

7IM INVESTMENT FUNDS

Annual Report and Financial Statements
for the year ended 30 November 2016

7IM Cautious Fund
7IM Moderately Cautious Fund
7IM Balanced Fund
7IM Moderately Adventurous Fund
7IM Adventurous Fund
7IM Sustainable Balance Fund
7IM AAP Income Fund
7IM AAP Moderately Cautious Fund
7IM AAP Balanced Fund
7IM AAP Moderately Adventurous Fund
7IM AAP Adventurous Fund

7IM INVESTMENT FUNDS

DIRECTORY

Authorised Corporate Director ('ACD')

Seven Investment Management LLP
3rd Floor
55 Bishopsgate
London EC2N 3AS
(Authorised and regulated by the Financial Conduct Authority)

Address for correspondence:

Seven Investment Management LLP
PO Box 3733
Royal Wootton Bassett
Swindon SN4 4BG

Management Committee of the ACD

P. Bungey (appointed 27 June 2016)	S. Sanderson
D. Carroll	T. Sheridan
C. Darbyshire	V. Smith
H. Paton (retired 8 April 2016)	C. Sparrow
R. Poulten	J. Urquhart Stewart
J. Routledge	

Sub-Investment Manager

Sarasin & Partners LLP is the sub-investment manager providing investment advisory services for the 7IM Sustainable Balance Fund.

Ibbotson Associates Inc is the sub-investment manager providing investment advisory services for the following sub-funds:

7IM Cautious Fund	7IM AAP Moderately Cautious Fund
7IM Moderately Cautious Fund	7IM AAP Balanced Fund
7IM Balanced Fund	7IM AAP Moderately Adventurous Fund
7IM Moderately Adventurous Fund	7IM AAP Adventurous Fund
7IM Adventurous Fund	

Depository

Northern Trust Global Services Limited
50 Bank Street
London E14 5NT
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Registrar & Administrator

Northern Trust Global Services Limited
50 Bank Street
London E14 5NT
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

7IM INVESTMENT FUNDS

DIRECTORY (continued)

Independent Auditor

KPMG LLP

15 Canada Square

London E14 5GL

During the year, the ACD reviewed its audit services and an audit tender process was undertaken. At the conclusion of this process KPMG LLP were appointed as auditors to the 7IM Investment Funds following Ernst & Young's resignation in September 2016.

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7IM INVESTMENT FUNDS

AUTHORISED STATUS

7IM Investment Funds ('the Company') is an Open-Ended Investment Company with variable capital incorporated in England and Wales under registered number IC000278 and authorised by the Financial Conduct Authority with effect from 28 November 2003. The Company has an unlimited duration.

The Company is a UCITS Scheme.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

REMUNERATION DISCLOSURE

As a result of the amendments to Undertakings for Collective Investment in Transferable Securities (UCITS) directive, which came into force on 18 March 2016, Seven Investment Management LLP (7IM) is subject to the remuneration related requirements of UCITS V.

Implementation of the UCITS Remuneration Code remains ongoing and will apply in full for the first time for 7IM's 2017 performance year (i.e. 1 January 2017 to 31 December 2017). Quantitative remuneration disclosures will be made following completion of the 2017 performance year (the relevant data/information to make these disclosures will only be available at this time).

SUB-FUND CROSS-HOLDINGS

No sub-fund held shares in any other sub-fund within the ICVC during the current or prior year.

DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

C. Sparrow

On behalf of Seven Investment Management LLP,
ACD of 7IM Investment Funds
28 February 2017

7IM INVESTMENT FUNDS

STATEMENT OF ACD'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The ACD is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (the 'COLL Sourcebook') requires the ACD to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the net revenue and of the net capital gains/losses on the scheme property of the Company for that year. In preparing those financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements in accordance with the requirements of The Investment Association SORP (formally the 'Investment Management Association SORP'); and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The ACD is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the financial statements comply with the COLL Sourcebook. The ACD is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the ACD is aware:

- there is no relevant audit information of which the Company's Auditor is unaware; and
- the ACD has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the Auditor is aware of that information.

7IM INVESTMENT FUNDS

STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

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).

REPORT OF THE DEPOSITARY

The Depositary also has a duty to take reasonable care to ensure that 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.

Northern Trust Global Services Limited
UK Trustee and Depositary Services
28 February 2017

7IM INVESTMENT FUNDS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 7IM INVESTMENT FUNDS

We have audited the financial statements of the Company for the year ended 30 November 2016, which comprise the Statements of Total Return, Statements of Change in Net Assets Attributable to Shareholders, Balance Sheets, the Related Notes and the Distribution Tables for each of the Company's sub-funds listed on page 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Authorised Corporate Director (the 'ACD') and Auditor

As explained more fully in the Statement of ACD's Responsibilities set out on page 6 the ACD is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the financial position of each of the sub-funds as at 30 November 2016 and of the net revenue and the net capital gains/losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to UK Authorised Funds and the COLL Rules.

Opinion on other matters prescribed by the COLL Rules

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

We have received all the information and explanations which we consider necessary for the purposes of our audit.

7IM INVESTMENT FUNDS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 7IM INVESTMENT FUNDS (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

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

Ravi Lamba
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL
United Kingdom
28 February 2017

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The Company has adopted FRS 102 and the 2014 SORP. This has resulted in some presentational changes to the primary statements; enhanced disclosures surrounding the transaction costs and risk exposure and additional disclosure in respect of the valuation techniques used for the financial instruments. The net total return and the net assets attributable to shareholders remain unchanged and no comparative figures for the previous accounting period have been restated. The principal accounting policies which have been applied consistently are set out below. The Company has early adopted the amendment to FRS 102 in respect of the fair value hierarchy/valuation techniques disclosure.

(b) Functional and Presentation Currency

The functional and presentation currency of the Company is sterling.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

2. Summary of Significant Accounting Policies (continued)

(c) *Recognition of revenue*

Dividends on quoted equities and preference shares are recognised when the securities are quoted ex-dividend.

Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment in the scheme and does not form part of the distributable revenue.

Reportable income from funds with 'Reporting Fund' status for UK tax purposes is recognised when the information is made available by the reporting fund.

Deemed distributions from FCP's (Fonds de Commun de Placement) are calculated on a daily basis and are included in revenue.

Revenue from unquoted equity investments is recognised when the dividend is declared.

Revenue on debt securities is accounted for on an effective interest basis.

The treatment of the returns from derivatives depends upon the nature of the transaction. Both motive and circumstances are used to determine whether returns should be treated as capital or revenue.

Rebates of annual management charges (AMC rebates) from underlying investments are accounted for on an accruals basis and are recognised as revenue or capital in line with the allocation of the annual management charge between capital and revenue of the underlying investments.

Revenue from stock lending is accounted for net of associated costs and is recognised on an accruals basis.

Interest on bank and other cash deposits is recognised on an accruals basis.

Revenue is recognised gross of any withholding taxes but excludes attributable tax credits.

All expenses, except for those relating to the purchase and sale of investments and stamp duty reserve tax, are charged initially against revenue.

(d) *Treatment of stock and special dividends*

The ordinary element of stock received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue of the Fund.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. Amounts recognised as capital are deducted from the cost of the investment. The tax accounting treatment follows the treatment of the principal amount.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

2. Summary of Significant Accounting Policies (continued)

(e) *Treatment of expenses*

All expenses, except for those relating to the purchase and sale of investments and stamp duty reserve tax, are charged initially against revenue for UK Corporation tax purposes, on an accruals basis.

Expenses incurred by tax transparent funds are recognised when the information is made available by the reporting fund.

(f) *Capped expenses*

Other expenses (excluding the ACD's periodic charge) payable out of the property of the sub-funds, which exceed 0.20% of the AAP Moderately Cautious Sub-fund, the AAP Balanced Sub-fund, the AAP Moderately Adventurous Sub-fund and the AAP Adventurous Sub-fund are met by the Investment Manager.

(g) *Allocation of revenue and expenses to multiple share classes*

Any revenue or expense not directly attributable to a particular share class will normally be allocated pro-rata to the net assets of the relevant share classes unless a different allocation method is more appropriate.

All share classes are ranked *pari passu* and have no particular rights or terms attached, including rights on winding up.

(h) *Taxation*

Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

Offshore income gains, from funds without reporting status, are liable to corporation tax at 20% and any resulting charge is against capital.

Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against the corporation tax payable by way of double tax relief and where this is the case the offset is reflected in the tax charge.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

Stamp duty reserve tax suffered on surrender of shares is deducted from capital.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

2. Summary of Significant Accounting Policies (continued)

(i) *Distribution policy*

For the purpose of calculating the distribution, the ACD's periodic charge and investment advisory fees are deducted from the sub-funds in the following proportions:

	ACD's Periodic Charge		Investment Advisory Fee	
	Capital	Revenue	Capital	Revenue
	%	%	%	%
7IM Cautious Fund	100	-	-	100
7IM Moderately Cautious Fund	100	-	100	-
7IM Balanced Fund	50	50	50	50
7IM Moderately Adventurous Fund	-	100	-	100
7IM Adventurous Fund	-	100	-	100
7IM Sustainable Balance Fund	100	-	n/a	n/a
7IM AAP Income Fund	100	-	n/a	n/a
7IM AAP Moderately Cautious Fund	100	-	100	-
7IM AAP Balanced Fund	50	50	50	50
7IM AAP Moderately Adventurous Fund	-	100	-	100
7IM AAP Adventurous Fund	-	100	-	100

For all sub-funds except the 7IM AAP Income Fund, the other expenses are charged against revenue with the exception of costs associated with the purchase and sales of investments and stamp duty reserve tax. All other expenses of the 7IM AAP Income Fund are charged against capital.

Where charges are transferred to capital, this will increase the amount of revenue available for distribution; however, will erode capital and constrain capital growth.

Interim distributions may be made at the ACD's discretion. Final distributions are made in accordance with the COLL Sourcebook.

If at the end of the accounting year any share class within a sub-fund is in deficit, then funds will be transferred to cover the shortfall from capital.

Distributions which have remained unclaimed by shareholders for more than six years are credited to the capital property of the sub-fund.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

2. Summary of Significant Accounting Policies (continued)

(j) *Basis of valuation of investments*

All investments are valued at their fair value as at 12.00pm UK time on 30 November 2016, being the last business day of the financial year.

Quoted investments are valued at fair value which generally is the bid price, excluding any accrued interest in the case of debt securities. Accrued interest on debt securities is included in revenue.

Collective investment schemes are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the accounting period.

Open forward currency contracts are valued based on the difference between the contract value and the market value adjusted by the prevailing spot rate and swap curve.

Structured products are valued at the fair value, where a price can only be obtained from the issuer the value is confirmed by an independent price provider by reference to the terms as defined in the term sheet of the structured product.

The market value of over the counter (OTC) derivatives is determined based on valuation pricing models which take into account relevant market inputs as well as the time values, liquidity and volatility factors underlying the positions.

For investments for which there is no quoted price or for which the quoted price is unreliable, fair value is determined by the ACD, taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance, maturity of the Company and other relevant factors.

(k) *Exchange rates*

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at 12.00pm UK time on 30 November 2016, being the last business day of the financial year.

(l) *Dilution levy*

The ACD may require a dilution levy on the purchase and redemption of shares if, in its opinion, the existing shareholders (for purchases) or remaining shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the scheme property of a sub-fund is in continual decline; where a sub-fund is experiencing large levels of net purchases relative to its size; on 'large deals' (typically being a purchase or redemption of shares to a size exceeding 5% of the Net Asset Value of the relevant sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining shareholders require the imposition of a dilution levy.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

2. Summary of Significant Accounting Policies (continued)

(m) *Stock lending*

The sub-funds are permitted to enter into stock lending transactions for the purpose of the generation of additional revenue for that sub-fund. The specific method of stock lending permitted is of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992, under which the lender transfers securities to the borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. There is a 25% limit on the value of the scheme property of a sub-fund which may be the subject of stock lending transactions. Collateral must be obtained by the Depositary in a form which is acceptable to the Depositary, adequate and sufficiently immediate; the collateral must at all times be at least equal to the value of the securities transferred by the Depositary under the stock lending agreement.

3. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for investment, efficient portfolio management and hedging purposes.

The main risks from the sub-funds' holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has put in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the fund.

(a) *Credit risk*

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in counterparty's credit quality.

Certain transactions in securities that the sub-funds enter into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the sub-funds have fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. All bonds in which the sub-funds invest are investment grade listed bonds or government securities which are generally lower risk. The sub-funds may be indirectly exposed to interest rate risk in respect of their investments in other collective investment schemes.

A sub-fund's maximum exposure to credit risk, not taking account of the value of any collateral or other securities held, in the event that counterparties fail to perform their obligations as at the period end in relation to each class of recognised financial assets, is the carrying amount of these assets.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

3. Risk Management Policies (continued)

(b) *Liquidity risk*

Liquidity risk is the risk that a sub-fund will be unable to meet its obligations as they fall due. The main liability of the sub-funds' is the cancellation of any shares that investors want to sell. Investments may have to be sold to fund such cancellations should insufficient cash be held at the bank to meet this obligation.

To reduce liquidity risk the Portfolio Manager will ensure that a substantial portion of the sub-funds' assets consist of cash and readily realisable investments.

All financial liabilities are payable in one year or less, or on demand.

(c) *Market risk*

Market risk is the risk that fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates or market prices.

The sub-funds can be exposed to market risks by virtue of the financial instruments that the sub-funds invest in. The Portfolio Manager monitors the investments on a continuing basis on behalf of the sub-funds by adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

Investment in collective investment schemes exposes the sub-fund to indirect interest rate risk to the extent that they invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The level of risk a sub-fund is exposed to is monitored on an ongoing basis. The risk function monitors a series of risk metrics including but not limited to: duration, key rate duration, sensitivity analysis and stress tests. This ensures the sub-fund is exposed to risks which are consistent with its mandate set out in the Prospectus.

(e) *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value. Forward currency contracts are employed by the Portfolio Manager, where deemed appropriate, to mitigate the foreign exchange risk. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates.

7IM INVESTMENT FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

3. Risk Management Policies (continued)

(f) *Other price risk*

Other price risk is the risk that the price of a financial instrument will fluctuate due to changes in market conditions influencing, directly or indirectly, the value of the instrument.

The sub-funds' investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk.

(g) *Derivatives*

The Investment Manager may employ more sophisticated derivatives longer term in the pursuit of the investment objectives of a Sub-fund and in accordance with its risk management policy. This means that the net asset value of a Sub-fund may at times be highly volatile (in the absence of compensating investment techniques). However, it is the Investment Manager's intention that the Sub-fund owing to its portfolio composition, or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments. The risk profile of a Sub-fund may be higher than it would otherwise have been as a consequence of the use of derivatives as described above.

The Investment Manager may also employ derivatives for the purposes of hedging with the aim of reducing the risk profile of a Sub-fund, or reducing costs, or generating additional capital or revenue, in accordance with Efficient Portfolio Management (EPM).

To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to a Sub-fund may be increased where the value of the derivative instrument and the value of the security or position which it is hedging are insufficiently correlated.

7IM CAUTIOUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM Cautious Fund (the 'Sub-fund') aims to provide a long-term total return, by way of income with some capital appreciation. There may be moderate risk to capital, but the Sub-fund will be managed with the intention of limiting volatility to relatively low levels in normal circumstances. As a consequence, long-term return expectations may be lower than for higher risk portfolios. There is no guarantee that a positive return will be delivered.

The Sub-fund will seek to achieve its objective through direct or indirect investment in a range of asset classes, which may include government and corporate bonds, cash, near cash and equities as well as in alternative asset classes (such as real estate, private equity and close ended funds). Investment in these alternative asset classes would be largely (and in the case of real estate, only) achieved indirectly through investing in collective investment schemes, certificates and derivatives.

While bonds, cash and near cash and other income generating assets are likely to represent the main part of the Sub-fund's investment exposure, this may also include assets with scope for capital growth in real terms, and assets with scope for greater volatility.

The Sub-fund may use derivatives for investment purposes as well as for Efficient Portfolio Management.

7IM CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2016 to 30 November 2016, the portfolio delivered a total return of 4.92%¹. Over the same period the peer group average return for the IA Mixed Investment 0-35% Shares Sector, which is the sub-fund benchmark, was 6.19%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours, having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM Cautious C Acc. shares published prices. Source: NTRS

² Source: FE Trustnet

7IM CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so added to the holdings of high yield bonds. We also added to the loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and also trimmed UK corporate bond exposure where spreads had come in and it was difficult to see any further value.

We invested in a 30 year inflation protection certificate which benefits when long term inflation expectations rise in the US, as we expect they will, but does not expose the fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape we felt Japan equity could be under pressure and sold the Japan Shareholder certificate.

In June the main issue dominating markets was the forthcoming EU Referendum and market volatility around this and a poor set of US payrolls led us to reduce risk in European equities and buy US Treasuries. As the referendum date grew closer, Remain seemed the more likely outcome, which led us to remove some of the US dollars we had bought as a hedge. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave, we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce

7IM CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

US equity exposure where we thought valuations were extended and selling a future on the MSCI All Countries Asia ex Japan Index as we had become less confident about prospects and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures which sit in alternative strategies reflecting the bond like nature of the instrument.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year. We sold the yen just after the year end. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM CAUTIOUS FUND

FUND INFORMATION

The Comparative Tables on pages 23 to 26 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class C Income

	2016 (pence per share)	2015 ¹ (pence per share)
Change in Net Asset Value per Share		
Opening net asset value per share	95.06	100.00
Return before operating charges*	5.76	(3.65)
Operating charges (calculated on average price)	(0.88)	(0.52)
Return after operating charges*	4.88	(4.17)
Distributions on income shares	(1.45)	(0.77)
Closing net asset value per share	98.49	95.06
* After direct transaction costs of ² :	0.01	0.01
Performance		
Return after charges ³	5.13%	(4.17)%
Other Information		
Closing net asset value (£'000)	21,288	22,730
Closing number of shares	21,614,651	23,911,839
Operating charges ⁴	0.91%	0.90%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price	100.54	100.15
Lowest share price	91.05	93.13

¹ The Sub-fund launched 24 April 2015. The operating charge for 2015 has been annualised based on the expenses incurred to the period end 30 November 2015.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 27.

7IM CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 ¹ (pence per share)
Change in Net Asset Value per Share		
Opening net asset value per share	95.83	100.00
Return before operating charges*	5.83	(3.65)
Operating charges (calculated on average price)	(0.89)	(0.52)
Return after operating charges*	4.94	(4.17)
Distributions	(1.47)	(0.78)
Retained distributions on accumulation shares	1.47	0.78
Closing net asset value per share	100.77	95.83
* After direct transaction costs of ² :	0.01	0.01
Performance		
Return after charges ³	5.15%	(4.17)%
Other Information		
Closing net asset value (£'000)	12,488	7,431
Closing number of shares	12,392,356	7,754,536
Operating charges ⁴	0.91%	0.90%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price	101.92	100.15
Lowest share price	91.79	93.27

¹ The Sub-fund launched 24 April 2015. The operating charge for 2015 has been annualised based on the expenses incurred to the period end 30 November 2015.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 27.

7IM CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 ¹ (pence per share)
Change in Net Asset Value per Share		
Opening net asset value per share	95.24	100.00
Return before operating charges*	5.71	(3.87)
Operating charges (calculated on average price)	(0.64)	(0.29)
Return after operating charges*	5.07	(4.16)
Distributions on income shares	(1.45)	(0.60)
Closing net asset value per share	98.86	95.24
* After direct transaction costs of ² :	0.01	0.01
Performance		
Return after charges ³	5.32%	(4.16)%
Other Information		
Closing net asset value (£'000)	160	41
Closing number of shares	162,284	42,864
Operating charges ⁴	0.66%	0.65%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price	100.89	100.00
Lowest share price	91.26	93.21

¹ Share class launched 14 June 2015. The operating charge for 2015 has been annualised based on the expenses incurred to the period end 30 November 2015.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 27.

7IM CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 ¹ (pence per share)
Change in Net Asset Value per Share		
Opening net asset value per share	95.87	100.00
Return before operating charges*	5.79	(3.98)
Operating charges (calculated on average price)	(0.65)	(0.15)
Return after operating charges*	5.13	(4.13)
Distributions	(1.47)	(0.23)
Retained distributions on accumulation shares	1.47	0.23
Closing net asset value per share	101.00	95.87
* After direct transaction costs of ² :	0.01	0.01
Performance		
Return after charges ³	5.35%	(4.13)%
Other Information		
Closing net asset value (£'000)	2,080	1,225
Closing number of shares	2,059,042	1,277,635
Operating charges ⁴	0.66%	0.65%
Direct transaction costs	0.01%	0.01%
Prices		
Highest share price	102.13	100.00
Lowest share price	91.86	93.28

¹ Share class launched 31 August 2015. The operating charge for 2015 has been annualised based on the expenses incurred to the period end 30 November 2015.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 27.

7IM CAUTIOUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class C	Class S
ACD's periodic charge	0.50%	0.25%
Other expenses	0.26%	0.26%
	<hr/>	<hr/>
	0.76%	0.51%
Collective investment scheme costs	0.15%	0.15%
	<hr/>	<hr/>
Ongoing Charges Figure	0.91%	0.66%

As at 30 November 2015

	Class C	Class S
ACD's periodic charge	0.50%	0.25%
Other expenses	0.24%	0.24%
	<hr/>	<hr/>
	0.74%	0.49%
Collective investment scheme costs	0.16%	0.16%
	<hr/>	<hr/>
Ongoing Charges Figure ¹	0.90%	0.65%

¹ As the Sub-fund launched 24 April 2015 the above OCF has been annualised.

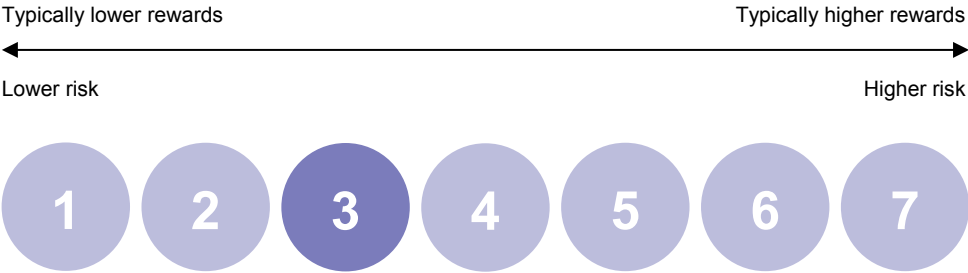
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Fund's net assets at the balance sheet date.

7IM CAUTIOUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 3.

Fund performance to 30 November 2016 (%)

	1 year	Since launch
7IM Cautious Fund ¹	4.92	0.90
IA Mixed Investment 0-35% Shares Sector ²	6.19	3.22

¹ Sub-fund launched 24 April 2015.

² Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 50.

7IM CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
EQUITIES 12.19% (7.98%)			
UK Equity 3.38% (2.35%)			
740,220	7IM UK Equity Value Fund 'Z' Inc ^{1 2}	727,784	2.02
5	FTSE 100 Index Futures Dec 2016 ³	7,175	0.02
151,630	Jupiter UK Growth Income Fund 'I' Acc ²	485,503	1.35
14	LIFFE FTSE 100 Index Futures Dec 2016 ³	(3,906)	(0.01)
		1,216,556	3.38
North American Equity 5.49% (3.60%)			
131,408	7IM US Equity Value Fund 'Z' Inc ^{1 2}	153,393	0.44
60	Abbott Laboratories	1,865	0.01
18	Adobe Systems	1,517	-
260	Aetna	27,567	0.08
51	Agilent Technologies	1,821	0.01
27	AGNC Investment	412	-
2	Alleghany	914	-
30	Allstate	1,678	-
25	Alphabet 'C'	15,475	0.04
175	American International Group	8,893	0.02
16	AmerisourceBergen	997	-
403	Amgen	47,249	0.13
49	Annaly Capital Management	408	-
21	Anthem	2,450	0.01
46	Apple	4,117	0.01
90	Applied Materials	2,325	0.01
48	Archer-Daniels-Midland	1,648	-
8	Axis Capital Holdings	397	-
502	Baker Hughes	24,382	0.07
40	Baxter International	1,438	-
12	Biogen	2,918	0.01
49	Boeing	5,967	0.02
11	Bunge	593	-
71	Cadence Design Systems	1,516	-
678	Capital One Financial	44,980	0.12
27	Cardinal Health	1,539	-
30	Carnival	1,282	-
47	Caterpillar	3,550	0.01
14	Church & Dwight	504	-
21	Cigna	2,335	0.01
1,928	Cisco Systems	46,186	0.13
1,196	Citigroup	53,326	0.16
547	Citrix Systems	38,631	0.11
23	Coach	691	-
69	Colgate-Palmolive	3,687	0.01
926	Comcast 'A'	52,152	0.15
34	ConAgra Foods	1,030	-
8	Continental Resources	303	-
6	CR Bard	1,040	-
111	Cummins	12,322	0.03
51	Danaher	3,242	0.01

7IM CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
16	Delta Air Lines	624	-
19	Dentsply Sirona	923	-
33	Discover Financial Services	1,793	-
1,730	eBay	39,610	0.11
16	Edwards Lifesciences	1,078	-
83	El du Pont de Nemours	4,747	0.01
82	Eli Lilly & Company	4,422	0.01
14	E-Mini S&P Select Financial Sector Futures Mar 2017 ³	30,952	0.09
30	EOG Resources	2,227	0.01
19	Estee Lauder	1,199	-
200	Exxon Mobil	13,797	0.04
39	Flextronics International	455	-
617	FMC Technologies	16,347	0.05
303	Ford Motor	2,901	0.01
2,127	General Electric	53,037	0.16
751	Gilead Sciences	45,160	0.13
9	Helmerich & Payne	488	-
27	Illinois Tool Works	2,724	0.01
227	Intel	6,433	0.02
213	JM Smucker	21,772	0.06
151	Johnson & Johnson	13,641	0.04
51	JPMorgan Chase	3,232	0.01
29	Juniper Networks	623	-
29	Kimberly-Clark	2,713	0.01
50	Kinder Morgan	859	-
13	KLA-Tencor	853	-
3,780	KLS Zebra Global Equity Beta Neutral Fund ²	380,804	1.07
11	Lamb Weston	293	-
19	Las Vegas Sands	948	-
189	Linear Technology	9,497	0.03
742	Lowe's Cos	42,153	0.12
30	LyondellBasell Industries	2,017	0.01
14	Macy's	477	-
28	Masco	724	-
29	Mattel	735	-
24	Maxim Integrated Products	766	-
72	McDonald's	6,977	0.02
19	McKesson	2,155	0.01
27	Mead Johnson Nutrition	1,572	-
458	Merck & Co	22,874	0.06
688	Michael Kors Holdings	26,361	0.07
13	Molson Coors Brewing	1,044	-
128	Mondelez International	4,406	0.01
501	Monsanto	41,188	0.12
100	Morgan Stanley	3,261	0.01
27	Mosaic	587	-
312	Motorola Solutions	20,318	0.06
552	NetApp	16,185	0.04
42	Newmont Mining	1,131	-

7IM CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
926	News Corp	8,574	0.02
27	Nisource	485	-
28	Nucor	1,386	-
43	Nvidia	3,220	0.01
539	Occidental Petroleum	29,249	0.08
1,054	OGE Energy	27,306	0.08
1,232	Oracle	40,130	0.11
89	Paypal	2,850	0.01
8	PepsiCo	659	-
505	Pfizer	12,945	0.04
126	Philip Morris International	9,168	0.03
526	PNC Financial Services Group	46,158	0.13
86	Procter & Gamble	5,725	0.02
35	Prudential Financial	2,804	0.01
120	Qualcomm	6,434	0.02
102	Regions Financial	1,080	-
3	RenaissanceRe	316	0.01
7	Russell 2000 Mini Futures Dec 2016 ³	44,713	0.12
(15)	S&P 500 Index Put Options 1525 2017 ³	(7,710)	(0.02)
15	S&P 500 Index Put Options 2050 2017 ³	63,484	0.18
113	Schlumberger	7,251	0.02
166	Sirius XM	613	-
975	Southwest Airlines	36,989	0.10
41	SunTrust Banks	1,684	-
31	Symantec	605	-
13	Synopsys	639	-
663	Target	41,744	0.12
115	Texas Instruments	6,871	0.02
35	TJX Companies (The)	2,215	0.01
24	T-Mobile	1,067	-
5	Travelers	457	-
35	Twenty-First Century Fox	797	-
588	Tyson Foods	27,846	0.08
61	UGI	2,270	0.01
8	United Rentals	619	-
16	United Technologies	1,399	-
21	Valero Energy	1,075	-
28	Ventas	1,373	-
5,252	Vereit	35,936	0.10
478	Verizon Communications	19,562	0.05
17	Viacom	504	-
17	Voya Financial	516	-
789	Wal-Mart Stores	45,222	0.13
12	Westar Energy	550	-
73	Xerox	554	-
21	Xilinx	911	-
		1,974,068	5.49

7IM CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity 3.37% (0.87%)			
294,248	7IM European (ex UK) Equity Value Fund 'Z' Inc ^{1 2}	270,678	0.75
862,243	BNP Paribas Arbitrage Issuance Call Warrants 16/12/2016	845,665	2.34
38	Eaton	2,005	0.01
(11)	EURO STOXX 50 Equity Index Futures Dec 2016 ³	(5,312)	(0.01)
84	EURO STOXX 50 Index Dividend Futures Dec 2017 ³	31,635	0.09
97	EURO STOXX 50 Index Dividend Futures Dec 2018 ³	67,178	0.19
29	TE Connectivity	1,565	-
		1,213,414	3.37
Japanese Equity 0.00% (1.22%)			
0.45	CF Morant Wright Nippon Yield ²	2	-
Far East Equity -0.05% (-0.06%)			
13	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ³	(18,348)	(0.05)
BONDS 31.84% (40.53%)			
Global Corporate Bonds 2.05% (7.89%)			
614	Kempen (Lux) Global Sovereign Fundamental Index ²	688,853	1.91
50,000	Landeskreditbank 1.125% 2021	50,389	0.14
		739,242	2.05
Global High Yield Bonds 9.66% (4.77%)			
6,100	BMO Barclays Global High Yield GBP Hedged UCITS - ETF	624,884	1.74
500,000	Carador Income	277,064	0.77
€250,000	Danske Bank FRN 2018	250,118	0.69
520	Fair Oaks Dynamic Credit Fund 'M' Acc	517,135	1.44
295,508	M&G Global Floating Rate High Yield 'IH' Acc ²	311,939	0.86
1,226,417	NB Global Floating Rate Income	1,173,681	3.26
3,686	Robeco Quant High Yield ²	323,316	0.90
		3,478,137	9.66
Global Convertible Bonds 4.85% (2.68%)			
194,164	M&G Global Convertibles ²	345,496	0.96
12,420	NN (L) Global Convertible Opportunities Acc ²	1,403,052	3.89
		1,748,548	4.85
Global Inflation Linked Bonds 2.88% (7.64%)			
US\$1,090,000	US Treasury Notes 2.25% 2025	872,421	2.42
US\$220,000	US Treasury Notes 1.625% 2026	166,388	0.46
		1,038,809	2.88
Gilts & Other Public Securities 4.35% (7.61%)			
£250,000	Deutsche Bahn Finance 2.75% 2022	269,891	0.75
£200,000	European Investment Bank 4.25% 2021	230,896	0.64
£250,000	Kingdom of Belgium 1.125% 2018	253,085	0.70
£200,000	Reseau Ferre de France 5.5% 2021	240,167	0.67

7IM CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Gilts & Other Public Securities (continued)			
£200,000	Tennessee Valley Authority 5.35% 2021	234,606	0.65
£300,000	Treasury 3.75% 2020	337,674	0.94
		1,566,319	4.35
Emerging Market Bonds 3.75% (0.00%)			
83,462	ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	666,027	1.85
1,138,999	Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc ²	686,019	1.90
		1,352,046	3.75
Sterling Corporate Bonds 4.30% (9.94%)			
14,154	PFS Twentyfour Monument Bond ²	1,549,383	4.30
PRIVATE EQUITY 2.19% (0.00%)			
1,038,395	Fair Oaks Income	788,053	2.19
REAL ESTATE 2.02% (1.82%)			
3,222	Goldman Sachs US Real Estate Balanced Portfolio Fund ²	358,325	0.99
532,029	Premier Pan European Property Share ²	368,856	1.03
		727,181	2.02
HEDGE FUNDS & OTHER STRATEGIES 9.85% (5.68%)			
600	13-Month EUR Dispersion Warrants 15/12/2017	513,002	1.42
2,038,524	F&C Global Equity Market Neutral 3 Acc ²	1,150,543	3.19
87,729	iShares Physical Gold ETC ⁴	1,646,680	4.58
264,618	UK Mortgages	238,156	0.66
		3,548,381	9.85
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 43.43% (45.66%)			
£250,000	Abbey National Treasury Services FRN 2017	250,086	0.69
465,000	Alcentra European Floating Rate Income Fund	458,025	1.27
£250,000	ASB Finance FRN 2018	250,383	0.70
£250,000	Barclays Bank FRN 2018	250,074	0.69
US\$500,000	BNP Paribas Arbitrage 0% 2021	406,682	1.13
£250,000	Council of Europe Development Bank 1.75% 2016	250,160	0.69
US\$1,300,000	Credit Suisse International 0% 2017	1,106,023	3.07
£300,000	Dexia Credit Local 1.875% 2017	302,468	0.84
£275,000	Export Development Canada 0.875% 2016	275,020	0.76
£250,000	GE Capital UK Funding FRN 2018	250,049	0.69
3,001,338.77	Goldman Sachs Sterling Liquid Reserves ²	3,001,339	8.34
£250,000	International Bank for Reconstruction & Development 5.4% 2021	300,583	0.83
£275,000	Kommunalbanken 1.125% 2017	276,944	0.77
£250,000	Landwirtschaftlich 1.5% 2019	257,270	0.71
£100,000	Leeds Building Society 4.875% 2020	115,454	0.32
US\$1,250,000	Merrill Lynch FRN 2017	1,078,913	3.01
£225,000	Network Rail Infrastructure Finance 4.625% 2020	256,932	0.71

7IM CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS (continued)			
5,725,000	Northern Trust Global Sterling Fund ²	5,725,000	15.91
£250,000	Shell International Finance 2% 2019	258,469	0.72
£300,000	Svenska Handelsbanken 4% 2019	320,063	0.89
£250,000	Westpac Securities FRN 2017	250,228	0.69
		15,640,165	43.43
FORWARD FX CURRENCY CONTRACTS 0.20% (-0.24%)			
€600,000	Vs £(509,997) Expiry 06.12.2016	3,057	0.01
¥(20,000,000)	Vs £148,238 Expiry 16.12.2016	6,352	0.02
US\$(10,370,000)	Vs £8,412,940 Expiry 20.01.2017	97,583	0.27
US\$(800,000)	Vs £644,160 Expiry 20.01.2017	2,667	0.01
€1,910,000	Vs £(1,648,063) Expiry 17.02.2017	11,799	0.03
¥90,000,000	Vs £(694,987) Expiry 16.12.2016	(56,501)	(0.16)
US\$1,900,000	Vs £(1,518,093) Expiry 20.01.2017	5,453	0.02
		70,410	0.20
Portfolio of investment		36,632,366	101.71
Net other liabilities		(616,715)	(1.71)
Net assets		36,015,651	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Related party holding (see note 12 of the Financial Statements)

² Collective investment scheme

³ Derivatives contract

⁴ Structured product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	19.93	40.12
Non-rated debt securities	6.07	-
Other investments	75.71	61.31
Net other (liabilities)	(1.71)	(1.43)
	100.00	100.00

7IM CAUTIOUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£60,792,123

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	29,938,000
Goldman Sachs Sterling Liquid Reserves ¹	3,002,067
US Treasury Notes 2.25% 2025	2,204,838
Deutsche Global Liquidity Series Sterling ¹	2,000,000
7IM European (ex UK) Equity Value Fund 'Z' Inc	1,773,985
iShares Physical Gold ETC	1,766,579
7IM US Equity Value Fund 'Z' Inc	1,141,573
NN (L) Global Convertible Opportunities Acc	1,119,052
NB Global Floating Rate Income	1,100,149
Credit Suisse International 0% 2017	893,594
Merrill Lynch FRN 2017	869,565
US Treasury Notes 2.50% 2029	770,885
US Treasury Notes 1.625% 2026	750,412
US Treasury Indexed Bonds 2.50% 2029	688,242
ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	679,308
Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc	650,000
BMO Barclays Global High Yield GBP Hedged UCITS - ETF	628,819
7IM UK Equity Value Fund 'Z' Inc	584,229
iShares \$ High Yield Corporate Bond UCITS ETF	580,167
Fair Oaks Dynamic Credit Fund 'M' Acc	520,000

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM CAUTIOUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)	£59,537,427
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	28,741,000
Goldman Sachs Sterling Liquid Reserves ¹	2,006,126
Deutsche Global Liquidity Series Sterling ¹	2,000,000
Royal London Duration Hedged Credit 'Z' Acc	1,954,105
7IM European (ex UK) Equity Value Fund 'Z' Inc	1,830,000
US Treasury Notes 2.25% 2025	1,697,704
US Treasury Indexed Bonds 2.50% 2029	1,440,192
7IM US Equity Value Fund 'Z' Inc	1,350,000
Robeco Financial Institutions Bonds 'IH'	1,009,401
Blackrock Collective Investment £ Acc	1,004,699
US Treasury 0.125% 2020	686,836
US Treasury 0.25% 2025	669,486
iShares \$ High Yield Corporate Bond UCITS ETF	658,927
US Treasury Notes 1.625% 2026	641,020
UK GILT 2.25% 2023	369,923
Spain Government 1.80% 2024	343,626
Principal Global Investors	342,374
Italy Buoni Poli 2.35% 2035	339,930
M&G Global Convertibles	314,866
Nordea Bank 2.125% 2019	306,921

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM CAUTIOUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	01.12.15 to 30.11.16 £	£	24.04.15 to 30.11.15 ¹ £
Income					
Net capital gains/(losses)	4		1,311,296		(1,326,016)
Revenue	5	636,331		297,395	
Expenses	6	(231,260)		(118,668)	
Interest payable and similar charges	8	(1,666)		(2,718)	
Net revenue before taxation		403,405		176,009	
Taxation	7	(28,489)		(16,461)	
Net revenue after taxation for the year			374,916		159,548
Total return before distributions			1,686,212		(1,166,468)
Distributions	8		(504,440)		(227,473)
Change in net assets attributable to shareholders from investment activities			1,181,772		(1,393,941)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	£	01.12.15 to 30.11.16 £	£	24.04.15 to 30.11.15 ¹ £
Opening net assets attributable to shareholders		31,427,321		-
Amounts received from predecessor fund ²	-		27,564,593	
Amounts received on creation of shares	15,712,181		11,088,685	
Amounts paid on cancellation of shares	(12,501,757)		(5,888,714)	
		3,210,424		32,764,564
Change in net assets attributable to shareholders from investment activities		1,181,772		(1,393,941)
Retained distribution on accumulation shares		196,134		56,698
Closing net assets attributable to shareholders		36,015,651		31,427,321

¹ The Sub-fund launched 24 April 2015.

² On 24 April 2015 the Threadneedle Managed Portfolio 3 Fund ceased investment activity and its net assets transferred to the 7IM Cautious Fund.

The notes on pages 39 to 49 are an integral part of these Financial Statements.

7IM CAUTIOUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		36,724,143	32,008,959
Current assets:			
Debtors	9	323,320	358,191
Cash and bank balances	10	308,387	137,609
Total assets		37,355,850	32,504,759
LIABILITIES			
Investment liabilities		(91,777)	(131,655)
Creditors:			
Cash and bank overdrafts	10	(469,230)	(379,737)
Distribution payable		(198,502)	(150,905)
Other creditors	11	(580,690)	(415,141)
Total liabilities		(1,340,199)	(1,077,438)
Net assets attributable to shareholders		36,015,651	31,427,321

The notes on pages 39 to 49 are an integral part of these Financial Statements.

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	01.12.15 to 30.11.16 £	24.04.15 to 30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	3,503,020	(667,062)
Derivative contracts	(403,162)	(503,499)
Forward currency contracts	(1,813,261)	(74,634)
Transaction charges	(17,645)	(10,620)
AMC rebates from underlying investments	2,565	1,338
Currency gains/(losses)	39,779	(71,539)
Net capital gains/(losses)	1,311,296	(1,326,016)

5 Revenue

	01.12.15 to 30.11.16 £	24.04.15 to 30.11.15 £
Non-taxable dividends	291,790	103,038
Unfranked interest	336,982	191,478
AMC rebates from underlying investments	7,559	2,775
Bank interest	-	104
Total revenue	636,331	297,395

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

6 Expenses

	01.12.15 to 30.11.16 £	24.04.15 to 30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	161,241	85,283
Other expenses	5,466	3,279
	<hr/> 166,707	<hr/> 88,562
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	5,876	3,092
Safe custody and other bank charges	19,967	11,537
Market risk fee	7,500	-
	<hr/> 33,343	<hr/> 14,629
Other expenses:		
Advisory fees	1,552	893
Audit fee	9,375	8,386
Dealing and exchange fees	6,775	255
FCA and other regulatory fees	(99)	296
Legal and professional fees	414	1,504
Printing, postage and distribution costs	7,195	4,143
Risk analysis fee	5,998	-
	<hr/> 31,210	<hr/> 15,477
Total expenses	<hr/> 231,260	<hr/> 118,668

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

7 Taxation

	01.12.15 to 30.11.16 £	24.04.15 to 30.11.15 £
a) <i>Analysis of charge for the year</i>		
Corporation tax at 20%	24,530	14,897
	24,530	14,897
Overseas tax	3,955	1,564
Irrecoverable CIS Income tax w/off	4	-
	28,489	16,461
Current tax charge (note 7b)	28,489	16,461
Total taxation	28,489	16,461
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	403,405	176,009
Corporation tax at 20%	80,681	35,202
Effects of:		
Non-taxable dividends	(58,121)	(20,572)
Overseas tax	3,955	1,564
AMC rebates taken to capital	513	267
Irrecoverable CIS Income tax w/off	4	-
FX loss non taxable	1,457	-
	28,489	16,461
Total tax charge (note 7a)	28,489	16,461
c) <i>Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	01.12.15 to 30.11.16 £	24.04.15 to 30.11.15 £
Interim	185,181	39,439
Final	332,256	203,449
	<hr/> 517,437	<hr/> 242,888
Add: Revenue deducted on cancellation of shares	50,912	17,986
Deduct: Revenue received on issue of shares	(63,909)	(33,401)
	<hr/> 504,440	<hr/> 227,473
Net distributions for the year	504,440	227,473
Interest payable and similar charges	1,666	2,718
	<hr/> 506,106	<hr/> 230,191

Details of the distributions per share are set out in the tables on page 50.

Distributions represented by:

Net revenue after taxation	374,916	159,548
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Allocations to capital:

Expenses, net of tax relief	129,512	68,226
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	<hr/> 504,428	<hr/> 227,774
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Equalisation on conversions¹

Net movement in revenue account	-	(272)
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	<hr/> 12	<hr/> (29)
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Net distributions for the year

	<hr/> 504,440	<hr/> 227,473
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¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	198,703	156,628
Sales awaiting settlement	-	51,959
Accrued revenue	105,314	131,523
Prepaid expenses	98	-
Income tax recoverable	12,046	14,185
AMC rebates from underlying investments	7,159	3,896
Total debtors	323,320	358,191

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	308,387	137,609
Cash held at clearing houses	-	-
Total cash and bank balances	308,387	137,609
Bank overdraft	(325,346)	(130,259)
Cash in overdraft at clearing houses	(143,884)	(249,478)
Total cash and bank overdrafts	(469,230)	(379,737)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	2,470	12,550
Purchases awaiting settlement	524,267	358,109
Accrued expenses	28,711	29,585
Taxation payable	25,242	14,897
Total other creditors	580,690	415,141

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM ('the ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 37.

The Sub-fund has the following shareholdings in the 7IM Specialist Investment Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM European (ex UK) Equity Value Fund 'Z' Inc	294,248	124,496
7IM UK Equity value Fund 'Z' Inc	740,220	91,425
7IM US Equity Value Fund 'Z' Inc	131,408	29,044

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

LV	46.65% (2015: 56.59%)
Pershing Keen	21.74% (2015: 17.17%)

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment scheme managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has two share classes: 'C' and 'S'. The annual management charge on each class are as follows:

Class C	0.50%
Class S	0.25%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class C Income	23,911,839	2,843,253	(5,140,441)	-	21,614,651
Class C Accumulation	7,754,536	11,243,714	(6,627,906)	22,012	12,392,356
Class S Income	42,863	119,421	-	-	162,284
Class S Accumulation	1,277,635	1,983,851	(1,180,479)	(21,965)	2,059,042

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Euro	995	6,243
Hong Kong dollar	610	411
Japanese yen	750	163
US dollar	1,096,061	6,478
Pound sterling	4,432,430	124,314
	<hr/> 5,530,846	<hr/> 137,609
Floating rate liabilities:		
Euro	(22,187)	-
Hong Kong dollar	(606)	(27,158)
Japanese yen	(750)	(163)
US dollar	(37,591)	(5,683)
Pound sterling	(408,096)	(346,733)
	<hr/> (469,230)	<hr/> (379,737)
Fixed rate assets:		
Euro	-	1,137,078
US dollar	2,551,514	1,265,203
Pound sterling	4,480,298	11,122,612
	<hr/> 7,031,812	<hr/> 13,524,893
Assets on which interest is not paid:		
Euro	1,373,521	1,651,184
Japanese yen	-	367,939
US dollar	6,216,979	2,776,771
Pound sterling	16,951,203	14,019,098
	<hr/> 24,541,703	<hr/> 18,814,992
Liabilities on which interest is not paid:		
US dollar	131,439	(91,434)
Euro	93,501	(12,956)
Pound sterling	(794,271)	(566,046)
Japanese yen	(50,149)	-
	<hr/> (619,480)	<hr/> (670,436)
Net assets	<hr/> 36,015,651	<hr/> 31,427,321

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
Euro	-	1.68	-	11
US dollar	(4.80)	0.20	5	7
Pound sterling	0.74	1.19	3	3

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Euro	1,430,975	(1,123,210)	307,765
Hong Kong dollar	4	-	4
Japanese yen	-	496,600	496,600
US dollar	9,852,698	(7,433,303)	2,419,395
	11,283,677	(8,059,913)	3,223,764
Pound sterling	24,661,564	8,130,323	32,791,887
Net assets	35,945,241	70,410	36,015,651

Currency	30.11.15 Gross £	30.11.15 Hedged £	30.11.15 Net £
Euro	2,618,606	(1,913,967)	704,639
Hong Kong dollar	(26,747)	-	(26,747)
Japanese yen	(2,282,524)	265,496	(2,017,028)
US dollar	6,622,024	(2,578,705)	4,043,319
	6,931,359	(4,227,176)	2,704,183
Pound sterling	24,570,596	4,152,542	28,723,138
Net assets	31,501,955	(74,634)	31,427,321

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	10,086,016	(35,276)
Level 2	26,638,127	(56,501)
Level 3	-	-
Total	36,724,143	(91,777)
	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	8,609,466	(45,540)
Level 2	23,399,493	(86,115)
Level 3	-	-
Total	32,008,959	(131,655)

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.

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 22.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	8,404	-	-	-	-	-
Collective Investment						
Schemes	43,519	-	-	-	-	-
Derivatives	972	-	-	-	-	-
Equities	7,894	3	-	3	0.04	-
Total	60,789	3	-	3	0.04	-
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	12,792	-	-	-	-	-
Collective Investment						
Schemes	42,127	-	-	-	-	-
Derivatives	365	-	-	-	-	-
Equities	4,254	(1)	-	(1)	0.02	-
Total	59,538	(1)	-	(1)	0.02	-
Total as a percentage of the average NAV		0.01%	-%	0.01%		

7IM CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	12,633	-	-	-	-	-
Collective Investment						
Schemes	46,698	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	16,060	1	-	1	0.01	-
Total	75,391	1	-	1	0.01	-
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	38	-	-	-	-	-
Collective Investment						
Schemes	30,889	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	12,095	(1)	-	(1)	0.01	-
Total	43,022	(1)	-	(1)	0.01	-
Total as a percentage of the average NAV		0.01%	-%	0.01%		

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.32% (2015: 0.20%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM CAUTIOUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5342	-	0.5342	0.1422
Group 2	0.2105	0.3237	0.5342	0.1422
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5393	-	0.5393	0.1424
Group 2	0.2313	0.3080	0.5393	0.1424
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5354	-	0.5354	-
Group 2	0.5354	-	0.5354	-
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5412	-	0.5412	-
Group 2	0.2170	0.3242	0.5412	-

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9115	-	0.9115	0.6300
Group 2	0.3851	0.5264	0.9115	0.6300
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9258	-	0.9258	0.6396
Group 2	0.4678	0.4580	0.9258	0.6396
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9150	-	0.9150	0.6078
Group 2	0.2107	0.7043	0.9150	0.6078
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9240	-	0.9240	0.2306
Group 2	0.4391	0.4849	0.9240	0.2306

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM MODERATELY CAUTIOUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM Moderately Cautious Fund (the 'Sub-fund') aims to provide a total return, substantially by way of income though with some capital appreciation. There may be a moderate risk to capital. The Sub-fund invests predominantly in a range of collective investment vehicles and securities managed by selected fund managers. While income-generating assets are likely to represent a significant part of the portfolio, the portfolio may also include assets with scope for capital growth in real terms. The Sub-fund may use different asset classes, with a substantial proportion in fixed interest.

Investment may also be made in warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

IA Mixed Investment 0-35% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

There is no guarantee that a positive return will be delivered.

7IM MODERATELY CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 4.59%¹. Over the same period the peer group average return for the IA Mixed Investment 0-35% Shares Sector, which is the fund benchmark, was 6.19%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing Sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹Calculated using 7IM Moderately Cautious C Acc. shares published prices. Source: NTRS

²Source: FE Trustnet

7IM MODERATELY CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P 500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so we bought a holding in the Babson Capital U.S. High Yield Bond fund where we have a high opinion of the management team. We also added to the loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and also trimmed UK corporate bond exposure where spreads had come in and it was difficult to see any further value.

We invested in a 30 year inflation protection certificate which benefits when long term inflation expectations rise in the US but does not expose the fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve and in the Zebra Global Equity Beta Neutral fund.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape traditional safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

In June the main issue dominating markets was the forthcoming EU Referendum and market volatility around this and a poor set of US payrolls led us to reduce risk in European equities and buy US Treasuries. As the referendum date grew closer, Remain seemed the more likely outcome, which led us remove some of the US dollars we had bought as a hedge. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave, we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

7IM MODERATELY CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and selling a future on the MSCI All Countries Asia ex Japan Index as we had become less confident about prospects and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials Index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP

Investment Manager

December 2016

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION

The Comparative Tables on pages 56 to 64 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	133.11	136.26	130.66
Return before operating charges*	6.87	1.24	10.70
Operating charges (calculated on average price)	(2.38)	(2.42)	(2.38)
Return after operating charges*	4.49	(1.18)	8.32
Distributions on income shares	(2.55)	(1.97)	(2.72)
Closing net asset value per share	135.05	133.11	136.26
* After direct transaction costs of ¹ :	0.03	0.02	0.06
Performance			
Return after charges ²	3.38%	(0.86)%	6.38%
Other Information			
Closing net asset value (£'000)	66	67	70
Closing number of shares	48,565	49,541	51,454
Operating charges ³	1.79%	1.76%	1.81%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	139.22	144.82	137.94
Lowest share price	123.59	130.44	129.36

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	167.91	168.21	158.10
Return before operating charges*	10.12	2.70	13.03
Operating charges (calculated on average price)	(3.03)	(3.00)	(2.92)
Return after operating charges*	7.09	(0.30)	10.11
Distributions	(3.25)	(3.70)	(3.26)
Retained distributions on accumulation shares	3.25	3.70	3.26
Closing net asset value per share	175.00	167.91	168.21
* After direct transaction costs of ¹ :	0.04	0.03	0.07
Performance			
Return after charges ²	4.22%	(0.18)%	6.39%
Other Information			
Closing net asset value (£'000)	2,510	3,776	4,706
Closing number of shares	1,434,139	2,249,101	2,797,652
Operating charges ³	1.79%	1.76%	1.81%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	178.62	178.78	168.34
Lowest share price	157.10	162.75	156.54

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	172.48	172.45	161.76
Return before operating charges*	10.32	2.67	13.27
Operating charges (calculated on average price)	(2.68)	(2.64)	(2.58)
Return after operating charges*	7.64	0.03	10.69
Distributions	(3.26)	(3.71)	(3.34)
Retained distributions on accumulation shares	3.26	3.71	3.34
Closing net asset value per share	180.12	172.48	172.45
* After direct transaction costs of ¹ :	0.05	0.03	0.08
Performance			
Return after charges ²	4.43%	0.02%	6.61%
Other Information			
Closing net asset value (£'000)	58,829	69,881	81,864
Closing number of shares	32,660,217	40,515,235	47,470,815
Operating charges ³	1.54%	1.51%	1.56%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	183.81	183.41	172.58
Lowest share price	161.44	167.13	160.17

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	140.89	143.56	137.07
Return before operating charges*	8.29	2.20	11.13
Operating charges (calculated on average price)	(1.83)	(1.82)	(1.83)
Return after operating charges*	6.46	0.38	9.30
Distributions on income shares	(2.63)	(3.05)	(2.81)
Closing net asset value per share	144.72	140.89	143.56
* After direct transaction costs of ¹ :	0.04	0.02	0.06
Performance			
Return after charges ²	4.58%	0.26%	6.78%
Other Information			
Closing net asset value (£'000)	76,948	85,980	10,689
Closing number of shares	53,171,094	61,026,025	7,445,560
Operating charges ³	1.29%	1.26%	1.31%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	149.07	152.80	145.27
Lowest share price	131.92	137.91	135.72

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	177.00	176.61	165.33
Return before operating charges*	10.52	2.65	13.50
Operating charges (calculated on average price)	(2.31)	(2.26)	(2.22)
Return after operating charges*	8.21	0.39	11.28
Distributions	(3.34)	(3.77)	(3.41)
Retained distributions on accumulation shares	3.34	3.77	3.41
Closing net asset value per share	185.21	177.00	176.61
* After direct transaction costs of ¹ :	0.05	0.03	0.08
Performance			
Return after charges ²	4.64%	0.22%	6.82%
Other Information			
Closing net asset value (£'000)	146,498	141,251	91,653
Closing number of shares	79,096,648	79,802,720	51,894,856
Operating charges ³	1.29%	1.26%	1.31%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	188.97	187.98	176.74
Lowest share price	165.74	171.30	163.71

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	134.29	137.47	131.79
Return before operating charges*	7.94	2.26	10.80
Operating charges (calculated on average price)	(2.40)	(2.44)	(2.42)
Return after operating charges*	5.54	(0.18)	8.38
Distributions on income shares	(2.55)	(3.00)	(2.70)
Closing net asset value per share	137.28	134.29	137.47
* After direct transaction costs of ¹ :	0.03	0.02	0.06
Performance			
Return after charges ²	4.12%	(0.13)%	6.36%
Other Information			
Closing net asset value (£'000)	648	1,865	3,861
Closing number of shares	471,894	1,388,999	2,808,408
Operating charges ³	1.79%	1.76%	1.81%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	141.51	146.11	139.12
Lowest share price	125.59	131.60	130.48

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	167.65	167.96	157.87
Return before operating charges*	10.09	2.69	13.00
Operating charges (calculated on average price)	(3.01)	(3.00)	(2.91)
Return after operating charges*	7.08	(0.31)	10.09
Distributions	(3.25)	(3.69)	(3.25)
Retained distributions on accumulation shares	3.25	3.69	3.25
Closing net asset value per share	174.73	167.65	167.96
* After direct transaction costs of ¹ :	0.04	0.03	0.07
Performance			
Return after charges ²	4.22%	(0.18)%	6.39%
Other Information			
Closing net asset value (£'000)	12,137	21,812	38,510
Closing number of shares	6,946,470	13,010,545	22,928,317
Operating charges ³	1.79%	1.76%	1.81%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	178.34	178.51	168.09
Lowest share price	156.86	162.51	156.31

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	102.72	104.45	100.00
Return before operating charges*	6.00	1.56	6.74
Operating charges (calculated on average price)	(1.08)	(1.07)	(0.82)
Return after operating charges*	4.92	0.49	5.92
Distributions on income shares	(1.92)	(2.22)	(1.47)
Closing net asset value per share	105.72	102.72	104.45
* After direct transaction costs of ² :	0.03	0.02	0.05
Performance			
Return after charges ³	4.79%	0.47%	5.92%
Other Information			
Closing net asset value (£'000)	1,679	1,841	1,395
Closing number of shares	1,588,333	1,791,993	1,335,277
Operating charges ⁴	1.04%	1.01%	1.06%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	108.88	111.26	105.65
Lowest share price	96.22	100.51	99.51

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	106.38	105.93	100.00
Return before operating charges*	6.28	1.54	6.76
Operating charges (calculated on average price)	(1.12)	(1.09)	(0.83)
Return after operating charges*	5.16	0.45	5.93
Distributions	(2.00)	(2.26)	(1.48)
Retained distributions on accumulation shares	2.00	2.26	1.48
Closing net asset value per share	111.54	106.38	105.93
* After direct transaction costs of ² :	0.03	0.02	0.05
Performance			
Return after charges ³	4.85%	0.42%	5.93%
Other Information			
Closing net asset value (£'000)	31,587	35,174	37,182
Closing number of shares	28,318,980	33,064,732	35,099,350
Operating charges ⁴	1.04%	1.01%	1.06%
Direct transaction costs	0.03%	0.02%	0.05%
Prices			
Highest share price	113.78	112.84	106.01
Lowest share price	99.65	102.76	99.50

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 65.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.09%	0.09%	0.09%	0.09%	0.09%
	1.49%	1.24%	0.99%	1.49%	0.74%
Collective investment scheme costs	0.30%	0.30%	0.30%	0.30%	0.30%
Ongoing Charges Figure	1.79%	1.54%	1.29%	1.79%	1.04%

As at 30 November 2015

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.05%	0.05%	0.05%	0.05%	0.05%
	1.45%	1.20%	0.95%	1.45%	0.70%
Collective investment scheme costs	0.31%	0.31%	0.31%	0.31%	0.31%
Ongoing Charges Figure	1.76%	1.51%	1.26%	1.76%	1.01%

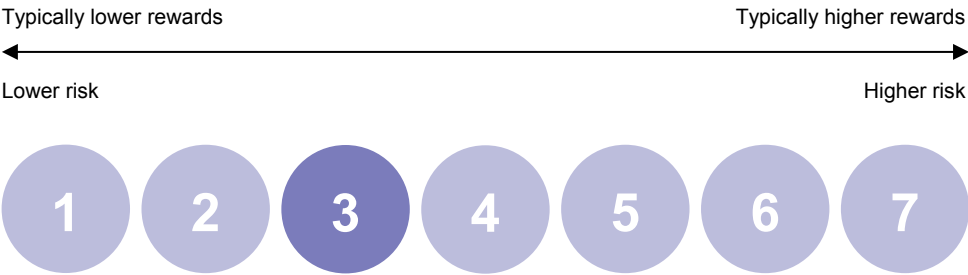
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

7IM MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 4.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM Moderately Cautious Fund	4.59	12.05	30.12
IA Mixed Investment 0-35% Shares Sector ¹	6.19	12.38	25.92

¹ Source: FE Trustnet

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 93 to 94.

