	17,648	542	0.13
Royal Mail	GBP	119,174	592	0.14
Ryanair Holdings	EUR	41,178	598	0.14
Schneider Electric	EUR	11,124	763	0.18
Senior	GBP	264,186	637	0.15
SGS	CHF	279	557	0.13
SKF	SEK	19,470	361	0.09
Southwest Airlines	USD	7,015	353	0.09
Sumitomo	JPY	51,600	648	0.16
United Parcel Service	USD	52,465	5,263	1.27
Vestas Wind Systems	DKK	2,332	178	0.04
Vinci	EUR	4,259	316	0.08
Waste Connections	CAD	16,250	1,338	0.32
Wolters Kluwer	EUR	16,545	645	0.16
WSP Global	CAD	12,244	403	0.10
			<hr/> 40,920	<hr/> 9.83

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Equities – 91.72% (2016: 97.20%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Information Technology – 13.24% (2016: 14.62%)				
Accenture	USD	34,828	3,904	0.94
Alphabet	USD	772	599	0.14
Amdocs	USD	37,137	2,118	0.51
Apple	USD	86,620	11,633	2.80
ASML Holding	EUR	6,994	870	0.21
AU Optronics	TWD	954,000	348	0.08
CDW	USD	19,784	1,067	0.26
Cisco Systems	USD	200,569	6,337	1.53
Citrix Systems	USD	39,025	3,043	0.73
Cognizant Technology Solutions	USD	36,861	2,051	0.49
Corning	USD	13,463	340	0.08
CSRA	USD	38,086	1,043	0.25
Dassault Systemes	EUR	6,728	546	0.13
Disco	JPY	7,800	1,108	0.27
F5 Networks	USD	2,230	297	0.07
Facebook	USD	1,640	218	0.05
Halma	GBP	47,912	574	0.14
Intel	USD	25,551	862	0.21
LogMeln	USD	4,786	436	0.11
Mastercard	USD	21,877	2,301	0.55
Micro Focus International	GBP	45,090	1,201	0.29
Microsemi	USD	17,868	861	0.21
Microsoft	USD	30,884	1,902	0.46
Motorola Solutions	USD	9,134	736	0.18
NetApp	USD	23,535	921	0.22
Nuance Communications	USD	45,287	733	0.18
Oracle	USD	40,711	1,698	0.41
QUALCOMM	USD	3,665	196	0.05
Red Hat	USD	8,668	701	0.17
salesforce.com	USD	9,249	713	0.17
SAP	EUR	12,994	1,195	0.29
SK Hynix	KRW	11,403	481	0.12
Sophos Group	GBP	178,324	566	0.14
Synopsys	USD	15,888	1,071	0.26
Teradata	USD	23,019	670	0.16
Total System Services	USD	7,071	353	0.09
VeriSign	USD	4,023	328	0.08
WEX	USD	7,347	711	0.17
Worldpay Group	GBP	49,408	171	0.04
			54,903	13.24
Materials – 3.32% (2016: 4.04%)				
Agnico Eagle Mines	CAD	8,300	328	0.08
Air Liquide	EUR	8,373	897	0.22
Akzo Nobel	EUR	5,388	419	0.10
Alcoa	USD	3,608	116	0.03
Barrick Gold	CAD	46,500	823	0.20
BASF	EUR	8,747	813	0.20
Boliden	SEK	9,631	269	0.06
Chr Hansen Holding	DKK	10,501	632	0.15
CRH	EUR	12,988	430	0.10
Ecolab	USD	1,092	128	0.03
Evonik Industries	EUR	19,734	603	0.15
Fortescue Metals Group	AUD	274,028	1,218	0.29
Givaudan	CHF	360	607	0.15
Hill & Smith Holdings	GBP	60,284	897	0.22
Hitachi Chemical	JPY	32,000	827	0.20
Kansai Paint	JPY	34,300	680	0.16

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Equities – 91.72% (2016: 97.20%) (continued)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Materials – 3.32% (2016: 4.04%) (continued)				
Martin Marietta Materials	USD	3,462	706	0.17
Newmont Mining	USD	10,255	316	0.08
Pidilite Industries	INR	53,162	534	0.13
PPG Industries	USD	2,831	278	0.07
Sappi	ZAR	23,796	151	0.04
Sherwin-Williams	USD	786	228	0.05
Smurfit Kappa Group	EUR	24,840	615	0.15
Sumitomo Chemical	JPY	59,000	308	0.07
Symrise	EUR	8,973	559	0.13
WestRock	USD	7,797	379	0.09
			13,761	3.32
Private Placement – Nil (2016: 0.17%)				
Real Estate – 2.73% (2016: 1.26%)				
American Tower	USD	36,581	4,157	1.00
CatchMark Timber Trust	USD	82,053	884	0.21
Cheung Kong Property Holdings	HKD	52,000	328	0.08
China Overseas Land & Investment	HKD	210,000	561	0.14
CLS Holdings	GBP	42,483	879	0.21
Merlin Properties Socimi	EUR	97,000	1,017	0.25
Quality Care Properties	USD	6,825	120	0.03
Sirius Real Estate	GBP	2,371,463	1,442	0.35
VEREIT	USD	61,799	491	0.12
Welltower	USD	21,221	1,405	0.34
			11,284	2.73
Telecommunication Services – 2.78% (2016: 2.58%)				
America Movil	USD	75,380	999	0.24
AT&T	USD	16,176	628	0.15
BCE	CAD	7,800	322	0.08
China Mobile	HKD	39,500	404	0.10
China Telecom	HKD	618,000	282	0.07
Nippon Telegraph & Telephone	JPY	103,700	4,135	0.99
Telefonica Deutschland Holding	EUR	68,545	319	0.08
Telekomunikasi Indonesia Persero	USD	30,424	887	0.21
Telenor	NOK	55,669	866	0.21
TELUS	CAD	63,900	1,934	0.47
Zayo Group Holdings	USD	23,638	727	0.18
			11,503	2.78
Utilities – 1.86% (2016: 1.01%)				
Aguas Andinas	CLP	693,820	367	0.09
American Electric Power	USD	3,343	210	0.05
American Water Works	USD	3,695	269	0.06
Calpine	USD	48,336	499	0.12
Chubu Electric Power	JPY	118,400	1,481	0.35
E.ON	EUR	156,148	1,163	0.28
Exelon	USD	4,906	165	0.04
FirstEnergy	USD	20,328	605	0.15
Korea Electric Power	KRW	13,458	523	0.13
NextEra Energy	USD	10,457	1,255	0.30
Rubis	EUR	9,928	912	0.22
Tohoku Electric Power	JPY	22,400	283	0.07
			7,732	1.86
Total Equities – 91.72% (2016: 97.20%)			380,453	91.72

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

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

Investment Funds – 7.42% (2016: 2.07%)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Amundi ETF MSCI Japan (UCITS)	EUR	125,099	22,519	5.43
F&C Investment Funds ICVC - UK Mid-Cap Fund (UCITS)	GBP	814,360	1,600	0.39
F&C Portfolios Fund - F&C Japanese Equity (UCITS)	EUR	134,918	2,501	0.60
iShares US Aerospace & Defense ETF	USD	14,500	2,016	0.49
SPDR S&P Homebuilders ETF	USD	61,100	2,127	0.51
			<u>30,763</u>	<u>7.42</u>
Total Investment Funds – 7.42% (2016: 2.07%)			30,763	7.42

Rights – 0.00% (2016: Nil)	Currency	Nominal Holding	Fair Value €000	Mar 2017 % of NAV
Health Care – 0.00% (2016: Nil)				
Life Healthcare Group Holdings	ZAR	57,015	18	–
			<u>18</u>	<u>–</u>
			18	–

Futures – 0.02% (2016: 0.06%)	Currency	No of Contracts	Unrealised Gain €000	Mar 2017 % of NAV
Australia – 0.02% (2016: Nil)				
SPI 200 Futures June 2017	AUD	22	35	0.02
			<u>35</u>	<u>0.02</u>

Germany – Nil (2016: 0.00%)

Japan – Nil (2016: 0.06%)

Singapore – 0.00% (2016: Nil)				
MSCI Singapore Index Futures June 2017	SGD	17	7	–
			<u>7</u>	<u>–</u>

United States – 0.00% (2016: Nil)				
Mini MSCI Emerging Markets Index Future June 2017	USD	14	14	–
			<u>14</u>	<u>–</u>

Total Futures – 0.02% (2016: 0.06%)			56	0.02
--	--	--	-----------	-------------

Total financial assets at fair value through profit or loss – 99.16% (2016: 99.33%)			411,290	99.16
--	--	--	----------------	--------------

Financial liabilities at fair value through profit or loss

Futures – (0.02)% (2016: (0.06)%)	Currency	No of Contracts	Unrealised Loss €000	Mar 2017 % of NAV
Germany – 0.00% (2016: 0.00%)				
Euro Stoxx Futures June 2017	EUR	(16)	(14)	–
			<u>(14)</u>	<u>–</u>
Hong Kong – 0.00% (2016: Nil)				
Hang Seng Index Futures June 2017	HKD	7	(7)	–
			<u>(7)</u>	<u>–</u>
United Kingdom – (0.01)% (2016: (0.04)%)				
FTSE 100 Index Futures June 2017	GBP	(42)	(15)	(0.01)
			<u>(15)</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 2017 (continued)

F&C Multi Strategy Global Equity Fund (continued)

Financial liabilities at fair value through profit or loss

	Currency	No of Contracts	Unrealised Loss €000	Mar 2017 % of NAV
Futures – (0.02)% (2016: (0.06)%) (continued)				
United States – (0.01)% (2016: 0.00%)				
S&P 500 Emini Futures June 2017	USD	34	(15)	(0.01)
			(15)	(0.01)
Total Futures – (0.02)% (2016: (0.06)%)			(51)	(0.02)
Total financial liabilities at fair value through profit or loss – (0.02)% (2016: (0.06)%)			(51)	(0.02)
Total investment at fair value through profit or loss – 99.14% (2016: 99.27%)			411,239	99.14
Cash at bank – 0.73% (2016: 0.24%)			3,019	0.73
Margin cash – 0.14% (2016: 0.41%)			574	0.14
Other net liabilities – (0.01)% (2016: 0.08%)			(42)	(0.01)
Total Net Assets			414,790	100.00

	% of Gross Assets
Analysis of Portfolio (unaudited)	
Transferable securities admitted to an official stock exchange listing	91.10
Other transferable securities of the type referred to in Regulation 68(1)(a), (b), (c)	0.43
Investment Funds	7.40
Financial derivative instruments dealt on a regulated market	0.01
Other assets	1.06
	<u>100.00</u>

The counterparties and brokers to the derivative contracts held on the Fund at 31 March 2017 are as follows:

Futures: Goldman Sachs
Rights: Citigroup Global Markets Limited

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

TRADITIONAL FUNDS plc

PORTFOLIO STATEMENT as at 31 March 2017 (continued)

BMO US Real Estate Equity Long/Short Fund

	Fair Value US\$000	Mar 2017 % of NAV
Total financial assets at fair value through profit or loss – Nil	–	–
Cash at bank – Nil	–	–
Other net assets – 100.00%	6,797	100.00
Total Net Assets	6,797	100.00
	% of	
Analysis of Portfolio (unaudited)	Gross Assets	
Other assets	100.00	
	100.00	

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 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	2.3	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	2.3	(711)	-	-	-	-	(1,378)	(8,002)	(51)	(10,329)
Bank overdraft	5(c)	-	-	-	-	-	(10)	(37)	-	(49)
Creditors – amounts falling due within one 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		45,904	87,189	32,164	-	-	84,049	278,238	414,790	952,159

* Launched 31 March 2017

** Terminated 25 August 2016

The financial statements were approved by the Board of Directors of Traditional Funds plc on 30 June 2017.

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 2016

AS at 31 March 2010												
		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 Macro Global Bond Fund (€)* €000	F&C Macro Global Bond Fund (\$)** US\$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	Total £000
Current Assets	Notes											
Cash at bank	5	4,627	1,487	9	537	166	117	83	20,199	170,275	1,751	203,895
Margin cash	5(a)	581	-	-	500	-	-	-	-	3	1,748	2,891
Cash collateral		703	-	-	-	-	-	-	14,145	36,024	-	54,482
Debtors	4	882	231	235	123	-	-	60	347	7,627	1,339	10,794
Financial assets at fair value through profit or loss	2,3	52,782	84,752	34,030	17,156	-	-	3,567	53,004	65,793	398,384	706,353
Total current assets		59,575	86,470	34,274	18,316	166	117	3,710	87,695	279,722	403,222	978,415
Current Liabilities												
Financial liabilities at fair value through profit or loss	2,3	(1,286)	-	-	(430)	-	-	(2)	(2,125)	(7,107)	(247)	(11,707)
Bank overdraft	5(c)	-	-	(202)	(123)	-	-	-	-	-	(769)	(1,101)
Margin cash payable	5(b)	-	-	-	(64)	-	-	-	-	-	(90)	(171)
Creditors - amounts falling due within one year	7	(865)	(600)	(337)	(720)	(166)	(117)	(237)	(780)	(6,076)	(1,042)	(11,067)
Total current liabilities		(2,151)	(600)	(539)	(1,337)	(166)	(117)	(239)	(2,905)	(13,183)	(2,148)	(24,046)
Net Assets attributable to redeemable participating shareholders		57,424	85,870	33,735	16,979	-	-	3,471	84,790	266,539	401,074	954,369

* Terminated 23 March 2016

** Terminated 30 October 2015

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						
Dividend income	2		–	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	15		(514)	(858)	(553)	(44)	(20)
Performance fee	15		(1)	–	(104)	–	–
Administration fee	15		(46)	(75)	(28)	(5)	(1)
Depositary fee	15		(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
(Loss)/profit for the financial 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 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

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 30 June 2017.

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 (expense)/income		7,434	(4,488)	76,608	–	94,268
Expenses	2					
Investment Management fee	15	(1,116)	(3,487)	(1,003)	–	(7,643)
Performance fee	15	(262)	(742)	–	–	(1,149)
Administration fee	15	(84)	(279)	(352)	–	(874)
Depositary fee	15	(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)
(Loss)/profit for the financial 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 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.

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 30 June 2017.

