

Barclays Funds

R.C.S. Luxembourg B 66.581

Société d'investissement à Capital Variable

Audited Annual Report

For the year ended 31 October 2017



BARCLAYS

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Subscriptions can only be received on the basis of the latest prospectus accompanied by the latest annual report as well as by the latest semi-annual report, if published after the latest annual report.

Board of Directors

Directors

Mr. Philippe Hoss (Chairman)	Partner, Elvinger Hoss Prussen, société anonyme Luxembourg, Grand Duchy of Luxembourg
Mr. Patrick Zurstrassen	Director of Companies, Luxembourg, Grand Duchy of Luxembourg
Mr. Adrian Wood	Director, Barclays Bank PLC, London, United Kingdom (until 31 August 2017)
Mr. William Mussat	Managing Director, Barclays Wealth Managers France S.A., Paris, France (until 31 August 2017)
Mr. Matthieu Desgrées Du Loû	Director, Barclays Wealth Managers France S.A., Paris, France (since 31 August 2017)
Mr. Nicolas Hubert	Managing Director, Barclays Wealth Managers France S.A., Paris, France (since 18 December 2017)

Management and Administration

Registered office

5, Allée Scheffer
L - 2520 Luxembourg
Grand Duchy of Luxembourg

Depositary and Listing Agent

CACEIS Bank Luxembourg (until 31 December 2016)
CACEIS Bank, Luxembourg Branch (since 1 January 2017)
5, Allée Scheffer,
L - 2520 Luxembourg
Grand Duchy of Luxembourg

Delegates (until 30 August 2017)

John Aldis
(from 22 December 2016 until 30 August 2017)
Carne Group
European Bank and Business Centre
6B route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Alexis Vilchez
(from 22 December 2016 until 30 August 2017)
Carne Group
European Bank and Business Centre
6B route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Bernard Herman
(until 22 December 2016)
41, Avenue de la Liberté
L - 1931 Luxembourg
Grand Duchy of Luxembourg

Alan Ridgway
(until 22 December 2016)
19, Rue de Bitbourg
L-1273 Luxembourg
Grand Duchy of Luxembourg

Management and Administration (continued)

Management Company (since 31 August 2017)	Luxcellence Management Company S.A. 5, Allée Scheffer L - 2520 Luxembourg Grand Duchy of Luxembourg
Administrator	CACEIS Bank Luxembourg (until 31 December 2016) CACEIS Bank, Luxembourg Branch (since 1 January 2017) 5, Allée Scheffer L - 2520 Luxembourg Grand Duchy of Luxembourg
Legal Advisers	as to Luxembourg Law : Elvinger Hoss Prussen, société anonyme 2, place Winston Churchill L - 1340 Luxembourg Grand Duchy of Luxembourg as to English Law: (until 30 August 2017) Simmons & Simmons LLP 1, Ropemaker Street London EC2Y 9SS England
Distributors	Barclays Bank PLC London (until 30 August 2017) 1, Churchill Place Canary Wharf London E14 5HP England Barclays France PLC Paris (until 30 August 2017) 32, avenue George V 75008 Paris France Barclays France S.A. (since 31 August 2017) 32, avenue George V 75008 Paris France Barclays Wealth Managers France S.A. 32, avenue George V 75008 Paris France
Auditor	PricewaterhouseCoopers, société coopérative 2, rue Gerhard Mercator L - 2182 Luxembourg Grand Duchy of Luxembourg
Investment Manager	Barclays Bank PLC (until 30 August 2017) 1, Churchill Place Canary Wharf London E14 5HP England Barclays Wealth Managers France S.A. (since 31 August 2017) 32, avenue George V 75008 Paris France
Sub-Investment Manager	Barclays Wealth Managers France S.A. (until 30 August 2017) 32, avenue George V 75008 Paris France

Chairman's Statement

1 November 2016 to 31 October 2017

Dear Shareholder,

Welcome to the Annual Report for Barclays Funds (the "Company"). This report covers the twelve month period ended 31 October 2017.

Equity markets in the euro area rose sharply over the period. The Euro Stoxx 50 index gained 20.3%, the DAX rose by 24% and the CAC 40 by 22%. The numerous elections in the United States (presidential), Europe (France, Germany, Italy, Catalonia) as well as geopolitical tensions on the Korean peninsula and in the Middle East had only a temporary impact on the markets, without altering their uptrend.

The economic environment in the euro area continued to improve: activity in the third quarter grew 0.6%, bringing GDP growth to 2.6% year-on-year. The European Central Bank maintained its refinancing rate of 0%. The euro/dollar exchange rate rose by 6.1%. Long-term rates in Germany rose 20 basis points to 0.37%.

Please take this opportunity to review your annual report, which I hope you will find informative, in conjunction with the financial statements.

Your Board of Directors is, in accordance with Luxembourg law, responsible for the preparation and fair representation of the Company's annual financial statements in accordance with Luxembourg legal and regulatory requirements regarding the preparation of the financial statements of collective investment undertakings. This responsibility implies a number of duties which your Board is satisfied it has fully complied with. Your board is however not bound by the views of the company's auditors, PricewaterhouseCoopers Société cooperative, set out in their report, as to what this responsibility implies.

Philippe Hoss
Chairman

Luxembourg, 22 February 2018

Note: The information stated in this report is historical and not necessarily indicative of future performance.



Audit report

To the Shareholders of
Barclays Funds

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Barclays Funds (the “Fund”) and of each of its sub-funds as at 31 October 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise :

- the statement of net assets as at 31 October 2017;
- the Portfolio Statement as at 31 October 2017;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of July 23 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg
T : +352 494848 1, F : +352 494848 2900, www.pwc.lu*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



Other information

The Board of the Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Board of the Directors of the Fund and those charged with governance for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit.



We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;
- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 22 February 2018

A handwritten signature in black ink, appearing to read 'John Michael Delano', is written over a large, stylized, circular scribble that serves as a background for the signature.

John Michael Delano

Barclays Funds

Combined Financial Statements

Combined Statement of Net Assets as at 31/10/2017

	Notes	EUR
Assets		
Securities portfolio at market value	2	816,069,949
Cash at banks and liquidities		40,892,993
Time deposits		22,000,000
Interest receivable		1,108,283
Brokers receivable		1,380,675
Subscriptions receivable		1,000,389
Dividends receivable		28,274
Total assets		882,480,563
Liabilities		
Brokers payable		2,208,169
Performance fees payable	10	644,871
Redemptions payable		638,408
Net unrealised depreciation on financial futures	2, 12	598,200
Accrued management fees	5	2,934,298
Custody and administration fees payable	3, 4	31,907
Accrued professional fees		78,305
Other liabilities		976,783
Total liabilities		8,110,941
Net asset value		874,369,622

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

Barclays Funds (continued)

Combined Financial Statements (continued)

Combined Statement of Operations and Changes in Net Assets from 01/11/2016 to 31/10/2017

Income	Notes	EUR
Net dividends	2	7,671,603
Net interest on bonds	2	5,459,708
Bank interest on cash account		73
Bank interest on time deposits		20
Other income		925
Total income		13,132,329
Expenses		
Management fees	5	9,487,016
Custodian fees	4	121,165
Taxe d'abonnement	6	278,952
Administration fees	3	334,383
Performance fees	10	644,849
Domiciliation fees	4	7,938
Professional fees		85,588
Bank interest on overdraft		109,392
Legal fees		69,922
Transaction fees	2	1,289,106
Other expenses		985,917
Total expenses		13,414,228
Net loss from investments		-281,899
Net realised profit/(loss) on:		
- sales of investment securities	2	46,126,762
- financial futures		-2,179,543
- foreign exchange		-656,061
Net realised profit		43,009,259
Movement in net unrealised appreciation/(depreciation) on:		
- investments		41,808,849
- financial futures		-853,201
Increase in net assets as a result of operations		83,964,907
Proceeds from subscriptions of capitalisation shares		897,278,787
Payments for capitalisation shares redeemed		-1,098,929,271
Decrease in net assets		-117,685,577
Net assets at the beginning of the year		992,055,199
Net assets at the end of the year		874,369,622

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

Barclays Money Market Euro

Investment Manager's Report

Investment Objective and Policy

The investment objective is to maintain the principal of the Fund and aim to provide a return in line with money market rates. The Fund qualifies as a Money Market Fund. According to the principle of risk diversification, the Fund's net assets are invested in high-quality money market instruments complying with the criteria set forth in the UCITS Directive 2009/65/EC. These money market instruments consist primarily of a range of Euro denominated short-term debt securities, comprising, to the extent permitted by the investment restrictions, of debt instruments and money market instruments. On an ancillary basis, the Fund may hold liquid assets comprising of cash, time deposits and short-term money market instruments regularly negotiated and issued or guaranteed by first class issuers. The Fund limits investment in securities to those with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days. Floating rate securities shall reset to a money market rate or index. The portfolio of the Fund will be invested in a manner such that the weighted average maturity of all securities and instruments comprised in the portfolio does not exceed 6 months. For the securities or instruments whose terms of issue provide for an adjustment of their interest rate by reference to market conditions, the residual maturity until the date on which the rate is adjusted shall be considered. The weighted average life of the portfolio will be of no more than 12 months. The Fund investments will be restricted to high quality securities rated one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument or, if the instrument is not rated, it is of an equivalent quality as determined by the Investment Manager's internal rating process.

Economy and markets:

At the start of the period under review, the unexpected outcome of the US presidential election resulted in a rise in bond yields, the value of the dollar and equities in developed markets. The election took place at a time when an upward trend could already be seen in bond yields in the major developed markets, as a result of the upturn in indices and expectations of inflation, in turn due to the base effect of changes in oil prices. The Republican candidate's victory therefore only exacerbated this trend. The US 10-year government bond yield rose by around 60bp to 2.4%. In the euro zone, 10-year yields reached 0.16% in Germany, 0.44% in France, 1.66% in Italy and 1.19% in Spain.

Following this sharp rise in bond yields, stabilisation was seen at the end of the calendar year, with the US 10-year bond settling at levels of 2.50%, while the German 10-year bond yield returned to around 0.10%. However, the ECB's decisions of 8 December then weighed down European bond yields.

The failure of Donald Trump's promises to come to fruition and growing political uncertainty in Europe led to a slight drop in the US 10-year yield from 2.45% to 2.35%, as was also the case for its German counterpart which fell to 0.20%. Meanwhile, the French 10-year bond yield climbed to 0.90%, widening its spread versus the German Bund.

The difficulties facing Mr Trump led to a return to safe haven stocks, resulting in a fall in the US 10-year yield from 2.30% to 2.20%. In Europe, Emmanuel Macron's win in the presidential election and the more reassuring economic climate allowed for a reduction in interest rate spreads between France, Italy and Spain on one hand and Germany on the other. At the end of June, relatively optimistic comments from ECB president Mario Draghi about the inflation outlook weighed down interest rates, with investors interpreting this as forthcoming cuts in its accommodative monetary policy measures. At the same time, on the other side of the Atlantic, the Fed raised its key rate for the second time this year and for the fourth time since December 2015, to 1.25%. These measures triggered a small amount of tension in long-term interest rates, in particular the German Bund, which rose from 0.30% to around 0.46%, while the US 10-year rate increased from 2.20% to 2.30%. The French 10-year rate rose from 0.70% to 0.80%. In sympathy, credit risk premiums decreased in June by a similar extent to the rise in German bond yields.

Lastly, the European Central Bank maintained its refinancing rate of 0% and cut back its asset purchase programme from €80 billion to €60 billion per month in April, extending it until the end of 2017. The euro/dollar exchange rate rose by 6.1% to 1.165 compared with 1.098 at the end of October 2016. Oil prices increased by 16% to USD 54.4 per barrel. At the end of the period, the German Bund stood at 0.36%, the French 10-year yield at 0.75% and the US 10-year yield at 2.38%.

Investment manager comments:

The portfolio's performance since the start of the period has remained positive relative to the benchmark EONCAPL7 Index (-0.14% vs. -0.36%) but is now structurally in negative ground against the backdrop of a very negative position for the Eonia and Euribor indices as well. A slowdown was seen in the Fed's interest rate hikes over the period and the ECB's policy remained more or less stable, resulting in stabilisation in the Eonia and Euribor indices since January 2017.

In terms of allocations, the portfolio was stable with a strong exposure to the US in order to benefit from Euribor index rates offering higher returns than European bonds. The weighting of French and German stocks was reduced significantly in favour of Swiss and Dutch stocks. AT&T, ABN AMRO, Vodafone, Bank of America, Coca Cola, UBS, Siemens, BMW and Heathrow Funding were the main stocks added to the portfolio or in which holdings were strengthened.