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 19.25% (21.35%)		
	UK Equity 5.01% (4.33%)		
35,626	Aberdeen Asset Management	95,406	0.04
813	Admiral Group	15,561	-
776	Aggreko	6,208	-
3,232	AstraZeneca	137,004	0.04
3,729	Auto Trader Group	14,875	-
59,577	Aviva	267,977	0.08
12,746	Barratt Developments	59,842	0.02
476	Berkeley Group Holdings	11,871	-
73,082	BP	333,144	0.10
2,833	British American Tobacco	127,981	0.04
3,517	British Land	21,049	0.01
1,009	Capita	5,297	-
5,945	Carnival	246,301	0.07
68,852	Centrica	146,173	0.05
477	Diageo	9,714	-
4,992	Direct Line Insurance Group	17,627	0.01
6,192	easyJet	61,177	0.02
14,070	Experian	213,020	0.06
860	Fresnillo	10,552	-
34	FTSE 100 Index Futures Dec 2016 ¹	48,790	0.01
6,851	GlaxoSmithKline	103,450	0.03
50,780	Glencore	139,772	0.04
536	Hikma Pharmaceuticals	9,208	-
43,781	HSBC Holdings	277,703	0.08
778	IMI	7,515	-
4,631	Imperial Tobacco Group	162,571	0.05
318	InterContinental Hotels Group	10,539	-
1,030	Intertek Group	34,454	0.01
3,469	Intu Properties	9,463	-
13,815	Investec	72,252	0.02
13,295	ITV	22,322	0.01
36,305	J Sainsbury	84,409	0.03
2,891	Johnson Matthey	91,269	0.03
1,289,677	Jupiter UK Growth Income Fund 'I' Acc ²	4,129,416	1.25
2,867	Land Securities	28,097	0.01
77,629	Legal & General Group	183,360	0.06
85	LIFFE FTSE 100 Index Futures Dec 2016 ¹	(23,715)	(0.01)
237,765	Lloyds Banking Group	138,546	0.05
3,426,461	Majedie UK Focus ²	6,012,068	1.82
1,985	Marks & Spencer	6,576	-
2,810	Meggitt	13,364	-
11,189	National Grid	104,270	0.03
41,198	Old Mutual	78,194	0.02
12,591	Persimmon	215,810	0.07
16,836	Petrofac	134,099	0.04
1,410	Randgold Resources	81,992	0.03
4,558	Reckitt Benckiser Group	312,633	0.09
2,309	RELX	32,164	0.01

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
UK Equity (continued)			
4,662	Rio Tinto	139,580	0.04
13,515	Royal Bank of Scotland Group	25,827	0.01
7,223	Royal Dutch Shell 'A'	146,121	0.04
14,667	Royal Dutch Shell 'B'	310,134	0.09
23,542	Royal Mail	110,930	0.03
3,740	RSA Insurance Group	20,420	0.01
13,944	Sage Group (The)	93,355	0.03
7,833	Shire	375,984	0.11
14,704	Smith & Nephew	167,184	0.05
3,810	SSE	56,960	0.03
7,685	Tate & Lyle	53,065	0.02
30,195	Tesco	63,545	0.02
1,736	Unilever	56,633	0.02
155,332	Vodafone Group	306,315	0.09
5,575	Weir Group (The)	98,455	0.03
3,349	William Hill	10,074	-
98,708	WM Morrison Supermarkets	218,836	0.07
5,324	Worldpay	14,471	-
		16,589,259	5.01
North American Equity 5.09% (2.73%)			
555	Abbott Laboratories	17,254	0.01
175	Adobe Systems	14,750	-
2,402	Aetna	254,687	0.08
476	Agilent Technologies	16,999	0.01
258	AGNC Investment	3,937	-
12	Alleghany	5,483	-
279	Allstate	15,606	-
233	Alphabet 'C'	144,238	0.04
1,620	American International Group	82,327	0.03
149	AmerisourceBergen	9,284	-
3,735	Amgen	437,900	0.13
459	Annaly Capital Management	3,819	-
203	Anthem	23,684	0.01
431	Apple	38,576	0.01
830	Applied Materials	21,443	0.01
442	Archer-Daniels-Midland	15,178	-
71	Axis Capital Holdings	3,528	-
4,658	Baker Hughes	226,241	0.07
371	Baxter International	13,333	-
111	Biogen	26,989	0.01
459	Boeing	55,897	0.02
109	Bunge	5,874	-
651	Cadence Design Systems	13,901	-
6,289	Capital One Financial	417,230	0.13
257	Cardinal Health	14,650	-
276	Carnival	11,794	-
439	Caterpillar	33,154	0.01
134	Church & Dwight	4,828	-

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
195	Cigna	21,680	0.01
17,862	Cisco Systems	427,902	0.13
11,077	Citigroup	493,893	0.15
5,061	Citrix Systems	357,424	0.11
217	Coach	6,518	-
644	Colgate-Palmolive	34,408	0.01
8,583	Comcast 'A'	483,397	0.15
316	ConAgra Foods	9,575	-
74	Continental Resources	2,807	-
55	CR Bard	9,536	-
1,031	Cummins	114,452	0.03
469	Danaher	29,812	0.01
150	Delta Air Lines	5,853	-
177	Dentsply Sirona	8,596	-
309	Discover Financial Services	16,785	0.01
16,039	eBay	367,228	0.11
156	Edwards Lifesciences	10,511	-
769	EI du Pont de Nemours	43,977	0.01
754	Eli Lilly & Company	40,661	0.02
43	E-Mini S&P 500 Futures Dec 2016 ¹	38,062	0.01
129	E-Mini S&P Select Financial Sector Futures Mar 2017 ¹	285,153	0.09
285	EOG Resources	21,158	0.01
173	Estee Lauder	10,922	-
1,860	Exxon Mobil	128,312	0.04
361	Flextronics International	4,212	-
5,709	FMC Technologies	151,253	0.05
2,805	Ford Motor	26,852	0.01
19,709	General Electric	491,459	0.15
6,959	Gilead Sciences	418,479	0.13
84	Helmerich & Payne	4,558	-
251	Illinois Tool Works	25,322	0.01
2,105	Intel	59,657	0.03
1,979	JM Smucker	202,286	0.06
1,407	Johnson & Johnson	127,107	0.04
480	JPMorgan Chase	30,422	0.01
272	Juniper Networks	5,848	-
271	Kimberly-Clark	25,357	0.01
463	Kinder Morgan	7,953	-
121	KLA-Tencor	7,936	-
34,706	KLS Zebra Global Equity Beta Neutral Fund ²	3,496,177	1.06
105	Lamb Weston	2,799	-
184	Las Vegas Sands	9,184	-
1,752	Linear Technology	88,036	0.04
6,880	Lowe's Cos	390,854	0.12
271	LyondellBasell Industries	18,218	0.01
131	Macy's	4,467	-
259	Masco	6,700	-
272	Mattel	6,892	-
214	Maxim Integrated Products	6,831	-

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
665	McDonald's	64,439	0.02
177	McKesson	20,078	0.01
252	Mead Johnson Nutrition	14,674	-
4,239	Merck & Co	211,712	0.06
6,380	Michael Kors Holdings	244,451	0.07
121	Molson Coors Brewing	9,721	-
1,187	Mondelez International	40,857	0.01
4,651	Monsanto	382,367	0.12
932	Morgan Stanley	30,396	0.01
252	Mosaic	5,474	-
2,889	Motorola Solutions	188,138	0.06
5,119	NetApp	150,092	0.05
393	Newmont Mining	10,586	-
8,580	News Corp	79,447	0.02
250	NiSource	4,491	-
263	Nucor	13,019	-
405	NVIDIA	30,329	0.01
4,990	Occidental Petroleum	270,779	0.08
9,773	OGE Energy	253,194	0.08
11,421	Oracle	372,017	0.11
822	Paypal	26,326	0.01
77	PepsiCo	6,341	-
4,680	Pfizer	119,969	0.04
1,166	Philip Morris International	84,837	0.03
4,873	PNC Financial Services Group	427,620	0.13
797	Procter & Gamble	53,054	0.02
322	Prudential Financial	25,800	0.01
1,109	Qualcomm	59,458	0.02
949	Regions Financial	10,045	-
32	RenaissanceRe	3,368	-
67	Russell 2000 Mini Futures Dec 2016 ¹	427,899	0.13
(125)	S&P 500 Index Put Options 1525 2017 ¹	(64,247)	(0.02)
125	S&P 500 Index Put Options 2050 2017 ¹	529,031	0.16
1,040	Schlumberger	66,733	0.02
1,546	Sirius XM	5,711	-
9,035	Southwest Airlines	342,767	0.10
375	SunTrust Banks	15,401	-
289	Symantec	5,642	-
118	Synopsys	5,797	-
6,142	Target	386,711	0.12
1,069	Texas Instruments	63,872	0.03
325	TJX Companies (The)	20,567	0.01
222	T-Mobile	9,873	-
50	Travelers	4,566	-
320	Twenty-First Century Fox	7,286	-
5,452	Tyson Foods	258,195	0.08
570	UGI	21,212	0.01
68	United Rentals	5,259	-
157	United Technologies	13,727	-

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
203	Valero Energy	10,395	-
260	Ventas	12,747	-
48,674	Vereit	333,041	0.10
4,423	Verizon Communications	181,012	0.05
158	Viacom	4,688	-
160	Voya Financial	4,861	-
7,306	Wal-Mart Stores	418,751	0.13
107	Westar Energy	4,906	-
682	Xerox	5,176	-
196	Xilinx	8,500	-
		16,843,223	5.09
European Equity 4.86% (8.15%)			
2,809	ABB	45,995	0.02
110	Actelion	17,716	0.01
176	Adecco Group	8,719	-
1,915	Aegon	7,746	-
77	Aena	8,325	-
178	AerCap	6,207	-
207	Ageas	6,210	-
842	Amadeus IT Holding	30,647	0.02
867	Anheuser-Busch InBev	73,995	0.02
5	AP Moeller - Maersk 'A'	5,160	-
81	AP Moeller - Maersk 'B'	87,871	0.03
9,933	ArcelorMittal	60,146	0.02
978	ASML Holding	81,428	0.02
984	BASF	67,474	0.03
382	Bayer	28,980	0.01
1,188	BNP Paribas	55,287	0.02
313	Cie Financiere Richemont	16,324	-
195	Cie Generale des Etablissements Michelin	16,931	0.01
7,348	Coca-Cola HBC	124,843	0.04
128	Coloplast	6,597	-
1,106	Commerzbank	6,038	-
525	Compagnie De St-Gobain	18,373	0.01
4,895	Danske Bank	115,993	0.04
4,057	Deutsche Lufthansa	42,041	0.01
538	Deutsche Telekom	6,863	-
1,025	DNB	12,140	-
10,577	E.ON	56,602	0.02
351	Eaton	18,517	0.01
342	Endesa	5,734	-
2,729	Engie	27,393	0.02
20,971	Eni	233,094	0.07
50,783	Ericsson 'B'	209,928	0.06
116	Essilor International	9,933	-
(601)	EURO STOXX 50 Equity Index Futures Dec 2016 ¹	(324,882)	(0.10)
863	EURO STOXX 50 Index Dividend Futures Dec 2017 ¹	361,555	0.12
1,055	EURO STOXX 50 Index Dividend Futures Dec 2018 ¹	730,643	0.22

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
521	Ferrovial	7,468	-
6,680	Fiat Chrysler Automobiles	41,351	0.01
2,188	Fraport AG Frankfurt Airport Services Worldwide	102,629	0.03
55	Genmab	7,844	-
857	HeidelbergCement	62,239	0.02
3,096,176	Henderson European Focus Fund 'I' Acc ²	5,563,828	1.68
111	Henkel	9,025	-
190	Henkel non-voting preference shares	17,707	0.01
10,372	Iberdrola	51,062	0.02
1,623	ING Group	17,596	0.01
487	Investor 'B'	13,267	-
358	Kone	12,709	-
1,633	Koninklijke Ahold Delhaize	26,193	0.01
199	Linde	27,249	0.01
176	Luxottica	7,393	-
1,638	Muenchener Rueckversicherungs	241,655	0.07
7,213	Nestle	393,312	0.12
361	NN Group	9,354	-
1,887	Nordea Bank	15,999	-
48,961	Norsk Hydro	185,665	0.06
2,387	Novartis	133,087	0.04
2,134	Novo Nordisk	57,925	0.02
347,132	Old Mutual European (Ex UK) Smaller Acc ²	5,166,580	1.56
2,299	Orange	27,205	0.02
85	Paddy Power Betfair	7,225	-
1,287	Pernod Ricard	108,751	0.03
16,000	Peugeot	190,221	0.06
164	Porsche Automobil	6,710	-
3,562	Renault	224,668	0.07
7,182	Repsol	77,188	0.03
751	Roche Holding	134,561	0.04
4,460	Safran	246,645	0.07
1,220	Sanofi	80,017	0.02
1,052	SAP	71,795	0.02
47	Schindler	6,714	-
3	Sika Signature Metals	11,722	-
1,360	Societe Generale	46,570	0.01
5,925	Stora Enso	46,176	0.01
707	Svenska Cellulosa 'B'	15,308	-
33	Swatch Group	7,780	-
203	Swedish Match	5,176	-
491	Swiss Life	109,580	0.03
123	Swiss Prime Site	8,118	-
372	Swiss Re	27,556	0.01
272	TE Connectivity	14,681	-
798	Telenor	9,588	-
136	UCB	7,111	-
567	UPM-Kymmene	10,428	-
257	Vestas Wind Systems	13,766	-

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
1,229	Vivendi	18,946	0.01
35	Volkswagen	3,877	-
198	Volkswagen non-voting preference shares	20,670	0.01
160	Zurich Insurance Group	33,771	0.01
		16,050,227	4.86
Japanese Equity 0.00% (3.78%)			
Far East Equity 0.00% (0.05%)			
(19)	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ¹	10,817	-
		10,817	-
Emerging Markets Equity 4.29% (2.31%)			
793,336	BlackRock Global Funds - Asian Growth Leaders ²	7,135,694	2.16
251,851	Goldman Sachs India Equity Portfolio I Acc ²	3,478,831	1.05
3,407,902	Lazard Emerging Markets ²	3,578,297	1.08
		14,192,822	4.29
BONDS 35.13% (38.58%)			
Global Corporate Bonds 5.76% (6.33%)			
78,850	Legg Mason Western Assets Macro Opportunities Bond USD Acc ²	7,337,237	2.22
49,068	PFS TwentyFour Dynamic Bond ²	5,329,696	1.61
604,709	PIMCO Global Investors Income Fund ²	6,395,771	1.93
		19,062,704	5.76
Gilts & Other Public Securities 4.34% (6.33%)			
£500,000	European Investment Bank 4.125% 2017	519,129	0.16
£750,000	European Investment Bank 4.25% 2021	865,860	0.26
£1,000,000	Kingdom of Belgium 1.125% 2018	1,012,340	0.31
£3,002,000	Kingdom of Belgium 5% 2018	3,186,623	0.96
£2,000,000	Reseau Ferre de France 5.5% 2021	2,401,672	0.73
£2,000,000	Tennessee Valley Authority 5.35% 2021	2,346,058	0.70
£2,000,000	Treasury 1.75% 2017	2,004,660	0.61
£1,900,000	Treasury 5% 2018	2,018,165	0.61
		14,354,507	4.34
Sterling Corporate Bonds 2.08% (5.78%)			
51,842	PFS TwentyFour Monument Bond ²	5,674,836	1.72
1,064,717	Royal London Duration Hedged Credit 'Z' Acc ²	1,195,677	0.36
		6,870,513	2.08
Global High Yield Bonds 8.10% (7.74%)			
134,667	Babson Capital US High Yield Bond ²	12,485,769	3.77
2,240,730	Blackstone GSO Loan Financing (Jersey)	1,858,356	0.56
6,602,431	Carador Income	3,658,591	1.11
1,699,576	CVC Credit Partners European Opportunities GBP	1,703,825	0.51
43,970	iShares \$ High Yield Corporate Bond UCITS ETF	3,596,486	1.09

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	Global High Yield Bonds (continued)		
1,974,139	M&G Global Floating Rate High Yield 'IH' Acc ²	2,083,901	0.63
224,540	Natixis Loomis Sayles High Income ²	1,419,153	0.43
		26,806,081	8.10
	Global Convertible Bonds 5.09% (1.90%)		
3,365,269	M&G Global Convertibles ²	5,988,159	1.81
2,750,000	M&G Global Floating Rate High Yield 'EH' Acc ²	2,916,650	0.88
70,250	NN (L) Global Convertible Opportunities Acc ²	7,936,144	2.40
		16,840,953	5.09
	Emerging Markets Bond 5.89% (0.00%)		
43,510	Babson Capital Emerging Markets Local Debt ²	3,095,192	0.94
336,670	iShares Emerging Markets Local Government Bond UCITS ETF	16,409,012	4.95
		19,504,204	5.89
	Global Inflation Linked Bonds 3.87% (9.74%)		
US\$12,251,000	US Treasury Notes 2.25% 2025	9,805,532	2.96
US\$3,970,000	US Treasury Notes 1.625% 2026	3,002,553	0.91
		12,808,085	3.87
	REAL ESTATE 1.86% (1.54%)		
31,407	Goldman Sachs US Real Estate Balanced Portfolio Fund ²	3,493,325	1.06
3,799,740	Premier Pan European Property Share ²	2,634,360	0.80
		6,127,685	1.86
	HEDGE FUNDS & OTHER STRATEGIES 7.13% (3.34%)		
5,900	13-Month EUR Dispersion Warrants 15/12/2017	5,044,519	1.53
379,620	iShares Physical Gold ETC ³	7,125,497	2.15
257,750	Neuberger Berman Global Bond Absolute Return ²	2,592,965	0.78
60,995	Source Physical Gold P-ETC ³	5,681,666	1.72
3,496,740	UK Mortgages	3,147,066	0.95
		23,591,713	7.13
	PRIVATE EQUITY 2.01% (0.00%)		
8,744,263	Fair Oaks Income	6,636,146	2.01
	CASH, MONEY MARKETS & SHORT TERM		
	STERLING BONDS 36.06% (35.93%)		
£520,000	Abbey National Treasury Services FRN 2017	520,179	0.16
£500,000	Asian Development Bank 1.5% 2017	505,834	0.15
£1,500,000	Bank Nederlandse Gemeenten 3.25% 2017	1,540,674	0.47
£1,930,000	Bank Nederlandse Gemeenten 5.75% 2019	2,139,772	0.65
US\$5,000,000	BNP Paribas Arbitrage 0% 2021	4,066,817	1.23
£650,000	Coventry Building Society FRN 2020	649,788	0.20
US\$12,500,000	Credit Suisse International 0% 2017	10,634,838	3.21
£130,000	Danske Bank FRN 2017	130,078	0.04
£1,400,000	Dexia Credit Local 1.875% 2017	1,411,516	0.43

7IM MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS (continued)			
£2,000,000	Export Development Canada 1.875% 2018	2,058,820	0.62
£100,000	FMS Wertmanagement 0.75% 2017	100,401	0.03
£240,000	GE Capital UK Funding 4.125% 2017	246,581	0.07
£1,800,000	GE Capital UK Funding FRN 2018	1,800,349	0.54
£20,000,000	Goldman Sachs Sterling Liquid Reserves ²	20,000,000	6.04
£702,000	ING Bank FRN 2017	701,672	0.21
£1,500,000	Inter-American Development 1.625% 2017	1,516,713	0.46
£2,500,000	Lloyds Bank 1.5% 2017	2,511,740	0.76
US\$12,500,000	Merrill Lynch FRN 2017	10,789,130	3.26
£160,000	National Bank of Australia 3.625% 2017	164,283	0.05
£500,000	Nederlandse Water 0.875% 2018	502,003	0.15
£2,000,000	Network Rail Infrastructure Finance 1% 2017	2,013,688	0.61
£2,000,000	Nordic Investment Bank 5.25% 2019	2,282,284	0.69
45,974,000	Northern Trust Global Sterling Fund ²	45,974,000	13.90
£100,000	NRW Bank 0.875% 2017	100,447	0.03
£2,000,000	Shell International Finance 2% 2019	2,067,752	0.62
£1,600,000	Svenska Handelsbanken 1.875% 2017	1,614,397	0.49
£2,000,000	Transport for London 1.25% 2017	2,014,680	0.61
£1,202,000	Yorkshire Building Society 4.75% 2018	1,268,949	0.38
		119,327,385	36.06
FORWARD CURRENCY CONTRACTS 0.15% (-0.34%)			
US\$(146,950,000)	Vs £119,217,118 Expiry 20.01.2017	1,382,820	0.41
¥(500,000,000)	Vs £3,705,952 Expiry 16.12.2016	158,811	0.04
€(19,500,000)	Vs £16,825,770 Expiry 17.02.2017	120,461	0.04
US\$20,200,000	Vs £(16,139,729) Expiry 20.01.2017	57,977	0.02
€5,900,000	Vs £(5,014,971) Expiry 06.12.2016	30,061	0.01
US\$(4,400,000)	Vs £3,542,881 Expiry 20.01.2017	14,668	-
¥500,000,000	Vs £(3,942,130) Expiry 16.12.2016	(394,989)	(0.12)
¥1,300,000,000	Vs £(10,038,695) Expiry 16.12.2016	(816,130)	(0.25)
		553,679	0.15
Portfolio of investment		336,170,003	101.59
Net other liabilities		(5,267,881)	(1.59)
Net assets		330,902,122	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Derivative contract.

² Collective investment scheme.

³ Structured product.

71M MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued) as at 30 November 2016

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	16.63	41.64
Non-rated debt securities	7.70	1.11
Other investments	77.26	57.65
Net other liabilities	(1.59)	(0.40)
	<hr/> 100.00	<hr/> 100.00

7IM MODERATELY CAUTIOUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£536,128,042

Major purchases	Cost £
Northern Trust Global Sterling Fund ¹	238,549,000
US Treasury Notes 2.25% 2025	24,831,124
Deutsche Global Liquidity Managed Sterling Fund ¹	20,000,000
Goldman Sachs Sterling Liquid Reserves ¹	20,000,000
iShares Emerging Markets Local Government Bond UCITS ETF	15,846,855
Babson Capital US High Yield Bond	10,933,085
Merrill Lynch FRN 2017	8,695,652
Credit Suisse International 0% 2017	8,592,246
US Treasury Notes 1.625% 2026	7,454,569
iShares Physical Gold ETC	7,007,597
Source Physical Gold P-ETC	6,931,202
BlackRock Global Funds - Asian Growth Leaders	6,875,196
NN (L) Global Convertible Opportunities Acc	6,437,006
13-Month EUR Dispersion Warrants 15/12/2017	5,011,098
BNP Paribas Arbitrage 0% 2021	3,459,848
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	3,459,848
KLS Zebra Global Equity Beta Neutral Fund	3,440,000
US Treasury Notes 2.50% 2026	3,368,067
iShares \$ High Yield Corporate Bond UCITS ETF	3,276,019
Babson Capital Emerging Markets Local Debt	3,263,008

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM MODERATELY CAUTIOUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)

£601,334,568

Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	226,618,000
Deutsche Global Liquidity Managed Sterling Fund ¹	20,000,000
Goldman Sachs Sterling Liquid Reserves ¹	20,000,000
US Treasury Notes 2.25% 2025	19,241,776
US Treasury Notes 0.25% 2020	13,103,688
US Treasury Notes 0.25% 2025	12,781,231
Invesco Sterling Bond Fund	9,392,154
Natixis Loomis Sayles High Income	8,316,793
Royal London Duration Hedged Credit 'Z' Acc	8,203,525
Artemis European Growth Income	8,051,763
GLG Japan CoreAlpha	7,583,903
Fidelity Reduced Duration UK Corporate Bond Fund	6,518,735
Robeco Financial Institutions Bonds Fund	5,171,757
Principal Global Investors Preferred Securities	5,142,532
US Treasury Notes 1.625% 2026	5,006,061
PFS TwentyFour Dynamic Bond	5,000,000
CF Morant Wright Nippon Yield	4,512,606
Merrill Lynch International	3,828,112
Swedbank Hypotek FRN 2018	3,828,085
International Bank for Reconstruction & Development 1.25% 2017	3,527,300

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM MODERATELY CAUTIOUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		11,487,104	(9,558,388)
Revenue	5	7,553,137	8,196,504	
Expenses	6	(3,555,696)	(3,521,730)	
Interest payable and similar charges	8	(25,692)	(12,067)	
Net revenue before taxation		3,971,749	4,662,707	
Taxation	7	(318,641)	(363,978)	
Net revenue after taxation for the year			3,653,108	4,298,729
Total return before distributions			15,140,212	(5,259,659)
Distributions	8		(6,413,841)	(7,004,905)
Change in net assets attributable to shareholders from investment activities			8,726,371	(12,264,564)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			361,646,660	269,929,598
Amounts received from predecessor fund ¹		-	113,447,473	
Amounts received on creation of shares		49,726,650	70,026,793	
Amounts paid on cancellation of shares		(93,925,137)	(85,330,683)	
			(44,198,487)	98,143,583
Stamp Duty Reserve Tax	2(h)		13,402	(13,402)
Change in net assets attributable to shareholders from investment activities			8,726,371	(12,264,564)
Retained distribution on accumulation shares			4,714,176	5,851,445
Closing net assets attributable to shareholders			330,902,122	361,646,660

¹ On 24 April 2015 the Threadneedle Managed Portfolio 4 Fund ceased investment activity and its net assets transferred to the 7IM Moderately Cautious Fund.

The notes on pages 81 to 92 are an integral part of these Financial Statements.

7IM MODERATELY CAUTIOUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		337,793,966	364,752,751
Current assets:			
Debtors	9	3,517,581	2,526,408
Cash and bank balances	10	3,599,138	2,791,624
Total assets		344,910,685	370,070,783
LIABILITIES			
Investment liabilities		(1,623,963)	(1,654,412)
Creditors:			
Cash and bank overdrafts	10	(4,872,903)	(4,136,029)
Distribution payable		(761,755)	(944,613)
Other creditors	11	(6,749,942)	(1,689,069)
Total liabilities		(14,008,563)	(8,424,123)
Net assets attributable to shareholders		330,902,122	361,646,660

The notes on pages 81 to 92 are an integral part of these Financial Statements.

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	37,251,084	(12,021,471)
Derivative contracts	(3,855,871)	1,219,594
Forward currency contracts	(22,031,985)	(982,572)
Transaction charges	(38,367)	(30,984)
AMC rebates from underlying investments	18,731	18,105
Currency gains	143,512	2,238,940
Net capital gains/(losses)	11,487,104	(9,558,388)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	3,266,897	3,027,617
Taxable dividends	945	32,293
UK property income distributions	7,082	809
Unfranked interest	4,233,203	5,003,463
AMC rebates from underlying investments	43,624	132,296
Bank interest	1,386	-
Stock lending revenue ¹	-	26
Total revenue	7,553,137	8,196,504

¹ Stock lending revenue is net of lending agent administration fees of £nil (2015: £11).

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	3,274,135	3,278,928
Other expenses	9,778	6,366
	<hr/> 3,283,913	<hr/> 3,285,294
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	47,521	53,450
Safe custody and other bank charges	32,834	46,503
Market risk fee	7,500	-
	<hr/> 87,855	<hr/> 99,953
Other expenses:		
Advisory fees	108,805	102,138
Audit fee	8,735	9,601
Dealing and exchange fees	41,664	8,501
Derivative pricing fees	-	(2,099)
FCA and other regulatory fee	388	105
Legal and professional fees	4,127	7,652
Printing, postage and distribution costs	14,209	10,585
Risk analysis fee	6,000	-
	<hr/> 183,928	<hr/> 136,483
Total expenses	<hr/> 3,555,696	<hr/> 3,521,730

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
<i>a) Analysis of charge for the year</i>		
Corporation tax at 20%	240,845	330,571
	240,845	330,571
Overseas tax	77,607	33,407
Irrecoverable CIS Income tax w/off	189	-
	318,641	363,978
Current tax charge (note 7b)	318,641	363,978
Total taxation	318,641	363,978
<i>b) Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	3,971,749	4,662,707
Corporation tax at 20%	794,350	932,541
Effects of:		
Irrecoverable CIS Income tax w/off	189	-
Non-taxable dividends	(605,750)	(605,524)
Overseas tax	77,607	33,407
AMC rebates taken to capital	3,746	3,554
Double taxation relief expensed	(2,583)	-
Tax effect on non-reporting offshore fund	51,082	-
	318,641	363,978
Total tax charge (note 7a)	318,641	363,978
<i>c) Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	3,059,789	4,067,124
Final	3,163,964	3,795,568
	<hr/>	<hr/>
	6,223,753	7,862,692
Add: Revenue deducted on cancellation of shares	396,172	476,895
Deduct: Revenue received on issue of shares	(206,084)	(1,334,682)
	<hr/>	<hr/>
Net distributions for the year	6,413,841	7,004,905
Interest payable and similar charges	25,692	12,067
	<hr/>	<hr/>
Total distribution	6,439,533	7,016,972

Details of the distributions per share are set out in the table on pages 93 to 94.

Distributions represented by:

Net revenue after taxation	3,653,108	4,298,729
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Allocations to capital:

Expenses, net of tax relief	3,382,940	2,708,474
Tax relief on capital expenses	(672,842)	-
Tax relief on Non Reporting Offshore Funds	51,082	-
	<hr/>	<hr/>
	6,414,288	7,007,203

Equalisation on conversions¹

	(481)	(2,158)
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Net movement in revenue account	34	(140)
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Net distributions for the year	<hr/>	<hr/>
	6,413,841	7,004,905

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	454,652	686,182
Sales awaiting settlement	1,676,315	-
Accrued revenue	910,606	1,508,911
Income tax recoverable	339,256	223,138
Withholding tax recoverable	53,728	3,102
AMC rebates from underlying investments	83,024	105,075
Total debtors	3,517,581	2,526,408

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	3,569,439	2,655,250
Cash held at clearing houses	29,699	136,374
Total cash and bank balances	3,599,138	2,791,624
Bank overdrafts	(3,297,193)	(2,183,651)
Cash in overdraft at clearing houses	(1,575,710)	(1,952,378)
Total cash and bank overdrafts	(4,872,903)	(4,136,029)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	962,366	790,373
Purchases awaiting settlement	5,051,137	191,034
Accrued expenses	296,422	344,790
Taxation payable	440,017	362,872
Total other creditors	6,749,942	1,689,069

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM ('the ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 79.

The Sub-fund has the following shareholdings in the 7IM Specialist Investment Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM European (ex UK) Equity Value Fund 'Z' Inc	-	1,371,026

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen	29.20% (2015: 25.68%)
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Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment scheme managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'B', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.40%
Class B	1.15%
Class C	0.90%
Class D	1.40%
Class S	0.65%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	49,541	10	-	(986)	48,565
Class A Accumulation	2,249,101	50,127	(243,150)	(621,939)	1,434,139
Class B Accumulation	40,515,235	1,713,837	(9,568,855)	-	32,660,217
Class C Income	61,026,025	3,969,242	(12,776,859)	952,686	53,171,094
Class C Accumulation	79,802,720	21,276,608	(25,752,837)	3,770,157	79,096,648
Class D Income	1,388,999	13,461	(253,235)	(677,331)	471,894
Class D Accumulation	13,010,545	749,000	(2,968,724)	(3,844,351)	6,946,470
Class S Income	1,791,993	145,073	(438,311)	89,578	1,588,333
Class S Accumulation	33,064,232	1,970,180	(6,988,397)	272,965	28,318,980

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Euro	296,187	7,423,046
Hong Kong dollar	6,111	4,068
Japanese yen	5,205	137,504
Swiss franc	57,879	39,446
US dollar	22,397,891	301,722
Pound sterling	6,061,899	21,002,400
	<hr/> 28,825,172	<hr/> 28,908,186
Floating rate liabilities:		
Danish krone	(1)	-
Euro	(287,983)	(6,959)
Hong Kong dollar	(6,111)	(276,802)
Japanese yen	(5,206)	(1,130)
Swiss franc	(13,426)	(2,487)
US dollar	(795,501)	(165,796)
Pound sterling	(3,764,675)	(3,682,855)
	<hr/> (4,872,903)	<hr/> (4,136,029)
Fixed rate assets:		
Euro	-	3,743,928
US dollar	16,874,902	24,144,293
Pound sterling	38,415,040	68,135,487
	<hr/> 55,289,942	<hr/> 96,023,708
Assets on which interest is not paid:		
Danish krone	299,086	827,595
Euro	10,410,523	15,895,021
Japanese yen	9,222,566	4,735,150
Norwegian krone	210,645	522,040
Swedish krona	261,722	428,985
Swiss franc	979,978	2,267,092
US dollar	109,310,537	55,135,647
Pound sterling	247,018,464	165,238,960
	<hr/> 377,713,521	<hr/> 245,050,490

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(11,660,278)	-
Hong Kong dollar	-	(229,224)
US dollar	(105,164,805)	-
Pound sterling	(9,228,527)	(3,970,471)
	(126,053,610)	(4,199,695)
Net assets	330,902,122	361,646,660

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
Euro	-	1.84	-	11
US dollar	1.67	0.20	8	7
Pound sterling	0.55	1.11	2	2

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Danish krone	299,085	-	299,085
Euro	10,418,727	(11,660,278)	(1,241,551)
Hong Kong dollar	-	-	-
Japanese yen	-	9,222,565	9,222,565
Norwegian krone	210,645	-	210,645
Swedish krona	261,722	-	261,722
Swiss franc	1,024,431	-	1,024,431
US dollar	147,787,829	(105,164,805)	42,623,024
	160,002,439	(107,602,518)	52,399,921
Pound sterling	170,346,004	108,156,197	278,502,201
Net assets	330,348,443	553,679	330,902,122

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk (continued)

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Danish krone	828,987	-	828,987
Euro	44,157,889	(17,162,139)	26,995,750
Hong Kong dollar	(501,958)	-	(501,958)
Japanese yen	6,918,797	(2,058,951)	4,859,846
Norwegian krone	522,206	-	522,206
Swedish krona	429,863	-	429,863
Swiss franc	2,310,435	-	2,310,435
US dollar	124,763,571	(46,676,568)	78,087,003
	179,429,790	(65,897,658)	113,532,132
Pound sterling	183,453,582	64,660,946	248,114,528
Net assets	362,883,372	(1,236,712)	361,646,660

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	103,191,365	(412,843)
Level 2	234,602,601	(1,211,120)
Level 3	-	-
Total	337,793,966	(1,623,963)

	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	103,365,629	(229,224)
Level 2	261,387,122	(1,425,188)
Level 3	-	-
Total	364,752,751	(1,654,412)

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.

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 55.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	63,138	-	-	-	-	-
Collective Investment						
Schemes	386,173	-	-	-	-	-
Derivatives	9,445	-	-	-	-	-
Equities	77,302	11	59	70	0.01	0.08
Total	536,058	11	59	70	0.01	0.08
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	120,693	-	-	-	-	-
Collective Investment						
Schemes	389,781	-	-	-	-	-
Derivatives	3,636	-	-	-	-	-
Equities	87,245	(19)	(1)	(20)	0.02	-
Total	601,355	(19)	(1)	(20)	0.02	-
Total as a percentage of the average NAV		0.01%	0.02%	0.03 %		

7IM MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	75,599	-	-	-	-	-
Collective Investment						
Schemes	468,922	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	79,310	14	19	33	0.02	0.02
Total	623,831	14	19	33	0.02	0.02
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	16,095	-	-	-	-	-
Collective Investment						
Schemes	385,431	-	-	-	-	-
Derivatives	28	-	-	-	-	-
Equities	95,444	(22)	-	(22)	0.02	-
Total	496,998	(22)	-	(22)	0.02	-
Total as a percentage of the average NAV		0.01%	0.01%	0.02%		

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.25% (2015: 0.18%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: £nil).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM MODERATELY CAUTIOUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.2086	-	1.2086	0.5181
Group 2	1.2086	-	1.2086	0.5181
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.5348	-	1.5348	1.8727
Group 2	1.4095	0.1253	1.5348	1.8727
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.5351	-	1.5351	1.8894
Group 2	1.0703	0.4648	1.5351	1.8894
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.2488	-	1.2488	1.5740
Group 2	0.8010	0.4478	1.2488	1.5740
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.5797	-	1.5797	1.9367
Group 2	0.9685	0.6112	1.5797	1.9367
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1900	-	1.1900	1.5300
Group 2	0.9279	0.2621	1.1900	1.5300
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.5335	-	1.5335	1.8697
Group 2	0.9373	0.5962	1.5335	1.8697
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9118	-	0.9118	1.1461
Group 2	0.5667	0.3451	0.9118	1.1461
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9425	-	0.9425	1.1619
Group 2	0.4832	0.4593	0.9425	1.1619

7IM MODERATELY CAUTIOUS FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.3441	-	1.3441	1.4577
Group 2	1.3441	-	1.3441	1.4577
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7248	-	1.7248	1.8296
Group 2	0.8215	0.9033	1.7248	1.8296
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7299	-	1.7299	1.8235
Group 2	0.8761	0.8538	1.7299	1.8235
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.3890	-	1.3890	1.4814
Group 2	0.7681	0.6209	1.3890	1.4814
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7608	-	1.7608	1.8392
Group 2	0.8270	0.9338	1.7608	1.8392
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.3665	-	1.3665	1.4795
Group 2	0.6649	0.7016	1.3665	1.4795
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7221	-	1.7221	1.8279
Group 2	0.8088	0.9133	1.7221	1.8279
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0141	-	1.0141	1.0771
Group 2	0.6778	0.3363	1.0141	1.0771
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0598	-	1.0598	1.1053
Group 2	0.5592	0.5006	1.0598	1.1053

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM BALANCED FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM Balanced Fund (the 'Sub-fund') aims to provide a balance of income and capital appreciation. There may be some risk to capital. The Sub-fund invests predominantly in a range of collective investment vehicles and securities managed by selected fund Investment Manager. The Sub-fund will comprise a mixture of income-generating assets and assets with scope for capital growth in real terms. The Sub-fund may use different asset classes, with investment primarily in equities and fixed interest with no long-term preponderance to either class.

Investment may also be made in warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that is permitted in the stated investment and borrowing powers of the Company.

The IA Mixed Investment 20-60% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM BALANCED FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 June 2016 to 30 November 2016, the portfolio delivered a total return of 7.04%¹. Over the same period, the peer group average return for the IA Mixed Investment 20-60% Shares Sector, which is the fund benchmark, was 7.48%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps, the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation has emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM Balanced C Acc. shares published prices. Source: NTRS.

² Source: FE Trustnet

7IM BALANCED FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P 500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so we bought a holding in the Babson Capital US High Yield Bond Fund where we have a high opinion of the management team. We also added to the loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and also trimmed UK corporate bond exposure where spreads had come in and it was difficult to see any further value.

We invested in a 30-year inflation protection certificate which benefits when long term inflation expectations rise in the US but does not expose the fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve and in the KLS Zebra Global Equity Beta Neutral Fund which seeks to perform in all equity market conditions.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape traditional, safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

In June, the main issue dominating markets was the forthcoming EU Referendum and market volatility around this and a poor set of US payrolls led us to reduce risk in European equities and buy US Treasuries. As the referendum date grew closer, Remain seemed the more likely outcome, which led us to remove some of the US dollars we had bought as a hedge. Right up to the close of the polling stations, the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave, we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

7IM BALANCED FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and selling a future on the MSCI All Countries Asia ex Japan Index as we had become less confident about prospects and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time, the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year. Once the result was known, we made some other changes cutting US Treasuries but added equity exposure through a US financials index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows.

Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the

7IM BALANCED FUND

ACD'S REPORT (continued) for the year ended 30 November 2016

Investment Manager's Report (continued)

mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM BALANCED FUND

FUND INFORMATION

The Comparative Tables on pages 101 to 109 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	160.54	162.74	153.35
Return before operating charges*	13.26	2.72	14.23
Operating charges (calculated on average price)	(2.89)	(2.91)	(2.87)
Return after operating charges*	10.37	(0.19)	11.36
Distributions on income shares	(1.81)	(2.01)	(1.97)
Closing net asset value per share	169.10	160.54	162.74
* After direct transaction costs of ¹ :	0.06	0.04	0.10
Performance			
Return after charges ²	6.46%	(0.12)%	7.41%
Other Information			
Closing net asset value (£'000)	24	136	187
Closing number of shares	13,952	84,945	114,650
Operating charges ³	1.84%	1.76%	1.86%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	173.80	176.94	164.19
Lowest share price	145.19	153.43	150.55

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	183.83	184.11	171.38
Return before operating charges*	15.39	3.03	15.99
Operating charges (calculated on average price)	(3.39)	(3.31)	(3.26)
Return after operating charges*	12.00	(0.28)	12.73
Distributions	(2.12)	(2.29)	(2.28)
Retained distributions on accumulation shares	2.12	2.29	2.28
Closing net asset value per share	195.83	183.83	184.11
* After direct transaction costs of ¹ :	0.07	0.05	0.11
Performance			
Return after charges ²	6.53%	(0.15)%	7.43%
Other Information			
Closing net asset value (£'000)	9,890	11,865	13,185
Closing number of shares	5,050,400	6,454,463	7,161,763
Operating charges ³	1.84%	1.76%	1.86%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	199.95	200.15	184.24
Lowest share price	166.26	174.70	168.24

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	189.08	188.90	175.48
Return before operating charges*	15.88	3.09	16.31
Operating charges (calculated on average price)	(3.03)	(2.91)	(2.89)
Return after operating charges*	12.85	0.18	13.42
Distributions	(2.37)	(2.54)	(2.43)
Retained distributions on accumulation shares	2.37	2.54	2.43
Closing net asset value per share	201.93	189.08	188.90
* After direct transaction costs of ¹ :	0.07	0.05	0.11
Performance			
Return after charges ²	6.80%	0.10%	7.65%
Other Information			
Closing net asset value (£'000)	112,453	127,073	137,258
Closing number of shares	55,689,540	67,206,449	72,663,173
Operating charges ³	1.59%	1.51%	1.61%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	206.13	205.54	189.03
Lowest share price	171.10	179.62	172.36

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	165.49	167.25	157.25
Return before operating charges*	13.82	2.80	14.51
Operating charges (calculated on average price)	(2.23)	(2.14)	(2.19)
Return after operating charges*	11.59	0.66	12.32
Distributions on income shares	(2.24)	(2.42)	(2.32)
Closing net asset value per share	174.84	165.49	167.25
* After direct transaction costs of ¹ :	0.06	0.04	0.10
Performance			
Return after charges ²	7.00%	0.39%	7.83%
Other Information			
Closing net asset value (£'000)	97,622	107,618	27,771
Closing number of shares	55,834,894	65,028,615	16,604,475
Operating charges ³	1.34%	1.26%	1.36%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	179.78	182.17	168.87
Lowest share price	149.82	158.18	154.52

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	194.44	193.77	179.65
Return before operating charges*	16.37	3.17	16.62
Operating charges (calculated on average price)	(2.63)	(2.50)	(2.50)
Return after operating charges*	13.74	0.67	14.12
Distributions	(2.65)	(2.81)	(2.66)
Retained distributions on accumulation shares	2.65	2.81	2.66
Closing net asset value per share	208.18	194.44	193.77
* After direct transaction costs of ¹ :	0.07	0.05	0.12
Performance			
Return after charges ²	7.07%	0.35%	7.86%
Other Information			
Closing net asset value (£'000)	465,086	422,397	324,653
Closing number of shares	223,404,762	217,233,443	167,544,439
Operating charges ³	1.34%	1.26%	1.36%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	212.46	211.03	193.90
Lowest share price	176.04	184.63	176.53

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	161.15	163.36	154.00
Return before operating charges*	13.38	2.74	14.33
Operating charges (calculated on average price)	(2.96)	(2.93)	(2.92)
Return after operating charges*	10.42	(0.19)	11.41
Distributions on income shares	(1.84)	(2.02)	(2.05)
Closing net asset value per share	169.73	161.15	163.36
* After direct transaction costs of ¹ :	0.06	0.04	0.10
Performance			
Return after charges ²	6.47%	(0.12)%	7.41%
Other Information			
Closing net asset value (£'000)	2,102	3,860	5,549
Closing number of shares	1,238,217	2,395,126	3,397,038
Operating charges ³	1.84%	1.76%	1.86%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	174.44	177.62	164.88
Lowest share price	145.74	154.01	151.18

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	183.96	184.25	171.51
Return before operating charges*	15.38	3.02	16.00
Operating charges (calculated on average price)	(3.38)	(3.31)	(3.26)
Return after operating charges*	12.00	(0.29)	12.74
Distributions	(2.11)	(2.28)	(2.29)
Retained distributions on accumulation shares	2.11	2.28	2.29
Closing net asset value per share	195.96	183.96	184.25
* After direct transaction costs of ¹ :	0.07	0.05	0.11
Performance			
Return after charges ²	6.52%	(0.16)%	7.43%
Other Information			
Closing net asset value (£'000)	19,364	36,213	61,914
Closing number of shares	9,881,581	19,685,808	33,603,258
Operating charges ³	1.84%	1.76%	1.86%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	200.09	200.30	184.38
Lowest share price	166.38	174.84	168.37

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	104.83	105.79	100.00
Return before operating charges*	8.76	1.77	7.84
Operating charges (calculated on average price)	(1.15)	(1.09)	(0.86)
Return after operating charges*	7.61	0.68	6.98
Distributions on income shares	(1.54)	(1.64)	(1.19)
Closing net asset value per share	110.90	104.83	105.79
* After direct transaction costs of ² :	0.04	0.03	0.06
Performance			
Return after charges ³	7.26%	0.64%	6.98%
Other Information			
Closing net asset value (£'000)	11,674	11,678	4,636
Closing number of shares	10,527,344	11,140,375	4,381,659
Operating charges ⁴	1.09%	1.01%	1.11%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	114.07	115.53	106.87
Lowest share price	94.95	100.21	98.83

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	107.62	107.00	100.00
Return before operating charges*	9.07	1.73	7.87
Operating charges (calculated on average price)	(1.18)	(1.11)	(0.87)
Return after operating charges*	7.89	0.62	7.00
Distributions	(1.59)	(1.66)	(1.19)
Retained distributions on accumulation shares	1.59	1.66	1.19
Closing net asset value per share	115.51	107.62	107.00
* After direct transaction costs of ² :	0.04	0.03	0.07
Performance			
Return after charges ³	7.33%	0.58%	7.00%
Other Information			
Closing net asset value (£'000)	76,685	87,321	92,897
Closing number of shares	66,386,884	81,138,385	86,822,026
Operating charges ⁴	1.09%	1.01%	1.11%
Direct transaction costs	0.04%	0.03%	0.06%
Prices			
Highest share price	117.86	116.62	107.07
Lowest share price	97.48	102.15	98.83

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 110.

7IM BALANCED FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.07%	0.07%	0.07%	0.07%	0.07%
	1.47%	1.22%	0.97%	1.47%	0.72%
Collective investment scheme costs	0.37%	0.37%	0.37%	0.37%	0.37%
Ongoing Charges Figure	1.84%	1.59%	1.34%	1.84%	1.09%

As at 30 November 2015

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.06%	0.06%	0.06%	0.06%	0.06%
	1.46%	1.21%	0.96%	1.46%	0.71%
Collective investment scheme costs	0.30%	0.30%	0.30%	0.30%	0.30%
Ongoing Charges Figure	1.76%	1.51%	1.26%	1.76%	1.01%

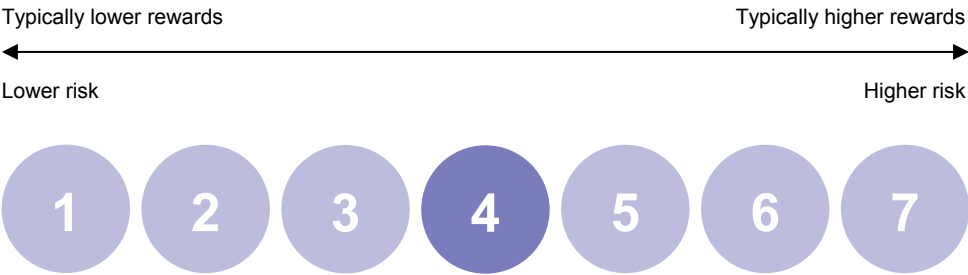
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

7IM BALANCED FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 4.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM Balanced Fund	7.04	15.98	42.90
IA Mixed Investment 20-60% Shares Sector ¹	7.48	15.16	36.99

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 138 to 139.

7IM BALANCED FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 37.11% (31.34%)		
	UK Equity 7.27% (3.40%)		
130,625	Aberdeen Asset Management	349,814	0.04
2,978	Admiral Group	56,999	0.01
2,844	Aggreko	22,752	-
11,848	AstraZeneca	502,237	0.06
13,670	Auto Trader Group	54,530	0.02
218,442	Aviva	982,552	0.12
46,737	Barratt Developments	219,430	0.03
1,743	Berkeley Group Holdings	43,470	0.02
267,961	BP	1,221,500	0.15
10,388	British American Tobacco	469,278	0.06
12,892	British Land	77,159	0.02
3,699	Capita	19,420	-
21,796	Carnival	903,008	0.11
252,451	Centrica	535,953	0.07
1,748	Diageo	35,598	-
18,301	Direct Line Insurance Group	64,621	0.02
22,706	easyJet	224,335	0.03
51,586	Experian	781,012	0.10
3,156	Fresnillo	38,724	-
336	FTSE 100 Index Futures Dec 2016 ¹	482,160	0.06
25,120	GlaxoSmithKline	379,312	0.05
186,190	Glencore	512,488	0.06
1,964	Hikma Pharmaceuticals	33,742	-
160,526	HSBC Holdings	1,018,216	0.13
2,850	IMI	27,531	-
16,980	Imperial Tobacco Group	596,083	0.07
1,166	InterContinental Hotels Group	38,641	-
3,774	Intertek Group	126,240	0.02
12,719	Intu Properties	34,697	-
50,651	Investec	264,905	0.03
48,746	ITV	81,845	0.01
133,113	J Sainsbury	309,488	0.04
10,602	Johnson Matthey	334,705	0.04
3,464,961	Jupiter UK Growth Income Fund 'I' Acc ²	11,094,458	1.40
10,510	Land Securities	102,998	0.01
284,632	Legal & General Group	672,301	0.08
266	LIFFE FTSE 100 Index Futures Dec 2016 ¹	(74,214)	(0.01)
871,782	Lloyds Banking Group	507,987	0.06
10,156,638	Majedie UK Focus ²	17,820,836	2.24
7,277	Marks & Spencer	24,109	0.01
10,302	Meggitt	48,996	0.01
41,023	National Grid	382,293	0.05
151,053	Old Mutual	286,699	0.04
435,024	Pershing Square Holdings	4,901,531	0.62
46,168	Persimmon	791,320	0.10
61,731	Petrofac	491,687	0.06
5,171	Randgold Resources	300,694	0.04
16,712	Reckitt Benckiser Group	1,146,276	0.14

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
UK Equity (continued)			
8,466	RELX	117,931	0.01
17,094	Rio Tinto	511,794	0.06
49,554	Royal Bank of Scotland Group	94,698	0.01
26,485	Royal Dutch Shell 'A'	535,792	0.07
53,778	Royal Dutch Shell 'B'	1,137,136	0.14
86,320	Royal Mail	406,740	0.05
13,710	RSA Insurance Group	74,857	0.01
51,125	Sage Group (The)	342,282	0.04
28,721	Shire	1,378,608	0.17
53,911	Smith & Nephew	612,968	0.08
13,969	SSE	208,837	0.03
28,175	Tate & Lyle	194,548	0.02
110,713	Tesco	232,996	0.03
7,736	Unilever	252,369	0.03
569,534	Vodafone Group	1,123,121	0.14
20,440	Weir Group (The)	360,970	0.05
12,277	William Hill	36,929	-
361,917	WM Morrison Supermarkets	802,370	0.10
19,520	Worldpay	53,055	0.01
		57,818,417	7.27
North American Equity 8.90% (4.87%)			
2,711	Abbott Laboratories	84,278	0.01
856	Adobe Systems	72,147	0.01
11,736	Aetna	1,244,382	0.16
2,328	Agilent Technologies	83,140	0.01
1,261	AGNC Investment	19,241	-
59	Alleghany	26,956	-
1,362	Allstate	76,183	0.01
1,142	Alphabet 'C'	706,954	0.09
7,912	American International Group	402,081	0.05
732	AmerisourceBergen	45,612	0.01
18,251	Amgen	2,139,788	0.27
2,247	Annaly Capital Management	18,695	-
992	Anthem	115,739	0.01
2,106	Apple	188,495	0.02
4,055	Applied Materials	104,762	0.01
2,156	Archer-Daniels-Midland	74,037	0.01
347	Axis Capital Holdings	17,241	-
22,764	Baker Hughes	1,105,659	0.14
1,810	Baxter International	65,048	0.01
544	Biogen	132,269	0.02
2,239	Boeing	272,665	0.03
529	Bunge	28,506	-
3,180	Cadence Design Systems	67,906	0.01
30,730	Capital One Financial	2,038,713	0.26
1,259	Cardinal Health	71,767	0.01
1,345	Carnival	57,475	0.02
2,145	Caterpillar	161,995	0.02

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
658	Church & Dwight	23,705	-
949	Cigna	105,509	0.01
87,278	Cisco Systems	2,090,831	0.26
54,124	Citigroup	2,413,238	0.30
24,726	Citrix Systems	1,746,229	0.22
1,063	Coach	31,928	-
3,149	Colgate-Palmolive	168,248	0.02
41,940	Comcast 'A'	2,362,072	0.30
1,544	ConAgra Foods	46,784	0.01
364	Continental Resources	13,806	-
268	CR Bard	46,465	0.01
5,041	Cummins	559,603	0.07
2,288	Danaher	145,435	0.02
735	Delta Air Lines	28,681	-
861	Dentsply Sirona	41,812	0.01
1,510	Discover Financial Services	82,024	0.01
78,375	eBay	1,794,468	0.23
761	Edwards Lifesciences	51,275	0.01
3,757	El du Pont de Nemours	214,854	0.03
3,684	Eli Lilly & Company	198,667	0.02
1	E-Mini S&P 500 Futures Dec 2016 ¹	2,833	-
308	E-Mini S&P Select Financial Sector Futures Mar 2017 ¹	680,830	0.10
1,393	EOG Resources	103,412	0.01
841	Estee Lauder	53,093	0.01
9,088	Exxon Mobil	626,935	0.08
1,768	Flextronics International	20,630	-
27,896	FMC Technologies	739,069	0.09
13,704	Ford Motor	131,185	0.02
96,309	General Electric	2,401,537	0.30
34,004	Gilead Sciences	2,044,828	0.26
411	Helmerich & Payne	22,303	-
1,227	Illinois Tool Works	123,784	0.02
10,289	Intel	291,599	0.04
9,672	JM Smucker	988,638	0.12
6,878	Johnson & Johnson	621,351	0.08
2,348	JPMorgan Chase	148,815	0.02
1,329	Juniper Networks	28,572	-
1,324	Kimberly-Clark	123,883	0.02
2,260	Kinder Morgan	38,822	-
592	KLAT-Tencor	38,828	-
82,721	KLS Zebra Global Equity Beta Neutral Fund ²	8,333,190	1.05
515	Lamb Weston	13,701	-
903	Las Vegas Sands	45,070	0.01
8,561	Linear Technology	430,181	0.05
33,618	Lowe's Cos	1,909,844	0.24
1,320	LyondellBasell Industries	88,739	0.01
643	Macy's	21,926	-
1,265	Masco	32,722	-
1,332	Mattel	33,749	-

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
1,043	Maxim Integrated Products	33,295	-
3,250	McDonald's	314,925	0.04
868	McKesson	98,462	0.01
1,232	Mead Johnson Nutrition	71,741	0.01
20,713	Merck & Co	1,034,486	0.13
31,179	Michael Kors Holdings	1,194,627	0.15
592	Molson Coors Brewing	47,562	0.01
5,801	Mondelez International	199,671	0.03
22,729	Monsanto	1,868,590	0.24
4,557	Morgan Stanley	148,619	0.02
1,235	Mosaic	26,828	-
14,116	Motorola Solutions	919,263	0.12
25,016	NetApp	733,484	0.09
1,923	Newmont Mining	51,797	0.02
41,920	News Corp	388,161	0.05
1,222	Nisource	21,953	-
1,289	Nucor	63,808	0.01
1,979	NVIDIA	148,203	0.02
24,383	Occidental Petroleum	1,323,128	0.17
47,756	OGE Energy	1,237,238	0.16
55,811	Oracle	1,817,936	0.23
4,013	Paypal	128,524	0.02
380	PepsiCo	31,295	-
22,870	Pfizer	586,260	0.07
5,697	Philip Morris International	414,510	0.05
23,811	PNC Financial Services Group	2,089,486	0.26
3,895	Procter & Gamble	259,281	0.03
1,573	Prudential Financial	126,035	0.02
5,418	Qualcomm	290,480	0.04
4,637	Regions Financial	49,081	0.01
158	RenaissanceRe	16,631	-
241	Russell 2000 Mini Futures Dec 2016 ¹	1,539,158	0.19
(243)	S&P 500 Index Put Options 1525 2017 ¹	(124,896)	(0.02)
243	S&P 500 Index Put Options 2050 2017 ¹	1,028,437	0.13
5,077	Schlumberger	325,773	0.05
7,554	Sirius XM	27,906	-
44,146	Southwest Airlines	1,674,797	0.21
1,830	SunTrust Banks	75,158	0.01
1,416	Symantec	27,645	-
580	Synopsys	28,492	-
30,010	Target	1,889,483	0.24
5,223	Texas Instruments	312,071	0.04
1,589	TJX Companies (The)	100,557	0.01
1,087	T-Mobile	48,344	0.01
245	Travelers	22,371	-
1,564	Twenty-First Century Fox	35,608	-
26,644	Tyson Foods	1,261,803	0.16
2,787	UGI	103,718	0.01
331	United Rentals	25,599	-

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
767	United Technologies	67,060	0.01
992	Valero Energy	50,795	0.01
1,272	Ventas	62,364	0.01
237,841	Vereit	1,627,373	0.20
21,611	Verizon Communications	884,433	0.11
771	Viacom	22,879	-
786	Voya Financial	23,879	-
35,697	Wal-Mart Stores	2,046,013	0.26
522	Westar Energy	23,933	-
3,335	Xerox	25,310	-
955	Xilinx	41,415	0.01
		70,740,275	8.90
European Equity 6.92% (10.97%)			
12,514	ABB	204,908	0.03
489	Actelion	78,754	0.01
787	Adecco Group	38,990	-
8,532	Aegon	34,512	-
343	Aena	37,084	-
794	AerCap	27,687	-
922	Ageas	27,662	-
3,747	Amadeus IT Holding	136,381	0.02
3,860	Anheuser-Busch InBev	329,437	0.04
18	AP Moeller - Maersk 'A'	18,575	-
361	AP Moeller - Maersk 'B'	391,623	0.05
44,251	ArcelorMittal	267,946	0.03
4,360	ASML Holding	363,015	0.05
4,385	BASF	300,685	0.04
1,706	Bayer	129,425	0.02
5,293	BNP Paribas	246,325	0.03
1,397	Cie Financiere Richemont	72,859	0.01
870	Cie Generale des Etablissements Michelin	75,538	0.01
26,940	Coca-Cola HBC	457,711	0.06
568	Coloplast	29,275	-
4,927	Commerzbank	26,897	-
2,339	Compagnie De St-Gobain	81,854	0.01
21,809	Danske Bank	516,790	0.07
18,076	Deutsche Lufthansa	187,315	0.02
2,399	Deutsche Telekom	30,603	-
4,564	DNB	54,055	0.01
47,117	E.ON	252,145	0.03
1,718	Eaton	90,632	0.01
1,524	Endesa	25,552	-
12,157	Engie	122,029	0.02
93,419	Eni	1,038,356	0.13
226,224	Ericsson 'B'	935,169	0.12
515	Essilor International	44,099	0.01
(1,419)	EURO STOXX 50 Equity Index Futures Dec 2016'	(773,226)	(0.10)
1,920	EURO STOXX 50 Index Dividend Futures Dec 2017'	804,387	0.10