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 2016

	Notes	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 Macro Global Bond Fund (€)* €000	F&C Macro Global Bond Fund (\$)*** US\$000
Income	2						
Dividend income		–	3,462	963	–	–	–
Bank deposit interest		1	1	2	3	–	–
Bond interest income		4,085	–	–	339	143	34
Miscellaneous income		–	–	–	–	–	–
Net (loss) on financial assets and financial liabilities at fair value through profit or loss	3	(2,962)	(4,163)	(4,457)	(1,391)	(1,109)	(180)
Total investment income/(expense)		1,124	(700)	(3,492)	(1,049)	(966)	(146)
Expenses	2						
Investment Management fee	15	(694)	(926)	(671)	(275)	(136)	(36)
Performance fee	15	–	–	–	–	–	–
Administration fee	15	(62)	(79)	(33)	(31)	(13)	(4)
Depository fee	15	(54)	(223)	(14)	(13)	(6)	(2)
General expenses		(285)	(229)	(145)	18	(121)	(59)
Audit fee		(23)	(13)	(13)	(10)	(7)	(8)
Directors' fees		(24)	(24)	(12)	(10)	(6)	(2)
Total operating expenses		(1,142)	(1,494)	(888)	(321)	(289)	(111)
Net (expense) before finance costs		(18)	(2,194)	(4,380)	(1,370)	(1,255)	(257)
Finance costs							
Bank interest expense		(7)	–	(1)	(2)	(2)	(1)
CFD financing charges		–	–	–	–	–	–
Distribution	8	(2,897)	–	–	–	–	–
Net equalisation	2	(2,044)	(853)	(18)	48	148	78
Total finance costs		(4,948)	(853)	(19)	46	146	77
(Loss) for the financial period		(4,966)	(3,047)	(4,399)	(1,324)	(1,109)	(180)
Withholding tax		(4)	(24)	(83)	–	–	–
Operating (loss)		(4,970)	(3,071)	(4,482)	(1,324)	(1,109)	(180)
(Decrease) in net assets for the period attributable to redeemable participating shareholders resulting from operations		(4,970)	(3,071)	(4,482)	(1,324)	(1,109)	(180)

* For the period from 1 April 2015 to termination of the Fund on 23 March 2016

** For the period from 1 April 2015 to termination of the Fund on 30 October 2015

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 2016 (continued)

	Notes	F&C 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	Total €000
Income	2					
Dividend income		168	2,077	2,021	9,394	18,397
Bank deposit interest		2	52	3	2	85
Bond interest income		–	–	–	–	4,337
Miscellaneous income		32	–	–	–	29
Net (loss)/gain on financial assets and financial liabilities at fair value through profit or loss	3	(838)	6,761	(5,005)	(53,155)	(63,400)
Total investment (expense)/income		(636)	8,890	(2,981)	(43,759)	(40,552)
Expenses	2					
Investment Management fee	15	(114)	(855)	(1,891)	(1,112)	(6,885)
Performance fee	15	–	(329)	(1,010)	–	(1,457)
Administration fee	15	(6)	(68)	(145)	(395)	(854)
Depository fee	15	(6)	(15)	(95)	(141)	(551)
General expenses		(20)	(171)	(309)	(443)	(1,750)
Audit fee		(13)	(10)	(14)	(12)	(124)
Directors' fees		(2)	(18)	(24)	(82)	(208)
Total operating expenses		(161)	(1,466)	(3,488)	(2,185)	(11,829)
Net (expense)/income before finance costs		(797)	7,424	(6,469)	(45,944)	(52,381)
Finance costs						
Bank interest expense		(2)	(6)	(65)	(20)	(108)
CFD financing charges		–	(368)	(714)	–	(1,213)
Distribution	8	–	(589)	–	–	(3,425)
Net equalisation	2	387	37	(12,525)	(430)	(14,913)
Total finance costs		385	(926)	(13,304)	(450)	(19,659)
(Loss)/profit for the financial period		(412)	6,498	(19,773)	(46,394)	(72,040)
Withholding tax		(8)	(49)	(63)	(1,757)	(1,994)
Operating (loss)/profit		(420)	6,449	(19,836)	(48,151)	(74,034)
(Decrease)/increase in net assets for the period attributable to redeemable participating shareholders resulting from operations		(420)	6,449	(19,836)	(48,151)	(74,034)

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 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	85,870	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.

TRADITIONAL FUNDS plc

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING SHARES

For the financial year ended 31 March 2016

	Notes	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 Macro Global Bond Fund (€)* €000	F&C Macro Global Bond Fund (\$)** US\$000	F&C Global Unconstrained Equities Fund US\$000	F&C Real Estate Securities Fund £000	F&C Real Estate Long/Short Fund €000	F&C Multi Strategy Global Equity Fund €000	Total €000
Net assets attributable to redeemable participating shareholders at the beginning of the financial year/period	2(b)	91,968	104,149	48,792	49,671	28,490	11,963	11,240	73,730	108,906	442,111	989,712
Notional exchange adjustment	2(b)	-	-	-	-	-	-	-	-	-	-	(24,677)
(Decrease)/increase in net assets attributable to redeemable participating shareholders from operations		(4,970)	(3,071)	(4,482)	(1,324)	(1,109)	(180)	(420)	6,449	(19,836)	(48,151)	(74,034)
Share Transactions												
Proceeds from redeemable participating shares issued		1,537	2,773	1,115	17,790	2,183	-	161	38,178	207,136	65,058	355,411
Cost of redeemable participating shares redeemed		(31,111)	(17,981)	(11,690)	(49,158)	(29,564)	(11,783)	(7,510)	(33,567)	(29,667)	(57,944)	(302,043)
(Decrease)/increase in Net Assets		(29,574)	(15,208)	(10,575)	(31,368)	(27,381)	(11,783)	(7,349)	4,611	177,469	7,114	53,368
Net assets attributable to redeemable participating shareholders at the end of the financial year/period		57,424	85,870	33,735	16,979	-	-	3,471	84,790	266,539	401,074	954,369

* For the period from 1 April 2015 to termination of the Fund on 23 March 2016

** For the period from 1 April 2015 to termination of the Fund on 30 October 2015

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

31 March 2017

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, the “UCITS Regulations”). At the reporting date the Company had seven active sub-funds (the “Funds”), each of which has segregated liability.

Review of business and future developments

The Company had the following Funds during the financial year:

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.

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

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

The investment objective of the F&C Macro Global Bond Fund (£) was to seek to achieve a total return through investment in debt securities and instruments which might be either fixed, floating rate or index/inflation linked, issued or guaranteed by EU/OECD Issuers.

The investment objective of the F&C Global Unconstrained Equities Fund was to generate long term capital appreciation. The Fund would aim to achieve its objective by investing principally in equity securities on a global basis by investing 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.

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).

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.

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.

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.

31 March 2017

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 2017.

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

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, except for F&C Macro Global Bond Fund (£) and F&C Global Unconstrained Equities Fund which terminated on 25 August 2016. As a result of the termination of these Funds during the financial year, the financial statements for these Funds were prepared on a non-going concern basis. All other funds as at 31 March 2017 were prepared on a going concern basis.

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 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 2017

2. Principal Accounting Policies (continued)

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

(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 loss position at the financial year end date are classified as financial liabilities at fair value through profit or loss.

(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. 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 2017

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 31 March 2017 as follows: close of business Dublin time for the F&C High Income Bond Fund, the F&C Global Emerging Markets Fund and the F&C Multi Strategy Global Equity 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 31 March 2017 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 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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)

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.

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

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

31 March 2017

2. Principal Accounting Policies (continued)

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 for the year ended 31 March 2017 is credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Dividend income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income net of any tax credits.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

2. Principal Accounting Policies (continued)

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 net asset value. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

2. Principal Accounting Policies (continued)

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 of the Company. Separately identifiable transaction costs are disclosed in note 21 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 FRS102 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.

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

	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	F&C Global Unconstrained Equities Fund** 2017 US\$000
Net (loss)/gain on financial assets and financial liabilities at fair value through profit & 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 gain/(loss) on financial assets and financial liabilities at fair value through profit & loss					
Realised gain on investments	778	1,359	14,605	–	14,049
Change in unrealised (loss)/gain on investments	(1,152)	(2,132)	45,115	–	60,121
Net gain/(loss) on currencies and FFCTs	4,571	(8,360)	8,171	–	(3,430)
	4,197	(9,133)	67,891	–	70,740

* Launched on 31 March 2017

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

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

	F&C High Income Bond Fund 2016 US\$000	Eastern European Fund 2016 US\$000	Emerging Markets Fund 2016 US\$000	Global Bond Fund (£) 2016 £000	Global Bond Fund (€)** 2016 €000	Global Bond Fund (\$)* 2016 US\$000
Net (loss)/gain on financial assets and financial liabilities at fair value through profit & loss						
Realised (loss)/gain on investments	(3,573)	(6,755)	3,077	(1,296)	(493)	61
Change in unrealised gain/(loss) on investments	3,288	5,880	(5,826)	(643)	(1,577)	103
Net (loss)/gain on currencies and FFCTs	(2,677)	(3,288)	(1,708)	548	961	(344)
	(2,962)	(4,163)	(4,457)	(1,391)	(1,109)	(180)

	F&C Global Unconstrained Equities Fund 2016 US\$000	F&C Real Estate Securities Fund 2016 £000	F&C Real Estate Equity Long/Short Fund 2016 €000	F&C Multi Strategy Global Equity Fund 2016 €000	Total 2016 €000
Net (loss)/gain on financial assets and financial liabilities at fair value through profit & loss					
Realised gain on investments	136	3,685	6,515	1,235	4,106
Change in unrealised (loss)/gain on investments	(572)	3,304	162	(70,494)	(65,693)
Net (loss)/gain on currencies and FFCTs	(402)	(228)	(11,682)	16,104	(1,813)
	(838)	6,761	(5,005)	(53,155)	(63,400)

*For the period from 1 April 2015 to termination of the Fund on 30 October 2015

**For the period from 1 April 2015 to termination of the Fund on 23 March 2016

4. Debtors

	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 sold receivable	209	—	—	—	—
Bond interest receivable	656	—	—	—	—
Subscriptions receivable	—	—	10	—	—
Dividends receivable	—	24	104	—	2
Sundry debtors	—	—	—	—	—
	865	24	114	—	2

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

** Terminated 25 August 2016

	F&C High Income Bond Fund 2016 US\$000	Eastern European Fund 2016 US\$000	F&C Global Emerging Markets Fund 2016 US\$000	F&C Macro Global Bond Fund (£) 2016 £000	F&C Macro Global Bond Fund (€)** 2016 €000	F&C Macro Global Bond Fund (\$)* 2016 US\$000
<i>Amounts falling due within one financial year:</i>						
Securities sold receivable	–	231	104	–	–	–
Bond interest receivable	876	–	–	117	–	–
Subscriptions receivable	6	–	1	1	–	–
Dividends receivable	–	–	130	–	–	–
Expense reimbursement receivable	–	–	–	–	–	–
Sundry debtors	–	–	–	5	–	–
	882	231	235	123	–	–

	F&C Global Unconstrained Equities Fund 2016 US\$000	F&C Real Estate Securities Fund 2016 £000	F&C Real Estate Equity Long/Short Fund 2016 €000	F&C Multi Strategy Global Equity Fund 2016 €000	Total 2016 €000
<i>Amounts falling due within one financial year:</i>					
Securities sold receivable	3	–	–	594	891
Bond interest receivable	–	2	–	–	919
Subscriptions receivable	–	38	7,249	–	7,304
Dividends receivable	11	307	369	723	1,603
Expense reimbursement receivable	14	–	–	–	12
Sundry debtors	32	–	9	22	65
	60	347	7,627	1,339	10,794

* Terminated 30 October 2015

** Terminated 23 March 2016

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

5. Cash at bank

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

* Launched 31 March 2017

** Terminated 25 August 2016

At 31 March 2016, cash at bank was deposited with the following institutions on behalf of the relevant Funds:

	F&C High Income Bond Fund 2016 US\$000	Eastern European Fund 2016 US\$000	F&C Global Emerging Markets Fund 2016 US\$000	F&C Macro Global Bond Fund (£) 2016 £000	F&C Macro Global Bond Fund (€)** 2016 €000	F&C Macro Global Bond Fund (\$)*** 2016 US\$000
Barclays Bank	3	3	–	1	–	–
BNP Paribas	1	1	–	–	–	–
ING	–	–	–	–	–	–
Rabobank	–	–	–	–	–	–
State Street Custodial Services (Ireland) Limited	4,623	1,483	9	536	166	117
	4,627	1,487	9	537	166	117

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

5. Cash at bank (continued)

	F&C Global Unconstrained Equities Fund 2016 US\$000	F&C Real Estate Securities Fund 2016 £000	F&C Real Estate Equity Long/Short Fund 2016 €000	F&C Multi Strategy Global Equity Fund 2016 €000	Total 2016 €000
Barclays Bank	–	11,958	–	–	15,089
BNP Paribas	–	6,885	–	–	8,686
ING	–	–	–	1	1
Rabobank	–	–	–	1,466	1,466
State Street Custodial Services (Ireland) Limited	83	1,356	170,275	284	178,653
	83	20,199	170,275	1,751	203,895

* Terminated 30 October 2015

** Terminated 23 March 2016

5. (a) Margin cash

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 Macro Global Bond Fund (£) 2017 £000	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	Total 2017 €000
Goldman Sachs	439	–	–	–	574	984
	439	–	–	–	574	984

As at 31 March 2016, margin cash was deposited with the following institutions on behalf of the relevant Funds:

	F&C High Income Bond Fund 2016 US\$000	F&C Macro Global Bond Fund (£) 2016 £000	F&C Real Estate Securities Fund 2016 £000	F&C Real Estate Equity Long/Short Fund 2016 €000	F&C Multi Strategy Global Equity Fund 2016 €000	Total 2016 €000
Goldman Sachs	581	500	–	3	1,748	2,891
	581	500	–	3	1,748	2,891

5. (b) Margin cash payable

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

5. (b) Margin cash payable (continued)

As at 31 March 2016, margin cash was payable to the following institutions on behalf of the relevant Funds:

	F&C Macro Global Bond Fund (£) 2016 £000	F&C Multi Strategy Global Equity Fund 2016 €000	Total 2016 €000
Goldman Sachs	(64)	(90)	(171)
	(64)	(90)	(171)

5. (c) Bank overdraft

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. At 31 March 2016 the F&C Global Emerging Market Fund, F&C Macro Global Bond Fund (£), F&C Global Unconstrained Equities Fund and F&C Multi Strategy Global Equity Fund held a bank overdraft with State Street Custodial Services (Ireland) Limited of US\$202,491, £122,894, US\$121 and €768,529 respectively. Bank overdrafts are charged at rates of between 2.00% and 2.50% depending on the currency of the account.

