



BMO Investment Funds (UK) ICVC VI
Annual Report and Audited Financial Statements
For the year ended:

31.03.2019

BMO Investment Funds (UK) ICVC VI

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BMO Investment Funds (UK) ICVC VI

Directory

Company Information

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Primrose Street
London
EC2A 2NY

Authorised Corporate Director

BMO Fund Management Limited
Exchange House
Primrose Street
London
EC2A 2NY

Telephone: 0800 085 2752, Facsimile: (0207) 600 4180

The ACD is authorised and regulated by the Financial Conduct Authority and is a member of IA.

Investment Manager

BMO AM Multi-Manager LLP
Exchange House
Primrose Street
London
EC2A 2NY

Independent Auditors

PricewaterhouseCoopers LLP
Level 4
Atria One
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Edinburgh
EH3 8EX

Depository

State Street Trustees Limited

Registered Office

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London
E14 5HJ

Head Office and Principal Place of Business

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10 Nightingale Way
Edinburgh
EH3 9EG

Fund Accounting and Unit Pricing

State Street Bank and Trust Company
Quartermile 3
10 Nightingale Way
Edinburgh
EH3 9EG

Administrator and Registrar

DST Financial Services Europe Limited
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St Nicholas Lane
Basildon
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SS15 5FS

Legal Advisors

CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place
78 Cannon Street
London
EC4N 6AF

BMO Investment Funds (UK) ICVC VI

Company Information

Company Information

BMO Fund Management Limited, the Authorised Corporate Director (ACD) of the Open-Ended Investment Company (OEIC), is the sole director. The ACD has appointed BMO AM Multi-Manager LLP as the Investment Manager to the individual sub-funds of the OEIC.

BMO Investment Funds (UK) ICVC VI (the 'Company') is an investment company with variable capital under the Open-Ended Investment Company Regulations 2001 (SI2001/1228). The Company is an umbrella company with 5 individual sub-funds, and is constituted as a non-UCITS retail scheme.

Financial Statements

These financial statements are for the year 1 April 2018 to 31 March 2019.

Shareholders

Shares of the Company have no par value and the share capital of the Company will at all times equal the sum of the net asset value of each of the sub-funds. Shareholders are not liable for the debts of the Company. The assets of each sub-fund are treated as separate from those of every other sub-fund and are invested in accordance with the investment objectives and policy of that sub-fund.

Each sub-fund is a segregated portfolio of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other sub-fund and shall not be available for any such purpose.

The Company adopted segregated liability status for sub-funds on 8 June 2012. From that date the assets of one sub-fund may not be used to satisfy the obligations of another sub-fund.

While the provisions of the OEIC Regulations provide for segregated liability between sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

Instrument of Incorporation and Prospectus

The Company was incorporated and authorised by the Financial Conduct Authority on 29 March 2007 under registered number IC000257.

The Company is an Alternative Investment Fund (AIF) for the purposes of the Alternative Investment Fund Managers Directive 2011/61/EU (AIFMD). On 22 July 2014 the Company's Instrument of Incorporation and Prospectus were updated to reflect the requirements of the AIFMD and the appointment of the ACD as AIF Manager and the Depositary as AIF Depositary.

As at 31 March 2019 the OEIC comprised the following sub-funds:

BMO MM Lifestyle 3 Fund
BMO MM Lifestyle 4 Fund
BMO MM Lifestyle 5 Fund
BMO MM Lifestyle 6 Fund
BMO MM Lifestyle 7 Fund

Additional sub-funds may be added at the ACD's discretion.

The investment objectives, investment policies and investment activity reports, for each sub-fund are included in the financial statements for that sub-fund.

Copies of the current prospectus, the latest annual report and any subsequent reports are available from the Administrator.

Other Information

BMO MM Lifestyle 3 Fund, BMO MM Lifestyle 4 Fund, BMO MM Lifestyle 5 Fund, BMO MM Lifestyle 6 Fund and BMO MM Lifestyle 7 Fund offer both accumulation and income shares.

The Operating charges figure for each share class can be found in the sub-fund's Comparative Tables.

As of 17 April 2018, CMS Cameron McKenna Nabarro Olswang LLP replaced Eversheds LLP as the Legal Advisor for the Company.

There have been no changes to the Risk Management systems during the period. Sensitivity to the most relevant risks has been assessed through a series of quantitative risk measures, including as appropriate, tracking error and stress tests. There have been no breaches to the relevant risk limits during the period.

There were no cross holdings between sub-funds in BMO Investment Funds (UK) ICVC VI as at 31 March 2019.

Requirements for compliance with the Alternative Investment Fund Managers Directive in the UK are set out in the FCA Investment Funds sourcebook. Rule FUND 3.2.2 in this sourcebook requires certain information to be provided to prospective investors.

ACD

Effective 31 October 2018, the Authorised Corporate Director of the Company has changed from F&C Fund Management Limited to BMO Fund Management Limited. This is due to an internal reorganisation and the fund directors remain the same.

Investment Manager

Effective 1 November 2018, the Investment Manager of the Company has changed from Thames River Multi-Capital LLP to BMO AM Multi-Manager LLP.

Sub-Funds and Company Name

Effective 12 November 2018, the sub-funds and Company names have changed as follows:

Old Name	New Name
F&C MM Lifestyle Investment Funds ICVC	BMO Investment Funds (UK) ICVC VI
F&C MM Lifestyle Foundation Fund	BMO MM Lifestyle 3 Fund
F&C MM Lifestyle Defensive Fund	BMO MM Lifestyle 4 Fund
F&C MM Lifestyle Cautious Fund	BMO MM Lifestyle 5 Fund
F&C MM Lifestyle Balanced Fund	BMO MM Lifestyle 6 Fund
F&C MM Lifestyle Growth Fund	BMO MM Lifestyle 7 Fund

Report on Remuneration

This section of the annual report has been prepared in accordance with the Alternative Investment Fund Managers Directive 2011/61/EC ("AIFM Directive") and the Financial Conduct Authority's Handbook (SYSC 19B: AIFM Remuneration Code).

In accordance with the AIFM Directive, BMO Fund Management Limited (formerly F&C Fund Management Limited), the designated Alternative Investment Fund Manager ("AIFM") for BMO Investment Funds (UK) ICVC VI, has adopted a remuneration policy which is consistent with the remuneration principles applicable to AIF management companies and aligned with the BMO Global Asset Management (EMEA) Remuneration Policy. The size of the AIFM and the size of the funds it manages, the internal organisation and the nature, the scope and the complexity of their activities have been taken into consideration in this disclosure.

Remuneration policy

The purpose of the AIFM's remuneration policy is to describe the remuneration principles and practices within the AIFM and for such principles and practices:

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

Decision making and governance

The board of directors (the "Board") of the AIFM is responsible for the remuneration policy of the AIFM and for determining the remuneration of the directors of the AIFM and other staff who undertake professional activities for the AIFM. The Board has delegated to the Risk and Remuneration Committee (the "Committee") of BMO Asset Management (Holdings) plc (formerly F&C Asset Management plc) responsibility for maintaining a compliant remuneration policy. The Committee solely comprises non-executive directors of BMO Asset Management (Holdings) plc. The Board has adopted the remuneration policy applicable to all members of the Group ("BMO Global Asset Management (EMEA)") for this financial year as reviewed and approved by the Committee periodically (at least annually). The Committee is responsible for, and oversees, the implementation of the remuneration policy in line with the AIFMD Regulations. The Board considers that the members of the Committee have appropriate expertise in risk management and remuneration to perform this review.

Applicability

The remuneration policy, which incorporates compliance with AIFMD requirements, applies to staff whose professional activities have a material impact on the risk profile of the AIFM or of the funds it manages ("Identified Staff") and so covers:

- a) senior management;
- b) risk takers;
- c) control functions; and
- d) employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profile of the AIFM.

The Identified Staff list and the selection criteria above are subject to regular review (at least annually) by the Committee as well as formally reviewed in the event of significant organisation changes and changes in remuneration regulations the AIFM is subject to.

Linking remuneration with performance

The AIFM's remuneration policy is part of the BMO Global Asset Management (EMEA) framework for promoting sound remuneration management, with the objective of providing total compensation to its employees that is warranted by corporate, business unit/function and individual performance and is comparable to market competitors, whilst being consistent with and promoting sound and effective risk management and the achievement of fair outcomes for all customers. Its purpose is to facilitate achievement of the business objectives and corporate values of the AIFM, with the primary focus on clients, whilst ensuring that BMO Global Asset Management (EMEA) is able to attract, retain and motivate the key talent required to achieve these business objectives and corporate values without incentivising excessive or inappropriate risk.

When setting remuneration levels, the following components and principles form part of the remuneration management framework:

- Fixed remuneration is determined taking into account factors including the requirements of the particular role and the staff member's experience, expertise, contribution level and the fixed pay for comparable roles. Fixed remuneration is set, with reference to market data, at a level that is sufficient to attract high calibre staff as well as to permit the operation of a fully-flexible remuneration policy (including the possibility of a staff member receiving reduced or no variable remuneration in a particular year). The Committee keeps the balance between fixed and variable remuneration under review.
- Variable remuneration is determined annually by reference to both financial and non-financial AIFM performance considerations. External competitor practices are included in the funding review to ensure compensation opportunities in the markets within which the AIFM operates are given due consideration and retention risks are effectively managed. Incentive funding is developed in view of current and projected economics and risks, supported by BMO Global Asset Management (EMEA) Audit and Compliance Committee inputs, ensuring risk-adjustments and qualitative and quantitative considerations, such as the cost and quantity of capital and liquidity are actively considered as funding adjustments. The Committee ensures that all incentive awards are not paid through vehicles or methods that facilitate the avoidance of the requirements with regard to remuneration imposed by applicable law and/or regulations.
- Variable remuneration is allocated to respective business functions by reference to:
 - contribution of the respective business function or unit to corporate performance;
 - business function performance relative to pre-determined targets and objectives, including adherence to risk management obligations; and
 - competitive market pay data.
- Individual award allocations are referenced to the individual achievement during the performance year relative to pre-agreed objectives and assessment of market comparability. Performance is assessed in relation to pre-agreed objectives, which include financial and non-financial goals (including the achievement of fair customer outcomes), compliance with the BMO Group's policies and procedures, adherence to risk management and compliance requirements and the BMO Code of Conduct. The assessment of performance for Identified Staff reflects multi-year performance in a manner appropriate to the life-cycle of the funds that are managed by the AIFM.
- Application of Financial Conduct Authority's Handbook (SYSC 19B: AIFMD Remuneration Code) pay-out process rules, save for disapplication at individual or AIFM level, which is determined by an annual proportionality assessment.

Quantitative remuneration disclosure

The total remuneration paid by BMO Fund Management Limited to its staff is zero, as all AIFM staff are employed by other companies in BMO Global Asset Management (EMEA).

The table below provides an overview of aggregate total remuneration paid to AIFM Identified Staff in respect of the proportion of their pay aligned to their AIFM responsibilities. It is not possible to apportion remuneration by individual Identified Staff working on a specific investment fund, therefore figures are provided in aggregate on an AIFM basis.

	Headcount	Fixed Remuneration £m	Variable Remuneration £m	Total Remuneration £m
BMO Fund Management Limited Remuneration of AIFMD Identified Staff of which:				
	50	0.611	1.642	2.253
Senior Management	24	0.143	0.376	0.519
Other Code Staff	26	0.468	1.266	1.734

Notes on the quantitative remuneration disclosure

Total remuneration reported is the sum of salary, cash bonus, any deferred annual bonus, value of any long-term incentive awards granted in respect of performance in the reportable financial year, plus the value of any applicable cash allowances.

"Senior Management" are defined in this table as the AIFM Directors, Executive and Non-Executive Directors and Group Management Team members of BMO Global Asset Management. "Other Code Staff" includes all other identified Code staff in business areas, internal control functions and corporate functions.

The Identified Staff disclosure represents total compensation of those staff who are fully or partly involved in the activities of the AIFM funds, apportioned to the estimated time relevant to the AIFM or to the amount attributable to the AIFM allocated on an AUM basis.

Delegation

The table below sets out those other entities to which BMO Fund Management Limited has delegated portfolio and/or risk management activities and BMO Fund Management Limited's assessment of the extent to which the delegate is subject to equivalent regulatory requirements for remuneration.

Delegated Entity	Location	Assessment of extent to which regulatory requirements are equivalent
BMO AM Multi-Manager LLP	UK	Equivalent under Capital Requirements Directive

AIFM activities

The following table provides an overview of the size and composition of the funds managed by the AIFM, including BMO Investment Funds (UK) ICVC VI. This shows the total number of funds managed, the split between, and proportions of AIF, UCITS and other funds.

	Number of funds	AUM as at 31 October 2018 (GBP)	% of AUM as at 31 October 2018
Alternative investment funds	91	29,046,536,347	84%
UCITS	35	5,552,192,307	16%
Total	126	34,598,728,654	100%

AIFMD leverage

In accordance with the AIFM the Manger is required to calculate and monitor the level of leverage of a scheme, expressed as a percentage exposure of the scheme in relation to its Net Asset Value (Exposure/NAV), under both the "gross" method and the "commitment" method. Further information regarding these different leverage calculation methods can be found in the AIFMD and the Supplementary Information on Risk Management Process which is available upon request. Currently the prospectus for the BMO Investment Funds (UK) ICVC VI includes a leverage limit of 110% of NAV.

For the year ended 31 March 2019 the leverage calculations were as follows:

	BMO Investment Funds (UK) ICVC VI %					
	Gross			Commitment		
	Min	Max	Mean	Min	Max	Mean
BMO MM Lifestyle 3 Fund	92.0	106.9	98.5	99.1	113.4	103.8
BMO MM Lifestyle 4 Fund	91.9	104.2	97.4	99.7	109.5	103.5
BMO MM Lifestyle 5 Fund	95.3	104.3	99.3	99.7	108.6	103.5
BMO MM Lifestyle 6 Fund	96.7	105.3	99.9	99.3	109.8	103.5
BMO MM Lifestyle 7 Fund	97.9	108.2	102.8	99.2	110.4	104.7

Calculated based on monthly data for the year.

BMO Investment Funds (UK) ICVC VI

Statement of Authorised Corporate Director's Responsibilities in relation to the Regulations of the Company

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook (the 'Regulations') as issued and amended by the Financial Conduct Authority, require the ACD to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the Company and of its net revenue and the net capital gains/(losses) on the property of the Company for the year. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the UK Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association (IMA) in May 2014;
- follow generally accepted accounting principles and applicable United Kingdom accounting standards;
- keep proper accounting records, which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- take reasonable steps for the prevention and detection of fraud and non-compliance with laws or regulations;
- make judgements and estimates that are prudent and reasonable; and
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for the management of the Company in accordance with its Prospectus and the Regulations.

Certification of Financial Statements by Directors of the Authorised Corporate Director

This report contains the information required by the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued in May 2014, the Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook, in the case of annual financial statements and was approved for publication on 24 July 2019.

Director

On behalf of BMO Fund Management Limited

Authorised Corporate Director

24 July 2019

Report of the Depositary to the Shareholders of the BMO Investment Funds (UK) ICVC VI

for the year ended 31 March 2019

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

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors. The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

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

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

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited

24 July 2019

Independent auditors' report to the Shareholders of BMO Investment Funds (UK) ICVC VI

Report on the audit of the financial statements

Opinion

In our opinion, BMO Investment Funds (UK) ICVC VI's financial statements:

- give a true and fair view of the financial position of the Company and the sub-funds as at 31 March 2019 and of the net revenue and the net capital gains/(losses) on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

BMO Investment Funds (UK) ICVC VI (the "company") is an Open Ended Investment Company ('OEIC') with 5 sub-funds. The financial statements of the company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 31 March 2019; the statements of total return and the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; and notes to the financial statements applicable to all sub-funds, which include a description of the significant accounting policies and the notes to the financial statements for each of the sub-funds.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's or any of the sub-funds' ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the Company's or the sub-funds' business and the wider economy.

Reporting on other information

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

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

Authorised Corporate Director's Report

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

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

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

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
24 July 2019

BMO Investment Funds (UK) ICVC VI

Notes to the Financial Statements applicable to all sub-funds

as at 31 March 2019

1. Accounting and distribution policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with UK Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014.

All of the sub-funds have been prepared on a going concern basis. The accounting policies outlined below have been applied on a consistent basis throughout the year.

(b) Revenue recognition

Dividends on equities are recognised when the security is quoted ex-dividend. Revenue from unquoted equity investments is recognised when the dividend is declared. Dividends received include any withholding taxes but exclude attributable tax credits. Dividends from UK Real Estate Investment Trusts ('REITs') are recognised as distributable income when the securities are quoted ex-dividend.

Dividends received from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs tax-exempt rental business is colloquially known as PID revenue and is taxable in the hands of the Fund. A UK REIT may also carry out activities that give rise to taxable profits and gains. It is from these that the REIT will make a Non-PID distribution. These are treated for tax purposes in the same way as dividends from UK companies.

Distributions from collective investment schemes are recognised when the security is quoted ex-dividend.

Dividend revenue from offshore reporting funds is recognised when the securities are quoted ex-dividend. Non-dividend revenue from offshore reporting funds is recognised when declared, and treated as revenue for taxation and distribution purposes.

Equalisation on distributions received is deducted from the cost of the investment. Distributions on investments in accumulation shares are recognised gross in the Statement of Total Return, with a transfer being made from the capital property to the revenue property of the sub-fund.

The sub-funds receive ACD fee rebates on their holdings of both internal and external collective investment schemes. The ACD fee rebates are accrued within the sub-funds on a daily basis in line with the agreements held, and are recognised within the sub-funds as either revenue or capital, in line with where the ACD fee was paid from within the underlying fund.

Other revenue, including interest on bank balances, is accounted for on an accruals basis.

(c) Basis of valuation of investments

Listed investments of the sub-funds, other than BMO managed funds, have been valued at market value at 12pm on 29 March 2019. Market value is defined by the IMA SORP 2014 as fair value which generally is bid value of each security, excluding any accrued interest in the case of fixed and floating rate securities.

Investments in single priced authorised and recognised funds managed by the BMO group companies have been valued at the single price as at 12pm on 29 March 2019.

(d) Deferred taxation

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date other than those differences regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

(e) Current taxation

The charge for taxation is based at the current rate on taxable revenue for the period less allowable expenses. UK dividend income is disclosed net of any related tax credit. Overseas dividends are disclosed gross of any foreign tax suffered, with the tax element being separately disclosed in the taxation note.