Holdings in Standard Chartered, Lloyds, Jyske Bank, Bayer and Wells Fargo were sold or reached maturity. Siemens was added to the portfolio and then the holding was reduced.

Barclays Money Market Euro (continued)

Investment Manager's Report (continued)

The weighted average maturity was extended during the period to around 250 days. Volatility remained low at 0.1%.

Barclays Wealth Managers France S.A., November 2017.

NB: The information provided in this report is historical information and is not necessarily an indication of future performance.

Barclays Money Market Euro (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			336,235,350	88.27
Bonds			32,142,465	8.44
Spain			12,102,120	3.18
12,000,000	BBVA SENIOR FIN EMTN 3.75 13-18 17/01A	EUR	12,102,120	3.18
The Netherlands			6,945,385	1.82
6,701,000	SIEMENS FINANCE 5.625 08-18 11/06A	EUR	6,945,385	1.82
United Kingdom			5,021,600	1.32
5,000,000	ABBAY NAT TREAS.SERV 1.75 13-18 15/01A	EUR	5,021,600	1.32
United States of America			8,073,360	2.12
8,000,000	MORGAN STANLEY 2.25 13-18 12/03S	EUR	8,073,360	2.12
Floating rate bonds			237,056,844	62.23
France			7,023,410	1.84
2,000,000	BNP PARIBAS REGS FL.R 14-19 20/05Q	EUR	2,017,460	0.53
5,000,000	SOCIETE GENERALE FL.R 16-18 19/02Q	EUR	5,005,950	1.31
Germany			12,023,780	3.16
2,000,000	DAIMLER FL.R 16-19 05/01Q	EUR	2,009,180	0.53
10,000,000	DAIMLER FL.R 16-18 09/03Q	EUR	10,014,600	2.63
Jersey Island			8,870,050	2.33
8,750,000	BAA FUNDING FL.R 08-20 15/02A	EUR	8,870,050	2.33
The Netherlands			34,382,764	9.03
2,000,000	ABN AMRO BANK NV FL.R 16-18 26/02Q	EUR	2,003,580	0.53
15,000,000	ABN AMRO REGS FL.R 14-19 06/03Q	EUR	15,162,450	3.98
2,000,000	BMW FINANCE NV FL.R 16-19 15/07Q	EUR	2,018,840	0.53
15,090,000	RABOBANK NL FL.R 14-19 20/03Q	EUR	15,197,894	3.99
United Kingdom			73,421,215	19.28
7,000,000	CREDIT SUISSE FL.R 14-17 15/12Q	EUR	7,004,270	1.84
7,000,000	CREDIT SUISSE AG LDN FL.R 15-17 10/11Q	EUR	7,000,700	1.84
9,000,000	CS AG LDN FL.R 16-18 19/02Q	EUR	9,013,050	2.37
2,000,000	CS AG LDN FL.R 15-18 18/06Q	EUR	2,005,980	0.53
5,000,000	HSBC HLDGS FL.R 16-18 21/12Q	EUR	5,026,725	1.32
10,000,000	NATIONWIDE BLDG REGS FL.R 16-18 23/03Q	EUR	10,026,800	2.63
16,000,000	UBS AG LDN FL.R 17-19 05/09Q	EUR	16,136,800	4.24
17,000,000	VODAFONE GROUP FL.R 16-19 25/02Q	EUR	17,206,890	4.51
United States of America			101,335,625	26.59
8,700,000	AT T FL.R 14-19 04/06Q	EUR	8,771,949	2.30
7,000,000	BANK OF AMERICA FL.R 14-19 19/06Q	EUR	7,085,890	1.86
7,900,000	BANK OF AMERICA CORP FL.R 16-19 26/07Q	EUR	7,960,356	2.09
3,095,000	BMW US CAPITAL FL.R 15-19 18/03Q	EUR	3,107,906	0.82
3,954,000	BMW US CAPITAL LLC FL.R 15-18 20/04Q	EUR	3,959,259	1.04
16,000,000	COCA COLA FL.R 15-19 09/09Q	EUR	16,071,520	4.21
14,300,000	GOLDMAN SACHS GROUP FL.R 15-18 11/09Q	EUR	14,370,499	3.77
14,929,000	HONEYWELL INTERNAT FL.R 16-18 22/02Q	EUR	14,950,796	3.93
10,000,000	JP MORGAN CHASE CO FL.R 16-18 14/06Q	EUR	10,021,300	2.63
15,000,000	UNITED TECHNOLOGIE FL.R 16-18 22/02Q	EUR	15,036,150	3.94
Money market instruments			67,036,041	17.60
Belgium			15,005,421	3.94
5,000,000	COFINIMMO SA ZCP 050318	EUR	5,002,001	1.31
8,000,000	COFINIMMO SA ZCP 100118	EUR	8,003,219	2.10
2,000,000	COFINIMMO SA ZCP 141117	EUR	2,000,201	0.53
France			46,019,710	12.08
5,000,000	ALLIANZ BANQUE OIS 0.01 160218	EUR	5,000,000	1.31
5,000,000	ALLIANZ BANQUE OIS 0.06 230418	EUR	5,000,000	1.31
5,000,000	ALLIANZ BANQUE OIS 0.06 100518	EUR	5,000,000	1.31
14,000,000	BNP PARIBAS OIS 0.07 120718	EUR	14,000,000	3.68
7,000,000	CMP ZCP 030818	EUR	7,019,710	1.84
10,000,000	ENGIE SA OIS 0.06 200818	EUR	10,000,000	2.63

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

Barclays Money Market Euro (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR) (continued)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
6,000,000	Spain SANTANDER CONSUM FIN ZCP 220518	EUR	6,010,910 6,010,910	1.58 1.58
Total securities portfolio (cost: 337,343,202)			336,235,350	88.27
Cash at banks and liquidities/(Bank overdrafts)			22,063,818	5.79
Other net assets/(liabilities)			22,598,190	5.94
Total net assets			380,897,358	100.00

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

Barclays Money Market Euro (continued)

Statement of Net Assets as at 31/10/2017

	Notes	EUR
Assets		
Securities portfolio at market value	2	336,235,350
Cash at banks and liquidities		22,063,818
Time deposits		22,000,000
Interest receivable		1,003,834
Total assets		381,303,002
Liabilities		
Accrued management fees	5	4,873
Custody and administration fees payable	3, 4	9,284
Accrued professional fees		15,661
Other liabilities		375,826
Total liabilities		405,644
Net asset value		380,897,358

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

Barclays Money Market Euro (continued)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 31/10/2017

Income	Notes	EUR
Net interest on bonds	2	3,355,592
Bank interest on time deposits		20
Total income		3,355,612
Expenses		
Management fees	5	5,238
Custodian fees	4	44,032
Taxe d'abonnement	6	35,978
Administration fees	3	81,653
Domiciliation fees	4	1,298
Professional fees		14,032
Bank interest on overdraft		18,216
Legal fees		25,857
Transaction fees	2	5,505
Other expenses		354,311
Total expenses		586,120
Net income from investments		2,769,492
Net realised profit/(loss) on:		
- sales of investment securities	2	-2,727,123
Net realised profit		42,369
Movement in net unrealised appreciation/(depreciation) on:		
- investments		-554,354
Decrease in net assets as a result of operations		-511,985
Proceeds from subscriptions of capitalisation shares		808,060,662
Barclays Money Market Euro - Class A - Acc		445,493,807
Barclays Money Market Euro - Class B - Acc		22,181,529
Barclays Money Market Euro - Class C - Acc		340,385,326
Payments for capitalisation shares redeemed		-773,846,628
Barclays Money Market Euro - Class A - Acc		-443,694,236
Barclays Money Market Euro - Class B - Acc		-32,106,792
Barclays Money Market Euro - Class C - Acc		-298,045,601
Increase in net assets		33,702,049
Net assets at the beginning of the year		347,195,309
Net assets at the end of the year		380,897,358

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

Barclays Money Market Euro (continued)

Changes in number of shares outstanding from 01/11/2016 to 31/10/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 31/10/2017
Barclays Money Market Euro - Class A - Acc Capitalisation shares	16,657,135	44,559,350	44,379,954	16,836,531
Barclays Money Market Euro - Class B - Acc Capitalisation shares	5,158,132	2,214,513	3,205,666	4,166,979
Barclays Money Market Euro - Class C - Acc Capitalisation shares	12,944,144	34,168,251	29,917,252	17,195,143

Key figures

	Year ending as at:	31/10/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	380,897,358	347,195,309	388,131,228
Barclays Money Market Euro - Class A - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		16,836,531	16,657,135	17,421,503
Net asset value per share		9.985	9.999	10.003
Barclays Money Market Euro - Class B - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		4,166,979	5,158,132	8,594,355
Net asset value per share		10.001	10.015	10.016
Barclays Money Market Euro - Class C - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		17,195,143	12,944,144	12,819,698
Net asset value per share		9.951	9.965	9.968

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

Barclays Bond Euro Convertible

Investment Manager's Report

Investment Objective and Policy

The investment objective is to achieve total return by actively managing a portfolio primarily invested in convertible bonds and notes denominated in Euro or in any major currency which can be hedged back to the Euro. Whilst investments which are not denominated in Euro will normally be hedged back to the Euro, the Investment Manager may resolve not to do so if he considers it compatible with the interests of the Fund. Investment will be in convertible bonds, exchangeable bonds, synthetic convertible bonds (bonds and warrants), warrants and equity or bond related products whose underlying securities are issued or guaranteed by corporations of the Euro zone as well as corporations of OECD countries and their subsidiaries. The Fund may invest up to 10% of its assets in UCITS and other UCIs.

Economy and markets:

The euro zone's equity markets rose sharply over the period, with the Euro Stoxx 50 index rose up by 20.3%, the DAX by 24% and the CAC 40 by 22%. Markets in southern Europe also delivered very positive performances: Italy's FTSE MIB index climbed by 32.9% and Spain's IBEX index gained 15.1%. The numerous elections in the United States (presidential) and Europe (France, Germany, Italy, Catalonia), as well as geopolitical tensions in the Korean Peninsula and the Middle East, had only a temporary impact on the markets without altering the upward trend.

Economic conditions in the euro zone continued to improve, with the manufacturing industry confidence index reaching 58.6 points in October 2017, its highest level since February 2011, compared with 53.5 points a year earlier. During the third quarter, economic activity increased by 0.6%, bringing GDP growth to 2.5% year-on-year. Unemployment fell to 8.9% in September 2017, compared with 9.9% a year earlier and a high of 12% in March 2014. Inflation remained moderate at 1.4% year-on-year in October 2017. The European Central Bank maintained its refinancing rate of 0% and cut back its asset purchase programme from €80 billion to €60 billion per month in April, extending it until the end of 2017. The euro/dollar exchange rate rose by 6.1% to 1.165 compared with 1.098 at the end of October 2016. Oil prices increased by 16% to USD 54.4 per barrel. Long-term interest rates in Germany rose by 20 basis points to 0.37%.

Investment Manager comments:

Bonds (Exane Eurozone Convertible Bond Index) saw an increase of 8.4% year-on-year and the Fund underperformed slightly over the same period. We made some asset switches, reducing the weighting of healthcare and real estate in favour of more cyclical sectors. The benchmark index changed fairly significantly over the year.

We reduced our weighting in the healthcare sector following the conversion of the Orpea convertible bond into equities. We created a holding in Korian. With a view to a rise in long-term interest rates in the euro zone, we reduced our exposure to the real estate sector. We sold our holdings in Unibail and Deutsche Wohnen (DWNIGY 0 7/8 09/08/21 Corp). We also sold high delta stocks such as Adidas, Air France and Pierre et Vacances. In the light of uncertainties about the Spanish market following the Catalan independence referendum, we reduced our exposure to the country by selling our holding in Caixa and reducing our holding in Telefonica.

We also increased the weighting of cyclical and financial sectors. We created holdings in stocks (BNP, AXA, Allianz) offering attractive rates of return. Within cyclical compartments, we created holdings in Bayer, Symrise, NH Hoteles, Nexans, Artemis in Kering and Elis. We strengthened our holdings in Safran and Airbus. We reduced the weighting of Deutsche Post. Within the technology sector, we sold our holdings in Econocom and Ingenico to create holdings in Indra and Ubisoft.