6. Collateral

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

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

As at 31 March 2016, pledged cash collateral to support derivative positions were:

	F&C High Income Bond Fund 2016 US\$000	F&C Real Estate Securities Fund 2016 £000	F&C Real Estate Equity Long/Short Fund 2016 €000	Total 2016 €000
Barclays Bank	650	—	—	570
Deutsche Bank	53	—	—	47
Goldman Sachs	—	14,145	36,024	53,865
	703	14,145	36,024	54,482

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

7. Creditors

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 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)	–	–
Depositary fee payable	(32)	(74)	(22)	–	–
	(620)	(271)	(546)	(77)	(40)

Amounts falling due within one financial year:

	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
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

** Terminated 25 August 2016

Amounts falling due within one financial year:

	F&C High Income Bond Fund 2016 US\$000	Eastern European Fund 2016 US\$000	F&C Global Emerging Markets Fund 2016 US\$000	F&C Macro Global Bond Fund (£) 2016 £000	F&C Macro Global Bond Fund (€)** 2016 €000	F&C Macro Global Bond Fund (\$)* 2016 US\$000
Securities purchased payable	(438)	–	–	–	–	–
Redemptions payable	(16)	(21)	(89)	(524)	–	(11)
Performance fee payable	–	–	–	–	–	–
Investment Management fee payable	(48)	(71)	(48)	(11)	(1)	–
Sundry creditors	(250)	(263)	(126)	(137)	(151)	(99)
Administration fee payable	(45)	(59)	(24)	(31)	(7)	(2)
Depositary fee payable	(68)	(186)	(50)	(17)	(7)	(5)
	(865)	(600)	(337)	(720)	(166)	(117)

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

7. Creditors (continued)

	F&C Global Unconstrained Equities Fund 2016 US\$000	F&C Real Estate Securities Fund 2016 £000	F&C Real Estate Equity Long/Short Fund 2016 €000	F&C Multi Strategy Global Equity Fund 2016 €000	Total 2016 €000
<i>Amounts falling due within one financial year:</i>					
Securities purchased payable	–	(437)	(2,133)	(441)	(3,509)
Redemptions payable	(116)	(32)	(3,028)	–	(3,950)
Performance fee payable	–	–	(47)	–	(47)
Investment Management fee payable	(5)	(72)	(246)	(86)	(589)
Sundry creditors	(95)	(155)	(436)	(145)	(1,832)
Administration fee payable	(4)	(56)	(113)	(290)	(637)
Depository fee payable	(17)	(28)	(73)	(80)	(503)
	(237)	(780)	(6,076)	(1,042)	(11,067)

* Terminated 30 October 2015

** Terminated 23 March 2016

8. Distributions

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 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 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 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	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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
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
				<u>446,642</u>	

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
				<u>402,119</u>	

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
				<u>356,117</u>	

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
				<u>194,662</u>	

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
				<u>13,891</u>	

Eastern European Fund

Class B US 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
				<u>1,109,408</u>	

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
				<u>22,283</u>	

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
				<u>594,664</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

8. Distributions (continued)

During the financial year ended 31 March 2016 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
01.04.15	29.04.15	0.092	1,209,553	111,279	01.01.15 to 31.03.15
01.07.15	30.07.15	0.091	1,104,193	100,482	01.04.15 to 30.06.15
01.10.15	28.10.15	0.088	981,616	86,382	01.07.15 to 30.09.15
04.01.16	27.01.16	0.085	924,921	78,618	01.10.15 to 31.12.15
				376,761	

Class A US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
01.04.15	29.04.15	0.090	1,323,998	119,160	01.01.15 to 31.03.15
01.07.15	30.07.15	0.090	850,230	76,521	01.04.15 to 30.06.15
01.10.15	28.10.15	0.087	830,045	72,214	01.07.15 to 30.09.15
04.01.16	27.01.16	0.084	765,529	64,304	01.10.15 to 31.12.15
				332,199	

Class A Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
01.04.15	29.04.15	0.098	413,848	40,557	01.01.15 to 31.03.15
01.07.15	30.07.15	0.098	381,957	37,432	01.04.15 to 30.06.15
01.10.15	28.10.15	0.095	360,150	34,214	01.07.15 to 30.09.15
04.01.16	27.01.16	0.091	311,668	28,362	01.10.15 to 31.12.15
				140,565	

Class A Norwegian Krone Distributing

Date Declared	Date Paid	Rate per Share NOK	No. of Shares	Amount NOK	Relevant period
01.04.15	29.04.15	0.766	16,527	12,660	01.01.15 to 31.03.15
01.07.15	30.07.15	0.764	14,864	11,356	01.04.15 to 30.06.15
01.10.15	28.10.15	0.739	14,996	11,082	01.07.15 to 30.09.15
04.01.16	27.01.16	0.714	15,129	10,802	01.10.15 to 31.12.15
				45,900	

Class A New Euro Distributing

Date Declared	Date Paid	Rate per Share €	No. of Shares	Amount €	Relevant period
01.04.15	29.04.15	0.066	3,092,542	204,108	01.01.15 to 31.03.15
01.07.15	30.07.15	0.066	2,571,634	169,728	01.04.15 to 30.06.15
01.10.15	28.10.15	0.064	2,340,596	149,798	01.07.15 to 30.09.15
04.01.16	27.01.16	0.061	2,141,075	130,606	01.10.15 to 31.12.15
				654,240	

Class A New US Dollar Distributing

Date Declared	Date Paid	Rate per Share US\$	No. of Shares	Amount US\$	Relevant period
01.04.15	29.04.15	0.069	1,988,979	137,240	01.01.15 to 31.03.15
01.07.15	30.07.15	0.068	1,715,610	116,661	01.04.15 to 30.06.15
01.10.15	28.10.15	0.066	1,656,052	109,299	01.07.15 to 30.09.15
04.01.16	27.01.16	0.064	1,599,703	102,381	01.10.15 to 31.12.15
				465,581	

Class A New Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
01.04.15	29.04.15	0.070	2,017,009	141,191	01.01.15 to 31.03.15
01.07.15	30.07.15	0.069	1,792,163	123,576	01.04.15 to 30.06.15
01.10.15	28.10.15	0.067	1,617,247	108,356	01.07.15 to 30.09.15
04.01.16	27.01.16	0.065	1,529,753	99,434	01.10.15 to 31.12.15
				472,557	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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
01.04.15	29.04.15	0.733	73,988	54,233	01.01.15 to 31.03.15
01.07.15	30.07.15	0.731	69,609	50,884	01.04.15 to 30.06.15
01.10.15	28.10.15	0.707	70,042	49,520	01.07.15 to 30.09.15
04.01.16	27.01.16	0.683	68,847	47,023	01.10.15 to 31.12.15
				<u>201,660</u>	

Class C Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
01.04.15	29.04.15	0.100	10,471	1,047	01.01.15 to 31.03.15
01.07.15	30.07.15	0.099	10,569	1,046	01.04.15 to 30.06.15
01.10.15	28.10.15	0.096	14,563	1,398	01.07.15 to 30.09.15
04.01.16	27.01.16	0.093	41,177	3,829	01.10.15 to 31.12.15
				<u>7,320</u>	

F&C Real Estate Securities Fund

Class A Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
27.04.15	30.04.15	0.165	211,056	34,824	01.10.14 to 31.03.15
23.10.15	30.10.15	0.115	221,896	25,518	01.04.15 to 30.09.15
				<u>60,342</u>	

Class C Sterling Distributing

Date Declared	Date Paid	Rate per Share £	No. of Shares	Amount £	Relevant period
27.04.15	30.04.15	0.190	1,538,631	292,340	01.10.14 to 31.03.15
23.10.15	30.10.15	0.140	1,686,588	236,122	01.04.15 to 30.09.15
				<u>528,462</u>	

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 Net Asset Value 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 net asset value attributable to the relevant class of shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (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 2017 and 31 March 2016, the movement in the number of participating shares was as follows:

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C High Income Bond Fund				
Class A Euro Distributing (€)				
Opening Shares	840,354		1,210,095	
Subscriptions	4,745	40,056	10,758	93,037
Redemptions	(145,632)	(1,210,132)	(380,499)	(3,275,039)
Closing Shares	<u>699,467</u>		<u>840,354</u>	
Class A Sterling Distributing (£)				
Opening Shares	302,776		414,848	
Subscriptions	1,407	15,488	2,403	30,583
Redemptions	(44,547)	(477,485)	(114,475)	(1,462,320)
Closing Shares	<u>259,636</u>		<u>302,776</u>	
Class A US Dollar Distributing (US\$)				
Opening Shares	727,110		1,323,998	
Subscriptions	2,734	20,968	3,819	29,308
Redemptions	(90,761)	(697,810)	(600,707)	(4,729,175)
Closing Shares	<u>639,083</u>		<u>727,110</u>	
Class A Norwegian Krone Distributing (NOK)				
Opening Shares	15,261		16,527	
Subscriptions	532	4,178	544	4,335
Redemptions	–	–	(1,810)	(15,329)
Closing Shares	<u>15,793</u>		<u>15,261</u>	
Class A New Euro Accumulating (€)				
Opening Shares	457,217		880,988	
Subscriptions	6,517	87,380	8,201	102,640
Redemptions	(167,298)	(2,178,755)	(431,972)	(5,568,462)
Closing Shares	<u>296,436</u>		<u>457,217</u>	
Class A New Sterling Accumulating (£)				
Opening Shares	19,301		59,260	
Subscriptions	889	12,358	–	–
Redemptions	(139)	(1,978)	(39,959)	(645,710)
Closing Shares	<u>20,051</u>		<u>19,301</u>	
Class A New US Dollar Accumulating (US\$)				
Opening Shares	14,360		175,299	
Subscriptions	–	–	–	–
Redemptions	(19)	(216)	(160,939)	(1,717,010)
Closing Shares	<u>14,341</u>		<u>14,360</u>	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C High Income Bond Fund (continued)				
Class A New Euro Distributing (€)				
Opening Shares	1,915,058		3,094,264	
Subscriptions	16,863	104,966	56,958	359,675
Redemptions	(368,778)	(2,238,235)	(1,236,164)	(7,739,164)
Closing Shares	<u>1,563,143</u>		<u>1,915,058</u>	
Class A New Sterling Distributing (£)				
Opening Shares	1,476,307		2,017,009	
Subscriptions	56,214	441,427	48,713	442,261
Redemptions	(333,367)	(2,613,548)	(589,415)	(5,402,710)
Closing Shares	<u>1,199,154</u>		<u>1,476,307</u>	
Class A New US Dollar Distributing (US\$)				
Opening Shares	1,573,538		1,988,979	
Subscriptions	67,881	396,382	5,560	32,442
Redemptions	(155,396)	(900,823)	(421,001)	(2,498,440)
Closing Shares	<u>1,486,023</u>		<u>1,573,538</u>	
Class A New Norwegian Krone Distributing (NOK)				
Opening Shares	69,279		73,988	
Subscriptions	7,130	51,984	1,712	12,984
Redemptions	(7,346)	(54,832)	(6,421)	(51,054)
Closing Shares	<u>69,063</u>		<u>69,279</u>	
Class C Sterling Accumulating (£)				
Opening Shares	991		941	
Subscriptions	1,361	19,223	527	7,754
Redemptions	(543)	(7,118)	(477)	(7,459)
Closing Shares	<u>1,809</u>		<u>991</u>	
Class C Sterling Distributing (£)				
Opening Shares	39,843		10,471	
Subscriptions	9,252	104,445	37,029	470,645
Redemptions	(10,950)	(127,665)	(7,657)	(92,495)
Closing Shares	<u>38,145</u>		<u>39,843</u>	
Eastern European Fund				
US Dollar Class (US\$)				
Opening Shares	658,005		938,894	
Subscriptions	79,233	4,665,949	32,365	1,864,968
Redemptions	(207,884)	(12,056,675)	(313,254)	(18,937,730)
Closing Shares	<u>529,354</u>		<u>658,005</u>	
Class B US Dollar Distributing (US\$)				
Opening Shares	6,454,782		6,319,430	
Subscriptions	152,143	1,100,000	135,352	1,011,583
Redemptions	–	–	–	–
Closing Shares	<u>6,606,925</u>		<u>6,454,782</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C Global Emerging Markets Fund				
Class A Euro Accumulating (€)				
Opening Shares	121,292		196,662	
Subscriptions	1,285	33,978	836	19,501
Redemptions	(35,747)	(896,659)	(76,206)	(1,811,796)
Closing Shares	<u>86,830</u>		<u>121,292</u>	
Class A US Dollar Accumulating (US\$)				
Opening Shares	458,887		604,595	
Subscriptions	9,302	124,453	13,849	161,124
Redemptions	(111,898)	(1,384,316)	(159,557)	(1,938,474)
Closing Shares	<u>356,291</u>		<u>458,887</u>	
Class A Euro Distributing (€)				
Opening Shares	209,502		246,699	
Subscriptions	33,753	1,542,224	10,541	429,304
Redemptions	(23,712)	(1,007,198)	(47,738)	(1,983,402)
Closing Shares	<u>219,543</u>		<u>209,502</u>	
Class A Sterling Distributing (£)				
Opening Shares	70,208		120,473	
Subscriptions	235	15,456	1,270	73,663
Redemptions	(15,580)	(959,628)	(51,535)	(3,088,113)
Closing Shares	<u>54,863</u>		<u>70,208</u>	
Class A US Dollar Distributing (US\$)				
Opening Shares	304,134		376,016	
Subscriptions	1,070	44,987	359	13,543
Redemptions	(61,152)	(2,482,559)	(72,241)	(2,854,914)
Closing Shares	<u>244,052</u>		<u>304,134</u>	
Class C Sterling Distributing (£)*				
Opening Shares	27,228		–	
Subscriptions	1,647	26,817	29,514	419,367
Redemptions	–	–	(2,286)	(33,616)
Closing Shares	<u>28,875</u>		<u>27,228</u>	