(f) Distribution policy

The revenue on income shares is distributed to shareholders semi annually on the last business day of May and November, with the exception of BMO MM Lifestyle 4 Fund share class A income which also distributes quarterly on the 31 August and the 28 February. The revenue on accumulation shares is retained and reinvested and is reflected in the value of the shares. It is the policy of the sub-funds to pay dividend distributions.

as at 31 March 2019

(g) Authorised Corporate Director's charge

The ACD's periodic charge is charged to the revenue property of the individual sub-funds subject to the following exceptions: For the purposes of determining the distributions on share classes A and B income the ACD's periodic charge is borne by the capital property of the individual sub-funds.

(h) Expenses

All expenses are recognised on an accruals basis and are charged to the revenue property of the individual sub-funds with the exception of the expenses, such as handling charges, which relate to the purchases and sales of investments. These are charged to capital.

Rebates are applied where ACD fees are incurred by the underlying investments. Internal management fee rebates (rebates from BMO group companies) are offset against the ACD periodic charge where the underlying investments policy is to charge ACD fees to revenue, meaning in some circumstances the ACD fee will be negative due to rebates received.

An ACD expense rebate is applied at the ACD's discretion to maintain the individual sub-fund's Ongoing Charges Figure at a level considered appropriate. The ACD expense rebate also has the effect of increasing the distribution payable to shareholders.

(i) Exchange rates

Transactions in overseas currencies are translated to Sterling at the rates of exchange ruling on the day of any such transaction. Foreign currency balances are converted to Sterling at the exchange rates applicable at the end of the accounting period.

(j) Allocation of revenue and expenses to multiple share classes

The allocation of revenue and expenses to each share class is based upon the proportion of the individual sub-fund's assets attributable to each share class on the day the revenue is earned or the expense is suffered. The Authorised Corporate Director's periodic charge, Registrar's fee, and the Accounting & Administration fees are specific expenses to each share class.

(k) Derivative contracts

The sub-funds may enter into permitted transactions such as derivative contracts or forward foreign currency transactions. Where these transactions are used to protect or enhance revenue, the revenue and expenses are included within net revenue in the Statement of Total Return.

Where the transactions are used to protect or enhance investments, the gains/losses are treated as capital and included within gains/losses on investments in the Statement of Total Return. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value and shown in the portfolio statement.

as at 31 March 2019

2. Equalisation

The quoted price of shares includes the value of securities and the revenue accrued up to that time, in respect of those securities.

When buyers purchase shares, the price they pay includes a sum not only to equate with the value of the securities comprised within that share, but also an amount to equate with the revenue included.

All shareholders in the same share class receive the same pence per share distribution, but those with Group 2 shares have their distribution partially made up of a return of the sum equating to the revenue content in the purchase price of their shares. This sum represents the average amount of revenue included in all Group 2 shares. It is deemed to be a return of capital, and as such is not liable to income tax. It must, however, be deducted from the cost of shares for capital gains tax purposes.

3. Financial Instruments

In pursuing the investment objectives of the individual sub-funds' the Company may hold a number of financial instruments which comprise:

- Equity shares, collective investment schemes, equity related instruments, floating rate securities, fixed income securities and money market instruments which are held in accordance with the individual sub-funds' investment objectives and policies;
- Cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- Shareholders' funds which represent investors' monies, which are invested on their behalf;
- Short-term borrowings used to finance investment activity; and
- Derivative transactions which the individual sub-funds may also enter into, principally forward foreign currency contracts, futures and options, the purpose of which is to manage the currency and market risks arising from the individual sub-funds' investment activities and related financing.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments shall be undertaken to make short-term speculative gains.

The main risks arising from the Company's financial instruments are market price, foreign currency, liquidity, interest rate, credit and default risks. The ACD reviews policies for managing each of these risks and these are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

The ACD monitors on a daily basis the asset allocation of the portfolio in order to minimise the risk associated with particular countries and industry sectors whilst continuing to follow the investment objective. An individual sub-fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameter and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

Foreign currency risk

The revenue and capital value of the Company's investments can be significantly affected by currency translation movements as some of the Company's assets and revenue are denominated in currencies other than Sterling which is the Company's functional currency.

The ACD has identified three principal areas where foreign currency risk could impact the Company:

- Movements in rates affect the value of investments;
- Movements in rates affect short term timing differences; and
- Movements in rates affect the revenue received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts or futures will only be used in the event of a specific currency risk being identified.

The Company may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD may elect to hedge against this risk.

The Company receives revenue in currencies other than Sterling and the Sterling values of this revenue can be affected by movements in exchange rates. The ACD may elect to hedge against this risk.

as at 31 March 2019

Liquidity risk

The primary source of this risk to the Company is the liability to shareholders for any cancellation of shares. The Company's assets comprise mainly of readily realisable securities. If insufficient cash is available to finance shareholder redemptions then securities held by the Company may need to be sold.

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

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

Interest rate risk

The individual sub-funds invest predominately in equity shares and investments which neither pay interest nor have a maturity date. The individual sub-funds may also invest in fixed rate securities. BMO MM Lifestyle 6 Fund invests in floating rate securities, as well as fixed and floating rate deposits. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise, the revenue potential of the individual sub-funds also rises, but the value of fixed rate securities will decline. A decline in interest rates will generally have the opposite effect.

Credit risk

The Company can invest in bonds that are at risk of default at any time.

If any individual company fails to perform well, the credit rating of the company may well fall and the bonds would fall in price. All investments are monitored internally and externally by a number of different agencies and assigned ratings, which often change over time. The Company closely monitors the ratings of the bonds within the portfolio.

Default risk

The Company can invest in bonds that are at risk of default at any time.

Bond defaults may be characterised by any missed or delayed payment of interest or principal, bankruptcy or breach of certain financial covenants that may render them financially distressed. This risk is minimised by regularly monitoring the bonds internally and externally through the ratings agencies.

Other risk

Certain transactions in securities that the Company enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Company has fulfilled its responsibilities.

The Company mainly deals, however, on a 'delivery versus payment' basis which reduces counter-party risk. The Company only buys and sells investments through brokers which have been approved by the ACD as an acceptable counter-party. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time; these limits are reviewed quarterly.

as at 31 March 2019

Sensitivity analysis

	BMO MM Lifestyle 3 Fund	BMO MM Lifestyle 4 Fund	BMO MM Lifestyle 5 Fund	BMO MM Lifestyle 6 Fund	BMO MM Lifestyle 7 Fund
Market Price Risk					
If market prices move by:	5.00%	5.00%	5.00%	5.00%	5.00%
then the impact on the portfolio will be:	+/- 4.8%	+/- 4.8%	+/- 4.9%	+/- 4.9%	+/- 5%
Foreign Currency Risk					
If EUR exchange rates move by:	5.00%	5.00%	5.00%	5.00%	5.00%
then the impact on the portfolio will be:	0.00%	0.00%	0.00%	0.00%	0.00%
If GBP exchange rates move by:	5.00%	5.00%	5.00%	5.00%	5.00%
then the impact on the portfolio will be:	0.00%	0.00%	0.00%	0.00%	0.00%
If USD exchange rates move by:	5.00%	5.00%	5.00%	5.00%	5.00%
then the impact on the portfolio will be:	0.00%	0.00%	0.00%	0.00%	0.00%
If JPY exchange rates move by:	5.00%	5.00%	5.00%	5.00%	5.00%
then the impact on the portfolio will be:	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Rate Risk					
If interest rates move by:	100bps	100bps	100bps	100bps	100bps
then the impact on the portfolio will be:	0.00%	0.00%	0.00%	0.00%	0.00%

- Stress tests are performed by truView - State Street's risk management platform.
- The method of calculation is full revaluation of assets given the shocks in underlying factors (inflation/rates etc).
- The shock levels used are standardised levels for reporting purposes.

Derivatives and forward transactions

All sub-funds may use financial derivative instruments for the purposes of investment as well as efficient portfolio management.

The following sub-funds entered into exchange traded derivatives during the year. The market value of the exchange traded derivatives (deemed to be futures contracts) and global exposure that exists through the open future contracts at 31 March 2019 were:

BMO MM Lifestyle 3 Fund

	Market Value 31/03/19 £000	Exposure 31/03/19 £000	Market Value 31/03/18 £000	Exposure 31/03/18 £000
FTSE 100 Index Futures June 2019	5	290	-	-
FTSE 250 Index Futures June 2019	2	(230)	-	-
Total	7	60	-	-

BMO MM Lifestyle 4 Fund

	Market Value 31/03/19 £000	Exposure 31/03/19 £000	Market Value 31/03/18 £000	Exposure 31/03/18 £000
FTSE 100 Index Futures June 2019	53	2,977	-	-
FTSE 250 Index Futures June 2019	18	(2,296)	-	-
Total	71	681	-	-

BMO MM Lifestyle 5 Fund

	Market Value 31/03/19 £000	Exposure 31/03/19 £000	Market Value 31/03/18 £000	Exposure 31/03/18 £000
FTSE 100 Index Futures June 2019	87	4,937	-	-
FTSE 250 Index Futures June 2019	32	(3,942)	-	-
Total	119	995	-	-

BMO Investment Funds (UK) ICVC VI

Notes to the Financial Statements applicable to all sub-funds

(continued)

as at 31 March 2019

BMO MM Lifestyle 6 Fund

	Market Value 31/03/19 £000	Exposure 31/03/19 £000	Market Value 31/03/18 £000	Exposure 31/03/18 £000
FTSE 100 Index Futures June 2019	58	3,245	-	-
FTSE 250 Index Futures June 2019	21	(2,576)	-	-
Total	79	669	-	-

BMO MM Lifestyle 7 Fund

	Market Value 31/03/19 £000	Exposure 31/03/19 £000	Market Value 31/03/18 £000	Exposure 31/03/18 £000
FTSE 100 Index Futures June 2019	28	1,597	-	-
FTSE 250 Index Futures June 2019	11	(1,301)	-	-
Total	39	296	-	-

Goldman Sachs was the counterparty for these transactions (31/03/18: Goldman Sachs).

Margin is paid or received on futures contracts to cover any exposure by the counterparty to the sub-fund or by the sub-fund to the counterparty. Cash and bank balances include cash and margin receivable from the sub-funds' clearing brokers and Goldman Sachs. These amounts are included within "Amounts held at futures clearing and brokers" shown in note 9.

The numerical disclosures required by FRS 102 are shown within each individual sub-fund's Financial Statements and can be found on the pages indicated below.

	Page
BMO MM Lifestyle 3 Fund	30
BMO MM Lifestyle 4 Fund	49
BMO MM Lifestyle 5 Fund	69
BMO MM Lifestyle 6 Fund	87
BMO MM Lifestyle 7 Fund	105

BMO MM Lifestyle 3 Fund

Authorised Corporate Director's Investment Report

for the year ended 31 March 2019

Fund Objective

The Fund aims to secure a return combining capital and income.

The Fund's risk profile matching portfolio will invest primarily through collective investment schemes. The majority of this investment in collective investment schemes will be used to obtain exposure to cash, government and corporate bonds with the balance split between exposure to a range of equities and an allocation to property.

The Fund may also invest directly and indirectly in transferable securities, money market instruments and deposits and may use derivatives for investment purposes to increase, maintain and reduce its investment exposures.

Synthetic Risk and Reward Indicator

The Synthetic Risk and Reward Indicator ("SRRI"), is calculated in accordance with the Key Investor Information Regulations and is disclosed in a fund's KIIDs (Key Investor Information Documents). It is calculated from the last five years' performance data and shows the historic volatility of the Fund and is updated periodically. The SRRI is reported against standard bands ranging from 1 (lower risk/reward) to 7 (higher risk/reward). This classification is intended as a general indication of the overall level of risk of a fund in order to facilitate comparisons between funds.

The most recent value of the SRRI for the Fund was 3, published on 28 January 2019. From the most recent review it has been determined that this is still appropriate.

A fuller explanation of the SRRI and the risk and reward profile of the Fund is contained in the Fund's KIIDs.

Fund manager	Rob Burdett and Gary Potter
Fund size	£37.7 million
Launch date	2 December 2013

Market Review

The portfolio generated a positive return over the twelve-month period.

Our strategy remains focused on providing investors with access to a well-diversified and actively managed portfolio. Portfolio composition in terms of allocations to equities, bonds, property, geographic regions and cash was determined by Distribution Technology (a specialist in financial planning software and tools). Within this framework, the team selects what it believes to be the best blend of individual holdings and it tactically adjusts asset allocation (within tightly defined parameters) in order to better position the portfolio given prevailing conditions.

In terms of portfolio positioning, we remained cautious on many parts of the bond market, with strategic bond funds our favoured way of accessing fixed income. In property, we prefer options that are less reliant on the performance of the wider economy and these currently include funds investing in student accommodation and healthcare premises. In terms of geographic positioning, the US economy is doing well but much of the good news appears to be priced in and political noise and protectionist trade policies could dampen sentiment. As Brexit rumbles on the prospects for the UK remain uncertain, but there are opportunities for stock pickers. Political uncertainty and a slowing economy mean we are cautious towards Europe whilst Japan and Asia remain our favoured regions.

We disposed of Oyster Continental European selection fund as Distribution Technology removed European equities from the recommended asset allocation for this portfolio.

In terms of underlying fund holdings, we switched the iShares sterling index-linked gilts ETF into Allianz index-linked gilt fund to access active management of the technical opportunities in this market to enhance returns. We added the newly launched Liontrust Strategic Bond fund, run by an experienced team, to shift into more flexible strategic management to take advantage of increased volatility. We subsequently sold Invesco Perpetual Tactical Bond fund to further focus our fixed income exposure on funds in which we have a higher degree of conviction. Following a strong period for US markets, we added Merian North American fund to further diversify our exposure by introducing a new active fund focussed on value and momentum. In Asia we switched out of BGF Asian Growth Leaders fund, in order to gain exposure to smaller and more domestically oriented companies via TT Asia ex Japan equity fund. We also sold the BMO European Real Estate Securities fund, replacing it with LXi REIT, a closed-ended investment company focused on 'smaller' UK commercial properties, including hotels and leisure facilities, industrial units and discount retail properties. We switched River and Mercantile UK equity income fund into TM RWC UK Equity Income fund, which is run by an experienced and proven team who invest through a clear, value-orientated philosophy.

Given the strength in market returns so far this year, we continue to believe that a pause or pullback is likely at some point. However, with central banks having turned more dovish and assumptions being made around trade deals, stimulus and a benign Brexit, there is scope for the likes of equities to move higher. Bond markets are signalling a far bleaker outlook than that priced into equity markets, which seem to be out of step with economic and corporate fundamentals. A renewed focus on fundamentals may well shift sentiment and bring a more volatile period in markets. We continue to believe the portfolio's performance will be driven by our selection of underlying funds that have served us well through more volatile periods in the past.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 3 Fund rose by 2.42%. All returns in Sterling and on a total return basis.

BMO Fund Management Limited
22 May 2019

BMO MM Lifestyle 3 Fund

Portfolio Statement

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (20.28%*)		4,814	12.76
HSBC S&P 500 ETF	24,037	522	1.38
iShares Physical Gold ETC	27,202	526	1.40
Lyxor Core FTSE Actuaries UK Gilts 0-5Y (DR) ETF	8,115	755	2.00
Lyxor Core FTSE Actuaries UK Gilts (DR) ETF	21,395	3,011	7.98
INVESTMENT TRUSTS (3.85%*)		2,094	5.55
GCP Student Living REIT #	365,096	558	1.48
LXI REIT #	432,580	536	1.42
PRS REIT #	526,147	519	1.38
Target Healthcare REIT #	418,621	481	1.27
OFFSHORE INVESTMENT COMPANIES (26.28%*)		10,826	28.68
Aviva Investors Sterling Liquidity Fund 3 Inc	3,100,000	3,100	8.21
Barings Emerging Markets Debt Blended Total Return Fund A Acc	6,423	744	1.97
Darwin Leisure Property Fund M Inc **	490,485	876	2.32
Eastspring Japan Dynamic Fund CG Acc	65,300	872	2.31
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	15,251	1,868	4.95
Majedie Tortoise Fund G Acc	484,948	843	2.23
Majedie US Equity Fund Z Acc	414,628	782	2.07
Merian North American Equity Fund P2 Inc	91,481	960	2.54
Tokio Marine Japanese Equity Focus Fund D JPY	2,820	480	1.27
TT Asia EX Japan Equity Fund A2 Acc	41,500	301	0.81
OPEN ENDED INVESTMENT COMPANIES (36.44%*)		18,717	49.59
Allianz Index Linked Gilt Fund E Inc	2,363,872	2,601	6.89
Baillie Gifford Japanese Fund B Acc	29,900	472	1.25
BMO FTSE All-Share Tracker Fund 4 Inc †	256,505	1,063	2.82
Janus Henderson Strategic Bond Fund I Inc	1,466,673	1,987	5.26
Jupiter UK Smaller Companies Fund I Acc	162,333	605	1.60
Liontrust Strategic Bond Fund M Inc	1,576,083	1,604	4.25
M&G Global Macro Bond Fund I Inc	1,760,772	2,251	5.96
Majedie UK Income Fund X Inc	757,418	1,138	3.03
Man GLG Undervalued Assets Fund D Inc	792,300	1,131	3.00
Man GLG Absolute Value Fund CX Acc	812,065	954	2.53
TwentyFour Monument Bond Fund I Inc	8,093	907	2.40
River and Mercantile UK Recovery Fund S Inc	215,415	500	1.32
Royal London Sterling Credit Fund Z Inc	1,917,009	2,646	7.01
TM RWC UK Equity Income Fund L Inc	895,000	858	2.27
DERIVATIVES (0.00%*)		7	0.02
Futures			
FTSE 100 Index Futures June 2019	4	5	0.01
FTSE 250 Index Futures June 2019	(6)	2	0.01
Portfolio of investments		36,458	96.60
Net other assets		1,283	3.40
Total net assets		37,741	100.00

All investments are approved securities as defined in the Collective Investment Schemes sourcebook unless otherwise stated.

* Comparative figures shown in brackets relate to 31 March 2018.

** Unlisted investment.

† This investment is a related party.

Real Estate Investment Trust.