We have a positive bias towards cyclical sectors (manufacturing, consumer goods, banking) and healthcare. We maintain our cautious stance towards consumer staples, real estate, telecoms and utilities.

Barclays Wealth Managers France S.A., November 2017.

NB: The information provided in this report is historical information and is not necessarily an indication of future performance.

Barclays Bond Euro Convertible (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			86,193,531	96.14
Shares			4,312,334	4.81
	Belgium		217,900	0.24
2,000	COFINIMMO SA	EUR	217,900	0.24
	France		3,413,062	3.81
11,700	ALTRAN TECHNOLOGIES SA	EUR	185,796	0.21
20,300	AXA SA	EUR	526,379	0.59
11,780	BNP PARIBAS SA	EUR	789,730	0.88
40,500	CREDIT AGRICOLE SA	EUR	606,690	0.68
450	ILIAD SA	EUR	96,458	0.11
1,000	L'OREAL SA	EUR	191,050	0.21
2,530	LVMH	EUR	647,933	0.72
3,588	ORPEA SA	EUR	369,026	0.41
	Germany		681,372	0.76
3,000	ALLIANZ SE REG SHS	EUR	598,050	0.67
890	BASF - NAMEN AKT	EUR	83,322	0.09
Convertible bonds			81,881,197	91.33
	Austria		1,248,168	1.39
1,000,000	BUWOG AG CV 0.00 16-21 09/09A	EUR	1,066,050	1.19
200,000	STEINHOFF FIN 1.25 15-22 11/08S	EUR	182,118	0.20
	Belgium		627,935	0.70
4,400	COFINIMMO SA CV 0.187 16-21 15/09A	EUR	627,935	0.70
	France		23,057,954	25.72
1,800,000	ARCHER OBLIG CV 0.00 17-23 31/03U	EUR	1,982,178	2.21
36,869	BIM CV 2.50 15-20 13/11A	EUR	1,031,855	1.15
31,639	ELIS SA CONV 0.00 17-23 06/10U	EUR	1,061,647	1.18
27,259	KORIAN SA FL.R 17-22 06/12S	EUR	1,173,317	1.31
2,200	LVMH MOET HENNESSY CV 0.00 16-21 16/02U	USD	594,873	0.66
21,000	NEXITY CV 0.125 16-23 01/01S	EUR	1,507,030	1.68
15,000	REMY COINTREAU CV 0.125 16-26 07/09A	EUR	1,963,358	2.19
792	RENAULT TITRE PART. FL.R 83-XX 14/10A	EUR	488,931	0.55
29,100	SAFRAN SA CV 0.00 16-20 31/12U	EUR	2,974,427	3.32
7,600	SEB SA CV 0.00 16-21 17/11U	EUR	1,533,840	1.71
25,000	SUEZ ENV CV (SHS) 0.00 14-20 27/02U	EUR	480,250	0.54
2,000,000	TOTAL CV 0.50 15-22 02/12S	USD	1,781,982	1.99
26,000	UBISOFT CV 0.00 16-21 27/09U	EUR	2,050,282	2.29
400,000	VALEO CV 0.00 16-21 16/06U	USD	376,466	0.42
70,638	WENDEL CV 0.00 16-19 31/07U	EUR	4,057,518	4.52
	Germany		25,225,223	28.14
200,000	ADIDAS INTL FIN.CV 0.25 12-19 14/06A	EUR	470,740	0.53
3,500,000	BAYER AG CV 0.05 17-20 15/06A	EUR	4,135,145	4.62
2,700,000	DEUSTCHE WOHNEN REGS 0.325 17-24 26/07A	EUR	2,825,847	3.15
1,700,000	DEUTSCHE POST CV 0.60 12-19 06/12A	EUR	3,261,943	3.64
1,000,000	DEUTSHE WOHNEN SE CV 17-26 05/01A	EUR	1,014,140	1.13
1,500,000	FRESENIS REGS CV 0.00 14-19 24/09U	EUR	2,196,705	2.45
3,000,000	FRESENIUS REGS CV 0.00 17-24 31/01U	EUR	3,068,070	3.42
900,000	LEG IMMOBILIEN AG CV 0.875 17-25 01/09S	EUR	933,759	1.04
2,600,000	MTU AERO ENG. 0.125 16-23 17/05A	EUR	3,419,182	3.81
900,000	RAG STIFTUNG 0.00 17-23 16/03U	EUR	972,837	1.08
400,000	RAG STIFTUNG CV 0.00 15-21 18/02U	EUR	446,788	0.50
2,300,000	SYMRISE CV 0.2375 17-24 20/06A	EUR	2,480,067	2.77
	Italy		12,311,408	13.73
1,400,000	ASTALDI SPA CV 4.875 17-24 21/06Q	EUR	1,402,366	1.56
200,000	BUZZI UNICEM CV 1.375 13-19 17/07S	EUR	301,962	0.34
1,300,000	ENI SPA CV 0.00 16-22 13/04U	EUR	1,343,472	1.50
1,700,000	PRYSMIAN CV 1.25 13-18 08/03S	EUR	2,251,191	2.51
2,000,000	PRYSMIAN SPA CV 0.00 17-22 17/01U	EUR	2,207,900	2.46

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

Barclays Bond Euro Convertible (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR) (continued)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
1,700,000	SNAM CV 0.00 17-22 20/03U	EUR	1,802,357	2.01
3,000,000	TELECOM ITALIA CV 1.125 15-22 26/03S	EUR	3,002,160	3.35
	Luxembourg		3,782,369	4.22
1,000,000	APERAM REGS CV 0.625 14-21 08/07S	USD	1,151,543	1.28
2,200,000	AROUNDTOWN PROPERT 1.50 15-21 18/01Q	EUR	2,630,826	2.94
	Portugal		1,504,384	1.68
1,400,000	AMORIM ENERGY CV 3.375 13-18 03/06S	EUR	1,504,384	1.68
	Spain		6,119,256	6.82
2,700,000	INDRA SISTEMAS REGS 1.25 16-21 07/10S	EUR	2,937,573	3.27
500,000	INTL CONSOLIDATED CV 0.614 15-22 17/11S	EUR	492,915	0.55
400,000	NH HOTELES CV 4.00 13-18 08/11Q	EUR	486,128	0.54
2,200,000	TELEFONICA PARTICI 0.00 16-21 09/03U	EUR	2,202,640	2.46
	The Netherlands		8,004,500	8.93
4,700,000	AIRBUS GROUP SE 0.00 16-21 14/06U	EUR	5,452,000	6.08
2,500,000	IBERDROLA INTL CV 0.00 15-22 11/11A	EUR	2,552,500	2.85
	Shares/Units of UCITS/UCIS		2,057,639	2.29
	Shares/Units in investment funds		2,057,639	2.29
	Luxembourg		2,057,639	2.29
18,000	BARCLAYS FUNDS EQUITY EURO SMALL & MID CAP -B- ACC	EUR	432,774	0.48
162,472	BARCLAYS FUNDS MONEY MARKET EURO -B- ACC	EUR	1,624,865	1.81
	Total securities portfolio (cost: 80,711,381)		88,251,170	98.43
	Cash at banks and liquidities/(Bank overdrafts)		2,276,565	2.54
	Other net assets/(liabilities)		-864,853	-0.97
	Total net assets		89,662,882	100.00

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

Barclays Bond Euro Convertible (continued)

Statement of Net Assets as at 31/10/2017

	Notes	EUR
Assets		
Securities portfolio at market value	2	88,251,170
Cash at banks and liquidities		2,276,565
Interest receivable		104,449
Subscriptions receivable		7,314
Total assets		90,639,498
Liabilities		
Redemptions payable		429,641
Accrued management fees	5	382,050
Custody and administration fees payable	3, 4	3,919
Accrued professional fees		15,661
Other liabilities		145,345
Total liabilities		976,616
Net asset value		89,662,882

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

Barclays Bond Euro Convertible (continued)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 31/10/2017

Income	Notes	EUR
Net dividends	2	183,437
Net interest on bonds	2	618,906
Total income		802,343
Expenses		
Management fees	5	1,402,225
Custodian fees	4	12,830
Taxe d'abonnement	6	46,370
Administration fees	3	47,531
Domiciliation fees	4	1,298
Professional fees		14,032
Bank interest on overdraft		12,659
Legal fees		7,995
Transaction fees	2	39,575
Other expenses		117,263
Total expenses		1,701,778
Net loss from investments		-899,435
Net realised profit/(loss) on:		
- sales of investment securities	2	7,877,736
- foreign exchange		-55,518
Net realised profit		6,922,783
Movement in net unrealised appreciation/(depreciation) on:		
- investments		302,038
Increase in net assets as a result of operations		7,224,821
Proceeds from subscriptions of capitalisation shares		7,624,524
Barclays Bond Euro Convertible - Class A - Acc		7,593,524
Barclays Bond Euro Convertible - Class C - Acc		31,000
Payments for capitalisation shares redeemed		-52,839,299
Barclays Bond Euro Convertible - Class A - Acc		-51,873,022
Barclays Bond Euro Convertible - Class C - Acc		-966,277
Decrease in net assets		-37,989,954
Net assets at the beginning of the year		127,652,836
Net assets at the end of the year		89,662,882

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

Barclays Bond Euro Convertible (continued)

Changes in number of shares outstanding from 01/11/2016 to 31/10/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 31/10/2017
Barclays Bond Euro Convertible - Class A - Acc Capitalisation shares	8,614,534	498,568	3,468,041	5,645,061
Barclays Bond Euro Convertible - Class C - Acc Capitalisation shares	105,780	2,221	69,648	38,353

Key figures

	Year ending as at:	31/10/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	89,662,882	127,652,836	138,137,941
Barclays Bond Euro Convertible - Class A - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		5,645,061	8,614,534	8,933,164
Net asset value per share		15.785	14.653	15.258
Barclays Bond Euro Convertible - Class C - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		38,353	105,780	130,637
Net asset value per share		14.472	13.461	14.044

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

Barclays Bond Euro Short Term (liquidated on 9 June 2017)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 09/06/2017

Income	Notes	EUR
Net interest on bonds	2	685,871
Total income		685,871
Expenses		
Management fees	5	106,059
Custodian fees	4	7,144
Taxe d'abonnement	6	18,259
Administration fees	3	16,196
Domiciliation fees	4	724
Professional fees		7,714
Bank interest on overdraft		16,397
Legal fees		4,554
Transaction fees	2	356
Other expenses		79,878
Total expenses		257,281
Net income from investments		428,590
Net realised profit/(loss) on:		
- sales of investment securities	2	-1,397,509
- financial futures		53
Net realised loss		-968,866
Movement in net unrealised appreciation/(depreciation) on:		
- investments		1,178,681
Increase in net assets as a result of operations		209,815
Proceeds from subscriptions of capitalisation shares		8,580,023
Barclays Bond Euro Short Term - Class A - Acc		3,159,852
Barclays Bond Euro Short Term - Class B - Acc		4,415,254
Barclays Bond Euro Short Term - Class C - Acc		1,004,918
Payments for capitalisation shares redeemed		-125,957,429
Barclays Bond Euro Short Term - Class A - Acc		-107,696,224
Barclays Bond Euro Short Term - Class B - Acc		-14,673,533
Barclays Bond Euro Short Term - Class C - Acc		-3,587,673
Decrease in net assets		-117,167,591
Net assets at the beginning of the period		117,167,591
Net assets at the end of the period		0

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

Barclays Bond Euro Short Term (liquidated on 9 June 2017) (continued)

Changes in number of shares outstanding from 01/11/2016 to 09/06/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 09/06/2017
Barclays Bond Euro Short Term - Class A - Acc Capitalisation shares	9,666,260	292,475	9,958,735	0
Barclays Bond Euro Short Term - Class B - Acc Capitalisation shares	939,610	404,898	1,344,508	0
Barclays Bond Euro Short Term - Class C - Acc Capitalisation shares	239,253	93,220	332,473	0

Key figures

	Period ending as at:	09/06/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	0	117,167,591	140,104,225
Barclays Bond Euro Short Term - Class A - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		0	9,666,260	12,164,581
Net asset value per share		0.000	10.796	10.716
Barclays Bond Euro Short Term - Class B - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		0	939,610	756,670
Net asset value per share		0.000	10.892	10.790
Barclays Bond Euro Short Term - Class C - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		0	239,253	148,738
Net asset value per share		0.000	10.769	10.689

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

Barclays Bond Euro (liquidated on 9 June 2017)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 09/06/2017

Income	Notes	EUR
Net interest on bonds	2	799,339
Other income		925
Total income		800,264
Expenses		
Management fees	5	131,902
Custodian fees	4	3,590
Taxe d'abonnement	6	9,720
Administration fees	3	13,778
Domiciliation fees	4	724
Professional fees		7,714
Bank interest on overdraft		7,141
Legal fees		1,128
Transaction fees	2	159
Other expenses		40,342
Total expenses		216,198
Net income from investments		584,066
Net realised profit/(loss) on:		
- sales of investment securities	2	-1,010,299
- financial futures		374
Net realised loss		-425,859
Movement in net unrealised appreciation/(depreciation) on:		
- investments		464,055
Increase in net assets as a result of operations		38,196
Proceeds from subscriptions of capitalisation shares		1,689,749
Barclays Bond Euro - Class C - Acc		1,689,749
Payments for capitalisation shares redeemed		-53,376,123
Barclays Bond Euro - Class C - Acc		-53,376,123
Decrease in net assets		-51,648,178
Net assets at the beginning of the period		51,648,178
Net assets at the end of the period		0

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

Barclays Bond Euro (liquidated on 9 June 2017) (continued)

Changes in number of shares outstanding from 01/11/2016 to 09/06/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 09/06/2017
Barclays Bond Euro - Class C - Acc Capitalisation shares	4,640,487	152,565	4,793,052	0

Key figures

	Period ending as at:	09/06/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	0	51,648,178	56,263,642
Barclays Bond Euro - Class C - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		0	4,640,487	5,219,097
Net asset value per share		0.000	11.130	10.780

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

Barclays Equity Euro

Investment Manager's Report

Investment Objective and Policy

The investment objective is to achieve capital growth by actively managing a portfolio of companies composed essentially of Euro denominated stock.