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
2,374	EURO STOXX 50 Index Dividend Futures Dec 2018 ¹	1,644,120	0.21
856	EURO STOXX 50 Index Dividend Futures Dec 2019 ¹	241,521	0.03
2,322	Ferrovial	33,284	-
29,760	Fiat Chrysler Automobiles	184,221	0.02
9,745	Fraport AG Frankfurt Airport Services Worldwide	457,094	0.06
243	Genmab	34,655	-
3,820	HeidelbergCement	277,424	0.03
8,973,831	Henderson European Focus Fund 'I' Acc ²	16,125,975	2.03
495	Henkel	40,245	0.01
845	Henkel non-voting preference shares	78,750	0.01
46,205	Iberdrola	227,472	0.03
7,230	ING Group	78,384	0.01
2,172	Investor 'B'	59,171	0.01
1,595	Kone	56,622	0.01
7,272	Koninklijke Ahold Delhaize	116,642	0.01
888	Linde	121,593	0.02
783	Luxottica	32,891	-
296	MSCI China Free Index Futures Dec 2016 ¹	1,450,829	0.18
7,300	Muenchener Rueckversicherungs	1,076,975	0.14
32,136	Nestle	1,752,318	0.22
1,611	NN Group	41,742	0.01
8,406	Nordea Bank	71,268	0.01
218,107	Norsk Hydro	827,084	0.10
10,635	Novartis	592,953	0.07
9,505	Novo Nordisk	258,001	0.03
1,031,888	Old Mutual European (Ex UK) Smaller Acc ²	15,358,204	1.93
10,245	Orange	121,232	0.02
375	Paddy Power Betfair	31,875	-
5,733	Pernod Ricard	484,438	0.06
71,274	Peugeot	847,364	0.11
733	Porsche Automobil	29,988	-
15,870	Renault	1,000,978	0.13
31,994	Repsol	343,852	0.04
3,346	Roche Holding	599,521	0.08
19,871	Safran	1,098,898	0.14
5,433	Sanofi	356,336	0.04
4,687	SAP	319,871	0.04
213	Schindler	30,427	-
11	Sika Signature Metals	42,979	0.01
6,062	Societe Generale	207,580	0.03
26,397	Stora Enso	205,721	0.03
3,153	Svenska Cellulosa 'B'	68,269	0.01
147	Swatch Group	34,657	-
906	Swedish Match	23,100	-
2,185	Swiss Life	487,643	0.06
550	Swiss Prime Site	36,302	-
1,657	Swiss Re	122,744	0.02
1,328	TE Connectivity	71,679	0.01
3,552	Telenor	42,675	0.01

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
604	UCB	31,579	-
2,524	UPM-Kymmene	46,419	0.01
1,146	Vestas Wind Systems	61,384	0.01
5,475	Vivendi	84,401	0.01
154	Volkswagen	17,058	-
885	Volkswagen non-voting preference shares	92,390	0.01
713	Zurich Insurance Group	150,492	0.03
		55,036,339	6.92
Japanese Equity 3.32% (6.86%)			
1,164,614	CF Morant Wright Nippon Yield ²	4,473,515	0.57
13,187,329	GLG Japan CoreAlpha ²	21,890,966	2.75
		26,364,481	3.32
Emerging Markets Equity 6.70% (4.76%)			
2,175,659	BlackRock Global Funds - Asian Growth Leaders ²	19,569,049	2.46
783,423	Goldman Sachs India Equity Portfolio I Acc ²	10,821,460	1.36
15,609,619	Lazard Emerging Markets ²	16,390,100	2.06
687,590	Magna Emerging Markets Dividend ²	6,547,231	0.82
		53,327,840	6.70
Far East Equity 4.00% (0.00%)			
5,926,438	Hermes Asia Ex-Japan Equity 'F' ²	11,784,721	1.48
3,667,033	Invesco Perpetual Hong Kong & China ²	8,359,369	1.05
1,148,898	Mirae Asset Asia Great Consumer Equity 'I' ²	11,191,879	1.41
(772)	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ¹	439,504	0.06
		31,775,473	4.00
BONDS 26.40% (23.23%)			
Global Corporate Bonds 1.57% (3.58%)			
72,257	PFS TwentyFour Dynamic Bond ²	7,848,531	0.99
440,945	PIMCO Global Investors Income Fund ²	4,663,700	0.58
		12,512,231	1.57
Gilts & Other Public Securities 0.85% (2.04%)			
£1,202,000	European Investment Bank 4.125% 2017	1,247,986	0.16
£1,397,000	European Investment Bank 4.75% 2018	1,509,459	0.19
£1,200,000	Reseau Ferre de France 5.5% 2021	1,441,003	0.18
£2,500,000	Treasury 1.75% 2017	2,505,825	0.32
		6,704,273	0.85
Sterling Corporate Bonds 1.63% (4.32%)			
118,580	PFS TwentyFour Monument Bond ²	12,980,225	1.63
Global High Yield Bonds 9.34% (4.63%)			
273,129	Babson Capital US High Yield Bond ²	25,323,454	3.19
6,009,444	Blackstone GSO Loan Financing (Jersey)	4,983,951	0.63

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Global High Yield Bonds (continued)			
3,596,589	CVC Credit Partners European Opportunities GBP	3,605,580	0.45
248,130	iShares \$ High Yield Corporate Bond UCITS ETF	20,295,567	2.55
6,500,000	M&G Global Floating Rate High Yield 'EH' Acc ²	6,893,900	0.87
1,579,311	M&G Global Floating Rate High Yield 'IH' Acc ²	1,667,121	0.21
467,492	Natixis Loomis Sayles High Income ²	2,954,677	0.37
		74,221,982	9.34
Global Convertible Bonds 3.33% (2.82%)			
9,614,431	M&G Global Convertibles ²	17,107,919	2.15
57,963	NN (L) Global Convertible Opportunities Acc ²	6,548,023	0.82
111,700	SSgA SPDR Thomson Reuters Global Convertible Bond UCITS ETF	2,844,529	0.36
		26,500,471	3.33
Emerging Markets Bonds 7.28% (0.00%)			
173,938	Babson Capital Emerging Markets Local Debt ²	12,373,452	1.56
933,175	iShares Emerging Markets Local Government Bond UCITS ETF	45,482,164	5.72
		57,855,616	7.28
Global Inflation Linked Bonds 2.40% (6.32%)			
US\$5,872,000	US Treasury Notes 2.25% 2025	4,699,868	0.59
US\$19,000,000	US Treasury Notes 1.625% 2026	14,369,902	1.81
		19,069,770	2.40
PRIVATE EQUITY 3.43% (2.89%)			
63,330	DB x-trackers LPX MM® Private Equity UCITS ETF	2,473,670	0.31
52,472	HarbourVest Global Private Equity	579,291	0.07
89,843	NB Private Equity Partners	858,602	0.11
664,040	Pantheon International Participation	11,189,074	1.41
74,188	Partners Group Listed Private Equity ²	12,193,337	1.53
		27,293,974	3.43
REAL ESTATE 1.96% (2.00%)			
79,910	Goldman Sachs US Real Estate Balanced Portfolio Fund ²	8,888,188	1.12
9,672,066	Premier Pan European Property Share ²	6,705,643	0.84
		15,593,831	1.96
HEDGE FUNDS & OTHER STRATEGIES 5.42% (1.71%)			
7,270,085	Dexion Absolute EUR ³	-	-
890,524	iShares Physical Gold ETC ⁴	16,715,204	2.10
585,400	Neuberger Berman Global Bond Absolute Return ²	5,889,124	0.74
144,800	Source Physical Gold P-ETC ⁴	13,488,076	1.70
7,749,532	UK Mortgages	6,974,579	0.88
		43,066,983	5.42

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 25.77% (39.37%)			
£4,800,000	Abbey National Treasury Services FRN 2017	4,801,651	0.60
£3,000,000	Abbey National Treasury Services FRN 2018	3,002,367	0.38
£2,125,000	Bank Nederlandse Gemeenten 3.25% 2017	2,182,622	0.27
£4,810,000	Bank Nederlandse Gemeenten 5.75% 2019	5,332,799	0.67
£6,000,000	Bank of Montreal FRN 2018	6,002,040	0.76
£11,400,000	BNP Paribas Arbitrage 0% 2021	9,272,342	1.17
£1,500,000	Coventry Building Society FRN 2020	1,499,511	0.19
£28,200,000	Credit Suisse International 0% 2017	23,992,194	3.02
£310,000	Danske Bank FRN 2017	310,186	0.04
£3,700,000	Dexia Credit Local 1.875% 2017	3,730,436	0.47
£3,000,000	DNB Boligkreditt FRN 2020	2,994,516	0.38
£1,600,000	Export Development Canada 1.875% 2018	1,647,056	0.21
£400,000	FMS Wertmanagement 0.75% 2017	401,604	0.05
£4,800,000	FMS Wertmanagement 1.25% 2019	4,884,432	0.61
£550,000	GE Capital UK Funding 4.125% 2017	565,081	0.07
£3,898,000	GE Capital UK Funding 6.75% 2018	4,280,901	0.54
£702,000	ING Bank FRN 2017	701,672	0.09
£3,000,000	Inter-American Development 1.625% 2017	3,033,426	0.38
£8,000,000	International Bank for Reconstruction & Development 1.25% 2017	8,062,800	1.01
£2,000,000	Kommunalbanken 1.125% 2016	2,000,580	0.25
£8,000,000	Lloyds Bank FRN 2017	8,023,688	1.01
£28,250,000	Merrill Lynch FRN 2017	24,383,434	3.07
£370,000	National Bank of Australia 3.625% 2017	379,905	0.05
£2,000,000	Nederlandse Water 0.875% 2018	2,008,012	0.25
£2,550,000	Nederlandse Waterschapsbank 2% Senior Notes 2018	2,626,699	0.33
£3,000,000	Nestle Holdings 1.625% 2017	3,035,910	0.38
£2,800,000	Network Rail Infrastructure Finance 1% 2017	2,819,163	0.35
£2,000,000	Nordic Investment Bank 5.25% 2019	2,282,284	0.29
57,527,000	Northern Trust Global Sterling Fund ²	57,527,000	7.24
£200,000	NRW Bank 0.875% 2017	200,894	0.03
£3,000,000	Royal Bank of Canada FRN 2018	3,006,276	0.38
£5,000,000	Royal Bank of Canada FRN 2019	4,987,700	0.63
£1,600,000	Svenska Handelsbanken 1.875% 2017	1,614,397	0.20
£2,300,000	Transport for London 1.25% 2017	2,316,882	0.29
£800,000	Yorkshire Building Society 4.75% 2018	844,558	0.11
		204,755,018	25.77
FORWARD FX CURRENCY CONTRACTS 0.10% (0.11%)			
¥(4,100,000,000)	Vs £30,388,806 Expiry 16.12.16	1,302,253	0.16
US\$(290,900,000)	Vs £236,000,406 Expiry 20.01.17	2,737,410	0.34
US\$(13,000,000)	Vs £10,640,910 Expiry 20.01.17	216,644	0.03
US\$(51,000,000)	Vs £41,065,216 Expiry 20.01.17	170,019	0.02
€(62,650,000)	Vs £54,058,179 Expiry 17.02.17	387,018	0.05
¥1,170,000,000	Vs £(9,224,583) Expiry 16.12.16	(924,274)	(0.12)
¥5,000,000,000	Vs £(38,610,367) Expiry 16.12.16	(3,138,960)	(0.39)

7IM BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
FORWARD FX CURRENCY CONTRACT (continued)			
US\$26,000,000	Vs £(20,773,908) Expiry 20.01.17	74,624	0.01
		824,734	0.10
Portfolio of investment			
		796,441,933	100.19
	Net other liabilities	(1,542,332)	(0.19)
	Net assets	794,899,601	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Derivative contract

² Collective investment scheme

³ Delisted security

⁴ Structured product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	13.88	28.88
Non-rated debt securities	3.70	1.55
Other investments	82.61	70.00
Net other liabilities	(0.19)	(0.43)
	100.00	100.00

7IM BALANCED FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£1,082,978,080

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	434,252,000
iShares Emerging Markets Local Government Bond UCITS ETF	43,657,596
US Treasury Notes 2.25% 2025	23,819,495
Babson Capital US High Yield Bond	23,007,577
iShares \$ High Yield Corporate Bond UCITS ETF	20,829,538
US Treasury Notes 1.625% 2026	19,949,645
Merrill Lynch FRN 2017	19,652,174
Credit Suisse International 0% 2017	19,384,108
BlackRock Global Funds - Asian Growth Leaders	18,698,027
iShares Physical Gold ETC	16,500,994
Source Physical Gold P-ETC	15,528,237
Babson Capital Emerging Markets Local Debt	13,044,317
Hermes Asia Ex-Japan Equity 'F'	11,150,000
Mirae Asset Asia Great Consumer Equity 'I'	11,134,343
KLS Zebra Global Equity Beta Neutral Fund	8,200,000
Lloyds Bank FRN 2017	8,000,000
Invesco Perpetual Hong Kong & China	8,000,000
BNP Paribas Arbitrage 0% 2021	7,888,454
US Treasury Notes 1.625% 2026	7,888,454
Jupiter UK Growth Income Fund 'I' Acc	7,800,001

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM BALANCED FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)	£1,192,585,158
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	484,269,000
Goldman Sachs Sterling Liquid Reserves ¹	25,000,000
Artemis European Growth Income	23,837,581
US Treasury Notes 2.25% 2025	23,431,891
Merrill Lynch International & Company 2016	20,791,603
US Treasury Notes 0.125% 2025	20,297,505
US Treasury Notes 0.125% 2020	19,837,242
Robeco Financial Institutions Bonds	12,004,018
Invesco Sterling Bond	11,404,856
Fidelity Reduced Duration UK Corporate Bond	10,339,030
GE Capital UK Funding FRN 2016	9,750,000
Principal Global Investors Preferred Securities	9,276,363
Baillie Gifford Japanese	9,066,074
GLG Japan CoreAlpha	8,900,000
Toronto-Dominion Bank FRN 2018	7,761,956
Natixis Loomis Sayles High Income	7,446,765
Royal London Duration Hedged Credit 'Z' Acc	7,176,343
US Treasury Notes 1.625% 2026	7,005,433
US Treasury Notes 2.5% 2029	6,720,894
Asian Development Bank 1.5% 2017	6,489,600

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM BALANCED FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		45,787,601	(14,481,165)
Revenue	5	15,663,599		15,565,804
Expenses	6	(7,843,142)		(7,759,982)
Interest payable and similar charges	8	(93,324)		(69,972)
Net revenue before taxation		7,727,133		7,735,850
Taxation	7	(425,906)		(177,449)
Net revenue after taxation for the year			7,301,227	7,558,401
Total return before distributions			53,088,828	(6,922,764)
Distributions	8		(10,476,189)	(10,590,772)
Change in net assets attributable to shareholders from investment activities			42,612,639	(17,513,536)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			808,161,412	668,050,080
Amounts received from predecessor funds ¹		-	110,871,485	
Amounts received on creation of shares		134,981,510	203,957,499	
Amounts paid on cancellation of shares		(199,646,001)	(166,775,192)	
Stamp Duty Reserve Tax	2(h)		(68,664,491) (9,498)	148,053,792 (4,979)
Change in net assets attributable to shareholders from investment activities			42,612,639	(17,513,536)
Retained distribution on accumulation shares			8,799,539	9,576,055
Closing net assets attributable to shareholders			794,899,601	808,161,412

¹ On 24 April 2015, the Threadneedle Managed Portfolio 5 Fund and Threadneedle Diversified Income Fund ceased investment activity and its net assets transferred to the 7IM Balanced Fund.

The notes on pages 126 to 137 are an integral part of these Financial Statements.

7IM BALANCED FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		801,477,503	814,333,155
Current assets:			
Debtors	9	3,884,633	5,453,956
Cash and bank balances	10	4,722,455	3,072,935
Total assets		810,084,591	822,860,046
LIABILITIES			
Investment liabilities		(5,035,570)	(2,679,139)
Creditors:			
Cash and bank overdrafts	10	(6,861,163)	(7,772,346)
Distribution payable		(846,708)	(824,451)
Other creditors	11	(2,441,549)	(3,422,698)
Total liabilities		(15,184,990)	(14,698,634)
Net assets attributable to shareholders		794,899,601	808,161,412

The notes on pages 126 to 137 are an integral part of these Financial Statements.

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	93,414,478	(17,526,402)
Derivative contracts	(9,142,757)	(4,777,220)
Forward currency contracts	(39,654,758)	6,262,657
Transaction charges	(39,930)	(29,711)
AMC rebates from underlying investments	28,042	81,570
Currency gains	1,182,526	1,507,941
Net capital gains/(losses)	45,787,601	(14,481,165)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	7,617,400	7,648,853
Taxable dividends	413,096	-
UK property income distributions	24,204	2,407
Unfranked interest	7,469,681	7,595,389
AMC rebates from underlying investments	130,174	319,109
Bank interest	9,044	-
Stock lending revenue ¹	-	46
Total revenue	15,663,599	15,565,804

¹ Stock lending revenue is net of lending agent administration fees of £nil (2015: £20).

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	7,321,858	7,303,847
Other expenses	12,772	7,252
	<hr/> 7,334,630	<hr/> 7,311,099
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	99,415	96,738
Safe custody and other bank charges	45,845	65,840
Market risk fee	7,500	-
	<hr/> 152,760	<hr/> 162,578
Other expenses:		
Advisory fees	241,640	234,710
Audit fee	8,760	9,576
Dealing and exchange fees	70,806	6,451
Derivative pricing fees	-	(1,377)
FCA and other regulatory fee	312	180
Legal and professional fees	7,700	22,448
Printing, postage and distribution costs	20,534	14,317
Risk analysis fee	6,000	-
	<hr/> 355,752	<hr/> 286,305
Total expenses	<hr/> 7,843,142	<hr/> 7,759,982

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
a) <i>Analysis of charge for the year</i>		
Corporation tax	162,510	33,713
Double tax relief	(9,312)	-
	<hr/>	<hr/>
Overseas tax	153,198	33,713
	<hr/>	<hr/>
Current tax charge (note 7b)	272,708	143,736
	<hr/>	<hr/>
Total taxation	425,906	177,449
	<hr/>	<hr/>
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	7,727,133	7,735,850
	<hr/>	<hr/>
Corporation tax at 20%	1,545,427	1,547,170
	<hr/>	<hr/>
Effects of:		
Non-taxable dividends	(1,523,480)	(1,529,771)
Overseas tax	272,708	143,736
AMC rebates taken to capital	5,608	16,314
Double tax relief	(9,312)	-
Tax effect on non-reporting offshore funds	134,955	-
	<hr/>	<hr/>
Total tax charge (note 7a)	425,906	177,449
	<hr/>	<hr/>
c) <i>Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	4,364,655	6,115,076
Final	5,933,063	5,278,332
	<hr/>	<hr/>
	10,297,718	11,393,408
Add: Revenue deducted on cancellation of shares	509,726	694,523
Deduct: Revenue received on issue of shares	(331,255)	(1,497,159)
	<hr/>	<hr/>
Net distributions for the year	10,476,189	10,590,772
Interest payable and similar charges	93,324	69,972
	<hr/>	<hr/>
Total distribution	10,569,513	10,660,744

Details of the distributions per share are set out in the table on pages 138 to 139.

Distributions represented by:

Net revenue after taxation	7,301,227	7,558,401
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Allocations to capital:

Expenses, net of tax relief	3,031,008	3,032,627
-----------------------------	-----------	-----------

	<hr/>	<hr/>
	10,332,235	10,591,028

Equalisation on conversions¹

8,995	-
-------	---

Tax relief on non-reporting offshore funds

134,955	-
---------	---

Net movement in revenue account

4	(256)
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Net distributions for the year

<hr/>	<hr/>
10,476,189	10,590,772

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	1,386,750	2,081,633
Sales awaiting settlement	17	-
Accrued revenue	1,733,021	2,648,391
Income tax recoverable	345,579	353,809
Withholding tax recoverable	171,728	75,181
AMC rebates from underlying investments	247,538	294,942
Total debtors	3,884,633	5,453,956

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	4,722,451	2,649,458
Cash held at clearing houses	4	423,477
Total cash and bank balances	4,722,455	3,072,935
Bank overdraft	(4,281,772)	(1,979,818)
Cash in overdraft at clearing houses	(2,579,391)	(5,792,528)
Total cash and bank overdrafts	(6,861,163)	(7,772,346)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	1,472,751	2,450,158
Purchases awaiting settlement	125,763	230,352
Accrued expenses	674,206	720,176
Taxation payable	168,829	22,012
Total other creditors	2,441,549	3,422,698

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 124.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM European (ex UK) Equity Value Fund 'Z' Inc	-	3,402,176

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date, the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen	52.19% (2015: 48.31%)
---------------	-----------------------

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment scheme managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'B', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.40%
Class B	1.15%
Class C	0.90%
Class D	1.40%
Class S	0.65%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	84,945	41	(54,502)	(16,532)	13,952
Class A Accumulation	6,454,463	156,574	(795,699)	(764,938)	5,050,400
Class B Accumulation	67,206,449	2,049,134	(13,566,043)	-	55,689,540
Class C Income	65,028,615	4,110,606	(13,645,166)	340,839	55,834,894
Class C Accumulation	217,233,443	58,559,689	(59,819,878)	7,431,508	223,404,762
Class D Income	2,395,126	8,252	(297,130)	(868,031)	1,238,217
Class D Accumulation	19,685,808	1,628,683	(4,199,812)	(7,233,098)	9,881,581
Class S Income	11,140,375	2,786,280	(3,469,103)	69,792	10,527,344
Class S Accumulation	81,138,385	4,979,267	(20,687,676)	956,908	66,386,884

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Euro	678,085	486,666
Hong Kong dollar	42,405	27,010
Japanese yen	28,582	430,869
Swiss franc	183,611	120,549
US dollar	25,909,498	251,480
Pound sterling	84,091,012	74,126,762
	<hr/> 110,933,193	<hr/> 75,443,336
Floating rate liabilities:		
Danish krone	(2)	-
Euro	(548,616)	(369,491)
Hong Kong dollar	(42,405)	(1,218,953)
Japanese yen	(28,582)	(7,393)
Swiss franc	(48,241)	(7,996)
US dollar	(1,386,667)	(95,463)
Pound sterling	(4,806,650)	(6,073,050)
	<hr/> (6,861,163)	<hr/> (7,772,346)
Fixed rate assets:		
Euro	-	13,556,040
US dollar	19,069,770	37,481,643
Pound sterling	60,954,713	122,478,819
	<hr/> 80,024,483	<hr/> 173,516,502
Assets on which interest is not paid:		
Danish krone	1,322,378	2,663,206
Euro	31,282,255	55,397,327
Japanese yen	14,685,162	24,929,860
New Zealand dollar	-	266
Norwegian krone	934,913	1,680,305
Swedish krona	1,163,672	1,381,375
Swiss franc	4,321,568	7,300,872
US dollar	313,259,676	98,364,053
Pound sterling	564,526,808	382,173,242
	<hr/> 931,496,432	<hr/> 573,890,506

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(53,671,161)	(223,745)
Hong Kong dollar	-	(1,006,806)
US dollar	(263,733,926)	(1,438,886)
Pound sterling	(3,288,257)	(4,247,149)
	<u>(320,693,344)</u>	<u>(6,916,586)</u>
Net assets	794,899,601	808,161,412

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
Euro	-	1.80	-	11
US dollar	2.31	0.20	9	7
Pound sterling	0.46	1.00	1	2

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Danish krone	1,322,376	-	1,322,376
Euro	31,411,724	(53,671,161)	(22,259,437)
Japanese yen	-	14,685,162	14,685,162
Norwegian Krone	934,913	-	934,913
Swedish krona	1,163,672	-	1,163,672
Swiss franc	4,456,938	-	4,456,938
US dollar	356,852,277	(263,733,926)	93,118,351
	<u>396,141,900</u>	<u>(302,719,925)</u>	<u>93,421,975</u>
Pound sterling	397,932,967	303,544,659	701,477,626
Net assets	<u>794,074,867</u>	<u>824,734</u>	<u>794,899,601</u>

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk (continued)

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Danish krone	2,663,206	-	2,663,206
Euro	69,070,542	(33,053,008)	36,017,534
Hong Kong dollar	(2,198,749)	-	(2,198,749)
Japanese yen	24,608,643	(9,211,097)	15,397,546
New Zealand dollar	266	-	266
Norwegian Krone	1,680,305	-	1,680,305
Swedish krona	1,381,375	-	1,381,375
Swiss franc	7,413,425	-	7,413,425
US dollar	136,001,713	(51,307,577)	84,694,136
	240,620,726	(93,571,682)	147,049,044
Pound sterling	568,458,623	92,653,745	661,112,368
Net assets	809,079,349	(917,937)	808,161,412

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2016		
Level 1	280,926,460	(972,336)
Level 2	520,551,043	(4,063,234)
Level 3	-	-
Total	801,477,503	(5,035,570)

	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2015		
Level 1	229,257,316	(1,006,806)
Level 2	585,075,839	(1,672,333)
Level 3	-	-
Total	814,333,155	(2,679,139)

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.

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 100.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	127,656	-	-	-	-	-
Collective Investment						
Schemes	726,216	-	-	-	-	-
Derivatives	9,781	-	-	-	-	-
Equities	219,080	38	207	245	0.02	0.09
Total	1,082,733	38	207	245	0.02	0.09
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	221,906	-	-	-	-	-
Collective Investment						
Schemes	732,473	-	-	-	-	-
Derivatives	8,254	-	-	-	-	-
Equities	229,991	(37)	(2)	(39)	0.02	-
Total	1,192,624	(37)	(2)	(39)	0.02	-
Total as a percentage of the average NAV		0.01%	0.03%	0.04%		

7IM BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	136,070	-	-	-	-	-
Collective Investment						
Schemes	896,622	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	244,800	59	93	152	0.02	0.04
Total	1,277,492	59	93	152	0.02	0.04
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	31,520	-	-	-	-	-
Collective Investment						
Schemes	780,184	-	-	-	-	-
Derivatives	87	-	-	-	0.01	-
Equities	275,315	(40)	-	(40)	0.01	-
Total	1,087,106	(40)	-	(40)	0.02	-

Total as a percentage of the average NAV **0.01%** **0.01%** **0.02%**

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.18% (2015: 0.12%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM BALANCED FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7054	-	0.7054	1.1212
Group 2	0.7054	-	0.7054	1.1212
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8453	-	0.8453	1.2727
Group 2	0.7598	0.0855	0.8453	1.2727
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9596	-	0.9596	1.3984
Group 2	0.6949	0.2647	0.9596	1.3984
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9234	-	0.9234	1.3221
Group 2	0.7312	0.1922	0.9234	1.3221
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0912	-	1.0912	1.5339
Group 2	0.7486	0.3426	1.0912	1.5339
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7332	-	0.7332	1.1275
Group 2	0.6395	0.0937	0.7332	1.1275
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8349	-	0.8349	1.2689
Group 2	0.6114	0.2235	0.8349	1.2689
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.6471	-	0.6471	0.8960
Group 2	0.4924	0.1547	0.6471	0.8960
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.6597	-	0.6597	0.8985
Group 2	0.3643	0.2954	0.6597	0.8985

7IM BALANCED FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

	Net Revenue	Equalisation	Payable 31.01.17	Paid 31.01.16
Class A Income				
Group 1	1.1126	-	1.1126	0.8958
Group 2	0.1126	1.0000	1.1126	0.8958
			Allocated 31.01.17	Allocated 31.01.16
Class A Accumulation				
Group 1	1.2783	-	1.2783	1.0228
Group 2	0.3266	0.9517	1.2783	1.0228
			Allocated 31.01.17	Allocated 31.01.16
Class B Accumulation				
Group 1	1.4162	-	1.4162	1.1505
Group 2	0.6558	0.7604	1.4162	1.1505
			Payable 31.01.17	Paid 31.01.16
Class C Income				
Group 1	1.3213	-	1.3213	1.1048
Group 2	0.6432	0.6781	1.3213	1.1048
			Allocated 31.01.17	Allocated 31.01.16
Class C Accumulation				
Group 1	1.5611	-	1.5611	1.2856
Group 2	0.8246	0.7365	1.5611	1.2856
			Payable 31.01.17	Paid 31.01.16
Class D Income				
Group 1	1.1151	-	1.1151	0.8986
Group 2	0.6206	0.4945	1.1151	0.8986
			Allocated 31.01.17	Allocated 31.01.16
Class D Accumulation				
Group 1	1.2794	-	1.2794	1.0179
Group 2	0.5999	0.6795	1.2794	1.0179
			Payable 31.01.17	Paid 31.01.16
Class S Income				
Group 1	0.9024	-	0.9024	0.7516
Group 2	0.4287	0.4737	0.9024	0.7516
			Allocated 31.01.17	Allocated 31.01.16
Class S Accumulation				
Group 1	0.9326	-	0.9326	0.7660
Group 2	0.5071	0.4255	0.9326	0.7660

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM MODERATELY ADVENTUROUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM Moderately Adventurous Fund (the 'Sub-fund') aims to provide a total return primarily by way of growth in capital. There is a risk of fluctuations in capital values. The Sub-fund invests predominantly in a range of collective investment vehicles and securities managed by selected fund Investment Managers. While assets with scope for capital growth in real terms are likely to represent a significant part of the portfolio, the portfolio may also include other assets held primarily for income generation. The Sub-fund may use different asset classes, with a substantial proportion in equities.

Investment may also be made in warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

The IA Mixed Investment 40-85% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

There is no guarantee that a positive return will be delivered.

7IM MODERATELY ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 9.10%¹. Over the same period the peer group average return for the IA Mixed Investment 40-85% Shares Sector which is the fund benchmark was 9.69%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended on a tear. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation has emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM Moderately Adventurous C Acc. shares published prices. Source: NTRS

² Source: FE Trustnet

7IM MODERATELY ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so we bought a holding in the Babson Capital U.S. High Yield Bond Fund where we have a high opinion of the management team. We also added to the loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and initiated a position in BlackRock Asian Growth Leaders.

We invested in a 30 year inflation protection certificate which benefits when long term inflation expectations rise in the US but does not expose the fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve and in the KLS Zebra Global Equity Beta Neutral Fund.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape traditional safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

As the EU referendum approached, the polls were forecasting a win for Remain which led us remove some of our hedges selling some of the US dollars we had bought when Leave had looked likely. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave and we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and selling a future on the MSCI All

7IM MODERATELY ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Countries Asia ex Japan Index as we had become less confident about prospects and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year and we sold the yen just after the year end. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION

The Comparative Tables on pages 145 to 153 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	196.69	195.52	181.74
Return before operating charges*	20.69	5.42	17.88
Operating charges (calculated on average price)	(3.80)	(3.69)	(3.48)
Return after operating charges*	16.89	1.73	14.40
Distributions on income shares	(0.86)	(0.56)	(0.62)
Closing net asset value per share	212.72	196.69	195.52
* After direct transaction costs of ¹ :	0.10	0.07	0.13
Performance			
Return after charges ²	8.59%	0.88%	7.92%
Other Information			
Closing net asset value (£'000)	29	26	26
Closing number of shares	13,441	13,441	13,441
Operating charges ³	1.92%	1.83%	1.91%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	217.15	217.15	196.25
Lowest share price	173.79	184.89	176.46

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	203.02	201.25	186.33
Return before operating charges*	21.46	5.56	18.56
Operating charges (calculated on average price)	(3.90)	(3.79)	(3.64)
Return after operating charges*	17.56	1.77	14.92
Distributions	(0.84)	(0.55)	(0.62)
Retained distributions on accumulation shares	0.84	0.55	0.62
Closing net asset value per share	220.58	203.02	201.25
* After direct transaction costs of ¹ :	0.10	0.08	0.14
Performance			
Return after charges ²	8.65%	0.88%	8.01%
Other Information			
Closing net asset value (£'000)	1,484	1,901	2,686
Closing number of shares	672,845	936,611	1,334,747
Operating charges ³	1.92%	1.83%	1.91%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	224.45	223.49	201.36
Lowest share price	179.45	190.55	181.07

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	209.18	206.82	191.05
Return before operating charges*	22.16	5.73	19.01
Operating charges (calculated on average price)	(3.51)	(3.37)	(3.24)
Return after operating charges*	18.65	2.36	15.77
Distributions	(1.40)	(1.12)	(1.12)
Retained distributions on accumulation shares	1.40	1.12	1.12
Closing net asset value per share	227.83	209.18	206.82
* After direct transaction costs of ¹ :	0.10	0.08	0.14
Performance			
Return after charges ²	8.92%	1.14%	8.25%
Other Information			
Closing net asset value (£'000)	25,959	30,988	35,752
Closing number of shares	11,393,973	14,814,214	17,286,382
Operating charges ³	1.67%	1.58%	1.66%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	231.78	229.91	206.94
Lowest share price	184.98	196.25	185.72

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	198.51	197.29	183.20
Return before operating charges*	20.97	5.51	18.28
Operating charges (calculated on average price)	(2.84)	(2.71)	(2.64)
Return after operating charges*	18.13	2.80	15.64
Distributions on income shares	(1.85)	(1.58)	(1.55)
Closing net asset value per share	214.79	198.51	197.29
* After direct transaction costs of ¹ :	0.10	0.08	0.13
Performance			
Return after charges ²	9.13%	1.42%	8.54%
Other Information			
Closing net asset value (£'000)	47,346	45,621	6,556
Closing number of shares	22,043,318	22,981,815	3,323,055
Operating charges ³	1.42%	1.33%	1.41%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	219.63	219.53	198.73
Lowest share price	175.62	186.90	178.17

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	215.38	212.42	195.71
Return before operating charges*	22.88	5.88	19.54
Operating charges (calculated on average price)	(3.09)	(2.92)	(2.83)
Return after operating charges*	19.79	2.96	16.71
Distributions	(2.02)	(1.71)	(1.66)
Retained distributions on accumulation shares	2.02	1.71	1.66
Closing net asset value per share	235.17	215.38	212.42
* After direct transaction costs of ¹ :	0.11	0.08	0.14
Performance			
Return after charges ²	9.19%	1.39%	8.54%
Other Information			
Closing net asset value (£'000)	269,028	250,463	189,417
Closing number of shares	114,397,035	116,288,358	89,169,720
Operating charges ³	1.42%	1.33%	1.41%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	239.18	236.35	212.54
Lowest share price	190.57	201.99	190.34

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

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7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	196.46	195.26	181.33
Return before operating charges*	20.59	5.42	18.01
Operating charges (calculated on average price)	(3.76)	(3.68)	(3.53)
Return after operating charges*	16.83	1.74	14.48
Distributions on income shares	(0.24)	(0.54)	(0.55)
Closing net asset value per share	213.05	196.46	195.26
* After direct transaction costs of ¹ :	0.10	0.07	0.13
Performance			
Return after charges ²	8.57%	0.89%	7.99%
Other Information			
Closing net asset value (£'000)	480	979	1,364
Closing number of shares	225,529	498,413	698,334
Operating charges ³	1.92%	1.83%	1.91%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	217.04	216.86	195.92
Lowest share price	173.54	184.65	176.19

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

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7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	203.16	201.38	186.48
Return before operating charges*	21.47	5.58	18.54
Operating charges (calculated on average price)	(3.91)	(3.80)	(3.64)
Return after operating charges*	17.56	1.78	14.90
Distributions	(0.58)	(0.55)	(0.58)
Retained distributions on accumulation shares	0.58	0.55	0.58
Closing net asset value per share	220.72	203.16	201.38
* After direct transaction costs of ¹ :	0.10	0.08	0.14
Performance			
Return after charges ²	8.64%	0.88%	7.99%
Other Information			
Closing net asset value (£'000)	12,689	19,567	30,459
Closing number of shares	5,748,911	9,631,132	15,124,748
Operating charges ³	1.92%	1.83%	1.91%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	224.60	223.65	201.50
Lowest share price	179.57	190.70	181.20

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	107.34	106.68	100.00
Return before operating charges*	11.34	2.98	8.58
Operating charges (calculated on average price)	(1.26)	(1.19)	(0.90)
Return after operating charges*	10.08	1.79	7.68
Distributions on income shares	(1.28)	(1.13)	(1.00)
Closing net asset value per share	116.14	107.34	106.68
* After direct transaction costs of ² :	0.05	0.04	0.07
Performance			
Return after charges ³	9.39%	1.68%	7.68%
Other Information			
Closing net asset value (£'000)	4,553	5,827	4,438
Closing number of shares	3,920,024	5,428,152	4,160,454
Operating charges ⁴	1.17%	1.08%	1.16%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	118.88	118.81	107.58
Lowest share price	95.01	101.15	98.44

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	109.48	107.70	100.00
Return before operating charges*	11.65	2.98	8.61
Operating charges (calculated on average price)	(1.29)	(1.20)	(0.91)
Return after operating charges*	10.36	1.78	7.70
Distributions	(1.29)	(1.14)	(1.00)
Retained distributions on accumulation shares	1.29	1.14	1.00
Closing net asset value per share	119.84	109.48	107.70
* After direct transaction costs of ² :	0.05	0.04	0.07
Performance			
Return after charges ³	9.46%	1.65%	7.70%
Other Information			
Closing net asset value (£'000)	64,004	70,275	42,596
Closing number of shares	53,408,943	64,191,735	39,549,550
Operating charges ⁴	1.17%	1.08%	1.16%
Direct transaction costs	0.05%	0.04%	0.07%
Prices			
Highest share price	121.85	119.95	107.76
Lowest share price	96.91	102.62	98.45

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 154.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.08%	0.08%	0.08%	0.08%	0.08%
	1.48%	1.23%	0.98%	1.48%	0.73%
Collective investment scheme costs	0.44%	0.44%	0.44%	0.44%	0.44%
Ongoing Charges Figure	1.92%	1.67%	1.42%	1.92%	1.17%

As at 30 November 2015

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.07%	0.07%	0.07%	0.07%	0.07%
	1.47%	1.22%	0.97%	1.47%	0.72%
Collective investment scheme costs	0.36%	0.36%	0.36%	0.36%	0.36%
Ongoing Charges Figure	1.83%	1.58%	1.33%	1.83%	1.08%

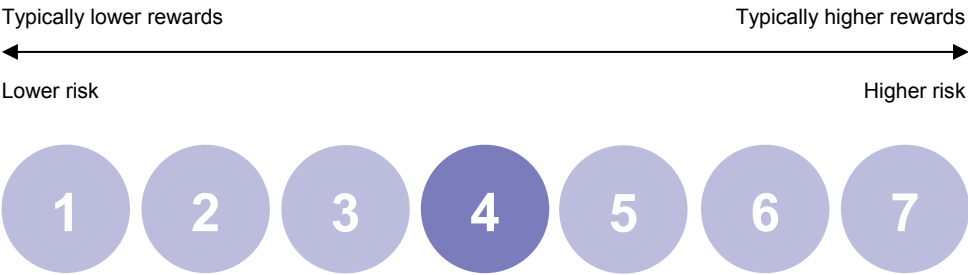
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

7IM MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 5.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM Moderately Adventurous Fund	9.10	20.06	57.37
IA Mixed Investment 40-85% Shares Sector ¹	9.69	19.31	51.85

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 181 to 182.

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	Equities 52.50% (42.05%)		
	UK Equity 8.99% (6.05%)		
77,219	Aberdeen Asset Management	206,792	0.05
1,761	Admiral Group	33,706	0.01
1,681	Aggreko	13,448	-
1,126,449	Apax Global Alpha	1,464,384	0.34
7,004	AstraZeneca	296,900	0.07
8,081	Auto Trader Group	32,235	0.01
129,131	Aviva	580,831	0.14
27,628	Barratt Developments	129,713	0.03
1,031	Berkeley Group Holdings	25,713	0.01
158,403	BP	722,080	0.17
6,141	British American Tobacco	277,420	0.07
7,622	British Land	45,618	0.01
2,187	Capita	11,482	-
12,885	Carnival	533,826	0.13
149,235	Centrica	316,826	0.07
1,034	Diageo	21,057	-
10,819	Direct Line Insurance Group	38,202	0.01
13,423	easyJet	132,619	0.03
30,495	Experian	461,694	0.11
1,865	Fresnillo	22,884	0.01
124	FTSE 100 Index Futures Dec 2016 ¹	177,940	0.04
14,849	GlaxoSmithKline	224,220	0.05
110,065	Glencore	302,954	0.07
1,161	Hikma Pharmaceuticals	19,946	-
94,894	HSBC Holdings	601,913	0.14
1,685	IMI	16,277	-
10,038	Imperial Tobacco Group	352,384	0.08
689	InterContinental Hotels Group	22,833	0.01
2,231	Intertek Group	74,627	0.02
7,519	Intu Properties	20,512	-
29,942	Investec	156,597	0.04
28,816	ITV	48,382	0.01
78,689	J Sainsbury	182,952	0.04
6,267	Johnson Matthey	197,849	0.05
2,450,025	Jupiter UK Growth Income Fund 'I' Acc ²	7,844,736	1.84
6,213	Land Securities	60,887	0.01
168,258	Legal & General Group	397,425	0.09
316	LIFFE FTSE 100 Index Futures Dec 2016 ¹	(88,164)	(0.02)
515,349	Lloyds Banking Group	300,294	0.07
6,659,075	Majedie UK Focus ²	11,684,013	2.75
4,302	Marks & Spencer	14,253	-
6,090	Meggitt	28,964	0.01
24,250	National Grid	225,986	0.05
89,294	Old Mutual	169,480	0.04
283,636	Pershing Square Holdings	3,195,802	0.75
27,292	Persimmon	467,785	0.11
36,492	Petrofac	290,659	0.07
3,056	Randgold Resources	177,706	0.04

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
UK Equity (continued)			
9,879	Reckitt Benckiser Group	677,601	0.16
5,005	RELX	69,720	0.02
10,105	Rio Tinto	302,544	0.07
29,293	Royal Bank of Scotland Group	55,979	0.01
15,656	Royal Dutch Shell 'A'	316,721	0.07
31,790	Royal Dutch Shell 'B'	672,200	0.16
51,027	Royal Mail	240,439	0.06
8,105	RSA Insurance Group	44,253	0.01
30,222	Sage Group (The)	202,336	0.05
16,978	Shire	814,944	0.19
31,870	Smith & Nephew	362,362	0.09
8,258	SSE	123,457	0.03
16,655	Tate & Lyle	115,003	0.03
65,447	Tesco	137,733	0.03
5,629	Unilever	183,633	0.04
336,676	Vodafone Group	663,925	0.16
12,083	Weir Group (The)	213,386	0.05
7,258	William Hill	21,832	0.01
213,945	WM Morrison Supermarkets	474,316	0.11
11,539	Worldpay	31,363	0.01
		38,260,389	8.99
North American Equity 15.20% (5.38%)			
2,162	Abbott Laboratories	67,211	0.02
683	Adobe Systems	57,566	0.01
9,361	Aetna	992,558	0.23
1,857	Agilent Technologies	66,319	0.02
1,005	AGNC Investment	15,335	-
47	Alleghany	21,473	0.01
1,087	Allstate	60,801	0.01
911	Alphabet 'C'	563,954	0.13
6,311	American International Group	320,720	0.08
584	AmerisourceBergen	36,390	0.01
14,558	Amgen	1,706,812	0.40
1,792	Annaly Capital Management	14,909	-
792	Anthem	92,404	0.02
1,680	Apple	150,366	0.04
3,234	Applied Materials	83,551	0.02
1,720	Archer-Daniels-Midland	59,065	0.01
277	Axis Capital Holdings	13,763	-
18,158	Baker Hughes	881,943	0.21
1,444	Baxter International	51,894	0.01
434	Biogen	105,523	0.02
1,786	Boeing	217,498	0.05
422	Bunge	22,740	0.01
2,537	Cadence Design Systems	54,175	0.01
24,511	Capital One Financial	1,626,127	0.38
1,004	Cardinal Health	57,231	0.01
1,073	Carnival	45,852	0.01

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
1,711	Caterpillar	129,218	0.03
525	Church & Dwight	18,914	-
757	Cigna	84,162	0.02
69,617	Cisco Systems	1,667,744	0.39
43,171	Citigroup	1,924,875	0.45
19,723	Citrix Systems	1,392,901	0.33
848	Coach	25,470	0.01
2,512	Colgate-Palmolive	134,214	0.03
33,453	Comcast 'A'	1,884,082	0.44
1,231	ConAgra Foods	37,300	0.01
290	Continental Resources	11,000	-
214	CR Bard	37,103	0.01
4,021	Cummins	446,372	0.10
1,825	Danaher	116,004	0.03
586	Delta Air Lines	22,867	0.01
687	Dentsply Sirona	33,362	0.01
1,205	Discover Financial Services	65,456	0.02
62,515	eBay	1,431,338	0.34
607	Edwards Lifesciences	40,899	0.01
2,997	El du Pont de Nemours	171,391	0.04
2,939	Eli Lilly & Company	158,492	0.04
21	E-Mini S&P 500 Futures Dec 2016 ¹	59,490	0.01
327	E-Mini S&P Select Financial Sector Futures Mar 2017 ¹	722,830	0.17
1,111	EOG Resources	82,477	0.02
671	Estee Lauder	42,361	0.01
7,249	Exxon Mobil	500,072	0.12
1,410	Flextronics International	16,453	-
22,251	FMC Technologies	589,512	0.14
10,931	Ford Motor	104,640	0.02
76,820	General Electric	1,915,565	0.45
27,123	Gilead Sciences	1,631,039	0.38
327	Helmerich & Payne	17,744	-
978	Illinois Tool Works	98,664	0.02
8,207	Intel	232,593	0.05
7,714	JM Smucker	788,498	0.19
5,486	Johnson & Johnson	495,599	0.12
1,873	JPMorgan Chase	118,710	0.03
1,060	Juniper Networks	22,788	0.01
1,056	Kimberly-Clark	98,807	0.02
1,803	Kinder Morgan	30,972	0.01
472	KLA-Tencor	30,957	0.01
43,903	KLS Zebra Global Equity Beta Neutral Fund ²	4,422,699	1.04
410	Lamb Weston	10,928	-
720	Las Vegas Sands	35,936	0.01
6,828	Linear Technology	343,100	0.08
26,815	Lowe's Cos	1,523,364	0.36
1,053	LyondellBasell Industries	70,789	0.02
513	Macy's	17,493	-
1,009	Masco	26,100	0.01

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
1,063	Mattel	26,934	0.01
832	Maxim Integrated Products	26,560	0.01
2,592	McDonald's	251,165	0.06
692	McKesson	78,497	0.02
982	Mead Johnson Nutrition	57,183	0.01
16,522	Merck & Co	825,171	0.19
24,869	Michael Kors Holdings	952,859	0.22
472	Molson Coors Brewing	37,921	0.01
4,627	Mondelez International	159,262	0.04
18,130	Monsanto	1,490,498	0.35
3,635	Morgan Stanley	118,549	0.03
985	Mosaic	21,398	0.01
11,260	Motorola Solutions	733,274	0.17
19,954	NetApp	585,063	0.14
1,534	Newmont Mining	41,319	0.01
33,438	News Corp	309,621	0.07
975	Nisource	17,516	-
1,028	Nucor	50,888	0.01
1,578	NVIDIA	118,173	0.03
19,449	Occidental Petroleum	1,055,388	0.25
38,092	OGE Energy	986,868	0.23
44,517	Oracle	1,450,056	0.34
3,201	Paypal	102,518	0.02
303	PepsiCo	24,954	0.01
18,242	Pfizer	467,623	0.11
4,544	Philip Morris International	330,619	0.08
18,993	PNC Financial Services Group	1,666,692	0.39
3,107	Procter & Gamble	206,826	0.05
1,255	Prudential Financial	100,555	0.02
4,321	Qualcomm	231,666	0.05
3,699	Regions Financial	39,153	0.01
126	RenaissanceRe	13,263	-
171	Russell 2000 Mini Futures Dec 2016 ¹	1,092,100	0.26
(77)	S&P 500 Index Put Options 1525 2017 ¹	(39,576)	(0.01)
77	S&P 500 Index Put Options 2050 2017 ¹	325,883	0.08
4,050	Schlumberger	259,874	0.06
6,025	Sirius XM	22,257	0.01
35,213	Southwest Airlines	1,335,900	0.31
1,460	SunTrust Banks	59,962	0.01
1,129	Symantec	22,041	0.01
462	Synopsys	22,696	0.01
23,938	Target	1,507,179	0.35
4,166	Texas Instruments	248,916	0.06
1,267	TJX Companies (The)	80,180	0.02
867	T-Mobile	38,560	0.01
196	Travelers	17,897	-
1,248	Twenty-First Century Fox	28,414	0.01
21,252	Tyson Foods	1,006,449	0.24
2,223	UGI	82,729	0.02

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
264	United Rentals	20,417	-
612	United Technologies	53,508	0.01
792	Valero Energy	40,554	0.01
40,017	Vanguard US Discoveries Fund ²	10,877,278	2.56
1,015	Ventas	49,764	0.01
189,712	Vereit	1,298,062	0.31
17,238	Verizon Communications	705,468	0.17
615	Viacom	18,249	-
627	Voya Financial	19,049	-
28,474	Wal-Mart Stores	1,632,018	0.38
417	Westar Energy	19,119	-
2,660	Xerox	20,187	-
762	Xilinx	33,045	0.01
		64,745,735	15.20
European Equity 8.47% (14.67%)			
6,729	ABB	110,183	0.03
371	Actelion	59,750	0.01
554	Adecco Group	27,446	0.01
6,035	Aegon	24,412	0.01
265	Aena	28,651	0.01
555	AerCap	19,353	-
664	Ageas	19,921	-
2,920	Amadeus IT Holding	106,281	0.02
2,821	Anheuser-Busch InBev	240,762	0.06
13	AP Moeller - Maersk 'A'	13,416	-
321	AP Moeller - Maersk 'B'	348,230	0.08
22,892	Arcelormittal	138,614	0.03
3,351	ASML Holding	279,005	0.07
3,136	BASF	215,039	0.05
1,342	Bayer	101,810	0.02
3,588	BNP Paribas	166,978	0.04
1,115	Cie Financiere Richemont	58,152	0.01
624	Cie Generale des Etablissements Michelin	54,179	0.01
15,925	Coca-Cola HBC	270,566	0.06
3,760	Commerzbank	20,527	-
1,841	Compagnie De St-Gobain	64,426	0.02
13,562	Danske Bank	321,367	0.08
15,124	Deutsche Lufthansa	156,725	0.04
1,902	Deutsche Telekom	24,263	0.01
3,615	DNB	42,815	0.01
24,353	E.ON	130,324	0.03
1,370	Eaton	72,274	0.02
1,102	Endesa	18,477	-
32,571	Engie	326,939	0.08
75,011	Eni	833,750	0.20
147,930	Ericsson 'B'	611,516	0.14
405	Essilor International	34,680	0.01
(570)	EURO STOXX 50 Equity Index Futures Dec 2016 ¹	(294,404)	(0.07)

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
744	EURO STOXX 50 Index Dividend Futures Dec 2018 ¹	515,259	0.12
455	EURO STOXX 50 Index Dividend Futures Dec 2019 ¹	128,379	0.03
1,717	Ferrovial	24,612	0.01
16,970	Fiat Chrysler Automobiles	105,048	0.02
7,638	Fraport AG Frankfurt Airport Services Worldwide	358,264	0.08
196	Genmab	27,952	0.01
3,009	HeidelbergCement	218,526	0.05
5,949,305	Henderson European Focus Fund 'I' Acc ²	10,690,901	2.50
623	Henkel non-voting preference shares	58,061	0.01
36,755	Iberdrola	180,949	0.04
5,714	ING Group	61,948	0.01
1,563	Investor 'B'	42,581	0.01
1,183	Kone	41,996	0.01
4,383	Koninklijke Ahold Delhaize	70,303	0.02
693	Linde	94,892	0.02
593	Luxottica	24,910	0.01
5,250	Muenchener Rueckversicherungs	774,537	0.18
24,187	Nestle	1,318,873	0.31
1,095	NN Group	28,372	0.01
6,644	Nordea Bank	56,330	0.01
146,909	Norsk Hydro	557,094	0.13
7,714	Novartis	430,093	0.10
7,475	Novo Nordisk	202,899	0.05
699,379	Old Mutual European (Ex UK) Smaller Acc ²	10,409,277	2.45
7,102	Orange	84,039	0.01
272	Paddy Power Betfair	23,120	0.01
4,282	Pernod Ricard	361,829	0.09
56,442	Peugeot	671,029	0.16
578	Porsche Automobil	23,647	0.01
12,022	Renault	758,271	0.18
20,122	Repsol	216,259	0.05
2,426	Roche Holding	434,679	0.10
8,453	Safran	467,464	0.11
3,930	Sanofi	257,758	0.06
3,697	SAP	252,307	0.06
155	Schindler	22,142	0.01
8	Sika Signature Metals	31,258	0.01
4,973	Societe Generale	170,290	0.04
13,872	Stora Enso	108,109	0.03
2,533	Svenska Cellulosa 'B'	54,845	0.01
107	Swatch Group	25,226	0.01
658	Swedish Match	16,777	-
1,719	Swiss Life	383,643	0.09
247	Swiss Prime Site	16,303	-
2,254	Swiss Re	166,967	0.04
1,059	TE Connectivity	57,160	0.01
2,599	Telenor	31,226	0.01
437	UCB	22,848	0.01
1,844	UPM-Kymmene	33,913	0.01

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
894	Vestas Wind Systems	47,886	0.01
3,995	Vivendi	61,586	0.01
112	Volkswagen	12,406	-
642	Volkswagen non-voting preference shares	67,022	0.02
516	Zurich Insurance Group	108,912	0.03
		36,057,404	8.47
Japanese Equity 4.41% (9.31%)			
1,247,756	CF Morant Wright Nippon Yield ²	4,792,881	1.13
8,414,437	GLG Japan CoreAlpha ²	13,967,966	3.28
		18,760,847	4.41
Far East Equity 7.08% (0.21%)			
4,464,760	Hermes Asia Ex-Japan Equity 'F' ²	8,878,176	2.09
4,812,981	Invesco Perpetual Hong Kong & China ²	10,971,672	2.58
865,512	Mirae Asset Asia Great Consumer Equity 'I' ²	8,431,303	1.98
(570)	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ¹	324,505	0.08
308	MSCI China Free Index Futures Dec 2016 ¹	1,504,383	0.35
		30,110,039	7.08
Emerging Markets Equity 8.35% (6.43%)			
1,384,796	BlackRock Global Funds - Asian Growth Leaders ²	12,455,598	2.93
552,698	Goldman Sachs India Equity Portfolio I Acc ²	7,634,440	1.79
10,329,855	Lazard Emerging Markets ²	10,846,348	2.55
480,704	Magna Emerging Markets Dividend ²	4,577,260	1.08
		35,513,646	8.35
BONDS 16.85% (12.77%)			
Global Corporate Bonds 1.64% (3.24%)			
64,277	PFS TwentyFour Dynamic Bond ²	6,981,695	1.64
Global High Yield Bonds 6.95% (3.71%)			
72,973	Babson Capital US High Yield Bond ²	6,765,741	1.59
460,000	Blackstone GSO Loan Financing (Jersey)	381,502	0.09
8,427,683	Carador Income	4,670,014	1.10
95,020	iShares \$ High Yield Corporate Bond UCITS ETF	7,772,073	1.82
3,000,000	M&G Global Floating Rate High Yield 'EH' Acc ²	3,181,800	0.75
1,480,604	M&G Global Floating Rate High Yield 'IH' Acc ²	1,562,926	0.37
827,089	Natixis Loomis Sayles High Income ²	5,227,429	1.23
		29,561,485	6.95
Global Convertible Bonds 0.00% (2.09%)			
Global Inflation Linked Bonds 0.00% (3.02%)			
Gilts & Other Public Securities 0.00% (0.71%)			
Emerging Market Bonds 8.26% (0.00%)			
125,799	Babson Capital Emerging Markets Local Debt ²	8,948,984	2.10

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Emerging Market Bonds (continued)			
490,810	iShares Emerging Markets Local Government Bond UCITS ETF	23,921,666	5.62
14,687	RWC Global Emerging Markets ²	2,284,859	0.54
		35,155,509	8.26
PRIVATE EQUITY 4.94% (3.90%)			
1,764,702	Fair Oaks Income	1,339,257	0.31
371,144	HarbourVest Global Private Equity	4,097,430	0.96
461,736	NB Private Equity Partners	4,412,671	1.04
328,127	Pantheon International Participation	5,528,940	1.30
16,830	Pareturn Barwon ²	3,940,707	0.93
10,245	Partners Group Listed Private Equity ²	1,683,840	0.40
		21,002,845	4.94
REAL ESTATE 3.03% (3.06%)			
73,925	Goldman Sachs US Real Estate Balanced Portfolio Fund ²	8,222,465	1.93
6,763,153	Premier Pan European Property Share ²	4,688,894	1.10
		12,911,359	3.03
HEDGE FUNDS & OTHER STRATEGIES 5.10% (2.16%)			
2,001,656	Dexion Absolute EUR ³	-	-
17,200,000	F&C Global Equity Market Neutral 3 Acc ²	9,707,680	2.28
465,719	iShares Physical Gold ETC ⁴	8,741,582	2.05
35,230	Source Physical Gold P-ETC ⁴	3,281,664	0.77
		21,730,926	5.10
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 17.59% (35.01%)			
£1,500,000	ASB Finance FRN 2018	1,502,298	0.35
£3,000,000	Bank of Montreal FRN 2018	3,001,020	0.71
£6,100,000	BNP Paribas Arbitrage 0% 2021	4,961,516	1.17
£750,000	Coventry Building Society FRN 2020	749,756	0.18
£15,200,000	Credit Suisse International 0% 2017	12,931,963	3.04
£1,500,000	DNB Boligkreditt FRN 2020	1,497,258	0.35
£200,000	FMS Wertmanagement 0.75% 2017	200,802	0.05
£2,800,000	FMS Wertmanagement 1.25% 2019	2,849,252	0.67
£270,000	GE Capital UK Funding 4.125% 2017	277,403	0.07
£2,000,000	GE Capital UK Funding FRN 2018	2,000,388	0.47
£15,250,000	Merrill Lynch FRN 2017	13,162,738	3.09
£180,000	National Bank of Australia 3.625% 2017	184,819	0.04
£2,000,000	Nestle Holdings 1.625% 2017	2,023,940	0.48
£1,739,000	Nordea Bank FRN 2019	1,745,819	0.41
£22,810,000	Northern Trust Global Sterling Fund ²	22,810,000	5.36
£1,500,000	Royal Bank of Canada FRN 2018	1,503,138	0.35
£2,500,000	Royal Bank of Canada FRN 2019	2,493,850	0.59
£450,000	Transport for London 1.25% 2017	453,303	0.11

7IM MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	CASH, MONEY MARKETS & SHORT TERM		
	STERLING BONDS (continued)		
£400,000	Yorkshire Building Society 4.75% 2018	422,279	0.10
		74,771,542	17.59
	FORWARD FX CURRENCY CONTRACTS 0.18% (0.04%)		
€8,200,000	Vs £(7,004,374) Expiry 17.02.17	20,422	-
¥240,000,000	Vs £(1,892,222) Expiry 16.12.16	(189,595)	(0.04)
¥2,950,000,000	Vs £(22,780,116) Expiry 16.12.16	(1,851,986)	(0.44)
US\$10,900,000	Vs £(8,709,061) Expiry 20.01.17	31,285	0.01
€(41,800,000)	Vs £36,067,548 Expiry 17.02.17	258,218	0.06
¥(2,710,000,000)	Vs £20,086,260 Expiry 16.12.16	860,757	0.20
US\$(150,700,000)	Vs £122,259,406 Expiry 20.01.17	1,418,108	0.33
US\$(30,000,000)	Vs £24,156,009 Expiry 20.01.17	100,011	0.02
US\$(10,000,000)	Vs £8,185,316 Expiry 20.01.17	166,649	0.04
		813,869	0.18
	Portfolio of investment	426,377,290	100.19
	Net other liabilities	(805,071)	(0.19)
	Net assets	425,572,219	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Future contract

² Collective investment scheme

³ Delisted Security

⁴ Structured Product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	4.91	26.06
Non-rated debt securities	8.41	2.28
Other investments	86.87	70.64
Net other (liabilities)/assets	(0.19)	1.02
	100.00	100.00

7IM MODERATELY ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£626,651,513

Major purchases	Cost £
Northern Trust Global Sterling Fund ¹	225,973,000
iShares Emerging Markets Local Government Bond UCITS ETF	23,448,763
BlackRock Global Funds - Asian Growth Leaders	11,621,397
iShares \$ High Yield Corporate Bond UCITS ETF	10,950,835
Merrill Lynch FRN 2017	10,608,696
Invesco Perpetual Hong Kong & China	10,500,000
Credit Suisse International 0% 2017	10,448,172
Babson Capital Emerging Markets Local Debt	9,434,181
iShares Physical Gold ETC	8,625,941
Hermes Asia Ex-Japan Equity 'F'	8,400,000
Mirae Asset Asia Great Consumer Equity 'I'	8,387,958
Babson Capital US High Yield Bond	6,479,385
US Treasury Notes 2.25% 2025	6,213,781
US Treasury Notes 1.625% 2026	5,309,522
KLS Zebra Global Equity Beta Neutral Fund	4,350,000
BNP Paribas Arbitrage 0% 2021	4,221,015
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	4,221,015
Source Physical Gold P-ETC	4,085,056
Jupiter UK Growth Income Fund 'I' Acc	3,600,001
GLG Japan CoreAlpha	3,300,000

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM MODERATELY ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)

£677,632,485

Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	238,762,000
Artemis European Growth Accumulation	17,993,572
Merrill Lynch International & Company (linked to the Japan Shareholder Index) 2016	12,583,761
Goldman Sachs Sterling Liquid Reserves ¹	10,000,000
US Treasury Notes 2.25% 2025	7,364,064
GLG Japan CoreAlpha	7,000,000
US Treasury Notes 0.125% 2020	6,957,919
US Treasury Notes 0.125% 2025	6,782,649
Robeco Financial Institutions Bonds	6,618,963
Baillie Gifford Japanese	6,014,107
US Treasury Notes 1.625% 2026	5,746,057
M&G Global Convertibles	5,726,221
Invesco Perpetual Global Financial Capital	5,105,687
Principal Global Investors Preferred Securities	4,867,004
Leeds Building Society 4.25% 2018	4,329,600
NRW Bank 0.875% 2017	4,103,280
International Bank for Reconstruction & Development 1.25% 2017	4,033,800
iShares \$ High Yield Corporate Bond UCITS ETF	3,885,055
Toronto-Dominion Bank FRN 2018	3,875,996
Municipality Finance 1.25% 2016	3,761,625

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM MODERATELY ADVENTUROUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		33,243,050	(7,013,549)
Revenue	5	8,017,949		6,884,590
Expenses	6	(4,011,883)		(3,809,496)
Interest payable and similar charges	8	(115,640)		(65,311)
Net revenue before taxation		3,890,426		3,009,783
Taxation	7	(207,683)		(86,277)
Net revenue after taxation for the year			3,682,743	2,923,506
Total return before distributions			36,925,793	(4,090,043)
Distributions	8		(3,855,777)	(2,940,311)
Change in net assets attributable to shareholders from investment activities			33,070,016	(7,030,354)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			425,646,963	313,294,714
Amounts received from predecessor fund ¹		-	95,316,322	
Amounts received on creation of shares		58,583,938	99,913,525	
Amounts paid on cancellation of shares		(94,999,836)	(78,748,458)	
Stamp Duty Reserve Tax	2(h)		(36,415,898) (32,637)	116,481,389 32,637
Change in net assets attributable to shareholders from investment activities			33,070,016	(7,030,354)
Retained distribution on accumulation shares			3,303,775	2,868,577
Closing net assets attributable to shareholders			425,572,219	425,646,963

¹ On 24 April 2015, the Threadneedle Managed Portfolio 6 Fund and Threadneedle Balanced Managed Fund ceased investment activity and its net assets transferred to the 7IM Moderately Adventurous Fund.