BMO MM Lifestyle 3 Fund

Material Portfolio Changes

for the year ended 31 March 2019

	Cost		Proceeds
Major purchases	£000	Major sales	£000
Allianz Index Linked Gilt Fund E Inc	3,440	iShares £ Index-Linked Gilts	2,682
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	2,144	Lyxor Core FTSE Actuaries UK Gilts 0-5Y (DR) ETF	1,872
Lyxor Core FTSE Actuaries UK Gilts (DR) ETF	1,675	Legg Mason Western Asset Macro Opportunities Bond Fund A USD Acc	1,701
Aviva Investors Sterling Liquidity Fund 3 Inc	1,650	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	1,646
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	1,615	Invesco Perpetual Tactical Bond Fund No Trail Inc	1,468
Liontrust Strategic Bond Fund M Inc	1,582	Allianz Index Linked Gilt Fund E Inc	1,016
Merian North American Equity Fund P2 Inc	1,213	BlackRock Asian Growth Leaders Fund I2 USD	966
M&G Global Macro Bond Fund I Inc	967	River and Mercantile UK Equity Fund B Inc	734
TM RWC UK Equity Income Fund L Inc	893	River and Mercantile UK Equity Long Term Recovery Fund B Inc	661
Janus Henderson Strategic Bond Fund I Inc	700	Oyster Continental European Selection Fund I GBP	659

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 3 Fund

Comparative Tables

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	60.60	60.02	54.88
Return before operating charges*	2.17	1.26	5.80
Operating charges	(0.67)	(0.68)	(0.66)
Return after operating charges*	1.50	0.58	5.14
Distributions	(0.99)	(0.62)	(0.86)
Retained distributions on accumulation shares	0.99	0.62	0.86
Closing net asset value per share	62.10	60.60	60.02
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.48%	0.97%	9.37%
Other information			
Closing net asset value (£'000)	35,407	35,359	24,656
Closing number of shares	57,019,954	58,343,476	41,078,189
Operating charges	1.09%	1.12%	1.15%
Direct transaction costs**	0.02%	0.02%	0.01%
Prices			
Highest share price	62.32	62.15	60.05
Lowest share price	59.64	59.77	54.81

**Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 3 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	56.57	56.83	52.94
Return before operating charges*	2.02	1.19	5.58
Operating charges	(0.65)	(0.66)	(0.64)
Return after operating charges*	1.37	0.53	4.94
Distributions on income shares	(1.12)	(0.79)	(1.05)
Closing net asset value per share	56.82	56.57	56.83
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.42%	0.93%	9.32%
Other information			
Closing net asset value (£'000)	2,229	2,305	2,157
Closing number of shares	3,922,390	4,074,710	3,796,045
Operating charges	1.15%	1.15%	1.15%
Direct transaction costs**	0.02%	0.02%	0.01%
Prices			
Highest share price	58.09	58.37	57.32
Lowest share price	55.03	56.59	52.87

**Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 3 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	60.27	59.83	54.81
Return before operating charges*	2.18	1.29	5.82
Operating charges	(0.84)	(0.85)	(0.80)
Return after operating charges*	1.34	0.44	5.02
Distributions	(0.84)	(0.48)	(0.75)
Retained distributions on accumulation shares	0.84	0.48	0.75
Closing net asset value per share	61.61	60.27	59.83
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.22%	0.74%	9.16%
Other information			
Closing net asset value (£'000)	105	38	38
Closing number of shares	170,925	63,252	63,252
Operating charges	1.40%	1.40%	1.40%
Direct transaction costs**	0.02%	0.02%	0.01%
Prices			
Highest share price	61.84	61.85	59.86
Lowest share price	59.21	59.57	54.73

**Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 3 Fund

Statement of Total Return

for the year ended 31 March 2019

	Notes	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		344		(93)
Revenue	3	921		574	
Expenses	4	(229)		(212)	
Interest payable and similar charges	6	(1)		-	
Net revenue before taxation		691		362	
Taxation	5	(90)		(37)	
Net revenue after taxation			601		325
Total return before distributions			945		232
Distributions	6		(612)		(337)
Change in net assets attributable to shareholders from investment activities			333		(105)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2019

	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		37,702		26,851
Amounts receivable on creation of shares	5,970		12,189	
Amounts payable on cancellation of shares	(6,831)		(1,596)	
		(861)		10,593
Dilution adjustment		-		4
Change in net assets attributable to shareholders from investment activities		333		(105)
Retained distribution on accumulation shares		567		359
Closing net assets attributable to shareholders		37,741		37,702

Notes to the Financial Statements are on pages 25 to 31.

BMO MM Lifestyle 3 Fund

Balance Sheet

as at 31 March 2019

	Notes	31/03/19 £000	31/03/18 £000
Assets			
Investments		36,458	32,743
Current assets			
Debtors	8	425	147
Cash and bank balances	9	1,049	5,150
Total assets		37,932	38,040
Liabilities			
Creditors			
Bank overdrafts		-	(85)
Distribution payable		(17)	(14)
Other creditors	10	(174)	(239)
Total liabilities		(191)	(338)
Net assets attributable to shareholders		37,741	37,702

Notes to the Financial Statements are on pages 25 to 31.

Notes to the Financial Statements

as at 31 March 2019

1. Accounting policies

Please see pages 11 and 12 for accounting policies.

2. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Non-derivative securities*#	291	(76)
Derivative contracts*	55	(31)
Forward foreign exchange currency contracts*	2	1
Currency (losses)/gains*#	(8)	8
Rebate of capital management fees from underlying investments	9	9
Handling charges	(5)	(4)
Net capital gains/(losses)	344	(93)

*Includes realised gains of £451,080 and unrealised losses of £110,508 (31/03/18: realised gains of £379,842 and unrealised losses of £478,079).

#Prior year comparative figures have been restated to show currency (losses)/gains consistently between reporting periods.

3. Revenue

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Property revenue from UK REITs - PID	29	39
Property revenue from UK REITs - Non PID	23	6
Property revenue from taxable overseas REITs	30	-
Property revenue from non-taxable overseas REITs	2	-
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	174	91
Unfranked investment income	-	(5)
Interest distributions	297	212
Offshore distribution taxable	283	97
Offshore distribution non-taxable	49	91
Property income distribution	-	5
Bank interest	8	11
Interest on amounts held at futures clearing houses and brokers*	(1)	-
Rebate of revenue management fees from underlying investments	27	27
Total revenue	921	574

*Interest on amounts held at futures clearing houses and brokers shown are the net position of amount paid and received during the year.

Notes to the Financial Statements

(continued)

as at 31 March 2019

4. Expenses

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge*	186	169
ACD's periodic charge rebate from underlying investments*	(1)	(2)
ACD's expense rebate**	(11)	(11)
	<u>174</u>	<u>156</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	<u>7</u>	<u>6</u>
Other expenses:		
Accounting & administration fees	15	14
Administration costs	8	7
AIFMD Fee	8	10
Audit fee	14	14
KIID publication costs	1	1
Legal fee	-	1
Registrar's fees	2	1
Report & accounts printing costs	-	2
	<u>48</u>	<u>50</u>
Total expenses	<u>229</u>	<u>212</u>

Expenses include irrecoverable VAT where applicable.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

**This relates to a rebate paid by the ACD in order to maintain the individual sub-fund's Ongoing Charges Figure at a level considered appropriate by the ACD.

The PwC audit fee for the year, exclusive of VAT, is £12,000 (31/03/18: £11,850).

Notes to the Financial Statements

(continued)

as at 31 March 2019

5. Taxation

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
(a) Analysis of charge in year:		
Corporation tax	90	38
Total current tax	90	38
Deferred taxation	-	(1)
Total deferred tax (note 5c)	-	(1)
Total tax charge for the year (note 5b)	90	37

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2018: 20%). The differences are explained below:

Net revenue before taxation	691	362
Corporation tax of 20% (2018: 20%)	138	72
Effects of:		
UK dividends*	(35)	(18)
Overseas non-taxable revenue*	(10)	(18)
Property revenue from UK REITs - Non PID	(5)	(1)
Rebated capital expenses deductible for tax purposes	2	2
Total tax charge for the year (note 5a)	90	37

*As an authorised OEIC these items are not subject to corporation tax. UK dividends comprise franked investment income.

Open Ended Investment Companies are exempt from tax on capital gains, subject to certain exceptions. Therefore, any capital return is not included within the above reconciliation.

(c) Deferred taxation:

Provision at the start of the year	-	1
Deferred tax credit in profit and loss account for the year (note 5a)	-	(1)
Provision at the end of the year	-	-

6. Finance costs

Distributions and interest

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Interim dividend distributions	31	21
Final dividend distributions	584	373
	615	394
Add: Revenue deducted on cancellation of shares	56	11
Deduct: Revenue received on creation of shares	(59)	(68)
Net distributions for the year	612	337
Bank interest	1	-
Total finance costs	613	337

Details of the distributions per share are set out in the Distribution Tables on page 32.

Notes to the Financial Statements

(continued)

as at 31 March 2019

7. Movement between net revenue and net distributions

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Net revenue after taxation	601	325
ACD's periodic charge taken to capital	12	13
Tax effect on ACD's periodic charge	(3)	(3)
Tax relief on ACD's periodic charge rebate	2	2
Net distributions for the year	612	337

8. Debtors

	31/03/19 £000	31/03/18 £000
Sales awaiting settlement	178	-
Amounts receivable for issue of shares	149	121
Accrued revenue	77	7
Accrued ACD fee rebates	11	9
Accrued ACD expense rebate	10	11
Income tax recoverable	-	(1)
Total debtors	425	147

9. Cash and bank balances

	31/03/19 £000	31/03/18 £000
Cash and bank balances	1,040	5,150
Amounts held at futures clearing houses and brokers	9	-
Total cash and bank balances	1,049	5,150

10. Other creditors

	31/03/19 £000	31/03/18 £000
Purchases awaiting settlement	-	64
Amounts payable for cancellation of shares	32	93
Accrued expenses	37	29
Accrued ACD's periodic charge	15	15
Corporation tax payable	90	38
Total other creditors	174	239

Notes to the Financial Statements

(continued)

as at 31 March 2019

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	£000	£000	£000	£000
Equities	1,331	1,182	860	341
Collective Investment Schemes	22,018	18,070	19,160	9,110
Trades in the year before transaction costs	23,349	19,252	20,020	9,451
Commissions				
Equities	-	-	(1)	-
Collective Investment Schemes	1	2	(2)	(2)
Total commissions	1	2	(3)	(2)
Taxes				
Equities	3	3	-	-
Collective Investment Schemes	-	-	-	-
Total taxes	3	3	-	-
Total costs	4	5	(3)	(2)
Total net trades in the year after transaction costs	23,353	19,257	20,017	9,449

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%	%	%
Commissions				
Equities	-	-	0.12	-
Collective Investment Schemes	-	0.01	0.01	0.02
Taxes				
Equities	0.23	0.25	-	-
Collective Investment Schemes	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value.

	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%
Commissions	0.01	0.01
Taxes	0.01	0.01
Total costs	0.02	0.02

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/03/18: 0.06%).

12. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 10 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management and receivable from BMO Fund Management Limited in respect of expense rebates are disclosed in note 4 and amounts due at the end of the year in note 10.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £41,970 (31/03/18: £41,273). The value of these investments held was £1,063,213 (31/03/18: £1,423,041).

Notes to the Financial Statements

(continued)

as at 31 March 2019

13. Shareholders' funds

The Fund has two share classes in issue: Class B and Class D.

The ACD's periodic charge on each share class is as follows:

	%
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 20 to 22.

The distributions per share class are given in the Distribution Tables on page 32.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/18				31/03/19
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class B - Accumulation:	58,343,476	8,018,335	(9,341,857)	-	57,019,954
Share Class B - Income:	4,074,710	1,862,835	(2,015,155)	-	3,922,390
Share Class D - Accumulation:	63,252	109,706	(2,033)	-	170,925

14. Capital commitments and contingent liabilities

On 31 March 2019, the Fund had no capital commitments (31/03/18: £nil) and no contingent liabilities (31/03/18: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 13 to 16.

Currency exposure

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

As at 31 March the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 31/03/19	Currency exposure 31/03/18
Currency	Total £000	Total £000
Japanese yen	480	457
US dollar	822	1,358
Total	<u>1,302</u>	<u>1,815</u>

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £1.049m (31/03/18: holding £5.065m) is held in a floating rate deposit account. Interest is earned by reference to LIBOR Indices for all USD, EUR, GBP, CHF and JPY currencies as determined by the British Bankers Association. For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2019 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2018.

Fair values of financial assets and liabilities

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

Notes to the Financial Statements

(continued)

as at 31 March 2019

16. Fair value

For financial instruments held at fair value in the balance sheet, the Fund is required to disclose for each class of financial instrument, an analysis of the level in the fair value hierarchy (as set out in FRS 102 paragraph 11.27) into which the fair value measurements are categorised. The three levels of the fair value hierarchy under FRS 102 are as follows:

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

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

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

Valuation technique	31/03/19		31/03/18	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	6,915	-	9,097	-
Level 2	29,543	-	23,646	-
Total fair value	36,458	-	32,743	-

BMO MM Lifestyle 3 Fund

Distribution Tables

for the year ended 31 March 2019

Distribution in pence per share

Share Class B - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

Group 1
Final

Group 2
Final

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
(p)	(p)	(p)	(p)
0.9919	-	0.9919	0.6152
(p)	(p)	(p)	(p)
0.3997	0.5922	0.9919	0.6152

Share Class B - Income

30/09/18: Group 1: Shares purchased prior to 1 April 2018

31/03/19: Group 1: Shares purchased prior to 1 October 2018

Group 1
30/09/18
Final

Group 2
30/09/18
Final

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Group 2: Shares purchased from 1 October 2018 to 31 March 2019

Net revenue	Equalisation	Distributions paid/payable to 31/05/19	Distributions paid to 31/05/18
(p)	(p)	(p)	(p)
0.6825	-	0.6825	0.4609
0.4351	-	0.4351	0.3320
(p)	(p)	(p)	(p)
0.2885	0.3940	0.6825	0.4609
0.2227	0.2124	0.4351	0.3320

Share Class D - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

Group 1
Final

Group 2
Final

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
(p)	(p)	(p)	(p)
0.8424	-	0.8424	0.4765
(p)	(p)	(p)	(p)
-	0.8424	0.8424	0.4765

BMO MM Lifestyle 4 Fund

Authorised Corporate Director's Investment Report

for the year ended 31 March 2019

Fund Objective

The Fund aims to secure a return combining capital and income.

The Fund's risk profile matching portfolio will invest in UK equities and corporate bonds with some exposure to property and non-UK equities, all primarily through collective investment schemes. The Fund may also invest directly and indirectly in transferable securities, money market instruments and deposits and may use derivatives to increase, maintain and reduce its investment exposures.

Synthetic Risk and Reward Indicator

The Synthetic Risk and Reward Indicator ("SRRI"), is calculated in accordance with the Key Investor Information Regulations and is disclosed in a fund's KIIDs (Key Investor Information Documents). It is calculated from the last five years' performance data and shows the historic volatility of the Fund and is updated periodically. The SRRI is reported against standard bands ranging from 1 (lower risk/reward) to 7 (higher risk/reward). This classification is intended as a general indication of the overall level of risk of a fund in order to facilitate comparisons between funds.

The most recent value of the SRRI for the Fund was 4, published on 28 January 2019. From the most recent review it has been determined that this is still appropriate.

A fuller explanation of the SRRI and the risk and reward profile of the Fund is contained in the Fund's KIIDs.

Fund manager	Rob Burdett and Gary Potter
Fund size	£290.7 million
Launch date	30 March 2007

Market Review

The portfolio generated a positive return over the twelve-month period.

Our strategy remains focused on providing investors with access to a well-diversified and actively managed portfolio. Portfolio composition in terms of allocations to equities, bonds, property, geographic regions and cash was determined by Distribution Technology (a specialist in financial planning software and tools). Within this framework, the team selects what it believes to be the best blend of individual holdings and it tactically adjusts asset allocation (within tightly defined parameters) in order to better position the portfolio given prevailing conditions.

In terms of portfolio positioning, we remained cautious on many parts of the bond market, with strategic bond funds our favoured way of accessing fixed income. In property, we prefer options that are less reliant on the performance of the wider economy and these currently include funds investing in student accommodation and healthcare premises. In terms of geographic positioning, the US economy is doing well but much of the good news appears to be priced in and political noise and protectionist trade policies could dampen sentiment. As Brexit rumbles on the prospects for the UK remain uncertain, but there are opportunities for stock pickers. Political uncertainty and a slowing economy mean we are cautious towards Europe whilst Japan and Asia remain our favoured regions.

We disposed of Hermes multi strategy credit fund as Distribution Technology removed high yield bonds from the recommended asset allocation for this portfolio.

In terms of underlying fund holdings, we switched the iShares sterling index-linked gilts ETF into Allianz Index-Linked Gilt fund to access active management of the technical opportunities in this market to enhance returns. We added the newly launched Liontrust Strategic Bond fund, run by an experienced team, to shift into more flexible strategic management to take advantage of increased volatility. We subsequently sold Invesco Perpetual Tactical Bond fund to further focus our fixed income exposure on funds in which we have a higher degree of conviction. Following a strong period for US markets, we added Merian North American fund to further diversify our exposure by introducing a new active fund focussed on value and momentum. In Asia we switched out of BGF Asian Growth Leaders fund, in order to gain exposure to smaller and more domestically oriented companies via TT Asia ex Japan equity fund. We also sold the BMO European real estate securities fund, replacing it with LXi REIT, a closed-ended investment company focused on 'smaller' UK commercial properties, including hotels and leisure facilities, industrial units and discount retail properties. We switched River and Mercantile UK Equity Income fund into TM RWC UK Equity Income fund, which is run by an experienced and proven team who invest through a clear, value-orientated philosophy.

Given the strength in market returns so far this year, we continue to believe that a pause or pullback is likely at some point. However, with central banks having turned more dovish and assumptions being made around trade deals, stimulus and a benign Brexit, there is scope for the likes of equities to move higher. Bond markets are signalling a far bleaker outlook than that priced into equity markets, which seem to be out of step with economic and corporate fundamentals. A renewed focus on fundamentals may well shift sentiment and bring a more volatile period in markets. We continue to believe the portfolio's performance will be driven by our selection of underlying funds that have served us well through more volatile periods in the past.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 4 Fund rose by 2.91%. All returns in Sterling and on a total return basis.