The Fund will invest predominantly in common stock, preferred shares and securities convertible into common stock of companies domiciled in Eurozone countries.

The Fund may employ techniques and instruments relating to transferable securities, including engaging in transactions in financial derivative instruments for efficient portfolio management purposes or to achieve its investment objective.

To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its total assets in equity securities issued by companies which have their head office in PEA eligible countries, and/or in PEA eligible collective investment undertakings.

The Fund may invest up to 10% of its assets in UCITS and other UCIs.

Economy and markets:

The euro zone's equity markets rose sharply over the period, with the Euro Stoxx 50 index up by 20.3%, the DAX by 24% and the CAC 40 by 22%. Markets in southern Europe also delivered very positive performances: Italy's FTSE MIB index climbed by 32.9% and Spain's IBEX index gained 15.1%. The numerous elections held in the United States (presidential) and Europe (France, Germany, Italy, Catalonia), as well as geopolitical tensions in the Korean Peninsula and the Middle East, had only a temporary impact on the markets without altering the upward trend.

Economic conditions in the euro zone continued to improve, with the manufacturing industry confidence index reaching 58.6 points in October 2017, its highest level since February 2011, compared with 53.5 points a year earlier. During the third quarter, economic activity increased by 0.6%, bringing GDP growth to 2.5% year-on-year. Unemployment fell to 8.9% in September 2017, compared with 9.9% a year earlier and a high of 12% in March 2014. Inflation remained moderate at 1.4% year-on-year in October 2017. The European Central Bank maintained its refinancing rate of 0%, and cut back its asset purchase programme from €80 billion to €60 billion per month in April, extending it until the end of 2017. The euro/dollar exchange rate rose by 6.1% to 1.165 compared with 1.098 at the end of October 2016. Oil prices increased by 16% to USD 54.4 per barrel. Long-term interest rates in Germany rose by 20 basis points to 0.37%.

Investment manager comments:

The Euro Stoxx index net return rose by 23.7% year-on-year, with the Fund outperforming slightly over the same period. Over the period, we maintained a favourable bias towards companies whose business model is exposed to areas of structural growth such as digitisation (Atos, SAP, Nemetschek and Cap Gemini), payment security (Wordline and Wirecard), population ageing (Ipsen Biomérieux and Orpea), driverless, lighter and electric cars (Leoni, Stabilus and Valéo), offshore wind energy development (CFE), food product and drug safety (Eurofins), industry 4.0 (Datalogic, Biesse and Duerr), e-commerce logistics (Deutsche Post, Jungheinrich, Interroll and Kion) and industrial innovation (Altran and Alten).

We also strengthened our position in luxury goods companies (LVMH, Kering and Moncler), which are benefiting from acceleration in worldwide economic growth. Within the telecoms sector, we favour low-cost operators that are gaining market share: Drillish and United Internet in Germany, and Masmovil in Spain.

We also increased the weighting of cyclical and financial sectors. We strengthened our holdings in BNP, AXA, Allianz, Amundi and Anima, which offer attractive rates of return. Within cyclical compartments, we created holdings in Elis, Tarkett and Melia.

We have a positive bias towards cyclical sectors (manufacturing, consumer goods, banking) and healthcare. We maintain our cautious stance towards consumer staples, real estate, telecoms and utilities.

Barclays Wealth Managers France S.A., November 2017.

NB: The information provided in this report is historical information and is not necessarily an indication of future performance.

Barclays Equity Euro (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			212,804,687	95.99
Shares			212,804,687	95.99
	Austria		290,500	0.13
2,500	LENZING AG	EUR	290,500	0.13
	Belgium		3,669,177	1.66
16,000	CIE.ENTREPRISES CFE	EUR	2,008,800	0.91
84,000	ECONOCOM GROUP - REGSITERED	EUR	555,072	0.25
15,500	KBC GROUPE SA	EUR	1,105,305	0.50
	France		105,605,450	47.63
7,000	AKKA TECHNOLOGIES	EUR	362,600	0.16
40,000	ALSTOM SA	EUR	1,389,600	0.63
17,000	ALTEN SA	EUR	1,277,550	0.58
353,000	ALTRAN TECHNOLOGIES SA	EUR	5,605,640	2.53
82,800	AMUNDI SA	EUR	6,026,184	2.72
33,000	ARKEMA SA	EUR	3,578,850	1.61
25,500	ATOS	EUR	3,401,700	1.53
137,500	AXA SA	EUR	3,565,375	1.61
35,118	BIOMERIEUX SA	EUR	2,364,846	1.07
134,000	BNP PARIBAS SA	EUR	8,983,359	4.05
14,000	CAPGEMINI SE	EUR	1,460,900	0.66
34,000	CHARGEURS	EUR	823,480	0.37
44	CHARGEURS SA	EUR	1,013	0.00
61,200	CIE DE SAINT-GOBAIN	EUR	3,082,032	1.39
222,000	CREDIT AGRICOLE SA	EUR	3,325,560	1.50
18,000	DEVOTEAM	EUR	1,444,320	0.65
43,000	DIRECT ENERGIE	EUR	1,699,360	0.77
135,000	ELIS SA	EUR	3,023,325	1.36
9,350	ESSILOR INTERNATIONAL SA	EUR	1,016,345	0.46
3,200	EUROFINS SCIENTIFIC	EUR	1,718,400	0.78
36,000	FAURECIA	EUR	2,246,760	1.01
31,500	GROUPE GUILLIN	EUR	1,200,150	0.54
42,500	IPSEN	EUR	4,411,500	1.99
5,300	L'OREAL SA	EUR	1,012,565	0.46
12,000	LVMH	EUR	3,073,200	1.39
86,200	MAISON DU MONDE SAS	EUR	3,202,330	1.44
1,500	MAISONS FRANCE CONFORT	EUR	89,985	0.04
36,000	ORPEA SA	EUR	3,702,600	1.67
27,000	ROTHSCHILD	EUR	832,275	0.38
40,000	RUBIS	EUR	2,155,200	0.97
19,000	SARTORIUS STEDIM BIOTECH	EUR	1,111,690	0.50
32,500	SCOR SE ACT PROV REGROUPEMENT	EUR	1,158,463	0.52
16,050	SEB SA	EUR	2,568,000	1.16
52,500	SOCIETE GENERALE SA	EUR	2,509,500	1.13
12,000	SOPRA STERIA GROUP	EUR	1,932,600	0.87
42,000	TARKETT SA	EUR	1,534,260	0.69
46,500	TELEPERFORMANCE SA	EUR	5,831,100	2.63
95,356	TOTAL SA	EUR	4,564,692	2.06
1,600	TRIGANO	EUR	221,600	0.10
69,800	VALEO SA	EUR	4,055,380	1.83
20,700	VINCI SA	EUR	1,739,835	0.78
54,800	WORLDLINE SA	EUR	2,301,326	1.04
	Germany		60,814,577	27.43
9,000	ADIDAS NAMEN AKT	EUR	1,719,450	0.78
39,000	ALLIANZ SE REG SHS	EUR	7,774,650	3.51
33,500	BASF - NAMEN AKT	EUR	3,136,270	1.41
24,500	CARL ZEISS MEDITEC AG	EUR	1,121,120	0.51
26,000	DEUTSCHE POST AG REG SHS	EUR	1,022,320	0.46
81,500	DRILLISCH	EUR	4,922,600	2.22

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

Barclays Equity Euro (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR) (continued)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
19,000	DUERR AG	EUR	2,248,650	1.01
60,900	FRESENIUS AG	EUR	4,367,139	1.97
16,000	HELLA KGAA HUECK AND CO	EUR	826,560	0.37
67,200	JUNGHEINRICH VORZ.STIMMRECHTSLOS	EUR	2,620,128	1.18
49,500	KION GROUP	EUR	3,401,145	1.53
31,000	KOENIG AND BAUER AK.	EUR	2,069,250	0.93
13,000	LEONI AG	EUR	740,740	0.33
6,000	LINDE	EUR	1,112,400	0.50
2,000	MTU AERO ENGINES HOLDING AG	EUR	289,500	0.13
23,500	NEMETSCHEK	EUR	1,800,805	0.81
38,500	SAP AG	EUR	3,759,910	1.70
13,000	SARTORIUS VORZ.OHNE STIMMRECHT.	EUR	1,040,130	0.47
22,500	SIEMENS AG REG	EUR	2,756,250	1.24
10,000	STROER OUT-OF-HOME MEDIA A	EUR	549,000	0.25
25,000	UNITED INTERNET AG REG SHS	EUR	1,357,750	0.61
1,500	WASHTEC AG	EUR	113,715	0.05
125,500	WIRECARD AG	EUR	10,611,025	4.80
5,700	XING	EUR	1,454,070	0.66
	Ireland		726,180	0.33
8,400	KERRY GROUP -A-	EUR	726,180	0.33
	Italy		18,434,350	8.32
35,000	AMPLIFON SPA	EUR	456,400	0.21
305,000	ANIMA HOLDING	EUR	1,991,650	0.90
280,000	BANCO BPM REGISTERED	EUR	838,320	0.38
62,000	BIESSE	EUR	2,373,360	1.07
79,000	BREMBO SPA	EUR	1,120,220	0.51
15,000	DATALOGIC- AZ. POST FRAZIONAMENTO	EUR	511,650	0.23
1,500	IMA (INDUSTRIA MACCHINE AUTOMATICHE)	EUR	115,500	0.05
20,000	INTERPUMP GROUP	EUR	578,200	0.26
650,000	INTESA SANPAOLO SPA	EUR	1,875,900	0.85
140,000	LEONARDO S.P.A.	EUR	2,076,200	0.94
120,000	MEDIOBANCA SPA	EUR	1,129,200	0.51
134,000	MONCLER SPA	EUR	3,266,920	1.46
16,000	RECORDATI SPA	EUR	638,560	0.29
89,000	UNICREDIT REGISTERED SHS AFTER SPLIT	EUR	1,462,270	0.66
	Luxembourg		7,188,700	3.24
6,000	APERAM REG	EUR	277,110	0.12
100,000	AROUNDTOWN SA	EUR	604,200	0.27
13,000	CORESTATE CAPITAL HOLDING S.A.	EUR	668,720	0.30
46,000	SOLUTIONS 30 SE	EUR	1,232,800	0.56
56,500	STABILUS SA	EUR	4,405,870	1.99
	Spain		5,440,086	2.45
17,000	AMADEUS IT -A-	EUR	990,250	0.45
57,000	BANCO BILBAO VIZCAYA ARGENT SA REG	EUR	428,241	0.19
15,000	GRIFOLS SA -A-	EUR	403,125	0.18
56,000	INDITEX	EUR	1,797,320	0.81
5,000	MASMOVIL IBERCOM SA	EUR	352,400	0.16
125,000	MELIA HOTELS	EUR	1,468,750	0.66
	Switzerland		2,328,367	1.05
30,000	ASCOM HOLDING AG REG.	CHF	590,338	0.27
600	DORMA+KABA HLDG N NAMEN-AKT.	CHF	509,990	0.23
1,000	INTERROLL-HOLDING NOM.	CHF	1,228,039	0.55
	The Netherlands		8,307,300	3.75
18,000	AIRBUS GROUP	EUR	1,579,500	0.71
9,000	ASML HLDG	EUR	1,393,200	0.63
201,500	ING GROEP	EUR	3,195,790	1.44
31,000	KONINKLIJKE AHOLD NV	EUR	500,805	0.23
50,000	RELX NV	EUR	969,500	0.44
41,000	WESSANEN	EUR	668,505	0.30