* Class C Sterling Distributing launched 9 March 2016

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C Macro Global Bond Fund (£) (terminated 25 August 2016)				
Class A Sterling Accumulating (£)				
Opening Shares	120,448		361,117	
Subscriptions	35	517	1,233	19,261
Redemptions	(120,483)	(1,802,877)	(241,902)	(3,828,777)
Closing Shares	<u>–</u>		<u>120,448</u>	
Euro Distributing Class (€)				
Opening Shares	13,892		28,778	
Subscriptions	–	–	–	–
Redemptions	(13,892)	(132,436)	(14,886)	(129,035)
Closing Shares	<u>–</u>		<u>13,892</u>	
Class A Sterling Distributing (£)				
Opening Shares	337,237		1,364,429	
Subscriptions	–	–	1,980	27,187
Redemptions	(337,237)	(4,342,815)	(1,029,172)	(13,973,653)
Closing Shares	<u>–</u>		<u>337,237</u>	
US Dollar Distributing Class (US\$)				
Opening Shares	38,531		45,166	
Subscriptions	–	–	–	–
Redemptions	(38,531)	(329,921)	(6,635)	(52,004)
Closing Shares	<u>–</u>		<u>38,531</u>	
Class C Sterling Accumulating (£)				
Opening Shares	341,359		244,286	
Subscriptions	23,293	226,388	668,733	6,827,120
Redemptions	(364,652)	(3,493,596)	(571,660)	(5,773,013)
Closing Shares	<u>–</u>		<u>341,359</u>	
Class C Sterling Distributing (£)				
Opening Shares	702,788		2,102,347	
Subscriptions	11,074	105,187	457,127	4,575,667
Redemptions	(713,862)	(6,818,221)	(1,856,686)	(18,645,981)
Closing Shares	<u>–</u>		<u>702,788</u>	
Class C Euro Accumulating (€)*				
Opening Shares	–		35,784	
Subscriptions	–	–	–	–
Redemptions	–	–	(35,784)	(253,567)
Closing Shares	<u>–</u>		<u>–</u>	

* Class C Euro Accumulating terminated on 23 October 2015

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C Macro Global Bond Fund (€) (terminated 23 March 2016)				
Class A Euro Accumulating (€)				
Opening Shares	–		1,441,337	
Subscriptions	–	–	134,121	1,962,054
Redemptions	–	–	(1,575,458)	(22,549,011)
Closing Shares	–		–	
Class A Euro Distributing (€)				
Opening Shares	–		518,044	
Subscriptions	–	–	13,778	176,500
Redemptions	–	–	(531,822)	(6,587,675)
Closing Shares	–		–	
Class C Euro Accumulating (€)				
Opening Shares	–		23,764	
Subscriptions	–	–	–	–
Redemptions	–	–	(23,764)	(234,925)
Closing Shares	–		–	
F&C Macro Global Bond Fund (\$) (terminated 30 October 2015)				
Class A US Dollar Accumulating (US\$)				
Opening Shares	–		379,379	
Subscriptions	–	–	(835)	–
Redemptions	–	–	(378,544)	(4,513,514)
Closing Shares	–		–	
Class A US Dollar Distributing (US\$)				
Opening Shares	–		676,632	
Subscriptions	–	–	–	–
Redemptions	–	–	(676,632)	(7,082,684)
Closing Shares	–		–	
Class C US Dollar Distributing (US\$)				
Opening Shares	–		11,500	
Subscriptions	–	–	–	–
Redemptions	–	–	(11,500)	(110,412)
Closing Shares	–		–	
F&C Global Unconstrained Equities Fund (terminated 25 August 2016)				
Class A Euro Accumulating (€)				
Opening Shares	34,883		194,058	
Subscriptions	–	–	–	–
Redemptions	(34,883)	(400,372)	(159,175)	(1,892,803)
Closing Shares	–		34,883	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C Global Unconstrained Equities Fund (terminated 25 August 2016) (continued)				
Class A Sterling Accumulating (£)				
Opening Shares	54,539		109,489	
Subscriptions	336	4,265	–	–
Redemptions	(54,875)	(681,746)	(54,950)	(882,478)
Closing Shares	<u>–</u>		<u>54,539</u>	
Class A US Dollar Accumulating (US\$)				
Opening Shares	119,337		318,229	
Subscriptions	–	–	–	–
Redemptions	(119,337)	(1,242,677)	(198,892)	(2,362,089)
Closing Shares	<u>–</u>		<u>119,337</u>	
Class A Norwegian Krone Accumulating (NOK)				
Opening Shares	16,047		23,587	
Subscriptions	–	–	–	–
Redemptions	(16,047)	(184,023)	(7,540)	(87,192)
Closing Shares	<u>–</u>		<u>16,047</u>	
Class A Singapore Dollar Accumulating (SGD)				
Opening Shares	1,917		5,052	
Subscriptions	–	–	–	–
Redemptions	(1,917)	(12,455)	(3,135)	(22,374)
Closing Shares	<u>–</u>		<u>1,917</u>	
Class A Euro Distributing (€)*				
Opening Shares	–		585	
Subscriptions	–	–	–	–
Redemptions	–	–	(585)	(6,613)
Closing Shares	<u>–</u>		<u>–</u>	
Class A Sterling Distributing (£)				
Opening Shares	36,402		114,730	
Subscriptions	–	–	–	–
Redemptions	(36,402)	(495,263)	(78,328)	(1,348,715)
Closing Shares	<u>–</u>		<u>36,402</u>	
Class C Sterling Accumulating (£)				
Opening Shares	21,595		38,814	
Subscriptions	439	5,487	390	5,073
Redemptions	(22,034)	(254,590)	(17,609)	(262,488)
Closing Shares	<u>–</u>		<u>21,595</u>	
Class C Sterling Distributing (£)				
Opening Shares	9,683		14,192	
Subscriptions	–	–	12,094	147,885
Redemptions	(9,683)	(111,094)	(16,603)	(250,898)
Closing Shares	<u>–</u>		<u>9,683</u>	

* Class Terminated 28 January 2016

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C Real Estate Securities Fund				
Class A Euro Accumulating (€)				
Opening Shares	463,033		115,284	
Subscriptions	1,938,540	32,780,879	994,643	14,199,185
Redemptions	(2,328,505)	(38,391,948)	(646,894)	(8,830,996)
Closing Shares	<u>73,068</u>		<u>463,033</u>	
Class A Sterling Accumulating (£)				
Opening Shares	154,858		476,805	
Subscriptions	1,303,516	27,902,635	39,387	773,282
Redemptions	(219,424)	(4,874,982)	(361,334)	(7,252,606)
Closing Shares	<u>1,238,950</u>		<u>154,858</u>	
Class A Norwegian Krone Accumulating (NOK)				
Opening Shares	41,277		41,277	
Subscriptions	4,850	86,329	–	–
Redemptions	(4,850)	(76,296)	–	–
Closing Shares	<u>41,277</u>		<u>41,277</u>	
Class A Sterling Distributing (£)				
Opening Shares	112,219		179,221	
Subscriptions	53,085	997,118	184,247	3,326,603
Redemptions	(86,780)	(1,724,257)	(251,249)	(4,378,848)
Closing Shares	<u>78,524</u>		<u>112,219</u>	
Class B Euro Accumulating (€)				
Opening Shares	560,395		587,904	
Subscriptions	312,756	5,622,877	15,673	223,733
Redemptions	(580,908)	(10,010,740)	(43,182)	(601,743)
Closing Shares	<u>292,243</u>		<u>560,395</u>	
Class B Sterling Accumulating (£)				
Opening Shares	1,049,499		1,158,509	
Subscriptions	175,193	3,953,148	288,089	5,831,528
Redemptions	(491,352)	(11,523,950)	(397,099)	(7,976,752)
Closing Shares	<u>733,340</u>		<u>1,049,499</u>	
Class C Sterling Distributing (£)				
Opening Shares	2,000,324		1,479,667	
Subscriptions	317,709	6,160,761	759,453	13,567,499
Redemptions	(836,325)	(16,307,108)	(238,796)	(4,282,239)
Closing Shares	<u>1,481,708</u>		<u>2,000,324</u>	

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value	Mar 2016 Shares	Mar 2016 Value
F&C Real Estate Equity Long/Short Fund				
Class A Euro Accumulating (€)				
Opening Shares	3,287,757		1,656,720	
Subscriptions	958,484	10,768,763	1,902,682	21,293,226
Redemptions	(1,422,623)	(15,872,094)	(271,645)	(3,038,304)
Closing Shares	<u>2,823,618</u>		<u>3,287,757</u>	
Class A US Dollar Accumulating (US\$)				
Opening Shares	698,014		105,185	
Subscriptions	105,478	1,047,467	1,412,882	14,582,791
Redemptions	(318,136)	(3,364,875)	(820,053)	(8,555,535)
Closing Shares	<u>485,356</u>		<u>698,014</u>	
Class B Euro Accumulating (€)				
Opening Shares	7,274,243		1,344,711	
Subscriptions	5,696,035	64,921,316	6,294,078	71,295,364
Redemptions	(2,162,102)	(24,677,513)	(364,546)	(4,128,304)
Closing Shares	<u>10,808,176</u>		<u>7,274,243</u>	
Class B US Dollar Accumulating (US\$)*				
Opening Shares	1,699,201		–	
Subscriptions	–	–	1,699,201	15,357,139
Redemptions	(1,699,201)	(15,636,895)	–	–
Closing Shares	<u>–</u>		<u>1,699,201</u>	
Class C Sterling Accumulating (£)				
Opening Shares	8,585,476		4,889,546	
Subscriptions	2,464,757	35,157,315	4,450,932	69,784,941
Redemptions	(2,118,624)	(29,081,592)	(755,002)	(11,647,685)
Closing Shares	<u>8,931,609</u>		<u>8,585,476</u>	
*Class launched 2 March 2016 and terminated 9 November 2016				
F&C Multi Strategy Global Equity Fund				
Class F Euro Accumulating (€)				
Opening Shares	34,824,329		34,445,568	
Subscriptions	435,920	4,991,284	5,188,686	65,058,118
Redemptions	(5,203,559)	(64,336,749)	(4,809,925)	(58,375,127)
Closing Shares	<u>30,056,690</u>		<u>34,824,329</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

9. Share Capital (continued)

	Mar 2017 Shares	Mar 2017 Value
BMO US Real Estate Equity Long/Short Fund (launched 31 March 2017)		
Class A Euro Accumulating (€)		
Opening Shares	–	
Subscriptions	1,000	10,696
Redemptions	–	–
Closing Shares	<u>1,000</u>	
Class B Euro Accumulating (€)		
Opening Shares	–	
Subscriptions	1,000	10,696
Redemptions	–	–
Closing Shares	<u>1,000</u>	
Class B US Dollar Accumulating (US\$)		
Opening Shares	–	
Subscriptions	100	1,000
Redemptions	–	–
Closing Shares	<u>100</u>	
Class C Sterling Accumulating (£)		
Opening Shares	–	
Subscriptions	1,000	12,504
Redemptions	–	–
Closing Shares	<u>1,000</u>	
Class F Euro Accumulating (€)		
Opening Shares	–	
Subscriptions	1,000	10,696
Redemptions	–	–
Closing Shares	<u>1,000</u>	
Class F Sterling Accumulating (£)		
Opening Shares	–	
Subscriptions	540,000	6,752,430
Redemptions	–	–
Closing Shares	<u>540,000</u>	
Class F US Dollar Accumulating (US\$)		
Opening Shares	–	
Subscriptions	100	1,000
Redemptions	–	–
Closing Shares	<u>100</u>	

31 March 2017

10. Derivatives and Other Financial Instruments and Associated Risks

(i) Strategy in using financial instruments

The relevant 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 period consisted of CFDs, equity index futures, commodity futures, options, swaps 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.

The Funds' investments in equities, bonds, CFDs, equity index futures, commodity futures, options, swaps and FFCTs expose the Fund 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 Macro Global Bond Fund (£), F&C Macro Global Bond Fund (€), F&C Real Estate Equity Long/Short Fund and F&C Multi Strategy Global Equity Fund. The Commitment approach is used on the other Funds.

There was a change effective 11 March 2016 in the VaR limits being utilised for the Funds which use VaR. 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 2017 and 31 March 2016 none of the Funds exceeded the applicable limit.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(ii) Derivative exposure (continued)

Fund	Limit prior to 13 March 2016	Methodology	Limit effective 13 March 2016	Methodology
F&C High Income Bond Fund	2.20%	Absolute VaR	2.21%	Absolute VaR
F&C Macro Global Bond Fund (£)	1.47%**	Absolute VaR	1.47%	Absolute VaR
F&C Macro Global Bond Fund (€)*	1.47%**	Absolute VaR	1.47%	Absolute VaR
F&C Real Estate Equity Long/Short Fund	4.47%	Absolute VaR	1.47%	Absolute VaR
F&C Multi Strategy Global Equity Fund	4.47%	Absolute VaR		Relative approach (2x MSCI World)

* F&C Global Macro Bond Fund (€) terminated 23 March 2016

** Change to Absolute VaR from the commitment approach effective 24 August 2015

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

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 one financial year period ending 31 March 2017 and 31 March 2016 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 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% CI, 1 day)/Limited as disclosed on previous page

** This Fund is now 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 2016

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 2016
F&C High Income Bond Fund	VaR	20.44%	11.31%	15.53%	0.78%
F&C Macro Global Bond Fund (£)	VaR	28.50%	10.92%	17.54%	1.23%
F&C Macro Global Bond Fund (€)	VaR	38.54%	6.20%	17.50%	N/A
F&C Real Estate Equity Long/Short Fund	VaR	12.43%	4.60%	7.15%	0.21%
F&C Multi Strategy Global Equity Fund	VaR	63.95%	40.69%	52.88%	2.81%

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

Utilisation = 100% equates to using the full limit allowed

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(ii) Derivative exposure (continued)

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 notional 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. Below is the average daily level of leverage for each Fund during the financial year ending 31 March 2017 and 31 March 2016.

As at 31 March 2017

Fund	Average leverage employed during the financial year as % of NAV*
	31 March 2017
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%

As at 31 March 2016

Fund	Average leverage employed during the financial year as % of NAV*
	31 March 2016
F&C High Income Bond Fund	185.60%
F&C Macro Global Bond Fund (£)	837.29%
F&C Macro Global Bond Fund (€)	701.90%
F&C Real Estate Equity Long/Short Fund	73.62%
F&C Multi Strategy Global Equity Fund	11.89%

* 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 Global Unconstrained Equities Fund, F&C Real Estate Securities Fund, F&C Real Estate Equity Long/Short Fund and F&C Multi Strategy Global Equity 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(iii) Market price risk (continued)

Equity Funds (continued)

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.

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 net asset value ("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 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 Multi Strategy Global Equity Fund	€19,521	4.71%
F&C Real Estate Securities Fund	£5,003	5.95%
F&C Real Estate Equity Long/Short Fund	€16,609	5.97%

Equity Funds as at 31 March 2016**Impact of +/- 5% market move**

	Currency 000	%
Eastern European Fund	US\$4,238	4.93%
F&C Global Emerging Markets Fund	US\$1,702	5.04%
F&C Multi Strategy Global Equity Fund	€19,920	4.97%
F&C Global Unconstrained Equities Fund	US\$178	5.13%
F&C Real Estate Securities Fund	£4,874	5.75%
F&C Real Estate Equity Long/Short Fund	€11,046	4.14%

Bond Funds – F&C High Income Bond Fund and F&C Macro Global Bond Fund (£)

Fixed income holdings are not subject to significant amounts of market price risk, therefore no sensitivity analysis is presented for the Bond Funds.