BMO MM Lifestyle 4 Fund

Portfolio Statement

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (14.45%*)		25,580	8.80
HSBC S&P 500 ETF	381,091	8,268	2.84
iShares Physical Gold ETC	221,630	4,286	1.48
Lyxor Core FTSE Actuaries UK Gilts (DR) ETF	92,560	13,026	4.48
INVESTMENT TRUSTS (3.87%*)		16,581	5.70
GCP Student Living REIT #	2,810,613	4,295	1.48
LXI REIT #	3,415,807	4,236	1.46
PRS REIT #	4,083,517	4,026	1.38
Target Healthcare REIT #	3,498,911	4,024	1.38
OFFSHORE INVESTMENT COMPANIES (28.85%*)		84,777	29.16
Aviva Investors Sterling Liquidity Fund 3 Inc	8,000,000	8,000	2.75
Barings Emerging Markets Debt Blended Total Return Fund A Acc	43,499	5,042	1.73
Darwin Leisure Property Fund M Inc **	3,510,192	6,272	2.16
Eastspring Japan Dynamic Fund CG Acc	562,643	7,511	2.58
Hermes Asia ex-Japan Equity Fund F Acc	2,475,800	6,360	2.19
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	52,966	6,488	2.23
Majedie Tortoise Fund G Acc	4,132,253	7,185	2.47
Majedie US Equity Fund Z Acc	4,887,941	9,216	3.17
Merian North American Equity Fund P2 Inc	1,120,980	11,764	4.05
Oyster Continental European Selection Fund I GBP	4,233	4,320	1.49
Tokio Marine Japanese Equity Focus Fund D JPY	27,645	4,702	1.62
TT Asia EX Japan Equity Fund A2 Acc	1,093,395	7,917	2.72
OPEN ENDED INVESTMENT COMPANIES (40.68%*)		147,639	50.79
Allianz Index Linked Gilt Fund E Inc	18,242,253	20,074	6.91
Baillie Gifford Japanese Fund B Acc	233,770	3,691	1.27
BMO FTSE All-Share Tracker Fund 4 Inc †	2,491,555	10,328	3.55
Janus Henderson Strategic Bond Fund I Inc	11,171,906	15,138	5.21
Jupiter UK Smaller Companies Fund I Acc	1,769,830	6,599	2.27
Liontrust Strategic Bond Fund M Inc	12,218,063	12,432	4.28
M&G Global Macro Bond Fund I Inc	5,880,000	7,516	2.59
Majedie UK Income Fund X Inc	7,557,700	11,349	3.90
Man GLG Absolute Value Fund CX Acc	5,847,276	6,871	2.36
Man GLG Undervalued Assets Fund D Inc	8,286,052	11,824	4.07
River and Mercantile UK Recovery Fund S Inc	2,282,613	5,301	1.82
Royal London Sterling Credit Fund Z Inc	15,018,450	20,725	7.13
TM RWC UK Equity Income Fund L Inc	8,860,000	8,493	2.92
TwentyFour Monument Bond Fund I Inc	65,103	7,298	2.51
UNIT TRUSTS (1.87%*)		4,279	1.47
Schroder European Alpha Plus Fund Z Acc	4,746,142	4,279	1.47

BMO MM Lifestyle 4 Fund

Portfolio Statement

(continued)

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
DERIVATIVES (0.00%*)		71	0.03
Future Contracts			
FTSE 100 Index Futures June 2019	41	53	0.02
FTSE 250 Index Futures June 2019	(60)	18	0.01
Portfolio of investments		278,927	95.95
Net other assets		11,784	4.05
Total net assets		290,711	100.00

All investments are approved securities as defined in the Collective Investment Schemes sourcebook unless otherwise stated.

* Comparative figures shown in brackets relate to 31 March 2018.

** Unlisted investment.

† This investment is a related party.

Real Estate Investment Trust.

BMO MM Lifestyle 4 Fund

Material Portfolio Changes

for the year ended 31 March 2019

	Cost		Proceeds
	£000		£000
Major purchases		Major sales	
Allianz Index Linked Gilt Fund E Inc	20,648	Invesco Perpetual Tactical Bond Fund No Trail Inc	10,636
Merian North American Equity Fund P2 Inc	13,039	iShares £ Index-Linked Gilts	10,360
Liontrust Strategic Bond Fund M Inc	12,263	Lyxor FTSE Actuaries UK Gilts 0-5Y (DR) ETF	8,983
Lyxor Core FTSE Actuaries UK Gilts (DR) ETF	11,187	HSBC S&P 500 ETF	7,451
TT Asia EX Japan Equity Fund A2 Acc	9,648	River and Mercantile UK Equity Fund B Inc	7,338
TM RWC UK Equity Income Fund L Inc	8,848	Legg Mason Western Asset Macro Opportunities Bond Fund A USD Acc	6,867
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	7,479	Majedie US Equity Fund Z Acc	6,590
Legg Mason Western Asset Macro Opportunities Bond Fund A USD Acc	6,514	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	6,531
River and Mercantile UK Recovery Fund S Inc	6,269	River and Mercantile UK Equity Long Term Recovery Fund B Inc	6,269
Royal London Sterling Credit Fund Z Inc	6,024	TT Asia Pacific Equity Fund A Inc	5,994

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 4 Fund

Comparative Tables

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	128.71	127.22	114.66
Return before operating charges*	5.43	4.25	15.12
Operating charges	(2.80)	(2.76)	(2.56)
Return after operating charges*	2.63	1.49	12.56
Distributions	(0.96)	(0.52)	(1.27)
Retained distributions on accumulation shares	0.96	0.52	1.27
Closing net asset value per share	131.34	128.71	127.22
*after direct transaction costs of:	0.02	0.02	0.01
Performance			
Return after charges	2.04%	1.17%	10.95%
Other information			
Closing net asset value (£'000)	26,854	27,557	30,119
Closing number of shares	20,446,941	21,410,876	23,674,205
Operating charges	2.14%	2.12%	2.12%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	133.90	133.70	127.40
Lowest share price	124.70	126.00	113.80

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class A - Income			
Change in net assets per share			
Opening net asset value per share	126.89	127.44	117.46
Return before operating charges*	5.41	4.35	15.44
Operating charges	(3.40)	(3.28)	(3.09)
Return after operating charges*	2.01	1.07	12.35
Distributions on income shares	(1.90)	(1.62)	(2.37)
Closing net asset value per share	127.00	126.89	127.44
*after direct transaction costs of:	0.02	0.02	0.01
Performance			
Return after charges	1.58%	0.84%	10.51%
Other information			
Closing net asset value (£'000)	539	1,036	1,152
Closing number of shares	424,329	816,331	903,717
Operating charges	2.65%	2.54%	2.52%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	131.60	132.30	128.20
Lowest share price	121.60	126.20	116.50

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	73.82	72.35	64.65
Return before operating charges*	2.97	2.25	8.41
Operating charges	(0.81)	(0.78)	(0.71)
Return after operating charges*	2.16	1.47	7.70
Distributions	(1.19)	(0.93)	(1.31)
Retained distributions on accumulation shares	1.19	0.93	1.31
Closing net asset value per share	75.98	73.82	72.35
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.93%	2.03%	11.91%
Other information			
Closing net asset value (£'000)	227,213	210,118	181,245
Closing number of shares	299,061,912	284,616,000	250,502,827
Operating charges	1.08%	1.05%	1.04%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	77.02	76.57	72.45
Lowest share price	72.01	71.70	64.31

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	159.66	159.11	145.41
Return before operating charges*	6.41	4.94	18.84
Operating charges	(1.79)	(1.75)	(1.64)
Return after operating charges*	4.62	3.19	17.20
Distributions on income shares	(3.18)	(2.64)	(3.50)
Closing net asset value per share	161.10	159.66	159.11
*after direct transaction costs of:	0.03	0.02	0.02
Performance			
Return after charges	2.89%	2.00%	11.83%
Other information			
Closing net asset value (£'000)	35,744	31,889	30,370
Closing number of shares	22,186,683	19,972,423	19,087,410
Operating charges	1.11%	1.08%	1.07%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	166.60	166.80	160.80
Lowest share price	154.10	157.70	144.60

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	74.92	73.58	65.88
Return before operating charges*	3.05	2.33	8.60
Operating charges	(1.03)	(0.99)	(0.90)
Return after operating charges*	2.02	1.34	7.70
Distributions	(1.05)	(0.79)	(1.19)
Retained distributions on accumulation shares	1.05	0.79	1.19
Closing net asset value per share	76.94	74.92	73.58
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.70%	1.82%	11.69%
Other information			
Closing net asset value (£'000)	361	597	406
Closing number of shares	468,967	797,510	552,184
Operating charges	1.34%	1.31%	1.29%
Direct transaction costs**	0.02%	0.01%	0.01%
Prices			
Highest share price	78.10	77.74	73.58
Lowest share price	72.96	72.91	65.48

BMO MM Lifestyle 4 Fund

Statement of Total Return

for the year ended 31 March 2019

	Notes	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
		£000	£000	£000	£000
Income					
Net capital gains	2		3,313		1,706
Revenue	3	6,565		4,928	
Expenses	4	(1,853)		(1,743)	
Interest payable and similar charges	6	(4)		(1)	
Net revenue before taxation		4,708		3,184	
Taxation	5	(423)		(216)	
Net revenue after taxation			4,285		2,968
Total return before distributions			7,598		4,674
Distributions	6		(4,456)		(3,130)
Change in net assets attributable to shareholders from investment activities			3,142		1,544

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2019

	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		271,197		243,292
Amounts receivable on creation of shares	33,607		36,163	
Amounts payable on cancellation of shares	(21,003)		(12,562)	
		12,604		23,601
Change in net assets attributable to shareholders from investment activities		3,142		1,544
Retained distribution on accumulation shares		3,768		2,760
Closing net assets attributable to shareholders		290,711		271,197

Notes to the Financial Statements are on pages 44 to 50.

BMO MM Lifestyle 4 Fund

Balance Sheet

as at 31 March 2019

	Notes	31/03/19 £000	31/03/18 £000
Assets			
Investments		278,927	243,310
Current assets			
Debtors	8	3,030	792
Cash and bank balances	9	10,314	29,057
Total assets		292,271	273,159
Liabilities			
Creditors			
Bank overdrafts		(9)	-
Distribution payable		(314)	(239)
Other creditors	10	(1,237)	(1,723)
Total liabilities		(1,560)	(1,962)
Net assets attributable to shareholders		290,711	271,197

Notes to the Financial Statements are on pages 44 to 50.

Notes to the Financial Statements

as at 31 March 2019

1. Accounting policies

Please see pages 11 and 12 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Non-derivative securities*	2,844	1,702
Derivative contracts*#	458	(215)
Forward foreign exchange currency contracts*	6	15
Currency (losses)/gains*#	(75)	113
Rebate of capital management fees from underlying investments	86	95
Handling charges	(6)	(4)
Net capital gains	3,313	1,706

*Includes realised gains of £7,694,187 and unrealised losses of £4,461,115 (31/03/18: realised gains of £4,554,117 and unrealised losses of £2,938,988).

#Prior year comparative figures have been restated to show currency (losses)/gains consistently between reporting periods.

3. Revenue

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Overseas taxable revenue	5	(4)
Overseas non-taxable revenue	1	(1)
Property revenue from UK REITs - PID	220	313
Property revenue from UK REITs - Non PID	178	44
Property revenue from taxable overseas REITs	222	-
Property revenue from non-taxable overseas REITs	16	-
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	1,858	1,197
Unfranked investment income	-	(47)
Interest distributions	1,908	1,622
Offshore distribution taxable	1,239	510
Offshore distribution non-taxable	626	959
Property income distribution	-	47
Bank interest	84	57
Interest on amounts held at futures clearing houses and brokers*	(6)	-
Rebate of revenue management fees from underlying investments	214	231
Total revenue	6,565	4,928

*Interest on amounts held at futures clearing houses and brokers shown are the net position of amount paid and received during the year.

Notes to the Financial Statements

(continued)

as at 31 March 2019

4. Expenses

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge*	1,722	1,605
ACD's periodic charge rebate from underlying investments*	(27)	(23)
ACD's expense rebate**	(12)	(12)
	<u>1,683</u>	<u>1,570</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	52	47
Safe custody fees	1	1
	<u>53</u>	<u>48</u>
Other expenses:		
Accounting & administration fees	32	32
Administration costs	45	43
AIFMD Fee	8	10
Audit fee	14	14
KIID publication costs	1	2
Legal fee	-	1
Registrar's fees	19	20
Report & accounts printing costs	(2)	3
	<u>117</u>	<u>125</u>
Total expenses	<u>1,853</u>	<u>1,743</u>

Expenses include irrecoverable VAT where applicable.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

**This relates to a rebate paid by the ACD in order to maintain the individual sub-fund's Ongoing Charges Figure at a level considered appropriate by the ACD.

The PwC audit fee for the year, exclusive of VAT, is £12,000 (31/03/18: £11,850).

Notes to the Financial Statements

(continued)

as at 31 March 2019

5. Taxation

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
(a) Analysis of charge in year:		
Corporation tax	423	225
Total current tax	423	225
Deferred taxation	-	(9)
Total deferred tax (note 5c)	-	(9)
Total tax charge for the year (note 5b)	423	216

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2018: 20%). The differences are explained below:

Net revenue before taxation	4,708	3,184
Corporation tax of 20% (2018: 20%)	942	637
Effects of:		
UK dividends*	(372)	(240)
Overseas non-taxable revenue*	(128)	(191)
Property revenue from UK REITs - Non PID	(36)	(9)
Rebated capital expenses deductible for tax purposes	17	19
Total tax charge for the year (note 5a)	423	216

*As an authorised OEIC these items are not subject to corporation tax. UK dividends comprise franked investment income.

Open Ended Investment Companies are exempt from tax on capital gains, subject to certain exceptions. Therefore, any capital return is not included within the above reconciliation.

(c) Deferred taxation:

Provision at the start of the year	-	9
Deferred tax credit in profit and loss account for the year (note 5a)	-	(9)
Provision at the end of the year	-	-

6. Finance costs

Distributions and interest

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Interim dividend distributions	408	295
Final dividend distributions	4,082	2,999
	4,490	3,294
Add: Revenue deducted on cancellation of shares	194	78
Deduct: Revenue received on creation of shares	(228)	(242)
Net distributions for the year	4,456	3,130
Bank interest	4	1
Total finance costs	4,460	3,131

Details of the distributions per share are set out in the Distribution Tables on pages 51 to 52.

Notes to the Financial Statements

(continued)

as at 31 March 2019

7. Movement between net revenue and net distributions

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Net revenue after taxation	4,285	2,968
ACD's periodic charge taken to capital	188	174
Tax effect on ACD's periodic charge	(38)	(35)
Tax relief on ACD's periodic charge rebate	17	19
Net revenue received on share class conversions	4	4
Net distributions for the year	<u>4,456</u>	<u>3,130</u>

8. Debtors

	31/03/19 £000	31/03/18 £000
Sales awaiting settlement	1,937	48
Amounts receivable for issue of shares	385	397
Accrued revenue	589	259
Accrued ACD fee rebates	106	76
Accrued ACD expense rebate	13	12
Total debtors	<u>3,030</u>	<u>792</u>

9. Cash and bank balances

	31/03/19 £000	31/03/18 £000
Cash and bank balances	10,220	29,057
Amounts held at futures clearing houses and brokers	94	-
Total cash and bank balances	<u>10,314</u>	<u>29,057</u>

10. Other creditors

	31/03/19 £000	31/03/18 £000
Purchases awaiting settlement	-	876
Amounts payable for cancellation of shares	806	574
Accrued expenses	82	53
Accrued ACD's periodic charge	137	132
Corporation tax payable	212	88
Total other creditors	<u>1,237</u>	<u>1,723</u>

Notes to the Financial Statements

(continued)

as at 31 March 2019

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	£000	£000	£000	£000
Equities	10,140	7,075	5,311	2,817
Collective Investment Schemes	161,414	92,228	134,027	73,607
Trades in the year before transaction costs	171,554	99,303	139,338	76,424
Commissions				
Equities	3	1	(3)	(2)
Collective Investment Schemes	5	8	(10)	(7)
Total commissions	8	9	(13)	(9)
Taxes				
Equities	25	12	-	-
Collective Investment Schemes	-	-	(4)	(2)
Total taxes	25	12	(4)	(2)
Total costs	33	21	(17)	(11)
Total net trades in the year after transaction costs	171,587	99,324	139,321	76,413

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%	%	%
Commissions				
Equities	0.03	0.01	0.06	0.07
Collective Investment Schemes	-	0.01	0.01	0.01
Taxes				
Equities	0.25	0.17	-	-
Collective Investment Schemes	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value.

	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%
Commissions	0.01	0.01
Taxes	0.01	-
Total costs	0.02	0.01

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/03/18: 0.05%).

12. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 10 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management and receivable from BMO Fund Management Limited in respect of expense rebates are disclosed in note 4 and amounts due at the end of the year in note 10.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £369,954 (31/03/18: £514,559). The value of these investments held was £10,327,495 (31/03/18: £12,956,624).

Notes to the Financial Statements

(continued)

as at 31 March 2019

13. Shareholders' funds

The Fund has three share classes in issue: Class A, Class B and Class D.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.50
Share Class A - Income:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 37 to 41.

The distributions per share class are given in the Distribution Tables on pages 51 to 52.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/18				31/03/19
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation:	21,410,876	1,378,878	(2,273,240)	(69,573)	20,446,941
Share Class A - Income:	816,331	250	(188,260)	(203,992)	424,329
Share Class B - Accumulation:	284,616,000	31,991,289	(18,009,148)	463,771	299,061,912
Share Class B - Income:	19,972,423	4,839,650	(2,625,390)	-	22,186,683
Share Class D - Accumulation:	797,510	25,753	(354,296)	-	468,967

14. Capital commitments and contingent liabilities

On 31 March 2019, the Fund had no capital commitments (31/03/18: £nil) and no contingent liabilities (31/03/18: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 13 to 16.

Currency exposure

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

As at 31 March the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 31/03/19	Currency exposure 31/03/18
Currency	Total £000	Total £000
Japanese yen	4,702	5,425
US dollar	16,184	19,502
Total	<u>20,886</u>	<u>24,927</u>

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £10.305m (31/03/18: holding £29.057m) is held in a floating rate deposit account. Interest is earned by reference to LIBOR Indices for all USD, EUR, GBP, CHF and JPY currencies as determined by the British Bankers Association. For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2019 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2018.