The notes on pages 169 to 180 are an integral part of these Financial Statements.

7IM MODERATELY ADVENTUROUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		428,841,015	422,327,244
Current assets:			
Debtors	9	3,906,391	4,025,758
Cash and bank balances	10	1,492,483	5,060,607
Total assets		434,239,889	431,413,609
LIABILITIES			
Investment liabilities		(2,463,725)	(1,034,180)
Creditors:			
Cash and bank overdrafts	10	(1,979,888)	(908,578)
Distribution payable		(287,012)	(212,347)
Other creditors	11	(3,937,045)	(3,611,541)
Total liabilities		(8,667,670)	(5,766,646)
Net assets attributable to shareholders		425,572,219	425,646,963

The notes on pages 169 to 180 are an integral part of these Financial Statements.

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	54,912,230	(6,560,965)
Derivative contracts	(3,539,848)	(4,856,076)
Forward currency contracts	(19,017,893)	4,141,231
Transaction charges	(39,547)	(30,395)
AMC rebates from underlying investments	49,926	46,144
Currency gains	878,182	246,512
Net capital gains/(losses)	33,243,050	(7,013,549)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	4,815,021	4,146,934
Taxable dividends	213,161	12,958
UK property income distributions	16,777	2,108
Unfranked interest	2,922,487	2,621,405
AMC rebates from underlying investments	45,339	95,117
Bank interest	5,164	6,068
Total revenue	8,017,949	6,884,590

Stock lending revenue is net of lending agent administration fees of £nil (2015: £nil).

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	3,711,609	3,571,185
Other expenses	8,440	4,607
	<hr/> 3,720,049	<hr/> 3,575,792
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	54,742	48,285
Safe custody and other bank charges	38,383	44,329
Market risk fee	7,500	-
	<hr/> 100,625	<hr/> 92,614
Other expenses:		
Advisory fees	116,748	97,489
Audit fee	8,760	9,576
Dealing and exchange fees	44,926	11,506
FCA and other regulatory fees	276	217
Legal and professional fees	1,173	15,229
Printing, postage and distribution costs	13,326	7,073
Risk analysis fees	6,000	-
	<hr/> 191,209	<hr/> 141,090
Total expenses	<hr/> 4,011,883	<hr/> 3,809,496

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
<i>a) Analysis of charge for the year</i>		
Overseas tax	207,683	82,754
Irrecoverable income tax	-	3,523
Current tax charge (note 7b)	207,683	86,277
Total taxation	207,683	86,277
<i>b) Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	3,890,426	3,009,783
Corporation tax at 20%	778,085	601,957
Effects of:		
Non-taxable dividends	(963,003)	(829,387)
Overseas tax	207,683	82,754
AMC rebates taken to capital	9,985	9,229
Unutilised excess management expenses	3,152	218,248
Irrecoverable income tax	-	3,523
Double taxation relief	(1,129)	(47)
Tax effect on Non Reporting Offshore Funds	172,910	-
Total tax charge (note 7a)	207,683	86,277

c) Deferred tax

There is no deferred tax provision in the current year (2015: none).

At the year end there is a potential deferred tax asset of £951,696 (2015: £948,544) due to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore, no deferred tax asset has been recognised.

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	1,475,625	1,632,210
Final	2,298,981	1,672,617
	<hr/>	<hr/>
	3,774,606	3,304,827
Add: Revenue deducted on cancellation of shares	136,627	137,987
Deduct: Revenue received on issue of shares	(55,456)	(502,503)
	<hr/>	<hr/>
Net distributions for the year	3,855,777	2,940,311
Interest payable and similar charges	115,640	65,311
	<hr/>	<hr/>
Total distribution	3,971,417	3,005,622

Details of the distributions per share are set out in the table on pages 181 to 182.

Distributions represented by:

Net revenue after taxation	3,682,743	2,923,506
Equalisation on conversions ¹	106	16,941
Net movement in revenue account	18	(136)
Tax relief on Non Reporting Offshore Funds	172,910	-
	<hr/>	<hr/>
Net distributions for the year	3,855,777	2,940,311

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	3,061,013	2,422,440
Accrued revenue	620,268	1,390,040
Income tax recoverable	61,765	73,122
Withholding tax recoverable	129,888	47,095
AMC rebates from underlying investments	33,457	93,061
Total debtors	3,906,391	4,025,758

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	1,492,483	471,610
Cash held at clearing houses	-	4,588,997
Total cash and bank balances	1,492,483	5,060,607
Bank overdraft	(946,802)	(164,357)
Cash in overdraft at clearing houses	(1,033,086)	(744,221)
Total cash and bank overdrafts	(1,979,888)	(908,578)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	3,482,753	676,510
Purchases awaiting settlement	99,286	2,553,503
Accrued expenses	355,006	381,528
Total other creditors	3,937,045	3,611,541

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 167.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC.

	Held at 30.11.16	Held at 30.11.15
7IM European (ex UK) Equity Value Fund 'Z' Inc	-	1,624,920

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen	50.03% (2015: 46.52%)
---------------	-----------------------

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment schemes managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'B', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.40%
Class B	1.15%
Class C	0.90%
Class D	1.40%
Class S	0.65%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	13,441	-	-	-	13,441
Class A Accumulation	936,611	5,987	(118,162)	(151,591)	672,845
Class B Accumulation	14,814,214	301,074	(3,721,315)	-	11,393,973
Class C Income	22,981,815	1,649,423	(4,334,645)	1,746,725	22,043,318
Class C Accumulation	116,288,358	23,419,821	(26,597,436)	1,286,292	114,397,035
Class D Income	498,413	28,246	(575,683)	274,553	225,529
Class D Accumulation	9,631,132	585,472	(1,770,763)	(2,696,930)	5,748,911
Class S Income	5,428,152	771,257	(2,054,539)	(224,846)	3,920,024
Class S Accumulation	64,191,735	2,673,771	(13,759,367)	302,804	53,408,943

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Euro	631,426	41,935
Hong Kong dollar	38,080	22,498
Japanese yen	20,181	227,463
Swiss franc	117,310	71,949
US dollar	13,552,118	106,321
Pound sterling	26,516,054	44,841,428
	<hr/> 40,875,169	<hr/> 45,311,594
Floating rate liabilities:		
Euro	(570,904)	(3,052)
Hong Kong dollar	(38,080)	(762,891)
Japanese yen	(20,181)	(4,959)
Swiss franc	(30,693)	-
US dollar	(350,465)	(49,098)
Pound sterling	(969,565)	(88,578)
	<hr/> (1,979,888)	<hr/> (908,578)
Fixed rate assets:		
Euro	-	5,792,164
Japanese yen	-	13,290,165
US dollar	17,893,479	17,014,320
Pound sterling	6,411,798	72,003,191
	<hr/> 24,305,277	<hr/> 108,099,840
Assets on which interest is not paid:		
Danish krone	970,479	1,757,251
Euro	15,194,562	27,369,256
Japanese yen	3,405,255	1,582,126
Norwegian krone	639,579	1,108,892
Swedish krona	784,257	911,580
Swiss franc	3,249,057	4,818,351
US dollar	166,502,395	45,739,653
Pound sterling	348,810,283	226,769,942
	<hr/> 539,555,867	<hr/> 310,057,051

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(28,784,533)	(13,171,766)
Hong Kong dollar	-	(624,754)
Japanese yen	-	(7,964,890)
US dollar	(144,175,616)	(11,327,647)
Pound sterling	(4,224,057)	(3,823,887)
	(177,184,206)	(36,912,944)
Net assets	425,572,219	425,646,963

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets		Weighted average period for which rate is fixed	
	Weighted average interest rate			
	30.11.16	30.11.15	30.11.16	30.11.15
	%	%	Years	Years
US dollar	(9.57)	0.20	2	7
Pound sterling	0.45	0.96	2	2

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Danish krone	970,479	-	970,479
Euro	15,255,084	(28,784,533)	(13,529,449)
Hong Kong dollar	-	-	-
Japanese yen	-	3,405,255	3,405,255
Norwegian krone	639,579	-	639,579
Swedish krona	784,257	-	784,257
Swiss franc	3,335,674	-	3,335,674
US dollar	197,597,527	(144,175,616)	53,421,911
	218,582,600	(169,554,894)	49,027,706
Pound sterling	206,175,750	170,368,763	376,544,513
Net assets	424,758,350	813,869	425,572,219

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures (continued)

ii. Foreign currency risk (continued)

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Danish krone	1,757,251	-	1,757,251
Euro	33,200,302	(13,171,765)	20,028,537
Hong Kong dollar	(1,365,147)	-	(1,365,147)
Japanese yen	15,094,795	(7,964,890)	7,129,905
Norwegian krone	1,108,892	-	1,108,892
Swedish krona	911,580	-	911,580
Swiss franc	4,890,300	-	4,890,300
US dollar	62,811,196	(11,327,647)	51,483,549
	118,409,169	(32,464,302)	85,944,867
Pound sterling	307,122,067	32,580,029	339,702,096
Net assets	425,531,236	115,727	425,646,963

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	149,532,453	(422,144)
Level 2	279,308,562	(2,041,581)
Level 3	-	-
Total	428,841,015	(2,463,725)

	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	112,011,392	(624,754)
Level 2	310,315,852	(409,426)
Level 3	-	-
Total	422,327,244	(1,034,180)

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.

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 144.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	51,782	-	-	-	-	-
Collective Investment						
Schemes	320,464	-	-	-	-	-
Derivatives	4,821	-	-	-	-	-
Equities	249,411	37	137	174	0.01	0.05
Total	626,478	37	137	174	0.01	0.05
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	128,978	-	-	-	-	-
Collective Investment						
Schemes	343,589	-	-	-	-	-
Derivatives	4,348	-	-	-	-	-
Equities	200,749	(30)	(2)	(32)	0.01	-
Total	677,664	(30)	(2)	(32)	0.01	-
Total as a percentage of the average NAV		0.02%	0.03%	0.05%		

7IM MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	68,735	-	-	-	-	-
Collective Investment						
Schemes	504,919	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	156,697	52	59	111	0.03	0.04
Total	730,351	52	59	111	0.03	0.04
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	6,726	-	-	-	-	-
Collective Investment						
Schemes	460,109	-	-	-	-	-
Derivatives	52	-	-	-	-	-
Equities	157,811	(32)	(1)	(33)	0.02	-
Total	624,698	(32)	(1)	(33)	0.02	-

Total as a percentage of the average NAV **0.02%** **0.02%** **0.04%**

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.17% (2015: 0.10%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM MODERATELY ADVENTUROUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.1862	-	0.1862	0.2887
Group 2	0.1862	-	0.1862	0.2887
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.1944	-	0.1944	0.2742
Group 2	0.1944	-	0.1944	0.2742
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.4575	-	0.4575	0.5720
Group 2	0.4492	0.0083	0.4575	0.5720
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.6933	-	0.6933	0.8026
Group 2	0.6727	0.0206	0.6933	0.8026
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7632	-	0.7632	0.8653
Group 2	0.7149	0.0483	0.7632	0.8653
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	-	-	-	0.2847
Group 2	-	-	-	0.2847
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	-	-	-	0.2932
Group 2	-	-	-	0.2932
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5086	-	0.5086	0.5732
Group 2	0.4931	0.0155	0.5086	0.5732
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5103	-	0.5130	0.5760
Group 2	0.4518	0.0612	0.5130	0.5760

7IM MODERATELY ADVENTUROUS FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.6819	-	0.6819	0.2739
Group 2	0.6819	-	0.6819	0.2739
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.6506	-	0.6506	0.2820
Group 2	0.5317	0.1189	0.6506	0.2820
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9490	-	0.9490	0.5534
Group 2	0.7080	0.2410	0.9490	0.5534
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1611	-	1.1611	0.7854
Group 2	0.4147	0.7464	1.1611	0.7854
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.2642	-	1.2642	0.8462
Group 2	0.6826	0.5816	1.2642	0.8462
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.2412	-	0.2412	0.2607
Group 2	0.2410	0.0002	0.2412	0.2607
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.5839	-	0.5839	0.2664
Group 2	0.3063	0.2776	0.5839	0.2664
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7763	-	0.7763	0.5621
Group 2	0.4050	0.3713	0.7763	0.5621
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7858	-	0.7858	0.5701
Group 2	0.3745	0.4113	0.7858	0.5701

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM ADVENTUROUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM Adventurous Fund (the 'Sub-fund') aims to provide capital growth. There is a risk of wide fluctuations in capital values. The Sub-fund invests predominantly in a range of collective investment vehicles and securities managed by selected Fund managers. Assets with scope for capital growth in real terms are likely to represent a major part of the portfolio. The Sub-fund may use different asset classes, with the comparison primarily in equities.

Investment may also be made in warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

The IA Flexible Investment Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 8.94%¹. Over the same period the peer group average return for the IA Flexible Investment sector which is the fund benchmark was 10.71%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation has emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours, having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM Adventurous C Acc. shares published prices. Source: NTRS.

² Source: FE Trustnet

7IM ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so we bought a holding in the Babson Capital U.S. High Yield Bond Fund where we have a high opinion of the management team; one of a number of fixed interest holdings we have added to the fund this year on the view that in some cases we will be better rewarded for risk taken in riskier fixed interest securities than equities. We also added loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and initiated a position in BlackRock Asian Growth Leaders.

We invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve and in the Zebra Global Equity Beta Neutral Fund which seeks to perform in all equity market conditions.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape traditional safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

As the EU referendum approached, the polls were forecasting a win for Remain which led us remove some of our hedges selling some of the US dollars we had bought when Leave had looked likely. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave and we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and selling a future on the MSCI All

7IM ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Countries Asia ex Japan Index as we had become less confident about prospects and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials Index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, with an increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM ADVENTUROUS FUND

FUND INFORMATION

The Comparative Tables on pages 188 to 196 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	198.63	193.96	176.80
Return before operating charges*	33.95	8.43	20.61
Operating charges (calculated on average price)	(1.81)	(3.76)	(3.45)
Return after operating charges*	32.14	4.67	17.16
Distributions on income shares	-	-	-
Last quoted share price ¹	230.77	-	-
Closing net asset value per share	-	198.63	193.96
* After direct transaction costs of ² :	0.07	0.12	0.21
Performance			
Return after charges ³	16.18%	2.41%	9.71%
Other Information			
Closing net asset value (£'000)	-	14	14
Closing number of shares	-	7,031	7,029
Operating charges ⁴	2.04%	1.86%	1.89%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	230.77	218.49	194.08
Lowest share price	171.56	184.64	171.75

¹ Share class closed on 19 May 2016.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	201.47	196.70	179.31
Return before operating charges*	21.30	8.58	20.87
Operating charges (calculated on average price)	(4.11)	(3.81)	(3.48)
Return after operating charges*	17.19	4.77	17.39
Distributions	(0.60)	-	-
Retained distributions on accumulation shares	0.60	-	-
Closing net asset value per share	218.66	201.47	196.70
* After direct transaction costs of ¹ :	0.15	0.12	0.21
Performance			
Return after charges ²	8.53%	2.43%	9.70%
Other Information			
Closing net asset value (£'000)	446	492	469
Closing number of shares	204,124	244,271	238,258
Operating charges ³	2.04%	1.86%	1.89%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	222.58	221.58	196.82
Lowest share price	174.22	187.27	174.18

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	207.54	202.11	183.78
Return before operating charges*	21.98	8.82	21.43
Operating charges (calculated on average price)	(3.71)	(3.39)	(3.10)
Return after operating charges*	18.27	5.43	18.33
Distributions	(1.22)	(0.03)	(0.20)
Retained distributions on accumulation shares	1.22	0.03	0.20
Closing net asset value per share	225.81	207.54	202.11
* After direct transaction costs of ¹ :	0.15	0.13	0.22
Performance			
Return after charges ²	8.80%	2.69%	9.97%
Other Information			
Closing net asset value (£'000)	6,178	6,479	6,558
Closing number of shares	2,736,117	3,121,758	3,244,946
Operating charges ³	1.79%	1.61%	1.64%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	299.80	227.88	202.23
Lowest share price	179.55	192.82	178.60

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	205.12	199.75	181.83
Return before operating charges*	21.67	8.75	21.24
Operating charges (calculated on average price)	(3.16)	(2.84)	(2.61)
Return after operating charges*	18.51	5.91	18.63
Distributions on income shares	(1.71)	(0.54)	(0.71)
Closing net asset value per share	221.92	205.12	199.75
* After direct transaction costs of ¹ :	0.15	0.12	0.22
Performance			
Return after charges ²	9.02%	2.96%	10.25%
Other Information			
Closing net asset value (£'000)	23,047	25,713	969
Closing number of shares	10,385,545	12,535,757	485,307
Operating charges ³	1.54%	1.36%	1.39%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	226.82	225.46	200.58
Lowest share price	177.54	190.69	176.78

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	213.74	207.62	188.31
Return before operating charges*	22.70	9.07	22.03
Operating charges (calculated on average price)	(3.30)	(2.95)	(2.72)
Return after operating charges*	19.40	6.12	19.31
Distributions	(1.79)	(0.56)	(0.78)
Retained distributions on accumulation shares	1.79	0.56	0.78
Closing net asset value per share	233.14	213.74	207.62
* After direct transaction costs of ¹ :	0.16	0.13	0.23
Performance			
Return after charges ²	9.08%	2.95%	10.25%
Other Information			
Closing net asset value (£'000)	69,451	71,845	48,724
Closing number of shares	29,789,200	33,613,568	23,468,415
Operating charges ³	1.54%	1.36%	1.39%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	237.18	234.31	207.74
Lowest share price	185.01	198.32	183.09

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	196.69	192.12	175.13
Return before operating charges*	20.58	8.29	20.39
Operating charges (calculated on average price)	(3.95)	(3.72)	(3.40)
Return after operating charges*	16.63	4.57	16.99
Distributions on income shares	-	-	-
Closing net asset value per share	213.32	196.69	192.12
* After direct transaction costs of ¹ :	0.14	0.12	0.21
Performance			
Return after charges ²	8.45%	2.38%	9.70%
Other Information			
Closing net asset value (£'000)	28	79	226
Closing number of shares	12,972	39,920	117,833
Operating charges ³	2.04%	1.86%	1.89%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	217.14	216.41	192.23
Lowest share price	169.95	182.86	170.12

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	201.38	196.66	179.22
Return before operating charges*	21.29	8.52	20.94
Operating charges (calculated on average price)	(4.11)	(3.80)	(3.50)
Return after operating charges*	17.18	4.72	17.44
Distributions	(0.64)	-	-
Retained distributions on accumulation shares	0.64	-	-
Closing net asset value per share	218.56	201.38	196.66
* After direct transaction costs of ¹ :	0.15	0.12	0.21
Performance			
Return after charges ²	8.53%	2.40%	9.73%
Other Information			
Closing net asset value (£'000)	10,396	11,476	11,903
Closing number of shares	4,756,413	5,698,304	6,052,810
Operating charges ³	2.04%	1.86%	1.89%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	222.48	221.47	196.73
Lowest share price	174.14	187.18	174.09

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	111.28	108.36	100.00
Return before operating charges*	11.76	4.72	9.94
Operating charges (calculated on average price)	(1.44)	(1.25)	(0.90)
Return after operating charges*	10.32	3.47	9.04
Distributions on income shares	(1.20)	(0.55)	(0.68)
Closing net asset value per share	120.40	111.28	108.36
* After direct transaction costs of ² :	0.08	0.07	0.12
Performance			
Return after charges ³	9.27%	3.20%	9.04%
Other Information			
Closing net asset value (£'000)	185	193	506
Closing number of shares	153,513	173,751	467,416
Operating charges ⁴	1.29%	1.11%	1.14%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	123.18	122.42	108.98
Lowest share price	96.36	103.54	98.47

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	112.55	109.05	100.00
Return before operating charges*	11.98	4.77	9.95
Operating charges (calculated on average price)	(1.46)	(1.27)	(0.90)
Return after operating charges*	10.52	3.50	9.05
Distributions	(1.23)	(0.58)	(0.68)
Retained distributions on accumulation shares	1.23	0.58	0.68
Closing net asset value per share	123.07	112.55	109.05
* After direct transaction costs of ² :	0.08	0.07	0.12
Performance			
Return after charges ³	9.35%	3.21%	9.05%
Other Information			
Closing net asset value (£'000)	18,368	16,388	14,319
Closing number of shares	14,924,349	14,561,064	13,130,437
Operating charges ⁴	1.29%	1.11%	1.14%
Direct transaction costs	0.07%	0.06%	0.12%
Prices			
Highest share price	125.19	123.19	109.11
Lowest share price	97.47	104.18	98.47

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 197.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.15%	0.15%	0.15%	0.15%	0.15%
	1.55%	1.30%	1.05%	1.55%	0.80%
Collective investment scheme costs	0.49%	0.49%	0.49%	0.49%	0.49%
Ongoing Charges Figure	2.04%	1.79%	1.54%	2.04%	1.29%

As at 30 November 2015

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.40%	1.15%	0.90%	1.40%	0.65%
Other expenses	0.13%	0.13%	0.13%	0.13%	0.13%
	1.53%	1.28%	1.03%	1.53%	0.78%
Collective investment scheme costs	0.33%	0.33%	0.33%	0.33%	0.33%
Ongoing Charges Figure	1.86%	1.61%	1.36%	1.86%	1.11%

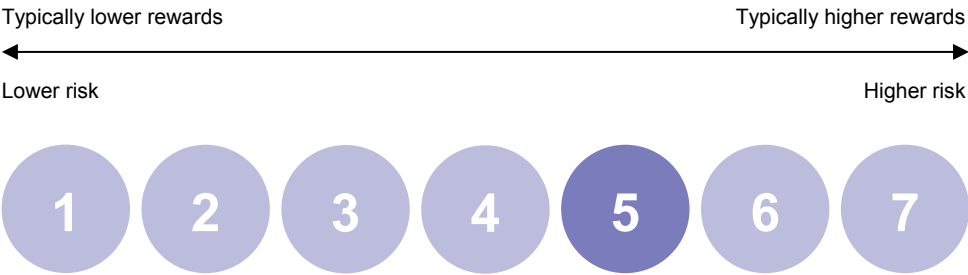
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

7IM ADVENTUROUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 5.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM Adventurous Fund	8.94	23.68	68.55
IA Flexible Investment Sector ¹	10.71	19.56	52.27

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 224 to 225.

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 62.30% (44.07%)		
	UK Equity 14.72% (8.89%)		
38,629	Aberdeen Asset Management	103,448	0.08
881	Admiral Group	16,862	0.01
841	Aggreko	6,728	0.01
355,259	Apax Global Alpha	461,837	0.37
3,504	AstraZeneca	148,535	0.12
4,043	Auto Trader Group	16,128	0.01
64,598	Aviva	290,562	0.23
13,821	Barratt Developments	64,890	0.05
516	Berkeley Group Holdings	12,869	0.01
79,240	BP	361,216	0.28
3,072	British American Tobacco	138,778	0.11
3,813	British Land	22,821	0.02
1,094	Capita	5,744	-
6,446	Carnival	267,058	0.21
74,654	Centrica	158,490	0.12
517	Diageo	10,529	0.01
5,412	Direct Line Insurance Group	19,110	0.01
6,714	easyJet	66,334	0.05
15,255	Experian	230,961	0.18
933	Fresnillo	11,448	0.01
19	FTSE 100 Index Futures Dec 2016 ¹	27,265	0.02
7,428	GlaxoSmithKline	112,163	0.09
55,059	Glencore	151,550	0.12
581	Hikma Pharmaceuticals	9,982	0.01
47,470	HSBC Holdings	301,102	0.24
843	IMI	8,143	0.01
5,022	Imperial Tobacco Group	176,297	0.14
345	InterContinental Hotels Group	11,433	0.01
1,116	Intertek Group	37,330	0.03
3,762	Intu Properties	10,263	0.01
14,979	Investec	78,340	0.07
616,236	IP Group	892,926	0.70
14,415	ITV	24,203	0.02
39,364	J Sainsbury	91,521	0.07
3,135	Johnson Matthey	98,972	0.08
943,173	Jupiter UK Growth Income Fund 'I' Acc ²	3,019,945	2.36
3,108	Land Securities	30,458	0.02
84,171	Legal & General Group	198,812	0.16
257,802	Lloyds Banking Group	150,221	0.12
2,098,289	Majedie UK Focus ²	3,681,658	2.87
2,152	Marks & Spencer	7,130	0.01
3,047	Meggitt	14,492	0.01
12,131	National Grid	113,049	0.09
44,669	Old Mutual	84,782	0.07
78,341	Pershing Square Holdings	882,689	0.69
13,652	Persimmon	233,995	0.18
18,255	Petrofac	145,401	0.11
1,529	Randgold Resources	88,911	0.07

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	UK Equity (continued)		
4,942	Reckitt Benckiser Group	338,972	0.26
2,504	RELX	34,881	0.03
5,055	Rio Tinto	151,347	0.12
14,654	Royal Bank of Scotland Group	28,004	0.02
7,832	Royal Dutch Shell 'A'	158,441	0.12
15,903	Royal Dutch Shell 'B'	336,269	0.26
25,526	Royal Mail	120,279	0.09
4,055	RSA Insurance Group	22,140	0.02
15,119	Sage Group (The)	101,222	0.08
8,493	Shire	407,664	0.32
15,943	Smith & Nephew	181,272	0.14
4,131	SSE	61,758	0.05
8,332	Tate & Lyle	57,532	0.04
32,740	Tesco	68,901	0.05
1,756	Unilever	57,285	0.04
168,421	Vodafone Group	332,126	0.26
6,045	Weir Group (The)	106,755	0.08
3,631	William Hill	10,922	0.01
107,026	WM Morrison Supermarkets	237,277	0.19
2,427,428	Wood Street Microcap Investment Fund²	2,891,309	2.26
5,773	Worldpay	15,691	0.01
		18,817,428	14.72
	North American Equity 14.19% (3.49%)		
600	Abbott Laboratories	18,652	0.01
203	Adobe Systems	17,110	0.01
2,250	Aetna	238,570	0.19
507	Agilent Technologies	18,107	0.01
294	AGNC Investment	4,486	-
13	Alleghany	5,939	-
297	Allstate	16,613	0.01
268	Alphabet 'C'	165,905	0.13
1,613	American International Group	81,971	0.06
148	AmerisourceBergen	9,222	0.01
3,808	Amgen	446,458	0.35
518	Annaly Capital Management	4,310	-
195	Anthem	22,751	0.02
495	Apple	44,304	0.03
894	Applied Materials	23,097	0.02
539	Archer-Daniels-Midland	18,509	0.01
74	Axis Capital Holdings	3,677	-
4,814	Baker Hughes	233,818	0.18
426	Baxter International	15,310	0.01
105	Biogen	25,530	0.02
473	Boeing	57,602	0.04
125	Bunge	6,736	0.01
698	Cadence Design Systems	14,905	0.01
5,995	Capital One Financial	397,725	0.31
258	Cardinal Health	14,707	0.01

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
289	Carnival	12,350	0.01
419	Caterpillar	31,644	0.02
150	Church & Dwight	5,404	-
185	Cigna	20,568	0.02
19,058	Cisco Systems	456,553	0.36
10,776	Citigroup	480,472	0.38
5,580	Citrix Systems	394,077	0.31
224	Coach	6,728	0.01
755	Colgate-Palmolive	40,339	0.03
8,587	Comcast 'A'	483,622	0.38
462	ConAgra Foods	13,999	0.01
82	Continental Resources	3,110	-
65	CR Bard	11,270	0.01
1,030	Cummins	114,341	0.09
501	Danaher	31,846	0.02
147	Delta Air Lines	5,736	-
198	Dentsply Sirono	9,615	0.01
287	Discover Financial Services	15,590	0.01
17,815	eBay	407,891	0.32
178	Edwards Lifesciences	11,993	0.01
842	EI du Pont de Nemours	48,152	0.04
780	Eli Lilly & Company	42,063	0.03
21	E-Mini S&P 500 Futures Dec 2016 ¹	27,869	0.02
98	E-Mini S&P Select Financial Sector Futures Mar 2017 ¹	216,628	0.17
313	EOG Resources	23,236	0.02
195	Estee Lauder	12,310	0.01
2,015	Exxon Mobil	139,005	0.11
395	Flextronics International	4,609	-
6,010	FMC Technologies	159,227	0.12
2,914	Ford Motor	27,895	0.02
20,168	General Electric	502,904	0.39
7,183	Gilead Sciences	431,949	0.34
91	Helmerich & Payne	4,938	-
255	Illinois Tool Works	25,725	0.02
2,288	Intel	64,844	0.05
2,209	JM Smucker	225,796	0.18
1,533	Johnson & Johnson	138,490	0.11
457	JPMorgan Chase	28,964	0.02
289	Juniper Networks	6,213	-
301	Kimberly-Clark	28,164	0.02
486	Kinder Morgan	8,348	0.01
133	KLA-Tencor	8,723	0.01
13,425	KLS Zebra Global Equity Beta Neutral Fund ²	1,352,420	1.06
132	Lamb Weston	3,518	-
204	Las Vegas Sands	10,182	0.01
1,911	Linear Technology	96,026	0.07
7,224	Lowe's Cos	410,397	0.32
284	LyondellBasell Industries	19,092	0.01
129	Macy's	4,399	-

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
267	Masco	6,907	0.01
283	Mattel	7,170	0.01
238	Maxim Integrated Products	7,598	0.01
696	McDonald's	67,442	0.05
177	McKesson	20,078	0.02
284	Mead Johnson Nutrition	16,538	0.01
4,304	Merck & Co	214,958	0.17
7,206	Michael Kors Holdings	276,099	0.22
143	Molson Coors Brewing	11,489	0.01
1,371	Mondelez International	47,190	0.04
5,173	Monsanto	425,281	0.33
859	Morgan Stanley	28,015	0.02
239	Mosaic	5,192	-
2,821	Motorola Solutions	183,709	0.14
5,251	NetApp	153,962	0.12
503	Newmont Mining	13,549	0.01
9,206	News Corp	85,243	0.07
284	Nisource	5,102	-
239	Nucor	11,831	0.01
364	NVIDIA	27,259	0.02
5,649	Occidental Petroleum	306,539	0.24
10,584	OGE Energy	274,205	0.21
12,291	Oracle	400,356	0.31
963	Paypal	30,842	0.02
91	PepsiCo	7,494	0.01
4,770	Pfizer	122,276	0.10
1,419	Philip Morris International	103,246	0.08
4,723	PNC Financial Services Group	414,457	0.32
919	Procter & Gamble	61,176	0.05
313	Prudential Financial	25,079	0.02
1,243	Qualcomm	66,642	0.05
826	Regions Financial	8,743	0.01
34	RenaissanceRe	3,579	-
64	Russell 2000 Mini Futures Dec 2016 ¹	408,739	0.32
1,144	Schlumberger	73,406	0.06
1,572	Sirius XM	5,807	-
8,731	Southwest Airlines	331,234	0.26
356	SunTrust Banks	14,621	0.01
331	Symantec	6,462	0.01
127	Synopsys	6,239	-
6,263	Target	394,330	0.31
1,145	Texas Instruments	68,413	0.05
348	TJX Companies (The)	22,022	0.02
230	T-Mobile	10,229	0.01
53	Travelers	4,839	-
356	Twenty-First Century Fox	8,105	0.01
6,151	Tyson Foods	291,298	0.23
652	UGI	24,264	0.02
58	United Rentals	4,486	-

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
163	United Technologies	14,251	0.01
208	Valero Energy	10,651	0.01
12,829	Vanguard US Discoveries Fund²	3,487,098	2.72
292	Ventas	14,316	0.01
56,400	Vereit	385,904	0.30
4,956	Verizon Communications	202,825	0.16
165	Viacom	4,896	-
142	Voya Financial	4,314	-
7,967	Wal-Mart Stores	456,637	0.36
119	Westar Energy	5,456	-
741	Xerox	5,624	-
207	Xilinx	8,977	0.01
		18,249,937	14.19
European Equity 9.63% (13.88%)			
2,099	ABB	34,370	0.03
116	Actelion	18,682	0.01
173	Adecco Group	8,571	0.01
1,883	Aegon	7,617	0.01
83	Aena	8,974	0.01
173	AerCap	6,033	-
207	Ageas	6,210	-
911	Amadeus IT Holding	33,158	0.03
880	Anheuser-Busch InBev	75,105	0.06
5	AP Moeller - Maersk 'A'	5,160	-
100	AP Moeller - Maersk 'B'	108,483	0.08
7,140	ArcelorMittal	43,234	0.03
1,045	ASML Holding	87,007	0.07
978	BASF	67,063	0.05
419	Bayer	31,787	0.02
1,119	BNP Paribas	52,076	0.04
348	Cie Financiere Richemont	18,150	0.01
195	Cie Generale des Etablissements Michelin	16,931	0.01
7,967	Coca-Cola HBC	135,359	0.11
1,173	Commerzbank	6,404	-
575	Compagnie De St-Gobain	20,122	0.02
4,230	Danske Bank	100,235	0.08
4,718	Deutsche Lufthansa	48,891	0.04
594	Deutsche Telekom	7,577	0.01
1,128	DNB	13,360	0.01
7,596	E.ON	40,650	0.03
346	Eaton	18,253	0.01
344	Endesa	5,768	-
10,158	Engie	101,963	0.08
23,396	Eni	260,048	0.20
46,139	Ericsson 'B'	190,730	0.15
127	Essilor International	10,875	0.01
(232)	EURO STOXX 50 Equity Index Futures Dec 2016¹	(118,839)	(0.09)
232	EURO STOXX 50 Index Dividend Futures Dec 2018¹	160,672	0.13

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
137	EURO STOXX 50 Index Dividend Futures Dec 2019 ¹	38,655	0.03
536	Ferrovial	7,683	0.01
5,293	Fiat Chrysler Automobiles	32,765	0.03
2,383	Fraport AG Frankfurt Airport Services Worldwide	111,776	0.09
61	Genmab	8,699	0.01
939	HeidelbergCement	68,194	0.05
2,143,183	Henderson European Focus Fund 'I' Acc ²	3,851,301	3.01
195	Henkel non-voting preference shares	18,173	0.01
11,464	Iberdrola	56,439	0.04
1,783	ING Group	19,330	0.02
488	Investor 'B'	13,295	0.01
369	Kone	13,099	0.01
1,367	Koninklijke Ahold Delhaize	21,927	0.02
216	Linde	29,577	0.02
185	Luxottica	7,771	0.01
1,638	Muenchener Rueckversicherungs	241,655	0.19
7,544	Nestle	411,361	0.32
342	NN Group	8,862	0.01
2,073	Nordea Bank	17,575	0.01
45,820	Norsk Hydro	173,754	0.14
2,406	Novartis	134,146	0.10
2,332	Novo Nordisk	63,299	0.05
254,626	Old Mutual European (Ex UK) Smaller Acc ²	3,789,754	2.96
2,216	Orange	26,222	0.02
85	Paddy Power Betfair	7,225	0.01
1,336	Pernod Ricard	112,892	0.09
17,604	Peugeot	209,291	0.16
181	Porsche Automobil	7,405	0.01
3,750	Renault	236,526	0.18
6,276	Repsol	67,451	0.05
757	Roche Holding	135,636	0.11
2,637	Safran	145,830	0.11
1,226	Sanofi	80,410	0.06
1,153	SAP	78,688	0.06
49	Schindler	7,000	0.01
3	Sika Signature Metals	11,722	0.01
1,551	Societe Generale	53,111	0.04
4,327	Stora Enso	33,722	0.03
791	Svenska Cellulosa 'B'	17,127	0.01
34	Swatch Group	8,016	0.01
206	Swedish Match	5,252	-
537	Swiss Life	119,846	0.09
77	Swiss Prime Site	5,082	-
703	Swiss Re	52,075	0.04
281	TE Connectivity	15,167	0.01
811	Telenor	9,744	0.02
137	UCB	7,163	0.01
575	UPM-Kymmene	10,575	0.01
279	Vestas Wind Systems	14,944	0.01

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
1,246	Vivendi	19,208	0.01
35	Volkswagen	3,877	-
201	Volkswagen non-voting preference shares	20,984	0.02
161	Zurich Insurance Group	33,982	0.03
		12,325,942	9.63
Japanese Equity 4.47% (8.20%)			
381,948	CF Morant Wright Nippon Yield ²	1,467,138	1.15
2,562,370	GLG Japan CoreAlpha ²	4,253,534	3.32
		5,720,672	4.47
Far East Equity 8.92% (0.34%)			
1,700,861	Hermes Asia Ex-Japan Equity 'F' ²	3,382,162	2.64
1,741,841	Invesco Perpetual Hong Kong & China ²	3,970,700	3.10
329,764	Mirae Asset Asia Great Consumer Equity 'I' ²	3,212,363	2.51
(220)	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ¹	125,247	0.10
149	MSCI China Free Index Futures Dec 2016 ¹	728,835	0.57
		11,419,307	8.92
Emerging Markets Equity 10.37% (9.27%)			
564,023	BlackRock Global Funds - Asian Growth Leaders ²	5,073,128	3.97
171,335	Goldman Sachs India Equity Portfolio I Acc ²	2,366,655	1.85
3,778,378	Lazard Emerging Markets ²	3,967,297	3.10
194,459	Magna Emerging Markets Dividend ²	1,851,638	1.45
		13,258,718	10.37
BONDS 10.01% (0.00%)			
Emerging Markets Bonds 5.97% (0.00%)			
36,824	Babson Capital Emerging Markets Local Debt ²	2,619,572	2.04
75,000	iShares Emerging Markets Local Government Bond UCITS ETF	3,655,437	2.85
8,880	RWC Global Emerging Markets ²	1,381,543	1.08
		7,656,552	5.97
Global High Yield Bonds 4.04% (0.00%)			
21,892	Babson Capital US High Yield Bond ²	2,029,722	1.58
140,000	Blackstone GSO Loan Financing (Jersey)	116,109	0.09
3,440,551	Carador Income	1,906,505	1.49
13,759	iShares \$ High Yield Corporate Bond UCITS ETF	1,125,405	0.88
		5,177,741	4.04
PRIVATE EQUITY 10.10% (7.74%)			
1,568,624	Fair Oaks Income	1,190,451	0.94
222,993	HarbourVest Global Private Equity	2,461,843	1.92
218,952	NB Private Equity Partners	2,092,458	1.63
127,913	Pantheon International Participation	2,155,334	1.68
11,811	Pareturn Barwon ²	2,765,489	2.16
11,148	Partners Group Listed Private Equity ²	1,832,255	1.43

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
PRIVATE EQUITY (continued)			
60,842	Princess Private Equity Holdings	438,009	0.34
		12,935,839	10.10
REAL ESTATE 4.04% (4.99%)			
30,661	Goldman Sachs US Real Estate Balanced Portfolio Fund ²	3,410,368	2.66
2,552,129	Premier Pan European Property Share ²	1,769,391	1.38
		5,179,759	4.04
HEDGE FUNDS & OTHER STRATEGIES 5.16% (2.09%)			
5,200,000	F&C Global Equity Market Neutral 3 Acc ²	2,934,880	2.29
195,910	iShares Physical Gold ETC ³	3,677,246	2.87
		6,612,126	5.16
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 8.48% (40.19%)			
£600,000	ASB Finance FRN 2018	600,919	0.47
US\$1,900,000	BNP Paribas Arbitrage 0% 2021	1,545,389	1.22
£100,000	Coventry Building Society FRN 2020	99,967	0.08
£940,000	DNB Boligkreditt FRN 2020	938,282	0.73
£100,000	FMS Wertmanagement 0.75% 2017	100,401	0.08
£700,000	FMS Wertmanagement 1.25% 2019	712,313	0.56
£300,000	GE Capital UK Funding FRN 2018	300,058	0.23
£100,000	National Bank of Australia 3.625% 2017	102,677	0.08
£500,000	Nestle Holdings 1.625% 2017	505,985	0.39
4,619,000	Northern Trust Global Sterling Fund ²	4,619,000	3.61
£600,000	Royal Bank of Canada FRN 2018	601,255	0.47
£600,000	Royal Bank of Canada FRN 2019	598,524	0.47
£120,000	Transport for London 1.25% 2017	120,881	0.09
		10,845,651	8.48
FORWARD FX CURRENCY CONTRACTS 0.13% (0.21%)			
€1,900,000	Vs £(1,622,965) Expiry 17.02.2017	4,732	-
¥(899,500,000)	Vs £6,667,008 Expiry 16.12.2016	285,702	0.22
US\$(41,350,000)	Vs £33,546,293 Expiry 20.01.2017	389,109	0.30
US\$(4,500,000)	Vs £3,683,392 Expiry 20.01.2017	74,992	0.06
US\$(7,900,000)	Vs £6,361,082 Expiry 20.01.2017	26,336	0.02
€(15,500,000)	Vs £13,374,330 Expiry 17.02.2017	95,751	0.07
¥170,000,000	Vs £(1,340,324) Expiry 16.12.2016	(134,296)	(0.10)
¥890,000,000	Vs £(6,872,645) Expiry 16.12.2016	(558,735)	(0.44)
US\$1,900,000	Vs £(1,519,489) Expiry 20.01.2017	4,057	-
		187,648	0.13

7IM ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

	Value £	30.11.16 %
Portfolio of investment	128,387,320	100.22
Net other liabilities	(287,772)	(0.22)
Net assets	128,099,548	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Derivative Contract

² Collective investment scheme

³ Structured Product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	3.65	28.62
Non-rated debt securities	1.22	1.85
Other investments	95.35	68.82
Net other (liabilities)/assets	(0.22)	0.71
	100.00	100.00

7IM ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£203,872,304

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	74,205,000
iShares \$ High Yield Corporate Bond UCITS ETF	5,145,520
BlackRock Global Funds - Asian Growth Leaders	4,876,609
iShares Physical Gold ETC	3,963,064
iShares Emerging Markets Local Government Bond UCITS ETF	3,808,989
Invesco Perpetual Hong Kong & China	3,800,000
Hermes Asia Ex-Japan Equity 'F'	3,200,000
Mirae Asset Asia Great Consumer Equity 'I'	3,195,849
GLG Japan CoreAlpha	2,900,000
Wood Street Microcap Investment Fund	2,800,000
Babson Capital Emerging Markets Local Debt	2,761,600
Babson Capital US High Yield Bond	1,943,815
Carador Income	1,869,499
Jupiter UK Growth Income Fund 'I' Acc	1,500,001
KLS Zebra Global Equity Beta Neutral Fund	1,330,000
BNP Paribas Arbitrage 0% 2021	1,314,742
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	1,314,742
RWC Global Emerging Markets	1,300,000
Fair Oaks Income	1,116,487
Henderson European Focus Fund 'I' Acc	1,000,000

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)

£223,606,864

Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	77,806,000
Artemis European Growth Income	5,754,834
Goldman Sachs Sterling Liquid Reserves ¹	5,000,000
iShares \$ High Yield Corporate Bond UCITS ETF	4,290,127
Merrill Lynch International & Company 2016	3,472,528
GLG Japan CoreAlpha	2,850,000
Genesis Emerging Markets	2,267,916
Toronto-Dominion Bank FRN 2018	2,260,920
Invesco Perpetual Asian Fund	2,105,767
KfW 5.625% 2017	1,712,380
BlackRock Global Funds - Asian Growth Leaders	1,568,632
Leeds Building Society 4.25% 2018	1,407,120
International Bank for Reconstruction & Development 1.25% 2017	1,311,570
Baillie Gifford Japanese	1,299,793
NRW Bank 0.875% 2017	1,299,350
Deutsche Pfandbriefbank FRN 2017	1,298,830
Municipality Finance 1.25% 2016	1,255,625
Abbey National Treasury Services FRN 2017	1,100,550
CF Morant Wright Nippon Yield	1,050,000
db x-trackers LPX MM® Private Equity UCITS ETF	1,042,442

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM ADVENTUROUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		10,003,012	(865,311)
Revenue	5	2,337,688	1,494,794	
Expenses	6	(1,325,157)	(1,189,915)	
Interest payable and similar charges	8	(43,965)	(19,276)	
Net revenue before taxation		968,566	285,603	
Taxation	7	(63,329)	(24,608)	
Net revenue after taxation for the year			905,237	260,995
Total return before distributions			10,908,249	(604,316)
Distributions	8		(1,028,077)	(296,816)
Change in net assets attributable to shareholders from investment activities			9,880,172	(901,132)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			132,678,582	83,689,633
Amounts received from predecessor fund ¹		-	35,114,983	
Amounts received on creation of shares		21,653,455	37,395,445	
Amounts paid on cancellation of shares		(36,920,041)	(22,885,862)	
Stamp Duty Reserve Tax	2(h)		(15,266,586) (4,433)	49,624,566 4,433
Change in net assets attributable to shareholders from investment activities			9,880,172	(901,132)
Retained distribution on accumulation shares			811,813	261,082
Closing net assets attributable to shareholders			128,099,548	132,678,582

¹ On 24 April 2015, the Threadneedle Managed Portfolio 7 Fund ceased investment activity and its net assets transferred to the 7IM Adventurous Fund.

The notes on pages 212 to 223 are an integral part of these Financial Statements.

7IM ADVENTUROUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		129,199,190	132,001,415
Current assets:			
Debtors	9	551,222	802,261
Cash and bank balances	10	250,162	2,187,735
Total assets		130,000,574	134,991,411
LIABILITIES			
Investment liabilities		(811,870)	(268,807)
Creditors:			
Cash and bank overdrafts	10	(478,588)	(607,993)
Distribution payable		(106,735)	(30,630)
Other creditors	11	(503,833)	(1,405,399)
Total liabilities		(1,901,026)	(2,312,829)
Net assets attributable to shareholders		128,099,548	132,678,582

The notes on pages 212 to 223 are an integral part of these Financial Statements.

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1. Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2. Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3. Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	16,501,030	(1,160,458)
Derivative contracts	(2,695,329)	(880,842)
Forward currency contracts	(4,015,086)	1,228,159
Transaction charges	(39,207)	(27,223)
AMC rebates from underlying investments	16,489	12,927
Currency gains/(losses)	235,115	(37,874)
Net capital gains/(losses)	10,003,012	(865,311)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	1,830,070	1,142,932
UK property income distributions	10,022	813
Unfranked interest	451,439	337,913
AMC rebates from underlying investments	43,309	13,060
Bank interest	2,848	28
Stock lending revenue ¹	-	48
Total revenue	2,337,688	1,494,794

¹ Stock lending revenue is net of lending agent administration fees of £nil (2015: £21).

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,173,767	1,069,109
Other expenses	7,203	4,212
	<hr/> 1,180,970	<hr/> 1,073,321
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	19,786	19,409
Safe custody and other bank charges	29,220	30,997
Market risk fee	7,500	-
	<hr/> 56,506	<hr/> 50,406
Other expenses:		
Advisory fees	39,245	34,662
Audit fee	8,760	9,576
Dealing and exchange fees	25,094	3,627
FCA and other regulatory fee	276	217
Legal and professional fees	1,173	12,458
Printing, postage and distribution costs	7,133	5,648
Risk analysis fee	6,000	-
	<hr/> 87,681	<hr/> 66,188
Total expenses	<hr/> 1,325,157	<hr/> 1,189,915

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
a) <i>Analysis of charge for the year</i>		
Overseas tax	63,147	24,608
Irrecoverable CIS Income tax w/off	182	-
Current tax charge (note 7b)	63,329	24,608
Total taxation	63,329	24,608
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	968,566	285,603
Corporation tax at 20%	193,713	57,121
Effects of:		
Non-taxable dividends	(359,300)	(232,645)
AMC rebates taken to capital	3,298	2,585
Irrecoverable CIS Income tax w/off	182	-
Unutilised excess management expenses	40,343	168,883
Overseas tax	63,147	24,608
Double taxation relief expensed	(827)	4,056
Tax effect on non-reporting offshore fund	122,773	-
Total tax charge (note 7a)	63,329	24,608

c) *Deferred tax*

There is no deferred tax provision in the current year (2015: none).

At the year end there is a potential deferred tax asset of £615,441 (2015: £575,098) due to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore, no deferred tax asset has been recognised.

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	424,916	179,423
Final	576,019	152,708
	<hr/>	<hr/>
	1,000,935	332,131
Add: Revenue deducted on cancellation of shares	44,341	12,901
Deduct: Revenue received on issue of shares	(17,199)	(48,216)
	<hr/>	<hr/>
Net distributions for the year	1,028,077	296,816
Interest payable and similar charges	43,965	19,276
	<hr/>	<hr/>
Total distribution	1,072,042	316,092

Details of the distributions per share are set out in the table on pages 224 to 225.

Distributions represented by:

Net revenue after taxation	905,237	260,995
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Allocations to capital:

Revenue deficit	239	34,778
	<hr/>	<hr/>
	905,476	295,773

Equalisation on conversions¹

Net movement in revenue account	(178)	1,058
Tax relief on Non Reporting Offshore Funds	6	(15)
	<hr/>	<hr/>
	122,773	-

Net distributions for the year	<hr/>	<hr/>
	1,028,077	296,816

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	293,682	222,335
Sales awaiting settlement	17	-
Accrued revenue	187,599	546,147
PID tax recoverable	95	258
CIS income tax recoverable	163	-
Withholding tax recoverable	46,080	16,617
AMC rebates from underlying investments	23,586	16,904
Total debtors	551,222	802,261

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	250,161	357,194
Cash held at clearing houses	1	1,830,541
Total cash and bank balances	250,162	2,187,735
Bank overdraft	(222,887)	(291,045)
Cash in overdraft at clearing houses	(255,701)	(316,948)
Total cash and bank overdrafts	(478,588)	(607,993)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	364,859	313,705
Purchases awaiting settlement	18,962	959,094
Accrued expenses	120,012	132,600
Total other creditors	503,833	1,405,399

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 210.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM European (ex UK) Equity Value Fund 'Z' Inc	-	457,009

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen	41.52% (2015: 38.84%)
---------------	-----------------------

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment schemes managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'B', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.40%
Class B	1.15%
Class C	0.90%
Class D	1.40%
Class S	0.65%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	7,031	6	(3,153)	(3,884)	-
Class A Accumulation	244,271	4,498	(4,489)	(40,156)	204,124
Class B Accumulation	3,121,758	286,165	(671,806)	-	2,736,117
Class C Income	12,535,757	513,058	(2,730,862)	67,592	10,385,545
Class C Accumulation	33,613,568	7,733,760	(11,368,771)	(189,357)	29,789,200
Class D Income	39,920	16	(11,705)	(15,259)	12,972
Class D Accumulation	5,698,304	876,425	(1,237,303)	(581,013)	4,756,413
Class S Income	173,751	27,023	(47,261)	-	153,513
Class S Accumulation	14,561,064	1,719,816	(2,737,065)	1,380,534	14,924,349

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Euro	114,242	579
Hong Kong dollar	12,463	6,460
Japanese yen	9,497	59,451
Swiss franc	37,262	20,872
US dollar	17,225	17,897
Pound sterling	3,198,479	14,846,384
	<hr/> 3,389,168	<hr/> 14,951,643
Floating rate liabilities:		
Euro	(111,249)	(1,844)
Hong Kong dollar	(12,463)	(321,826)
Japanese yen	(9,497)	(2,031)
Swiss franc	(13,873)	(1,425)
US dollar	(17,218)	(18,169)
Pound sterling	(314,288)	(262,698)
	<hr/> (478,588)	<hr/> (607,993)
Fixed rate assets:		
US dollar	1,545,390	-
Pound sterling	1,542,256	27,172,178
	<hr/> 3,087,646	<hr/> 27,172,178
Assets on which interest is not paid:		
Danish krone	303,904	475,598
Euro	7,921,387	10,453,195
Japanese yen	1,138,632	4,758,458
Norwegian krone	200,104	299,556
Swedish krona	245,744	246,284
Swiss franc	1,021,120	1,303,524
US dollar	46,055,539	14,778,465
Pound sterling	117,438,055	64,995,872
	<hr/> 174,324,485	<hr/> 97,310,952

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(11,570,395)	(353,130)
Hong Kong dollar	-	(266,417)
US dollar	(40,069,465)	-
Pound sterling	(583,303)	(5,528,651)
	<u>(52,223,163)</u>	<u>(6,148,198)</u>
Net assets	128,099,548	132,678,582

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
US dollar	(0.29)	-	4	-
Pound sterling	0.43	0.94	2	2

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Danish krone	303,904	-	303,904
Euro	8,004,868	(11,650,883)	(3,646,015)
Japanese yen	-	1,138,632	1,138,632
Norwegian krona	200,104	-	200,104
Swedish krona	245,744	-	245,744
Swiss franc	1,044,509	-	1,044,509
US dollar	49,108,254	(41,576,783)	7,531,471
	<u>58,907,383</u>	<u>(52,089,034)</u>	<u>6,818,349</u>
Pound sterling	69,004,517	52,276,682	121,281,199
Net assets	<u>127,911,900</u>	<u>187,648</u>	<u>128,099,548</u>

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk (continued)

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Danish krone	475,598	-	475,598
Euro	10,451,930	(353,130)	10,098,800
Hong Kong dollar	(581,783)	-	(581,783)
Japanese yen	4,544,963	270,915	4,815,878
Norwegian krone	299,556	-	299,556
Swedish krona	246,284	-	246,284
Swiss franc	1,322,972	-	1,322,971
US dollar	10,313,766	4,464,426	14,778,192
	27,073,285	4,382,211	31,455,496
Pound sterling	105,315,708	(4,092,622)	101,223,086
Net assets	132,388,993	289,589	132,678,582

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2016		
Level 1	47,111,536	(118,839)
Level 2	82,087,654	(693,031)
Level 3	-	-
Total	129,199,190	(811,870)
	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2015		
Level 1	36,926,855	(266,417)
Level 2	95,074,560	(2,390)
Level 3	-	-
Total	132,001,415	(268,807)

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.

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 187.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	3,909	-	-	-	-	-
Collective Investment						
Schemes	112,063	-	-	-	-	-
Derivatives	1,315	-	-	-	-	-
Equities	86,506	18	61	79	0.02	0.07
Total	203,793	18	61	79	0.02	0.07
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	38,480	-	-	-	-	-
Collective Investment						
Schemes	108,342	-	-	-	-	-
Derivatives	1,317	-	-	-	-	-
Equities	75,485	(16)	(1)	(17)	0.02	-
Total	223,624	(16)	(1)	(17)	0.02	-
Total as a percentage of the average NAV		0.02%	0.05%	0.07%		

7IM ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchase, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	30,050	-	-	-	-	-
Collective Investment						
Schemes	156,096	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	50,145	26	27	53	0.05	0.05
Total	236,291	26	27	53	0.05	0.05
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	2,583	-	-	-	-	-
Collective Investment						
Schemes	126,094	-	-	-	-	-
Derivatives	16	-	-	-	0.01	-
Equities	46,841	(15)	-	(15)	0.03	-
Total	175,534	(15)	-	(15)	0.04	-

Total as a percentage of the average NAV **0.04%** **0.02%** **0.06%**

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.19% (2015: 0.11%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM ADVENTUROUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	-	-	-	-
Group 2	-	-	-	-
			Allocated	Allocated
			31.07.16	31.07.15
Class A Accumulation	Net Revenue	Equalisation		
Group 1	0.1306	-	0.1306	-
Group 2	0.1306	-	0.1306	-
			Allocated	Allocated
			31.07.16	31.07.15
Class B Accumulation	Net Revenue	Equalisation		
Group 1	0.4682	-	0.4682	0.0383
Group 2	0.4682	-	0.4682	0.0383
			Paid	Paid
			31.07.16	31.07.15
Class C Income	Net Revenue	Equalisation		
Group 1	0.7022	-	0.7022	0.3076
Group 2	0.6192	0.0830	0.7022	0.3076
			Allocated	Allocated
			31.07.16	31.07.15
Class C Accumulation	Net Revenue	Equalisation		
Group 1	0.7276	-	0.7276	0.3204
Group 2	0.6970	0.0306	0.7276	0.3204
			Paid	Paid
			31.07.16	31.07.15
Class D Income	Net Revenue	Equalisation		
Group 1	-	-	-	-
Group 2	-	-	-	-
			Allocated	Allocated
			31.07.16	31.07.15
Class D Accumulation	Net Revenue	Equalisation		
Group 1	0.1764	-	0.1764	-
Group 2	0.1764	-	0.1764	-
			Paid	Paid
			31.07.16	31.07.15
Class S Income	Net Revenue	Equalisation		
Group 1	0.5107	-	0.5107	0.2960
Group 2	0.4495	0.0612	0.5107	0.2960
			Allocated	Allocated
			31.07.16	31.07.15
Class S Accumulation	Net Revenue	Equalisation		
Group 1	0.5239	-	0.5239	0.3111
Group 2	0.5081	0.0158	0.5239	0.3111

7IM ADVENTUROUS FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	-	-	-	-
Group 2	-	-	-	-
			Allocated	Allocated
			31.01.17	31.01.16
Class A Accumulation	Net Revenue	Equalisation		
Group 1	0.4714	-	0.4714	-
Group 2	0.1981	0.2733	0.4714	-
			Allocated	Allocated
			31.01.17	31.01.16
Class B Accumulation	Net Revenue	Equalisation		
Group 1	0.7571	-	0.7571	-
Group 2	0.4222	0.3349	0.7571	-
			Payable	Paid
			31.01.17	31.01.16
Class C Income	Net Revenue	Equalisation		
Group 1	1.0174	-	1.0174	0.2408
Group 2	0.5653	0.4521	1.0174	0.2408
			Allocated	Allocated
			31.01.17	31.01.16
Class C Accumulation	Net Revenue	Equalisation		
Group 1	1.0716	-	1.0716	0.2457
Group 2	0.6413	0.4303	1.0716	0.2457
			Payable	Paid
			31.01.17	31.01.16
Class D Income	Net Revenue	Equalisation		
Group 1	-	-	-	-
Group 2	-	-	-	-
			Allocated	Allocated
			31.01.17	31.01.16
Class D Accumulation	Net Revenue	Equalisation		
Group 1	0.4689	-	0.4689	-
Group 2	0.3110	0.1579	0.4689	-
			Payable	Paid
			31.01.17	31.01.16
Class S Income	Net Revenue	Equalisation		
Group 1	0.6987	-	0.6987	0.2556
Group 2	0.3945	0.3042	0.6987	0.2556
			Allocated	Allocated
			31.01.17	31.01.16
Class S Accumulation	Net Revenue	Equalisation		
Group 1	0.7108	-	0.7108	0.2712
Group 2	0.3837	0.3271	0.7108	0.2712

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM SUSTAINABLE BALANCE FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM Sustainable Balance Fund (the 'Sub-fund') aims to provide a balance of income and capital appreciation. There may be some risk to capital. The Sub-fund invests predominantly in a range of securities and collective investment vehicles managed by selected fund managers.