(iv) Interest rate risk

Equity Funds

The only interest-bearing assets in the Equity Fund 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(iv) Interest rate risk (continued)

Bond Funds

The Bond Funds' interest-bearing financial assets and liabilities expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their 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. The F&C Macro Global Bond Fund (£) closed during the financial year.

Any excess cash and cash equivalents in the Bond Funds 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.

In accordance with the Company's policy, the relevant Investment Manager monitors each 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 each of the Bond Funds' exposure to interest rate risks. It includes the Funds' assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

F&C High Income Bond Fund	Less than	1 month	1–5	Over	Non-interest	Total
As at 31 March 2017	1 month–	1 financial year	financial years	5 financial years	bearing	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
Debtors	–	–	–	–	865	865
Margin cash	439	–	–	–	–	439
Cash at bank	629	–	–	–	–	629
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 redeemable participating shares)	–	–	–	–	(1,331)	(1,331)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(iv) Interest rate risk (continued)

F&C High Income Bond Fund	Less than	1 month	1–5	Over	Non-interest	Total
As at 31 March 2016	1 month–	1 financial year	financial years	5 financial years	bearing	2016
Assets	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
Financial assets at fair value						
through profit or loss	–	2,037	16,805	33,552	388	52,782
Debtors	–	–	–	–	882	882
Margin cash	581	–	–	–	–	581
Cash at bank	4,627	–	–	–	–	4,627
Collateral cash	703	–	–	–	–	703
Total assets	5,911	2,037	16,805	33,552	1,270	59,575
Liabilities						
Financial liabilities at fair value						
through profit or loss	–	–	–	–	(1,286)	(1,286)
Creditors	–	–	–	–	(865)	(865)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)	–	–	–	–	(2,151)	(2,151)
F&C Macro Global Bond Fund (£)	Less than	1 month	1–5	Over	Non-interest	Total
As at 31 March 2016	1 month–	1 financial year	financial years	5 financial years	bearing	2016
Assets	£000	£000	£000	£000	£000	£000
Financial assets at fair value						
through profit or loss	–	3,726	–	13,228	202	17,156
Debtors	–	–	–	–	123	123
Margin cash	500	–	–	–	–	500
Cash at bank	537	–	–	–	–	537
Total assets	1,037	3,726	–	13,228	325	18,316
Liabilities						
Financial liabilities at fair value through profit or loss	–	–	–	–	(430)	(430)
Creditors	–	–	–	–	(720)	(720)
Bank overdraft	(123)	–	–	–	–	(123)
Margin payable	(64)	–	–	–	–	(64)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)	(187)	–	–	–	(1,150)	(1,337)

The following table shows, for the purposes of FRS 102, the impact on the Bond Funds below of a 1% move in interest rates calculated by reference to the duration of the respective portfolios as at 31 March 2017 and assuming no convexity. It also assumes that both the securities and derivatives other than interest rate options held in the Funds as at 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 Funds' portfolios are 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(iv) Interest rate risk (continued)

Bond Funds*

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

Bond Funds

	Duration at 31.3.2016	Impact of +/- 1% Interest rate move
F&C High Income Bond Fund	2.90 years	2.90%
F&C Macro Global Bond Fund (£)	2.21 years	2.21%

* F&C Real Estate Equity Long/Short Fund only holds treasury bills as a liquidity proxy. Therefore, no duration figures have been disclosed for this Fund.

(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.

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 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 2017 the Depositary held cash and investments of the Company and had an S&P credit rating of A.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(v) Credit risk (continued)

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

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 2017 and 31 March 2016:

	Currency	Protection sold Notional Value	
		2017	2016
F&C High Income Bond Fund	US\$m	–	6.4

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.

In accordance with the Company's policy, the relevant Investment Manager monitors each 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 2017 and 31 March 2016 the Bond Funds' exposure to credit risk on issuers of debt securities was as follows:

F&C High Income Bond Fund	At 31 March 2017	At 31 March 2016
By rating category	% of debt securities	% of debt securities
AAA/Aaa	–	3.23
AA/Aa	0.45	0.40
A/A	11.92	13.93
BBB/Baa	36.89	42.23
BB/Bb	27.32	22.00
B/B	19.04	13.26
Below B	1.61	3.43
Unrated	2.77	1.52
Total	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(v) Credit risk (continued)

F&C Macro Global Bond Fund (£)*	At 31 March 2016 % of debt securities
By rating category	
AAA/Aaa	41.00
AA/Aa	5.02
A/A	3.30
BBB/Baa	50.68
Total	100.00

* Fund terminated 25 August 2016

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

* Fund did not held any bonds at 31 March 2016

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	2017 US\$000	2017 Ratings	2016 US\$000	2016 Ratings
FX Options				
Citibank	—*	A+	—	—
BNP Paribas	—	—	2	A
Deutsche Bank	—	—	4	BBB+
JP Morgan	20	A+	—	—
Credit Default Swaps				
Barclays Bank	—	—	(548)	A—
Forward Foreign Currency Transactions				
Barclays Bank	(11)	A—	(80)	A—
BNP Paribas	(115)	A	(364)	A
Canadian Imperial Bank of Commerce	(57)	A+	9	A+
Citibank	11	A+	(27)	A
HSBC	(57)	AA—	(20)	AA—
ING	17	A	(11)	A
JP Morgan	(4)	A—	—	—
Rabobank	—	—	(5)	A+
Royal Bank of Canada	(6)	AA—	(24)	AA—
Societe Generale	(5)	A	—	—
State Street	(49)	AA—	244	AA—
Westpac Banking Corporation	(10)	AA—	(92)	AA—

* Values are less than US\$500

TRADITIONAL FUNDS plc

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(v) Credit risk (continued)

F&C Macro Global Bond Fund (£) (terminated 25 August 2016)	2017	2017	2016	2016
Forward Foreign Currency Transactions	£000	Ratings	£000	Ratings
Bank of Montreal	–	–	(88)	A+
BNP Paribas	–	–	(36)	A
Canadian Imperial Bank of Commerce	–	–	(66)	A+
Citibank	–	–	72	A
HSBC	–	–	3	AA–
ING	–	–	(14)	A
Rabobank	–	–	13	A+
Royal Bank of Canada	–	–	1	AA–
Westpac Banking Corporation	–	–	(6)	AA–
FX Options				
Barclays Bank	–	–	25	A–
F&C Global Unconstrained Equities Fund (terminated 25 August 2016)	2017	2017	2016	2016
Forward Foreign Currency Transactions	US\$000	Ratings	US\$000	Ratings
State Street	–	–	6	AA–
F&C Real Estate Securities Fund	2017	2017	2016	2016
Contracts for Difference	£000	Ratings	£000	Ratings
Goldman Sachs	(461)	A+	(1,244)	A
Forward Foreign Currency Transactions				
State Street	(76)	AA–	175	AA–
F&C Real Estate Equity Long/Short Fund	2017	2017	2016	2016
Contracts for Difference	€000	Ratings	€000	Ratings
Goldman Sachs	(4,313)	A+	(3,317)	A
Forward Foreign Currency Transactions				
State Street	1,430	AA–	(1,576)	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 2017 are disclosed in the tables above.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

10. 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 2017 and 31 March 2016 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 2017. 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	2017 Total US\$000
<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>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>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>Net settled derivatives</i>						
– Futures	–	(51)	–	–	–	(51)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(vi) Liquidity risk

The comparative tables for the Funds' derivative financial instruments in a loss position as at 31 March 2016 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	2016 Total US\$000
<i>Net settled derivatives</i>						
– Credit Default Swaps	–	–	(548)	–	–	(548)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	19,351	19,544	–	–	–	38,895
Forward foreign currency contracts – receive legs	19,650	19,983	–	–	–	39,633
F&C Macro Global Bond 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	2016 Total £000
<i>Net settled derivatives</i>						
– Futures	–	(143)	–	–	–	(143)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	17,321	18,388	–	–	–	35,709
Forward foreign currency contracts – receive legs	17,512	18,484	–	–	–	35,996
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	2016 Total £000
<i>Net settled derivatives</i>						
– Contracts for difference	(2,111)	–	–	–	–	(2,111)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	1	1,528	–	–	–	1,529
Forward foreign currency contracts – receive legs	1	1,542	–	–	–	1,543
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	2016 Total €000
<i>Net settled derivatives</i>						
– Contracts for difference	(5,408)	–	–	–	–	(5,408)
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	154,824	13,347	–	–	–	168,171
Forward foreign currency contracts – receive legs	156,521	13,349	–	–	–	169,870
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	2016 Total €000
<i>Net settled derivatives</i>						
– Futures	–	(247)	–	–	–	(247)
F&C Global Unconstrained Equities 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	2016 Total US\$000
<i>Gross settled derivatives</i>						
Forward foreign currency contracts – pay legs	1,758	–	–	–	–	1,758
Forward foreign currency contracts – receive legs	1,760	–	–	–	–	1,760

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(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.

The impact of currency exposures will generally vary from Fund to Fund. For the Bond Funds, 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 these Funds.

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 each 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	2017	2016
	US\$000	US\$000
Australian Dollar	(652)	58
Brazilian Real	(329)	2,845
Canadian Dollar	(1,369)	33
Chinese Renminbi	(1,397)	–
Czech Koruna	1,378	–
Euro	17,622	2,802
Indian Rupee	688	765
Indonesian Rupiah	–	987
Japanese Yen	(110)	47
Mexican Peso	(17)	657
New Taiwan Dollar	(1,424)	(8)
New Turkish Lira	46	1,092
New Zealand Dollar	–	(65)
Norwegian Krone	631	30
Philippine Peso	–	(8)
Russian Ruble	125	585
Singapore Dollar	–	4
South African Rand	44	1,163
South Korean Won	(1,283)	24
Sterling Pound	12,373	4,634
Swedish Krona	(18)	10
	26,308	15,655

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(vii) Currency risk (continued)

F&C Macro Global Bond Fund (£)*	2016
	£000
Australian Dollar	1,209
Canadian Dollar	2,433
Euro	11,769
Mexican Peso	51
Norwegian Krone	22
US Dollar	1,864
	17,348

* Fund terminated 25 August 2016

If the exchange rate at 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 2017

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

As at 31 March 2016

	Effect of 5% upward movement in currency rates 000s	Effect of 5% downward movement in currency rates 000s
Bond Funds		
F&C High Income Bond Fund (US\$)	783	(783)
F&C Macro Global Bond Fund (£)*	867	(867)

* This fund terminated on 25 August 2016

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(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 Company has early adopted "Amendments to FRS 102 – Fair value hierarchy disclosures" and consequently the fair value hierarchy used is the same as under the previous accounting framework.

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.

The following 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 – options	–	20	–	20
Derivatives – futures	127	–	–	127
Derivatives – forward foreign currency contracts	–	425	–	425
Total assets	127	45,175	–	45,302
Liabilities				
Derivatives – credit default swaps	–	–	–	–
Derivatives – forward foreign currency contracts	–	(711)	–	(711)
Total Liabilities	–	(711)	–	(711)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

10. 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 2017

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

(viii) Fair value estimation (continued)

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 2016.

F&C High Income Bond Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Bonds	–	52,394	–	52,394
Derivatives – options	–	6	–	6
Derivatives – futures	14	–	–	14
Derivatives – forward foreign currency contracts	–	368	–	368
Total assets	14	52,768	–	52,782
Liabilities				
Derivatives – credit default swaps	–	(548)	–	(548)
Derivatives – forward foreign currency contracts	–	(738)	–	(738)
Total liabilities	–	(1,286)	–	(1,286)
Eastern European Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	80,588	–	–	80,588
Investment Funds	4,164	–	–	4,164
Total assets	84,752	–	–	84,752
F&C Global Emerging Markets Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	34,030	–	–	34,030
Total assets	34,030	–	–	34,030
F&C Macro Global Bond Fund (£)	Level 1	Level 2	Level 3	Total
Assets	£000	£000	£000	£000
Bonds	–	16,954	–	16,954
Derivatives – futures	11	–	–	11
Derivatives – FX options	–	25	–	25
Derivatives – forward foreign currency contracts	–	166	–	166
Total assets	11	17,145	–	17,156
Liabilities				
Derivatives – futures	(143)	–	–	(143)
Derivatives – forward foreign currency contracts	–	(287)	–	(287)
Total liabilities	(143)	(287)	–	(430)
F&C Global Unconstrained Equities Fund	Level 1	Level 2	Level 3	Total
Assets	US\$000	US\$000	US\$000	US\$000
Equities	3,559	–	–	3,559
Derivatives – forward foreign currency contracts	–	8	–	8
Total assets	3,559	8	–	3,567
Liabilities				
Derivatives – forward foreign currency contracts	–	(2)	–	(2)
Total liabilities	–	(2)	–	(2)

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

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

(viii) Fair value estimation (continued)

F&C Real Estate Securities Fund	Level 1	Level 2	Level 3	Total
Assets	£000	£000	£000	£000
Equities	51,195	–	–	51,195
Investment Funds	753	–	–	753
Derivatives – contracts for difference	–	867	–	867
Derivatives – forward foreign currency contracts	–	189	–	189
Total assets	51,948	1,056	–	53,004
Liabilities				
Derivatives – contracts for difference	–	(2,111)	–	(2,111)
Derivatives – forward foreign currency contracts	–	(14)	–	(14)
Total liabilities	–	(2,125)	–	(2,125)
F&C Real Estate Equity Long/Short Fund	Level 1	Level 2	Level 3	Total
Assets	€000	€000	€000	€000
Equities	63,579	–	–	63,579
Derivatives – contracts for difference	–	2,091	–	2,091
Derivatives – forward foreign currency contracts	–	123	–	123
Total assets	63,579	2,214	–	65,793
Liabilities				
Derivatives – contracts for difference	–	(5,408)	–	(5,408)
Derivatives – forward foreign currency contracts	–	(1,699)	–	(1,699)
Total liabilities	–	(7,107)	–	(7,107)
F&C Multi Strategy Global Equity Fund	Level 1	Level 2	Level 3	Total
Assets	€000	€000	€000	€000
Equities	389,843	–	–	389,843
Investment Funds	2,515	5,802	–	8,317
Derivatives – futures	224	–	–	224
Total assets	392,582	5,802	–	398,384
Liabilities				
Derivatives – futures	(247)	–	–	(247)
Total liabilities	(247)	–	–	(247)

11. 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

12. 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 2017 some of the Funds were trading with executing brokers where commission sharing agreement is 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.