Fair values of financial assets and liabilities

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

Notes to the Financial Statements

(continued)

as at 31 March 2019

16. Fair value

For financial instruments held at fair value in the balance sheet, the Fund is required to disclose for each class of financial instrument, an analysis of the level in the fair value hierarchy (as set out in FRS 102 paragraph 11.27) into which the fair value measurements are categorised. The three levels of the fair value hierarchy under FRS 102 are as follows:

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

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

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

Valuation technique	31/03/19		31/03/18	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	42,232	-	49,687	-
Level 2	236,695	-	193,623	-
Total fair value	278,927	-	243,310	-

BMO MM Lifestyle 4 Fund

Distribution Tables

for the year ended 31 March 2019

Distribution in pence per share

Share Class A - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	0.9623	-	0.9623	0.5154
Group 2	(p)	(p)	(p)	(p)
Final	0.3589	0.6034	0.9623	0.5154

Share Class A - Income

30/06/18: Group 1: Shares purchased prior to 1 April 2018

30/09/18: Group 1: Shares purchased prior to 1 July 2018

31/12/18: Group 1: Shares purchased prior to 1 October 2018

31/03/19: Group 1: Shares purchased prior to 1 January 2019

	Net revenue	Equalisation	Distributions paid/payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
30/06/18	0.3919	-	0.3919	0.3942
30/09/18	0.7534	-	0.7534	0.5435
31/12/18	0.4422	-	0.4422	0.3829
Final	0.3077	-	0.3077	0.3042
Group 2	(p)	(p)	(p)	(p)
30/06/18	-	0.3919	0.3919	0.3942
30/09/18	0.1799	0.5735	0.7534	0.5435
31/12/18	0.0209	0.4213	0.4422	0.3829
Final	0.0045	0.3032	0.3077	0.3042

Share Class B - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.1925	-	1.1925	0.9288
Group 2	(p)	(p)	(p)	(p)
Final	0.5698	0.6227	1.1925	0.9288

Share Class B - Income

30/06/18: Group 1: Shares purchased prior to 1 April 2018

30/09/18: Group 1: Shares purchased prior to 1 October 2018

	Net revenue	Equalisation	Distributions paid/payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
30/09/18	1.7719	-	1.7719	1.4621
Final	1.4088	-	1.4088	1.1828
Group 2	(p)	(p)	(p)	(p)
30/09/18	0.7833	0.9886	1.7719	1.4621
Final	0.5624	0.8464	1.4088	1.1828

BMO MM Lifestyle 4 Fund

Distribution Tables

(continued)

for the year ended 31 March 2019

Share Class D - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.0490	-	1.0490	0.7949
Group 2	(p)	(p)	(p)	(p)
Final	0.6221	0.4269	1.0490	0.7949

Authorised Corporate Director's Investment Report

for the year ended 31 March 2019

Fund Objective

The Fund aims to secure a return combining capital and income.

The Fund's risk profile matching portfolio will invest in UK equities and corporate bonds with a lower exposure to property and a greater exposure to non-UK equities, all primarily through collective investment schemes.

The Fund may also invest directly and indirectly in transferable securities, money market instruments and deposits and may use derivatives to increase, maintain, and reduce its investment exposures.

Synthetic Risk and Reward Indicator

The Synthetic Risk and Reward Indicator ("SRRI"), is calculated in accordance with the Key Investor Information Regulations and is disclosed in a fund's KIIDs (Key Investor Information Documents). It is calculated from the last five years' performance data and shows the historic volatility of the Fund and is updated periodically. The SRRI is reported against standard bands ranging from 1 (lower risk/reward) to 7 (higher risk/reward). This classification is intended as a general indication of the overall level of risk of a fund in order to facilitate comparisons between funds.

The most recent value of the SRRI for the Fund was 4, published on 28 January 2019. From the most recent review it has been determined that this is still appropriate.

A fuller explanation of the SRRI and the risk and reward profile of the Fund is contained in the Fund's KIIDs.

Fund manager	Rob Burdett and Gary Potter
Fund size	£396.0 million
Launch date	30 March 2007

Market Review

The portfolio generated a positive return over the twelve-month period.

Our strategy remains focused on providing investors with access to a well-diversified and actively managed portfolio. Portfolio composition in terms of allocations to equities, bonds, property, geographic regions and cash was determined by Distribution Technology (a specialist in financial planning software and tools). Within this framework, the team selects what it believes to be the best blend of individual holdings and it tactically adjusts asset allocation (within tightly defined parameters) in order to better position the portfolio given prevailing conditions.

In terms of portfolio positioning, we remained cautious on many parts of the bond market, with strategic bond funds our favoured way of accessing fixed income. In property, we prefer options that are less reliant on the performance of the wider economy and these currently include funds investing in student accommodation and healthcare premises. In terms of geographic positioning, the US economy is doing well but much of the good news appears to be priced in and political noise and protectionist trade policies could dampen sentiment. As Brexit rumbles on the prospects for the UK remain uncertain, but there are opportunities for stock pickers. Political uncertainty and a slowing economy mean we are cautious towards Europe whilst Japan and Asia remain our favoured regions.

There were a number of changes to the asset allocation for this portfolio by Distribution Technology. An exposure to index-linked gilts was added and the allocation to global bonds was increased, while removing the allocation to high yield bonds. We therefore added, Allianz index linked fund and M&G Global Macro Bond fund, together with Legg Mason Western Asset Macro Opportunities Bond fund. We also disposed of Hermes Multi Strategy Credit fund which invested in the high yield bond market.

In terms of underlying fund holdings, we added the newly launched Liontrust Strategic Bond fund, run by an experienced team, to shift into more flexible strategic management to take advantage of increased volatility. We subsequently sold Invesco Perpetual Tactical Bond fund to further focus our fixed income exposure on funds in which we have a higher degree of conviction. Following a strong period for US markets, we added Merian North American fund to further diversify our exposure by introducing a new active fund focussed on value and momentum. In Asia we switched out of BGF Asian Growth Leaders fund and TT Asia-Pacific equity fund, in order to gain exposure to smaller and more domestically oriented companies via TT Asia ex Japan equity fund and CC Asia Focus fund. We switched Hermes Global Emerging Markets fund into Oppenheimer Emerging Markets Innovators fund, which will add exposure to smaller, growth-oriented companies in this sector, diversifying our exposure. We also sold the BMO European Real Estate Securities fund, replacing it with LXi REIT, a closed-ended investment company focused on 'smaller' UK commercial properties, including hotels and leisure facilities, industrial units and discount retail properties. We switched River and Mercantile UK Equity Income fund into TM RWC UK Equity Income fund, which is run by an experienced and proven team who invest through a clear, value-orientated philosophy.

Given the strength in market returns so far this year, we continue to believe that a pause or pullback is likely at some point. However, with central banks having turned more dovish and assumptions being made around trade deals, stimulus and a benign Brexit, there is scope for the likes of equities to move higher. Bond markets are signalling a far bleaker outlook than that priced into equity markets, which seem to be out of step with economic and corporate fundamentals. A renewed focus on fundamentals may well shift sentiment and bring a more volatile period in markets. We continue to believe the portfolio's performance will be driven by our selection of underlying funds that have served us well through more volatile periods in the past.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 5 Fund rose by 2.74%. All returns in Sterling and on a total return basis.

BMO Fund Management Limited

22 May 2019

BMO MM Lifestyle 5 Fund

Portfolio Statement

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (8.56%*)		29,666	7.50
HSBC S&P 500 ETF	798,940	17,333	4.38
iShares Physical Gold ETC	228,690	4,423	1.12
Lyxor Core FTSE Actuaries UK Gilts (DR) ETF	56,205	7,910	2.00
INVESTMENT TRUSTS (3.39%*)		21,308	5.38
GCP Student Living REIT #	3,211,230	4,907	1.24
LXI REIT #	4,656,078	5,774	1.46
PRS REIT #	5,390,813	5,315	1.34
Target Healthcare REIT #	4,619,051	5,312	1.34
OFFSHORE INVESTMENT COMPANIES (33.91%*)		129,440	32.69
Coupland Cardiff Asia Focus Fund S Acc	784,500	5,698	1.44
Darwin Leisure Property Fund M Inc **	4,343,150	7,760	1.96
Eastspring Japan Dynamic Fund CG Acc	990,617	13,225	3.34
Hermes Asia ex-Japan Equity Fund F Acc	2,924,325	7,513	1.90
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	55,875	6,844	1.73
Majedie Tortoise Fund G Acc	5,104,148	8,875	2.24
Majedie US Equity Fund Z Acc	9,776,254	18,432	4.65
Merian North American Equity Fund P2 Inc	1,900,999	19,950	5.04
Oppenheimer Emerging Markets Innovators Fund I1 Acc	96,393	6,779	1.71
Oyster Continental European Selection Fund I GBP	5,786	5,905	1.49
Tokio Marine Japanese Equity Focus Fund D JPY	35,155	5,979	1.51
TT Asia EX Japan Equity Fund A2 Acc	1,356,022	9,818	2.48
TT Emerging Markets Unconstrained Fund A1 Inc	1,164,400	12,662	3.20
OPEN ENDED INVESTMENT COMPANIES (46.34%*)		198,085	50.02
Allianz Index Linked Gilt Fund E Inc	12,315,000	13,551	3.42
Baillie Gifford Japanese Fund B Acc	359,289	5,673	1.43
BMO FTSE All-Share Tracker Fund 4 Inc †	4,362,390	18,082	4.57
Janus Henderson Strategic Bond Fund I Inc	14,677,700	19,888	5.02
Jupiter UK Smaller Companies Fund I Acc	2,673,782	9,970	2.52
Liontrust Strategic Bond Fund M Inc	15,759,991	16,036	4.05
M&G Global Macro Bond Fund I Inc	6,200,000	7,926	2.00
Majedie UK Income Fund X Inc	12,953,000	19,450	4.91
Man GLG Absolute Value Fund CX Acc	7,923,029	9,310	2.35
Man GLG Undervalued Assets Fund D Inc	14,266,483	20,358	5.14
River and Mercantile UK Recovery Fund S Inc	4,538,309	10,539	2.66
Royal London Sterling Credit Fund Z Inc	17,642,500	24,347	6.15
TM RWC UK Equity Income Fund L Inc	15,600,000	14,954	3.78
TwentyFour Monument Bond Fund I Inc	71,371	8,001	2.02
UNIT TRUSTS (1.80%*)		5,866	1.48
Schroder European Alpha Plus Fund Z Acc	6,506,243	5,866	1.48

Portfolio Statement

(continued)

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
DERIVATIVES (0.00%*)		119	0.03
Futures			
FTSE 100 Index Futures June 2019	68	87	0.02
FTSE 250 Index Futures June 2019	(103)	32	0.01
Portfolio of investments		384,484	97.10
Net other assets		11,503	2.90
Total net assets		395,987	100.00

All investments are approved securities as defined in the Collective Investment Schemes sourcebook unless otherwise stated.

* Comparative figures shown in brackets relate to 31 March 2018.

** Unlisted investment.

† This investment is a related party.

Real Estate Investment Trust.

BMO MM Lifestyle 5 Fund

Material Portfolio Changes

for the year ended 31 March 2019

	Cost		Proceeds
Major purchases	£000	Major sales	£000
Merian North American Equity Fund P2 Inc	21,527	Invesco Perpetual Tactical Bond Fund No Trail Inc	14,566
Liontrust Strategic Bond Fund M Inc	15,822	River and Mercantile UK Recovery Fund S Inc	13,786
TM RWC UK Equity Income Fund L Inc	15,584	HSBC S&P 500 ETF	12,295
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	13,586	River and Mercantile UK Equity Long Term Recovery Fund B Inc	11,346
Allianz Index Linked Gilt Fund E Inc	13,416	Hermes Global Emerging Markets Fund F Acc	10,184
HSBC S&P 500 ETF	12,196	Majedie US Equity Fund Z Acc	9,210
River and Mercantile UK Recovery Fund S Inc	11,346	TT Asia Pacific Equity Fund A Inc	8,945
TT Asia EX Japan Equity Fund A2 Acc	10,836	BlackRock Asian Growth Leaders Fund I2 USD	8,338
Majedie UK Income Fund X Inc	8,454	TwentyFour Monument Bond Fund I Inc	7,808
Oppenheimer Emerging Markets Innovators Fund I1 Acc	7,980	Hermes Multi Strategy Credit Fund L Inc	7,516

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 5 Fund

Comparative Tables

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	150.47	146.45	128.74
Return before operating charges*	6.12	7.30	20.61
Operating charges	(3.29)	(3.28)	(2.90)
Return after operating charges*	2.83	4.02	17.71
Distributions	(1.14)	(0.86)	(1.61)
Retained distributions on accumulation shares	1.14	0.86	1.61
Closing net asset value per share	153.30	150.47	146.45
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	1.88%	2.74%	13.76%
Other information			
Closing net asset value (£'000)	28,837	31,769	33,784
Closing number of shares	18,811,595	21,112,770	23,068,191
Operating charges	2.15%	2.17%	2.11%
Direct transaction costs	0.01%	0.01%	0.01%
Prices			
Highest share price	158.40	158.00	147.00
Lowest share price	144.10	144.40	127.40

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	78.43	75.69	65.97
Return before operating charges*	3.02	3.60	10.46
Operating charges	(0.87)	(0.86)	(0.74)
Return after operating charges*	2.15	2.74	9.72
Distributions	(1.27)	(1.12)	(1.43)
Retained distributions on accumulation shares	1.27	1.12	1.43
Closing net asset value per share	80.58	78.43	75.69
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.74%	3.62%	14.73%
Other information			
Closing net asset value (£'000)	322,824	286,256	237,405
Closing number of shares	400,629,976	364,984,949	313,657,605
Operating charges	1.09%	1.10%	1.04%
Direct transaction costs	0.01%	0.01%	0.01%
Prices			
Highest share price	82.68	82.19	75.94
Lowest share price	75.58	74.68	65.35

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	174.48	171.51	153.04
Return before operating charges*	6.75	8.15	24.13
Operating charges	(1.97)	(1.98)	(1.73)
Return after operating charges*	4.78	6.17	22.40
Distributions on income shares	(3.50)	(3.20)	(3.93)
Closing net asset value per share	175.76	174.48	171.51
*after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	2.74%	3.60%	14.64%
Other information			
Closing net asset value (£'000)	44,176	44,285	41,581
Closing number of shares	25,134,191	25,380,469	24,243,545
Operating charges	1.11%	1.12%	1.06%
Direct transaction costs	0.01%	0.01%	0.01%
Prices			
Highest share price	183.90	184.30	173.90
Lowest share price	166.40	169.20	151.60

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	79.65	77.03	67.28
Return before operating charges*	3.12	3.71	10.68
Operating charges	(1.11)	(1.09)	(0.93)
Return after operating charges*	2.01	2.62	9.75
Distributions	(1.12)	(0.97)	(1.31)
Retained distributions on accumulation shares	1.12	0.97	1.31
Closing net asset value per share	81.66	79.65	77.03
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	2.52%	3.40%	14.49%
Other information			
Closing net asset value (£'000)	150	194	281
Closing number of shares	183,158	243,456	364,501
Operating charges	1.36%	1.37%	1.29%
Direct transaction costs	0.01%	0.01%	0.01%
Prices			
Highest share price	83.92	83.50	77.16
Lowest share price	76.63	75.99	66.61

BMO MM Lifestyle 5 Fund

Statement of Total Return

for the year ended 31 March 2019

	Notes	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
		£000	£000	£000	£000
Income					
Net capital gains	2		3,731		6,553
Revenue*	3	8,612		6,852	
Expenses*	4	(2,410)		(2,172)	
Interest payable and similar charges	6	(4)		(1)	
Net revenue before taxation		6,198		4,679	
Taxation	5	(323)		(171)	
Net revenue after taxation			5,875		4,508
Total return before distributions			9,606		11,061
Distributions	6		(6,090)		(4,716)
Change in net assets attributable to shareholders from investment activities			3,516		6,345

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2019

	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		362,504		313,051
Amounts receivable on creation of shares	47,282		53,386	
Amounts payable on cancellation of shares	(22,637)		(14,538)	
		24,645		38,848
Change in net assets attributable to shareholders from investment activities		3,516		6,345
Retained distribution on accumulation shares		5,322		4,260
Closing net assets attributable to shareholders		395,987		362,504

Notes to the Financial Statements are on pages 64 to 70.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

BMO MM Lifestyle 5 Fund

Balance Sheet

as at 31 March 2019

	Notes	31/03/19 £000	31/03/18 £000
Assets			
Investments		384,484	340,744
Current assets			
Debtors	8	2,872	1,591
Cash and bank balances	9	11,445	22,669
Total assets		398,801	365,004
Liabilities			
Creditors			
Bank overdrafts		(290)	(214)
Distribution payable		(401)	(355)
Other creditors	10	(2,123)	(1,931)
Total liabilities		(2,814)	(2,500)
Net assets attributable to shareholders		395,987	362,504

Notes to the Financial Statements are on pages 64 to 70.

Notes to the Financial Statements

as at 31 March 2019

1. Accounting policies

Please see pages 11 and 12 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Non-derivative securities*	2,995	6,501
Derivative contracts*	656	(252)
Forward foreign exchange currency contracts*	(6)	1
Currency (losses)/gains*	(68)	170
Rebate of capital management fees from underlying investments	159	136
Handling charges	(5)	(3)
Net capital gains	3,731	6,553

*Includes realised gains of £14,561,848 and unrealised losses of £10,984,551 (31/03/18: realised gains of £11,929,503 and unrealised losses of £5,510,004).

3. Revenue

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Overseas taxable revenue	10	(9)
Overseas non-taxable revenue	3	(3)
Property revenue from UK REITs - PID	267	306
Property revenue from UK REITs - Non PID	226	48
Property revenue from taxable overseas REITs	298	-
Property revenue from non-taxable overseas REITs	21	-
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	3,346	2,244
Unfranked investment income	-	(48)
Interest distributions	2,138	2,093
Offshore distribution taxable	740	106
Offshore distribution non-taxable	1,146	1,675
Property income distribution	-	48
Bank interest	74	47
Interest on amounts held at futures clearing houses and brokers*	(8)	(1)
Rebate of revenue management fees from underlying investments**	351	346
Total revenue	8,612	6,852

*Interest on amounts held at futures clearing houses and brokers shown are the net position of amount paid and received during the year.

**Prior year comparative figure has been restated to show ACD's periodic charge rebate consistently between reporting periods.