The Sub-fund will only invest in individual securities where the underlying companies, countries and institutions score well on social and environmental criteria.

To measure these criteria, the industry from which an investment has been made and the position of the investment relative to its peer group are analysed. The social aspects of companies' relationships with suppliers, the general public, employees, clients and competitors are considered. The environmental aspects of pre-production sourcing, production processes, products and services, as well as the environmental strategy/policy and environmental management systems are also examined.

Certain products and manufacturing processes are so high-risk that they are not rated as being compatible with the criteria. Companies from certain industries or with significant exposure to certain activities are precluded, such as:

Tobacco industry

Armaments

Pornography

Nuclear power generation

Chlorine, agrochemicals and GMOs in agriculture

The Sub-fund may also invest in collective investment vehicles (including exchange traded funds and open or closed ended funds) that track recognised ethical or socially responsible indices or are managed with appropriate ethical, social or environmental criteria.

The Sub-fund will comprise a mixture of income-generating assets and assets with scope for capital growth in real terms. The Sub-fund may use different asset classes, with investment primarily in equities and fixed interest securities with no long term preponderance to either class. The Sub-fund may also invest in money market instruments, warrants, deposits, cash and near cash, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

The IA Mixed Investment 20-60% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM SUSTAINABLE BALANCE FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting year, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 6.92%¹. Over the same year the peer group average return for the IA Mixed Investment 20-60% Shares Sector, which is the fund benchmark, was 7.48%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended on a tear. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing Sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM Sustainable Balance C Acc. shares published prices. Source: NTRS.

² Source: FE Trustnet

7IM SUSTAINABLE BALANCE FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P 500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%,. The FTSE All Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We invested in a 30 year inflation protection certificate as we think inflation is being mispriced and which benefits when long term inflation expectations rise in the US but does not expose the fund to duration risk or to any environmental, social or governance issues. We also sold the European corporate bond ETF where we had become less convinced of the outlook for corporate bonds given the compressed credit spreads and felt the proceeds could be better invested elsewhere.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape, traditional safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 Index which has the advantage of being a cheap way to hedge risk and which also does not carry duration risk.

As the EU referendum approached, the polls were forecasting a win for Remain which led us remove some of our hedges selling some of the US dollars we had bought when Leave had looked likely. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave and we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and the decision coming earlier than expected, this removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. Political risk continued to dominate with concerns around Brexit and the US presidential election. We took out a short position in an Asia ex Japan future to hedge the Asia exposure against weakness in Asian markets on concerns about trade with the US being affected by anti-globalisation trends.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year so we disposed of the yen hedge, just after the year end.

Alternative investments provide a relatively uncorrelated return profile with both equities and bonds and thus are good risk diversifiers. With equities and bond returns recently showing a tendency to being positively correlated, finding other sources of uncorrelated returns has been appealing. We invested in a social housing REIT because the properties are bought at below market value with

7IM SUSTAINABLE BALANCE FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

long term income contracts in place are relatively insensitive to the movements in the mainstream commercial and residential property markets and behaves more like an infrastructure asset with relatively little correlation to equities or bonds.

For similar reasons we added to the renewable infrastructure assets which also exhibit returns profiles relatively uncorrelated with equities and bonds.

The global equity portfolio saw a number of purchases and sales over the period reflecting the changing outlook for the individual companies. The fixed interest portfolio has a relatively long duration which has been difficult in a rising rate environment of the sort we have seen in the last few months. However, the portfolio benchmark is the FT-A All Stocks Gilt Index which has a relatively long duration too and the Sub-fund has performed broadly in line with its benchmark. Duration is also a good hedge in risk off periods when investors look for safe haven assets.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out, financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows.

Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP

Investment Manager

December 2016

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION

The Comparative Tables on pages 231 to 239 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	108.38	106.56	101.68
Return before operating charges*	9.00	6.30	9.12
Operating charges (calculated on average price)	(2.18)	(2.20)	(2.09)
Return after operating charges*	6.82	4.10	7.03
Distributions on income shares	(2.28)	(2.28)	(2.15)
Closing net asset value per share	112.92	108.38	106.56
* After direct transaction costs of ¹ :	0.03	0.06	0.01
Performance			
Return after charges ²	6.29%	3.85%	6.91%
Other Information			
Closing net asset value (£'000)	94	97	177
Closing number of shares	83,255	89,870	165,761
Operating charges ³	1.99%	2.01%	2.04%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	117.18	114.64	107.69
Lowest share price	99.58	102.69	99.49

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	131.17	126.36	118.13
Return before operating charges*	10.95	7.43	10.66
Operating charges (calculated on average price)	(2.62)	(2.62)	(2.43)
Return after operating charges*	8.33	4.81	8.23
Distributions	(2.82)	(2.69)	(2.54)
Retained distributions on accumulation shares	2.82	2.69	2.54
Closing net asset value per share	139.50	131.17	126.36
* After direct transaction costs of ¹ :	0.03	0.07	0.01
Performance			
Return after charges ²	6.35%	3.81%	6.97%
Other Information			
Closing net asset value (£'000)	189	384	378
Closing number of shares	135,411	292,955	299,121
Operating charges ³	1.99%	2.01%	2.04%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	142.99	136.10	126.59
Lowest share price	120.50	122.86	115.58

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	132.49	127.49	119.06
Return before operating charges*	10.97	7.51	10.78
Operating charges (calculated on average price)	(2.50)	(2.51)	(2.35)
Return after operating charges*	8.47	5.00	8.43
Distributions	(2.80)	(2.72)	(2.52)
Retained distributions on accumulation shares	2.80	2.72	2.52
Closing net asset value per share	140.96	132.49	127.49
* After direct transaction costs of ¹ :	0.03	0.07	0.01
Performance			
Return after charges ²	6.39%	3.92%	7.08%
Other Information			
Closing net asset value (£'000)	20	100	94
Closing number of shares	13,926	75,615	73,792
Operating charges ³	1.89%	1.91%	1.94%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	144.51	137.38	127.73
Lowest share price	121.74	123.97	116.51

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	111.93	109.51	103.96
Return before operating charges*	9.35	6.45	9.36
Operating charges (calculated on average price)	(1.69)	(1.70)	(1.62)
Return after operating charges*	7.66	4.75	7.74
Distributions on income shares	(2.36)	(2.33)	(2.19)
Closing net asset value per share	117.23	111.93	109.51
* After direct transaction costs of ¹ :	0.03	0.06	0.01
Performance			
Return after charges ²	6.84%	4.34%	7.45%
Other Information			
Closing net asset value (£'000)	24,456	23,188	21,743
Closing number of shares	20,862,335	20,716,740	19,854,322
Operating charges ³	1.49%	1.51%	1.54%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	121.58	118.04	110.66
Lowest share price	102.96	105.99	101.81

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	137.41	131.70	122.50
Return before operating charges*	11.56	7.76	11.12
Operating charges (calculated on average price)	(2.09)	(2.05)	(1.92)
Return after operating charges*	9.47	5.71	9.20
Distributions	(2.91)	(2.78)	(2.57)
Retained distributions on accumulation shares	2.91	2.78	2.57
Closing net asset value per share	146.88	137.41	131.70
* After direct transaction costs of ¹ :	0.03	0.08	0.01
Performance			
Return after charges ²	6.89%	4.34%	7.51%
Other Information			
Closing net asset value (£'000)	34,839	27,203	16,656
Closing number of shares	23,719,467	19,797,916	12,646,947
Operating charges ³	1.49%	1.51%	1.54%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	150.48	142.12	131.94
Lowest share price	126.37	128.09	119.96

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	106.90	105.22	100.50
Return before operating charges*	8.87	6.18	8.98
Operating charges (calculated on average price)	(2.19)	(2.27)	(2.16)
Return after operating charges*	6.68	3.91	6.82
Distributions on income shares	(2.26)	(2.23)	(2.10)
Closing net asset value per share	111.32	106.90	105.22
* After direct transaction costs of ¹ :	0.03	0.06	0.01
Performance			
Return after charges ²	6.25%	3.72%	6.79%
Other Information			
Closing net asset value (£'000)	19	177	310
Closing number of shares	16,687	165,717	295,076
Operating charges ³	2.09%	2.11%	2.14%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	115.53	113.16	106.34
Lowest share price	98.21	101.32	98.30

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	129.98	125.34	117.28
Return before operating charges*	10.83	7.36	10.60
Operating charges (calculated on average price)	(2.69)	(2.72)	(2.54)
Return after operating charges*	8.14	4.64	8.06
Distributions	(2.79)	(2.70)	(2.48)
Retained distributions on accumulation shares	2.79	2.70	2.48
Closing net asset value per share	138.12	129.98	125.34
* After direct transaction costs of ¹ :	0.03	0.07	0.01
Performance			
Return after charges ²	6.26%	3.70%	6.87%
Other Information			
Closing net asset value (£'000)	95	872	2,093
Closing number of shares	69,096	671,013	1,669,479
Operating charges ³	2.09%	2.11%	2.14%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	141.60	134.95	125.57
Lowest share price	119.39	121.87	114.73

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	107.60	105.00	100.00
Return before operating charges*	9.00	6.20	7.67
Operating charges (calculated on average price)	(1.36)	(1.36)	(0.99)
Return after operating charges*	7.64	4.84	6.68
Distributions on income shares	(2.28)	(2.24)	(1.68)
Closing net asset value per share	112.96	107.60	105.00
* After direct transaction costs of ² :	0.03	0.06	0.01
Performance			
Return after charges ³	7.10%	4.61%	6.68%
Other Information			
Closing net asset value (£'000)	610	474	480
Closing number of shares	539,758	440,354	457,315
Operating charges ⁴	1.24%	1.26%	1.29%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	117.13	113.28	106.10
Lowest share price	99.01	101.83	98.86

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	111.63	106.73	100.00
Return before operating charges*	9.40	6.29	7.73
Operating charges (calculated on average price)	(1.41)	(1.39)	(1.00)
Return after operating charges*	7.99	4.90	6.73
Distributions	(2.37)	(2.25)	(1.68)
Retained distributions on accumulation shares	2.37	2.25	1.68
Closing net asset value per share	119.62	111.63	106.73
* After direct transaction costs of ² :	0.03	0.06	0.01
Performance			
Return after charges ³	7.16%	4.59%	6.73%
Other Information			
Closing net asset value (£'000)	8,679	7,915	5,835
Closing number of shares	7,255,299	7,090,620	5,466,907
Operating charges ⁴	1.24%	1.26%	1.29%
Direct transaction costs	0.02%	0.06%	0.01%
Prices			
Highest share price	122.52	115.28	109.91
Lowest share price	102.71	103.81	98.86

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 240.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.75%	1.65%	1.25%	1.85%	1.00%
Other expenses	0.13%	0.13%	0.13%	0.13%	0.13%
	1.88%	1.78%	1.38%	1.98%	1.13%
Collective investment scheme costs	0.11%	0.11%	0.11%	0.11%	0.11%
Ongoing Charges Figure	1.99%	1.89%	1.49%	2.09%	1.24%

As at 30 November 2015

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.75%	1.65%	1.25%	1.85%	1.00%
Other expenses	0.11%	0.11%	0.11%	0.11%	0.11%
	1.86%	1.76%	1.36%	1.96%	1.11%
Collective investment scheme costs	0.15%	0.15%	0.15%	0.15%	0.15%
Ongoing Charges Figure	2.01%	1.91%	1.51%	2.11%	1.26%

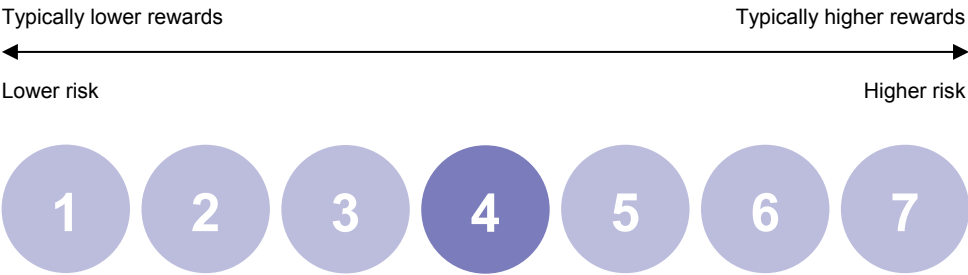
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Fund's net assets at the balance sheet date.

7IM SUSTAINABLE BALANCE FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 4.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM Sustainable Balance Fund	6.92	19.82	48.40
IA Mixed Investment 20-60% Shares Sector ¹	7.48	15.16	36.99

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 263 to 264.

7IM SUSTAINABLE BALANCE FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
EQUITIES 36.57% (46.07%)			
UK Equity 3.46% (9.28%)			
13,500	Associated British Foods	349,920	0.51
7,636	Fresenius Medical Care	484,894	0.70
87,100	Kingfisher	311,818	0.45
32,255	National Grid	300,584	0.44
25,009	Prudential	388,515	0.56
280,627	Vodafone Group	553,396	0.80
		2,389,127	3.46
North American Equity 21.41% (25.24%)			
5,200	3M	721,577	1.05
7,529	Activision Blizzard	229,462	0.33
5,115	Air Products & Chemicals	589,424	0.85
1,085	Alphabet 'C'	671,668	0.97
1,291	Amazon.com	790,297	1.15
5,465	AmerisourceBergen	340,531	0.49
6,622	Amgen	776,378	1.13
6,416	Canadian Pacific Railway	767,838	1.11
13,492	Carmax	623,133	0.90
14,161	Citigroup	631,400	0.92
12,827	Colgate-Palmolive	685,336	0.99
5,400	Costco Wholesale	656,916	0.95
8,055	Ecolab	753,102	1.09
5,500	Electronic Arts	359,364	0.52
17,000	Grupo Financiero Banorte	317,692	0.46
14,293	Hartford Financial Services	538,455	0.78
6,293	International Flavors & Fragrances	612,774	0.89
11,814	JP Morgan Chase	748,764	1.09
7,900	MasterCard	658,735	0.95
3,400	Moody's	276,025	0.40
2,929	Netflix	276,411	0.40
21,162	Pfizer	542,476	0.79
(20)	S&P 500 Index Put Options 1525 2017 ¹	(10,279)	(0.01)
20	S&P 500 Index Put Options 2050 2017 ¹	84,645	0.12
126,900	Samsonite International	319,286	0.46
9,700	TJX Companies (The)	613,845	0.89
3,311	Varian Medical Systems	242,954	0.35
5,846	Walt Disney	467,887	0.68
15,792	Zions Bancorporation	488,015	0.71
		14,774,111	21.41
European Equity 5.89% (5.06%)			
4,418	ASML Holding	367,844	0.53
12,894	Boskalis Westminster	324,228	0.47
2,812	Credicorp	346,690	0.50
7,877	Drillisch	245,890	0.36
2,107	Essilor International	180,419	0.26

7IM SUSTAINABLE BALANCE FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
5,400	Gaztransport et Technigaz	145,644	0.21
8,210	Mobileye	247,447	0.36
886,006	NextEnergy Solar	928,091	1.35
2,237	Roche Holding	400,815	0.58
21,496	SES	375,578	0.54
10,426	Umicore	499,734	0.73
		4,062,380	5.89
Swiss Equity 0.00% (0.68%)			
Japanese Equity 2.46% (3.31%)			
21,000	Mitsubishi Estate	343,162	0.50
93,800	Nissan Motor	702,377	1.01
2,900	Shimano	385,775	0.56
7,400	Sho-Bond Holdings	268,661	0.39
		1,699,975	2.46
Emerging Markets Equity 1.98% (1.03%)			
6,960	CSL	408,278	0.59
235,250	iShares Sustainable MSCI Emerging Markets SRI	958,409	1.39
		1,366,687	1.98
Far East Equity 1.37% (1.47%)			
129,000	AIA	631,108	0.92
45,000	ICICI Bank	272,125	0.39
(68)	MSCI All Countries Asia ex Japan Futures Dec 2016 ¹	38,713	0.06
		941,946	1.37
BONDS 21.33% (22.46%)			
Gilts & Other Public Securities 7.34% (6.43%)			
£250,000	Deutsche Bahn Finance 2.75% 2022	269,891	0.39
\$300,000	European Investment Bank 2.125% 2021	240,521	0.35
£200,000	European Investment Bank 3.875% 2037	253,784	0.37
£100,000	Nederlandse Water 5.375% 2032	140,453	0.20
£200,000	Reseau Ferre de France 5.5% 2021	240,167	0.35
£500,000	Treasury 3.25% 2044	630,519	0.91
£205,000	Treasury 4.25% 2036	282,192	0.41
£200,000	Treasury 4.5% 2019	219,876	0.32
£765,000	Treasury 4.5% 2034	1,070,679	1.55
£200,000	Treasury 4.75% 2030	276,673	0.40
£250,000	Treasury 4.75% 2038	375,270	0.54
£400,000	Treasury 5% 2018	424,877	0.62
£430,000	Treasury 6% 2028	640,713	0.93
		5,065,615	7.34
Overseas Government Bonds, Agencies & Supras 0.71% (1.27%)			
£260,000	Caisse Francaise de Financement Local 5.5% 2026	331,727	0.48

7IM SUSTAINABLE BALANCE FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	Overseas Government Bonds, Agencies & Supras (continued)		
£120,000	France Telecom 5.625% 2034	156,300	0.23
		488,027	0.71
	US Index Linked 0.00% (1.02%)		
	UK Corporate Bonds 13.28% (13.74%)		
£150,000	A2Dominion Housing 3.5% 2028	146,866	0.21
£250,000	Abbey National Treasury Services 5.75% 2027	327,551	0.48
£150,000	Affordable Housing 2.893% 2043	166,745	0.24
£150,000	Anglian Water Services Financing 4.5% 2027	179,247	0.26
£200,000	Cardiff University 3% 2055	224,899	0.33
£295,000	Dignity Finance 4.6956% 2049	346,877	0.50
£250,000	Dwr Cymru Financing 6.015% 2028	339,676	0.49
£100,000	GlaxoSmithKline Capital 3.375% 2027	109,833	0.16
£150,000	GlaxoSmithKline Capital 5.25% 2033	203,350	0.30
£200,000	High Speed Rail Finance 4.375% 2038	242,345	0.35
£250,000	Intesa Sanpaolo 5.25% 2022	273,683	0.40
£500,000	KFW 1.625% 2020	517,370	0.75
£175,000	Koninklijke 5.75% 2029	216,893	0.31
£150,000	Legal & General Group 5.375% 2045	150,289	0.22
£300,000	Lloyds TSB Bank 7.5% 2024	406,435	0.59
£200,000	National Grid Gas Finance 2.625% 2038	187,603	0.27
£150,000	Network Rail Infrastructure Finance 3% 2023	167,803	0.24
£150,000	Northumbrian Water Finance 1.625% 2026	140,883	0.20
£200,000	PRS Finance 1.75% 2026	198,455	0.29
£250,000	Scottish Widows 5.5% 2023	263,596	0.38
£235,000	Segro 5.5% 2018	250,787	0.36
£190,000	Thames Water Utilities Cayman Finance 3.5% 2028	209,157	0.30
£2,670,292	Threadneedle UK Social Bond ¹	2,934,117	4.26
£500,000	Transport for London 3.875% 2042	619,447	0.90
£250,000	Wellcome Trust Finance 4.625% 2036	340,106	0.49
		9,164,013	13.28
	CASH, MONEY MARKETS & SHORT TERM		
	STERLING BONDS 17.61% (13.07%)		
£300,000	Bank Nederlandse Gemeenten 1.875% 2018	308,181	0.45
£405,000	Bank Nederlandse Gemeenten 5.375% 2021	481,857	0.70
US\$2,200,000	Credit Suisse International 0% 2017	1,871,731	2.71
£2,000,000	Goldman Sachs Sterling Liquid Reserves	2,000,000	2.90
US\$2,250,000	Merrill Lynch FRN 2017	1,942,043	2.81
£150,000	Nationwide Building Society 5.625% 2019	168,368	0.24
5,173,000	Northern Trust Global Sterling Fund ³	5,173,000	7.50
£192,112	Wods Transmission 3.446% 2034	205,078	0.30
		12,150,258	17.61
	PRIVATE EQUITY 0.00% (0.00%)		
337,642	Low Carbon Accelerator ²	-	-

7IM SUSTAINABLE BALANCE FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
REAL ESTATE 5.34% (1.58%)			
1,500,000	Civitas Social Housing	1,560,000	2.26
1,272	Equinix	350,556	0.51
9,955	Sarasin Sustainable Real Estate Global ³	1,368,882	1.98
2,772	Simon Property	405,760	0.59
		3,685,198	5.34
INFRASTRUCTURE 4.07% (2.21%)			
500,000	Bluefield Solar Income Fund	517,500	0.75
600,000	Foresight Solar Fund	627,000	0.91
841,800	Greencoat UK Wind	985,748	1.43
629,411	Renewables Infrastructure Group (The)	672,840	0.98
		2,803,088	4.07
EXCHANGE TRADED FUNDS 11.96% (13.30%)			
76,625	UBS (Irl) MSCI United Kingdom IMI Socially Responsible	1,103,400	1.60
729,855	UBS Emerging Markets Socially Responsible USD	6,590,591	9.56
11,125	UBS MSCI Pacific Socially Responsible UCITS ETF	555,360	0.80
		8,249,351	11.96
FORWARD FX CURRENCY CONTRACTS -0.03% (-0.21%)			
¥(320,000,000)	Vs £2,371,809 Expiry 16.12.16	101,639	0.15
US\$(11,300,000)	Vs £9,167,427 Expiry 20.01.17	106,335	0.15
US\$(2,000,000)	Vs £1,640,790 Expiry 20.01.17	37,057	0.05
¥(50,000,000)	Vs £391,032 Expiry 16.12.16	36,318	0.05
US\$(4,500,000)	Vs £3,623,401 Expiry 20.01.17	15,002	0.02
€(4,100,000)	Vs £3,537,726 Expiry 17.02.17	25,328	0.04
¥75,000,000	Vs £(584,295) Expiry 16.12.16	(52,224)	(0.08)
¥450,000,000	Vs £(3,474,933) Expiry 16.12.16	(282,506)	(0.41)
US\$1,000,000	Vs £(801,517) Expiry 20.01.17	349	-
		(12,702)	(0.03)
Portfolio of investment		66,827,074	96.85
Net other assets		2,173,041	3.15
Net assets		69,000,115	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Derivative contract

² Delisted security

³ Collective investment scheme

71M SUSTAINABLE BALANCE FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	17.27	20.65
Non-rated debt securities	17.41	-
Other investments	62.17	77.83
Net other assets	3.15	1.52
	100.00	100.00

7IM SUSTAINABLE BALANCE FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)	£63,905,860
Major purchases	Cost £
Northern Trust Global Sterling Fund ¹	26,919,000
UBS Emerging Markets Socially Responsible USD	5,233,308
UBS (Irl) MSCI United Kingdom IMI Socially Responsible	4,549,615
Goldman Sachs Sterling Liquid Reserves ¹	2,000,000
Merrill Lynch FRN 2017	1,565,217
Credit Suisse International 0% 2017	1,512,235
Civitas Social Housing	1,500,000
US Treasury 0.125% 2020	1,468,292
US Treasury 2.50% 2029	1,349,049
US Treasury 0.25% 2025	1,310,145
iShares Sustainable MSCI Emerging Markets SRI	999,813
UBS MSCI Japan Socially Responsible UCITS ETF	900,820
UBS MSCI EMU Socially Responsible £ Acc	750,493
Colgate-Palmolive	668,050
Greencoat UK Wind	603,218
Pfizer	520,314
NextEnergy Solar	510,107
Simon Property	477,590
Air Products & Chemicals	474,270
Treasury 6% 2028	426,843

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM SUSTAINABLE BALANCE FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)	£63,196,484
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	27,907,000
UBS MSCI EMU Socially Responsible £ Acc	4,067,131
iShares Dow Jones Europe Sustainability Screen UCITS	3,708,369
UBS (Irl) MSCI United Kingdom IMI Socially Responsible	3,490,399
SSgA Euro Sustainable Corporate Bond Index	3,015,628
UBS MSCI Japan Socially Responsible UCITS ETF	2,108,741
UBS MSCI Pacific Socially Responsible UCITS ETF	2,005,012
US Treasury 0.125% 2020	1,528,059
US Treasury 2.50% 2029	1,432,144
US Treasury 0.25% 2025	1,394,920
UBS Emerging Markets Socially Responsible USD	1,000,996
US Treasury Notes 3.3755% 2032	799,088
Walgreens Boots Alliance	465,933
Kubota	463,530
Nordic Investment Bank 5.25% 2019	458,600
UBS	393,800
Keyence Corporation	385,000
Stericycle	358,869
JP Morgan Chase	315,060
Deutsche Telekom International Finance 7.375% 2019	301,268

¹ Sales activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM SUSTAINABLE BALANCE FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	£	30.11.15 £
Income					
Net capital gains	4		3,783,306		1,592,345
Revenue	5	1,566,117		1,313,850	
Expenses	6	(856,137)		(733,927)	
Interest payable and similar charges	8	(249)		-	
Net revenue before taxation		709,731		579,923	
Taxation	7	(38,819)		(39,551)	
Net revenue after taxation for the year			670,912		540,372
Total return before distributions			4,454,218		2,132,717
Distributions	8		(1,341,644)		(1,120,543)
Change in net assets attributable to shareholders from investment activities			3,112,574		1,012,174

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	£	30.11.15 £
Opening net assets attributable to shareholders			60,411,214		47,765,890
Amounts received on creation of shares		14,360,431		19,097,373	
Amounts paid on cancellation of shares		(9,735,944)		(8,152,293)	
Stamp Duty Reserve Tax	2(h)		4,624,487	-	10,945,080
Change in net assets attributable to shareholders from investment activities			3,112,574		1,012,174
Retained distribution on accumulation shares			851,840		687,539
Closing net assets attributable to shareholders			69,000,115		60,411,214

The notes on pages 251 to 262 are an integral part of these Financial Statements.

7IM SUSTAINABLE BALANCE FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		67,172,083	59,668,253
Current assets:			
Debtors	9	716,779	482,960
Cash and bank balances	10	2,073,401	822,517
Total assets		69,962,263	60,973,730
LIABILITIES			
Investment liabilities		(345,009)	(176,746)
Creditors:			
Cash and bank overdrafts	10	(124,484)	(52,010)
Distribution payable		(310,148)	(197,111)
Other creditors	11	(182,507)	(136,649)
Total liabilities		(962,148)	(562,516)
Net assets attributable to shareholders		69,000,115	60,411,214

The notes on pages 251 to 262 are an integral part of these Financial Statements.

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains

	30.11.16 £	30.11.15 £
The net capital gains during the year comprise:		
Non-derivative securities	6,522,023	1,036,079
Derivative contracts	(35,849)	-
Forward currency contracts	(2,766,498)	606,741
Transaction charges	(13,834)	(8,960)
AMC rebates from underlying investments	7,909	6,246
Currency gains/(losses)	69,555	(47,761)
Net capital gains	3,783,306	1,592,345

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	936,930	809,331
Taxable dividends	13,369	-
Unfranked interest	613,198	502,693
Bank interest	2,620	1,826
Total revenue	1,566,117	1,313,850

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	783,828	678,136
Other expenses	5,260	4,704
	<hr/> 789,088	<hr/> 682,840
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	11,183	9,654
Safe custody and other bank charges	13,361	13,447
Market risk fee	7,500	-
	<hr/> 32,044	<hr/> 23,101
Other expenses:		
Audit fee	8,160	10,776
Dealing and exchange fees	14,298	154
FCA and other regulatory fees	136	109
Legal and professional fees	1,329	15,892
Printing, postage and distribution costs	5,082	1,055
Risk analysis fees	6,000	-
	<hr/> 35,005	<hr/> 27,986
Total expenses	<hr/> 856,137	<hr/> 733,927

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
a) <i>Analysis of charge for the year</i>		
Overseas tax	38,819	39,551
Current tax charge (note 7b)	38,819	39,551
Total taxation	38,819	39,551
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	709,731	579,923
Corporation tax at 20%	141,946	115,985
Effects of:		
Non-taxable dividends	(185,720)	(151,818)
Overseas tax	38,819	39,551
AMC rebates taken to capital	1,582	1,249
Unutilised excess management expenses	44,154	34,584
Movement in revenue accruals	(1,962)	-
Total tax charge (note 7a)	38,819	39,551

c) *Deferred tax*

There is no deferred tax provision in the current year (2015: none).

At the year end there is a potential deferred tax asset of £169,815 (2015: £125,661) due to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore, no deferred tax asset has been recognised.

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	520,007	679,661
Final	843,048	495,044
	<hr/>	<hr/>
	1,363,055	1,174,705
Add: Revenue deducted on cancellation of shares	57,800	41,542
Deduct: Revenue received on issue of shares	(79,211)	(95,704)
	<hr/>	<hr/>
Net distributions for the year	1,341,644	1,120,543
Interest payable and similar charges	249	-
	<hr/>	<hr/>
Total distribution	1,341,893	1,120,543

Details of the distributions per share are set out in the table on pages 263 to 264.

Distributions represented by:

Net revenue after taxation	670,912	540,372
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Allocations to capital:

Expenses, net of tax relief	670,729	580,191
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	<hr/>	<hr/>
	1,341,641	1,120,563

Equalisation on conversions¹

	-	-
Net movement in revenue account	3	(20)

Net distributions for the year

	<hr/>	<hr/>
	1,341,644	1,120,543

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	381,685	163,872
Accrued revenue	265,068	265,002
Income tax recoverable	33,459	18,396
Withholding tax recoverable	21,184	28,216
AMC rebates from underlying investments	15,383	7,474
Total debtors	716,779	482,960

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	1,972,003	822,517
Cash held at clearing houses	101,398	-
Total cash and bank balances	2,073,401	822,517
Bank overdraft	(97,109)	(52,010)
Cash in overdraft at clearing houses	(27,375)	-
Total cash and bank overdrafts	(124,484)	(52,010)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	99,805	56,722
Accrued expenses	82,702	79,927
Total other creditors	182,507	136,649

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 249.

7IM and its associates (including other authorised investment funds managed by 7IM) had no shareholdings in the Sub-fund (2015: none).

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen	61.06% (2015: 64.96%)
---------------	-----------------------

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment schemes managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'B', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.75%
Class B	1.65%
Class C	1.25%
Class D	1.85%
Class S	1.00%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	89,870	-	(6,615)	-	83,255
Class A Accumulation	292,955	2,094	(159,638)	-	135,411
Class B Accumulation	75,615	1,780	(63,469)	-	13,926
Class C Income	20,716,740	1,028,559	(882,964)	-	20,862,335
Class C Accumulation	19,797,916	8,166,767	(4,245,216)	-	23,719,467
Class D Income	165,717	10,737	(159,767)	-	16,687
Class D Accumulation	671,013	1,315	(603,232)	-	69,096
Class S Income	440,354	495,298	(395,894)	-	539,758
Class S Accumulation	7,090,620	1,195,084	(1,030,405)	-	7,255,299

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Euro	20,888	5,596
Pound sterling	2,006,607	769,265
Swiss franc	76,243	46,433
US dollar	1,945,165	1,223
	<hr/> 4,048,903	<hr/> 822,517
Floating rate liabilities:		
Euro	(20,866)	(5,578)
Swiss franc	(76,243)	(46,432)
US dollar	(27,375)	-
	<hr/> (124,484)	<hr/> (52,010)
Fixed rate assets:		
Pound sterling	12,706,499	11,483,138
US dollar	2,112,252	990,335
	<hr/> 14,818,751	<hr/> 12,473,473
Assets on which interest is not paid:		
Australian dollar	408,278	398,982
Canadian dollar	69	1005
Danish krone	1,303	1071
Euro	4,001,892	6,164,771
Hong Kong dollar	950,394	398,005
Japanese yen	5,425,680	2,006,882
Norwegian krone	384	3,297
Pound sterling	47,881,775	36,561,662
Swedish krona	392	342
Swiss franc	411,073	828,904
South African rand	-	221,640
US dollar	16,949,892	12,492,277
	<hr/> 76,031,132	<hr/> 59,078,838

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(3,512,398)	(4,025,687)
Japanese yen	(2,624,884)	(2,221,500)
Pound sterling	(5,353,400)	(333,760)
US dollar	(14,283,505)	(5,330,657)
	<u>(25,774,187)</u>	<u>(11,911,604)</u>
Net assets	69,000,115	60,411,214

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16	30.11.15	30.11.16	30.11.15
	%	%	Years	Years
Euro	-	1.99	-	9
US dollar	(11.39)	0.20	1	7
Pound sterling	2.02	1.13	14	2

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Australian dollar	408,278	-	408,278
Canadian dollar	69	-	69
Danish krone	1,303	-	1,303
Euro	4,001,914	(3,512,398)	489,516
Hong Kong dollar	950,394	-	950,394
Japanese yen	1,701,182	1,099,614	2,800,796
Norwegian krone	384	-	384
Swedish krona	392	-	392
Swiss franc	411,073	-	411,073
US dollar	20,167,788	(13,471,359)	6,696,429
	27,642,777	(15,884,143)	11,758,634
Pound sterling	41,370,040	15,871,441	57,241,481
Net assets	69,012,817	(12,702)	69,000,115

Currency	30.11.15 Gross £	30.11.15 Hedged £	Net £
Australian dollar	398,982	-	398,982
Canadian dollar	1,005	-	1,005
Danish krone	1,071	-	1,071
Euro	6,164,789	(4,025,687)	2,139,102
Hong Kong dollar	398,005	-	398,005
Japanese yen	2,006,882	(2,221,500)	(214,618)
Norwegian krone	3,297	-	3,297
South African rand	221,640	-	221,640
Swedish krona	342	-	342
Swiss franc	828,904	-	828,904
US dollar	13,483,835	(5,330,657)	8,153,178
	23,508,752	(11,577,844)	11,930,908
Pound sterling	37,025,479	11,454,827	48,480,306
Net assets	60,534,231	(123,017)	60,411,214

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	42,534,060	(10,279)
Level 2	24,638,023	(334,730)
Level 3	-	-
Total	67,172,083	(345,009)
	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	37,843,085	-
Level 2	21,825,168	(176,746)
Level 3	-	-
Total	59,668,253	(176,746)

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.

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 230.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	11,455	-	-	-	-	-
Collective Investment						
Schemes	42,082	-	-	-	-	-
Derivatives	156	-	-	-	-	-
Equities	10,205	8	-	8	0.08	-
Total	63,898	8	-	8	0.08	-
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	8,762	-	-	-	-	-
Collective Investment						
Schemes	47,291	-	-	-	-	-
Derivatives	32	-	-	-	-	-
Equities	7,118	(7)	-	(7)	0.10	-
Total	63,203	(7)	-	(7)	0.10	-
Total as a percentage of the average NAV		0.02%	-%	0.02%		

7IM SUSTAINABLE BALANCE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	3,689	-	-	-	-	-
Collective Investment						
Schemes	30,068	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	34,666	20	-	20	0.06	-
Total	68,423	20	-	20	0.06	-
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	3,719	-	-	-	-	-
Collective Investment						
Schemes	20,490	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	30,996	(9)	(1)	(10)	0.03	-
Total	55,205	(9)	(1)	(10)	0.03	-
Total as a percentage of the average NAV		0.05%	-%	0.05%		

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.41% (2015: 0.35%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM SUSTAINABLE BALANCE FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8941	-	0.8941	1.3914
Group 2	0.8941	-	0.8941	1.3914
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1187	-	1.1187	1.6266
Group 2	0.5326	0.5861	1.1187	1.6266
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0934	-	1.0934	1.6376
Group 2	0.4675	0.6259	1.0934	1.6376
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9252	-	0.9252	1.4099
Group 2	0.3421	0.5831	0.9252	1.4099
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1268	-	1.1268	1.6641
Group 2	0.5149	0.6119	1.1268	1.6641
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8926	-	0.8926	1.3565
Group 2	0.2027	0.6899	0.8926	1.3565
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1094	-	1.1094	1.6418
Group 2	0.5803	0.5291	1.1094	1.6418
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8903	-	0.8903	1.3615
Group 2	0.1378	0.7525	0.8903	1.3615
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9220	-	0.9220	1.3486
Group 2	0.4204	0.5016	0.9220	1.3486

7IM SUSTAINABLE BALANCE FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.3949	-	1.3949	0.8940
Group 2	1.3949	-	1.3949	0.8940
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7023	-	1.7023	1.0729
Group 2	0.9120	0.7903	1.7023	1.0729
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7161	-	1.7161	1.0833
Group 2	0.9170	0.7991	1.7161	1.0833
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.4440	-	1.4440	0.9217
Group 2	0.7010	0.7430	1.4440	0.9217
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.7859	-	1.7859	1.1225
Group 2	0.8561	0.9298	1.7859	1.1225
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.3716	-	1.3716	0.8798
Group 2	0.7072	0.6644	1.3716	0.8798
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.6835	-	1.6835	1.0636
Group 2	1.6835	-	1.6835	1.0636
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.3906	-	1.3906	0.8865
Group 2	0.4362	0.9544	1.3906	0.8865
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.4553	-	1.4553	0.9111
Group 2	0.8122	0.6431	1.4553	0.9111

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM AAP INCOME FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

7IM AAP (Asset Allocated Passives) Income Fund (the 'Sub-fund') aims to provide an above average level of income, while seeking to maintain capital over the longer term. There may be some risk to capital. The Sub-fund invests in a range of securities and collective investment vehicles using predominantly passive strategies (that is, strategies designed to track the performance of particular indices, market sectors or asset classes). Such investments may be made indirectly through holdings in investment trusts, exchange traded funds or other intermediary vehicles with the objective of improving returns and controlling risk by increasing diversification within the portfolio. The asset allocation for the entire portfolio will be actively managed.

While income-generating assets are likely to represent a significant part of the portfolio, the portfolio may also include assets with scope for capital growth in real terms. The Sub-fund may use different asset classes, with the emphasis on fixed interest. A significant proportion of the Sub-fund may be maintained in or hedged back to sterling at any time. Forward foreign exchange transactions may be used to hedge currency risk.

Investment may also be made in warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

The Sub-fund may rely on third party advice on quantitative investment techniques or use third party quantitative investment software in the portfolio's construction.

IA Mixed Investment 0-35% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM AAP INCOME FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 9.16%¹. Over the same period the peer group average return for the IA Mixed Investment 0-35% Shares Sector, which is the Sub-fund benchmark, was 6.19%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours, having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM AAP Income A Acc. shares published prices. Source: NTRS.

² Source: FE Trustnet.

7IM AAP INCOME FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so added to the high yield holdings within the Sub-fund. We also added to the loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and also cut the UK corporate bond exposure where spreads had come in and it was difficult to see any further value.

We invested in a 30 year inflation protection certificate which benefits when long term inflation expectations rise in the US, as we expect they will, but does not expose the Sub-fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape we felt that Japan equities may come under pressure and sold the Japan Shareholder certificate.

In June the main issue dominating markets was the forthcoming EU Referendum and market volatility around this and a poor set of US payrolls led us to cut risk in European equities and buy US Treasuries. As the referendum date grew closer, Remain seemed the more likely outcome, which led us remove some of the US dollar we had bought as a hedge. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave, we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising and cut risk on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and selling a future on the MSCI All

7IM AAP INCOME FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Countries Asia ex Japan Index as we had become less confident about prospects and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year and we sold the yen just after the year end. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM AAP INCOME FUND

FUND INFORMATION

The Comparative Tables on pages 270 to 279 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	95.59	101.02	97.95
Return before operating charges*	9.51	(0.44)	8.05
Operating charges (calculated on average price)	(1.74)	(1.81)	(1.92)
Return after operating charges*	7.77	(2.25)	6.13
Distributions on income shares	(3.10)	(3.18)	(3.06)
Closing net asset value per share	100.26	95.59	101.02
* After direct transaction costs of ¹ :	0.03	0.02	0.06
Performance			
Return after charges ²	8.13%	(2.23)%	6.26%
Other Information			
Closing net asset value (£'000)	277	280	314
Closing number of shares	276,049	293,443	310,460
Operating charges ³	1.81%	1.81%	1.93%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	103.27	105.93	102.10
Lowest share price	89.64	93.19	96.78

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	144.94	148.35	139.52
Return before operating charges*	14.71	(0.74)	11.57
Operating charges (calculated on average price)	(2.68)	(2.67)	(2.74)
Return after operating charges*	12.03	(3.41)	8.83
Distributions	(4.79)	(4.75)	(4.40)
Retained distributions on accumulation shares	4.79	4.75	4.40
Closing net asset value per share	156.97	144.94	148.35
* After direct transaction costs of ¹ :	0.04	0.03	0.08
Performance			
Return after charges ²	8.30%	(2.30)%	6.33%
Other Information			
Closing net asset value (£'000)	180	232	89
Closing number of shares	114,406	160,266	60,147
Operating charges ³	1.81%	1.81%	1.93%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	160.51	156.94	148.74
Lowest share price	135.94	140.57	137.86

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	99.12	104.60	101.37
Return before operating charges*	9.88	(0.50)	7.99
Operating charges (calculated on average price)	(1.36)	(1.72)	(1.83)
Return after operating charges*	8.52	(2.22)	6.16
Distributions on income shares	(2.45)	(3.26)	(2.93)
Last quoted share price ¹	105.19 ¹	-	-
Closing net asset value per share	-	99.12	104.60
* After direct transaction costs of ² :	0.02	0.02	0.06
Performance			
Return after charges ³	8.60%	(2.12)%	6.08%
Other Information			
Closing net asset value (£'000)	-	19	22
Closing number of shares	-	19,512	20,608
Operating charges ⁴	1.66%	1.66%	1.78%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	106.06	109.73	105.47
Lowest share price	93.00	96.61	100.18

¹ Share class closed on 29 September 2016.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class B Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	147.87	151.18	141.99
Return before operating charges*	14.97	(0.79)	11.78
Operating charges (calculated on average price)	(2.51)	(2.52)	(2.59)
Return after operating charges*	12.46	(3.31)	9.19
Distributions	(4.85)	(4.77)	(4.49)
Retained distributions on accumulation shares	4.85	4.77	4.49
Closing net asset value per share	160.33	147.87	151.18
* After direct transaction costs of ¹ :	0.04	0.03	0.08
Performance			
Return after charges ²	8.43%	(2.19)%	6.47%
Other Information			
Closing net asset value (£'000)	7,160	8,432	11,168
Closing number of shares	4,465,529	5,702,460	7,387,296
Operating charges ³	1.66%	1.66%	1.78%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	163.93	160.00	151.56
Lowest share price	138.72	143.38	140.33

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	101.73	106.51	102.53
Return before operating charges*	10.01	(0.70)	8.16
Operating charges (calculated on average price)	(0.84)	(0.86)	(0.97)
Return after operating charges*	9.17	(1.56)	7.19
Distributions on income shares	(3.30)	(3.22)	(3.21)
Closing net asset value per share	107.60	101.73	106.51
* After direct transaction costs of ¹ :	0.03	0.02	0.06
Performance			
Return after charges ²	9.02%	(1.46)%	7.01%
Other Information			
Closing net asset value (£'000)	43,435	44,755	38,919
Closing number of shares	40,366,016	43,992,253	36,540,797
Operating charges ³	0.81%	0.81%	0.93%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	110.74	112.04	107.63
Lowest share price	95.58	99.03	101.39

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	154.09	156.46	146.09
Return before operating charges*	15.41	(1.10)	11.77
Operating charges (calculated on average price)	(1.29)	(1.27)	(1.40)
Return after operating charges*	14.12	(2.37)	10.37
Distributions	(5.06)	(4.79)	(4.63)
Retained distributions on accumulation shares	5.06	4.79	4.63
Closing net asset value per share	168.21	154.09	156.46
* After direct transaction costs of ¹ :	0.04	0.03	0.09
Performance			
Return after charges ²	9.16%	(1.51)%	7.10%
Other Information			
Closing net asset value (£'000)	16,029	16,238	9,037
Closing number of shares	9,529,415	10,538,545	5,776,054
Operating charges ³	0.81%	0.81%	0.93%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	171.87	165.99	156.84
Lowest share price	144.75	149.23	144.45

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	95.94	101.44	98.39
Return before operating charges*	9.74	(0.42)	8.09
Operating charges (calculated on average price)	(1.80)	(1.88)	(1.97)
Return after operating charges*	7.94	(2.30)	6.12
Distributions on income shares	(3.22)	(3.20)	(3.07)
Closing net asset value per share	100.66	95.94	101.44
* After direct transaction costs of ¹ :	0.03	0.02	0.06
Performance			
Return after charges ²	8.28%	(2.27)%	6.22%
Other Information			
Closing net asset value (£'000)	561	1,994	5,226
Closing number of shares	557,666	2,078,691	5,151,619
Operating charges ³	1.86%	1.86%	1.98%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	103.70	106.35	102.52
Lowest share price	90.04	93.54	97.21

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	144.00	147.45	138.71
Return before operating charges*	14.61	(0.70)	11.55
Operating charges (calculated on average price)	(2.72)	(2.75)	(2.81)
Return after operating charges*	11.89	(3.45)	8.74
Distributions	(4.79)	(4.72)	(4.38)
Retained distributions on accumulation shares	4.79	4.72	4.38
Closing net asset value per share	155.89	144.00	147.45
* After direct transaction costs of ¹ :	0.04	0.03	0.08
Performance			
Return after charges ²	8.26%	(2.34)%	6.30%
Other Information			
Closing net asset value (£'000)	543	1,226	2,642
Closing number of shares	348,198	851,433	1,791,790
Operating charges ³	1.86%	1.86%	1.98%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	159.42	155.97	147.83
Lowest share price	135.05	139.66	137.05

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	99.26	103.70	100.00
Return before operating charges*	9.72	(0.72)	6.70
Operating charges (calculated on average price)	(0.57)	(0.58)	(0.53)
Return after operating charges*	9.15	(1.30)	6.17
Distributions on income shares	(3.22)	(3.14)	(2.47)
Closing net asset value per share	105.19	99.26	103.70
* After direct transaction costs of ² :	0.03	0.02	0.06
Performance			
Return after charges ³	9.22%	(1.25)%	6.17%
Other Information			
Closing net asset value (£'000)	17,143	19,881	16,281
Closing number of shares	16,296,734	20,029,370	15,699,306
Operating charges ⁴	0.56%	0.56%	0.68%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	108.23	109.16	104.79
Lowest share price	93.28	96.59	99.40

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	104.82	106.22	100.00
Return before operating charges*	10.43	(0.80)	6.75
Operating charges (calculated on average price)	(0.60)	(0.60)	(0.53)
Return after operating charges*	9.83	(1.40)	6.22
Distributions	(3.44)	(3.25)	(2.49)
Retained distributions on accumulation shares	3.44	3.25	2.49
Closing net asset value per share	114.65	104.82	106.22
* After direct transaction costs of ² :	0.03	0.02	0.06
Performance			
Return after charges ³	9.38%	(1.32)%	6.22%
Other Information			
Closing net asset value (£'000)	3,360	4,102	2,903
Closing number of shares	2,930,932	3,913,650	2,733,333
Operating charges ⁴	0.56%	0.56%	0.68%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	117.13	112.77	106.48
Lowest share price	98.51	101.48	99.40

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 280.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.50%	1.35%	0.50%	1.55%	0.25%
Other expenses	0.13%	0.13%	0.13%	0.13%	0.13%
	1.63%	1.48%	0.63%	1.68%	0.38%
Collective investment scheme costs	0.18%	0.18%	0.18%	0.18%	0.18%
Ongoing Charges Figure	1.81%	1.66%	0.81%	1.86%	0.56%

As at 30 November 2015

	Class A	Class B	Class C	Class D	Class S
ACD's periodic charge	1.50%	1.35%	0.50%	1.55%	0.25%
Other expenses	0.10%	0.10%	0.10%	0.10%	0.10%
	1.60%	1.45%	0.60%	1.65%	0.35%
Collective investment scheme costs	0.21%	0.21%	0.21%	0.21%	0.21%
Ongoing Charges Figure	1.81%	1.66%	0.81%	1.86%	0.56%

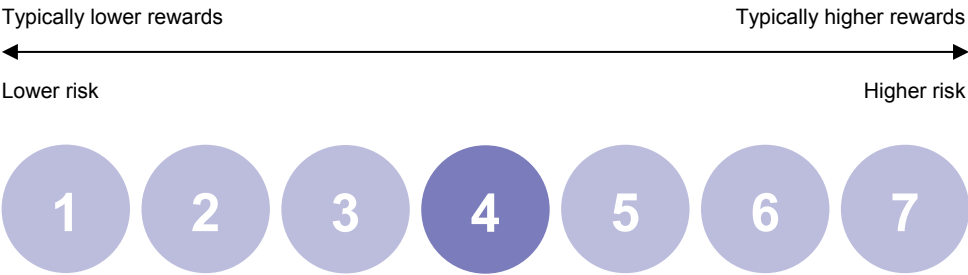
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

7IM AAP INCOME FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 4.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM AAP Income Fund	9.16	15.27	31.61
IA Mixed Investment 0-35% Shares Sector ¹	6.19	12.38	25.92

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 308 to 312.

7IM AAP INCOME FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 17.17% (18.05%)		
	UK Equity 6.04% (3.34%)		
20,478	3i Group	139,353	0.16
3,473,855	7IM UK Equity Value Fund 'Z' Inc ^{1 2}	3,415,495	3.85
5,562	Aberdeen Asset Management	14,895	0.02
127	Admiral Group	2,431	-
122	Aggreko	976	-
505	AstraZeneca	21,407	0.02
582	Auto Trader Group	2,322	-
9,301	Aviva	41,836	0.05
1,989	Barratt Developments	9,338	0.01
75	Berkeley Group Holdings	1,871	-
11,408	BP	52,003	0.06
443	British American Tobacco	20,013	0.02
549	British Land	3,286	-
158	Capita	830	-
928	Carnival	38,447	0.04
10,749	Centrica	22,820	0.03
75	Diageo	1,527	-
780	Direct Line Insurance Group	2,754	-
966	easyJet	9,544	0.01
2,197	Experian	33,263	0.04
134	Fresnillo	1,644	-
17	FTSE 100 Index Futures Dec 2016 ³	24,395	0.03
1,069	GlaxoSmithKline	16,142	0.02
7,927	Glencore	21,819	0.02
84	Hikma Pharmaceuticals	1,443	-
6,834	HSBC Holdings	43,348	0.05
122	IMI	1,179	-
723	Imperial Tobacco Group	25,381	0.03
50	InterContinental Hotels Group	1,657	-
6,089	Intermediate Capital Group	41,771	0.06
161	Intertek Group	5,385	0.01
542	Intu Properties	1,479	-
2,157	Investec	11,281	0.01
12,595	IP Group	18,250	0.02
79,672	iShares FTSE UK Dividend UCITS ETF	698,723	0.79
2,076	ITV	3,486	-
5,668	J Sainsbury	13,178	0.01
451	Johnson Matthey	14,238	0.02
448	Land Securities	4,390	-
12,119	Legal & General Group	28,625	0.03
37,118	Lloyds Banking Group	21,629	0.02
310	Marks & Spencer	1,027	-
439	Meggitt	2,088	-
1,747	National Grid	16,280	0.02
6,432	Old Mutual	12,208	0.01
1,965	Persimmon	33,680	0.04
2,629	Petrofac	20,940	0.02
220	Randgold Resources	12,793	0.01

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	UK Equity (continued)		
712	Reckitt Benckiser Group	48,836	0.06
361	RELX	5,029	0.01
728	Rio Tinto	21,796	0.02
2,109	Royal Bank of Scotland Group	4,030	-
1,127	Royal Dutch Shell 'A'	22,799	0.03
2,289	Royal Dutch Shell 'B'	48,401	0.05
3,675	Royal Mail	17,317	0.02
584	RSA Insurance Group	3,189	-
2,177	Sage Group (The)	14,575	0.02
1,222	Shire	58,656	0.07
2,296	Smith & Nephew	26,106	0.03
595	SSE	8,895	0.01
1,200	Tate & Lyle	8,286	0.01
4,714	Tesco	9,921	0.01
1,099	Unilever	35,852	0.04
24,249	Vodafone Group	47,819	0.06
871	Weir Group (The)	15,382	0.03
523	William Hill	1,573	-
15,410	WM Morrison Supermarkets	34,164	0.04
832	Worldpay	2,261	-
		5,367,757	6.04
	North American Equity 3.18% (1.20%)		
1,827,732	7IM US Equity Value Fund 'Z' Inc ^{1 2}	2,133,511	2.42
20	Abbott Laboratories	622	-
6	Adobe Systems	506	-
86	Aetna	9,119	0.01
17	Agilent Technologies	607	-
9	AGNC Investment	137	-
9	Allstate	503	-
9	Alphabet 'C'	5,571	0.01
58	American International Group	2,948	-
5	AmerisourceBergen	312	-
133	Amgen	15,593	0.02
16	Annaly Capital Management	133	-
7	Anthem	817	-
15	Apple	1,343	-
30	Applied Materials	775	-
16	Archer-Daniels-Midland	549	-
3	Axis Capital Holdings	149	-
166	Baker Hughes	8,063	0.01
13	Baxter International	467	-
3	Biogen	729	-
16	Boeing	1,948	-
4	Bunge	216	-
24	Cadence Design Systems	512	-
224	Capital One Financial	14,861	0.02
9	Cardinal Health	513	-
10	Carnival	427	-

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
15	Caterpillar	1,133	-
4	Church & Dwight	144	-
7	Cigna	778	-
639	Cisco Systems	15,308	0.02
397	Citigroup	17,701	0.02
181	Citrix Systems	12,783	0.02
8	Coach	240	-
23	Colgate-Palmolive	1,229	-
306	Comcast 'A'	17,234	0.02
11	ConAgra Foods	333	-
2	Continental Resources	76	-
2	CR Bard	347	-
36	Cummins	3,996	-
16	Danaher	1,017	-
6	Delta Air Lines	234	-
6	Dentsply Sirona	291	-
11	Discover Financial Services	598	-
573	eBay	13,119	0.01
5	Edwards Lifesciences	337	-
28	El du Pont de Nemours	1,601	-
27	Eli Lilly & Company	1,456	-
(3)	E-Mini S&P 500 Futures Dec 2016 ³	(3,981)	-
35	E-Mini S&P Select Financial Sector Futures Mar 2017 ³	77,367	0.09
10	EOG Resources	742	-
7	Estee Lauder	442	-
66	Exxon Mobil	4,553	0.01
12	Flextronics International	140	-
204	FMC Technologies	5,405	0.01
101	Ford Motor	967	-
704	General Electric	17,555	0.02
249	Gilead Sciences	14,974	0.02
3	Helmerich & Payne	163	-
9	Illinois Tool Works	908	-
75	Intel	2,126	-
70	JM Smucker	7,155	0.01
50	Johnson & Johnson	4,517	0.01
17	JPMorgan Chase	1,077	-
10	Juniper Networks	215	-
9	Kimberly-Clark	842	-
16	Kinder Morgan	275	-
4	KLA-Tencor	262	-
3	Lamb Weston	80	-
6	Las Vegas Sands	299	-
62	Linear Technology	3,115	0.01
246	Lowe's Cos	13,975	0.02
10	LyondellBasell Industries	672	-
4	Macy's	136	-
10	Masco	259	-
9	Mattel	228	-

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
8	Maxim Integrated Products	255	-
24	McDonald's	2,326	-
6	McKesson	681	-
9	Mead Johnson Nutrition	524	-
152	Merck & Co	7,591	0.01
228	Michael Kors Holdings	8,736	0.01
4	Molson Coors Brewing	321	-
43	Mondelez International	1,480	-
166	Monsanto	13,647	0.02
33	Morgan Stanley	1,076	-
9	Mosaic	196	-
104	Motorola Solutions	6,773	0.01
183	NetApp	5,366	0.01
14	Newmont Mining	377	-
307	News Corp	2,843	-
9	Nisource	162	-
9	Nucor	446	-
14	NVIDIA	1,048	-
179	Occidental Petroleum	9,713	0.01
349	OGE Energy	9,042	0.01
408	Oracle	13,290	0.02
29	Paypal	929	-
3	PepsiCo	247	-
167	Pfizer	4,281	-
42	Philip Morris International	3,056	-
175	PNC Financial Services Group	15,357	0.02
28	Procter & Gamble	1,864	-
11	Prudential Financial	881	-
40	Qualcomm	2,145	-
33	Regions Financial	349	-
1	RenaissanceRe	105	-
18	Russell 2000 Mini Futures Dec 2016 ³	114,958	0.13
(17)	S&P 500 Index Put Options 1525 2017 ³	(8,738)	(0.01)
17	S&P 500 Index Put Options 2050 2017 ³	71,948	0.08
38	Schlumberger	2,438	-
55	Sirius XM	203	-
324	Southwest Airlines	12,292	0.01
14	SunTrust Banks	575	-
10	Symantec	195	-
5	Synopsys	246	-
220	Target	13,852	0.02
38	Texas Instruments	2,270	-
11	TJX Companies (The)	696	-
7	T-Mobile	311	-
2	Travelers	183	-
11	Twenty-First Century Fox	250	-
195	Tyson Foods	9,235	0.01
20	UGI	744	-
3	United Rentals	232	-

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
5	United Technologies	437	-
7	Valero Energy	358	-
9	Ventas	441	-
1,740	Vereit	11,906	0.01
159	Verizon Communications	6,507	0.01
5	Viacom	148	-
5	Voya Financial	152	-
262	Wal-Mart Stores	15,017	0.02
4	Westar Energy	183	-
24	Xerox	182	-
7	Xilinx	304	-
		2,817,986	3.18
European Equity 3.66% (5.22%)			
1,778	ABB	29,113	0.03
70	Actelion	11,274	0.01
111	Adecco Group	5,499	0.01
1,212	Aegon	4,903	0.01
48	Aena	5,190	0.01
112	AerCap	3,905	-
131	Ageas	3,930	-
533	Amadeus IT Holding	19,400	0.02
548	Anheuser-Busch InBev	46,770	0.05
3	AP Moeller - Maersk 'A'	3,096	-
51	AP Moeller - Maersk 'B'	55,326	0.06
6,287	ArcelorMittal	38,069	0.04
619	ASML Holding	51,538	0.06
661	Aurelius	30,468	0.03
623	BASF	42,720	0.05
242	Bayer	18,359	0.02
752	BNP Paribas	34,997	0.04
11,862	Brait	58,282	0.07
198	Cie Financiere Richemont	10,326	0.01
123	Cie Generale des Etablissements Michelin	10,680	0.01
1,147	Coca-Cola HBC	19,488	0.02
81	Coloplast	4,175	-
701	Commerzbank	3,827	-
332	Compagnie De St-Gobain	11,619	0.01
3,098	Danske Bank	73,411	0.08
2,568	Deutsche Lufthansa	26,611	0.03
340	Deutsche Telekom	4,337	0.01
649	DNB	7,687	0.01
6,695	E.ON	35,828	0.04
13	Eaton	686	-
216	Endesa	3,622	-
1,727	Engie	17,335	0.02
13,273	Eni	147,530	0.17
32,142	Ericsson 'B'	132,869	0.15
74	Essilor International	6,337	0.01