13. Comparative Statistics

Net Asset Value	Audited 31.03.2017	Audited 31.03.2016	Audited 31.03.2015
F&C High Income Bond Fund (US\$000)	US\$45,904	US\$57,424	US\$91,968
Eastern European Fund (US\$000)	US\$87,189	US\$85,870	US\$104,149
F&C Global Emerging Markets Fund (US\$000)	US\$32,164	US\$33,735	US\$48,792
F&C Macro Global Bond Fund (£) (£000)***	–	£16,979	£49,671
F&C Macro Global Bond Fund (€) (€000)**	–	–	€ 28,490
F&C Macro Global Bond Fund (\$) (US\$000)*	–	–	US\$11,963
F&C Global Unconstrained Equities Fund (US\$000)***	–	US\$3,471	US\$11,240
F&C Real Estate Securities Fund (£000)	£84,049	£84,790	£73,730
F&C Real Estate Equity Long/Short Fund (€000)	€278,238	€266,539	€108,906
F&C Multi Strategy Global Equity Fund (€000)	€414,790	€401,074	€442,111
BMO US Real Estate Equity Long/Short Fund (US\$000)****	US\$6,797	–	–

* Terminated 30 October 2015

** Terminated 23 March 2016

*** Terminated 25 August 2016

**** Launched 31 March 2017

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

13. Comparative Statistics (continued)

NAV per Share (continued)	Audited 31.03.2017	Audited 31.03.2016	Audited 31.03.2015
F&C High Income Bond Fund			
– Class A Euro Distributing	€7.72	€7.63	€8.19
– Class A Sterling Distributing	£8.42	£8.24	£8.79
– Class A US Dollar Distributing	US\$7.78	US\$7.57	US\$8.07
– Class A Norwegian Krone Distributing	NOK 66.43	NOK 64.68	NOK 68.54
– A New Euro Accumulating Class	€12.25	€11.57	€11.87
– A New Sterling Accumulating Class	£11.29	£10.59	£10.79
– A New US Dollar Accumulating Class	US\$11.32	US\$10.55	US\$10.75
– A New Euro Distributing Class	€5.58	€5.52	€5.92
– A New Sterling Distributing Class	£5.96	£5.84	£6.23
– A New US Dollar Distributing Class	US\$5.91	US\$5.75	US\$6.13
– A New Norwegian Krone Distributing Class	NOK 63.56	NOK 61.89	NOK 65.59
– Class C Sterling Distributing	£8.58	£8.38	£8.91
– Class C Sterling Accumulating	£10.67	£10.01	£10.17
Eastern European Fund			
– US Dollar Class	US\$62.87	US\$56.81	US\$58.83
– Class B US Distributing	US\$8.16	US\$7.51	US\$7.74
F&C Global Emerging Markets Fund			
– Class A Euro Accumulating	€25.75	€21.71	€25.36
– Class A US Dollar Accumulating	US\$13.63	US\$12.17	US\$13.39
– Class A Euro Distributing	€43.21	€36.44	€42.55
– Class A Sterling Distributing	£53.67	£42.06	£44.83
– Class A US Dollar Distributing	US\$43.45	US\$38.79	US\$42.68
– Class C Sterling Distributing*	£13.41	£10.38	–
* Share Class launched 9 March 2016			
F&C Macro Global Bond Fund (£)**			
– Class A Sterling Accumulating	–	£15.33	£16.11
– Euro Distributing Class	–	€11.45	€12.07
– Class A Sterling Distributing	–	£13.20	£13.87
– US Dollar Distributing Class	–	US\$11.84	US\$12.46
– Class C Sterling Accumulating	–	£9.87	£10.33
– Class C Sterling Distributing	–	£9.77	£10.23
– Class C Euro Accumulating*	–	–	€10.03
* Share Class terminated 23 September 2015			
** Fund terminated 25 August 2016			
F&C Macro Global Bond Fund (€)*			
– Class A Euro Accumulating	–	–	€14.88
– Class A Euro Distributing	–	–	€13.09
– Class C Euro Accumulating	–	–	€10.72
* Fund terminated 23 March 2016			
F&C Macro Global Bond Fund (\$)*			
– Class A US Dollar Accumulating	–	–	US\$12.18
– Class A US Dollar Distributing	–	–	US\$10.68
– Class C US Dollar Distributing	–	–	US\$10.01
* Fund terminated 30 October 2015			

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

13. Comparative Statistics (continued)

NAV per Share (continued)	Audited 31.03.2017	Audited 31.03.2016	Audited 31.03.2015
F&C Global Unconstrained Equities Fund**			
– Class A Euro Accumulating	–	€10.24	€11.94
– Class A Sterling Accumulating	–	£9.15	£10.65
– Class A US Dollar Accumulating	–	US\$10.31	US\$12.02
– Class A Norwegian Krone Accumulating	–	NOK 93.71	NOK 109.56
– Class A Singapore Dollar Accumulating	–	SGD 8.72	SGD 10.06
– Class A Euro Distributing*	–	–	€11.82
– Class A Sterling Distributing	–	£10.30	£11.99
– Class C Sterling Accumulating	–	£8.75	£10.10
– Class C Sterling Distributing	–	£8.75	£10.11

* Share Class terminated 28 January 2016

** Fund terminated 25 August 2016

F&C Real Estate Securities Fund			
– Class A Euro Accumulating	€21.44	€20.58	€19.19
– Class A Norwegian Krone Accumulating	NOK 177.99	NOK 168.98	NOK 157.17
– Class A Sterling Accumulating	£22.57	£21.36	£19.86
– Class A Sterling Distributing	£19.90	£19.12	£18.04
– Class B Euro Accumulating	€22.17	€21.12	€19.62
– Class B Sterling Accumulating	£23.27	£21.95	£20.33
– Class C Sterling Distributing	£20.18	£19.38	£18.24

F&C Real Estate Equity Long/Short Fund			
– Class A Euro Accumulating	€11.03	€11.22	€10.92
– Class A US Dollar Accumulating	US\$11.30	US\$11.34	US\$10.98
– Class B Euro Accumulating	€11.27	€11.39	€11.01
– Class B Dollar Accumulating*	–	US\$10.01	–
– Class C Sterling Accumulating	£11.50	£11.53	£11.09

* Share Class launched 2 March 2016 and terminated 9 November 2016

F&C Multi Strategy Global Equity Fund			
– Class F Euro Accumulating	€13.80	€11.52	€12.84

BMO US Real Estate Equity Long/Short Fund*			
– Class A Euro Accumulating	€10.00	–	–
– Class B Euro Accumulating	€10.00	–	–
– Class B US Dollar Accumulating	US\$10.00	–	–
– Class C Sterling Accumulating	£10.00	–	–
– Class F Euro Accumulating	€10.00	–	–
– Class F Sterling Accumulating	£10.00	–	–
– Class F US Dollar Accumulating	US\$10.00	–	–

* Fund launched 31 March 2017

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

14. Exchange Rates

At 31 March 2017 and 31 March 2016, 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 2017	Exchange Rate to € March 2016	Exchange Rate to £ March 2017	Exchange Rate to £ March 2016	Exchange Rate to US\$ March 2017	Exchange Rate to US\$ March 2016
Australian Dollar	1.40	1.48	1.64	1.87	1.31	1.30
Brazilian Real	3.40	4.04	3.97	5.09	3.17	3.54
Canadian Dollar	1.43	1.47	1.67	1.86	1.33	1.29
Chilean Peso	708.15	762.20	827.93	961.35	662.11	668.86
Chinese Renminbi	7.37	7.37	8.62	9.30	6.89	6.47
Czech Koruna	27.02	27.05	31.59	34.12	25.27	23.74
Danish Krone	7.44	7.45	8.69	9.40	6.95	6.54
Euro	—	—	1.17	1.26	0.93	0.88
Hong Kong Dollar	8.31	8.84	9.72	11.15	7.77	7.76
Hungarian Forint	308.82	314.18	361.05	396.27	288.74	275.71
Indian Rupee	69.45	75.46	81.20	95.18	64.94	66.22
Indonesian Rupiah	14,252.28	15,110.44	16,662.87	19,058.60	13,325.50	13,260.00
Japanese Yen	119.18	128.08	139.34	161.55	111.43	112.40
Malaysian Ringgit	4.73	4.45	5.53	5.61	4.43	3.90
Mexican Peso	20.14	19.53	23.55	24.63	18.83	17.14
New Taiwan Dollar	32.45	36.68	37.94	46.26	30.34	32.18
New Turkish Lira	3.89	3.21	4.55	4.05	3.64	2.82
New Zealand Dollar	1.53	1.64	1.79	2.07	1.43	1.44
Nigerian Nira	327.34	226.79	382.70	286.05	306.05	199.02
Norwegian Krone	9.19	9.43	10.74	11.89	8.59	8.27
Philippine Peso	53.66	52.47	62.74	66.18	50.18	46.05
Polish Zloty	4.24	4.24	4.95	5.35	3.96	3.72
Romanian Leu	4.55	4.47	5.32	5.64	4.26	3.92
Russian Ruble	60.26	76.19	70.45	96.10	56.34	66.86
Singapore Dollar	1.49	1.53	1.75	1.94	1.40	1.35
South African Rand	14.34	16.76	16.77	21.14	13.41	14.71
South Korean Won	1,196.08	1,303.19	1,398.38	1,643.70	1,118.30	1,143.60
Sterling Pound	0.86	0.79	—	—	0.80	0.70
Swedish Krona	9.55	9.24	11.16	11.65	8.93	8.11
Swiss Franc	1.07	1.09	1.25	1.38	1.00	0.96
Thai Baht	36.75	40.09	42.97	50.56	34.36	35.18
United States Dollar	1.07	1.14	1.25	1.44	—	—
Vietnamese Dong	24,337.60	25,404.00	28,453.99	32,041.73	22,755.00	22,293.00

The average daily rates of exchange at 31 March 2017 and 31 March 2016 to the Euro also used in the preparation of these financial statements were as follows:

	2017	2016
Sterling Pound	0.84	0.74
United States Dollar	1.10	1.10

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

15. 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 Net Asset Value 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 Macro Global Bond Fund (£) Class A – Non Institutional Class C – Institutional	1.00% 0.60%
F&C Macro Global Bond Fund (€) Class A – Non Institutional Class C – Institutional	1.00% 0.60%
F&C Macro Global Bond Fund (\$) Class A – Non Institutional Class C – Institutional	1.00% 0.60%
F&C Global Unconstrained Equities 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	1.50% 1.00%
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%

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 2017 are disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

15. 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 of the Company's Funds. 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 Macro Global Bond Fund (£)	10%	Composite Index – FTSE all stock index and the Citigroup World Government Bond Index in equal proportions expressed in Sterling on a total return basis
F&C Macro Global Bond Fund (€)	10%	Composite Index – Citigroup Euro Government Bond Index and the Citigroup World Government Bond Index in equal proportions expressed in Euro
F&C Macro Global Bond Fund (\$)	10%	Composite Index – Citigroup US Government Bond Index and the Citigroup World Government Bond Index in equal proportions expressed in US Dollars
F&C Global Unconstrained Equities Fund	10%	2% pa over 3 month NIBOR for all NOK share classes, 2% pa over 3 month SIBOR for all Singapore dollar share classes & 2% pa over 3 month LIBOR of the currency denomination for all other share classes on the first Business Day of the Performance Period, expressed as a quarterly percentage
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 F&C Multi Strategy Global Equity Fund which launched on 20 October 2014 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 2017 are disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

15. Fees and Expenses (continued)

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 Net Asset Value 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 2017 are disclosed in note 7.

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 Net Asset Value 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 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 Net Asset Value and Net Asset Value 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.

16. Related Party Disclosures

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

16. Related Party Disclosures (continued)

At 31 March 2017, the Investment Manager, F&C Management Limited, held 4,200 shares in BMO US Real Estate Equity Long/Short Fund.

At 31 March 2017, 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 (at 31 March 2016: none).

At 31 March 2017, F&C Multi Strategy Global Equity Fund invested in related funds as disclosed in the portfolio statement (at 31 March 2016: 285,479 shares of F&C Portfolios Fund – F&C Japanese Equity (UCITS) and 814,360 shares of F&C Investment Funds ICVC – UK Mid-Cap Fund (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.

At 31 March, Mr. Moloney held shares in the following Funds:

	2017	2016
Direct:		
F&C Global Unconstrained Equities Fund		
– Class A Sterling Accumulating	–	2,493
Personal Pension Plan:		
F&C Global Unconstrained Equities Fund		
– Class A Euro Accumulating	–	3,931

At 31 March 2017, the following Funds had shareholders who held more than 10% of the relevant Fund’s Net Asset Value:

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

At 31 March 2016, the following Funds had shareholders who held more than 10% of the relevant Fund’s Net Asset Value:

Fund	No. of Shareholders	% Shareholding
F&C High Income Bond Fund	2	26.95
Eastern European Fund	1	90.70
F&C Global Emerging Markets Fund	1	10.53
F&C Macro Global Bond Fund (£)	1	11.31
F&C Real Estate Securities Fund	3	39.61
F&C Real Estate Equity Long/Short Fund	1	25.21
F&C Multi Strategy Global Equity Fund	1	87.49

During the financial year, Directors’ fees of €176,803 (31 March 2016: €208,150) 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 2017 were €56,822 (31 March 2016: €156,311).

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

16. Related Party Disclosures (continued)

F&C Global Unconstrained Equities Fund operated an expense cap effective 4 February 2016. For the financial year ended 31 March 2017 an amount of US\$Nil was reimbursed to the Fund (period from 4 February 2016 to 31 March 2016: US\$14,608).

17. 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.

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.

18. 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.

19. Reporting Fund Status

Certain share classes of the Company's 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>

20. Auditors Remuneration

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

	2017	2016
	€	€
Statutory audit of Company accounts	93,064	123,635
Other assurance services	—	—
Tax advisory services	39,400	41,663
Other non audit services	—	—
	<u>132,464</u>	<u>165,298</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 March 2017

21. 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 2017 and 31 March 2016. 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	2017	2016
F&C High Income Bond Fund (US\$000)	24	22
Eastern European Fund (US\$000)	92	68
F&C Global Emerging Markets Fund (US\$000)	70	119
F&C Macro Global Bond Fund (£) (£000) – terminated 25 August 2016	8	19
F&C Macro Global Bond Fund (€) (€000) – terminated 23 March 2016	1	18
F&C Macro Global Bond Fund (\$) (US\$000) – terminated 30 October 2015	–	9
F&C Emerging Asia Fund (US\$000) – terminated 12 March 2015	–	1
F&C Global Unconstrained Equities Fund (US\$000) – terminated 25 August 2016	12	27
F&C Real Estate Securities Fund (£000)	149	126
F&C Real Estate Equity Long/Short Fund (€000)	430	234
F&C Multi Strategy Global Equity Fund (€000)	510	563
BMO US Real Estate Equity Long/Short Fund (US\$000) – launched 31 March 2017	–	–

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.