Notes to the Financial Statements

(continued)

as at 31 March 2019

4. Expenses

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	2,254	2,036
ACD's periodic charge rebate from underlying investments*	(30)	(46)
ACD's expense rebate**	(4)	(4)
	<u>2,220</u>	<u>1,986</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	70	62
Safe custody fees	1	1
	<u>71</u>	<u>63</u>
Other expenses:		
Accounting & administration fees	19	19
Administration costs	60	55
AIFMD Fee	8	11
Audit fee	14	14
KIID publication costs	1	1
Legal fee	-	1
Registrar's fees	18	19
Report & accounts printing costs	(1)	3
	<u>119</u>	<u>123</u>
Total expenses	<u><u>2,410</u></u>	<u><u>2,172</u></u>

Expenses include irrecoverable VAT where applicable.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

**This relates to a rebate paid by the ACD in order to maintain the individual sub-fund's Ongoing Charges Figure at a level considered appropriate by the ACD.

The PwC audit fee for the year, exclusive of VAT, is £12,000 (31/03/18: £11,850).

Notes to the Financial Statements

(continued)

as at 31 March 2019

5. Taxation

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
(a) Analysis of charge in year:		
Corporation tax	323	180
Total current tax	323	180
Deferred taxation	-	(9)
Total deferred tax (note 5c)	-	(9)
Total tax charge for the year (note 5b)	323	171

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2018: 20%). The differences are explained below:

Net revenue before taxation	6,198	4,679
Corporation tax of 20% (2018: 20%)	1,240	936
Effects of:		
UK dividends*	(669)	(449)
Overseas non-taxable revenue*	(234)	(334)
Property revenue from UK REITs - Non PID	(46)	(9)
Rebated capital expenses deductible for tax purposes	32	27
Total tax charge for the year (note 5a)	323	171

*As an authorised OEIC these items are not subject to corporation tax. UK dividends comprise franked investment income.

Open Ended Investment Companies are exempt from tax on capital gains, subject to certain exceptions. Therefore, any capital return is not included within the above reconciliation.

(c) Deferred taxation:

Provision at the start of the year	-	9
Deferred tax credit in profit and loss account for the year (note 5a)	-	(9)
Provision at the end of the year	-	-

6. Finance costs

Distributions and interest

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Interim dividend distributions	501	455
Final dividend distributions	5,723	4,615
	6,224	5,070
Add: Revenue deducted on cancellation of shares	197	97
Deduct: Revenue received on creation of shares	(331)	(451)
Net distributions for the year	6,090	4,716
Bank interest	4	1
Total finance costs	6,094	4,717

Details of the distributions per share are set out in the Distribution Tables on page 71.

Notes to the Financial Statements

(continued)

as at 31 March 2019

7. Movement between net revenue and net distributions

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Net revenue after taxation	5,875	4,508
ACD's periodic charge taken to capital	228	222
Tax effect on ACD's periodic charge	(46)	(44)
Tax relief on ACD's periodic charge rebate	32	27
Net revenue received on share class conversions	1	3
Net distributions for the year	<u>6,090</u>	<u>4,716</u>

8. Debtors

	31/03/19 £000	31/03/18 £000
Sales awaiting settlement	1,901	2
Amounts receivable for issue of shares	112	1,123
Accrued revenue	660	329
Accrued ACD fee rebates	195	133
Accrued ACD expense rebate	4	4
Total debtors	<u>2,872</u>	<u>1,591</u>

9. Cash and bank balances

	31/03/19 £000	31/03/18 £000
Cash and bank balances	11,290	22,669
Amounts held at futures clearing houses and brokers	155	-
Total cash and bank balances	<u>11,445</u>	<u>22,669</u>

10. Other creditors

	31/03/19 £000	31/03/18 £000
Purchases awaiting settlement	-	1,250
Amounts payable for cancellation of shares	1,655	435
Accrued expenses	92	55
Accrued ACD's periodic charge	181	171
Corporation tax payable	195	20
Total other creditors	<u>2,123</u>	<u>1,931</u>

Notes to the Financial Statements

(continued)

as at 31 March 2019

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	£000	£000	£000	£000
Equities	13,872	7,662	7,305	1,923
Collective Investment Schemes	218,182	132,280	184,457	102,240
Trades in the year before transaction costs	232,054	139,942	191,762	104,163
Commissions				
Equities	4	1	(4)	(1)
Collective Investment Schemes	5	7	(6)	(6)
Total commissions	9	8	(10)	(7)
Taxes				
Equities	35	8	-	-
Collective Investment Schemes	-	-	(5)	(2)
Total taxes	35	8	(5)	(2)
Total costs	44	16	(15)	(9)
Total net trades in the year after transaction costs	232,098	139,958	191,747	104,154

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%	%	%
Commissions				
Equities	0.03	0.01	0.05	0.05
Collective Investment Schemes	-	0.01	-	0.01
Taxes				
Equities	0.25	0.10	-	-
Collective Investment Schemes	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value.

	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%
Commissions	-	0.01
Taxes	0.01	-
Total costs	0.01	0.01

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/03/18: 0.04%).

12. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 10 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management and receivable from BMO Fund Management Limited in respect of expense rebates are disclosed in note 4 and amounts due at the end of the year in note 10.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £779,722 (31/03/18: £1,140,487). The value of these investments held was £18,082,107 (31/03/18: £23,780,923).

Notes to the Financial Statements

(continued)

as at 31 March 2019

13. Shareholders' funds

The Fund has three share classes in issue: Class A, Class B and Class D.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 58 to 61.

The distributions per share class are given in the Distribution Tables on page 71.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/18			31/03/19
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation:	21,112,770	1,341,801	(3,490,184)	(152,792) 18,811,595
Share Class B - Accumulation:	364,984,949	49,799,701	(14,401,721)	247,047 400,629,976
Share Class B - Income:	25,380,469	3,051,247	(3,297,525)	- 25,134,191
Share Class D - Accumulation:	243,456	44,792	(149,284)	44,194 183,158

14. Capital commitments and contingent liabilities

On 31 March 2019, the Fund had no capital commitments (31/03/18: £nil) and no contingent liabilities (31/03/18: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 13 to 16.

Currency exposure

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

As at 31 March the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 31/03/19	Currency exposure 31/03/18
Currency	Total £000	Total £000
Japanese yen	5,980	8,924
US dollar	52,290	40,625
Total	<u>58,270</u>	<u>49,549</u>

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £11.155m (31/03/18: holding £22.455m) is held in a floating rate deposit account. Interest is earned by reference to LIBOR Indices for all USD, EUR, GBP, CHF and JPY currencies as determined by the British Bankers Association. For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2019 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2018.

Fair values of financial assets and liabilities

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

Notes to the Financial Statements

(continued)

as at 31 March 2019

16. Fair value

For financial instruments held at fair value in the balance sheet, the Fund is required to disclose for each class of financial instrument, an analysis of the level in the fair value hierarchy (as set out in FRS 102 paragraph 11.27) into which the fair value measurements are categorised. The three levels of the fair value hierarchy under FRS 102 are as follows:

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

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

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

Valuation technique	31/03/19		31/03/18	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	51,093	-	43,330	-
Level 2	333,391	-	297,414	-
Total fair value	384,484	-	340,744	-

BMO MM Lifestyle 5 Fund

Distribution Tables

for the year ended 31 March 2019

Distribution in pence per share

Share Class A - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.1413	-	1.1413	0.8642
Group 2	(p)	(p)	(p)	(p)
Final	0.4760	0.6653	1.1413	0.8642

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Share Class B - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.2742	-	1.2742	1.1166
Group 2	(p)	(p)	(p)	(p)
Final	0.6053	0.6689	1.2742	1.1166

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Share Class B - Income

30/09/18: Group 1: Shares purchased prior to 1 April 2018

31/03/19: Group 1: Shares purchased prior to 1 October 2018

	Net revenue	Equalisation	Distributions paid/payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
30/09/18	1.9053	-	1.9053	1.7990
Final	1.5967	-	1.5967	1.3979
Group 2	(p)	(p)	(p)	(p)
30/09/18	0.8582	1.0471	1.9053	1.7990
Final	0.7637	0.8330	1.5967	1.3979

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Group 2: Shares purchased from 1 October 2018 to 31 March 2019

Share Class D - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.1184	-	1.1184	0.9661
Group 2	(p)	(p)	(p)	(p)
Final	1.1184	-	1.1184	0.9661

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Authorised Corporate Director's Investment Report

for the year ended 31 March 2019

Fund Objective

The Fund aims to secure a return combining capital and income.

The Fund's risk profile matching portfolio will invest in UK equities with the balance of the Fund allocated across the principal non-UK Equity Markets including some exposure to emerging markets and UK corporate bonds with an allocation to property, all primarily through collective investment schemes.

The Fund may also invest directly and indirectly in transferable securities, money market instruments and deposits and may use derivatives to increase, maintain and reduce its investment exposures.

Synthetic Risk and Reward Indicator

The Synthetic Risk and Reward Indicator ("SRRI"), is calculated in accordance with the Key Investor Information Regulations and is disclosed in a fund's KIIDs (Key Investor Information Documents). It is calculated from the last five years' performance data and shows the historic volatility of the Fund and is updated periodically. The SRRI is reported against standard bands ranging from 1 (lower risk/reward) to 7 (higher risk/reward). This classification is intended as a general indication of the overall level of risk of a fund in order to facilitate comparisons between funds.

The most recent value of the SRRI for the Fund was 4, published on 28 January 2019. From the most recent review it has been determined that this is still appropriate.

A fuller explanation of the SRRI and the risk and reward profile of the Fund is contained in the Fund's KIIDs.

Fund manager	Rob Burdett and Gary Potter
Fund size	£260.7 million
Launch date	30 March 2007

Market Review

The portfolio generated a positive return over the twelve-month period.

Our strategy remains focused on providing investors with access to a well-diversified and actively managed portfolio. Portfolio composition in terms of allocations to equities, bonds, property, geographic regions and cash was determined by Distribution Technology (a specialist in financial planning software and tools). Within this framework, the team selects what it believes to be the best blend of individual holdings and it tactically adjusts asset allocation (within tightly defined parameters) in order to better position the portfolio given prevailing conditions.

In terms of portfolio positioning, we remained cautious on many parts of the bond market, with strategic bond funds our favoured way of accessing fixed income. In property, we prefer options that are less reliant on the performance of the wider economy and these currently include funds investing in student accommodation and healthcare premises. In terms of geographic positioning, the US economy is doing well but much of the good news appears to be priced in and political noise and protectionist trade policies could dampen sentiment. As Brexit rumbles on the prospects for the UK remain uncertain, but there are opportunities for stock pickers. Political uncertainty and a slowing economy mean we are cautious towards Europe whilst Japan and Asia remain our favoured regions.

There were a number of changes to the asset allocation for this portfolio by Distribution Technology. The allocation to UK corporate bonds was reduced and the allocation to global bonds increased. We therefore sold Invesco Perpetual Tactical Bond fund and added Legg Mason Western Asset Macro Opportunities Bond fund, our preferred manager in this sector. We also sold Hermes multi strategy credit fund as the recommended allocation to global high yield bonds was reduced.

In terms of underlying fund holdings, we added the newly launched Liontrust Strategic Bond fund, run by an experienced team, to shift into more flexible strategic management to take advantage of increased volatility. Following a strong period for US markets, we added Merian North American fund to further diversify our exposure by introducing a new active fund focussed on value and momentum. In Asia we switched out of BGF Asian Growth Leaders fund and TT Asia-Pacific equity fund, in order to gain exposure to smaller and more domestically oriented companies via TT Asia ex Japan equity fund and CC Asia Focus fund. We switched Hermes Global Emerging Markets fund into Oppenheimer Emerging Markets Innovators fund, which will add exposure to smaller, growth-oriented companies in this sector, diversifying our exposure. We also sold the BMO European Real Estate Securities fund, replacing it with LXi REIT, a closed-ended investment company focused on 'smaller' UK commercial properties, including hotels and leisure facilities, industrial units and discount retail properties. We switched River and Mercantile UK Equity Income fund into TM RWC UK Equity Income fund, which is run by an experienced and proven team who invest through a clear, value-orientated philosophy.

Given the strength in market returns so far this year, we continue to believe that a pause or pullback is likely at some point. However, with central banks having turned more dovish and assumptions being made around trade deals, stimulus and a benign Brexit, there is scope for the likes of equities to move higher. Bond markets are signalling a far bleaker outlook than that priced into equity markets, which seem to be out of step with economic and corporate fundamentals. A renewed focus on fundamentals may well shift sentiment and bring a more volatile period in markets. We continue to believe the portfolio's performance will be driven by our selection of underlying funds that have served us well through more volatile periods in the past.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 6 Fund rose by 2.02%. All returns in Sterling and on a total return basis.

BMO Fund Management Limited

22 May 2019

BMO MM Lifestyle 6 Fund

Portfolio Statement

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (5.55%*)		15,385	5.90
HSBC S&P 500 ETF	575,053	12,476	4.78
iShares Physical Gold ETC	150,418	2,909	1.12
INVESTMENT TRUSTS (1.71%*)		12,153	4.66
LXI REIT #	3,093,455	3,836	1.47
PRS REIT #	4,219,114	4,160	1.60
Target Healthcare REIT #	3,615,095	4,157	1.59
OFFSHORE INVESTMENT COMPANIES (38.54%*)		103,830	39.82
Coupland Cardiff Asia Focus Fund S Acc	638,200	4,636	1.78
Darwin Leisure Property Fund M Inc **	2,844,247	5,082	1.95
Eastspring Japan Dynamic Fund CG Acc	749,912	10,011	3.84
Hermes Asia ex-Japan Equity Fund F Acc	3,159,875	8,118	3.11
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	65,150	7,980	3.06
Majedie Tortoise Fund G Acc	3,674,550	6,389	2.45
Majedie US Equity Fund Z Acc	6,720,258	12,670	4.86
Merian North American Equity Fund P2 Inc	1,382,634	14,510	5.56
Oppenheimer Emerging Markets Innovators Fund I1 Acc	67,462	4,745	1.82
Oyster Continental European Selection Fund I GBP	5,103	5,208	2.00
Tokio Marine Japanese Equity Focus Fund D JPY	29,735	5,058	1.94
TT Asia EX Japan Equity Fund A2 Acc	1,422,474	10,299	3.95
TT Emerging Markets Unconstrained Fund A1 Inc	839,098	9,124	3.50
OPEN ENDED INVESTMENT COMPANIES (45.74%*)		107,155	41.09
Baillie Gifford Japanese Fund B Acc	287,979	4,547	1.74
BMO FTSE All-Share Tracker Fund 4 Inc †	3,373,513	13,983	5.36
Janus Henderson Strategic Bond Fund I Inc	4,779,450	6,476	2.48
Jupiter UK Smaller Companies Fund I Acc	2,202,421	8,212	3.15
Liontrust Strategic Bond Fund M Inc	6,731,521	6,849	2.63
Majedie UK Income Fund X Inc	9,601,000	14,417	5.53
Man GLG Absolute Value Fund CX Acc	5,351,489	6,288	2.41
Man GLG Undervalued Assets Fund D Inc	10,254,104	14,633	5.61
River and Mercantile UK Recovery Fund S Inc	3,070,490	7,131	2.73
Royal London Sterling Credit Fund Z Inc	9,309,500	12,847	4.93
TM RWC UK Equity Income Fund L Inc	12,280,000	11,772	4.52
UNIT TRUSTS (4.88%*)		14,790	5.68
iShares Emerging Markets Equity Index Fund UK L Acc	5,985,000	9,528	3.65
Schroder European Alpha Plus Fund Z Acc	5,835,722	5,262	2.03
DERIVATIVES (0.00%*)		79	0.03
Future Contracts			
FTSE 100 Index Futures June 2019	45	58	0.02
FTSE 250 Index Futures June 2019	(68)	21	0.01
Portfolio of investments		253,392	97.18
Net other assets		7,351	2.82
Total net assets		260,743	100.00

All investments are approved securities as defined in the Collective Investment Schemes sourcebook unless otherwise stated.

* Comparative figures shown in brackets relate to 31 March 2018.

** Unlisted investment.

† This investment is a related party.

Real Estate Investment Trust.