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

Barclays Equity Euro (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR) (continued)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
Shares/Units of UCITS/UCIS			7,297,051	3.29
Shares/Units in investment funds			7,297,051	3.29
	Luxembourg		7,297,051	3.29
303,500	BARCLAYS FUNDS EQUITY EURO SMALL & MID CAP -B- ACC	EUR	7,297,051	3.29
Total securities portfolio (cost: 168,605,154)			220,101,738	99.28
Cash at banks and liquidities/(Bank overdrafts)			3,992,195	1.80
Other net assets/(liabilities)			-2,400,245	-1.08
Total net assets			221,693,688	100.00

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

Barclays Equity Euro (continued)

Statement of Net Assets as at 31/10/2017

	Notes	EUR
Assets		
Securities portfolio at market value	2	220,101,738
Cash at banks and liquidities		3,992,195
Brokers receivable		498,540
Subscriptions receivable		498,668
Dividends receivable		16,686
Total assets		225,107,827
Liabilities		
Brokers payable		1,458,717
Performance fees payable	10	320,537
Redemptions payable		74,509
Accrued management fees	5	1,270,438
Custody and administration fees payable	3, 4	10,200
Accrued professional fees		15,661
Other liabilities		264,077
Total liabilities		3,414,139
Net asset value		221,693,688

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

Barclays Equity Euro (continued)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 31/10/2017

Income	Notes	EUR
Net dividends	2	4,411,582
Total income		4,411,582
Expenses		
Management fees	5	4,001,206
Custodian fees	4	29,980
Taxe d'abonnement	6	94,154
Administration fees	3	94,959
Performance fees	10	320,519
Domiciliation fees	4	1,298
Professional fees		14,032
Bank interest on overdraft		16,470
Legal fees		18,670
Transaction fees	2	820,287
Other expenses		206,602
Total expenses		5,618,177
Net loss from investments		-1,206,595
Net realised profit/(loss) on:		
- sales of investment securities	2	21,622,218
- foreign exchange		-81,035
Net realised profit		20,334,588
Movement in net unrealised appreciation/(depreciation) on:		
- investments		24,209,004
Increase in net assets as a result of operations		44,543,592
Proceeds from subscriptions of capitalisation shares		34,043,942
Barclays Equity Euro - Class A - Acc		3,430,194
Barclays Equity Euro - Class B - Acc		4,590,462
Barclays Equity Euro - Class C - Acc		26,023,285
Payments for capitalisation shares redeemed		-47,557,760
Barclays Equity Euro - Class A - Acc		-4,503,325
Barclays Equity Euro - Class B - Acc		-4,428,136
Barclays Equity Euro - Class C - Acc		-38,626,298
Increase in net assets		31,029,774
Net assets at the beginning of the year		190,663,914
Net assets at the end of the year		221,693,688

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

Barclays Equity Euro (continued)

Changes in number of shares outstanding from 01/11/2016 to 31/10/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 31/10/2017
Barclays Equity Euro - Class A - Acc Capitalisation shares	667,179	184,987	214,883	637,283
Barclays Equity Euro - Class B - Acc Capitalisation shares	1,120,952	405,240	371,773	1,154,419
Barclays Equity Euro - Class C - Acc Capitalisation shares	10,451,547	1,448,074	2,204,222	9,695,399

Key figures

	Year ending as at:	31/10/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	221,693,688	190,663,914	224,623,479
Barclays Equity Euro - Class A - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		637,283	667,179	1,210,800
Net asset value per share		22.997	18.405	19.354
Barclays Equity Euro - Class B - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		1,154,419	1,120,952	0
Net asset value per share		13.285	10.552	0.000
Barclays Equity Euro - Class C - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		9,695,399	10,451,547	11,945,585
Net asset value per share		19.772	15.936	16.842

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

Barclays Equity Europe Flexible

Investment Manager's Report

Investment Objective and Policy

The investment objective is to achieve long term capital growth by actively managing a portfolio of European stocks. Investment will be made in European stocks meaning stocks including ordinary and preferred stocks of issuers established in one of the countries in Europe, and notes or bonds exchangeable or convertible into such stocks and warrants giving the right to acquire or subscribe to such stocks. To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its total assets in equity securities issued by companies which have their head office in PEA eligible countries and/or in PEA eligible collective investment undertakings. The Fund may invest up to 10% of its assets in UCITS and other UCIs. The Fund may employ techniques and instruments relating to transferable securities, including engaging in transactions in financial derivative instruments for efficient portfolio management purposes or to achieve its investment objective. The Fund will engage in transactions in financial derivative instruments in order to manage its equity market exposure from 0 to 100% of its assets. The Fund will not use leverage.

Economy and markets:

The start of the period under review was highly volatile. The trend was upheld by the US elections and Donald Trump's unexpected victory. The markets were very quick to anticipate the effects of Donald Trump's agenda. In the end, the scenario feared by the markets – namely the election of Donald Trump – turned out to be excellent news for the equity markets, boosted by the prospect of fiscal stimulus and a more relaxed regulatory framework. The elections went by without any nasty surprises, and the markets returned to their upward trend. Following a well deserved summer break, the good third-quarter results season, hopes relating to future tax reforms in the United States and the ECB's accommodating tone continued to sustain the equity markets.

Investment manager comments:

From 1 November 2016 to 31 October 2017, net asset value increased by +11.40% from €11.194 to €12.47, compared with +8.45% for the fund's management indicator, representing an outperformance of 2.95%.

The investment strategy applied over the period was based on the following assumptions.

- We believed that with the support of central banks, the global economy should be consistent across all major regions;
- We also believed that the rate of growth should be global or even synchronised, still supported by the United States, where growth should remain robust despite a few recent signs of waning.
- In the end, it is difficult against this favourable backdrop to imagine that the European economy may not be consistent, with this spreading to companies, implying an upward revision in earnings forecasts. Another significant technical factor is global investment flows, which had been turning away from Europe, seem to be taking more interest in the region.

We started the year with 51.44% in equities and – in keeping with our strategy – favoured an optimistic approach reflected by stronger net exposure to the equity markets, reaching a level of 69% at the end of October 2017. As the summer period is often subject to a high level of volatility, we made the tactical move of reducing our exposure to 54%.

In terms of allocation by region, the euro zone is still our preferred region as it is cyclically more behind than other countries. We maintained our cautious position as regards UK equities – due to Brexit – and adopted a wary stance as regards sterling against the euro. Only UK equities with a strong international presence were maintained (HSBC, British American Tobacco, Imperial Brands).

Taking a constructive approach towards the “equity” markets, we have underweighted the Swiss market, which is considered defensive in terms of its composition (pharma majors and Nestlé).

In terms of sectors, Industry and Technology have been overweighted to the detriment of the consumer goods sector - both staples and discretionary – telecoms (deflationary sector) and utilities (regulated prices).

M&A activity was brisk during the period, as demonstrated by the takeover of ACTELION (included in the portfolio) by JOHNSON&JOHNSON.

We looked for performance in the midcap segment by means of the BF BARCLAYS Small & Midcaps fund, representing 5% of total assets.

Stock picking contributed to the fund's performance, as demonstrated by ACTELION, BIOMERIEUX, ATOS, WIRECARD, TELEPERFORMANCE, WORLDLINE and ORPEA. Meanwhile, PANDORA, SARTORIUS STEDIM, IMPERIAL Brands and THALES were disappointing.

Barclays Wealth Managers France S.A., November 2017.

NB: The information provided in this report is historical information and is not necessarily an indication of future performance.

Barclays Equity Europe Flexible (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			51,763,557	87.82
Shares			51,763,557	87.82
	France		30,802,167	52.26
18,500	ALSTOM SA	EUR	642,690	1.09
50,000	ALTRAN TECHNOLOGIES SA	EUR	794,000	1.35
13,000	AMUNDI SA	EUR	946,140	1.61
7,500	ARKEMA SA	EUR	813,375	1.38
10,000	ATOS	EUR	1,334,000	2.25
42,000	AXA SA	EUR	1,089,060	1.85
16,500	BIOMERIEUX SA	EUR	1,111,110	1.89
13,000	BNP PARIBAS SA	EUR	871,520	1.48
9,000	CAPGEMINI SE	EUR	939,150	1.59
25,000	CHARGEURS	EUR	605,500	1.03
280	CHARGEURS SA	EUR	6,446	0.01
15,000	CIE DE SAINT-GOBAIN	EUR	755,400	1.28
62,000	COFACE SA	EUR	581,560	0.99
65,000	CREDIT AGRICOLE SA	EUR	973,700	1.65
12,500	DANONE	EUR	876,750	1.49
12,500	EIFFAGE	EUR	1,121,125	1.90
2,350	EUROFINS SCIENTIFIC	EUR	1,261,950	2.14
8,500	IPSEN	EUR	882,300	1.50
2,500	KERING	EUR	983,750	1.67
6,500	L'OREAL SA	EUR	1,241,825	2.11
4,500	LVMH	EUR	1,152,450	1.96
13,500	NEXANS SA	EUR	758,700	1.29
9,200	ORPEA SA	EUR	946,220	1.61
23,600	RUBIS	EUR	1,271,568	2.15
10,500	SAFRAN	EUR	949,515	1.61
10,000	SANOFI	EUR	812,900	1.38
13,500	SCHNEIDER ELECTRIC SE	EUR	1,018,575	1.73
33,000	SPIE SA	EUR	745,140	1.26
11,000	TELEPERFORMANCE SA	EUR	1,379,399	2.33
21,861	TOTAL SA	EUR	1,046,486	1.78
12,500	VALEO SA	EUR	726,250	1.23
14,500	VINCI SA	EUR	1,218,725	2.07
22,500	WORLDLINE SA	EUR	944,888	1.60
	Germany		8,574,051	14.55
8,000	ALLIANZ SE REG SHS	EUR	1,594,800	2.70
11,500	BASF - NAMEN AKT	EUR	1,076,630	1.83
10,000	BAYER AG REG SHS	EUR	1,117,000	1.90
10,000	FRESENIUS AG	EUR	717,100	1.22
9,500	KION GROUP	EUR	652,745	1.11
7,200	NEMETSCHEK	EUR	551,736	0.94
11,500	SAP AG	EUR	1,123,090	1.90
8,000	SIEMENS AG REG	EUR	980,000	1.66
9,000	WIRECARD AG	EUR	760,950	1.29
	Luxembourg		656,600	1.11
24,500	SOLUTIONS 30 SE	EUR	656,600	1.11
	Switzerland		4,522,134	7.67
39,500	ASCOM HOLDING AG REG.	CHF	777,278	1.32
850	DORMA+KABA HLDG N NAMEN-AKT.	CHF	722,485	1.23
18,000	NESTLE SA REG SHS	CHF	1,300,551	2.20
18,000	NOVARTIS AG REG SHS	CHF	1,274,199	2.16
2,255	ROCHE HOLDING AG GENUSSSCHEIN	CHF	447,621	0.76
	The Netherlands		2,604,025	4.42
73,000	ING GROEP	EUR	1,157,779	1.96
30,500	ROYAL DUTCH SHELL PLC	EUR	822,433	1.40
12,500	UNILEVER NV	EUR	623,813	1.06

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

Barclays Equity Europe Flexible (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR) (continued)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
	United Kingdom		4,604,580	7.81
11,700	ASTRAZENECA PLC	GBP	671,125	1.14
100,000	BP PLC	GBP	581,590	0.99
20,500	DIAGEO PLC	GBP	602,507	1.02
135,000	HSBC HOLDINGS PLC	GBP	1,130,013	1.91
25,000	MICRO FOCUS INTL PLC	GBP	753,776	1.28
41,000	PRUDENTIAL PLC	GBP	865,569	1.47
Shares/Units of UCITS/UCIS			2,993,354	5.08
Shares/Units in investment funds			2,993,354	5.08
	Luxembourg		2,993,354	5.08
124,500	BARCLAYS FUNDS EQUITY EURO SMALL & MID CAP -B- ACC	EUR	2,993,354	5.08
Total securities portfolio (cost: 42,831,079)			54,756,911	92.90