22. Significant events after the financial year end

Effective 1 July 2017 KB Associates replaced Bridge Consulting in providing management services to assist the Company in carrying out the management functions specified by the Central Bank.

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

23. Approval of Financial Statements

The financial statements were approved by the Directors on 30 June 2017.

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED)

For the financial year ended 31 March 2017

F&C High Income Bond Fund

	Nominal Purchases	Nominal Sales
Aeropuertos Argentina 2000 6.875% 01.02.2027	286,000	
Aeropuertos Dominicanos Siglo XXI 6.750% 30.03.2029	300,000	
Africa Finance 4.375% 29.04.2020		400,000
Altice Financing 7.500% 15.05.2026	400,000	
Australia & New Zealand Banking Group 1.000% 29.12.2049	300,000	
B Communications 7.375% 15.02.2021		400,000
Bank of China 5.000% 13.11.2024		360,000
Braskem America Finance 7.125% 22.07.2041		400,000
Brazil Notas do Tesouro Nacional 6.000% 15.08.2050		1,228,000
Cablevision SA 6.500% 15.06.2021	300,000	
Calpine Corp 5.250% 01.06.2026	300,000	
CCO Holdings Capital Corp 5.875% 01.04.2024	300,000	
Colombia Telecomunicaciones 8.500% 29.12.2049	500,000	
Darling Global Finance BV 4.750% 30.05.2022		300,000
Diamond 2 Finance 6.020% 15.06.2026	400,000	400,000
Diamond 2 Finance 8.100% 15.07.2036	300,000	
Ecopetrol 5.875% 28.05.2045		400,000
Elizabeth Arden 7.375% 15.03.2021		350,000
European Bank for Reconstruction & Development 7.250% 22.08.2017		12,490,000,000
Fiat Chrysler Automobiles 5.250% 15.04.2023	300,000	
First Quantum Minerals 7.250% 1.04.2023	400,000	
Global Ports Finance 6.872% 25.01.2022	400,000	400,000
Gray Television 5.875% 15.07.2026	300,000	
Grupo Unicomer 7.875% 01.04.2024	300,000	
HCA 5.250% 15.06.2026	300,000	
IHS Netherlands Holdco 9.500% 27.10.2021	400,000	
Iraq International Bond 5.800% 15.01.2028		500,000
Kernel Holding 8.750% 31.01.2022	400,000	
Lukoil International Finance 6.125% 09.11.2020		400,000
MARB BondCo 7.000% 15.03.2024	300,000	
MHP 8.250% 02.04.2020		400,000
New Look Senior Issuer 8.000% 01.07.2023		300,000
Proven Honour Capital 4.125% 06.05.2026	400,000	
Republic of South Africa Government Bond 10.500% 21.12.2026		5,000,000
Rosneft Oil Co via Rosneft International Finance 4.199% 06.03.2022	400,000	
St Marys Cement 5.750% 28.01.2027	300,000	
T-Mobile USA 6.500% 15.01.2024	300,000	
Turkcell Iletisim Hizmetleri 5.750% 15.10.2025		500,000
Türkiye Garanti Bankasi 4.750% 17.10.2019		400,000
United Overseas Bank 2.875% 17.10.2022		400,000
Viacom 4.850% 15.12.2034	300,000	
Woori Bank 4.750% 30.04.2024		400,000

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

Eastern European Fund

	Nominal Purchases*	Nominal Sales
AmRest Holdings	4,167	4,281
Banca Transilvania	3,891,173	
Bank Pekao	20,000	72,978
Bank Zachodni WBK	5,846	4,780
BGEO Group	53,782	13,659
BIM Birlesik Magazalar	156,330	138,706
Coca-Cola Icecek		17,271
FF Group		81,184
Fondul Proprietatea	4,210,685	5,901,520
Georgia Healthcare Group	8,765	
Jeronimo Martins	260,889	
Logo Yazilim Sanayi Ve Ticaret	199,364	
Lukoil ADR		37,600
Magnit GDR	28,101	70,619
MegaFon GDR	58,528	
MMC Norilsk Nickel ADR		165,068
Mobile TeleSystems ADR	10,676	46,609
Moscow Exchange MICEX-RTS		383,090
Novatek ADR		17,021
Philip Morris	1,294	
Powszechna Kasa Oszczednosci Bank Polski		179,287
Powszechny Zaklad Ubezpieczen		72,583
Sberbank of Russia ADR		257,271
TAV Havalimanlari Holding		445,068
Turkiye Garanti Bankasi	663,326	
Turkiye Sinai Kalkinma Bankasi	1,499,129	367,813
Yandex	15,549	21,281

* There were no other purchases during the financial year

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

F&C Global Emerging Markets Fund

	Nominal Purchases*	Nominal Sales
AIA Group	119,200	
Astra International		2,164,400
Bank Mandiri Persero	391,500	455,900
Bank Rakyat Indonesia Persero	355,500	
Bata India		21,549
BIM Birlesik Magazalar		7,092
Bolsa Mexicana de Valores		169,100
CCR		52,400
Credicorp		1,103
Dairy Farm International Holdings	31,146	
Discovery		18,143
Fomento Economico Mexicano	38,000	
Foshan Haitian Flavouring & Food	124,933	
Grupo Financiero Banorte	17,748	
Hanjaya Mandala Sampoerna		1,206,700
HDFC Bank	14,109	
Hindustan Unilever	26,855	
Housing Development Finance		21,126
ICICI Bank	236,792	45,665
ITC		376,680
Jardine Matheson Holdings		7,125
Jyothy Laboratories	10,982	
Kalbe Farma		3,652,700
KT&G		10,011
Mahindra & Mahindra Financial Services		210,162
Mead Johnson Nutrition	14,153	19,653
Metropolitan Bank & Trust		345,223
Mr Price Group	72,334	
Pidilite Industries		41,352
President Chain Store		50,000
PriceSmart	4,200	
Sands China		71,200
Titan		27,298
Unilever Indonesia		157,800
Universal Robina		131,520
Wal-Mart de Mexico	282,827	
Want Want China Holdings		309,000
Yes Bank		49,737
Yum China Holdings	32,862	

* There were no other purchases during the financial year

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

F&C Macro Global Bond Fund (£) (terminated 25 August 2016)**

	Nominal Purchases*	Nominal Sales
Australia Government 4.250% Bonds 21.07.2017	2,100,000	2,100,000
Belgium Government 3.750% Bonds 22.06.2045		384,000
Bundesrepublik Deutschland 0.500% Bonds 15.02.2025	2,850,000	2,850,000
Bundesrepublik Deutschland 1.500% Bonds 15.02.2023	1,700,000	1,700,000
Bundesrepublik Deutschland 2.500% Bonds 04.07.2044	420,000	420,000
Bundesrepublik Deutschland 2.500% Bonds 15.08.2046	300,000	300,000
Canadian Treasury 0% Bills 19.05.2016		2,510,000
Canadian Treasury 0% Bills 14.07.2016		747,000
Canadian Treasury 0% Bills 22.09.2016	1,070,000	1,070,000
Deutsche Bundesrepublik Inflation Linked 0.500% Bonds 15.04.2030		991,411
France Government 0.500% Bonds 25.05.2025	700,000	700,000
France Government 1.750% Bonds 25.11.2024		418,000
France Government 2.250% Bonds 25.05.2024	1,300,000	1,300,000
France Government 3.250% Bonds 25.05.2045	540,000	540,000
Ireland Government 5.400% Bonds 13.03.2025	1,923,000	2,423,357
Italy Buoni Poliennali Del Tesoro 2.000% Bills 01.12.2025		2,920,000
Italy Buoni Poliennali Del Tesoro 2.700% Bills 01.03.2047		433,000
Italy Buoni Poliennali Del Tesoro 4.750% Bills 01.09.2044		329,000
Italy Buoni Poliennali Del Tesoro 5.000% Bills 01.03.2025	650,000	650,000
Italy Buoni Poliennali Del Tesoro 5.000% Bills 01.09.2040		450,000
Netherlands Government 0.250% Bonds 15.07.2025	700,000	1,950,000
Spain Government 1.300% Bonds 31.10.2026	451,000	451,000
Spain Government 2.900% Bonds 31.10.2046		750,000
Spain Government 3.450% Bonds 30.07.2066	300,000	
Spain Government 3.800% Bonds 30.04.2024		1,582,000
Spain Government 5.150% Bonds 31.10.2044		459,000
Spain Government 5.400% Bonds 31.01.2023		1,488,000
United States Treasury Inflation Indexed 0.625% Bonds 15.02.2043		2,978,183

* There were no other purchases during the financial year

** Purchases and sales are for the period from 1 April 2016 to 25 August 2016

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

F&C Global Unconstrained Equities Fund (terminated 25 August 2016)**

	Nominal Purchases*	Nominal Sales
AbbVie		1,865
Acuity Brands	61	272
Allianz	306	306
Amazon.com		142
Amdocs	43	1,933
Amer Sports	1,873	1,873
Apple		1,071
Bayer		851
Burberry Group		4,668
Cardinal Health		1,618
Cognex		1,132
ComfortDelGro		36,900
Continental		323
CVS Health		1,173
Delphi Automotive	51	1,198
Fresenius	675	675
Henry Schein		651
ING Groep	193	7,678
Intercontinental Exchange	10	487
Isuzu Motors		8,300
Kansas City Southern		687
Kerry Group		1,048
Keyence		200
Kubota	500	6,400
Mastercard		1,576
MEDNAX	1,009	1,009
Mettler-Toledo International		266
Nordex	284	1,538
Novartis	167	1,411
Praxair		955
Prudential		6,071
QIEN	156	3,056
Roper Technologies		734
Rotork	12,903	12,903
SAP	162	926
SCSK		1,900
Spectra Energy		2,858
SVB Financial Group		764
Taiwan Semiconductor Manufacturing	200	2,300
Tractor Supply	606	606
UBS Group		5,872
Umicore		1,342
Union Pacific		1,464
US Bancorp	1,676	1,676
USS		2,500
VF		1,483
Xylem	465	

* There were no other purchases during the financial year

** Purchases and sales are for the period from 1 April 2016 to 25 August 2016

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

F&C Real Estate Securities Fund

	Nominal Purchases	Nominal Sales
ADO Properties	57,342	36,675
Befimmo		23,316
British Land		223,796
BUWOG	351,940	359,375
Capital & Counties Properties		292,333
Castellum	212,207	228,200
Citycon	602,786	1,895,327
Conwert Immobilien Invest	98,118	98,118
D Carnegie & Co	127,098	
Deutsche Wohnen	116,093	196,188
Eurocommercial Properties	42,722	
Fabege	161,267	73,826
Fastighets Balder	96,066	75,324
Fonciere des Murs	33,149	
Fonciere Des Regions		29,784
Grand City Properties		56,377
Hemfosa Fastigheter	174,498	411,964
Hispania Activos Inmobiliarios	233,338	134,073
Inmobiliaria Colonial	4,170,646	4,326,841
Klepierre		51,423
Klovern	1,822,309	1,653,888
Kungsleden	225,275	197,002
LEG Immobilien	73,626	70,070
Merlin Properties Socimi	319,448	456,254
PSP Swiss Property	34,683	22,072
Swiss Prime Site	19,984	57,206
TAG Immobilien	210,804	191,000
TLG Immobilien	63,039	
Tritax Big Box	1,142,888	
Unibail-Rodamco		12,277
Vonovia	301,779	327,637
Wereldhave	29,501	71,955
Wihlborgs Fastigheter	81,764	

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

F&C Real Estate Equity Long/Short Fund

	Nominal Purchases	Nominal Sales
ADO Properties	162,830	92,083
American Campus Communities	78,300	78,300
Befimmo		48,496
BUWOG	1,100,719	1,149,555
Citycon		4,347,517
Conwert Immobilien Invest	230,101	230,101
D Carnegie & Co	408,634	
DiamondRock Hospitality	637,700	637,700
Duke Realty	213,300	162,000
EastGroup Properties		39,800
Entra		255,699
Fabege	320,003	164,008
Fastighets Balder	218,717	107,507
Fonciere Des Regions		74,666
France Treasury 0% Bill BTF 01.03.2017	10,000,000	
France Treasury 0% Bill BTF 29.03.2017	10,000,000	
France Treasury 0% Bill BTF 20.04.2017	10,000,000	
France Treasury 0% Bill BTF 17.05.2017	10,000,000	
France Treasury 0% Bill BTF 24.05.2017	10,000,000	
France Treasury 0% Bill BTF 08.06.2017	10,000,000	
GGP		90,500
Hemfosa Fastigheter	412,051	1,184,322
Hispania Activos Inmobiliarios	637,245	306,554
Inmobiliaria Colonial	12,674,193	10,232,949
Klovern	5,970,668	5,528,820
Kungsleden (voting rights)	566,040	402,243
LEG Immobilien	180,132	156,947
Lloyds Bank Plc 0.000% 10.02.2017	24,900,000	
Merlin Properties Socimi	533,166	628,987
Primary Health Properties		1,710,521
PSP Swiss Property	93,677	38,019
RLJ Lodging Trust	180,200	
Simon Property Group		12,100
Spain Letras del Tesoro 0% 18.08.2017	10,000,000	
Sunstone Hotel Investors	304,600	192,400
Swiss Prime Site		125,370
TAG Immobilien	311,302	311,302
Tritax Big Box	3,352,039	1,772,923
Vonovia	158,732	158,732
Wereldhave		135,059

TRADITIONAL FUNDS plc

SIGNIFICANT PORTFOLIO MOVEMENTS (UNAUDITED) (continued)

For the financial year ended 31 March 2017

F&C Multi Strategy Global Equity Fund

	Nominal Purchases	Nominal Sales
3M		53,816
AbbVie		50,355
Accenture	35,428	
Amazon.com		4,532
American Tower	39,367	
Amgen	16,309	
Amundi ETF MSCI Japan (UCITS)	125,099	
Anthem		31,033
Apple	45,841	61,838
Baker Hughes	52,194	
Cisco Systems	191,234	
Citigroup	63,774	
DNB	194,504	196,533
eBay		154,995
Edwards Lifesciences		32,958
Estee Lauder	34,475	
Everest Re Group		19,461
Ford Motor	203,799	
Gilead Sciences	31,669	
ING Groep		257,307
Kraft Heinz		37,801
Lowe's	36,113	
Mastercard	28,904	37,747
Nippon Telegraph & Telephone	52,400	
Novartis		39,470
Novo Nordisk	92,149	
Praxair		22,611
Prudential Financial	29,520	44,353
Roper Technologies		17,847
SPDR S&P Homebuilders ETF	61,100	
Suncor Energy		136,726
Union Pacific		31,896
UnitedHealth Group	19,184	33,900
Vanguard FTSE Japan ETF (UCITS)		119,200
Wal-Mart Stores	90,486	

APPENDIX 1 – UCITS V REMUNERATION POLICY (UNAUDITED)

This section of the annual report has been prepared in accordance to the Article 14a(4) of Directive 2009/65/EC, as amended by Directive 2014/91/EU ("UCITS V Directive").