BMO MM Lifestyle 6 Fund

Material Portfolio Changes

for the year ended 31 March 2019

	Cost		Proceeds
	£000		£000
Major purchases		Major sales	
Merian North American Equity Fund P2 Inc	16,034	River and Mercantile UK Equity Fund B Inc	11,267
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	13,721	River and Mercantile UK Equity Long Term Recovery Fund B Inc	9,624
TM RWC UK Equity Income Fund L Inc	12,252	Invesco Perpetual Tactical Bond Fund No Trail Inc	9,024
TT Asia EX Japan Equity Fund A2 Acc	10,933	TT Asia Pacific Equity Fund A Inc	8,657
River and Mercantile UK Recovery Fund S Inc	9,924	BlackRock Asian Growth Leaders Fund I2 USD	8,094
HSBC S&P 500 ETF	7,436	Hermes Global Emerging Markets Fund F Acc	7,357
Liontrust Strategic Bond Fund M Inc	6,745	Majedie US Equity Fund Z Acc	7,166
Legg Mason Western Asset Macro Opportunities Bond Fund A USD Acc	5,712	HSBC S&P 500 ETF	7,089
Majedie UK Income Fund X Inc	5,523	Legg Mason Western Asset Macro Opportunities Bond Fund A USD Acc	6,022
Coupland Cardiff Asia Focus Fund S Acc	5,435	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	5,727

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 6 Fund

Comparative Tables

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	163.19	157.37	134.05
Return before operating charges*	5.56	9.41	26.39
Operating charges	(3.55)	(3.59)	(3.07)
Return after operating charges*	2.01	5.82	23.32
Distributions	(1.33)	(1.03)	(2.06)
Retained distributions on accumulation shares	1.33	1.03	2.06
Closing net asset value per share	165.20	163.19	157.37
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	1.23%	3.70%	17.40%
Other information			
Closing net asset value (£'000)	35,601	38,323	43,217
Closing number of shares	21,549,664	23,483,377	27,461,209
Operating charges	2.14%	2.18%	2.12%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	173.60	173.00	158.20
Lowest share price	154.00	154.70	131.40

**Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	82.63	79.03	66.97
Return before operating charges*	2.62	4.55	12.84
Operating charges	(0.93)	(0.95)	(0.78)
Return after operating charges*	1.69	3.60	12.06
Distributions	(1.34)	(1.21)	(1.40)
Retained distributions on accumulation shares	1.34	1.21	1.40
Closing net asset value per share	84.32	82.63	79.03
*after direct transaction costs of:	0.01	-	-
Performance			
Return after charges	2.05%	4.56%	18.01%
Other information			
Closing net asset value (£'000)	196,215	179,391	159,022
Closing number of shares	232,712,792	217,088,585	201,226,761
Operating charges	1.11%	1.15%	1.07%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	87.91	87.37	79.36
Lowest share price	78.54	77.68	65.69

**Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	188.49	183.70	159.21
Return before operating charges*	6.00	10.57	30.34
Operating charges	(2.17)	(2.26)	(1.90)
Return after operating charges*	3.83	8.31	28.44
Distributions on income shares	(3.76)	(3.52)	(3.95)
Closing net asset value per share	188.56	188.49	183.70
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	2.03%	4.52%	17.86%
Other information			
Closing net asset value (£'000)	28,330	27,046	24,169
Closing number of shares	15,024,113	14,348,769	13,156,950
Operating charges	1.14%	1.18%	1.11%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	200.50	200.90	186.20
Lowest share price	177.20	180.60	156.10

* **Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	84.87	81.34	69.09
Return before operating charges*	2.72	4.73	13.24
Operating charges	(1.18)	(1.20)	(0.99)
Return after operating charges*	1.54	3.53	12.25
Distributions	(1.19)	(1.07)	(1.29)
Retained distributions on accumulation shares	1.19	1.07	1.29
Closing net asset value per share	86.41	84.87	81.34
*after direct transaction costs of:	0.01	-	-
Performance			
Return after charges	1.81%	4.34%	17.73%
Other information			
Closing net asset value (£'000)	597	477	461
Closing number of shares	690,884	562,058	566,346
Operating charges	1.37%	1.41%	1.32%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	90.26	89.78	81.54
Lowest share price	80.52	79.94	67.72

**Dilution adjustment has not been deducted within direct transaction costs.

BMO MM Lifestyle 6 Fund

Statement of Total Return

for the year ended 31 March 2019

	Notes	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
		£000	£000	£000	£000
Income					
Net capital gains	2		678		6,578
Revenue*	3	5,614		4,831	
Expenses*	4	(1,808)		(1,705)	
Interest payable and similar charges	6	(2)		(2)	
Net revenue before taxation		3,804		3,124	
Taxation	5	-		-	
Net revenue after taxation			3,804		3,124
Total return before distributions			4,482		9,702
Distributions	6		(3,943)		(3,247)
Change in net assets attributable to shareholders from investment activities			539		6,455

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2019

	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		245,237		226,869
Amounts receivable on creation of shares	34,300		29,691	
Amounts payable on cancellation of shares	(22,750)		(20,660)	
		11,550		9,031
Change in net assets attributable to shareholders from investment activities		539		6,455
Retained distribution on accumulation shares		3,417		2,882
Closing net assets attributable to shareholders		260,743		245,237

Notes to the Financial Statements are on pages 82 to 88.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

BMO MM Lifestyle 6 Fund

Balance Sheet

as at 31 March 2019

	Notes	31/03/19 £000	31/03/18 £000
Assets			
Investments		253,392	236,459
Current assets			
Debtors	8	687	930
Cash and bank balances	9	7,893	9,094
Total assets		261,972	246,483
Liabilities			
Creditors			
Bank overdrafts		(330)	-
Distribution payable		(253)	(214)
Other creditors	10	(646)	(1,032)
Total liabilities		(1,229)	(1,246)
Net assets attributable to shareholders		260,743	245,237

Notes to the Financial Statements are on pages 82 to 88.

Notes to the Financial Statements

as at 31 March 2019

1. Accounting policies

Please see pages 11 and 12 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Non-derivative securities*	160	6,637
Derivative contracts*#	506	(214)
Forward foreign exchange currency contracts*	4	21
Currency (losses)/gains*#	(106)	42
Rebate of capital management fees from underlying investments	119	95
Handling charges	(5)	(3)
Net capital gains	678	6,578

*Includes realised gains of £12,035,064 and unrealised losses of £11,472,024 (31/03/18: realised gains of £14,830,994 and unrealised losses of £8,345,461).

#Prior year comparative figures have been restated to show currency (losses)/gains consistently between reporting periods.

3. Revenue

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Overseas taxable revenue	7	(8)
Overseas non-taxable revenue	2	(2)
Property revenue from UK REITs - PID	83	138
Property revenue from UK REITs - Non PID	102	-
Property revenue from taxable overseas REITs	196	-
Property revenue from non-taxable overseas REITs	12	-
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	2,857	2,087
Unfranked investment income	20	(13)
Interest distributions	956	1,130
Offshore distribution taxable	227	72
Offshore distribution non-taxable	887	1,126
Property income distribution	-	48
Bank interest	47	19
Interest on amounts held at futures clearing houses and brokers*	(6)	(1)
Rebate of revenue management fees from underlying investments**	224	235
Total revenue	5,614	4,831

*Interest on amounts held at futures clearing houses and brokers shown are the net position of amount paid and received during the year.

**Prior year comparative figure has been restated to show ACD's periodic charge rebate consistently between reporting periods.

Notes to the Financial Statements

(continued)

as at 31 March 2019

4. Expenses

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,690	1,592
ACD's periodic charge rebate from underlying investments*	(23)	(29)
ACD's expense rebate**	(4)	(4)
	<u>1,663</u>	<u>1,559</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	47	43
Safe custody fees	1	1
	<u>48</u>	<u>44</u>
Other expenses:		
Accounting & administration fees	19	18
Administration costs	41	39
AIFMD Fee	8	10
Audit fee	14	14
KIID publication costs	1	1
Legal fee	-	1
Registrar's fees	15	16
Report & accounts printing costs	(1)	3
	<u>97</u>	<u>102</u>
Total expenses	<u><u>1,808</u></u>	<u><u>1,705</u></u>

Expenses include irrecoverable VAT where applicable.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

**This relates to a rebate paid by the ACD in order to maintain the individual sub-fund's Ongoing Charges Figure at a level considered appropriate by the ACD.

The PwC audit fee for the year, exclusive of VAT, is £12,000 (31/03/18: £11,850).

Notes to the Financial Statements

(continued)

as at 31 March 2019

5. Taxation

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
(a) Analysis of charge in year:		
There is no corporation tax charge in the current year or prior year.		
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2018: 20%). The differences are explained below:		
Net revenue before taxation	3,804	3,124
Corporation tax of 20% (2018: 20%)	761	625
Effects of:		
UK dividends*	(572)	(417)
Overseas non-taxable revenue*	(180)	(225)
Movement in excess management expenses	(13)	(2)
Property revenue from UK REITs - Non PID	(20)	-
Rebated capital expenses deductible for tax purposes	24	19
Total tax charge for the year	-	-

*As an authorised OEIC these items are not subject to corporation tax. UK dividends comprise franked investment income.

Open Ended Investment Companies are exempt from tax on capital gains, subject to certain exceptions. Therefore, any capital return is not included within the above reconciliation.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £109,933 (31/03/18: £122,743) relating to surplus management expenses. No deferred tax asset was recognised in the current or prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Finance costs

Distributions and interest

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Interim dividend distributions	309	268
Final dividend distributions	3,671	3,096
	3,980	3,364
Add: Revenue deducted on cancellation of shares	180	128
Deduct: Revenue received on creation of shares	(217)	(245)
Net distributions for the year	3,943	3,247
Bank interest	2	2
Total finance costs	3,945	3,249

Details of the distributions per share are set out in the Distribution Tables on page 89.

Notes to the Financial Statements

(continued)

as at 31 March 2019

7. Movement between net revenue and net distributions

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Net revenue after taxation	3,804	3,124
ACD's periodic charge taken to capital	142	130
Tax effect on ACD's periodic charge	(28)	(26)
Tax relief on ACD's periodic charge rebate	24	19
Net revenue received on share class conversions	1	-
Net distributions for the year	<u>3,943</u>	<u>3,247</u>

8. Debtors

	31/03/19 £000	31/03/18 £000
Sales awaiting settlement	22	1
Amounts receivable for issue of shares	255	439
Accrued revenue	278	197
Accrued ACD fee rebates	127	101
Accrued ACD expense rebate	4	4
Income tax recoverable	1	188
Total debtors	<u>687</u>	<u>930</u>

9. Cash and bank balances

	31/03/19 £000	31/03/18 £000
Cash and bank balances	7,790	9,094
Amounts held at futures clearing houses and brokers	103	-
Total cash and bank balances	<u>7,893</u>	<u>9,094</u>

10. Other creditors

	31/03/19 £000	31/03/18 £000
Purchases awaiting settlement	-	500
Amounts payable for cancellation of shares	441	354
Accrued expenses	72	48
Accrued ACD's periodic charge	133	130
Total other creditors	<u>646</u>	<u>1,032</u>

Notes to the Financial Statements

(continued)

as at 31 March 2019

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	£000	£000	£000	£000
Equities	10,376	3,532	3,101	2,701
Collective Investment Schemes	137,413	88,182	128,568	79,746
Trades in the year before transaction costs	147,789	91,714	131,669	82,447
Commissions				
Equities	4	-	(2)	(1)
Collective Investment Schemes	2	3	(2)	(1)
Total commissions	6	3	(4)	(2)
Taxes				
Equities	23	-	-	-
Collective Investment Schemes	-	-	-	(1)
Total taxes	23	-	-	(1)
Total costs	29	3	(4)	(3)
Total net trades in the year after transaction costs	147,818	91,717	131,665	82,444

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	01/04/18 to 31/03/19	01/04/17 to 31/03/18	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%	%	%
Commissions				
Equities	0.03	-	0.06	0.04
Collective Investment Schemes	-	-	-	-
Taxes				
Equities	0.22	-	-	-
Collective Investment Schemes	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value.

	01/04/18 to 31/03/19	01/04/17 to 31/03/18
	%	%
Commissions	-	-
Taxes	0.01	-
Total costs	0.01	-

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.05% (31/03/18: 0.05%).

12. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 10 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management are disclosed in note 4 and amounts due at the end of the year in note 10.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £632,807 (31/03/18: £691,233). The value of these investments held was £13,983,213 (31/03/18: £18,772,146).

as at 31 March 2019

13. Shareholders' funds

The Fund has three share classes in issue: Class A, Class B and Class D.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 76 to 79.

The distributions per share class are given in the Distribution Tables on page 89.

Reconciliation of the shares movement in the year:

	01/04/18			31/03/19
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation:	23,483,377	3,139,262	(4,920,161)	(152,814) 21,549,664
Share Class B - Accumulation:	217,088,585	26,810,723	(11,365,640)	179,124 232,712,792
Share Class B - Income:	14,348,769	3,486,170	(2,810,826)	- 15,024,113
Share Class D - Accumulation:	562,058	17,482	(7,071)	118,415 690,884

14. Capital commitments and contingent liabilities

On 31 March 2019, the Fund had no capital commitments (31/03/18: £nil) and no contingent liabilities (31/03/18: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 13 to 16.

Currency exposure

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

As at 31 March the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 31/03/19	Currency exposure 31/03/18
Currency	Total £000	Total £000
Japanese yen	5,058	6,808
US dollar	41,280	33,646
Total	<u>46,338</u>	<u>40,454</u>

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £7.563m (31/03/18: holding £9.094m) is held in a floating rate deposit account. Interest is earned by reference to LIBOR Indices for all USD, EUR, GBP, CHF and JPY currencies as determined by the British Bankers Association. For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2019 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2018.

Fair values of financial assets and liabilities

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

Notes to the Financial Statements

(continued)

as at 31 March 2019

16. Fair value

For financial instruments held at fair value in the balance sheet, the Fund is required to disclose for each class of financial instrument, an analysis of the level in the fair value hierarchy (as set out in FRS 102 paragraph 11.27) into which the fair value measurements are categorised. The three levels of the fair value hierarchy under FRS 102 are as follows:

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

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

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

Valuation technique	31/03/19		31/03/18	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	27,617	-	17,809	-
Level 2	225,775	-	218,650	-
Total fair value	253,392	-	236,459	-

BMO MM Lifestyle 6 Fund

Distribution Tables

for the year ended 31 March 2019

Distribution in pence per share

Share Class A - Accumulation

30/09/18: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.3334	-	1.3334	1.0251
Group 2	(p)	(p)	(p)	(p)
Final	0.5087	0.8247	1.3334	1.0251

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Share Class B - Accumulation

30/09/18: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.3414	-	1.3414	1.2141
Group 2	(p)	(p)	(p)	(p)
Final	0.6682	0.6732	1.3414	1.2141

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Share Class B - Income

30/09/18: Group 1: Shares purchased prior to 1 April 2018

31/03/19: Group 1: Shares purchased prior to 1 October 2018

	Net revenue	Equalisation	Distributions paid/payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
30/09/18	2.0737	-	2.0737	2.0328
Final	1.6870	-	1.6870	1.4901
Group 2	(p)	(p)	(p)	(p)
30/09/18	1.1261	0.9476	2.0737	2.0328
Final	0.9019	0.7851	1.6870	1.4901

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Group 2: Shares purchased from 1 October 2018 to 31 March 2019

Share Class D - Accumulation

30/09/18: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.1884	-	1.1884	1.0661
Group 2	(p)	(p)	(p)	(p)
Final	0.3366	0.8518	1.1884	1.0661

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Authorised Corporate Director's Investment Report

for the year ended 31 March 2019

Fund Objective

The Fund aims to secure a return combining capital and income.

The Fund's risk profile matching portfolio will invest approximately half the portfolio in UK equities with the balance split between the major international markets and emerging markets with an allocation to UK corporate bonds and a small allocation to property, all primarily through collective investment schemes.

The Fund may also invest directly and indirectly in transferable securities, money market instruments and deposits and may use derivatives to increase, maintain, and reduce its investment exposures.

Synthetic Risk and Reward Indicator

The Synthetic Risk and Reward Indicator ("SRRI"), is calculated in accordance with the Key Investor Information Regulations and is disclosed in a fund's KIIDs (Key Investor Information Documents). It is calculated from the last five years' performance data and shows the historic volatility of the Fund and is updated periodically. The SRRI is reported against standard bands ranging from 1 (lower risk/reward) to 7 (higher risk/reward). This classification is intended as a general indication of the overall level of risk of a fund in order to facilitate comparisons between funds.

The most recent value of the SRRI for the Fund was 5, published on 5 March 2019. From the most recent review it has been determined that this is still appropriate.

A fuller explanation of the SRRI and the risk and reward profile of the Fund is contained in the Fund's KIIDs.

Fund manager	Rob Burdett and Gary Potter
Fund size	£90.7 million
Launch date	30 March 2007

Market Review

The portfolio generated a modest positive return over the twelve-month period.

Our strategy remains focused on providing investors with access to a well-diversified and actively managed portfolio. Portfolio composition in terms of allocations to equities, bonds, property, geographic regions and cash was determined by Distribution Technology (a specialist in financial planning software and tools). Within this framework, the team selects what it believes to be the best blend of individual holdings and it tactically adjusts asset allocation (within tightly defined parameters) in order to better position the portfolio given prevailing conditions.

In terms of portfolio positioning, we remained cautious on many parts of the bond market, with strategic bond funds our favoured way of accessing fixed income. In property, we prefer options that are less reliant on the performance of the wider economy and these currently include funds investing in student accommodation and healthcare premises. In terms of geographic positioning, the US economy is doing well but much of the good news appears to be priced in and political noise and protectionist trade policies could dampen sentiment. As Brexit rumbles on the prospects for the UK remain uncertain, but there are opportunities for stock pickers. Political uncertainty and a slowing economy mean we are cautious towards Europe whilst Japan and Asia remain our favoured regions.

There were a number of changes to the asset allocation for this portfolio by Distribution Technology. The allocation to UK corporate bonds was reduced while the allocation to global bonds was increased. We therefore sold Invesco Perpetual Tactical Bond fund and added Legg Mason Western Asset Macro Opportunities Bond fund, our preferred manager in this sector. We also sold Hermes Multi Strategy Credit fund as the recommended allocation to global high yield bonds was reduced.

In terms of underlying fund holdings, we added Merian North American fund to further diversify our exposure to the US equity market after its strong run by introducing a new active fund focussed on value and momentum. In Asia we switched out of BGF Asian Growth Leaders fund and TT Asia-Pacific equity fund, in order to gain exposure to smaller and more domestically oriented companies via TT Asia ex Japan equity fund and CC Asia Focus fund. We switched Hermes global emerging markets fund into Oppenheimer Emerging Markets Innovators fund, which will add exposure to smaller, growth-oriented companies in this sector, diversifying our exposure. We also sold the BMO European Real Estate Securities fund, replacing it with LXi REIT, a closed-ended investment company focused on 'smaller' UK commercial properties, including hotels and leisure facilities, industrial units and discount retail properties. We switched River and Mercantile UK Equity Income fund into TM RWC UK Equity Income fund, which is run by an experienced and proven team who invest through a clear, value-orientated philosophy.

Given the strength in market returns so far this year, we continue to believe that a pause or pullback is likely at some point. However, with central banks having turned more dovish and assumptions being made around trade deals, stimulus and a benign Brexit, there is scope for the likes of equities to move higher. Bond markets are signalling a far bleaker outlook than that priced into equity markets, which seem to be out of step with economic and corporate fundamentals. A renewed focus on fundamentals may well shift sentiment and bring a more volatile period in markets. We continue to believe the portfolio's performance will be driven by our selection of underlying funds that have served us well through more volatile periods in the past.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 7 Fund rose by 0.85%. All returns in Sterling and on a total return basis.