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
(115)	EURO STOXX 50 Equity Index Futures Dec 2016 ³	(61,547)	(0.07)
285	EURO STOXX 50 Index Dividend Futures Dec 2018 ³	197,378	0.22
330	Ferrovial	4,730	0.01
4,228	Fiat Chrysler Automobiles	26,172	0.03
1,385	Fraport AG Frankfurt Airport Services Worldwide	64,964	0.07
35	Genmab	4,991	0.01
542	HeidelbergCement	39,362	0.04
70	Henkel	5,691	0.01
120	Henkel non-voting preference shares	11,183	0.01
6,564	Iberdrola	32,315	0.04
1,027	ING Group	11,134	0.01
308	Investor 'B'	8,391	0.01
226	Kone	8,023	0.01
1,034	Koninklijke Ahold Delhaize	16,585	0.02
126	Linde	17,253	0.02
112	Luxottica	4,705	0.01
1,037	Muenchener Rueckversicherungs	152,989	0.17
4,565	Nestle	248,921	0.28
228	NN Group	5,908	0.01
1,195	Nordea Bank	10,132	0.01
30,989	Norsk Hydro	117,513	0.13
1,511	Novartis	84,246	0.09
1,351	Novo Nordisk	36,671	0.05
1,455	Orange	17,217	0.02
53	Paddy Power Betfair	4,505	0.01
410	Partners Group	160,698	0.18
815	Pernod Ricard	68,867	0.08
10,127	Peugeot	120,398	0.14
104	Porsche Automobil	4,255	-
2,254	Renault	142,168	0.16
4,545	Repsol	48,847	0.06
475	Roche Holding	85,108	0.10
3,262	Rocket Internet	50,091	0.06
2,823	Safran	156,116	0.18
772	Sanofi	50,633	0.06
666	SAP	45,452	0.05
30	Schindler	4,285	-
2	Sika Signature Metals	7,814	0.01
861	Societe Generale	29,483	0.03
3,750	Stora Enso	29,225	0.03
448	Svenska Cellulosa 'B'	9,700	0.01
21	Swatch Group	4,951	0.01
128	Swedish Match	3,264	-
311	Swiss Life	69,408	0.08
78	Swiss Prime Site	5,148	0.01
235	Swiss Re	17,408	0.02
9	TE Connectivity	486	-
505	Telenor	6,067	0.01
86	UCB	4,496	0.01

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
359	UPM-Kymmene	6,602	0.01
162	Vestas Wind Systems	8,677	0.01
777	Vivendi	11,978	0.01
22	Volkswagen	2,437	-
125	Volkswagen non-voting preference shares	13,049	0.01
101	Zurich Insurance Group	21,318	0.03
		3,237,068	3.66
	Japanese Equity 0.04% (1.70%)		
1,028	Jafco	28,757	0.04
	Far East Equity 1.31% (3.16%)		
47,921	iShares Asia Pacific Dividend UCITS ETF	1,091,161	1.23
(128)	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ³	72,871	0.08
		1,164,032	1.31
	Emerging Markets Equity 2.94% (3.43%)		
200,000	7IM Emerging Markets Equity Value Fund 'Z' Inc ^{1 2}	233,040	0.26
159,450	SSgA SPDR S&P Emerging Markets Dividend UCITS ETF	1,715,253	1.94
84,715	Wisdomtree Emerging Asia Equity Income UCITS ²	657,031	0.74
		2,605,324	2.94
	BONDS 41.53% (42.25%)		
	Global Corporate Bonds 5.53% (5.75%)		
1,111,609	BlackRock Overseas Corporate Bond Tracker ²	1,615,169	1.82
30,304	PFS TwentyFour Dynamic Bond ²	3,291,597	3.71
		4,906,766	5.53
	Global High Yield Bonds 13.82% (9.96%)		
2,498,038	Blackstone GSO Loan Financing (Jersey)	2,071,757	2.34
5,089,626	Carador Income	2,820,304	3.18
669,000	CVC Credit Partners European Opportunities EUR	571,997	0.64
1,049,704	CVC Credit Partners European Opportunities GBP	1,052,328	1.19
13,184	iShares \$ High Yield Corporate Bond UCITS ETF	1,078,373	1.22
1,499,395	M&G Global Floating Rate High Yield 'IH' Acc ²	1,489,349	1.68
1,929,506	NB Global Floating Rate Income	1,846,537	2.08
1,500,000	PFS TwentyFour Select Monthly Income Fund	1,323,750	1.49
		12,254,395	13.82
	Global Convertible Bonds 4.13% (2.60%)		
332	NN (L) Global Convertible Opportunities Dist ²	1,420,454	1.60
88,040	SSgA SPDR Thomson Reuters Global Convertible Bond UCITS ETF	2,242,008	2.53
		3,662,462	4.13

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Global Inflation-linked Bonds 3.40% (7.91%)			
US\$ 1,492,000	US Treasury Notes 2.25% 2025	1,194,176	1.35
US\$ 2,400,000	US Treasury Notes 1.625% 2026	1,815,146	2.05
		3,009,322	3.40
Gilts & Other Public Securities 2.05% (2.29%)			
£700,000	National Bank of Australia 1.875% 2020	718,607	0.81
£620,000	Reseau Ferre de France 5.5% 2021	744,518	0.84
£350,000	Treasury 1.25% 2018	356,580	0.40
		1,819,705	2.05
Emerging Market Bonds 12.87% (2.97%)			
487,357	ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	3,889,109	4.39
70,100	iShares Emerging Markets Local Government Bond UCITS ETF	3,416,615	3.85
7,062,713	Legal & General Emerging Markets Government Bond Local Currency Index Fund Dist ^a	4,106,968	4.63
		11,412,692	12.87
Sterling Corporate Bonds 5.26% (10.77%)			
31,838	PFS TwentyFour Monument Bond ^a	3,485,103	3.93
11,024	UBS Sterling Corporate Bond Indexed ^a	1,180,534	1.33
		4,665,637	5.26
PRIVATE EQUITY 7.91% (3.51%)			
4,775	American Capital	66,379	0.07
4,084	Apollo Global Management	63,267	0.07
4,793	Apollo Investment Corporation	23,595	0.03
6,976	Ares Capital Corporation	89,805	0.10
7,715	Blackstone Group (The)	161,091	0.18
1,730	Carlyle Group (The)	21,396	0.02
964	Electra Private Equity	44,344	0.05
1,496	Eurazeo	64,543	0.07
4,467,102	Fair Oaks Income	3,390,147	3.82
545	GIMV	23,420	0.03
1,629	Hercules Technology Growth Capital	17,988	0.02
9,884	KKR & Company	121,129	0.14
1,124	Main Street Capital Corporation	32,631	0.04
181,289	NB Private Equity Partners	1,731,432	1.95
2,168	Onex Corporation	123,052	0.14
122,559	Princess Private Equity Holdings	882,318	0.99
8,204	Prospect Capital Corporation	52,774	0.06
4,993	Ratos	16,854	0.02
1,024	Wendel	95,213	0.11
		7,021,378	7.91

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
REAL ESTATE 2.84% (3.07%)			
34,175	iShares FTSE Europe Property Index	1,046,439	1.18
83,000	iShares UK Property UCITS ETF	458,160	0.52
45,900	iShares US Property Yield	1,015,308	1.14
		2,519,907	2.84
HEDGE FUNDS & OTHER STRATEGIES 2.97% (0.98%)			
95,970	iShares Physical Gold ETC ⁴	1,801,364	2.03
926,164	UK Mortgages	833,548	0.94
		2,634,912	2.97
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 22.21% (32.73%)			
£300,000	Abbey National Treasury Services FRN 2017	300,103	0.34
£350,000	Bank Nederlandse Gemeenten 1.875% 2018	359,545	0.41
US\$1,400,000	BNP Paribas Arbitrage 0% 2021	1,138,709	1.28
£350,000	Coventry Building Society 4.625% 2018	369,382	0.42
US\$3,400,000	Credit Suisse International 0% 2017	2,892,676	3.26
£200,000	Dexia Credit Local 1.875% 2017	201,645	0.23
£360,000	DNB Boligkreditt FRN 2020	359,342	0.41
£750,000	KfW 1.375% 2021	766,590	0.86
£400,000	Landwirtschaftliche Rentenbank 3.25% 2016	400,156	0.45
US\$ 3,500,000	Merrill Lynch FRN 2017	3,020,956	3.41
£600,000	Nordea Bank 2.125% 2019	621,317	0.70
7,658,000	Northern Trust Global Sterling Fund ²	7,658,000	8.63
£700,000	Rabobank Nederland 4.625% 2021	789,340	0.89
£700,000	Svenska Handelsbanken 4% 2019	746,813	0.84
£70,000	Total Capital International FRN 2019	69,653	0.08
		19,694,227	22.21
FORWARD FX CURRENCY CONTRACTS 0.25% (-0.32%)			
¥(37,000,000)	Vs £274,240 Expiry 16.12.16	11,752	0.01
US\$(28,600,000)	Vs £23,202,515 Expiry 20.01.17	269,130	0.30
US\$(1,500,000)	Vs £1,227,797 Expiry 20.01.17	24,997	0.03
US\$(2,600,000)	Vs £2,093,521 Expiry 20.01.17	8,668	0.01
€(9,130,000)	Vs £7,877,912 Expiry 17.02.17	56,400	0.06
¥245,000,000	Vs £(1,891,908) Expiry 16.12.17	(153,809)	(0.17)
US\$4,300,000	Vs £(3,435,685) Expiry 20.01.17	12,342	0.01
		229,480	0.25

7IM AAP INCOME FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

	Value £	30.11.16 %
Portfolio of investment	89,051,807	100.41
Net other liabilities	(364,275)	(0.41)
Net assets	88,687,532	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Related party holding (see note 12 of the Financial Statements).

² Collective investment schemes.

³ Derivative contract.

⁴ Structured product.

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	7.95	20.37
Non-rated debt securities	11.07	-
Other investments	81.39	79.90
Net other liabilities	(0.41)	(0.27)
	100.00	100.00

7IM AAP INCOME FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16) **£130,126,724**

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	59,809,000
7IM US Equity Value Fund 'Z' Inc	5,305,178
US Treasury Notes 2.25% 2025	4,556,773
Legal & General Emerging Markets Government Bond Local Currency Index Fund Dist	4,100,000
ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	3,750,003
7IM UK Equity Value Fund 'Z' Inc	2,904,148
US Treasury Notes 1.625% 2026	2,541,491
Merrill Lynch FRN 2017	2,418,625
7IM European (ex UK) Equity Value Fund 'Z' Inc	2,403,868
Credit Suisse International 0% 2017	2,283,504
iShares Physical Gold ETC	1,921,102
NB Global Floating Rate Income	1,898,120
Carador Income	1,219,334
NN (L) Global Convertible Opportunities Dist	1,156,432
BNP Paribas Arbitrage 0% 2021	968,758
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	968,758
US Treasury Notes 2.50% 2029	963,607
iShares \$ High Yield Corporate Bond UCITS ETF	914,286
Rabobank Nederland 4.625% 2021	792,600
KfW 1.375% 2021	766,553

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM AAP INCOME FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)	£150,188,290
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	63,674,000
Goldman Sachs Sterling Liquid Reserves ¹	10,335,520
7IM US Equity Value Fund 'Z' Inc	4,900,000
US Treasury Notes 2.25% 2025	4,162,797
Invesco Perpetual Global Financial Capital	3,567,361
7IM European (ex UK) Equity Value Fund 'Z' Inc	3,115,341
Legal & General Pacific Index	2,802,532
iShares £ Corporate Bond 1-5yr UCITS ETF	2,096,944
US Treasury Notes 0.125% 2020	1,916,329
US Treasury Notes 0.125% 2025	1,870,613
Principal Global Investors Preferred Securities	1,612,237
Spain Government Index-Linked 1.8% 2024	1,597,859
iShares China Large Cap UCITS ETF	1,496,554
Italy Treasury Inflation Linked 3.1% 2026	1,386,566
Italy Buoni Poliennali Del Tesoro 2.6% Index-Linked 2023	1,355,418
Merrill Lynch International & Company (linked to the Japan Shareholder Index) 2016	1,314,518
BlackRock Overseas Corporate Bond Tracker	1,046,000
Royal Bank of Canada FRN 2018	1,001,200
Princess Private Equity Holdings	983,747
US Treasury Notes 2.50% 2029	960,128

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM AAP INCOME FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		5,500,176	(4,122,236)
Revenue	5	3,260,257		3,215,919
Expenses	6	(578,972)		(633,266)
Interest payable and similar charges	8	(8,348)		(6,383)
Net revenue before taxation		2,672,937		2,576,270
Taxation	7	(184,485)		(188,729)
Net revenue after taxation for the year			2,488,452	2,387,541
Total return before distributions			7,988,628	(1,734,695)
Distributions	8		(2,952,360)	(2,894,616)
Change in net assets attributable to shareholders from investment activities			5,036,268	(4,629,311)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			97,161,549	86,600,173
Amounts received on creation of shares		12,658,324		34,757,163
Amounts paid on cancellation of shares		(27,053,339)		(20,468,803)
			(14,395,015)	14,288,360
Stamp Duty Reserve Tax	2(h)		-	(2,274)
Change in net assets attributable to shareholders from investment activities			5,036,268	(4,629,311)
Retained distribution on accumulation shares			884,730	904,601
Closing net assets attributable to shareholders			88,687,532	97,161,549

The notes on pages 296 to 307 are an integral part of these Financial Statements.

7IM AAP INCOME FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		89,279,882	97,943,544
Current assets:			
Debtors	9	734,567	835,591
Cash and bank balances	10	815,538	590,255
Total assets		90,829,987	99,369,390
LIABILITIES			
Investment liabilities		(228,075)	(517,250)
Creditors:			
Cash and bank overdrafts	10	(566,402)	(649,450)
Distribution payable		(443,664)	(343,184)
Other creditors	11	(904,314)	(697,957)
Total liabilities		(2,142,455)	(2,207,841)
Net assets attributable to shareholders		88,687,532	97,161,549

The notes on pages 296 to 307 are an integral part of these Financial Statements.

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	11,281,149	(5,777,076)
Derivative contracts	(1,080,006)	740,328
Forward currency contracts	(4,616,077)	814,524
Transaction charges	(34,405)	(32,693)
AMC rebates from underlying investments	3,824	4,634
Currency (losses)/gains	(54,309)	128,047
Net capital gains/(losses)	5,500,176	(4,122,236)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	1,815,839	1,738,854
Unfranked interest	1,380,845	1,452,669
AMC rebates from underlying investments	21,305	18,214
Bank interest	40,251	1,180
UK property income distributions	2,017	5,002
Total revenue	3,260,257	3,215,919

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	490,883	569,024
Other expenses	5,465	4,912
	<hr/> 496,348	<hr/> 573,936
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	15,261	14,440
Safe custody and other bank charges	17,126	24,378
Market risk fee	7,500	-
	<hr/> 39,887	<hr/> 38,818
Other expenses:		
Audit fee	9,336	9,000
Dealing and exchange fees	18,403	2,061
FCA and other regulatory fee	280	213
Legal and professional fees	3,018	6,541
Printing, postage and distribution costs	5,596	2,697
Risk analysis fee	6,104	-
	<hr/> 42,737	<hr/> 20,512
Total expenses	<hr/> 578,972	<hr/> 633,266

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
a) <i>Analysis of charge for the year</i>		
Corporation tax	172,184	168,410
	172,184	168,410
Overseas tax	12,301	20,319
	184,485	188,729
Current tax charge (note 7b)	184,485	188,729
Total taxation	184,485	188,729
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	2,672,937	2,576,270
Corporation tax at 20%	534,587	515,254
Effects of:		
Non-taxable dividends	(363,168)	(347,771)
Overseas tax	12,301	20,319
AMC rebates taken to capital	765	927
Total tax charge (note 7a)	184,485	188,729
c) <i>Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
First Interim	666,657	789,688
Second Interim	646,791	786,938
Third Interim	941,508	857,087
Final	639,800	498,367
	<hr/>	<hr/>
	2,894,756	2,932,080
Add: Revenue deducted on cancellation of shares	106,460	68,442
Deduct: Revenue received on issue of shares	(48,856)	(105,906)
	<hr/>	<hr/>
Net distributions for the year	2,952,360	2,894,616
Interest payable and similar charges	8,348	6,383
	<hr/>	<hr/>
Total distribution	2,960,708	2,900,999

Details of the distributions per share are set out in the table on pages 308 to 312.

Distributions represented by:

Net revenue after taxation	2,488,452	2,387,541
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Allocations to capital:

Expenses, net of tax relief	463,942	507,540
	<hr/>	<hr/>
	2,952,394	2,895,081

Equalisation on conversions¹

	(26)	(440)
--	------	-------

Net movement in revenue account

	(8)	(25)
	<hr/>	<hr/>
Net distributions for the year	2,952,360	2,894,616

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	195,370	291,338
Sales awaiting settlement	17	-
Accrued revenue	349,285	388,507
Income tax recoverable	142,717	127,184
Withholding tax recoverable	19,417	10,648
AMC rebates from underlying investments	27,761	17,914
Total debtors	734,567	835,591

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	631,433	561,545
Cash held at clearing houses	184,105	28,710
Total cash and bank balances	815,538	590,255
Bank overdraft	(506,178)	(189,039)
Cash in overdraft at clearing houses	(60,224)	(460,411)
Total cash and bank overdrafts	(566,402)	(649,450)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	678,698	417,294
Accrued expenses	53,431	67,214
Taxation payable	172,185	213,449
Total other creditors	904,314	697,957

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 294.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM Emerging Markets Equity Value Fund 'Z' Inc	200,000	200,000
7IM European (ex UK) Equity Value Fund 'Z' Inc	-	585,824
7IM UK Equity Value Fund 'Z' Inc	3,473,855	251,952
7IM US Equity Value Fund 'Z' Inc	1,827,732	605,781

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen 51.39% (2015: 54.27%)

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment schemes managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'B', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.50%
Class B	1.35%
Class C	0.50%
Class D	1.55%
Class S	0.25%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	293,443	256,103	(216,930)	(56,567)	276,049
Class A Accumulation	160,266	7	(41,514)	(4,353)	114,406
Class B Income	19,512	-	(19,512)	-	-
Class B Accumulation	5,702,460	602,426	(1,839,357)	-	4,465,529
Class C Income	43,992,253	5,815,440	(10,278,635)	836,958	40,366,016
Class C Accumulation	10,538,545	1,721,252	(3,108,484)	378,102	9,529,415
Class D Income	2,078,691	8,618	(816,866)	(712,777)	557,666
Class D Accumulation	851,433	41,894	(233,516)	(311,613)	348,198
Class S Income	20,029,370	1,946,888	(5,564,523)	(115,001)	16,296,734
Class S Accumulation	3,913,650	709,280	(1,569,558)	(122,440)	2,930,932

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Canadian dollar	228	190
Euro	53,396	48,679
Japanese yen	2,359	29,330
Swiss franc	38,543	29,799
US dollar	3,093,221	291,008
Pound sterling	16,546,562	4,179,011
	<hr/> 19,734,309	<hr/> 4,578,017
Floating rate liabilities:		
Canadian dollar	(230)	(190)
Euro	(42,154)	-
Japanese yen	(2,359)	(619)
Swiss franc	(24,999)	(18,547)
US dollar	(48,887)	(156)
Pound sterling	(447,773)	(629,938)
	<hr/> (566,402)	<hr/> (649,450)
Fixed rate assets:		
Euro	-	4,156,237
Japanese yen	-	1,388,310
US dollar	7,040,706	3,532,025
Pound sterling	6,074,493	8,107,427
	<hr/> 13,115,199	<hr/> 17,183,999

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Assets on which interest is not paid:		
Canadian dollar	123,052	116,141
Danish krone	187,475	273,627
Euro	5,546,666	6,588,703
Japanese yen	1,504,368	928,120
Norwegian krone	132,606	172,641
Polish zloty	13,166	-
South African rand	58,282	92,193
Swedish krona	182,042	163,035
Swiss franc	775,015	911,154
US dollar	21,373,527	14,225,644
Pound sterling	57,966,078	70,725,574
	<hr/> 87,862,277	<hr/> 94,196,832
Liabilities on which interest is not paid:		
Euro	(7,685,682)	(6,144,470)
US dollar	(22,448,586)	(10,962,239)
Pound sterling	(1,323,583)	(1,041,140)
	<hr/> (31,457,851)	<hr/> (18,147,849)
Net assets	<hr/> 88,687,532	<hr/> 97,161,549

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
Euro	-	1.99	-	9
US dollar	(4.46)	0.20	4.86	6
Pounds sterling	0.90	1.13	2.94	2

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii Foreign currency risk

The table below shows the direct foreign currency risk profile:

	30.11.16	30.11.16	30.11.16
Currency	Gross £	Hedged £	Net £
Canadian dollar	123,050	-	123,050
Danish krone	187,475	-	187,475
Euro	5,693,738	(7,821,512)	(2,127,774)
Japanese yen	28,757	1,475,611	1,504,368
Norwegian krone	132,606	-	132,606
Polish Zloty	13,166	-	13,166
South African rand	58,282	-	58,282
Swedish krona	182,042	-	182,042
Swiss franc	788,559	-	788,559
US dollar	31,782,993	(22,773,012)	9,009,981
	38,990,668	(29,118,913)	9,871,755
Pound sterling	49,467,384	29,348,393	78,815,777
Net assets	88,458,052	229,480	88,687,532

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Canadian dollar	116,141	-	116,141
Danish krone	273,627	-	273,627
Euro	10,793,619	(6,144,470)	4,649,149
Japanese yen	1,678,691	666,450	2,345,141
Norwegian krone	172,641	-	172,641
South African rand	92,193	-	92,193
Swedish krona	163,035	-	163,035
Swiss franc	922,406	-	922,406
US dollar	17,880,862	(10,794,580)	7,086,282
	32,093,215	(16,272,600)	15,820,615
Pound sterling	65,376,412	15,964,522	81,340,934
Net assets	97,469,627	(308,078)	97,161,549

iii Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	46,112,542	(74,266)
Level 2	43,167,340	(153,809)
Level 3	-	-
Total	89,279,882	(228,075)
	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	45,764,123	(167,658)
Level 2	52,179,421	(349,592)
Level 3	-	-
Total	97,943,544	(517,250)

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.

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchase, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 269.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	19,250	-	-	-	-	-
Collective Investment						
Schemes	78,822	-	-	-	-	-
Derivatives	1,101	-	-	-	-	-
Equities	30,934	11	9	20	0.04	0.03
Total	130,107	11	9	20	0.04	0.03
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	25,210	-	-	-	-	-
Collective Investment						
Schemes	94,288	-	-	-	-	-
Derivatives	991	-	-	-	-	-
Equities	29,704	(5)	-	(5)	0.02	-
Total	150,193	(5)	-	(5)	0.02	-
Total as a percentage of the average NAV		0.02%	0.01%	0.03%		

7IM AAP INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchase, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	10,325	-	-	-	-	-
Collective Investment						
Schemes	101,278	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Equities	35,054	5	10	15	0.01	0.03
Total	146,657	5	10	15	0.01	0.03
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	399	-	-	-	-	-
Collective Investment						
Schemes	80,745	-	-	-	-	-
Derivatives	8	-	-	-	-	-
Equities	45,532	(5)	-	(5)	0.01	-
Total	126,684	(5)	-	(5)	0.01	-

Total as a percentage of the average NAV **0.01%** **0.01%** **0.02%**

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.71% (2015: 0.34%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM AAP INCOME FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

First Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 29 February 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	0.6820	-	0.6820	0.9080
Group 2	0.3472	0.3348	0.6820	0.9080
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	1.0571	-	1.0571	1.3330
Group 2	0.5410	0.5161	1.0571	1.3330
			Paid	Paid
Class B Income	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	0.7162	-	0.7162	0.9347
Group 2	0.3669	0.3493	0.7162	0.9347
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	1.0686	-	1.0686	1.3510
Group 2	0.5472	0.5214	1.0686	1.3510
			Paid	Paid
Class C Income	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	0.7099	-	0.7099	0.9232
Group 2	0.3605	0.3494	0.7099	0.9232
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	1.0764	-	1.0764	1.3563
Group 2	0.5466	0.5298	1.0764	1.3563
			Paid	Paid
Class D Income	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	0.7768	-	0.7768	0.9138
Group 2	0.4068	0.3700	0.7768	0.9138
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	1.0682	-	1.0682	1.3285
Group 2	0.5483	0.5199	1.0682	1.3285
			Paid	Paid
Class S Income	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	0.6914	-	0.6914	0.8992
Group 2	0.3509	0.3405	0.6914	0.8992
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	30.04.16	30.04.15
Group 1	0.7314	-	0.7314	0.9210
Group 2	0.3713	0.3601	0.7314	0.9210

7IM AAP INCOME FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Second Interim - in pence per share

Group 1 – Shares purchased prior to 1 March 2016

Group 2 – Shares purchased on or after 1 March 2016 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.6720	-	0.6720	0.8565
Group 2	0.3659	0.3061	0.6720	0.8565
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0258	-	1.0258	1.2664
Group 2	1.0258	-	1.0258	1.2664
			Paid	Paid
Class B Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.6896	-	0.6896	0.8755
Group 2	0.6896	-	0.6896	0.8755
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0360	-	1.0360	1.2770
Group 2	0.0329	1.0031	1.0360	1.2770
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7172	-	0.7172	0.8646
Group 2	0.4425	0.2747	0.7172	0.8646
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0939	-	1.0939	1.2791
Group 2	0.7839	0.3100	1.0939	1.2791
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.6763	-	0.6763	0.8650
Group 2	0.0229	0.6534	0.6763	0.8650
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0255	-	1.0255	1.2679
Group 2	0.8972	0.1283	1.0255	1.2679
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7002	-	0.7002	0.8425
Group 2	0.4294	0.2708	0.7002	0.8425
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7447	-	0.7447	0.8693
Group 2	0.2972	0.4475	0.7447	0.8693

7IM AAP INCOME FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Third Interim - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 31 August 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.0167	-	1.0167	0.9145
Group 2	1.0167	-	1.0167	0.9145
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.5650	-	1.5650	1.3844
Group 2	1.5650	-	1.5650	1.3844
			Paid	Paid
Class B Income	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.0490	-	1.0490	0.9397
Group 2	1.0490	-	1.0490	0.9397
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.5858	-	1.5858	1.3765
Group 2	0.9385	0.6473	1.5858	1.3765
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.0960	-	1.0960	0.9185
Group 2	0.4271	0.6689	1.0960	0.9185
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.6841	-	1.6841	1.3743
Group 2	0.3963	1.2878	1.6841	1.3743
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.0230	-	1.0230	0.9167
Group 2	0.0156	1.0074	1.0230	0.9167
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.5544	-	1.5544	1.3600
Group 2	0.0208	1.5336	1.5544	1.3600
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.0704	-	1.0704	0.8955
Group 2	0.4006	0.6698	1.0704	0.8955
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.10.16	31.10.15
Group 1	1.1469	-	1.1469	0.9308
Group 2	0.6459	0.5010	1.1469	0.9308

7IM AAP INCOME FUND

DISTRIBUTION TABLES (continued) for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 September 2016

Group 2 – Shares purchased on or after 1 September 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7386	-	0.7386	0.5079
Group 2	0.2533	0.4853	0.7386	0.5079
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1480	-	1.1480	0.7665
Group 2	1.1480	-	1.1480	0.7665
			Payable	Paid
Class B Income¹	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	-	-	-	0.5193
Group 2	-	-	-	0.5193
			Allocated	Allocated
Class B Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1604	-	1.1604	0.7721
Group 2	1.1604	-	1.1604	0.7721
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7771	-	0.7771	0.5209
Group 2	0.3415	0.4356	0.7771	0.5209
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.2060	-	1.2060	0.7830
Group 2	0.7248	0.4812	1.2060	0.7830
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7443	-	0.7443	0.5122
Group 2	0.0817	0.6626	0.7443	0.5122
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1439	-	1.1439	0.7651
Group 2	0.1773	0.9666	1.1439	0.7651
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7596	-	0.7596	0.5082
Group 2	0.2597	0.4999	0.7596	0.5082
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.8222	-	0.8222	0.5339
Group 2	0.3580	0.4642	0.8222	0.5339

¹Share class closed on 29 September 2016.

7IM AAP INCOME FUND

DISTRIBUTION TABLES (continued) for the year ended 30 November 2016

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM AAP MODERATELY CAUTIOUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM AAP (Asset Allocated Passives) Moderately Cautious Fund (the 'Sub-fund') aims to provide a total return, substantially by way of income though with some capital appreciation. There may be a moderate risk to capital.

The Investment Manager will invest the majority of the portfolio in fixed interest and equity instruments using predominantly passive strategies (that is, strategies designed to track the performance of particular indices, market sectors or asset classes). The Investment Manager will also make investments in other asset classes such as property, commodities and private equities. Such investments will be made indirectly through holdings in investment trusts, exchange traded funds or other intermediary vehicles with the objective of improving returns and controlling risk by increasing diversification within the portfolio. The asset allocation for the entire portfolio will be actively managed.

While income-generating assets are likely to represent a significant part of the portfolio, the portfolio may also include assets with scope for capital growth in real terms. The Sub-fund may use different asset classes, with a substantial proportion in fixed interest, or instruments that track the returns of fixed interest.

Investment may also be made in equities, exchange traded funds, warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

The Sub-fund may rely on third party advice on quantitative investment techniques or use third party quantitative investment software in the portfolio's construction.

There is no guarantee that a positive return will be delivered.

IA Mixed Investment 0-35% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM AAP MODERATELY CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 5.46%¹. Over the same period, the peer group average return for the IA Mixed Investment 0-35% Shares Sector which is the Sub-fund benchmark was 6.19%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment, but by the end of March, both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing Sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps, the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours, having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹Calculated using 7IM AAP Moderately Cautious Class C Acc. shares published prices. Source: NTRS

²Source: FE Trustnet

7IM AAP MODERATELY CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK Local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We added loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and also trimmed UK corporate bond exposure where spreads had come in and it was difficult to see any further value.

We invested in a 30-year inflation protection certificate which benefits when long term inflation expectations rise in the US but does not expose the fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape, traditional safe haven assets such as bonds had become expensive, so to provide some downside risk protection, we bought a put spread on the S&P500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

In June, the main issue dominating markets was the forthcoming EU Referendum and market volatility around this and a poor set of US payrolls led us to reduce risk in European equities and buy US Treasuries. As the referendum date grew closer, Remain seemed the more likely outcome, which led us to remove some of the US dollars we had bought as a hedge. Right up to the close of the polling stations, the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in, it became clear that it was going to be Leave, we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local

7IM AAP MODERATELY CAUTIOUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments, and medium and longer dated futures which sit in alternative strategies and European equity respectively, reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year and we sold the yen just after the year end. Once the result was known, we made some other changes cutting US Treasuries but added equity exposure through a US financials Index Future and the Russell 2000 Mini Futures Dec 2016 on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out, financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely, Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION

The Comparative Tables on pages 318 to 326 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	111.27	113.46	108.85
Return before operating charges*	7.00	1.09	8.09
Operating charges (calculated on average price)	(1.34)	(1.25)	(1.31)
Return after operating charges*	5.66	(0.16)	6.78
Distributions on income shares	(1.80)	(2.03)	(2.17)
Closing net asset value per share	115.13	111.27	113.46
* After direct transaction costs of ¹ :	0.04	0.05	0.06
Performance			
Return after charges ²	5.09%	(0.14)%	6.23%
Other Information			
Closing net asset value (£'000)	433	629	828
Closing number of shares	375,638	565,354	730,092
Operating charges ³	1.19%	1.09%	1.19%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	118.32	120.48	114.62
Lowest share price	105.65	107.81	107.61

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	131.25	131.50	123.74
Return before operating charges*	8.30	1.20	9.26
Operating charges (calculated on average price)	(1.59)	(1.45)	(1.50)
Return after operating charges*	6.71	(0.25)	7.76
Distributions	(2.15)	(2.37)	(2.48)
Retained distributions on accumulation shares	2.15	2.37	2.48
Closing net asset value per share	137.96	131.25	131.50
* After direct transaction costs of ¹ :	0.05	0.05	0.07
Performance			
Return after charges ²	5.11%	(0.19)%	6.27%
Other Information			
Closing net asset value (£'000)	4,095	6,572	9,233
Closing number of shares	2,968,100	5,007,002	7,021,156
Operating charges ³	1.19%	1.09%	1.19%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	140.61	139.62	131.65
Lowest share price	124.61	126.35	122.32

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	115.74	117.52	112.29
Return before operating charges*	7.20	1.01	8.26
Operating charges (calculated on average price)	(0.81)	(0.70)	(0.79)
Return after operating charges*	6.39	0.31	7.47
Distributions on income shares	(1.89)	(2.09)	(2.24)
Closing net asset value per share	120.24	115.74	117.52
* After direct transaction costs of ¹ :	0.05	0.05	0.07
Performance			
Return after charges ²	5.52%	0.26%	6.65%
Other Information			
Closing net asset value (£'000)	59,531	63,400	50,447
Closing number of shares	49,511,445	54,780,013	42,926,964
Operating charges ³	0.69%	0.59%	0.69%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	123.51	124.97	118.72
Lowest share price	109.99	112.05	111.08

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	135.76	135.47	126.97
Return before operating charges*	8.49	1.10	9.40
Operating charges (calculated on average price)	(0.96)	(0.81)	(0.90)
Return after operating charges*	7.53	0.29	8.50
Distributions	(2.22)	(2.42)	(2.55)
Retained distributions on accumulation shares	2.22	2.42	2.55
Closing net asset value per share	143.29	135.76	135.47
* After direct transaction costs of ¹ :	0.05	0.06	0.07
Performance			
Return after charges ²	5.55%	0.21%	6.69%
Other Information			
Closing net asset value (£'000)	573,748	556,555	395,190
Closing number of shares	400,419,859	409,955,223	291,720,016
Operating charges ³	0.69%	0.59%	0.69%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	145.96	144.05	135.62
Lowest share price	128.99	130.06	125.60

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	108.52	111.10	106.93
Return before operating charges*	6.93	1.17	8.02
Operating charges (calculated on average price)	(1.74)	(1.67)	(1.72)
Return after operating charges*	5.19	(0.50)	6.30
Distributions on income shares	(1.86)	(2.08)	(2.13)
Closing net asset value per share	111.85	108.52	111.10
* After direct transaction costs of ¹ :	0.04	0.05	0.06
Performance			
Return after charges ²	4.78%	(0.45)%	5.89%
Other Information			
Closing net asset value (£'000)	898	1,672	5,311
Closing number of shares	803,045	1,540,436	4,780,255
Operating charges ³	1.59%	1.49%	1.59%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	115.02	117.83	112.24
Lowest share price	103.01	105.23	105.64

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	127.89	128.55	121.35
Return before operating charges*	8.19	1.28	9.16
Operating charges (calculated on average price)	(2.07)	(1.94)	(1.96)
Return after operating charges*	6.12	(0.66)	7.20
Distributions	(2.17)	(2.41)	(2.43)
Retained distributions on accumulation shares	2.17	2.41	2.43
Closing net asset value per share	134.01	127.89	128.55
* After direct transaction costs of ¹ :	0.05	0.05	0.07
Performance			
Return after charges ²	4.79%	(0.51)%	5.93%
Other Information			
Closing net asset value (£'000)	46,078	63,602	103,024
Closing number of shares	34,384,454	49,730,551	80,145,617
Operating charges ³	1.59%	1.49%	1.59%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	136.63	136.32	128.70
Lowest share price	121.34	123.18	119.89

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class O Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	127.06	127.81	120.76
Return before operating charges*	8.41	1.30	9.12
Operating charges (calculated on average price)	(2.18)	(2.05)	(2.07)
Return after operating charges*	6.23	(0.75)	7.05
Distributions	(1.01)	(2.42)	(2.42)
Retained distributions on accumulation shares	1.01	2.42	2.42
Last quoted share price ¹	133.29	-	-
Closing net asset value per share	-	127.06	127.81
* After direct transaction costs of ² :	0.05	0.05	0.07
Performance			
Return after charges ³	4.90%	(0.59)%	5.84%
Other Information			
Closing net asset value (£'000)	-	16	39
Closing number of shares	-	12,621	30,634
Operating charges ⁴	1.69%	1.59%	1.69%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	135.65	135.50	127.97
Lowest share price	120.54	122.39	119.29

¹ As at the year end date, there are no shares in issue. Share class performance provided is as at 30 November 2016 being the last quoted price date before shares were reduced to zero.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	103.10	104.47	100.00
Return before operating charges*	6.35	0.85	6.36
Operating charges (calculated on average price)	(0.46)	(0.36)	(0.34)
Return after operating charges*	5.89	0.49	6.02
Distributions on income shares	(1.67)	(1.86)	(1.55)
Closing net asset value per share	107.32	103.10	104.47
* After direct transaction costs of ² :	0.04	0.04	0.06
Performance			
Return after charges ³	5.71%	0.47%	6.02%
Other Information			
Closing net asset value (£'000)	12,263	10,070	7,926
Closing number of shares	11,425,765	9,767,213	7,586,699
Operating charges ⁴	0.44%	0.34%	0.44%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	110.21	111.18	105.54
Lowest share price	98.00	99.78	99.46

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	106.49	106.05	100.00
Return before operating charges*	6.61	0.81	6.39
Operating charges (calculated on average price)	(0.48)	(0.37)	(0.34)
Return after operating charges*	6.13	0.44	6.05
Distributions	(1.73)	(1.89)	(1.56)
Retained distributions on accumulation shares	1.73	1.89	1.56
Closing net asset value per share	112.62	106.49	106.05
* After direct transaction costs of ² :	0.04	0.04	0.06
Performance			
Return after charges ³	5.76%	0.41%	6.05%
Other Information			
Closing net asset value (£'000)	114,913	105,882	78,327
Closing number of shares	102,037,789	99,431,160	73,861,829
Operating charges ⁴	0.44%	0.34%	0.44%
Direct transaction costs	0.04%	0.04%	0.06%
Prices			
Highest share price	114.70	112.85	106.16
Lowest share price	101.22	102.40	99.45

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 327.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class C	Class D	Class O	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	1.50%	0.25%
Other expenses	0.04%	0.04%	0.04%	0.04%	0.04%
	1.04%	0.54%	1.44%	1.54%	0.29%
Collective investment scheme costs	0.15%	0.15%	0.15%	0.15%	0.15%
Ongoing Charges Figure	1.19%	0.69%	1.59%	1.69%	0.44%

As at 30 November 2015

	Class A	Class C	Class D	Class O	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	1.50%	0.25%
Other expenses	0.03%	0.03%	0.03%	0.03%	0.03%
	1.03%	0.53%	1.43%	1.53%	0.28%
Collective investment scheme costs	0.06%	0.06%	0.06%	0.06%	0.06%
Ongoing Charges Figure	1.09%	0.59%	1.49%	1.59%	0.34%

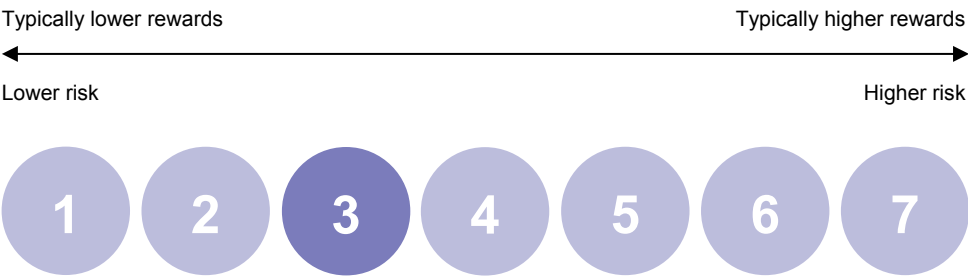
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

7IM AAP MODERATELY CAUTIOUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 4.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM AAP Moderately Cautious Fund	5.46	12.85	29.34
IA Mixed Investment 0-35% Shares Sector ¹	6.19	12.38	25.92

¹ Source: FE Trustnet

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 355 to 356.

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 24.59% (15.57%)		
	UK Equity 5.27% (2.81%)		
2,762,048	7IM UK Equity Value Fund 'Z' Inc ^{1 2}	2,715,645	0.32
222,431	Aberdeen Asset Management	595,670	0.07
1,493	Absolute Return Trust preference shares	-	-
5,071	Admiral Group	97,059	0.01
4,842	Aggreko	38,736	-
20,174	AstraZeneca	855,176	0.11
23,276	Auto Trader Group	92,848	0.01
371,967	Aviva	1,673,108	0.21
79,585	Barratt Developments	373,652	0.05
2,968	Berkeley Group Holdings	74,022	0.01
456,289	BP	2,079,993	0.25
17,688	British American Tobacco	799,055	0.10
21,953	British Land	131,389	0.02
6,298	Capita	33,065	-
37,115	Carnival	1,537,674	0.19
429,877	Centrica	912,629	0.11
33,228	Dexion Equity Alternative ³	-	-
14,469	Dexion Equity Alternative ³	-	-
2,976	Diageo	60,606	0.01
31,164	Direct Line Insurance Group	110,040	0.01
38,665	easyJet	382,010	0.05
87,842	Experian	1,329,928	0.16
5,375	Fresnillo	65,951	0.01
69	FTSE 100 Index Futures Dec 2016 ⁴	99,015	0.01
42,775	GlaxoSmithKline	645,903	0.08
317,048	Glencore	872,675	0.11
3,343	Hikma Pharmaceuticals	57,433	0.01
273,347	HSBC Holdings	1,733,840	0.21
4,852	IMI	46,870	0.01
28,913	Imperial Tobacco Group	1,014,991	0.13
1,985	InterContinental Hotels Group	65,783	0.01
6,425	Intertek Group	214,916	0.03
21,657	Intu Properties	59,080	0.01
86,250	Investec	451,088	0.06
83,006	ITV	139,367	0.02
226,667	J Sainsbury	527,001	0.06
18,054	Johnson Matthey	569,965	0.07
17,896	Land Securities	175,381	0.02
484,675	Legal & General Group	1,144,802	0.14
1,484,486	Lloyds Banking Group	865,010	0.11
12,391	Marks & Spencer	41,051	0.01
17,542	Meggitt	83,430	0.01
69,854	National Grid	650,969	0.08
257,215	Old Mutual	488,194	0.06
78,616	Persimmon	1,347,478	0.17
105,116	Petrofac	837,249	0.10
8,805	Randgold Resources	512,011	0.06
28,457	Reckitt Benckiser Group	1,951,866	0.23

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	UK Equity (continued)		
14,415	RELX	200,801	0.02
29,107	Rio Tinto	871,464	0.11
84,381	Royal Bank of Scotland Group	161,252	0.02
45,100	Royal Dutch Shell 'A'	912,373	0.11
91,575	Royal Dutch Shell 'B'	1,936,353	0.24
146,988	Royal Mail	692,607	0.09
23,346	RSA Insurance Group	127,469	0.02
87,056	Sage Group (The)	582,840	0.07
48,907	Shire	2,347,536	0.28
91,801	Smith & Nephew	1,043,777	0.13
23,786	SSE	355,601	0.04
47,976	Tate & Lyle	331,274	0.04
188,523	Tesco	396,747	0.05
6,775	Unilever	221,018	0.03
969,812	Vodafone Group	1,912,469	0.24
34,806	Weir Group (The)	614,674	0.08
20,905	William Hill	62,882	0.01
616,279	WM Morrison Supermarkets	1,366,291	0.17
33,238	Worldpay	90,341	0.01
		42,781,393	5.27
	North American Equity 8.76% (2.05%)		
4,619,135	7IM US Equity Value Fund 'Z' Inc ^{1 2}	5,391,915	0.67
2,913	Abbott Laboratories	90,558	0.01
920	Adobe Systems	77,541	0.01
12,613	Aetna	1,337,371	0.16
2,502	Agilent Technologies	89,354	0.01
1,355	AGNC Investment	20,675	-
63	Alleghany	28,784	-
1,464	Allstate	81,889	0.01
1,227	Alphabet 'C'	759,573	0.09
8,503	American International Group	432,115	0.05
787	AmerisourceBergen	49,039	0.01
19,616	Amgen	2,299,823	0.28
2,415	Annaly Capital Management	20,093	-
1,067	Anthem	124,489	0.02
2,264	Apple	202,636	0.02
4,358	Applied Materials	112,590	0.01
2,317	Archer-Daniels-Midland	79,565	0.01
373	Axis Capital Holdings	18,533	-
24,467	Baker Hughes	1,188,375	0.15
1,946	Baxter International	69,935	0.01
585	Biogen	142,238	0.02
2,407	Boeing	293,124	0.04
568	Bunge	30,608	-
3,418	Cadence Design Systems	72,988	0.01
33,028	Capital One Financial	2,191,169	0.27
1,353	Cardinal Health	77,125	0.01
1,445	Carnival	61,748	0.01

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
2,306	Caterpillar	174,154	0.02
707	Church & Dwight	25,471	-
1,020	Cigna	113,403	0.01
93,806	Cisco Systems	2,247,216	0.28
58,171	Citigroup	2,593,682	0.33
26,575	Citrix Systems	1,876,811	0.23
1,143	Coach	34,330	-
3,384	Colgate-Palmolive	180,804	0.02
45,077	Comcast 'A'	2,538,748	0.32
1,659	ConAgra Foods	50,268	0.01
391	Continental Resources	14,831	-
288	CR Bard	49,933	0.01
5,418	Cummins	601,454	0.07
2,459	Danaher	156,304	0.02
790	Delta Air Lines	30,827	-
926	Dentsply Sirona	44,969	0.01
1,623	Discover Financial Services	88,162	0.01
84,237	eBay	1,928,684	0.24
818	Edwards Lifesciences	55,116	0.01
4,038	El du Pont de Nemours	230,924	0.03
3,960	Eli Lilly & Company	213,551	0.03
(337)	E-Mini S&P 500 Futures Dec 2016 ⁴	(838,032)	(0.10)
315	E-Mini S&P Select Financial Sector Futures Mar 2017 ⁴	696,304	0.09
1,497	EOG Resources	111,133	0.01
904	Estee Lauder	57,070	0.01
9,768	Exxon Mobil	673,845	0.08
1,900	Flextronics International	22,171	-
29,982	FMC Technologies	794,335	0.10
14,729	Ford Motor	140,997	0.02
103,512	General Electric	2,581,149	0.33
36,547	Gilead Sciences	2,197,751	0.27
441	Helmerich & Payne	23,931	-
1,319	Illinois Tool Works	133,065	0.02
11,059	Intel	313,421	0.04
10,395	JM Smucker	1,062,541	0.13
7,392	Johnson & Johnson	667,785	0.08
2,523	JPMorgan Chase	159,906	0.02
1,428	Juniper Networks	30,700	-
1,423	Kimberly-Clark	133,146	0.02
2,429	Kinder Morgan	41,725	0.01
637	KLA-Tencor	41,779	0.01
553	Lamb Weston	14,740	-
971	Las Vegas Sands	48,464	0.01
9,201	Linear Technology	462,341	0.06
36,132	Lowe's Cos	2,052,664	0.25
1,419	LyondellBasell Industries	95,394	0.01
691	Macy's	23,562	-
1,360	Masco	35,180	-
1,432	Mattel	36,283	-

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
1,121	Maxim Integrated Products	35,785	-
3,493	McDonald's	338,472	0.04
933	McKesson	105,835	0.01
1,324	Mead Johnson Nutrition	77,099	0.01
22,262	Merck & Co	1,111,849	0.14
33,510	Michael Kors Holdings	1,283,940	0.16
636	Molson Coors Brewing	51,097	0.01
6,235	Mondelez International	214,610	0.03
24,429	Monsanto	2,008,349	0.25
4,898	Morgan Stanley	159,740	0.02
1,327	Mosaic	28,827	-
15,172	Motorola Solutions	988,032	0.12
26,887	NetApp	788,343	0.10
2,067	Newmont Mining	55,676	0.01
45,056	News Corp	417,199	0.05
1,313	NiSource	23,588	-
1,385	Nucor	68,560	0.01
2,127	NVIDIA	159,286	0.02
26,206	Occidental Petroleum	1,422,052	0.18
51,327	OGE Energy	1,329,753	0.16
59,985	Oracle	1,953,896	0.24
4,313	Paypal	138,132	0.02
408	PepsiCo	33,601	-
24,580	Pfizer	630,094	0.08
6,124	Philip Morris International	445,579	0.05
25,592	PNC Financial Services Group	2,245,773	0.28
4,186	Procter & Gamble	278,652	0.03
1,691	Prudential Financial	135,489	0.02
5,823	Qualcomm	312,194	0.04
4,984	Regions Financial	52,754	0.01
170	RenaissanceRe	17,894	-
165	Russell 2000 Mini Futures Dec 2016 ⁴	1,053,780	0.13
(295)	S&P 500 Index Put Options 1525 2017 ⁴	(151,622)	(0.02)
295	S&P 500 Index Put Options 2050 2017 ⁴	1,248,514	0.15
5,457	Schlumberger	350,156	0.04
8,119	Sirius XM	29,993	-
47,448	Southwest Airlines	1,800,067	0.22
1,967	SunTrust Banks	80,784	0.01
1,522	Symantec	29,714	-
623	Synopsys	30,605	-
32,255	Target	2,030,832	0.25
5,614	Texas Instruments	335,433	0.04
1,708	TJX Companies (The)	108,087	0.01
1,168	T-Mobile	51,947	0.01
264	Travelers	24,106	-
1,681	Twenty-First Century Fox	38,272	-
28,636	Tyson Foods	1,356,140	0.17
2,995	UGI	111,459	0.01
355	United Rentals	27,455	-

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
825	United Technologies	72,131	0.01
1,067	Valero Energy	54,635	0.01
1,368	Ventas	67,071	0.01
255,630	Vereit	1,749,091	0.22
23,227	Verizon Communications	950,569	0.12
829	Viacom	24,600	-
844	Voya Financial	25,641	-
38,367	Wal-Mart Stores	2,199,047	0.27
561	Westar Energy	25,721	-
3,585	Xerox	27,207	-
1,026	Xilinx	44,494	0.01
		71,114,924	8.76
European Equity 5.67% (7.67%)			
4,660,792	7IM European (ex UK) Equity Value Fund 'Z' Inc ^{1 2}	4,287,463	0.54
10,959	ABB	179,446	0.02
428	Actelion	68,930	0.01
689	Adecco Group	34,135	-
7,472	Aegon	30,224	-
301	Aena	32,543	-
696	AerCap	24,269	-
808	Ageas	24,242	-
3,282	Amadeus IT Holding	119,457	0.01
3,380	Anheuser-Busch InBev	288,471	0.04
16	AP Moeller - Maersk 'A'	16,511	-
316	AP Moeller - Maersk 'B'	342,806	0.04
38,753	ArcelorMittal	234,655	0.03
3,818	ASML Holding	317,887	0.04
3,840	BASF	263,314	0.03
1,494	Bayer	113,341	0.01
4,635	BNP Paribas	215,703	0.03
22,363,553	BNP Paribas Arbitrage Issuance Call Warrants 16/12/2016	21,933,596	2.71
1,223	Cie Financiere Richemont	63,784	0.01
762	Cie Generale des Etablissements Michelin	66,161	0.01
45,873	Coca-Cola HBC	779,382	0.10
498	Coloplast	25,667	-
4,315	Commerzbank	23,556	-
2,048	Compagnie De St-Gobain	71,670	0.01
19,099	Danske Bank	452,573	0.06
15,830	Deutsche Lufthansa	164,041	0.02
2,101	Deutsche Telekom	26,802	-
3,997	DNB	47,340	0.01
41,262	E.ON	220,812	0.03
1,847	Eaton	97,438	0.01
1,335	Endesa	22,383	-
10,646	Engie	106,862	0.01
81,812	Eni	909,344	0.12
198,115	Ericsson 'B'	818,971	0.10
451	Essilor International	38,618	-

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
(902)	EURO STOXX 50 Equity Index Futures Dec 2016 ⁴	(578,313)	(0.07)
1,859	EURO STOXX 50 Index Dividend Futures Dec 2017 ⁴	778,831	0.10
2,176	EURO STOXX 50 Index Dividend Futures Dec 2018 ⁴	1,506,995	0.20
2,034	Ferrovial	29,156	-
26,062	Fiat Chrysler Automobiles	161,330	0.02
8,534	Fraport AG Frankfurt Airport Services Worldwide	400,291	0.05
213	Genmab	30,377	-
3,345	HeidelbergCement	242,927	0.03
433	Henkel	35,204	-
740	Henkel non-voting preference shares	68,965	0.01
40,464	Iberdrola	199,209	0.02
6,332	ING Group	68,648	0.01
1,902	Investor 'B'	51,816	0.01
1,396	Kone	49,558	0.01
6,369	Koninklijke Ahold Delhaize	102,158	0.01
778	Linde	106,531	0.01
686	Luxottica	28,816	-
6,393	Muenchener Rueckversicherungs	943,164	0.13
28,143	Nestle	1,534,587	0.20
1,411	NN Group	36,560	-
7,362	Nordea Bank	62,417	0.01
191,007	Norsk Hydro	724,318	0.09
9,313	Novartis	519,245	0.06
8,324	Novo Nordisk	225,944	0.03
8,972	Orange	106,168	0.01
328	Paddy Power Betfair	27,880	-
5,021	Pernod Ricard	424,274	0.05
62,418	Peugeot	742,076	0.09
642	Porsche Automobil	26,265	-
13,898	Renault	876,597	0.11
28,019	Repsol	301,131	0.04
2,930	Roche Holding	524,984	0.06
17,402	Safran	962,359	0.13
4,758	Sanofi	312,064	0.04
4,105	SAP	280,151	0.03
187	Schindler	26,713	-
10	Sika Signature Metals	39,072	-
5,309	Societe Generale	181,795	0.02
23,117	Stora Enso	180,159	0.02
2,762	Svenska Cellulosa 'B'	59,803	0.01
129	Swatch Group	30,413	-
794	Swedish Match	20,244	-
1,914	Swiss Life	427,162	0.05
482	Swiss Prime Site	31,814	-
1,451	Swiss Re	107,484	0.01
1,427	TE Connectivity	77,023	0.01
3,111	Telenor	37,377	-
529	UCB	27,658	-
2,211	UPM-Kymmene	40,663	0.01

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
1,003	Vestas Wind Systems	53,724	0.01
4,794	Vivendi	73,903	0.01
135	Volkswagen	14,953	-
775	Volkswagen non-voting preference shares	80,907	0.01
625	Zurich Insurance Group	131,918	0.02
		46,017,865	5.67
Japanese Equity 0.00% (1.41%)			
Far East Equity (0.07)% (0.04%)			
353	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ⁴	(553,210)	(0.07)
		(553,210)	(0.07)
Emerging Markets Equity 2.20% (1.59%)			
1,700,000	7IM Emerging Markets Equity Value Fund 'Z' Inc ^{1 2}	1,980,840	0.24
2,176	Most Diversified TOBAM Anti-Benchmark Emerging Markets ²	14,947,663	1.85
184	MSCI India Index Futures Mar 2017 ⁴	909,937	0.11
		17,838,440	2.20
BONDS 33.36% (41.13%)			
Sterling Corporate Bonds 2.07% (7.99%)			
65,822	Vanguard Investment Series UK Investment Grade Index ²	5,882,948	0.72
107,372	Vanguard U.K. Short-Term Investment Grade Bond Index ²	10,939,260	1.35
		16,822,208	2.07
Global Corporate Bonds 2.06% (5.89%)			
9,732,157	BlackRock Overseas Corporate Bond Tracker ²	14,140,824	1.74
296	TOBAM Anti-Benchmark US Credit ²	2,600,884	0.32
		16,741,708	2.06
Global High Yield Bonds 11.44% (8.92%)			
8,000	Fair Oaks Dynamic Credit Fund 'M' Acc ²	7,955,920	0.98
198,800	iShares \$ High Yield Corporate Bond UCITS ETF	16,260,665	2.00
154,039	iShares Euro High Yield Corporate Bond UCITS ETF	13,789,392	1.70
534,305	PIMCO Short-Term High Yield Corporate Source	42,879,135	5.28
137,057	Robeco Quant High Yield ²	12,021,699	1.48
		92,906,811	11.44
Global Convertible Bonds 4.05% (2.22%)			
122,938	NN (L) Global Convertible Opportunities Acc ²	13,888,251	1.71
746,661	SSgA SPDR Thomson Reuters Global Convertible Bond UCITS ETF	19,014,312	2.34
		32,902,563	4.05

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Global Inflation Linked Bonds 3.92% (9.02%)			
US\$27,824,000	US Treasury Notes 2.25% 2025	22,269,948	2.74
US\$12,650,000	US Treasury Notes 1.625% 2026	9,567,329	1.18
		31,837,277	3.92
Gilts & Other Public Securities 4.12% (7.09%)			
£6,000,000	Deutsche Bahn Finance 2.75% 2022	6,477,384	0.80
£2,000,000	Kingdom of Belgium 1.125% 2018	2,024,680	0.25
£980,000	Treasury 1.75% 2017	982,283	0.12
£4,000,000	Treasury 1.75% 2019	4,164,092	0.51
£4,000,000	Treasury 3.75% 2020	4,502,320	0.55
£4,000,000	Treasury 3.75% 2021	4,594,096	0.57
£5,130,000	Treasury 4% 2022	6,019,891	0.74
£4,420,000	Treasury 5% 2018	4,694,889	0.58
		33,459,635	4.12
Emerging Market Bonds 5.70% (0.00%)			
949,740	iShares Emerging Markets Local Government Bond UCITS ETF	46,289,528	5.70
REAL ESTATE 2.07% (1.88%)			
198,500	iShares FTSE Europe Property Index	6,078,070	0.75
516,085	iShares UK Property UCITS ETF	2,848,789	0.35
357,000	iShares US Property Yield	7,896,840	0.97
		16,823,699	2.07
HEDGE FUNDS & OTHER STRATEGIES 8.06% (4.99%)			
14,300	13-Month EUR Dispersion Warrants 15/12/2017	12,226,546	1.51
1,263,843	Dexion Absolute EUR ⁵	-	-
39,789,922	F&C Global Equity Market Neutral 3 Acc ²	22,457,432	2.76
935,614	iShares Physical Gold ETC ⁵	17,561,547	2.16
142,090	Source Physical Gold P-ETC ⁵	13,235,640	1.63
		65,481,165	8.06
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 36.27% (37.11%)			
£2,600,000	Abbey National Treasury Services FRN 2017	2,614,095	0.32
£7,000,000	Asian Development Bank 1.5% 2017	7,081,669	0.87
US\$11,500,000	BNP Paribas Arbitrage 0% 2021	9,353,678	1.15
£3,369,000	Caisse d'Amortissement de la Dette Sociale 1.375% 2017	3,375,202	0.42
£3,900,000	Caisse des Depots et Consignations 1.5% 2017	3,919,539	0.48
£2,060,000	Canadian Imperial Bank of Commerce FRN 2018	2,061,197	0.25
US\$28,700,000	Credit Suisse International 0% 2017	24,417,587	3.01
£6,000,000	Deutsche Pfandbriefbank FRN 2017	6,000,054	0.74
£12,500,000	Dexia Credit Local 1.875% 2017	12,602,825	1.55
£7,000,000	European Investment Bank 3.25% 2016	7,002,800	0.86
£6,000,000	Export Development Canada 0.875% 2016	6,000,444	0.74
£626,000	GE Capital UK Funding 4.125% 2017	643,165	0.08
£1,615,000	GE Capital UK Funding 6.75% 2018	1,773,641	0.22
£4,000,000	GE Capital UK Funding FRN 2018	4,000,776	0.49

7IM AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS (continued)			
£702,000	ING Bank FRN 2017	701,672	0.09
£5,500,000	Landeskreditbank B 1.25% 2016	5,501,788	0.68
£2,450,000	Landwirtschaftliche Rentenbank 3.25% 2016	2,450,956	0.30
£7,000,000	Lloyds Bank 1.5% 2017	7,032,872	0.87
US\$28,750,000	Merrill Lynch FRN 2017	24,814,999	3.06
£3,000,000	Nederlandse Water 0.875% 2018	3,012,018	0.37
£4,600,000	Network Rail Infrastructure Finance 1% 2017	4,631,482	0.57
115,835,000	Northern Trust Global Sterling Fund ²	115,835,000	14.27
£2,200,000	Oversea-Chinese Bank FRN 2017	2,200,688	0.27
87,859	PIMCO Sterling Short Maturity Source UCITS ETF	8,924,717	1.10
£5,600,000	Svenska Handelsbanken 1.875% 2017	5,650,389	0.70
£5,610,000	Toronto-Dominion Bank FRN 2018	5,610,842	0.69
£600,000	Total Capital International FRN 2019	597,025	0.07
£6,286,000	Transport for London 1.25% 2017	6,332,139	0.78
£9,750,000	Yorkshire Building Society 4.75% 2018	10,293,056	1.27
		294,436,315	36.27
FORWARD FX CURRENCY CONTRACTS 0.25% (-0.35%)			
€14,300,000	Vs £(12,154,929) Expiry 6.12.2016	72,860	0.01
¥(580,000,000)	Vs £4,298,904 Expiry 16.12.2016	184,221	0.02
¥3,250,000,000	Vs £(25,096,738) Expiry 16.12.2016	(2,040,324)	(0.25)
US\$(315,200,000)	Vs £255,714,431 Expiry 20.01.2017	2,966,078	0.37
US\$(5,250,000)	Vs £4,297,291 Expiry 20.01.2017	87,491	0.01
US\$(26,500,000)	Vs £21,337,808 Expiry 20.01.2017	88,343	0.01
US\$44,300,000	Vs £(35,395,543) Expiry 20.01.2017	127,147	0.02
€(77,500,000)	Vs £66,871,650 Expiry 17.02.2017	478,753	0.06
		1,964,569	0.25
Portfolio of investment		826,864,890	101.84
Net other liabilities		(14,906,343)	(1.84)
Net assets		811,958,547	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Related party holding (see note 12 of the Financial Statements)

² Collective investment scheme

³ Delisted security

⁴ Derivative contract

⁵ Structured product

71M AAP MODERATELY CAUTIOUS FUND

PORTFOLIO STATEMENT (continued) as at 30 November 2016

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	19.14	33.82
Non-rated debt securities	9.80	5.73
Other investments	72.90	60.78
Net other liabilities	(1.84)	(0.33)
	<hr/> 100.00	<hr/> 100.00

7IM AAP MODERATELY CAUTIOUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£1,159,522,075

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	490,597,000
US Treasury Notes 2.25% 2025	57,316,311
iShares Emerging Markets Local Government Bond UCITS ETF	46,052,909
Merrill Lynch FRN 2017	20,000,000
Credit Suisse International 0% 2017	19,727,798
iShares Physical Gold ETC	17,403,594
US Treasury Notes 1.625% 2026	17,316,122
iShares \$ High Yield Corporate Bond UCITS ETF	16,193,225
Source Physical Gold P-ETC	15,544,979
US Treasury Notes 2.50% 2029	15,032,266
13-Month EUR Dispersion Warrants 15/12/2017	12,145,543
NN (L) Global Convertible Opportunities Acc	11,264,760
Fair Oaks Dynamic Credit Fund 'M' Acc	8,000,000
BNP Paribas Arbitrage 0% 2021	7,957,651
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	7,957,651
Gilead Sciences	3,512,297
Amgen	3,141,087
Ericsson 'B'	3,085,303
eBay	2,820,005
Capital One Financial	2,709,220

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM AAP MODERATELY CAUTIOUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)

£1,236,181,137

Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	454,828,000
US Treasury Notes 2.25% 2025	44,848,914
BlackRock Overseas Corporate Bond Tracker	38,840,850
Vanguard U.K. Short-Term Investment Grade Bond Index	34,527,779
Royal London Cash Plus	21,589,831
US Treasury Notes 0.125% 2020	21,374,547
US Treasury Notes 0.125% 2025	20,841,852
iShares \$ High Yield Corporate Bond UCITS ETF	17,840,782
US Treasury Notes 2.50% 2029	14,977,992
Vanguard Investment Series UK Investment Grade Index	14,190,089
Spain Government 0.55% 2019	9,048,985
US Treasury Notes 1.625% 2026	9,012,437
Merrill Lynch 2016	8,207,298
Bank Nederlandse Gemeenten 2.375% 2015	8,048,000
Swedbank Hypotek FRN 2018	7,676,160
Spain Government 1.8% 2024	7,229,294
Royal Bank of Canada FRN 2018	7,008,400
Europe Investment Bank 3% 2015	6,000,000
Kommunalbanken 1.375% 2015	6,000,000
Italy Buoni Poliennali Del Tesoro 2.35% 2035	5,438,879

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM AAP MODERATELY CAUTIOUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		32,464,966	(10,918,221)
Revenue	5	15,615,738		15,721,345
Expenses	6	(4,501,270)		(4,530,190)
Interest payable and similar charges	8	(217,796)		(36,517)
Net revenue before taxation		10,896,672		11,154,638
Taxation	7	(1,477,258)		(1,685,219)
Net revenue after taxation for the year			9,419,414	9,469,419
Total return before distributions			41,884,380	(1,448,802)
Distributions	8		(12,809,323)	(12,945,718)
Change in net assets attributable to shareholders from investment activities			29,075,057	(14,394,520)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			808,396,987	650,325,046
Amounts received on creation of shares		222,283,877		341,839,070
Amounts paid on cancellation of shares		(259,429,485)		(181,613,383)
			(37,145,608)	160,225,687
Stamp Duty Reserve Tax	2(h)		47,251	(47,251)
Change in net assets attributable to shareholders from investment activities			29,075,057	(14,394,520)
Retained distribution on accumulation shares			11,584,860	12,288,025
Closing net assets attributable to shareholders			811,958,547	808,396,987

The notes on pages 343 to 354 are an integral part of these Financial Statements.