Following the recent application of the UCITS V Directive on 18 March 2016, Traditional Funds (the "Company") has adopted a remuneration policy as required by the UCITS V Directive (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 €176,803. 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. 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 are employed and remunerated by Bridge Consulting, and Bridge Consulting is paid a fixed fee by the Company which is not affected by the performance of the Company or the Funds. The fee paid to Bridge Consulting for the financial year ended 31 March 2017 was €48,736.

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 identity 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.

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 (“SFTR”) (UNAUDITED)

Securities Financing Transactions Regulation (Regulation (EU) 2015/2365) (“SFTR”) came into force on 12 January 2016 and, amongst other requirements, introduces new disclosure requirements in the Company’s annual and semi-annual reports published after 13 January 2017 detailing the Company’s use of securities financing transactions and total return swaps, which the Company regards as including Contracts For Differences (“CFDs”). Under Regulation (EU) 2015/2365 on transparency of securities financing transactions (SFTs) and of reuse, and amending Regulation (EU) No 648/2012, Article 13 requires UCITS to provide the following information on the use made of SFTs.

1. Market value of assets engaged in securities financing transactions as at 31 March 2017

Below is the amount of assets engaged in each type of SFTs and CFDs expressed as an absolute amount and as a proportion of the fund’s Assets Under Management (“AUM”).

F&C Real Estate Securities Fund	Currency	CFD's	% of
			AUM
	Euro	(232)	(0.29)
	Sterling Pound	154	0.21
	Swedish Krona	(85)	(0.11)
	Swiss Franc	(298)	(0.36)
		<u>(461)</u>	<u>(0.55)</u>

F&C Real Estate Equity Long/Short Fund	Currency	CFD's	% of
			AUM
	Euro	21	0.04
	Sterling Pound	432	0.14
	Swedish Krona	(711)	(0.26)
	Swiss Franc	(2,763)	(1.01)
	United States Dollar	(1,292)	(0.46)
		<u>(4,313)</u>	<u>(1.55)</u>

2. Listed below are the top 10 Counterparties used for the CFDs held as at 31 March 2017*

Listed below are the Top 10 counterparties in respect of CFDs 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	outstanding Liabilities	Country of Establishment
F&C Real Estate Securities Fund	£000	Goldman Sachs	817	(1,278)	USA
F&C Real Estate Equity Long/Short Fund	US\$000	Goldman Sachs	3,466	(7,779)	USA

*This list is a complete list of the counterparties for the CFDs held as at 31 March 2017.

3. Settlement/clearing for each CFD

Bi-Lateral.

4. Maturity tenor of the SFTs and CFDs

The maturity tenor of the SFTs and CFDs is broken down in the following maturity buckets: less than one day, one day to one week, one week to one month, one 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

APPENDIX 2 – SECURITIES FINANCING TRANSACTIONS REGULATIONS (“SFTR”) (UNAUDITED)
(continued)

5. Maturity tenor of Collateral pledged in respect of CFDs

	F&C Real Estate Securities Fund €000	F&C Real Estate equity Long/Short Fund €000
Open Maturity	10,936	46,369

6. Listed below are the Type, Quality and Currency of Collateral pledged in respect of CFDs at 31 March 2017

	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	USD

7. Collateral received

There was no collateral received in respect of CFDs held during the financial year ended March 31 2017.

8. Safe-keeping of Collateral pledged

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

	F&C Real Estate Securities Fund €000	F&C Real Estate equity Long/Short Fund €000
Total Value of Collateral pledged	10,936	46,369
Counterparty	Goldman Sachs	Goldman Sachs
% held in segregated accounts	10,936	40,002
% held in pooled accounts	–	–
% held in other accounts	–	6,367
Total	10,936	46,369

9. Returns and Costs of CFDs

	Currency	Gains/(Losses)**	Costs incurred***	Net returns
F&C Real Estate Securities Fund	£000	(1,775)	–	(1,775)
F&C Real Estate Equity Long/Short Fund	£000	(6,957)	–	(6,957)

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

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

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 Net Asset Value 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 as shown below.

The Company has appointed Carnegie Fund Services S.A., 11, Rue du Général-Dufour, Case postale 5842, CH – 1211 Genève 11, Switzerland, as 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 Representative").

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 (continued)

Total Expense Ratios for the financial year ended 31 March 2017

	TER	
	Excluding Performance	Including Performance
F&C High Income Bond Fund		
– Class A Euro Distributing	1.39%	1.39%
– Class A Sterling Distributing	1.39%	1.39%
– Class A US Dollar Distributing	1.39%	1.39%
– Class A Norwegian Krone Distributing	1.39%	1.39%
– A New Euro Accumulating Class	1.39%	1.39%
– A New Sterling Accumulating Class	1.39%	1.39%
– A New US Dollar Accumulating Class	1.39%	1.39%
– A New Euro Distributing Class	1.39%	1.39%
– A New Sterling Distributing Class	1.39%	1.39%
– A New US Dollar Distributing Class	1.39%	1.39%
– A New Norwegian Krone Distributing Class	1.39%	1.39%
– Class C Sterling Distributing	1.13%	1.15%
– Class C Sterling Accumulating	1.13%	1.15%
Eastern European Fund		
– Class A US Dollar Class	1.52%	1.52%
– Class B US Distributing	0.99%	0.99%
F&C Global Emerging Markets Fund		
– Class A Euro Accumulating	2.30%	2.62%
– Class A US Dollar Accumulating	2.30%	2.62%
– Class A Euro Distributing	2.30%	2.62%
– Class A Sterling Distributing	2.30%	2.62%
– Class A US Dollar Distributing	2.30%	2.62%
– Class C Sterling Distributing	1.54%	1.96%
F&C Real Estate Securities Fund		
– Class A Euro Accumulating	1.89%	2.01%
– Class A Norwegian Krone Accumulating	1.89%	2.01%
– Class A Sterling Accumulating	1.89%	2.01%
– Class A Sterling Distributing	1.89%	2.01%
– Class B Euro Accumulating	1.37%	1.57%
– Class B Sterling Accumulating	1.37%	1.57%
– Class C Sterling Distributing	1.36%	1.85%
F&C Real Estate Equity Long/Short Fund		
– Class A Euro Accumulating	2.01%	2.19%
– Class A US Dollar Accumulating	2.01%	2.19%
– Class B Euro Accumulating	1.24%	1.56%
– Class C Sterling Accumulating	1.29%	1.55%
F&C Multi Strategy Global Equity Fund		
– Class F Euro Accumulating	0.46%	0.46%

TRADITIONAL FUNDS plc

GENERAL INFORMATION (UNAUDITED) (continued)

Information for Investors in Norway and Switzerland (continued)

Fund performance data

	Since inception to 31 March 2017	31 December 2016	31 December 2015	31 December 2014
F&C High Income Bond Fund**				
– Class A Euro Distributing	-29.53%	+0.79%	-9.50%	-6.87%
– Class A Sterling Distributing	-18.76%	+1.71%	-8.81%	-6.64%
– Class A US Dollar Distributing	-28.53%	+2.13%	-8.93%	-6.85%
– Class A Norwegian Krone Distributing	+84.95%	+2.28%	-8.02%	-5.51%
– A New Euro Accumulating Class	+18.37%	+5.36%	-4.05%	-0.42%
– A New Sterling Accumulating Class	+11.43%	+6.26%	-3.37%	-0.28%
– A New US Dollar Accumulating Class	+11.66%	+6.87%	-3.58%	-0.28%
– A New Euro Distributing Class	-79.21%	+0.73%	-9.49%	-6.83%
– A New Sterling Distributing Class	-67.79%	+1.73%	-8.81%	-6.67%
– A New US Dollar Distributing Class	-69.20%	+2.28%	-9.14%	-6.76%
– A New Norwegian Krone Distributing	+84.27%	+2.27%	-8.03%	-5.80%
– Class C Sterling Distributing	-16.55%	+1.93%	-6.98%	-5.22%
– Class C Sterling Accumulating	+6.28%	+6.52%	-3.16%	–

Eastern European Fund

– US Dollar Class	+84.09%	+13.03%	-13.20%	-39.62%
– Class B US Distributing*	-22.55%	+11.00%	-12.74%	–

* Share Class launched 8 August 2014

F&C Global Emerging Markets Fund

– Class A Euro Accumulating	+61.17%	+8.58%	-6.09%	+8.9%
– Class A US Dollar Accumulating	+26.63%	+5.54%	-18.21%	-3.47%
– Class A Euro Distributing	+76.86%	+8.57%	-6.08%	+8.91%
– Class A Sterling Distributing	+81.37%	+25.54%	-12.74%	+2.58%
– Class A US Dollar Distributing	+76.99%	+5.57%	-18.21%	-3.44%
– Class C Sterling Distributing*	+25.43%	–	–	–

INDEX: MSCI TR Net Daily Series EM USD

* Share Class launched 9 March 2016

F&C Macro Global Bond Fund (£) (terminated 25 August 2016)

– Class A Sterling Accumulating	–	–	-0.95%	+3.45%
– Class A Sterling Distributing	–	–	-0.96%	+3.42%
– US Dollar Distributing Class	–	–	+100%	–
– Class C Sterling Accumulating	–	–	-0.59%	+3.82%
– Class C Sterling Distributing	–	–	-0.50%	+3.75%
– Class Old Euro Accumulating	–	–	-1.35%	+3.17%
– Class Old USD Accumulating	–	–	-1.15%	+3.16%

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%	+0.49%
– Class A Euro Distributing	–	–	-0.48%	+0.48%
– Class C Euro Accumulating	–	–	-0.10%	+0.58%

INDEX: 50% Citigroup Euro Govt Bond . 50% Citigroup World Government Bond in €

F&C Macro Global Bond Fund (\$) (terminated 30 October 2015)

– Class A US Dollar Accumulating	–	–	–	+3.20%
– Class A US Dollar Distributing	–	–	–	+3.18%
– Class C US Dollar Distributing	–	–	–	+0.90%

INDEX: 50% Citigroup US Govt Bond . 50% Citigroup World Government Bond in \$

TRADITIONAL FUNDS plc

GENERAL INFORMATION (UNAUDITED) (continued)

Information for Investors in Norway and Switzerland (continued)

Fund performance data (continued)

	Since inception to 31 March 2017	31 December 2016	31 December 2015	31 December 2014
F&C Emerging Asia Fund				
– Class A Euro Accumulating	–	–	–	+17.69%
– Class A US Dollar Accumulating	–	–	–	+6.80%
– Class A Euro Distributing	–	–	–	+17.98%
– Class A Sterling Distributing	–	–	–	+12.20%
– Class A US Dollar Distributing	–	–	–	+6.91%
– Class B Sterling Distribution	–	–	–	+12.62%
– Class C Sterling Accumulating	–	–	–	+12.81%
INDEX: MSCI TR Net Emerging Asia				
F&C Global Unconstrained Equities Fund (terminated 25 August 2016)***				
– Class A Euro Accumulating	–	–	-15.55%	-4.46%
– Class A Sterling Accumulating	–	–	-15.29%	-4.27%
– Class A US Dollar Accumulating	–	–	-15.04%	-4.44%
– Class A Norwegian Krone Accumulating	–	–	-14.76%	-3.21%
– Class A Singapore Dollar Accumulating	–	–	-14.16%	-4.43%
– Class A Euro Distributing*	–	–	-15.38%	-4.42%
– Class A Sterling Distributing	–	–	-15.40%	-4.28%
– Class A US Dollar Distributing	–	–	–	-4.47%
– Class C Sterling Accumulating	–	–	-14.59%	-3.53%
– Class C Sterling Distributing	–	–	-14.59%	-3.62%
* Share Class terminated 28 January 2016				
F&C Real Estate Securities Fund				
– Class A Euro Accumulating	+53.36%	+7.19%	+13.87%	+17.75%
– Class A Sterling Accumulating	+55.69%	+8.44%	+14.01%	+17.99%
– Class A Sterling Distributing	+49.75%	+6.87%	+12.76%	+16.13%
– Class B Euro Accumulating	+54.89%	+7.95%	+13.98%	+18.20%
– Class B Sterling Accumulating	+57.03%	+8.84%	+14.31%	+18.37%
– Class A Norwegian Krone Accumulating	+94.38%	+8.05%	+13.80%	+18.24%
– Class C Sterling Distributing	+50.45%	+6.90%	+12.88%	+16.26%
INDEX: FTSE EPRA/NAREIT Developed Europe Capped Total Return (Net) Index				
F&C Real Estate Equity Long/Short Fund ***				
– Class A Euro Accumulating	+9.34%	-1.87%	+5.07%	+6.46%
– Class A US Dollar Accumulating	+11.50%	-0.53%	+5.30%	+5.96%
– Class B Euro Accumulating	+11.27%	-1.23%	+5.61%	+6.60%
– Class C Sterling Accumulating	+13.04%	-0.43%	+6.08%	+6.84%
F&C Multi Strategy Global Equity Fund (launched 20 October 2014)				
– Class F Euro Accumulating	+27.54%	+7.70%	+7.70%	–

** 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.

For further information, please contact the BMO Global Asset Management Sales Support Team:

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

Tel: +44 (0)20 7011 4444
Fax: +44 (0)20 7628 8118
email: client.service@bmogam.com
website: www.bmogam.com

Thames River Capital LLP is authorised and regulated by the Financial Conduct Authority.

DEALING SERVICES

State Street Fund Services (Ireland) Limited

Tel: +353 (0) 1 242 5529

CLIENT SERVICES

Thames River Capital LLP

Tel: +44 (0)20 7011 4444