BMO Fund Management Limited

22 May 2019

BMO MM Lifestyle 7 Fund

Portfolio Statement

as at 31 March 2019

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (4.74%*)		4,056	4.47
HSBC S&P 500 ETF	165,768	3,596	3.97
iShares Physical Gold ETC	23,776	460	0.50
INVESTMENT TRUSTS (1.72%*)		3,395	3.74
LXI REIT #	988,860	1,226	1.35
PRS REIT #	1,008,598	994	1.10
Target Healthcare REIT #	1,021,333	1,175	1.29
OFFSHORE INVESTMENT COMPANIES (47.11%*)		39,586	43.67
Coupland Cardiff Asia Focus Fund S Acc	341,950	2,484	2.74
Darwin Leisure Property Fund M Inc **	958,724	1,713	1.89
Eastspring Japan Dynamic Fund CG Acc	262,827	3,509	3.87
Hermes Asia ex-Japan Equity Fund F Acc	1,518,219	3,900	4.30
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	14,969	1,834	2.02
Majedie Tortoise Fund G Acc	868,427	1,510	1.66
Majedie US Equity Fund Z Acc	2,093,765	3,947	4.35
Merian North American Equity Fund P2 Inc	425,015	4,460	4.92
Oppenheimer Emerging Markets Innovators Fund I1 Acc	39,021	2,744	3.03
Oyster Continental European Selection Fund I GBP	1,756	1,793	1.98
Tokio Marine Japanese Equity Focus Fund D JPY	13,198	2,245	2.48
TT Asia EX Japan Equity Fund A2 Acc	684,427	4,955	5.47
TT Emerging Markets Unconstrained Fund A1 Inc	413,073	4,492	4.96
OPEN ENDED INVESTMENT COMPANIES (38.89%*)		36,573	40.35
Baillie Gifford Japanese Fund B Acc	126,621	1,999	2.20
BMO FTSE All-Share Tracker Fund 4 Inc †	1,598,440	6,626	7.31
Jupiter UK Smaller Companies Fund I Acc	1,006,671	3,754	4.14
Majedie UK Income Fund X Inc	4,447,325	6,678	7.37
Man GLG Absolute Value Fund CX Acc	2,004,360	2,355	2.60
Man GLG Undervalued Assets Fund D Inc	4,598,442	6,562	7.24
River and Mercantile UK Recovery Fund S Inc	1,376,247	3,196	3.53
TM RWC UK Equity Income Fund L Inc	5,636,000	5,403	5.96
UNIT TRUSTS (6.84%*)		5,381	5.94
iShares Emerging Markets Equity Index Fund UK L Acc	2,241,050	3,568	3.94
Schroder European Alpha Plus Fund Z Acc	2,011,101	1,813	2.00
DERIVATIVES (0.00%*)		39	0.04
Futures			
FTSE 100 Index Futures June 2019	22	28	0.03
FTSE 250 Index Futures June 2019	(34)	11	0.01
Portfolio of investments		89,030	98.21
Net other assets		1,620	1.79
Total net assets		90,650	100.00

All investments are approved securities as defined in the Collective Investment Schemes sourcebook unless otherwise stated.

* Comparative figures shown in brackets relate to 31 March 2018.

** Unlisted investment.

† This investment is a related party.

Real Estate Investment Trust.

BMO MM Lifestyle 7 Fund

Material Portfolio Changes

for the year ended 31 March 2019

	Cost		Proceeds
Major purchases	£000	Major sales	£000
TM RWC UK Equity Income Fund L Inc	5,633	River and Mercantile UK Recovery Fund S Inc	4,652
TT Asia EX Japan Equity Fund A2 Acc	5,412	TT Asia Pacific Equity Fund A Inc	4,290
Merian North American Equity Fund P2 Inc	4,818	Hermes Global Emerging Markets Fund F Acc	4,252
River and Mercantile UK Recovery Fund S Inc	3,915	BlackRock Asian Growth Leaders Fund I2 USD	4,117
Oppenheimer Emerging Markets Innovators Fund I1 Acc	3,738	River and Mercantile UK Equity Long Term Recovery Fund B Inc	3,846
Coupland Cardiff Asia Focus Fund S Acc	2,811	Hermes Multi Strategy Credit Fund L Inc	2,453
Hermes Multi Strategy Credit Fund L Inc Hedged	2,453	Hermes Multi Strategy Credit Fund L Inc Hedged	2,406
HSBC S&P 500 ETF	2,434	HSBC S&P 500 ETF	2,290
Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	2,403	Majedie US Equity Fund Z Acc	1,662
Man GLG Undervalued Assets Fund D Inc	1,943	FTSE 100 Index Futures March 2019	1,571

Purchases and sales of Futures have been included at the value of their exposure.

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 7 Fund

Comparative Tables

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	165.61	158.57	132.07
Return before operating charges*	3.52	10.91	29.72
Operating charges	(3.85)	(3.87)	(3.22)
Return after operating charges*	(0.33)	7.04	26.50
Distributions	(0.71)	(0.31)	(0.99)
Retained distributions on accumulation shares	0.71	0.31	0.99
Closing net asset value per share	165.28	165.61	158.57
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	(0.20)%	4.44%	20.07%
Other information			
Closing net asset value (£'000)	6,226	6,880	9,293
Closing number of shares	3,766,825	4,154,555	5,860,540
Operating charges	2.30%	2.32%	2.24%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	177.30	177.10	159.40
Lowest share price	153.10	155.10	128.30

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	84.06	79.57	65.52
Return before operating charges*	1.78	5.49	14.83
Operating charges	(1.00)	(1.00)	(0.78)
Return after operating charges*	0.78	4.49	14.05
Distributions	(1.32)	(1.11)	(1.32)
Retained distributions on accumulation shares	1.32	1.11	1.32
Closing net asset value per share	84.84	84.06	79.57
*after direct transaction costs of:	0.01	-	0.01
Performance			
Return after charges	0.93%	5.64%	21.44%
Other information			
Closing net asset value (£'000)	74,985	67,480	55,654
Closing number of shares	88,381,505	80,279,020	69,938,662
Operating charges	1.18%	1.19%	1.08%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	90.17	89.65	79.91
Lowest share price	78.37	77.88	63.73

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	195.96	188.86	158.86
Return before operating charges*	4.22	12.96	35.81
Operating charges	(2.42)	(2.42)	(2.14)
Return after operating charges*	1.80	10.54	33.67
Distributions on income shares	(3.85)	(3.44)	(3.67)
Closing net asset value per share	193.91	195.96	188.86
*after direct transaction costs of:	0.02	0.01	0.02
Performance			
Return after charges	0.92%	5.58%	21.19%
Other information			
Closing net asset value (£'000)	9,417	9,644	8,173
Closing number of shares	4,856,394	4,921,272	4,327,453
Operating charges	1.22%	1.22%	1.23%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	210.20	210.50	191.50
Lowest share price	180.70	184.80	154.50

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2019

	31/03/19 (p)	31/03/18 (p)	31/03/17 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	86.29	81.90	67.49
Return before operating charges*	1.88	5.63	15.37
Operating charges	(1.30)	(1.24)	(0.96)
Return after operating charges*	0.58	4.39	14.41
Distributions	(1.01)	(0.97)	(1.32)
Retained distributions on accumulation shares	1.01	0.97	1.32
Closing net asset value per share	86.87	86.29	81.90
*after direct transaction costs of:	0.01	-	0.01
Performance			
Return after charges	0.67%	5.36%	21.35%
Other information			
Closing net asset value (£'000)	22	118	38
Closing number of shares	25,076	136,293	46,623
Operating charges	1.42%	1.44%	1.32%
Direct transaction costs	0.01%	0.00%	0.01%
Prices			
Highest share price	92.54	92.08	81.99
Lowest share price	80.32	80.14	65.61

BMO MM Lifestyle 7 Fund

Statement of Total Return

for the year ended 31 March 2019

	Notes	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(682)		3,202
Revenue	3	1,891		1,501	
Expenses	4	(577)		(540)	
Interest payable and similar charges	6	(1)		(1)	
Net revenue before taxation		1,313		960	
Taxation	5	-		-	
Net revenue after taxation			1,313		960
Total return before distributions			631		4,162
Distributions	6		(1,364)		(1,006)
Change in net assets attributable to shareholders from investment activities			(733)		3,156

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2019

	01/04/18 to 31/03/19		01/04/17 to 31/03/18	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		84,122		73,158
Amounts receivable on creation of shares	15,574		15,795	
Amounts payable on cancellation of shares	(9,511)		(8,895)	
		6,063		6,900
Change in net assets attributable to shareholders from investment activities		(733)		3,156
Retained distribution on accumulation shares		1,198		908
Closing net assets attributable to shareholders		90,650		84,122

Notes to the Financial Statements are on pages 100 to 105.

BMO MM Lifestyle 7 Fund

Balance Sheet

as at 31 March 2019

	Notes	31/03/19 £000	31/03/18 £000
Assets			
Investments		89,030	83,532
Current assets			
Debtors	8	273	426
Cash and bank balances	9	1,626	679
Total assets		90,929	84,637
Liabilities			
Creditors			
Bank overdrafts		-	(306)
Distribution payable		(83)	(67)
Other creditors	10	(196)	(142)
Total liabilities		(279)	(515)
Net assets attributable to shareholders		90,650	84,122

Notes to the Financial Statements are on pages 100 to 105.

Notes to the Financial Statements

as at 31 March 2019

1. Accounting policies

Please see pages 11 and 12 for accounting policies.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Non-derivative securities*	(927)	3,250
Derivative contracts*#	221	(106)
Forward foreign exchange currency contracts*	(4)	13
Currency (losses)/gains*#	(11)	19
Rebate of capital management fees from underlying investments	44	29
Handling charges	(5)	(3)
Net capital (losses)/gains	(682)	3,202

*Includes realised gains of £4,218,185 and unrealised losses of £4,939,482 (31/03/18: realised gains of £5,729,421 and unrealised losses of £2,552,005).

#Prior year comparative figures have been restated to show currency (losses)/gains consistently between reporting periods.

3. Revenue

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Overseas taxable revenue	1	(5)
Overseas non-taxable revenue	1	(1)
Property revenue from UK REITs - PID	23	48
Property revenue from UK REITs - Non PID	31	-
Property revenue from taxable overseas REITs	61	-
Property revenue from non-taxable overseas REITs	4	-
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	1,211	818
Unfranked investment income	11	1
Interest distributions	22	85
Offshore distribution taxable	83	38
Offshore distribution non-taxable	351	414
Property income distribution	-	13
Bank interest	7	3
Interest on amounts held at futures clearing houses and brokers*	(3)	-
Rebate of revenue management fees from underlying investments	88	87
Total revenue	1,891	1,501

*Interest on amounts held at futures clearing houses and brokers shown are the net position of amount paid and received during the year.

Notes to the Financial Statements

(continued)

as at 31 March 2019

4. Expenses

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge*	519	493
ACD's periodic charge rebate from underlying investments*	(7)	(11)
ACD's expense rebate**	(15)	(25)
	<u>497</u>	<u>457</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	16	15
Other expenses:		
Accounting & administration fees	18	18
Administration costs	16	14
AIFMD Fee	8	10
Audit fee	15	14
KIID publication costs	1	1
Legal fee	-	1
Registrar's fees	7	8
Report & accounts printing costs	(1)	2
	<u>64</u>	<u>68</u>
Total expenses	<u>577</u>	<u>540</u>

Expenses include irrecoverable VAT where applicable.

*Prior year comparative figures has been restated to show ACD's periodic charge rebate consistently between reporting periods.

**This relates to a rebate paid by the ACD in order to maintain the individual sub-fund's Ongoing Charges Figure at a level considered appropriate by the ACD.

The PwC audit fee for the year, exclusive of VAT, is £12,000 (31/03/18: £11,850).

Notes to the Financial Statements

(continued)

as at 31 March 2019

5. Taxation

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
(a) Analysis of charge in year:		
There is no corporation tax charge in the current year or prior year.		
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2018: 20%). The differences are explained below:		
Net revenue before taxation	1,313	960
Corporation tax of 20% (2018: 20%)	263	192
Effects of:		
UK dividends*	(243)	(163)
Overseas non-taxable revenue*	(71)	(83)
Movement in excess management expenses	48	48
Property revenue from UK REITs - Non PID	(6)	-
Rebated capital expenses deductible for tax purposes	9	6
Total tax charge for the year	-	-

*As an authorised OEIC these items are not subject to corporation tax. UK dividends comprise franked investment income.

Open Ended Investment Companies are exempt from tax on capital gains, subject to certain exceptions. Therefore, any capital return is not included within the above reconciliation.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £579,481 (31/03/18: £531,358) relating to surplus management expenses. No deferred tax asset was recognised in the current or prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Finance costs

Distributions and interest

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Interim dividend distributions	105	96
Final dividend distributions	1,280	975
	1,385	1,071
Add: Revenue deducted on cancellation of shares	75	49
Deduct: Revenue received on creation of shares	(96)	(114)
Net distributions for the year	1,364	1,006
Bank interest	1	1
Total finance costs	1,365	1,007

Details of the distributions per share are set out in the Distribution Tables on page 106.

Notes to the Financial Statements

(continued)

as at 31 March 2019

7. Movement between net revenue and net distributions

	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Net revenue after taxation	1,313	960
ACD's periodic charge taken to capital	47	46
Tax relief	4	-
Net distributions for the year	1,364	1,006

8. Debtors

	31/03/19 £000	31/03/18 £000
Sales awaiting settlement	7	-
Amounts receivable for issue of shares	129	315
Accrued revenue	65	30
Accrued ACD fee rebates	52	44
Accrued ACD expense rebate	15	25
Income tax recoverable	5	12
Total debtors	273	426

9. Cash and bank balances

	31/03/19 £000	31/03/18 £000
Cash and bank balances	1,576	679
Amounts held at futures clearing houses and brokers	50	-
Total cash and bank balances	1,626	679

10. Other creditors

	31/03/19 £000	31/03/18 £000
Purchases awaiting settlement	-	52
Amounts payable for cancellation of shares	109	16
Accrued expenses	46	34
Accrued ACD's periodic charge	41	40
Total other creditors	196	142

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000	01/04/18 to 31/03/19 £000	01/04/17 to 31/03/18 £000
Equities	2,917	1,252	1,204	972
Collective Investment Schemes	47,516	38,479	43,109	29,300
Trades in the year before transaction costs	50,433	39,731	44,313	30,272
Commissions				
Equities	1	-	(1)	-
Collective Investment Schemes	1	1	(1)	-
Total commissions	2	1	(2)	-
Taxes				
Equities	5	-	-	-
Collective Investment Schemes	-	-	(1)	-
Total taxes	5	-	(1)	-
Total costs	7	1	(3)	-
Total net trades in the year after transaction costs	50,440	39,732	44,310	30,272

Notes to the Financial Statements

(continued)

as at 31 March 2019

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	01/04/18 to 31/03/19 %	01/04/17 to 31/03/18 %	01/04/18 to 31/03/19 %	01/04/17 to 31/03/18 %
Commissions				
Equities	0.03	-	0.08	-
Collective Investment Schemes	-	-	-	-
Taxes				
Equities	0.21	-	-	-
Collective Investment Schemes	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value.

	01/04/18 to 31/03/19 %	01/04/17 to 31/03/18 %
Commissions	-	-
Taxes	0.01	-
Total costs	0.01	-

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.02% (31/03/18: 0.05%).

12. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 10 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management and receivable from BMO Fund Management Limited in respect of expense rebates are disclosed in note 4 and amounts due at the end of the year in note 10.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £266,909 (31/03/18: £264,875). The value of these investments held was £6,625,534 (31/03/18: £7,383,909).

13. Shareholders' funds

The Fund has three share classes in issue: Class A, Class B and Class D.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 94 to 97.

The distributions per share class are given in the Distribution Tables on page 106.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/18			31/03/19	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation:	4,154,555	174,912	(539,949)	(22,693)	3,766,825
Share Class B - Accumulation:	80,279,020	15,087,647	(7,029,650)	44,488	88,381,505
Share Class B - Income:	4,921,272	1,267,529	(1,332,407)	-	4,856,394
Share Class D - Accumulation:	136,293	578	(111,795)	-	25,076

Notes to the Financial Statements

(continued)

as at 31 March 2019

14. Capital commitments and contingent liabilities

On 31 March 2019, the Fund had no capital commitments (31/03/18: £nil) and no contingent liabilities (31/03/18: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 13 to 16.

Currency exposure

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

As at 31 March the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 31/03/19	Currency exposure 31/03/18
Currency	Total £000	Total £000
Japanese yen	2,245	-
US dollar	18,272	15,301
Total	<u>20,517</u>	<u>15,301</u>

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £1.626m (31/03/18: holding £0.373m) is held in a floating rate deposit account. Interest is earned by reference to LIBOR Indices for all USD, EUR, GBP, CHF and JPY currencies as determined by the British Bankers Association. For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2019 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2018.

Fair values of financial assets and liabilities

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

16. Fair value

For financial instruments held at fair value in the balance sheet, the Fund is required to disclose for each class of financial instrument, an analysis of the level in the fair value hierarchy (as set out in FRS 102 paragraph 11.27) into which the fair value measurements are categorised. The three levels of the fair value hierarchy under FRS 102 are as follows:

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

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

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

Valuation technique	31/03/19		31/03/18	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	7,451	-	5,439	-
Level 2	81,579	-	78,093	-
Total fair value	<u>89,030</u>	<u>-</u>	<u>83,532</u>	<u>-</u>

BMO MM Lifestyle 7 Fund

Distribution Tables

for the year ended 31 March 2019

Distribution in pence per share

Share Class A - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	0.7103	-	0.7103	0.3123
Group 2	(p)	(p)	(p)	(p)
Final	0.1521	0.5582	0.7103	0.3123

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Share Class B - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.3246	-	1.3246	1.1130
Group 2	(p)	(p)	(p)	(p)
Final	0.6874	0.6372	1.3246	1.1130

Group 2: Shares purchased from 1 April 2018 to 31 March 2019

Share Class B - Income

30/09/18: Group 1: Shares purchased prior to 1 April 2018

31/03/19: Group 1: Shares purchased prior to 1 October 2018

	Net revenue	Equalisation	Distributions paid/payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
	2.1543	-	2.1543	2.0734
Final	1.6989	-	1.6989	1.3707
Group 2	(p)	(p)	(p)	(p)
	1.1174	1.0369	2.1543	2.0734
Final	0.7379	0.9610	1.6989	1.3707

Group 2: Shares purchased from 1 April 2018 to 30 September 2018

Group 2: Shares purchased from 1 October 2018 to 31 March 2019

Share Class D - Accumulation

31/03/19: Group 1: Shares purchased prior to 1 April 2018

	Net revenue	Equalisation	Distributions payable to 31/05/19	Distributions paid to 31/05/18
Group 1	(p)	(p)	(p)	(p)
Final	1.0140	-	1.0140	0.9727
Group 2	(p)	(p)	(p)	(p)
Final	1.0140	-	1.0140	0.9727

Group 2: Shares purchased from 1 April 2018 to 31 March 2019