7IM AAP MODERATELY CAUTIOUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		831,026,391	816,134,125
Current assets:			
Debtors	9	6,210,168	7,407,460
Cash and bank balances	10	8,459,271	6,027,468
Total assets		845,695,830	829,569,053
LIABILITIES			
Investment liabilities		(4,161,501)	(5,035,919)
Creditors:			
Cash and bank overdrafts	10	(11,012,383)	(10,308,083)
Distribution payable		(610,661)	(484,272)
Other creditors	11	(17,952,738)	(5,343,792)
Total liabilities		(33,737,283)	(21,172,066)
Net assets attributable to shareholders		811,958,547	808,396,987

The notes on pages 343 to 354 are an integral part of these Financial Statements.

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	90,636,425	(18,105,514)
Derivative contracts	(10,962,457)	(271,832)
Forward currency contracts	(47,584,725)	6,844,465
Transaction charges	(36,590)	(32,387)
AMC rebates from underlying investments	22,977	23,437
Currency gains	389,336	623,610
Net capital gains/(losses)	32,464,966	(10,918,221)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	4,665,146	3,437,001
Taxable dividends	199,157	636
Unfranked interest	10,262,789	11,852,705
AMC rebates from underlying investments	371,987	423,771
Bank interest	51,716	1
UK property income distributions	64,943	7,039
Stock lending revenue ¹	-	192
Total revenue	15,615,738	15,721,345

¹Stock lending revenue is net of lending agent administration fees of £nil (2015: £82).

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	4,197,177	4,303,507
Other expenses	6,854	3,057
	<hr/> 4,204,031	<hr/> 4,306,564
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	102,738	94,596
Safe custody and other bank charges	39,130	39,931
Market risk fee	7,500	-
	<hr/> 149,368	<hr/> 134,527
Other expenses:		
Advisory fees	37,065	36,720
Audit fee	8,809	9,527
Dealing and exchange fees	82,188	11,097
FCA and other regulatory fee	287	(43)
Legal and professional fees	1,173	22,808
Printing, postage and distribution costs	12,349	8,990
Risk analysis fee	6,000	-
	<hr/> 147,871	<hr/> 89,099
Total expenses	<hr/> 4,501,270	<hr/> 4,530,190

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
<i>a) Analysis of charge for the year</i>		
Corporation tax	1,250,901	1,548,195
Double tax relief	(1,089)	-
	<hr/>	<hr/>
Overseas tax	1,249,812	1,548,195
	227,446	137,024
	<hr/>	<hr/>
Current tax charge (note 7b)	1,477,258	1,685,219
	<hr/>	<hr/>
Total taxation	1,477,258	1,685,219
	<hr/>	<hr/>
<i>b) Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	10,896,672	11,145,638
	<hr/>	<hr/>
Corporation tax at 20%	2,179,334	2,230,928
	<hr/>	<hr/>
Effects of:		
Non-taxable dividends	(933,029)	(687,401)
Overseas tax	227,446	137,024
AMC rebates taken to capital	4,596	4,687
Double taxation relief expensed	(1,089)	(19)
	<hr/>	<hr/>
Total tax charge (note 7a)	1,477,258	1,685,219
	<hr/>	<hr/>
<i>c) Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	6,027,695	8,430,275
Final	6,739,949	5,159,611
	<hr/>	<hr/>
	12,767,644	13,589,886
Add: Revenue deducted on cancellation of shares	1,146,687	993,703
Deduct: Revenue received on issue of shares	(1,105,008)	(1,637,871)
	<hr/>	<hr/>
Net distributions for the year	12,809,323	12,945,718
Interest payable and similar charges	217,796	36,517
	<hr/>	<hr/>
Total distribution	13,027,119	12,982,235

Details of the distributions per share are set out in the table on pages 355 to 356.

Distributions represented by:

Net revenue after taxation	9,419,414	9,469,419
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Allocations to capital:

Expenses, net of tax relief	3,391,989	3,476,702
-----------------------------	-----------	-----------

	<hr/>	<hr/>
	12,811,403	12,946,121

Equalisation on conversions¹

(1,946)	-
---------	---

Net movement in revenue account

(134)	(403)
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Net distributions for the year

<hr/>	<hr/>
12,809,323	12,945,718

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	2,820,563	3,208,877
Accrued revenue	2,022,288	3,127,352
Income tax recoverable	808,250	628,383
Withholding tax recoverable	217,001	185,570
AMC rebates from underlying investments	342,066	257,278
Total debtors	6,210,168	7,407,460

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	8,459,267	5,776,253
Cash held at clearing houses	4	251,215
Total cash and bank balances	8,459,271	6,027,468
Bank overdraft	(8,242,135)	(5,428,940)
Cash in overdraft at clearing houses	(2,770,248)	(4,879,143)
Total cash and bank overdrafts	(11,012,383)	(10,308,083)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	3,942,695	3,189,838
Purchases awaiting settlement	12,226,546	-
Accrued expenses	384,137	411,531
Taxation payable	1,399,360	1,742,423
Total other creditors	17,952,738	5,343,792

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 341.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM Emerging Markets Equity Value Fund 'Z' Inc	1,700,000	1,700,000
7IM European (ex UK) Equity Value Fund 'Z' Inc	4,660,792	4,624,664
7IM UK Equity Value Fund 'Z' Inc	2,762,048	2,707,848
7IM US Equity Value Fund 'Z' Inc	4,619,135	4,575,890

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen 30.31% (2015: 27.49%)

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment scheme managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'C', 'D', 'O' and 'S'. The annual management charge on each class are as follows:

Class A	1.00%
Class C	0.50%
Class D	1.40%
Class O	1.50%
Class S	0.25%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	565,354	13,448	(178,419)	(24,745)	375,638
Class A Accumulation	5,007,002	131,111	(472,778)	(1,697,235)	2,968,100
Class C Income	54,780,013	18,877,200	(24,547,670)	401,902	49,511,445
Class C Accumulation	409,955,223	120,955,759	(140,473,721)	9,982,598	400,419,859
Class D Income	1,540,436	125,600	(242,176)	(620,815)	803,045
Class D Accumulation	49,730,551	5,442,114	(11,954,302)	(8,833,909)	34,384,454
Class O Accumulation	12,621	-	(6,311)	(6,310)	-
Class S Income	9,767,213	3,082,590	(1,716,891)	292,853	11,425,765
Class S Accumulation	99,431,160	21,886,348	(19,181,723)	(97,996)	102,037,789

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Canadian dollar	110	91
Euro	325,412	15,926,770
Hong Kong dollar	15,423	10,471
Japanese yen	26,451	257,380
Swiss franc	183,424	139,724
US dollar	24,881,283	16,842
Pound sterling	45,769,340	55,733,062
	<hr/> 71,201,443	<hr/> 72,084,340
Floating rate liabilities:		
Canadian dollar	(110)	(91)
Euro	(325,413)	(41,781)
Hong Kong dollar	(15,423)	(641,077)
Japanese yen	(26,451)	(6,165)
Swiss franc	(26,627)	(9,356)
US dollar	(67,231)	(12,126)
Pound sterling	(10,551,128)	(9,597,486)
	<hr/> (11,012,383)	<hr/> (10,308,082)
Fixed rate assets:		
Euro	-	44,972,617
Japanese yen	-	8,668,024
US dollar	65,608,543	75,650,263
Pound sterling	120,763,620	242,113,927
	<hr/> 186,372,163	<hr/> 371,404,831
Assets on which interest is not paid:		
Danish krone	1,161,756	3,704,868
Euro	60,930,966	42,014,599
Japanese yen	18,941,731	12,604,271
Norwegian krone	823,647	2,341,277
Swedish krona	1,021,626	1,921,897
Swiss franc	3,818,266	10,163,465
US dollar	266,630,606	68,167,569
Pound sterling	529,603,339	416,910,903
	<hr/> 882,931,937	<hr/> 557,828,849

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(54,743,421)	(82,632,521)
Hong Kong dollar	-	(532,695)
US dollar	(244,227,793)	(93,619,670)
Pound sterling	(18,563,399)	(5,828,065)
	(317,534,613)	(182,612,951)
Net assets	811,958,547	808,396,987

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
Euro	-	1.62	-	9
US dollar	(3.81)	0.20	5	7
Pound sterling	0.53	1.09	2	2

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Danish krone	1,161,756	-	1,161,756
Euro	60,352,652	(54,165,108)	6,187,544
Japanese yen	-	18,941,731	18,941,731
Norwegian krone	823,647	-	823,647
Swedish krona	1,021,626	-	1,021,626
Swiss franc	3,975,063	-	3,975,063
US dollar	355,510,336	(242,684,928)	112,825,408
	422,845,080	(277,908,305)	144,936,775
Pound sterling	387,148,898	279,872,874	667,021,772
Net assets	809,993,978	1,964,569	811,958,547

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk (continued)

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Danish krone	3,704,868	-	3,704,868
Euro	102,872,205	(82,632,521)	20,239,684
Hong Kong dollar	(1,163,301)	-	(1,163,301)
Japanese yen	11,662,218	9,861,292	21,523,510
Norwegian krone	2,341,277	-	2,341,277
Swedish krona	1,921,897	-	1,921,897
Swiss franc	10,293,833	-	10,293,833
US dollar	143,822,548	(93,619,670)	50,202,878
	275,455,545	(166,390,899)	109,064,646
Pound sterling	535,780,736	163,551,605	699,332,341
Net assets	811,236,281	(2,839,294)	808,396,987

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2016		
Level 1	394,956,814	(2,121,177)
Level 2	436,069,577	(2,040,324)
Level 3	-	-
Total	831,026,391	(4,161,501)

	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2015		
Level 1	356,823,934	(1,818,071)
Level 2	459,310,191	(3,217,848)
Level 3	-	-
Total	816,134,125	(5,035,919)

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.

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 317.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	159,985	-	-	-	-	-
Collective Investment						
Schemes	739,861	-	-	-	-	-
Derivatives	22,400	-	-	-	-	-
Equities	236,984	35	257	292	0.01	0.11
Total	1,159,230	35	257	292	0.01	0.11
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	273,978	-	-	-	-	-
Collective Investment						
Schemes	727,789	-	-	-	-	-
Derivatives	8,443	-	-	-	-	-
Equities	226,005	(32)	(2)	(34)	0.01	-
Total	1,236,215	(32)	(2)	(34)	0.01	-
Total as a percentage of the average NAV		0.01%	0.03%	0.04%		

7IM AAP MODERATELY CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	171,003	-	-	-	-	-
Collective Investment						
Schemes	604,897	-	-	-	-	-
Derivatives	4,923	-	-	-	-	-
Equities	347,529	48	213	261	0.01	0.06
Total	1,128,352	48	213	261	0.01	0.06
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	28,921	-	-	-	-	-
Collective Investment						
Schemes	517,354	-	-	-	-	-
Derivatives	5,345	-	-	-	-	-
Equities	362,283	(41)	(1)	(42)	0.01	-
Total	913,903	(41)	(1)	(42)	0.01	-
Total as a percentage of the average NAV		0.01%	0.03%	0.04%		

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.16% (2015: 0.15%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

On 17 January 2017, 7IM launched three new Dublin domiciled sub-funds within the 7IM (Dublin) Funds umbrella. Assets to the value of £440 million were transferred from AAP Moderately Cautious, AAP Balanced and AAP Moderately Adventurous sub-funds.

7IM AAP MODERATELY CAUTIOUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8408	-	0.8408	1.3204
Group 2	0.8408	-	0.8408	1.3204
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0093	-	1.0093	1.5313
Group 2	0.7490	0.2603	1.0093	1.5313
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8940	-	0.8940	1.3524
Group 2	0.3573	0.5367	0.8940	1.3524
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0387	-	1.0387	1.5592
Group 2	0.3114	0.7273	1.0387	1.5592
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8993	-	0.8993	1.3371
Group 2	0.2214	0.6779	0.8993	1.3371
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0289	-	1.0289	1.5481
Group 2	0.3194	0.7095	1.0289	1.5481
			Allocated	Allocated
Class O Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0127	-	1.0127	1.5484
Group 2	1.0127	-	1.0127	1.5484
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7758	-	0.7758	1.2030
Group 2	0.3444	0.4314	0.7758	1.2030
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8032	-	0.8032	1.2211
Group 2	0.3081	0.4951	0.8032	1.2211

7IM AAP MODERATELY CAUTIOUS FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9640	-	0.9640	0.7173
Group 2	0.2512	0.7128	0.9640	0.7173
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1441	-	1.1441	0.8390
Group 2	0.3265	0.8176	1.1441	0.8390
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0040	-	1.0040	0.7384
Group 2	0.4742	0.5298	1.0040	0.7384
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1865	-	1.1865	0.8609
Group 2	0.5640	0.6225	1.1865	0.8609
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9626	-	0.9626	0.7441
Group 2	0.2838	0.6788	0.9626	0.7441
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1434	-	1.1434	0.8708
Group 2	0.4489	0.6945	1.1434	0.8708
			Allocated	Allocated
Class O Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	-	-	-	0.8752
Group 2	-	-	-	0.8752
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.8946	-	0.8946	0.6579
Group 2	0.3790	0.5156	0.8946	0.6579
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9322	-	0.9322	0.6747
Group 2	0.3714	0.5608	0.9322	0.6747

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM AAP BALANCED FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM AAP (Asset Allocated Passives) Balanced Fund (the 'Sub-fund') aims, by applying active asset allocation techniques to predominantly passive strategies, to provide a balance of income and capital appreciation. There may be some risk to capital.

The Investment Manager will invest the majority of the portfolio in fixed interest and equity instruments using predominantly passive strategies (that is, strategies designed to track the performance of particular indices, market sectors or asset classes). The Investment Manager will also make investments in other asset classes such as property, commodities and private equities. Such investments will be made indirectly through holdings in investment trusts, exchange traded funds or other intermediary vehicles with the objective of improving returns and controlling risk by increasing diversification within the portfolio. The asset allocation for the entire portfolio will be actively managed.

The Sub-fund invests predominantly in a range of equities and fixed interest investments or instruments that track the returns of equity and fixed interest indices. The Sub-fund will comprise a mixture of income-generating assets and assets with scope for capital growth in real terms. The Sub-fund may use different asset classes, with investment primarily in equities and fixed interest investments, or instruments that track the returns of equity and fixed interest indices, with no long-term preponderance to either class.

Investment may also be made in exchange traded funds, warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that is permitted in the stated investment and borrowing powers of the Company.

The Sub-fund may rely on third party advice on quantitative investment techniques or use third party quantitative investment software in the portfolio's construction.

The IA Mixed Investment 20-60% Shares Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM AAP BALANCED FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 7.52%¹. Over the same period the peer group average return for the IMA Mixed Investment 20-60% Shares Sector which is the fund benchmark was 7.48%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended on a tear.

Initially a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing Sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower - seem to be taking place. However concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging

¹ Calculated using 7IM AAP Balanced C Acc. shares published prices. Source: NTRS

² Source: FE Trustnet

7IM AAP BALANCED FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We added loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels.

We also invested in a 30 year inflation protection certificate which benefits when long term inflation expectations rise in the US, as we expect them too, but does not expose the fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment.

We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape traditional safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk.

In June the main issue dominating markets was the forthcoming EU Referendum and market volatility around this and a poor set of US payrolls led us to reduce risk in European equities and buy US Treasuries. As the referendum date grew closer, Remain seemed the more likely outcome, which led us remove some of the US dollars we had bought as a hedge. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave, we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro.. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce

7IM AAP BALANCED FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

US equity exposure where we thought valuations were extended and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election, because we saw this as a good "left tail" or downside hedge although at that time the risk of Trump winning was thought to be low. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year so we disposed of the yen hedge, just after the year end. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM AAP BALANCED FUND

FUND INFORMATION

The Comparative Tables on pages 362 to 370 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	120.99	122.35	115.50
Return before operating charges*	10.17	1.74	10.13
Operating charges (calculated on average price)	(1.42)	(1.36)	(1.39)
Return after operating charges*	8.75	0.38	8.74
Distributions on income shares	(1.79)	(1.74)	(1.89)
Closing net asset value per share	127.95	120.99	122.35
* After direct transaction costs of ¹ :	0.07	0.07	0.09
Performance			
Return after charges ²	7.23%	0.31%	7.57%
Other Information			
Closing net asset value (£'000)	360	524	1,998
Closing number of shares	281,108	432,683	1,633,094
Operating charges ³	1.17%	1.09%	1.18%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	131.71	133.40	123.42
Lowest share price	109.89	114.68	112.84

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	137.02	136.67	127.01
Return before operating charges*	11.61	1.87	11.19
Operating charges (calculated on average price)	(1.61)	(1.52)	(1.53)
Return after operating charges*	10.00	0.35	9.66
Distributions	(2.04)	(1.95)	(2.08)
Retained distributions on accumulation shares	2.04	1.95	2.08
Closing net asset value per share	147.02	137.02	136.67
* After direct transaction costs of ¹ :	0.08	0.08	0.10
Performance			
Return after charges ²	7.30%	0.26%	7.61%
Other Information			
Closing net asset value (£'000)	6,937	11,551	13,165
Closing number of shares	4,718,649	8,430,664	9,633,005
Operating charges ³	1.17%	1.09%	1.18%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	150.21	149.00	136.81
Lowest share price	124.43	129.25	124.08

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	123.40	124.45	117.24
Return before operating charges*	10.30	1.64	10.17
Operating charges (calculated on average price)	(0.84)	(0.75)	(0.81)
Return after operating charges*	9.46	0.89	9.36
Distributions on income shares	(2.09)	(1.94)	(2.15)
Closing net asset value per share	130.77	123.40	124.45
* After direct transaction costs of ¹ :	0.07	0.07	0.09
Performance			
Return after charges ²	7.67%	0.71%	7.99%
Other Information			
Closing net asset value (£'000)	115,890	135,700	96,776
Closing number of shares	88,621,372	109,965,098	77,763,565
Operating charges ³	0.67%	0.59%	0.68%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	134.71	135.89	125.65
Lowest share price	112.71	116.96	114.62

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	141.70	140.77	130.30
Return before operating charges*	11.91	1.78	11.38
Operating charges (calculated on average price)	(0.96)	(0.85)	(0.91)
Return after operating charges*	10.95	0.93	10.47
Distributions	(2.41)	(2.20)	(2.40)
Retained distributions on accumulation shares	2.41	2.20	2.40
Closing net asset value per share	152.65	141.70	140.77
* After direct transaction costs of ¹ :	0.08	0.08	0.10
Performance			
Return after charges ²	7.73%	0.66%	8.04%
Other Information			
Closing net asset value (£'000)	1,385,302	1,401,774	981,131
Closing number of shares	907,486,939	989,287,945	696,988,133
Operating charges ³	0.67%	0.59%	0.68%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	155.90	153.70	140.91
Lowest share price	128.78	133.57	127.39

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	119.19	120.82	114.28
Return before operating charges*	10.11	1.80	10.09
Operating charges (calculated on average price)	(1.87)	(1.83)	(1.83)
Return after operating charges*	8.24	(0.03)	8.26
Distributions on income shares	(1.67)	(1.60)	(1.72)
Closing net asset value per share	125.76	119.19	120.82
* After direct transaction costs of ¹ :	0.07	0.07	0.09
Performance			
Return after charges ²	6.91%	(0.02)%	7.23%
Other Information			
Closing net asset value (£'000)	1,477	3,218	7,425
Closing number of shares	1,174,424	2,699,448	6,145,722
Operating charges ³	1.57%	1.49%	1.58%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	129.44	131.57	121.80
Lowest share price	108.20	112.99	111.58

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	133.49	133.59	124.54
Return before operating charges*	11.41	1.93	11.06
Operating charges (calculated on average price)	(2.11)	(2.03)	(2.01)
Return after operating charges*	9.30	(0.10)	9.05
Distributions	(1.88)	(1.78)	(1.88)
Retained distributions on accumulation shares	1.88	1.78	1.88
Closing net asset value per share	142.79	133.49	133.59
* After direct transaction costs of ¹ :	0.08	0.07	0.10
Performance			
Return after charges ²	6.96%	(0.07)%	7.27%
Other Information			
Closing net asset value (£'000)	64,054	90,221	141,458
Closing number of shares	44,860,256	67,585,908	105,893,062
Operating charges ³	1.57%	1.49%	1.58%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	145.93	145.47	133.73
Lowest share price	121.15	126.00	121.61

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class O Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	125.04	125.22	123.94
Return before operating charges*	10.80	1.85	3.30
Operating charges (calculated on average price)	(2.12)	(2.03)	(2.02)
Return after operating charges*	8.68	(0.18)	1.28
Distributions	(0.76)	(1.67)	(0.85)
Retained distributions on accumulation shares	0.76	1.67	0.85
Last quoted share price ¹	133.72	-	-
Closing net asset value per share	-	125.04	125.22
* After direct transaction costs of ² :	0.07	0.07	0.09
Performance			
Return after charges ³	6.94%	(0.14)%	1.03%
Other Information			
Closing net asset value (£'000)	-	5	5
Closing number of shares	-	3,767	3,767
Operating charges ⁴	1.67%	1.59%	1.68%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	136.61	136.31	125.80
Lowest share price	113.46	118.03	114.06

¹ As at the year end date, there are no shares in issue. Share class performance provided is as at 30 November 2016 being the last quoted price date before shares were reduced to zero.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	104.91	105.69	100.00
Return before operating charges*	8.70	1.35	7.58
Operating charges (calculated on average price)	(0.45)	(0.37)	(0.33)
Return after operating charges*	8.25	0.98	7.25
Distributions on income shares	(1.88)	(1.76)	(1.56)
Closing net asset value per share	111.28	104.91	105.69
* After direct transaction costs of ² :	0.06	0.06	0.08
Performance			
Return after charges ³	7.86%	0.93%	7.25%
Other Information			
Closing net asset value (£'000)	22,596	19,306	15,654
Closing number of shares	20,305,178	18,403,300	14,811,457
Operating charges ⁴	0.42%	0.34%	0.43%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	114.67	115.49	106.76
Lowest share price	95.39	99.45	98.88

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	108.21	107.28	100.00
Return before operating charges*	9.06	1.30	7.62
Operating charges (calculated on average price)	(0.46)	(0.37)	(0.34)
Return after operating charges*	8.60	0.93	7.28
Distributions	(1.95)	(1.79)	(1.57)
Retained distributions on accumulation shares	1.95	1.79	1.57
Closing net asset value per share	116.81	108.21	107.28
* After direct transaction costs of ² :	0.06	0.06	0.08
Performance			
Return after charges ³	7.95%	0.87%	7.28%
Other Information			
Closing net asset value (£'000)	218,400	204,256	147,345
Closing number of shares	186,976,540	188,766,364	137,343,614
Operating charges ⁴	0.42%	0.34%	0.43%
Direct transaction costs	0.06%	0.05%	0.08%
Prices			
Highest share price	119.27	117.23	107.39
Lowest share price	98.39	101.97	98.88

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 371.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class C	Class D	Class O	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	1.50%	0.25%
Other expenses	0.03%	0.03%	0.03%	0.03%	0.03%
	1.03%	0.53%	1.43%	1.53%	0.28%
Collective investment scheme costs	0.14%	0.14%	0.14%	0.14%	0.14%
Ongoing Charges Figure	1.17%	0.67%	1.57%	1.67%	0.42%

As at 30 November 2015

	Class A	Class C	Class D	Class O	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	1.50%	0.25%
Other expenses	0.03%	0.03%	0.03%	0.03%	0.03%
	1.03%	0.53%	1.43%	1.53%	0.28%
Collective investment scheme costs	0.06%	0.06%	0.06%	0.06%	0.06%
Ongoing Charges Figure	1.09%	0.59%	1.49%	1.59%	0.34%

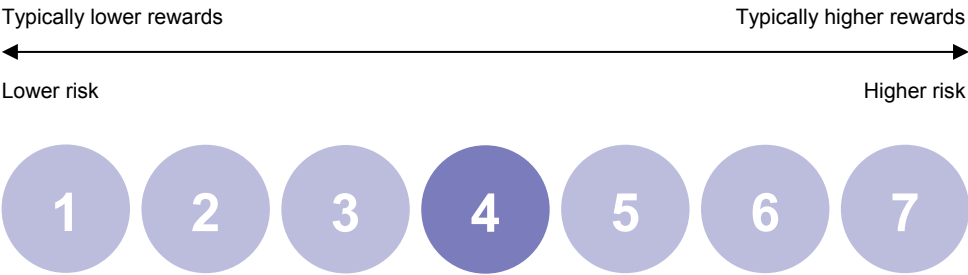
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Fund's net assets at the balance sheet date.

7IM AAP BALANCED FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 4.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM AAP Balanced Fund	7.52	16.95	42.15
IA Mixed Investment 20-60% Shares Sector ¹	7.48	15.16	36.99

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 400 to 401.

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 28.24% (25.19%)		
	UK Equity 7.65% (4.71%)		
753,204	3i Group	5,125,553	0.28
6,224,477	7IM UK Equity Value Fund 'Z' Inc ^{1 2}	6,119,906	0.34
687,519	Aberdeen Asset Management	1,841,176	0.10
7,879	Absolute Return Trust preference shares ³	-	-
15,672	Admiral Group	299,962	0.02
14,967	Aggreko	119,736	0.01
62,356	AstraZeneca	2,643,271	0.15
71,945	Auto Trader Group	286,989	0.02
1,149,727	Aviva	5,171,472	0.28
245,994	Barratt Developments	1,154,942	0.06
9,172	Berkeley Group Holdings	228,750	0.01
1,410,364	BP	6,429,144	0.35
54,672	British American Tobacco	2,469,808	0.14
67,855	British Land	406,112	0.02
19,465	Capita	102,191	0.01
114,719	Carnival	4,752,808	0.26
1,328,725	Centrica	2,820,883	0.16
4,089	Dexion Equity Alternative ³	-	-
1,781	Dexion Equity Alternative ³	-	-
9,198	Diageo	187,317	0.01
96,324	Direct Line Insurance Group	340,120	0.02
119,513	easyJet	1,180,788	0.07
5,789	Electric & General Investment Trust	-	-
271,512	Experian	4,110,692	0.23
16,614	Fresnillo	203,854	0.01
653	FTSE 100 Index Futures Dec 2016 ⁴	937,055	0.05
132,217	GlaxoSmithKline	1,996,477	0.11
979,977	Glencore	2,697,387	0.15
10,333	Hikma Pharmaceuticals	177,521	0.01
844,901	HSBC Holdings	5,359,207	0.30
14,996	IMI	144,861	0.01
89,368	Imperial Tobacco Group	3,137,264	0.17
6,134	InterContinental Hotels Group	203,281	0.01
270,094	Intermediate Capital Group	1,852,845	0.10
19,860	Intertek Group	664,317	0.04
66,941	Intu Properties	182,615	0.01
266,592	Investec	1,394,276	0.08
409,647	IP Group	593,579	0.03
256,564	ITV	430,771	0.02
700,613	J Sainsbury	1,628,925	0.09
55,805	Johnson Matthey	1,761,764	0.10
55,316	Land Securities	542,097	0.03
1,498,103	Legal & General Group	3,538,519	0.19
191	LIFFE FTSE 100 Index Futures Dec 2016 ⁴	(53,289)	-
4,588,460	Lloyds Banking Group	2,673,696	0.15
38,298	Marks & Spencer	126,881	0.01
54,222	Meggitt	257,880	0.01
215,913	National Grid	2,012,093	0.11

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	UK Equity (continued)		
795,036	Old Mutual	1,508,978	0.08
242,998	Persimmon	4,164,986	0.23
324,905	Petrofac	2,587,868	0.14
27,218	Randgold Resources	1,582,727	0.09
87,959	Reckitt Benckiser Group	6,033,108	0.33
44,555	RELX	620,651	0.03
89,967	Rio Tinto	2,693,612	0.15
260,819	Royal Bank of Scotland Group	498,425	0.03
139,402	Royal Dutch Shell 'A'	2,820,102	0.16
283,054	Royal Dutch Shell 'B'	5,985,177	0.33
454,331	Royal Mail	2,140,808	0.12
72,160	RSA Insurance Group	393,994	0.02
269,083	Sage Group (The)	1,801,511	0.10
151,171	Shire	7,256,208	0.40
283,750	Smith & Nephew	3,226,238	0.18
73,521	SSE	1,099,139	0.06
148,289	Tate & Lyle	1,023,936	0.06
582,714	Tesco	1,226,322	0.07
872	Thames River Multi Hedge preference shares	-	-
29,579	Unilever	964,945	0.05
2,997,631	Vodafone Group	5,911,328	0.33
107,582	Weir Group (The)	1,899,898	0.10
64,617	William Hill	194,368	0.01
1,904,882	WM Morrison Supermarkets	4,223,123	0.23
102,737	Worldpay	279,239	0.02
		138,392,187	7.65
	UK Small-Cap Equity 0.00% (0.03%)		
	North American Equity 10.79% (4.33%)		
10,552,200	7IM US Equity Value Fund 'Z' Inc ^{1 2}	12,317,583	0.68
8,168	Abbott Laboratories	253,922	0.01
2,581	Adobe Systems	217,536	0.01
35,369	Aetna	3,750,216	0.21
7,018	Agilent Technologies	250,635	0.01
3,800	AGNC Investment	57,983	-
178	Alleghany	81,325	-
4,107	Allstate	229,724	0.01
3,442	Alphabet 'C'	2,130,767	0.12
23,844	American International Group	1,211,732	0.07
2,209	AmerisourceBergen	137,646	0.01
55,007	Amgen	6,449,142	0.36
6,773	Annaly Capital Management	56,351	-
2,990	Anthem	348,849	0.02
6,349	Apple	568,259	0.03
12,220	Applied Materials	315,706	0.02
6,496	Archer-Daniels-Midland	223,072	0.01
1,048	Axis Capital Holdings	52,072	-
68,611	Baker Hughes	3,332,471	0.18
5,455	Baxter International	196,042	0.01

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
1,641	Biogen	398,995	0.02
6,748	Boeing	821,769	0.05
1,595	Bunge	85,950	-
9,583	Cadence Design Systems	204,635	0.01
92,618	Capital One Financial	6,144,533	0.34
3,796	Cardinal Health	216,383	0.01
4,052	Carnival	173,150	0.01
6,464	Caterpillar	488,174	0.03
1,984	Church & Dwight	71,476	-
2,860	Cigna	317,972	0.02
263,047	Cisco Systems	6,301,552	0.35
163,122	Citigroup	7,273,156	0.40
74,521	Citrix Systems	5,262,911	0.29
3,205	Coach	96,263	0.01
9,491	Colgate-Palmolive	507,096	0.03
126,405	Comcast 'A'	7,119,164	0.39
4,654	ConAgra Foods	141,018	0.01
1,097	Continental Resources	41,609	-
808	CR Bard	140,089	0.01
15,195	Cummins	1,686,801	0.09
6,894	Danaher	438,211	0.02
2,216	Delta Air Lines	86,472	-
2,595	Dentsply Sirona	126,020	0.01
4,550	Discover Financial Services	247,159	0.01
236,217	eBay	5,408,406	0.30
2,295	Edwards Lifesciences	154,634	0.01
11,324	El du Pont de Nemours	647,592	0.04
11,103	Eli Lilly & Company	598,752	0.03
(446)	E-Mini S&P 500 Futures Dec 2016 ⁴	(993,985)	(0.05)
704	E-Mini S&P Select Financial Sector Futures Mar 2017 ⁴	1,556,184	0.09
4,198	EOG Resources	311,647	0.02
2,534	Estee Lauder	159,972	0.01
27,392	Exxon Mobil	1,889,634	0.10
5,328	Flextronics International	62,171	-
84,074	FMC Technologies	2,227,434	0.12
41,301	Ford Motor	395,365	0.02
290,268	General Electric	7,238,051	0.40
102,482	Gilead Sciences	6,162,747	0.34
1,238	Helmerich & Payne	67,179	-
3,699	Illinois Tool Works	373,168	0.02
31,012	Intel	878,906	0.05
29,151	JM Smucker	2,979,714	0.16
20,730	Johnson & Johnson	1,872,725	0.10
7,077	JPMorgan Chase	448,536	0.02
4,005	Juniper Networks	86,102	-
3,991	Kimberly-Clark	373,427	0.02
6,812	Kinder Morgan	117,016	0.01
1,787	KLA-Tencor	117,206	0.01
1,546	Lamb Weston	41,206	-

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
2,722	Las Vegas Sands	135,860	0.01
25,803	Linear Technology	1,296,574	0.07
101,322	Lowe's Cos	5,756,118	0.32
3,978	LyondellBasell Industries	267,426	0.01
1,938	Macy's	66,084	-
3,814	Masco	98,658	0.01
4,016	Mattel	101,755	0.01
3,142	Maxim Integrated Products	100,301	0.01
9,795	McDonald's	949,136	0.05
2,616	McKesson	296,748	0.02
3,713	Mead Johnson Nutrition	216,214	0.01
62,427	Merck & Co	3,117,841	0.17
93,970	Michael Kors Holdings	3,600,473	0.20
1,785	Molson Coors Brewing	143,408	0.01
17,485	Mondelez International	601,837	0.03
68,504	Monsanto	5,631,830	0.31
13,735	Morgan Stanley	447,943	0.02
3,723	Mosaic	80,876	-
42,544	Motorola Solutions	2,770,553	0.15
75,398	NetApp	2,210,714	0.12
5,798	Newmont Mining	156,172	0.01
126,343	News Corp	1,169,880	0.06
3,684	Nisource	66,183	-
3,885	Nucor	192,316	0.01
5,965	NVIDIA	446,704	0.02
73,486	Occidental Petroleum	3,987,672	0.22
143,932	OGE Energy	3,728,916	0.21
168,210	Oracle	5,479,118	0.30
12,093	Paypal	387,302	0.02
1,145	PepsiCo	94,298	0.01
68,928	Pfizer	1,766,930	0.10
17,172	Philip Morris International	1,249,424	0.07
71,762	PNC Financial Services Group	6,297,329	0.35
11,740	Procter & Gamble	781,504	0.04
4,741	Prudential Financial	379,866	0.02
16,327	Qualcomm	875,354	0.05
13,977	Regions Financial	147,942	0.01
478	RenaissanceRe	50,314	-
552	Russell 2000 Mini Futures Dec 2016 ⁴	3,525,375	0.19
(546)	S&P 500 Index Put Options 1525 2017 ⁴	(280,630)	(0.02)
546	S&P 500 Index Put Options 2050 2017 ⁴	2,310,810	0.13
15,302	Schlumberger	981,874	0.05
22,768	Sirius XM	84,109	-
133,051	Southwest Airlines	5,047,646	0.28
5,514	SunTrust Banks	226,458	0.01
4,269	Symantec	83,344	-
1,748	Synopsys	85,870	-
90,447	Target	5,694,703	0.31
15,743	Texas Instruments	940,635	0.05

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
4,790	TJX Companies (The)	303,126	0.02
3,277	T-Mobile	145,744	0.01
741	Travelers	67,661	-
4,713	Twenty-First Century Fox	107,303	0.01
80,302	Tyson Foods	3,802,930	0.21
8,400	UGI	312,605	0.02
997	United Rentals	77,105	-
2,314	United Technologies	202,317	0.01
2,992	Valero Energy	153,204	0.01
3,836	Ventas	188,072	0.01
716,833	Vereit	4,904,768	0.27
65,132	Verizon Communications	2,665,537	0.15
2,323	Viacom	68,933	-
2,369	Voya Financial	71,972	-
107,588	Wal-Mart Stores	6,166,524	0.34
1,573	Westar Energy	72,119	-
10,053	Xerox	76,294	-
2,877	Xilinx	124,766	0.01
		197,104,127	10.79
European Equity 5.71% (10.47%)			
10,257,743	7IM European (ex UK) Equity Value Fund 'Z' Inc ^{1 2}	9,436,096	0.52
47,848	ABB	783,477	0.04
1,868	Actelion	300,845	0.02
3,012	Adecco Group	149,221	0.01
32,623	Aegon	131,961	0.01
1,314	Aena	142,063	0.01
3,039	AerCap	105,970	0.01
3,527	Ageas	105,817	0.01
14,327	Amadeus IT Holding	521,467	0.03
14,758	Anheuser-Busch InBev	1,259,542	0.07
69	AP Moeller - Maersk 'A'	71,206	-
1,382	AP Moeller - Maersk 'B'	1,499,234	0.08
169,192	ArcelorMittal	1,024,480	0.06
16,671	ASML Holding	1,388,031	0.08
23,560	Aurelius	1,085,956	0.06
16,765	BASF	1,149,597	0.06
6,523	Bayer	494,864	0.03
20,238	BNP Paribas	941,832	0.05
423,229	Brait	2,079,475	0.11
5,342	Cie Financiere Richemont	278,606	0.02
3,328	Cie Generale des Etablissements Michelin	288,956	0.02
141,790	Coca-Cola HBC	2,409,012	0.13
2,171	Coloplast	111,895	0.01
18,838	Commerzbank	102,840	0.01
8,944	Compagnie De St-Gobain	312,998	0.02
83,388	Danske Bank	1,975,976	0.11
69,112	Deutsche Lufthansa	716,183	0.04
9,173	Deutsche Telekom	117,017	0.01

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
17,448	DNB	206,651	0.01
180,145	E.ON	964,040	0.05
5,179	Eaton	273,216	0.02
5,828	Endesa	97,716	0.01
46,481	Engie	466,564	0.03
357,177	Eni	3,970,037	0.22
864,947	Ericsson 'B'	3,575,532	0.19
1,969	Essilor International	168,603	0.01
(2,098)	EURO STOXX 50 Equity Index Futures Dec 2016 ⁴	(1,345,223)	(0.07)
4,063	EURO STOXX 50 Index Dividend Futures Dec 2017 ⁴	1,702,326	0.09
4,759	EURO STOXX 50 Index Dividend Futures Dec 2018 ⁴	3,296,101	0.18
1,977	EURO STOXX 50 Index Dividend Futures Dec 2019 ⁴	557,854	0.03
8,880	Ferrovial	127,287	0.01
113,787	Fiat Chrysler Automobiles	704,367	0.04
37,257	Fraport AG Frankfurt Airport Services Worldwide	1,747,557	0.10
929	Genmab	132,488	0.01
14,607	HeidelbergCement	1,060,818	0.06
1,892	Henkel	153,824	0.01
3,232	Henkel non-voting preference shares	301,207	0.02
176,663	Iberdrola	869,731	0.05
27,645	ING Group	299,712	0.02
8,306	Investor 'B'	226,279	0.01
6,098	Kone	216,477	0.01
27,803	Koninklijke Ahold Delhaize	445,956	0.02
3,398	Linde	465,284	0.03
2,992	Luxottica	125,683	0.01
1,206,642	Marfin Investment Group Holdings	129,992	0.01
27,911	Muenchener Rueckversicherungs	4,117,732	0.23
122,869	Nestle	6,699,824	0.37
6,160	NN Group	159,611	0.01
32,140	Nordea Bank	272,492	0.02
833,910	Norsk Hydro	3,162,273	0.17
40,663	Novartis	2,267,160	0.12
36,339	Novo Nordisk	986,375	0.05
39,171	Orange	463,520	0.03
1,432	Paddy Power Betfair	121,720	0.01
15,127	Partners Group	5,928,968	0.33
21,918	Pernod Ricard	1,852,070	0.10
272,506	Peugeot	3,239,775	0.18
2,805	Porsche Automobil	114,758	0.01
60,679	Renault	3,827,242	0.21
122,327	Repsol	1,314,696	0.07
12,793	Roche Holding	2,292,190	0.13
120,552	Rocket Internet	1,851,179	0.10
75,977	Safran	4,201,650	0.23
20,772	Sanofi	1,362,379	0.08
17,922	SAP	1,223,111	0.07
817	Schindler	116,708	0.01
40	Sika Signature Metals	156,288	0.01

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
23,179	Societe Generale	793,716	0.04
100,929	Stora Enso	786,575	0.04
12,058	Svenska Cellulosa 'B'	261,081	0.01
564	Swatch Group	132,969	0.01
3,467	Swedish Match	88,396	-
8,353	Swiss Life	1,864,204	0.10
2,104	Swiss Prime Site	138,872	0.01
6,337	Swiss Re	469,420	0.03
4,001	TE Connectivity	215,955	0.01
13,580	Telenor	163,157	0.01
2,306	UCB	120,566	0.01
9,650	UPM-Kymmene	177,474	0.01
4,381	Vestas Wind Systems	234,661	0.01
20,933	Vivendi	322,697	0.02
591	Volkswagen	65,463	-
3,385	Volkswagen non-voting preference shares	353,380	0.02
2,729	Zurich Insurance Group	576,008	0.03
		102,421,011	5.71
Japanese Equity 0.38% (2.96%)			
40,600	Jafco	1,135,734	0.06
577	TOPIX Index Futures Dec 2016 ⁴	5,776,783	0.32
		6,912,517	0.38
Far East Equity 0.24% (0.17%)			
(1,463)	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ⁴	(2,510,101)	(0.14)
1,440	MSCI China Free Index Futures Dec 2016 ⁴	6,861,946	0.38
		4,351,845	0.24
Emerging Markets Equity 3.47% (2.52%)			
3,900,000	7IM Emerging Markets Equity Value Fund 'Z' Inc ^{1 2}	4,544,280	0.25
7,966	Most Diversified TOBAM Anti-Benchmark Emerging Markets ²	54,722,884	3.02
752	MSCI India Index Futures Mar 2017 ⁴	3,718,873	0.20
		62,986,037	3.47
BONDS 26.89% (24.38%)			
Gilts & Other Public Securities 2.43% (3.71%)			
£546,000	Deutsche Bahn Finance 2.75% 2022	589,442	0.03
£15,000,000	European Investment Bank 1.5% 2019	15,323,430	0.84
£1,000,000	European Investment Bank 4.75% 2018	1,080,500	0.06
£6,000,000	Kingdom of Belgium 1.125% 2018	6,074,040	0.33
£1,960,000	Treasury 1.75% 2017	1,964,567	0.11
£3,000,000	Treasury 1.75% 2019	3,123,069	0.17
£3,000,000	Treasury 3.75% 2020	3,376,740	0.19
£3,000,000	Treasury 3.75% 2021	3,445,572	0.19
£5,070,000	Treasury 4% 2022	5,949,483	0.33

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Gilts & Other Public Securities (continued)			
£3,050,000	Treasury 5% 2018	3,239,686	0.18
		44,166,529	2.43
Sterling Corporate Bonds 1.50% (4.21%)			
£130,286.7	UBS Sterling Corporate Bond Indexed	13,951,947	0.77
£130,629.43	Vanguard U.K. Short-Term Investment Grade Bond Index	13,308,823	0.73
		27,260,770	1.50
Global High Yield Bonds 8.92% (4.86%)			
804,195	iShares \$ High Yield Corporate Bond UCITS ETF	65,778,397	3.62
191,528	iShares Euro High Yield Corporate Bond UCITS ETF	17,145,364	0.94
721,110	PIMCO Short-Term High Yield Corporate Source	57,870,641	3.19
242,234.5	Robeco Quant High Yield ²	21,247,071	1.17
		162,041,473	8.92
Global Corporate Bonds 1.51% (3.41%)			
14,741,849	BlackRock Overseas Corporate Bond Tracker	21,419,907	1.18
690.9437	TOBAM Anti-Benchmark US Credit	6,068,730	0.33
		27,488,637	1.51
Global Inflation Linked Bonds 2.38% (5.90%)			
US\$12,807,000	US Treasury Notes 2.25% 2025	10,250,547	0.56
US\$43,570,000	US Treasury Notes 1.625% 2026	32,952,454	1.82
		43,203,001	2.38
Global Convertible Bonds 3.06% (2.29%)			
139,435.9	NN (L) Global Convertible Opportunities Acc	15,752,043	0.87
1,563,880	SSgA SPDR Thomson Reuters Global Convertible Bond UCITS ETF	39,825,437	2.19
		55,577,480	3.06
Emerging Markets Bonds 7.09% (0.00%)			
3,431,000	ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	27,379,380	1.51
2,079,260	iShares Emerging Markets Local Government Bond UCITS ETF	101,341,382	5.58
		128,720,762	7.09
PRIVATE EQUITY 2.05% (1.92%)			
167,133	American Capital	2,323,380	0.13
141,288	Apollo Global Management	2,188,761	0.12
205,830	Apollo Investment Corporation	1,013,281	0.06
253,346	Ares Capital Corporation	3,261,433	0.18
282,083	Blackstone Group (The)	5,889,944	0.32
65,745	Carlyle Group (The)	813,101	0.04
32,237	Electra Private Equity	1,482,902	0.08
56,961	Eurazeo	2,457,495	0.14
18,417	GIMV	791,424	0.04

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
PRIVATE EQUITY (continued)			
54,820	Hercules Technology Growth Capital	605,345	0.03
362,954	KKR & Company	4,448,023	0.25
44,048	Main Street Capital Corporation	1,278,779	0.07
80,955	Onex Corporation	4,594,862	0.25
320,133	Prospect Capital Corporation	2,059,320	0.11
174,000	Ratos	587,339	0.03
39,519	Wendel	3,674,540	0.20
		37,469,929	2.05
REAL ESTATE 1.93% (1.95%)			
393,980	iShares FTSE Europe Property Index	12,063,668	0.66
956,500	iShares UK Property UCITS ETF	5,279,880	0.29
801,900	iShares US Property Yield	17,738,028	0.98
		35,081,576	1.93
Hedge Funds & Other Strategies 5.95% (2.00%)			
2,441,469	Dexion Absolute EUR ³	-	-
70,000,000	F&C Global Equity Market Neutral 3 Acc ²	39,508,000	2.18
2,071,877	iShares Physical Gold ETC ⁵	38,889,291	2.14
317,300	Source Physical Gold P-ETC ⁵	29,556,398	1.63
		107,953,689	5.95
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 35.83% (45.17%)			
£12,500,000	Abbey National Treasury Services FRN 2017	12,504,300	0.69
£5,900,000	Abbey National Treasury Services FRN 2017	5,931,984	0.33
£9,000,000	African Development Bank 1.125% 2016	9,002,610	0.50
£9,300,000	Agence Francaise De Developpement 0.75% 2017	9,307,124	0.51
£10,000,000	ASB Finance FRN 2018	10,015,320	0.55
£2,000,000	Asian Development Bank 1.5% 2017	2,023,334	0.11
£7,000,000	Bank Nederlandse Gemeenten 0.875% 2016	7,001,071	0.39
£10,000,000	Bank Nederlandse Gemeenten 1.875% 2018	10,272,700	0.57
£4,100,000	Bank of Montreal FRN 2018	4,101,394	0.23
US\$25,800,000	BNP Paribas Arbitrage 0% 2021	20,984,773	1.16
£1,782,000	Caisse d'Amortissement de la Dette Sociale 3.75% 2018	1,888,603	0.10
£7,600,000	Caisse des Depots et Consignations 1.5% 2017	7,638,076	0.42
£6,220,000	Canadian Imperial Bank of Commerce FRN 2018	6,223,614	0.34
£6,100,000	Commonwealth Bank of Australia FRN 2018	6,111,224	0.34
£2,050,000	Coventry Building Society FRN 2020	2,049,332	0.11
US\$64,200,000	Credit Suisse International 0% 2017	54,620,527	3.01
£6,000,000	Deutsche Pfandbriefbank FRN 2017	6,000,054	0.33
£15,000,000	Dexia Credit Local 1.875% 2017	15,123,390	0.83
£10,950,000	DNB Boligkreditt FRN 2020	10,929,983	0.60
£6,000,000	European Investment Bank 3.25% 2016	6,002,400	0.33
£10,000,000	Export Development Canada 0.875% 2016	10,000,740	0.55
£2,100,000	Export Development Canada 1.875% 2018	2,161,761	0.12
£1,400,000	FMS Wertmanagement 0.75% 2017	1,405,614	0.08
£10,300,000	FMS Wertmanagement 1.25% 2019	10,481,177	0.58
£1,600,000	FMS Wertmanagement 1.875% 2018	1,644,854	0.09

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS (continued)			
£1,389,000	GE Capital UK Funding 2.375% 2018	1,432,545	0.08
£2,209,000	GE Capital UK Funding 6.75% 2018	2,425,990	0.13
£5,090,000	GE Capital UK Funding FRN 2018	5,090,987	0.28
£4,072,000	ING Bank FRN 2017	4,070,098	0.22
£10,000,000	Kommunalbanken 1.125% 2016	10,002,900	0.55
£4,000,000	Landeskreditbank B 1.25% 2016	4,001,300	0.22
£2,525,000	Landwirtschaftliche Rentenbank 3.25% 2016	2,525,985	0.14
£10,000,000	Lloyds Bank FRN 2017	10,046,410	0.55
£10,000,000	Lloyds Bank FRN 2017	10,029,610	0.55
US\$6,4250,000	Merrill Lynch FRN 2017	55,456,129	3.06
£2,075,000	National Bank of Australia 3.625% 2017	2,130,548	0.12
£7315,000	Nederlandse Waterschapsbank 2% Senior Notes 2018	7,535,021	0.42
£10,000,000	Nestle Holdings 1.625% 2017	10,119,700	0.56
£4,600,000	Network Rail Infrastructure Finance 1% 2017	4,631,482	0.26
£1,0435,000	Nordea Bank FRN 2019	10,475,916	0.58
139,147,000	Northern Trust Global Sterling Fund ²	138,778,000	7.65
£1,700,000	NRW Bank 0.875% 2017	1,707,599	0.09
£11,100,000	Oversea-Chinese Bank FRN 2017	11,103,474	0.61
84,315	PIMCO Sterling Short Maturity Source UCITS ETF	8,564,718	0.47
£8,400,000	Royal Bank of Canada FRN 2018	8,417,573	0.46
£10,200,000	Royal Bank of Canada FRN 2019	10,174,908	0.56
£7,000,000	Shell International Finance 2% 2019	7,237,132	0.40
£7,900,000	Skandinaviska Enskilda Banken FRN 2018	7,894,312	0.43
£16,500,000	Stadshypotek AB FRN 2018	16,535,030	0.91
£5,600,000	Svenska Handelsbanken 1.875% 2017	5,650,389	0.31
£13,800,000	Swedbank Hypotek FRN 2018	13,810,626	0.76
£12,410,000	Toronto-Dominion Bank FRN 2018	12,411,862	0.68
£10,760,000	Total Capital International FRN 2019	10,706,641	0.59
£3,040,000	Transport for London 1.25% 2017	3,062,314	0.17
£8,700,000	Westpac Banking Corporation FRN 2017	8,700,331	0.48
£4,475,000	Westpac Securities FRN 2017	4,479,072	0.25
£7,160,000	Yorkshire Building Society 4.75% 2018	7,558,798	0.42
		650,193,359	35.83
FORWARD FX CURRENCY CONTRACTS -0.02% (-0.10%)			
¥(1,650,000,000)	Vs £12,229,642 Expiry 16.12.2016	524,077	0.03
US\$(478,200,000)	Vs £387,952,540 Expiry 20.01.2017	4,499,930	0.25
US\$(96,000,000)	Vs £78,579,029 Expiry 20.01.2017	1,599,835	0.09
US\$(105,000,000)	Vs £84,546,032 Expiry 20.01.2017	350,039	0.02
€(118,500,000)	Vs £102,248,910 Expiry 17.02.2017	732,029	0.04
¥(1,400,000,000)	Vs £11,037,963 Expiry 16.12.2016	(1,105,969)	(0.06)
¥(11,700,000,000)	Vs £90,348,258 Expiry 16.12.2016	(7,345,166)	(0.40)
US\$(59,000,000)	Vs £47,140,791 Expiry 20.01.2017	169,339	0.01
		(575,886)	(0.02)

7IM AAP BALANCED FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

	Value £	30.11.16 %
Portfolio of investment	1,830,749,043	100.87
Net other liabilities	(15,733,219)	(0.87)
Net assets	1,815,015,824	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Related party holding (see note 12 of the Financial Statements)

² Collective investment scheme

³ Delisted security

⁴ Derivatives contract

⁵ Structured Product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	25.30	34.26
Non-rated debt securities	10.41	4.65
Other investments	65.16	61.60
Net other liabilities	(0.87)	(0.51)
	100.00	100.00

7IM AAP BALANCED FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)	£2,606,139,856
Major purchases	Cost £
Northern Trust Global Sterling Fund ¹	1,003,022,000
iShares Emerging Markets Local Government Bond UCITS ETF	101,038,686
iShares \$ High Yield Corporate Bond UCITS ETF	76,069,700
US Treasury Notes 2.25% 2025	55,924,033
Merrill Lynch FRN 2017	44,695,652
Credit Suisse International 0% 2017	44,129,777
US Treasury Notes 1.625% 2026	43,467,289
iShares Physical Gold ETC	38,517,800
Source Physical Gold P-ETC	34,672,752
ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	28,957,297
US Treasury Notes 2.50% 2029	20,524,824
BNP Paribas Arbitrage 0% 2021	17,852,818
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	17,852,818
Nederlandse Waterschapsbank 2% Senior Notes 2018	15,331,500
European Investment Bank 1.5% 2019	15,123,000
NN (L) Global Convertible Opportunities Acc	12,776,481
Nordea Bank FRN 2019	10,435,000
FMS Wertmanagement 1.25% 2019	10,299,176
Ericsson 'B'	10,255,193
Lloyds Bank FRN 2017	10,000,000

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM AAP BALANCED FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)	£2,836,902,083
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	1,109,417,000
US Treasury Notes 2.25% 2025	55,832,812
Royal London Cash Plus	47,215,817
BlackRock Overseas Corporate Bond Tracker	46,146,525
Merrill Lynch International & Company (linked to the Japan Shareholder Index) 2016	41,033,222
US Treasury Notes 0.125% 2020	39,347,966
US Treasury Notes 0.125% 2025	38,358,578
iShares \$ High Yield Corporate Bond UCITS ETF	33,795,951
Vanguard U.K. Short-Term Investment Grade Bond Index	30,524,971
Vanguard Investment Series UK Investment Grade Index	22,327,940
US Treasury Notes 2.50% 2029	20,450,720
Lloyds Bank FRN 2018	14,335,539
Rabobank Nederland 3.25% 2017	14,157,456
Coventry Building Society 4.625% 2018	13,922,682
US Treasury Notes 1.625% 2026	13,606,414
Nationwide Building Society FRN 2018	11,682,340
Council of Europe Development Bank 1.625% 2015	11,500,000
Reseau Ferre De France 2.375% 2015	11,500,000
Swiss Re	11,211,232
FMS Wertmanagement 1% 2015	11,000,000

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM AAP BALANCED FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		100,794,734	(21,093,942)
Revenue	5	39,770,903		33,995,566
Expenses	6	(9,624,064)		(9,513,497)
Interest payable and similar charges	8	(358,926)		(246,098)
Net revenue before taxation		29,787,913		24,235,971
Taxation	7	(3,541,171)		(2,878,701)
Net revenue after taxation for the year			26,246,742	21,357,270
Total return before distributions			127,041,476	263,328
Distributions	8		(29,932,711)	(25,059,914)
Change in net assets attributable to shareholders from investment activities			97,108,765	(24,796,586)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			1,866,555,025	1,404,957,298
Amounts received on creation of shares		393,340,369		721,958,594
Amounts paid on cancellation of shares		(569,094,124)		(259,962,061)
			(175,753,755)	461,996,533
Stamp Duty Reserve Tax	2(h)		-	(22,794)
Change in net assets attributable to shareholders from investment activities			97,108,765	(24,796,586)
Retained distribution on accumulation shares			27,105,789	24,420,574
Closing net assets attributable to shareholders			1,815,015,824	1,866,555,025

The notes on pages 388 to 399 are an integral part of these Financial Statements.