Derivative instruments as at 31/10/2017 (expressed in EUR)

Quantity/ Nominal	Denomination	Quotation	Commitments	Unrealised appreciation/ (depreciation)	% of net assets
Futures Contracts					
75	DJ EURO STOXX 600 12/17	EUR	1,716,000	105,750	0.18
-575	DJ STOXX 50 INDICE 12/17	EUR	-18,520,750	-761,950	-1.29
400	EURO STOX BANK IDX 12/17	EUR	2,710,000	58,000	0.10
				-598,200	-1.01
Total securities portfolio and derivative instruments				54,158,711	91.88
Cash at banks and liquidities/(Bank overdrafts)				5,114,235	8.68
Other net assets/(liabilities)				-328,794	-0.56
Total net assets				58,944,152	100.00

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

Barclays Equity Europe Flexible (continued)

Statement of Net Assets as at 31/10/2017

	Notes	EUR
Assets		
Securities portfolio at market value	2	54,756,911
Cash at banks and liquidities		5,114,235
Brokers receivable		573,692
Subscriptions receivable		90,013
Dividends receivable		11,588
Total assets		60,546,439
Liabilities		
Brokers payable		197,196
Performance fees payable	10	251,078
Redemptions payable		72,396
Net unrealised depreciation on financial futures	2, 12	598,200
Accrued management fees	5	404,379
Custody and administration fees payable	3, 4	2,797
Accrued professional fees		15,661
Other liabilities		60,580
Total liabilities		1,602,287
Net asset value		58,944,152

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

Barclays Equity Europe Flexible (continued)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 31/10/2017

Income	Notes	EUR
Net dividends	2	1,385,479
Bank interest on cash account		73
Total income		1,385,552
Expenses		
Management fees	5	1,235,660
Custodian fees	4	6,414
Taxe d'abonnement	6	24,227
Administration fees	3	26,658
Performance fees	10	251,074
Domiciliation fees	4	1,298
Professional fees		14,032
Bank interest on overdraft		16,816
Legal fees		3,929
Transaction fees	2	184,120
Other expenses		70,057
Total expenses		1,834,285
Net loss from investments		-448,733
Net realised profit/(loss) on:		
- sales of investment securities	2	3,576,627
- financial futures		-2,179,970
- foreign exchange		-519,220
Net realised profit		428,704
Movement in net unrealised appreciation/(depreciation) on:		
- investments		5,910,386
- financial futures		-853,201
Increase in net assets as a result of operations		5,485,889
Proceeds from subscriptions of capitalisation shares		14,050,656
Barclays Equity Europe Flexible - Class C - Acc		14,050,656
Payments for capitalisation shares redeemed		-14,581,986
Barclays Equity Europe Flexible - Class C - Acc		-14,581,986
Increase in net assets		4,954,560
Net assets at the beginning of the year		53,989,592
Net assets at the end of the year		58,944,152

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

Barclays Equity Europe Flexible (continued)

Changes in number of shares outstanding from 01/11/2016 to 31/10/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 31/10/2017
Barclays Equity Europe Flexible - Class C - Acc Capitalisation shares	4,823,174	1,159,152	1,255,540	4,726,786

Key figures

	Year ending as at:	31/10/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	58,944,152	53,989,592	61,006,211
Barclays Equity Europe Flexible - Class C - Acc Capitalisation shares		EUR	EUR	EUR
Number of shares		4,726,786	4,823,174	5,121,424
Net asset value per share		12.470	11.194	11.912

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

Barclays Equity Euro Small & Mid cap

Investment Manager's Report

Investment Objective and Policy

The investment objective is to achieve capital growth by investing in small to mid-cap companies.

The Fund will invest predominantly in common stock, preferred shares and securities convertible into common stock of companies domiciled in a range of Eurozone countries.

The emphasis will be on selecting companies that offer the best prospects in their respective activity. Stock and sector selections will be used in order to identify the best business opportunities arising in the Euro zone small to mid-cap universe considered to be companies with a market capitalisation of usually between EUR 200 million and EUR 10 billion at the time of initial investment.

To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its total assets in equity securities issued by companies which have their head office in PEA eligible countries, and/or in PEA eligible collective investment undertakings.

The Fund may employ techniques and instruments relating to transferable securities, including engaging in transactions in financial derivative instruments for efficient portfolio management purposes or to achieve its investment objective.

The Fund may invest up to 10% of its assets in UCITS and other UCIs.

Economy and markets:

The euro zone's equity markets delivered solid growth over the period, with the Euro Stoxx 50 index up by 22.9%, the CAC 40 by 25.5% and the DAX by 24.1%. The many elections taking place in the United States and Europe, with presidential elections in the United States and in France in particular, as well as geopolitical tensions in the Korean Peninsula and the Middle East, did not alter the upward trend in the world's major indices, supported by synchronised global growth in the three main economic regions and, in particular, in the euro zone.

In the euro zone, economic conditions continued to improve. The manufacturing industry confidence index stood at 58.6 points in October 2017, its highest level since February 2011, compared with 53.5 points a year earlier. During the third quarter, economic activity increased by 0.6%, bringing GDP growth to 2.5% year-on-year. Unemployment fell to 8.9% in September 2017, compared with 9.9% a year earlier. Inflation remained moderate at 1.4% year-on-year in October 2017. The ECB maintained its refinancing rate of 0% and cut back its asset purchase programme from €80 billion to €60 billion per month in April, extending it until the end of 2017.

Investment manager comments:

The Euro Stoxx Small index net return rose by 28.8% over the period, with the fund underperforming slightly. Small and mid cap stocks delivered a stronger performance over the period than large caps, with the Euro Stoxx net return increasing by 23.4%.

Over the period, we maintained a favourable bias towards companies whose business model is exposed to areas of structural growth such as digitisation with Nemetschek, payment security with Wirecard and Worldline, population ageing with Orpéa, Biomérieux and Ipsen, food product and drug safety with Eurofins, e-commerce logistics with Kion, Jungheinrich and Interroll, and research and development outsourcing with Altran.

Companies exposed to robust worldwide growth were also favoured, particularly in the manufacturing and automotive sectors with stocks like Duerr, Biesse, Brembo, Faurecia and Leoni.

We also continued to favour companies in a position to gain market share in their business segment such as German telecoms company Drillisch, which also benefited from its merger with the United Internet group's telecoms business, creating a solid fourth market operator after Deutsche Telekom Vodafone and Telefonica Deutschland.

The result of this stock picking approach is a fund invested primarily in three countries, namely France, Germany and Italy, and in sectors including manufacturing, technology and healthcare in particular.

Barclays Wealth Managers France S.A., November 2017.

NB: The information provided in this report is historical information and is not necessarily an indication of future performance.

Barclays Equity Euro Small & Mid Cap (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			116,724,780	94.77
Shares			116,724,780	94.77
	Austria		662,340	0.54
5,700	LENZING AG	EUR	662,340	0.54
	Belgium		958,150	0.78
5,000	CIE.ENTREPRISES CFE	EUR	627,750	0.51
50,000	ECONOCOM GROUP - REGSITERED	EUR	330,400	0.27
	France		54,552,589	44.29
34,000	ALSTOM SA	EUR	1,181,160	0.96
220,000	ALTRAN TECHNOLOGIES SA	EUR	3,493,600	2.84
53,600	AMUNDI SA	EUR	3,901,008	3.18
18,500	ARKEMA SA	EUR	2,006,325	1.63
48,000	BIOMERIEUX SA	EUR	3,232,320	2.62
44,500	CHARGEURS	EUR	1,077,790	0.88
437	CHARGEURS SA	EUR	10,060	0.01
67,000	COFACE SA	EUR	628,460	0.51
8,500	DEVOTEAM	EUR	682,040	0.55
20,000	DIRECT ENERGIE	EUR	790,400	0.64
22,700	EIFFAGE	EUR	2,035,963	1.65
30,000	ELIS SA	EUR	671,850	0.55
7,100	EUROFINS SCIENTIFIC	EUR	3,812,700	3.10
10,000	FAURECIA	EUR	624,100	0.51
16,000	GROUPE GUILLIN	EUR	609,600	0.49
24,000	IPSEN	EUR	2,491,200	2.02
13,200	LE NOBLE AGE	EUR	794,376	0.64
19,000	LECTRA SYSTEMES	EUR	477,280	0.39
19,000	MAISON DU MONDE SAS	EUR	705,850	0.57
37,000	ORPEA SA	EUR	3,805,450	3.09
19,000	PLASTIC OMNIUM SA	EUR	680,200	0.55
16,500	ROTHSCHILD	EUR	508,613	0.41
29,000	RUBIS	EUR	1,562,520	1.27
24,500	SARTORIUS STEDIM BIOTECH	EUR	1,433,495	1.16
33,000	SCOR SE ACT PROV REGROUPEMENT	EUR	1,176,285	0.95
22,000	SEB SA	EUR	3,520,000	2.86
10,000	SPIE SA	EUR	225,800	0.18
36,500	TELEPERFORMANCE SA	EUR	4,577,099	3.73
58,000	UBISOFT ENTERTAINMENT	EUR	3,799,000	3.08
12,400	VALEO SA	EUR	720,440	0.58
79,000	WORLDLINE SA	EUR	3,317,605	2.69
	Germany		32,718,149	26.56
40,500	CARL ZEISS MEDITEC AG	EUR	1,853,280	1.50
29,500	COMPUGROUP HOLDING AKT	EUR	1,455,235	1.18
69,000	DRILLISCH	EUR	4,167,600	3.37
19,800	DUERR AG	EUR	2,343,330	1.90
9,300	GRENKELEASING NAMENS-AKT.	EUR	781,293	0.63
82,000	JUNGHEINRICH VORZ.STIMMRECHTSLOS	EUR	3,197,180	2.60
38,000	KION GROUP	EUR	2,610,980	2.12
23,000	KOENIG AND BAUER AK.	EUR	1,535,250	1.25
7,000	KRONES	EUR	759,850	0.62
10,500	LEONI AG	EUR	598,290	0.49
36,700	NEMETSCHKE	EUR	2,812,321	2.28
14,500	NORMA GROUP - NAMEN AKT	EUR	846,945	0.69
31,500	SARTORIUS VORZ.OHNE STIMMRECHT.	EUR	2,520,315	2.05
17,000	STROER OUT-OF-HOME MEDIA A	EUR	933,300	0.76
9,500	SYMRISE AG	EUR	634,695	0.52
21,000	UNITED INTERNET AG REG SHS	EUR	1,140,510	0.93
44,500	WIRECARD AG	EUR	3,762,475	3.05
3,000	XING	EUR	765,300	0.62

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

Barclays Equity Euro Small & Mid Cap (continued)

Portfolio Statement as at 31/10/2017 (expressed in EUR) (continued)

Quantity/ Nominal	Denomination	Currency	Market value	% of net assets
	Ireland		613,830	0.50
37,000	GLANBIA PLC	EUR	613,830	0.50
	Italy		20,644,226	16.76
190,000	ANIMA HOLDING	EUR	1,240,700	1.01
340,000	BANCO BPM REGISTERED	EUR	1,017,960	0.83
44,000	BIESSE	EUR	1,684,320	1.37
180,000	BREMBO SPA	EUR	2,552,400	2.07
85,000	DATALOGIC- AZ. POST FRAZIONAMENTO	EUR	2,899,350	2.35
110,000	FINECOBANK	EUR	883,300	0.72
31,500	IMA (INDUSTRIA MACCHINE AUTOMATICHE)	EUR	2,425,500	1.97
60,500	INTERPUMP GROUP	EUR	1,749,055	1.42
65,000	LEONARDO S.P.A.	EUR	963,950	0.78
127,000	MEDIOBANCA SPA	EUR	1,195,070	0.97
76,000	MONCLER SPA	EUR	1,852,880	1.50
23,500	RECORDATI SPA	EUR	937,885	0.76
308,000	UBI BANCA SCPA	EUR	1,241,856	1.01
	Luxembourg		2,490,340	2.02
26,000	SOLUTIONS 30 SE	EUR	696,800	0.57
23,000	STABILUS SA	EUR	1,793,540	1.45
	Switzerland		921,396	0.75
12,500	ASCOM HOLDING AG REG.	CHF	245,974	0.20
550	INTERROLL-HOLDING NOM.	CHF	675,422	0.55
	The Netherlands		3,163,760	2.57
38,000	ASR	EUR	1,337,600	1.09
112,000	WESSANEN	EUR	1,826,160	1.48
Total securities portfolio (cost: 74,234,910)			116,724,780	94.77
Cash at banks and liquidities/(Bank overdrafts)			7,446,180	6.05
Other net assets/(liabilities)			-999,418	-0.82
Total net assets			123,171,542	100.00

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

Barclays Equity Euro Small & Mid Cap (continued)

Statement of Net Assets as at 31/10/2017

	Notes	EUR
Assets		
Securities portfolio at market value	2	116,724,780
Cash at banks and liquidities		7,446,180
Brokers receivable		308,443
Subscriptions receivable		404,394
Total assets		124,883,797
Liabilities		
Brokers payable		552,256
Performance fees payable	10	73,256
Redemptions payable		61,862
Accrued management fees	5	872,558
Custody and administration fees payable	3, 4	5,707
Accrued professional fees		15,661
Other liabilities		130,955
Total liabilities		1,712,255
Net asset value		123,171,542

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

Barclays Equity Euro Small & Mid Cap (continued)

Statement of Operations and Changes in Net Assets from 01/11/2016 to 31/10/2017

Income	Notes	EUR
Net dividends	2	1,691,105
Total income		1,691,105
Expenses		
Management fees	5	2,604,726
Custodian fees	4	17,175
Taxe d'abonnement	6	50,244
Administration fees	3	53,608
Performance fees	10	73,256
Domiciliation fees	4	1,298
Professional fees		14,032
Bank interest on overdraft		21,693
Legal fees		7,789
Transaction fees	2	239,104
Other expenses		117,464
Total expenses		3,200,389
Net loss from investments		-1,509,284
Net realised profit/(loss) on:		
- sales of investment securities	2	18,185,112
- foreign exchange		-288
Net realised profit		16,675,540
Movement in net unrealised appreciation/(depreciation) on:		
- investments		10,299,039
Increase in net assets as a result of operations		26,974,579
Proceeds from subscriptions of capitalisation shares		23,229,231
Barclays Equity Euro Small & Mid Cap - Class A - Acc		783,612
Barclays Equity Euro Small & Mid Cap - Class B - Acc		166,694
Barclays Equity Euro Small & Mid Cap - Class C - Acc		22,278,926
Payments for capitalisation shares redeemed		-30,770,047
Barclays Equity Euro Small & Mid Cap - Class A - Acc		-511,718
Barclays Equity Euro Small & Mid Cap - Class B - Acc		-2,171,697
Barclays Equity Euro Small & Mid Cap - Class C - Acc		-28,086,633
Increase in net assets		19,433,763
Net assets at the beginning of the year		103,737,779
Net assets at the end of the year		123,171,542

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

Barclays Equity Euro Small & Mid Cap (continued)

Changes in number of shares outstanding from 01/11/2016 to 31/10/2017

	Shares outstanding as at 01/11/2016	Shares issued	Shares redeemed	Shares outstanding as at 31/10/2017
Barclays Equity Euro Small & Mid Cap - Class A - Acc Capitalisation shares	72,623	40,997	27,344	86,276
Barclays Equity Euro Small & Mid Cap - Class B - Acc Capitalisation shares	709,020	7,632	116,311	600,341
Barclays Equity Euro Small & Mid Cap - Class C - Acc Capitalisation shares	4,713,427	1,013,735	1,320,128	4,407,034

Key figures

	Year ending as at:	31/10/2017	31/10/2016	31/10/2015
Total Net Assets	EUR	123,171,542	103,737,779	110,535,081
Barclays Equity Euro Small & Mid Cap - Class A - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		86,276	72,623	59,971
Net asset value per share		20.587	15.978	15.721
Barclays Equity Euro Small & Mid Cap - Class B - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		600,341	709,020	865,244
Net asset value per share		24.046	18.487	18.021
Barclays Equity Euro Small & Mid Cap - Class C - Acc Capitalisation shares	EUR	EUR	EUR	EUR
Number of shares		4,407,034	4,713,427	4,955,040
Net asset value per share		24.270	18.982	18.971

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

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

1. Description of the Company

Barclays Funds (the “Company”) was incorporated in Luxembourg under the name of Barclays Euro Funds on 16 October 1998 as an open-ended investment company with variable capital (SICAV) which qualifies as an undertaking for collective investment in transferable securities (UCITS) under Part I of the amended Law of 17 December 2010 on undertakings for collective investment.

The Company has an umbrella structure comprising a number of separate sub-funds (“Funds”) each having a different portfolio of investments with specific investment objectives. The assets of each Fund are segregated in the Company’s books from the other assets of the Company.

Within each Fund, the Board of Directors may issue one or more classes of shares, each class having one or more distinct characteristics.

As at 31 October 2017, the Company had the following active Funds:

Funds	Base Currency	Shares Classes
Barclays Money Market Euro	EUR	Class A - Acc Class B - Acc Class C - Acc
Barclays Bond Euro Convertible	EUR	Class A - Acc Class C - Acc
Barclays Equity Euro	EUR	Class A - Acc Class B - Acc Class C - Acc
Barclays Equity Europe Flexible	EUR	Class C - Acc
Barclays Equity Euro Small & Mid Cap	EUR	Class A - Acc Class B - Acc Class C - Acc

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

2. Summary of Significant Accounting Policies

(a) Presentation of Financial Statements

The Financial Statements are presented in accordance with Luxembourg legal and regulatory requirements relating to investment funds.

All figures disclosed in the financial statements are reported without decimals (excluding percentage figures). As a result, small rounding differences may occur.

Cross-sub-funds investments were not eliminated from the combined figures. As at 31 October 2017, the total of cross-sub-funds investments amounts to EUR 12,348,043 and therefore total combined NAV at period-end without cross-investments would amount to EUR 862,021,579.

(b) Treatment of Currencies

The reporting currency of both the Company and each of the Funds is the Euro ("EUR").

All assets and liabilities of the Funds expressed in a currency other than the Funds' reporting currency are translated into the reporting currency at the last available exchange rate as of 1.00 p.m. CET on 31 October 2017 being the last valuation day of the year under review.

The combined Statement of net assets and combined Statement of Operations and Changes in Net Assets represent the total of the Statement of net assets and the Statement of Operations and Changes in Net Assets of the individual sub-funds translated in EUR at the exchange rate prevailing at year-end.

As at 31 October 2017, the following exchange rates prevailed and these rates have been used for the combined calculation:

1 EUR = 0.87725 GBP 1 EUR = 1.16495 USD 1 EUR = 1.1612 CHF

(c) Valuation of Investments

For all the Funds, securities listed on a stock exchange or traded on any other organized market are valued at the last available mid-market price as of 5.35 p.m. CET on 31 October 2017, the last valuation day of the period of the reporting. If a security is listed on more than one exchange, the value of the security will be determined using the price obtained from the exchange, which is normally the principal stock exchange for such a security.

All money market instruments (including commercial papers and commercial deposits) are valued using the amortized cost method which approximates market value, except the money market instruments "OIS" type, which are valued at acquisition cost.

In the event that any of the securities held in a sub-fund's portfolio on the relevant valuation day are not quoted or dealt in on any stock exchange or regulated market or if, with respect to securities quoted or dealt in on a regulated market, the price, determined as described above, is not representative of the fair market value of the relevant assets, the value thereof will be determined on the basis of the reasonably foreseeable sales price thereof, determined prudently and in good faith.

Shares or units in investment funds are valued at their last available calculated net asset value.

(d) Treatment of Interest Income and Dividends

The assets of the Funds include all stock dividends, cash dividends and cash distributions receivable by the sub-funds to the extent that the information thereon is reasonably available to the Company and all interest accrued on any interest-bearing securities owned by the sub-funds, except to the extent that it is included or reflected in the principal amount of such securities. Dividends are shown net from withholding tax deducted at source, and are recorded as income on the ex-dividend date. Interest income is accrued net of withholding tax on a daily basis.

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

2. Summary of Significant Accounting Policies (continued)

(e) Futures Transactions

As part of each sub-fund's investment strategy, the Company may enter into futures contracts. The unrealised appreciation or depreciation on open futures contracts is calculated daily and included in unrealised appreciation/depreciation on financial futures in the Statements of net assets. It is calculated as the difference between the contract price at trade date and the price as of 5.35 p.m. CET on each valuation day.

(f) Forward foreign exchange contracts

The Company may enter into forward foreign exchange contracts in order to manage the foreign exchange risks arising from holding such instruments and in order to protect the value of its Investments against short-term market volatility. Outstanding forward foreign exchange contracts are valued at the closing date by reference to the rate of exchange applicable to the outstanding life of the contract. The movement in unrealised appreciation or depreciation is shown in the Statement of Operations and Changes in Net Assets. The unrealised appreciation/depreciation is included in the Statement of net assets in "Net unrealised appreciation on forward foreign exchange contracts" and "Net unrealised depreciation on forward foreign exchange contracts" respectively.

(g) Net Realised Profit or Loss on Investments

The net realised profit or loss on investment securities sold is determined on an average cost basis.

(h) Classification of Investments

The geographical classification of investments in the securities portfolio is based on the country of listing/trading.

(i) Transaction Fees

Transaction fees include mainly brokerage fees, custodian fees and stock exchange fees linked to transactions (buy or sell) on portfolio securities and derivative instruments. The transaction fees included in bond spreads are directly included in the acquisition costs of those bonds and are therefore not included in this caption "Transaction fees".

(j) Abbreviations

FLR: Floating Rate Notes

XX: Perpetual Bonds

U: Zero Coupon Bond

CV: Convertible

Q: Quarterly

A: Annual

S: Semi-Annual

M: Month

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

3. Administrator's Fees

The Administrator is entitled to receive a fee out of the assets of the Company, in accordance with usual market practice. The Administrator was entitled to an annual fee of up to 0.20% of the Net Asset Value of each Fund. The fees of the Administrator were accrued on each Dealing Day based on the Net Asset Value of each Fund and were paid monthly in arrears out of the assets of each Fund. In addition, the Administrator was entitled to certain out of pocket expenses, transfer agency fees, financial statement preparation charges, registrar fees and operational expenses at normal commercial rates, directly out of the assets of the Company.

4. Depositary's, Paying, Listing and Domiciliary Agent's Fees

The Depositary is entitled to receive fees out of the assets of the Company pursuant to the relevant agreement between the Depositary and the Company and in accordance with usual market practice. The Depositary was entitled to an annual fee not exceeding 0.10% of the Net Asset Value of each Fund. The fees of the Depositary accrued on each Dealing Day based on the Net Asset Value of each Fund and were paid monthly in arrears out of the assets of each Fund. In addition, the Depositary was entitled to recover from the Company sub-custody fees, compliance monitoring, transaction charges and out-of-pocket expenses at normal commercial rates, directly out of the assets of the Company. The Paying, Listing and Domiciliary Agent is entitled to receive a fee out of the assets of the Company, in accordance with usual market practice.

5. Management Fees

The management fees consist of the management company fee, the investment manager's fees and the distribution fees which are further detailed below:

(a) Management Company Fee

The Company has designated Luxcellence Management Company S.A. as its management company in accordance with a management company agreement dated 4 August 2017 (and effective as of 31 August 2017) between the Management Company and the Company. Under this agreement, the Management Company provides collective portfolio management services in accordance with the 2010 Law and as specified in the Management Company Agreement, subject to the overall supervision and control of the Board of Directors.

As from 31 August 2017, the following annual variable Management Company has been applied to the net assets of the Company and is payable quarterly in arrears :

Up to EUR 200 Mio: 0.040%

Between EUR 200 Mio and 400 Mio EUR: 0.035%

Between EUR 400 Mio and 600 Mio EUR: 0.030%

Above EUR 600 Mio: 0.020%

With a minimum annual fee of 70,000 EUR to be applied on a pro rata basis to the size of the different Funds.

(b) Investment Manager Fee

An investment management fee is paid to the Investment Manager and determined on the last Dealing Day of each month and is based on the average net assets during the relevant month. Such fee accrues daily and is paid at least on a quarterly basis in arrears.

Barclays Bank PLC (previously Barclays, Wealth Management division) was Investment Manager for all Funds as from 16 December 2011 until 30 August 2017.

As from 16 December 2011 until 30 August 2017, Barclays Wealth Managers France S.A. was acting as Sub-Investment Manager.

As from 31 August 2017 Barclays Wealth Managers France S.A. has been appointed with the consent of the Company as Investment Manager by Luxcellence Management Company S.A. (the Management Company.) for all the Funds in the Company, namely:

- Barclays Money Market Euro
- Barclays Bond Euro Convertible
- Barclays Equity Euro
- Barclays Equity Europe Flexible
- Barclays Equity Euro Small & Mid Cap.

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

5. Management Fees (continued)

(b) Investment Manager Fees (continued)

During the fiscal year of the company, the investment management fee rates were as follows:

Funds	Share Classes	Fee rate
Barclays Money Market Euro *	Class A - Acc	0.60%
	Class B - Acc	0.10%
	Class C - Acc	0.45%
Barclays Bond Euro Convertible	Class A - Acc	1.30%
	Class C - Acc	1.50%
Barclays Bond Euro Short Term (liquidated on 9 June 2017)	Class A - Acc	0.20%
	Class B - Acc	0.05%
	Class C - Acc	0.20%
Barclays Bond Euro (liquidated on 9 June 2017)	Class C - Acc	0.50%
Barclays Equity Euro	Class A - Acc	1.50%
	Class B - Acc	0.80%
	Class C - Acc	2.00%
Barclays Equity Europe Flexible	Class C - Acc	2.25%
Barclays Equity Euro Small & Mid Cap	Class A - Acc	1.80%
	Class B - Acc	0.90%
	Class C - Acc	2.50%

* There have been some fees waivers during the year under review for all Share Classes.

The double payments of investment management fees is neutralized in the context of the cross-investments.

(c) Distribution Fees.

For their distribution activities, the Distributor(s) were entitled to charge a certain percentage of the Net Asset Value of up to 0.20% per annum of the net asset value of the relevant Fund (the "Distribution and Service Fee") and could at their discretion retrocede part or all of their fee to various sub-distributors, intermediaries, dealers and professional investors. Any such fee was in addition to fees payable to the Distributors from the Management Fee.

6. Taxation

Under current legislation and regulations, the Company is not subject in Luxembourg to any tax on income, capital gains tax or wealth tax. However, the Company is subject to a "taxe d'abonnement" on the Net Asset Value of each sub-fund at an annual rate of 0.05% calculated and payable at the end of each calendar quarter. This rate is reduced to 0.01% for the classes of shares reserved for institutional investors or monetary sub-funds.

Dividends, interest income and capital gains (if any) which any of the sub-funds receive in respect of their Investments may be subject to taxes, including withholding taxes, in the countries in which the issuers of Investments are located.

7. Changes in Investment Portfolio

The list containing all the sales and purchases of the securities portfolio is held on deposit at the registered office of the Company where it may be inspected and copies may be obtained without charge.

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

8. Statement of Soft Commission and Related Party Transactions

Soft Commission Arrangements

During the period under review the Investment Manager and the Sub-Investment Manager may have entered into soft commission arrangements with brokers, under which certain goods and services used to support investment decision-making could be received by the Investment Manager and the Sub-Investment Manager. The Investment Manager and the Sub-Investment Managers would not make direct payments for these services, but would transact an agreed amount of business with the brokers on behalf of the Company. Commission would be paid by the Company on these transactions.

The goods and services utilised for the Company may include the following:

1. Research and analytical services, including economic factors, trends and computers services used to support investment-making decisions.
2. Safe custody services in relation to investments managed for clients.
3. Performance and valuation services.

During the year under review, there have been no soft commission arrangements.

Transaction with connected persons

The Investment Manager and the Sub-Investment Manager and any of their respective connected persons may effect transactions by or through the agency or another person with whom the Investment Manager, the Sub-Investment Manager and any of their connected persons have an arrangement. Such transactions, if any, have been entered into the ordinary course of business and on normal commercial terms.

9. Dilution Adjustment

For valuation purposes, the securities are valued as outlined in note 2(c). When these values are taken into account with the actual cost of buying or selling assets for a Fund, differences arise due to dealing charges and spreads from buying and selling of the underlying investments. These costs have an adverse effect on the value of a Fund and are known as "dilution".

To mitigate the effects of dilution, the Board of Directors resolved the possibility to apply a dilution adjustment at each valuation date where there are net capital inflows or outflows above a certain level. The dilution adjustment will involve adding to, when the Fund is in a net subscription position, and deducting from, when a Fund is in a net redemption position, the Net Asset Value per Share such figure as the Board of Directors considers represents an appropriate figure to meet duties, charges and spreads. Where a dilution adjustment is made, it will increase the price where the relevant Fund is in a net subscription position and decrease the price where the relevant Fund is in a net redemption position. The Board of Directors reviews on a periodic basis the size of the dilution adjustment.

During the year ended as at 31 October 2017, a dilution adjustment has been applied to the following Funds:

- Barclays Bond Euro Convertible
- Barclays Equity Europe Flexible
- Barclays Equity Euro Small & Mid Cap
- Barclays Bond Euro Short Term
- Barclays Bond Euro

On 30 November 2017, the Board of Directors decided to discontinue the application of a dilution adjustment when the net capital movement at Fund level exceeded 1% of the NAV .

Barclays Funds

Notes to the Financial Statements as at 31/10/2017

10. Performance fees

The Investment Manager is entitled to receive a performance fee as described here below:

The performance fee is calculated for Class C shares (in respect to the Fund(s) hereafter described) on a daily basis and is paid annually in arrears at a maximum rate of 15% of the appreciation of the Net Asset Value of the Class of shares over the benchmark. The calculation period of the performance fee corresponds to the accounting period of the Company (the "Calculation Period").

Funds	Currency	Benchmark	Performance fee paid in Sub-fund currency
Barclays Equity Euro	EUR	EURO STOXX TR	296,284
Barclays Equity Europe Flexible	EUR	50% STOXX Europe Large 200 Net Return EUR & 50% EONIA	235,606
Barclays Equity Euro Small & Mid Cap	EUR	EURO STOXX Small TR	63,834

In addition, the Investment Manager is entitled to receive a crystallisation fee.

For shares redeemed before the end of the Calculation Period, a crystallisation fee is calculated on the relevant dealing day. It represents the accrued performance fee due to the Investment Manager on the redemption of shares.

The crystallisation fees are included within the performance fees in the Statement of Operations and Changes in net assets. The detail of calculation is described in the prospectus of the Company.

At the year-end of the Company, the crystallisation fee is payable by the following sub-funds:

Funds	Crystallisation fees (in EUR)
Barclays Equity Euro	24,503
Barclays Equity Europe Flexible	15,468
Barclays Equity Euro Small & Mid Cap	9,422

11. Counterparties

The counterparty for futures contracts held by the sub-fund Barclays Equity Europe Flexible is CACEIS Bank.

12. Exposure on derivatives instruments per counterparty

At 31 October 2017, the Company had the following exposure per counterparty on futures contracts:

Funds	Ccy	Counterparty	Unrealised depreciation on futures	Exposure on futures contracts in Sub-fund currency	Margin deposit amount linked to the futures in Sub-fund currency
Barclays Equity Europe Flexible	EUR	CACEIS Bank FRANCE	598,200	14,094,750	1,267,242

13. Subsequent events

There are no significant subsequent events to report.

Barclays Funds

General Information (unaudited)

General Information

Barclays Funds is an open-ended investment company registered in and operated from Luxembourg.

Each of the Funds is of the open-ended type which, in common with other such schemes, pools the money received from investors and uses it to make investments in line with the investment objectives. The value of each Fund is divided into shares, which are bought and sold by investors. The buying and selling prices of shares are determined by the movement of the underlying prices of the investments within each Fund.

It should be noted that during the period under review, the Company has changed its structure moving from a self-managed SICAV under the sponsorship of Barclays Bank PLC to a SICAV having designated a management company. Luxcellence Management Company S.A., a Luxembourg registered company has been appointed as the SICAV's new management company as from the 31 August 2017.

Keeping You Informed

Audited Reports and Accounts are published annually on or about 28 February of each year. A Semi-Annual report for the period from 1 November to 30 April is published annually on or about 30 June of each year.

Pricing of Shares

The way in which share prices are calculated is regulated by law in Luxembourg and by the articles of incorporation of the Company. The assets of each Fund are valued on each dealing day as of 5.35 p.m. CET. The price per share is determined by dividing the total applicable value of each Fund's assets by the number of shares in issue and rounding up or down as appropriate.

Authorisation and Consents

Barclays Funds is registered on the official list of Undertakings for Collective Investment in Transferable Securities (UCITS) pursuant to Part I of the amended Luxembourg Law of 17 December 2010 on Undertakings for Collective Investment. During the period under review the Company was also registered for distribution of its shares under the provisions of the amended Directive 2009/65/EC of the Parliament of the European Union and the Council of 13 July 2009 (the UCITS Directive) in France, Spain, Ireland and Portugal. Since 28 December 2017, the Company is no longer registered for distribution in Portugal. Until 28 December 2017, the Company was also a recognised scheme in the UK, pursuant to section 264 of the Financial Services & Markets Act 2000. Distribution of the shares in the Company was authorized in Trinidad & Tobago until the 15 December 2017 and in Gibraltar and the Isle of Man until the 28 December 2017.

Prospectus

The current Prospectus for the Company may be obtained from the website www.barclaysinvestments.com or from:

Barclays Funds (Registered Office)
5, Allée Scheffer, L - 2520 Luxembourg, Grand Duchy of Luxembourg

Barclays France S.A. (previously BARCLAYS BANK PLC, France)
32, avenue George V, 75008 Paris, France

Barclays Wealth Managers France S.A.
32, avenue George V, 75008 Paris, France

Information concerning the remuneration policy

European Directive 2014/91/EU amending Directive 2009/65/EC on undertakings for collective investment in transferable securities, which is applicable to the Company, came into force on 18 March 2016. Such 2014/91/UE Directive has been implemented into national law by the Luxembourg law of 10 May 2016. Due to these new regulations, the Fund is required to publish information relating to the remuneration of identified employees within the meaning of the law in the annual report.

The management company of the Company will have such remuneration-related information by the time of the next annual financial statements. Regarding the remuneration details of the management company and of the Company, the appropriate quantitative remuneration disclosures will be made in due course in accordance with Article 69(3) of the UCITS Directive once a full performance year has been completed.

The management company's remuneration policy is available on the following website:
<http://www.luxcellence.com/files/remuneration-policy.pdf>

Barclays Funds

Supplementary Information (unaudited)

Global exposure calculation method

The commitment approach

The following Funds use the commitment approach in order to monitor and measure their global exposure:

- Barclays Money Market Euro
- Barclays Bond Euro Convertible
- Barclays Equity Euro
- Barclays Equity Europe Flexible
- Barclays Equity Euro Small & Mid Cap

Ongoing Charges by Share Class

The ongoing charges express, as a percentage of the average net assets, the sum of all operating expenses (excluding brokerage fees, securities transaction charges and bank interests) charged to the Funds during the respective six-month/year. It may vary from year to year.

For Funds investing in other funds, ongoing charges include charges borne by underlying funds.

Funds	Share Classes	EUR
Barclays Money Market Euro	Class A - Acc	0.16
	Class B - Acc	0.16
	Class C - Acc	0.16
Barclays Bond Euro Convertible	Class A - Acc	1.64
	Class C - Acc	1.64
Barclays Equity Euro	Class A - Acc	1.82
	Class B - Acc	1.07
	Class C - Acc	2.33
Barclays Equity Europe Flexible	Class C - Acc	2.63
Barclays Equity Euro Small & Mid Cap	Class A - Acc	2.16
	Class B - Acc	1.22
	Class C - Acc	2.86

Registered address:

5, Allée Scheffer

L-2520 Luxembourg

Grand Duchy of Luxembourg

Barclays Funds, société anonyme, registered in Luxembourg as a Société d'Investissement à Capital Variable. R.C.S.

Luxembourg No. B 66.581

Registered Office: 5 Allée Scheffer, L-2520 Luxembourg, Luxembourg.

The Company has designated Luxcellence Management Company S.A. as its management company.

Barclays brands are owned by Barclays Bank PLC. As from the date of the sale of Barclays France S.A., Barclays France S.A. ceased to be the subsidiary of Barclays Bank PLC. Therefore, Barclays France S.A. and its subsidiaries will be solely responsible for their respective products and services.