7IM AAP BALANCED FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		1,844,383,406	1,886,165,452
Current assets:			
Debtors	9	10,679,742	15,736,389
Cash and bank balances	10	15,008,679	10,011,536
Total assets		<u>1,870,071,827</u>	<u>1,911,913,377</u>
LIABILITIES			
Investment liabilities		(13,634,363)	(10,132,707)
Creditors:			
Cash and bank overdrafts	10	(29,695,079)	(25,739,345)
Distribution payable		(1,224,337)	(871,192)
Other creditors	11	(10,502,224)	(8,615,108)
Total liabilities		<u>(55,056,003)</u>	<u>(45,358,352)</u>
Net assets attributable to shareholders		<u>1,815,015,824</u>	<u>1,866,555,025</u>

The notes on pages 388 to 399 are an integral part of these Financial Statements.

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	178,084,110	(29,870,799)
Derivative contracts	(20,556,927)	(11,439,535)
Forward currency contracts	(54,250,591)	(3,591,610)
Transaction charges	(39,213)	(32,215)
AMC rebates from underlying investments	71,534	48,964
Currency (losses)/gains	(2,514,179)	23,791,253
Net capital gains/(losses)	100,794,734	(21,093,942)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	13,123,385	12,728,314
Taxable dividends	6,455,828	386,305
Unfranked interest	19,062,669	19,930,855
AMC rebates from underlying investments	1,094,422	907,818
Bank interest	-	17,068
UK property income distributions	34,599	25,078
Stock lending revenue ¹	-	128
Total revenue	39,770,903	33,995,566

¹Stock lending revenue is net of lending agent administration fees of £nil (2015: £55).

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	9,062,807	9,073,210
Other expenses	7,772	1,715
	<hr/> 9,070,579	<hr/> 9,074,925
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	217,327	205,330
Safe custody and other bank charges	81,751	82,505
Market risk fee	7,500	-
	<hr/> 306,578	<hr/> 287,835
Other expenses:		
Advisory fees	82,624	82,413
Dealing and exchange fees	133,317	16,030
Audit fee	8,809	9,527
FCA and other regulatory fee	276	217
Legal and professional fees	1,173	27,825
Printing, postage and distribution costs	14,708	14,725
Risk analysis fees	6,000	-
	<hr/> 246,907	<hr/> 150,737
Total expenses	<hr/> 9,624,064	<hr/> 9,513,497

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
<i>a) Analysis of charge for the year</i>		
Corporation tax	2,494,305	2,319,338
Overseas tax	2,494,305	2,319,338
Current tax charge (note 7b)	1,046,866	559,363
Deferred tax origination and reversal of timing differences (note 7c)	3,541,171	2,878,701
	-	-
Total taxation	3,541,171	2,878,701
<i>b) Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	29,787,913	24,235,971
Corporation tax at 20%	5,957,583	4,847,194
Effects of:		
Non-taxable dividends	(1,209,429)	(2,536,388)
Overseas tax	1,046,866	559,363
AMC rebates taken to capital	14,307	9,793
Double taxation relief expensed	(3,945)	(1,261)
Non-taxable overseas dividends	(2,255,896)	-
Movement in revenue accruals	(8,315)	-
Total tax charge (note 7a)	3,541,171	2,878,701
<i>c) Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	13,828,142	16,648,421
Final	15,606,568	10,123,979
	<hr/>	<hr/>
	29,434,710	26,772,400
Add: Revenue deducted on cancellation of shares	2,193,759	1,051,148
Deduct: Revenue received on issue of shares	(1,695,758)	(2,763,634)
	<hr/>	<hr/>
Net distributions for the year	29,932,711	25,059,914
Interest payable and similar charges	358,926	246,098
	<hr/>	<hr/>
Total distribution	30,291,637	25,306,012

Details of the distributions per share are set out in the table on pages 400 to 401.

Distributions represented by:

Net revenue after taxation	26,246,742	21,357,270
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Allocations to capital:

Expenses, net of tax relief	3,672,480	3,672,489
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	<hr/>	<hr/>
	29,919,222	25,029,759

Equalisation on conversions¹

Net movement in revenue account	12,735	31,310
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	<hr/>	<hr/>
	754	(1,155)

Net distributions for the year

	<hr/>	<hr/>
	29,932,711	25,059,914

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	4,350,174	7,671,755
Accrued revenue	4,080,619	6,306,546
Income tax recoverable	697,448	1,048,263
Withholding tax recoverable	867,756	349,241
AMC rebates from underlying investments	683,745	360,584
Total debtors	10,679,742	15,736,389

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	15,008,679	9,150,227
Cash held at clearing houses	-	861,309
Total cash and bank balances	15,008,679	10,011,536
Bank overdraft	(14,392,939)	(7,915,350)
Cash in overdraft at clearing houses	(15,302,140)	(17,823,995)
Total cash and bank overdrafts	(29,695,079)	(25,739,345)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	7,458,076	5,120,121
Purchases awaiting settlement	31,524	-
Accrued expenses	800,718	880,988
Taxation payable	2,211,906	2,613,999
Total other creditors	10,502,224	8,615,108

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 386.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC:

	Held at 30.11.16	Held at 30.11.15
7IM Emerging Markets Equity Value Fund 'Z' Inc	3,900,000	3,900,000
7IM European (ex UK) Equity Value Fund 'Z' Inc	10,257,743	10,178,229
7IM UK Equity Value Fund 'Z' Inc	6,224,477	6,102,334
7IM US Equity Value Fund 'Z' Inc	10,552,200	10,453,410

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen	38.97% (2015: 35.79%)
Cofunds	13.40% (2015: 20.54%)

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment schemes managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has five share classes: 'A', 'C', 'D', 'O' and 'S'. The annual management charge on each class are as follows:

Class A	1.00%
Class C	0.50%
Class D	1.40%
Class O	1.50%
Class S	0.25%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	432,683	8,614	(40,241)	(119,948)	281,108
Class A Accumulation	8,430,664	253,805	(1,248,489)	(2,717,331)	4,718,649
Class C Income	109,965,098	19,776,395	(43,584,628)	2,464,507	88,621,372
Class C Accumulation	989,287,945	221,877,144	(318,260,054)	14,581,904	907,486,939
Class D Income	2,699,448	169,222	(138,093)	(1,556,153)	1,174,424
Class D Accumulation	67,585,908	4,495,188	(13,083,131)	(14,137,709)	44,860,256
Class O Accumulation	3,767	-	-	(3,767)	-
Class S Income	18,403,300	5,309,706	(3,696,964)	289,136	20,305,178
Class S Accumulation	188,766,364	36,948,669	(39,261,542)	523,049	186,976,540

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Canadian dollar	8,486	7,038
Euro	559,366	687,071
Hong Kong dollar	74,928	45,950
Japanese yen	126,349	895,758
Swiss franc	414,195	344,388
South African rand	5	-
US dollar	57,047,878	531,043
Pound sterling	255,419,510	261,738,932
	<hr/> 313,650,717	<hr/> 264,250,180
Floating rate liabilities:		
Canadian dollar	(8,486)	(7,038)
Euro	(429,026)	-
Hong Kong dollar	(74,928)	(2,606,108)
Japanese yen	(126,349)	(34,448)
South African rand	(4)	-
US dollar	(1,540,368)	(503,751)
Pound sterling	(27,515,918)	(22,588,000)
	<hr/> (29,695,079)	<hr/> (25,739,345)
Fixed rate assets:		
Euro	-	37,615,145
US dollar	176,678,943	118,400,192
Pound sterling	208,141,684	361,998,536
	<hr/> 384,820,627	<hr/> 518,013,873
Assets on which interest is not paid:		
Canadian dollar	4,595,130	4,599,923
Danish krone	5,053,559	11,883,469
Euro	77,963,768	154,529,674
Japanese yen	88,142,039	100,146,816
Norwegian krone	3,580,536	7,499,504
Swedish krona	5,043,718	7,083,891
Swiss franc	22,618,229	38,807,394
US dollar	591,049,736	216,021,205
South African rand	2,079,475	3,571,741
Pound sterling	956,674,479	780,689,748
	<hr/> 1,756,800,669	<hr/> 1,324,833,365

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Liabilities on which interest is not paid:		
Euro	(101,516,881)	(116,533,043)
Hong Kong dollar	-	(2,160,523)
US dollar	(497,317,668)	(86,623,182)
Pound sterling	(11,726,561)	(9,486,300)
	<u>(610,561,110)</u>	<u>(214,803,048)</u>
Net assets	1,815,015,824	1,866,555,025

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16 %	30.11.15 %	30.11.16 Years	30.11.15 Years
Euro	-	0.34	-	2
US dollar	(3.53)	0.20	41.24	7
Pound sterling	0.50	1.05	1.43	2

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Canadian dollar	4,595,130	-	4,595,130
Danish krone	5,053,559	-	5,053,559
Euro	78,094,108	(101,516,881)	(23,422,773)
Hong Kong dollar	-	-	-
Japanese yen	6,912,517	81,229,522	88,142,039
Norwegian krone	3,580,536	-	3,580,536
South African rand	2,079,476	-	2,079,476
Swedish krona	5,043,718	-	5,043,718
Swiss franc	23,032,424	-	23,032,424
US dollar	823,236,188	(497,317,668)	325,918,520
	<u>951,627,656</u>	<u>(517,605,027)</u>	<u>434,022,629</u>
Pound sterling	863,964,054	517,029,141	1,380,993,195
Net assets	<u>1,815,591,710</u>	<u>(575,886)</u>	<u>1,815,015,824</u>

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk (continued)

	30.11.15	30.11.15	30.11.15
Currency	Gross £	Hedged £	Net £
Canadian dollar	4,599,923	-	4,599,923
Danish krone	11,883,469	-	11,883,469
Euro	192,831,890	(116,533,043)	76,298,847
Hong Kong dollar	(4,720,681)	-	(4,720,681)
Japanese yen	56,036,299	44,971,827	101,008,126
Norwegian krone	7,499,504	-	7,499,504
South African rand	3,571,741	-	3,571,741
Swedish krona	7,083,891	-	7,083,891
Swiss franc	39,151,782	-	39,151,782
US dollar	334,448,689	(86,623,182)	247,825,507
	652,386,507	(158,184,398)	494,202,109
Pound sterling	1,216,023,260	156,329,656	1,372,352,916
Net assets	1,868,409,767	(1,854,742)	1,866,555,025

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2016		
Level 1	1,000,488,076	(5,183,228)
Level 2	843,895,330	(8,451,135)
Level 3	-	-
Total	1,844,383,406	(13,634,363)
	Assets	Liabilities
	£	£
Valuation technique as at 30 November 2015		
Level 1	824,690,272	(6,914,574)
Level 2	1,061,475,180	(3,218,133)
Level 3	-	-
Total	1,886,165,452	(10,132,707)

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.

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 361.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	339,472	-	-	-	-	-
Collective Investment						
Schemes	1,057,889	-	-	-	-	-
Derivatives	22,105	-	-	-	-	-
Equities	1,185,751	107	816	923	0.01	0.07
Total	2,605,217	107	816	923	0.01	0.07
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	523,505	-	-	-	-	-
Collective Investment						
Schemes	1,290,632	-	-	-	-	-
Derivatives	18,892	-	-	-	-	-
Equities	1,003,984	(105)	(6)	(111)	0.01	0.00
Total	2,837,013	(105)	(6)	(111)	0.01	0.00
Total as a percentage of the average NAV		0.01%	0.05%	0.06%		

7IM AAP BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	429,546	-	-	-	-	-
Collective Investment						
Schemes	1,577,203	-	-	-	-	-
Derivatives	15,167	-	-	-	-	-
Equities	886,832	155	642	797	0.02	0.07
Total	2,908,748	155	642	797	0.02	0.07
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	42,022	-	-	-	-	-
Collective Investment						
Schemes	1,376,579	-	-	-	-	-
Derivatives	16,422	-	-	-	-	-
Equities	886,131	(111)	(1)	(112)	0.01	-
Total	2,321,154	(111)	(1)	(112)	0.01	-
Total as a percentage of the average NAV		0.02%	0.04%	0.06%		

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.17% (2015: 0.09%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

On 17 January 2017, 7IM launched three new Dublin domiciled sub-funds within the 7IM (Dublin) Funds umbrella. Assets to the value of £440 million were transferred from AAP Balanced, AAP Moderately Adventurous and AAP Moderately Cautious sub-funds.

7IM AAP BALANCED FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8339	-	0.8339	1.1714
Group 2	0.4805	0.3534	0.8339	1.1714
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9421	-	0.9421	1.3080
Group 2	0.7653	0.1768	0.9421	1.3080
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9653	-	0.9653	1.2723
Group 2	0.5908	0.3745	0.9653	1.2723
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1073	-	1.1073	1.4390
Group 2	0.5627	0.5446	1.1073	1.4390
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7881	-	0.7881	1.0948
Group 2	0.4253	0.3628	0.7881	1.0948
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8765	-	0.8765	1.2091
Group 2	0.3852	0.4913	0.8765	1.2091
			Allocated	Allocated
Class O Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7693	-	0.7693	1.1051
Group 2	0.7693	-	0.7693	1.1051
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8643	-	0.8643	1.1356
Group 2	0.4742	0.3901	0.8643	1.1356
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8920	-	0.8920	1.1529
Group 2	0.4070	0.4850	0.8920	1.1529

7IM AAP BALANCED FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9652	-	0.9652	0.5751
Group 2	0.4126	0.5526	0.9652	0.5751
			Allocated	Allocated
			31.01.17	31.01.16
Class A Accumulation	Net Revenue	Equalisation		
Group 1	1.0996	-	1.0996	0.6514
Group 2	0.0981	1.0015	1.0996	0.6514
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1333	-	1.1333	0.6728
Group 2	0.5351	0.5982	1.1333	0.6728
			Allocated	Allocated
			31.01.17	31.01.16
Class C Accumulation	Net Revenue	Equalisation		
Group 1	1.3112	-	1.3112	0.7682
Group 2	0.5963	0.7149	1.3112	0.7682
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.8915	-	0.8915	0.5133
Group 2	0.4206	0.4709	0.8915	0.5133
			Allocated	Allocated
			31.01.17	31.01.16
Class D Accumulation	Net Revenue	Equalisation		
Group 1	1.0035	-	1.0035	0.5743
Group 2	0.4626	0.5409	1.0035	0.5743
			Allocated	Allocated
			31.01.17	31.01.16
Class O Accumulation	Net Revenue	Equalisation		
Group 1	-	-	-	0.5713
Group 2	-	-	-	0.5713
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0185	-	1.0185	0.6249
Group 2	0.5226	0.4959	1.0185	0.6249
			Allocated	Allocated
			31.01.17	31.01.16
Class S Accumulation	Net Revenue	Equalisation		
Group 1	1.0596	-	1.0596	0.6410
Group 2	0.4377	0.6219	1.0596	0.6410

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM AAP MODERATELY ADVENTUROUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM AAP (Asset Allocated Passives) Moderately Adventurous Fund (the 'Sub-fund') aims, by applying active asset allocation techniques to predominantly passive strategies, to provide a total return primarily by way of growth in capital. There is a risk of fluctuations in capital values.

The Investment Manager will invest the majority of the portfolio in fixed interest and equity instruments using predominantly passive strategies (that is, strategies designed to track the performance of particular indices, market sectors or asset classes). The Investment Manager will also make investments in other asset classes such as property, commodities and private equities. Such investments will be made indirectly through holdings in investment trusts, exchange traded funds or other intermediary vehicles with the objective of improving returns and controlling risk by increasing diversification within the portfolio. The asset allocation for the entire portfolio will be actively managed.

The Sub-fund invests predominantly in equities or instruments that track the returns of equity indices. While assets with scope for capital growth in real terms are likely to represent a significant part of the portfolio, the portfolio may also include other assets held primarily for income generation. The Sub-fund may use different asset classes, with a substantial proportion in equities or instruments that track the returns of equity indices.

Investment may also be made in exchange traded funds, warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that is permitted in the stated investment and borrowing powers of the Company.

The Sub-fund may rely on third party advice on quantitative investment techniques or use third party quantitative investment software in the portfolio's construction.

There is no guarantee that a positive return will be delivered.

7IM AAP MODERATELY ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting year, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 9.00%¹. Over the same year, the peer group average return for the IA Mixed Investment 40-85% Shares Sector which is the fund benchmark was 9.69%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended on a tear. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing Sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps, the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However, concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America so financial markets generally ended the period higher than at the start. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM AAP Moderately Adventurous C Acc shares published prices. Source: NTRS

² Source: FE Trustnet

7IM AAP MODERATELY ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P 500 Index up 30.0%, the TOPIX Japan Index up 23.0% and the MSCI Emerging Markets Index up 30.5%. The FTSE-All Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors.

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We reduced exposure to China equity preferring the less idiosyncratic US equity market.

We invested in a 30-year inflation protection certificate which benefits when long term inflation expectations rise in the US but does not expose the Sub-fund to duration risk. And, unlike global inflation linked bonds, the inflation swap has a low correlation with both equities and bonds so we have classified this investment within alternatives rather than a bond investment. We also invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape, traditional safe haven assets such as bonds had become expensive. To provide some downside risk protection, we bought a put spread on the S&P500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

As the EU referendum approached, the polls were forecasting a win for Remain which led us remove some of our hedges, selling some of the US dollars we had bought when Leave had looked likely. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave and we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

7IM AAP MODERATELY ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year and we sold the yen just after the year end. Once the result was known, we added equity exposure through a US financials index future and the Russell 2000 Index future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows.

Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP
Investment Manager
December 2016

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION

The Comparative Tables on pages 407 to 414 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	129.10	128.70	120.22
Return before operating charges*	12.70	3.12	11.31
Operating charges (calculated on average price)	(1.50)	(1.45)	(1.46)
Return after operating charges*	11.20	1.67	9.85
Distributions on income shares	(1.63)	(1.27)	(1.37)
Closing net asset value per share	138.67	129.10	128.70
* After direct transaction costs of ¹ :	0.11	0.10	0.14
Performance			
Return after charges ²	8.67%	1.30%	8.19%
Other Information			
Closing net asset value (£'000)	533	694	1,285
Closing number of shares	384,189	537,741	998,107
Operating charges ³	1.16%	1.09%	1.19%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	142.55	143.18	129.43
Lowest share price	114.20	120.42	116.36

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	139.73	138.00	127.52
Return before operating charges*	13.86	3.28	12.03
Operating charges (calculated on average price)	(1.63)	(1.55)	(1.55)
Return after operating charges*	12.23	1.73	10.48
Distributions	(1.77)	(1.37)	(1.46)
Retained distributions on accumulation shares	1.77	1.37	1.46
Closing net asset value per share	151.96	139.73	138.00
* After direct transaction costs of ¹ :	0.12	0.11	0.15
Performance			
Return after charges ²	8.75%	1.25%	8.22%
Other Information			
Closing net asset value (£'000)	2,118	2,663	3,625
Closing number of shares	1,394,021	1,905,636	2,626,912
Operating charges ³	1.16%	1.09%	1.19%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	155.24	153.53	138.12
Lowest share price	123.60	129.96	123.43

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	130.06	129.64	121.09
Return before operating charges*	12.69	3.14	11.39
Operating charges (calculated on average price)	(0.87)	(0.79)	(0.86)
Return after operating charges*	11.82	2.35	10.53
Distributions on income shares	(2.17)	(1.93)	(1.98)
Closing net asset value per share	139.71	130.06	129.64
* After direct transaction costs of ¹ :	0.11	0.10	0.14
Performance			
Return after charges ²	9.09%	1.81%	8.70%
Other Information			
Closing net asset value (£'000)	51,944	54,266	37,957
Closing number of shares	37,180,990	41,724,976	29,278,918
Operating charges ³	0.66%	0.59%	0.69%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	143.84	144.50	130.68
Lowest share price	115.15	121.51	117.31

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	145.16	142.68	131.21
Return before operating charges*	14.31	3.35	12.40
Operating charges (calculated on average price)	(0.97)	(0.87)	(0.93)
Return after operating charges*	13.34	2.48	11.47
Distributions	(2.43)	(2.13)	(2.15)
Retained distributions on accumulation shares	2.43	2.13	2.15
Closing net asset value per share	158.50	145.16	142.68
* After direct transaction costs of ¹ :	0.12	0.11	0.16
Performance			
Return after charges ²	9.19%	1.74%	8.74%
Other Information			
Closing net asset value (£'000)	622,196	628,872	450,300
Closing number of shares	392,543,655	433,212,920	315,598,663
Operating charges ³	0.66%	0.59%	0.69%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	161.86	159.03	142.80
Lowest share price	128.53	134.91	127.12

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	128.80	128.39	119.95
Return before operating charges*	12.76	3.13	11.27
Operating charges (calculated on average price)	(2.01)	(1.96)	(1.95)
Return after operating charges*	10.75	1.17	9.32
Distributions on income shares	(1.21)	(0.76)	(0.88)
Closing net asset value per share	138.34	128.80	128.39
* After direct transaction costs of ¹ :	0.11	0.10	0.14
Performance			
Return after charges ²	8.35%	0.91%	7.77%
Other Information			
Closing net asset value (£'000)	862	1,492	2,330
Closing number of shares	623,108	1,158,660	1,814,589
Operating charges ³	1.56%	1.49%	1.59%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	142.04	142.63	128.89
Lowest share price	113.84	119.99	116.02

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	135.68	134.51	124.79
Return before operating charges*	13.54	3.23	11.75
Operating charges (calculated on average price)	(2.13)	(2.06)	(2.03)
Return after operating charges*	11.41	1.17	9.72
Distributions	(1.28)	(0.80)	(0.92)
Retained distributions on accumulation shares	1.28	0.80	0.92
Closing net asset value per share	147.09	135.68	134.51
* After direct transaction costs of ¹ :	0.11	0.10	0.15
Performance			
Return after charges ²	8.41%	0.87%	7.79%
Other Information			
Closing net asset value (£'000)	27,509	39,370	59,735
Closing number of shares	18,701,992	29,016,421	44,407,793
Operating charges ³	1.56%	1.49%	1.59%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	150.31	149.44	134.63
Lowest share price	119.93	126.28	120.70

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	106.58	106.25	100.00
Return before operating charges*	10.34	2.51	8.14
Operating charges (calculated on average price)	(0.44)	(0.37)	(0.34)
Return after operating charges*	9.90	2.14	7.80
Distributions on income shares	(1.99)	(1.81)	(1.55)
Closing net asset value per share	114.49	106.58	106.25
* After direct transaction costs of ² :	0.09	0.08	0.12
Performance			
Return after charges ³	9.29%	2.01%	7.80%
Other Information			
Closing net asset value (£'000)	8,387	8,136	6,108
Closing number of shares	7,324,858	7,633,317	5,749,320
Operating charges ⁴	0.41%	0.34%	0.44%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	117.97	118.51	107.18
Lowest share price	94.41	99.65	98.40

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 415.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	109.93	107.83	100.00
Return before operating charges*	10.80	2.48	8.17
Operating charges (calculated on average price)	(0.46)	(0.38)	(0.34)
Return after operating charges*	10.34	2.10	7.83
Distributions	(2.06)	(1.85)	(1.56)
Retained distributions on accumulation shares	2.06	1.85	1.56
Closing net asset value per share	120.27	109.93	107.83
* After direct transaction costs of ² :	0.09	0.08	0.12
Performance			
Return after charges ³	9.41%	1.95%	7.83%
Other Information			
Closing net asset value (£'000)	96,291	80,856	54,933
Closing number of shares	80,059,199	73,549,770	50,944,411
Operating charges ⁴	0.41%	0.34%	0.44%
Direct transaction costs	0.08%	0.08%	0.12%
Prices			
Highest share price	122.80	120.28	107.92
Lowest share price	97.38	102.13	98.40

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

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7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class C	Class D	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	0.25%
Other expenses	0.04%	0.04%	0.04%	0.04%
	1.04%	0.54%	1.44%	0.29%
Collective investment scheme costs	0.12%	0.12%	0.12%	0.12%
Ongoing Charges Figure	1.16%	0.66%	1.56%	0.41%

As at 30 November 2015

	Class A	Class C	Class D	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	0.25%
Other expenses	0.03%	0.03%	0.03%	0.03%
	1.03%	0.53%	1.43%	0.28%
Collective investment scheme costs	0.06%	0.06%	0.06%	0.06%
Ongoing Charges Figure	1.09%	0.59%	1.49%	0.34%

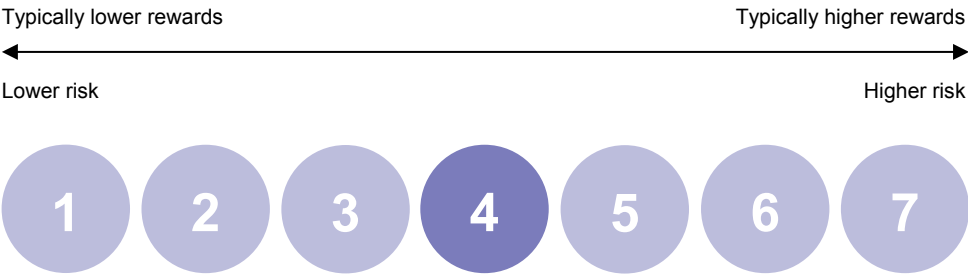
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Fund's net assets at the balance sheet date.

7IM AAP MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 5.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM AAP Moderately Adventurous Fund	9.00	20.45	54.02
IA Mixed Investment 40-85% Shares Sector ¹	9.69	19.31	51.85

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 443 to 444.

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 39.89% (32.90%)		
	UK Equity 10.85% (6.73%)		
492,823	3i Group	3,353,660	0.41
2,853,671	7IM UK Equity Value Fund 'Z' Inc ^{1 2}	2,805,730	0.35
443,393	Aberdeen Asset Management	1,187,406	0.15
10,107	Admiral Group	193,448	0.02
9,653	Aggreko	77,224	0.01
40,215	AstraZeneca	1,704,714	0.21
46,399	Auto Trader Group	185,086	0.02
741,478	Aviva	3,335,168	0.41
158,645	Barratt Developments	744,838	0.09
5,916	Berkeley Group Holdings	147,545	0.02
909,567	BP	4,146,261	0.51
35,259	British American Tobacco	1,592,825	0.20
43,761	British Land	261,910	0.03
12,554	Capita	65,908	0.01
73,985	Carnival	3,065,199	0.38
856,917	Centrica	1,819,235	0.22
5,932	Diageo	120,805	0.01
62,121	Direct Line Insurance Group	219,349	0.03
77,076	easyJet	761,511	0.09
15,111	Electric & General Investment Trust ³	-	-
175,103	Experian	2,651,059	0.33
10,714	Fresnillo	131,461	0.02
178	FTSE 100 Index Futures Dec 2016 ⁴	255,430	0.03
85,269	GlaxoSmithKline	1,287,562	0.16
632,003	Glencore	1,739,588	0.21
6,664	Hikma Pharmaceuticals	114,488	0.01
544,890	HSBC Holdings	3,456,237	0.43
9,671	IMI	93,422	0.01
57,635	Imperial Tobacco Group	2,023,277	0.25
3,956	InterContinental Hotels Group	131,102	0.02
158,187	Intermediate Capital Group	1,085,163	0.13
12,808	Intertek Group	428,428	0.05
43,171	Intu Properties	117,770	0.02
171,930	Investec	899,194	0.11
329,202	IP Group	477,014	0.06
165,463	ITV	277,812	0.03
451,837	J Sainsbury	1,050,521	0.13
35,989	Johnson Matthey	1,136,173	0.14
35,674	Land Securities	349,605	0.04
966,151	Legal & General Group	2,282,049	0.28
2,959,174	Lloyds Banking Group	1,724,311	0.21
24,699	Marks & Spencer	81,828	0.01
34,969	Meggitt	166,313	0.02
139,246	National Grid	1,297,633	0.16
512,732	Old Mutual	973,165	0.12
156,714	Persimmon	2,686,078	0.33
209,537	Petrofac	1,668,962	0.21
17,553	Randgold Resources	1,020,707	0.13

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	UK Equity (continued)		
56,726	Reckitt Benckiser Group	3,890,836	0.48
28,734	RELX	400,265	0.05
58,021	Rio Tinto	1,737,149	0.22
168,206	Royal Bank of Scotland Group	321,442	0.04
89,903	Royal Dutch Shell 'A'	1,818,738	0.23
182,546	Royal Dutch Shell 'B'	3,859,935	0.48
293,006	Royal Mail	1,380,644	0.17
46,537	RSA Insurance Group	254,092	0.03
173,536	Sage Group (The)	1,161,824	0.14
97,493	Shire	4,679,664	0.58
182,995	Smith & Nephew	2,080,653	0.26
47,415	SSE	708,854	0.09
95,634	Tate & Lyle	660,353	0.08
375,802	Tesco	790,875	0.10
19,771	Unilever	644,982	0.08
1,933,222	Vodafone Group	3,812,314	0.47
69,382	Weir Group (The)	1,225,286	0.15
41,672	William Hill	125,349	0.02
1,228,490	WM Morrison Supermarkets	2,723,562	0.34
66,257	Worldpay	180,087	0.02
		87,851,078	10.85
	North American Equity 14.21% (3.50%)		
10,398,457	7IM US Equity Value Fund 'Z' Inc ^{1 2}	12,138,119	1.50
4,528	Abbott Laboratories	140,764	0.02
1,431	Adobe Systems	120,610	0.01
19,608	Aetna	2,079,059	0.26
3,890	Agilent Technologies	138,924	0.02
2,106	AGNC Investment	32,135	-
98	Alleghany	44,774	0.01
2,277	Allstate	127,364	0.02
1,908	Alphabet 'C'	1,181,146	0.15
13,219	American International Group	671,778	0.08
1,224	AmerisourceBergen	76,269	0.01
30,494	Amgen	3,575,184	0.44
3,754	Annaly Capital Management	31,233	-
1,658	Anthem	193,442	0.02
3,519	Apple	314,964	0.04
6,775	Applied Materials	175,034	0.02
3,601	Archer-Daniels-Midland	123,658	0.02
581	Axis Capital Holdings	28,868	-
38,035	Baker Hughes	1,847,379	0.23
3,025	Baxter International	108,712	0.01
910	Biogen	221,259	0.03
3,741	Boeing	455,578	0.06
884	Bunge	47,636	0.01
5,313	Cadence Design Systems	113,454	0.01
51,344	Capital One Financial	3,406,302	0.42
2,104	Cardinal Health	119,934	0.01

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
2,246	Carnival	95,976	0.01
3,584	Caterpillar	270,671	0.03
1,100	Church & Dwight	39,629	-
1,586	Cigna	176,330	0.02
145,825	Cisco Systems	3,493,382	0.43
90,430	Citigroup	4,032,022	0.50
41,312	Citrix Systems	2,917,585	0.36
1,777	Coach	53,373	0.01
5,261	Colgate-Palmolive	281,091	0.03
70,075	Comcast 'A'	3,946,643	0.49
2,580	ConAgra Foods	78,175	0.01
608	Continental Resources	23,061	-
448	CR Bard	77,673	0.01
8,423	Cummins	935,040	0.12
3,822	Danaher	242,942	0.03
1,228	Delta Air Lines	47,919	0.01
1,439	Dentsply Sirona	69,881	0.01
2,523	Discover Financial Services	137,051	0.02
130,950	eBay	2,998,221	0.37
1,272	Edwards Lifesciences	85,706	0.01
6,278	EI du Pont de Nemours	359,024	0.04
6,155	Eli Lilly & Company	331,921	0.04
(86)	E-Mini S&P 500 Futures Dec 2016 ⁴	(143,089)	(0.02)
627	E-Mini S&P Select Financial Sector Futures Mar 2017 ⁴	1,385,976	0.17
2,327	EOG Resources	172,750	0.02
1,405	Estee Lauder	88,698	0.01
15,185	Exxon Mobil	1,047,536	0.13
2,954	Flextronics International	34,470	-
46,608	FMC Technologies	1,234,820	0.15
22,896	Ford Motor	219,178	0.03
160,915	General Electric	4,012,537	0.50
56,813	Gilead Sciences	3,416,445	0.42
686	Helmerich & Payne	37,225	-
2,050	Illinois Tool Works	206,811	0.03
17,192	Intel	487,236	0.06
16,160	JM Smucker	1,651,819	0.20
11,492	Johnson & Johnson	1,038,175	0.13
3,923	JPMorgan Chase	248,637	0.03
2,220	Juniper Networks	47,727	0.01
2,212	Kimberly-Clark	206,971	0.03
3,776	Kinder Morgan	64,864	0.01
990	KLA-Tencor	64,932	0.01
860	Lamb Weston	22,923	-
1,509	Las Vegas Sands	75,317	0.01
14,304	Linear Technology	718,761	0.09
56,169	Lowe's Cos	3,190,969	0.39
2,205	LyondellBasell Industries	148,234	0.02
1,074	Macy's	36,622	-
2,114	Masco	54,684	0.01

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
2,226	Mattel	56,401	0.01
1,742	Maxim Integrated Products	55,609	0.01
5,430	McDonald's	526,168	0.06
1,450	McKesson	164,482	0.02
2,058	Mead Johnson Nutrition	119,841	0.01
34,608	Merck & Co	1,728,454	0.21
52,094	Michael Kors Holdings	1,995,988	0.25
989	Molson Coors Brewing	79,457	0.01
9,693	Mondelez International	333,635	0.04
37,976	Monsanto	3,122,071	0.39
7,614	Morgan Stanley	248,317	0.03
2,064	Mosaic	44,837	0.01
23,585	Motorola Solutions	1,535,904	0.19
41,798	NetApp	1,225,542	0.15
3,214	Newmont Mining	86,570	0.01
70,041	News Corp	648,549	0.08
2,042	Nisource	36,685	-
2,153	Nucor	106,578	0.01
3,307	NVIDIA	247,653	0.03
40,738	Occidental Petroleum	2,210,622	0.27
79,791	OGE Energy	2,067,184	0.26
93,250	Oracle	3,037,440	0.38
6,704	Paypal	214,709	0.03
635	PepsiCo	52,296	0.01
38,211	Pfizer	979,517	0.12
9,520	Philip Morris International	692,669	0.09
39,783	PNC Financial Services Group	3,491,076	0.43
6,508	Procter & Gamble	433,222	0.05
2,628	Prudential Financial	210,565	0.03
9,052	Qualcomm	485,313	0.06
7,748	Regions Financial	82,010	0.01
265	RenaissanceRe	27,894	-
328	Russell 2000 Mini Futures Dec 2016 ⁴	2,094,788	0.26
(148)	S&P 500 Index Put Options 1525 2017 ⁴	(76,068)	(0.01)
148	S&P 500 Index Put Options 2050 2017 ⁴	626,373	0.08
8,483	Schlumberger	544,324	0.07
12,622	Sirius XM	46,628	0.01
73,759	Southwest Airlines	2,798,245	0.35
3,057	SunTrust Banks	125,550	0.02
2,366	Symantec	46,191	0.01
969	Synopsys	47,602	0.01
50,141	Target	3,156,966	0.39
8,727	Texas Instruments	521,433	0.06
2,655	TJX Companies (The)	168,016	0.02
1,816	T-Mobile	80,766	0.01
410	Travelers	37,437	-
2,613	Twenty-First Century Fox	59,491	0.01
44,517	Tyson Foods	2,108,230	0.26
4,657	UGI	173,310	0.02

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
553	United Rentals	42,767	0.01
1,282	United Technologies	112,087	0.01
1,659	Valero Energy	84,948	0.01
2,126	Ventas	104,234	0.01
397,388	Vereit	2,719,038	0.33
36,107	Verizon Communications	1,477,684	0.18
1,288	Viacom	38,220	-
1,313	Voya Financial	39,890	-
59,643	Wal-Mart Stores	3,418,504	0.42
873	Westar Energy	40,025	-
5,573	Xerox	42,294	0.01
1,595	Xilinx	69,170	0.01
		115,073,524	14.21
European Equity 7.93% (14.69%)			
4,558,441	7IM European (ex UK) Equity Value Fund 'Z' Inc ^{1 2}	4,193,310	0.52
31,981	ABB	523,666	0.06
1,249	Actelion	201,154	0.02
2,013	Adecco Group	99,729	0.01
21,805	Aegon	88,202	0.01
878	Aena	94,925	0.01
2,031	AerCap	70,821	0.01
2,358	Ageas	70,745	0.01
9,576	Amadeus IT Holding	348,542	0.04
9,865	Anheuser-Busch InBev	841,942	0.10
46	AP Moeller - Maersk 'A'	47,470	0.01
924	AP Moeller - Maersk 'B'	1,002,382	0.12
113,088	Arcelormittal	684,763	0.08
11,143	ASML Holding	927,769	0.11
18,069	Aurelius	832,858	0.10
11,206	BASF	768,410	0.09
4,360	Bayer	330,769	0.04
13,527	BNP Paribas	629,517	0.08
277,873	Brait	1,365,289	0.17
3,571	Cie Financiere Richemont	186,242	0.02
2,224	Cie Generale des Etablissements Michelin	193,100	0.02
91,443	Coca-Cola HBC	1,553,617	0.19
1,450	Coloplast	74,734	0.01
12,592	Commerzbank	68,742	0.01
5,978	Compagnie De St-Gobain	209,202	0.03
55,736	Danske Bank	1,320,729	0.16
46,194	Deutsche Lufthansa	478,692	0.06
6,131	Deutsche Telekom	78,211	0.01
11,663	DNB	138,134	0.02
120,410	E.ON	644,370	0.08
2,871	Eaton	151,458	0.02
3,895	Endesa	65,306	0.01
31,068	Engie	311,852	0.04
238,739	Eni	2,653,594	0.33

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
578,132	Ericsson 'B'	2,389,892	0.30
1,316	Essilor International	112,687	0.01
(633)	EURO STOXX 50 Equity Index Futures Dec 2016 ⁴	(405,845)	(0.05)
1,417	EURO STOXX 50 Index Dividend Futures Dec 2018 ⁴	981,347	0.12
883	EURO STOXX 50 Index Dividend Futures Dec 2019 ⁴	249,139	0.03
5,935	Ferrovial	85,073	0.01
76,056	Fiat Chrysler Automobiles	470,804	0.06
24,903	Fraport AG Frankfurt Airport Services Worldwide	1,168,087	0.15
621	Genmab	88,563	0.01
9,763	HeidelbergCement	709,028	0.09
1,265	Henkel	102,847	0.01
2,160	Henkel non-voting preference shares	201,302	0.02
118,082	Iberdrola	581,331	0.07
18,478	ING Group	200,328	0.03
5,551	Investor 'B'	151,225	0.02
4,076	Kone	144,697	0.02
18,584	Koninklijke Ahold Delhaize	298,085	0.04
2,271	Linde	310,965	0.04
2,000	Luxottica	84,013	0.01
755,122	Marfin Investment Group Holdings	81,350	0.01
18,656	Muenchener Rueckversicherungs	2,752,335	0.34
82,126	Nestle	4,478,182	0.55
4,117	NN Group	106,675	0.01
21,482	Nordea Bank	182,130	0.02
557,388	Norsk Hydro	2,113,673	0.26
27,179	Novartis	1,515,362	0.19
24,289	Novo Nordisk	659,294	0.08
26,182	Orange	309,818	0.04
957	Paddy Power Betfair	81,345	0.01
9,812	Partners Group	3,845,775	0.47
14,650	Pernod Ricard	1,237,925	0.15
182,144	Peugeot	2,165,477	0.27
1,875	Porsche Automobil	76,710	0.01
40,558	Renault	2,558,139	0.32
81,764	Repsol	878,750	0.11
8,551	Roche Holding	1,532,128	0.19
79,508	Rocket Internet	1,220,914	0.15
50,783	Safran	2,808,382	0.35
13,884	Sanofi	910,614	0.11
11,979	SAP	817,523	0.10
546	Schindler	77,996	0.01
27	Sika Signature Metals	105,494	0.01
15,493	Societe Generale	530,525	0.07
67,461	Stora Enso	525,747	0.07
8,059	Svenska Cellulosa 'B'	174,494	0.02
377	Swatch Group	88,882	0.01
2,317	Swedish Match	59,075	0.01
5,583	Swiss Life	1,246,002	0.15
1,406	Swiss Prime Site	92,801	0.01

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
4,236	Swiss Re	313,786	0.04
2,218	TE Connectivity	119,717	0.02
9,077	Telenor	109,056	0.01
1,542	UCB	80,621	0.01
6,450	UPM-Kymmene	118,623	0.02
2,928	Vestas Wind Systems	156,834	0.02
13,991	Vivendi	215,681	0.03
395	Volkswagen	43,752	0.01
2,263	Volkswagen non-voting preference shares	236,248	0.03
1,824	Zurich Insurance Group	384,990	0.05
		64,186,639	7.93
Japanese Equity 0.52% (3.71%)			
26,800	Jafo	749,696	0.09
343	TOPIX Index Futures Dec 2016 ⁴	3,434,151	0.43
		4,183,847	0.52
Far East Equity 0.90% (0.00%)			
342	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ⁴	(690,592)	(0.09)
1,672	MSCI China Free Index Futures Dec 2016 ⁴	8,057,282	0.99
		7,366,690	0.90
Emerging Markets Equity 5.48% (4.27%)			
1,700,000	7IM Emerging Markets Equity Value Fund 'Z' Inc ^{1 2}	1,980,840	0.24
5,870	Most Diversified TOBAM Anti-Benchmark Emerging Markets ¹	40,323,261	4.98
431	MSCI India Index Futures Mar 2017 ⁴	2,131,429	0.26
		44,435,530	5.48
BONDS 18.48% (12.49%)			
Global Corporate Bonds 2.70% (2.31%)			
6,597,503	BlackRock Overseas Corporate Bond Tracker ¹	9,586,172	1.18
£9,034,000	Council of Europe D 1.875% 22/12/2018	9,292,390	1.15
341	TOBAM Anti-Benchmark US Credit ¹	2,998,169	0.37
		21,876,731	2.70
Global High Yield Bonds 6.94% (3.77%)			
354,655	iShares \$ High Yield Corporate Bond UCITS ETF	29,008,683	3.58
113,740	iShares Euro High Yield Corporate Bond UCITS ETF	10,181,872	1.26
211,965	PIMCO Short-Term High Yield Corporate Source	17,010,651	2.10
		56,201,206	6.94
Global Convertible Bonds 0.00% (1.84%)			
Global Inflation Linked Bonds 0.00% (2.74%)			
Gilts & Other Public Securities 1.26% (1.83%)			
£10,000,000	European Investment Bank 1.5% 2019	10,215,620	1.26

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
Emerging Markets Bonds 7.58% (0.00%)			
1,572,740	ETFs Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	12,550,465	1.55
295,920	iShares Emerging Markets Local Government Bond UCITS ETF	14,422,892	1.78
57,109,955	Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc ¹	34,397,326	4.25
		61,370,683	7.58
PRIVATE EQUITY 3.06% (2.91%)			
107,106	American Capital	1,488,921	0.18
96,235	Apollo Global Management	1,490,823	0.19
139,147	Apollo Investment Corporation	685,007	0.09
170,289	Ares Capital Corporation	2,192,204	0.27
186,893	Blackstone Group (The)	3,902,359	0.48
42,866	Carlyle Group (The)	530,145	0.07
19,810	Electra Private Equity	911,260	0.11
39,494	Eurazeo	1,703,908	0.21
9,977	GIMV	428,736	0.05
31,804	Hercules Technology Growth Capital	351,193	0.04
235,319	KKR & Company	2,883,848	0.36
33,426	Main Street Capital Corporation	970,406	0.12
54,070	Onex Corporation	3,068,917	0.38
216,393	Prospect Capital Corporation	1,391,992	0.17
128,724	Ratos	434,509	0.05
24,873	Wendel	2,312,731	0.29
		24,746,959	3.06
REAL ESTATE 2.84% (2.93%)			
242,015	iShares FTSE Europe Property Index	7,410,499	0.92
588,000	iShares UK Property UCITS ETF	3,245,760	0.40
558,300	iShares US Property Yield	12,349,596	1.52
		23,005,855	2.84
HEDGE FUNDS & OTHER STRATEGIES 4.93% (1.96%)			
1,171,008	Dexion Absolute EUR ³	-	-
30,098	Dexion Absolute GBP ³	-	-
30,000,000	F&C Global Equity Market Neutral 3 Acc ¹	16,932,000	2.09
909,104	iShares Physical Gold ETC ⁵	17,063,952	2.11
64,000	Source Physical Gold P-ETC ⁵	5,961,580	0.73
		39,957,532	4.93
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 31.20% (44.92%)			
£4,000,000	Abbey National Treasury Services FRN 2018	4,003,156	0.49
£4,400,000	Agence Francaise De Developpement 0.75% 2017	4,403,370	0.54
£650,000	ASB Finance FRN 2017	650,472	0.08
£1,000,000	ASB Finance FRN 2018	1,001,532	0.12
£2,000,000	Bank Nederlandse Gemeenten 0.875% 2016	2,000,306	0.25

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	CASH, MONEY MARKETS & SHORT TERM		
	STERLING BONDS (continued)		
£4,000,000	Bank Nederlandse Gemeenten 1.875% 2018	4,109,080	0.51
£2,500,000	Bank Nederlandse Gemeenten 4.5% 2018	2,619,748	0.32
£1,900,000	Bank of Montreal FRN 2018	1,900,646	0.23
US\$11,500,000	BNP Paribas Arbitrage 0% 2021	9,353,678	1.16
£2,860,000	Canadian Imperial Bank of Commerce FRN 2018	2,861,662	0.35
£5,400,000	Commonwealth Bank of Australia FRN 2018	5,409,936	0.67
£6,070,000	Coventry Building Society 4.625% 2018	6,406,144	0.79
£950,000	Coventry Building Society FRN 2020	949,690	0.12
US\$28,700,000	Credit Suisse International 0% 2017	24,417,587	3.02
£5,110,000	DNB Boligkredit FRN 2020	5,100,659	0.63
£850,000	European Investment Bank 3.25% 2016	850,340	0.11
£7,000,000	Export Development Canada 0.875% 2016	7,000,518	0.86
£1,000,000	FMS Wertmanagement 0.75% 2017	1,004,010	0.12
£4,800,000	FMS Wertmanagement 1.25% 2019	4,884,432	0.60
£2,100,000	GE Capital UK Funding 4.125% 2017	2,157,582	0.27
£2,000,000	GE Capital UK Funding 6.75% 2018	2,196,460	0.27
£2,500,000	GE Capital UK Funding FRN 2018	2,500,485	0.31
£1,999,000	General Electric Capital Corporation 6.25% 2017	2,111,128	0.26
£5,000,000	Kommunalbanken 1.125% 2016	5,001,450	0.62
£2,000,000	Landeskreditbank B 1.25% 2016	2,000,650	0.25
£9,342,000	Landwirtschaftliche Rentenbank 3.25% 2016	9,345,643	1.15
US\$28,750,000	Merrill Lynch FRN 2017	24,815,000	3.07
£900,000	National Bank of Australia 3.625% 2017	924,093	0.11
£8,000,000	Nationwide Building Society 5.625% 2019	8,979,648	1.11
£2,000,000	Nederlandse Water 0.875% 2018	2,008,012	0.25
£5,000,000	Nestle Holdings 1.625% 2017	5,059,850	0.63
£1,200,000	Network Rail Infrastructure Finance 1% 2017	1,208,213	0.15
£4,638,000	Nordea Bank FRN 2019	4,656,186	0.57
50,705,000	Northern Trust Global Sterling Fund'	50,705,000	6.26
£800,000	NRW Bank 0.875% 2017	803,576	0.10
£5,000,000	Oversea-Chinese Bank FRN 2017	5,001,565	0.62
24,921	PIMCO Sterling Short Maturity Source UCITS ETF	2,531,475	0.31
£7,460,000	Royal Bank of Canada FRN 2018	7,475,606	0.92
£274,000	Royal Bank of Canada FRN 2019	273,326	0.03
£3,500,000	Skandinaviska Enskilda Banken FRN 2018	3,497,480	0.43
£6,400,000	Swedbank Hypotek FRN 2018	6,404,928	0.79
£4,850,000	Total Capital International FRN 2019	4,825,949	0.60
£1,020,000	Transport for London 1.25% 2017	1,027,487	0.13
£5,000,000	Westpac Banking 5.00% 2019	5,569,570	0.69
£2,700,000	Westpac Securities FRN 2017	2,702,457	0.33
		252,709,785	31.20
	FORWARD FX CURRENCY CONTRACTS -0.10% (0.11%)		
US\$21,000,000	Vs £(16,778,925) Expiry 20.01.17	60,273	0.01
US\$(151,100,000)	Vs £122,583,916 Expiry 01.20.17	1,421,872	0.18
US\$(32,500,000)	Vs £26,602,276 Expiry 24.10.17	541,611	0.07
¥(550,000,000)	Vs £4,076,547 Expiry 12.16.16	174,692	0.02
US\$(50,000,000)	Vs £40,260,015 Expiry 20.01.17	166,685	0.02

7IM AAP MODERATELY ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
FORWARD FX CURRENCY CONTRACTS (continued)			
€(66,700,000)	Vs £57,552,762 Expiry 17.02.17	412,037	0.05
US\$(11,600,000)	Vs £9,263,844 Expiry 20.01.17	(37,809)	-
¥5,850,000,000	Vs £(45,174,129) Expiry 12.16.16	(3,672,583)	(0.45)
		(933,222)	(0.10)
	Portfolio of investment	812,248,457	100.30
	Net other liabilities	(2,408,909)	(0.30)
	Net assets	809,839,548	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹ Collective investment scheme

² Related party holding (see note 12 of the Financial Statements)

³ Delisted security

⁴ Derivative contract

⁵ Structured product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	19.81	31.70
Non-rated debt securities	7.23	4.89
Other investments	73.26	61.63
Net other (liabilities)/assets	(0.30)	1.78
	100.00	100.00

7IM AAP MODERATELY ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£1,281,447,331

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	520,435,000
Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc	33,750,000
iShares \$ High Yield Corporate Bond UCITS ETF	33,013,536
Merrill Lynch FRN 2017	20,000,000
Credit Suisse International 0% 2017	19,727,798
iShares Physical Gold ETC	16,869,339
iShares Emerging Markets Local Government Bond UCITS ETF	16,512,657
ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	12,003,938
US Treasury Notes 2.25% 2025	11,391,933
US Treasury Notes 1.625% 2026	10,739,394
European Investment Bank 1.5% 2019	10,072,000
Council of Europe D 1.875% 22/12/2018	9,220,100
Nationwide Building Society 5.625% 2019	9,144,000
BNP Paribas Arbitrage 0% 2021	7,957,651
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	7,957,651
US Treasury Inflation Indexed 2.50% 2029	7,805,215
Source Physical Gold P-ETC	7,793,417
Ericsson 'B'	6,396,512
E.ON	6,009,238
Muenchener Rueckversicherungs	5,865,044

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM AAP MODERATELY ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued)

for the year ended 30 November 2016

Total sales for the year (note 16)	£1,353,479,840
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	548,768,000
Royal London Cash Plus	23,804,347
Merrill Lynch International & Company	21,884,494
SSgA SPDR Thomson Reuters Global Convertible Bond UCITS ETF	14,897,026
Lloyds Bank FRN 2018	13,996,591
US Treasury Notes 2.25% 2025	13,505,674
BlackRock Overseas Corporate Bond Tracker	12,493,550
US Treasury Notes 0.125% 2020	12,124,940
US Treasury Notes 0.25% 2025	11,819,471
US Treasury Notes 1.625% 2026	11,636,954
iShares \$ High Yield Corporate Bond UCITS ETF	9,226,433
US Treasury Inflation Indexed 2.50% 2029	7,678,567
Yorkshire Building Society 4.75% 2018	7,266,573
Swiss Re	6,981,588
Rabobank Nederland 3.25% 2017	6,846,385
Municipality Finance 1.125% 2017	6,825,606
Caisse d'Amortissement de la Dette Sociale 1% 2018	6,780,280
KFW 5.625% 2017	6,707,175
iShares Euro High Yield Corporate Bond UCITS ETF	6,473,020
Dexia Credit Local 1.875% 2017	6,258,652

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM AAP MODERATELY ADVENTUROUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	30.11.15 £
Income				
Net capital gains/(losses)	4		55,845,743	(3,694,627)
Revenue	5	18,967,021		15,185,551
Expenses	6	(4,333,143)		(4,173,382)
Interest payable and similar charges	8	(298,610)		(183,804)
Net revenue before taxation		14,335,268		10,828,365
Taxation	7	(1,288,556)		(700,939)
Net revenue after taxation for the year			13,046,712	10,127,426
Total return before distributions			68,892,455	6,432,799
Distributions	8		(13,066,996)	(10,179,368)
Change in net assets attributable to shareholders from investment activities			55,825,459	(3,746,569)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

	Note	£	30.11.16 £	30.11.15 £
Opening net assets attributable to shareholders			816,348,575	616,273,165
Amounts received on creation of shares		137,515,244		302,872,816
Amounts paid on cancellation of shares		(211,642,851)		(108,884,671)
			(74,127,607)	193,988,145
Stamp Duty Reserve Tax	2(h)		(6,991)	-
Change in net assets attributable to shareholders from investment activities			55,825,459	(3,746,569)
Retained distribution on accumulation shares			11,800,112	9,833,834
Closing net assets attributable to shareholders			809,839,548	816,348,575

The notes on pages 431 to 442 are an integral part of these Financial Statements.

7IM AAP MODERATELY ADVENTUROUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		817,274,443	806,180,397
Current assets:			
Debtors	9	5,866,725	8,002,148
Cash and bank balances	10	5,669,698	13,462,843
Total assets		828,810,866	827,645,388
LIABILITIES			
Investment liabilities		(5,025,986)	(4,350,335)
Creditors:			
Cash and bank overdrafts	10	(9,621,446)	(3,302,963)
Distribution payable		(512,506)	(344,251)
Other creditors	11	(3,811,380)	(3,299,264)
Total liabilities		(18,971,318)	(11,296,813)
Net assets attributable to shareholders		809,839,548	816,348,575

The notes on pages 431 to 442 are an integral part of these Financial Statements.

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains/(losses)

	30.11.16 £	30.11.15 £
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	74,721,805	(9,711,392)
Derivative contracts	(7,026,466)	(5,254,266)
Forward currency contracts	(12,351,428)	10,919,253
Transaction charges	(38,417)	(27,403)
AMC rebates from underlying investments	30,195	11,989
Currency gains	510,054	367,192
Net capital gains/(losses)	55,845,743	(3,694,627)

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	10,999,808	9,496,840
UK property income distributions	132,233	13,991
Unfranked interest	7,286,605	5,130,581
AMC rebates from underlying investments	536,561	534,183
Bank interest	11,814	9,588
Stock lending revenue ¹	-	368
Total revenue	18,967,021	15,185,551

¹ Stock lending revenue is net of lending agent administration fees of £nil (2015: £158).

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	4,025,250	3,960,521
Other expenses	6,684	1,258
	<hr/> 4,031,934	<hr/> 3,961,779
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	100,495	93,967
Safe custody and other bank charges	46,451	35,797
Market risk fee	7,500	-
	<hr/> 154,446	<hr/> 129,764
Other expenses:		
Advisory fees	36,555	30,787
Audit fee	8,809	9,527
Dealing and exchange fees	84,708	10,267
FCA and other regulatory fee	280	213
Legal and professional fees	1,173	23,593
Printing, postage and distribution costs	9,338	7,452
Risk analysis fee	5,900	-
	<hr/> 146,763	<hr/> 81,839
Total expenses	<hr/> 4,333,143	<hr/> 4,173,382

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
a) <i>Analysis of charge for the year</i>		
Corporation tax	735,536	102,186
	735,536	102,186
Irrecoverable CIS income tax	555	-
Overseas tax	552,465	598,753
	1,288,556	700,939
Current tax charge (note 7b)	1,288,556	700,939
Total taxation	1,288,556	700,939
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	14,335,268	10,828,365
Corporation tax at 20%	2,867,054	2,165,673
Effects of:		
Non-taxable dividends	(2,107,594)	(1,877,290)
Movement in revenue accruals	(18,204)	-
AMC rebates taken to capital	6,039	2,397
Foreign tax expense	(11,759)	-
Unutilised excess management expenses	-	(188,594)
Overseas tax	552,465	598,753
Irrecoverable CIS income tax	555	-
Total tax charge (note 7a)	1,288,556	700,939
c) <i>Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16 £	30.11.15 £
Interim	6,183,070	6,480,963
Final	6,610,174	4,233,392
	<hr/> 12,793,244	<hr/> 10,714,355
Add: Revenue deducted on cancellation of shares	766,817	332,977
Deduct: Revenue received on issue of shares	(493,065)	(867,964)
	<hr/> 13,066,996	<hr/> 10,179,368
Net distributions for the year	13,066,996	10,179,368
Interest payable and similar charges	298,610	183,804
	<hr/> 13,365,606	<hr/> 10,363,172

Details of the distributions per share are set out in the table on pages 443 to 444.

Distributions represented by:

Net revenue after taxation	13,046,712	10,127,426
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Allocations to capital:

Expenses, net of tax relief	6,039	2,398
	<hr/> 13,052,751	<hr/> 10,129,824

Equalisation on conversions¹

Net movement in revenue account	14,000	49,923
	<hr/> 245	<hr/> (379)

Net distributions for the year

	<hr/> 13,066,996	<hr/> 10,179,368
--	------------------	------------------

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	1,980,805	3,973,647
Accrued revenue	2,891,313	3,323,222
Income tax recoverable	220,218	308,636
Withholding tax recoverable	521,017	230,822
AMC rebates from underlying investments	253,372	165,821
Total debtors	5,866,725	8,002,148

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	5,669,698	2,179,848
Cash held at clearing houses	-	11,282,995
Total cash and bank balances	5,669,698	13,462,843
Bank overdraft	(5,370,745)	(1,792,477)
Cash in overdraft at clearing houses	(4,250,701)	(1,510,486)
Total cash and bank overdrafts	(9,621,446)	(3,302,963)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	2,240,700	2,802,751
Purchases awaiting settlement	446,932	-
Accrued expenses	366,133	394,327
Taxation payable	757,615	102,186
Total other creditors	3,811,380	3,299,264

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 429.

The Sub-fund has the following shareholdings in the 7IM Specialist Investments Funds ICVC.

	Held at 30.11.16	Held at 30.11.15
7IM Emerging Markets Equity Value Fund 'Z' Inc	1,700,000	1,700,000
7IM European (ex UK) Equity Value Fund 'Z' Inc	4,558,441	4,523,106
7IM UK Equity Value Fund 'Z' Inc	2,853,671	2,797,674
7IM US Equity Value Fund 'Z' Inc	10,398,457	4,545,842

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen 42.58% (2015: 39.70%)

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment scheme managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has four share classes: 'A', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.00%
Class C	0.50%
Class D	1.40%
Class S	0.25%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	537,741	1,761	(128,933)	(26,380)	384,189
Class A Accumulation	1,905,636	108,851	(111,579)	(508,887)	1,394,021
Class C Income	41,724,976	4,370,626	(9,788,411)	873,799	37,180,990
Class C Accumulation	433,212,920	75,335,574	(120,598,779)	4,593,940	392,543,655
Class D Income	1,158,660	48,660	(208,386)	(375,826)	623,108
Class D Accumulation	29,016,421	884,780	(6,018,347)	(5,180,862)	18,701,992
Class S Income	7,633,317	792,566	(1,144,614)	43,589	7,324,858
Class S Accumulation	73,549,770	18,531,383	(12,379,939)	357,985	80,059,199

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Canadian dollar	7,704	6,389
Euro	305,084	64,025
Hong Kong dollar	77,177	45,598
Japanese yen	93,528	419,862
Nigerian naira	342	-
South African rand	1	1
Swiss franc	736,262	605,162
US dollar	25,961,454	445,971
Pound sterling	106,502,378	102,611,075
	<hr/> 133,683,930	<hr/> 104,198,083
Floating rate liabilities:		
Canadian dollar	(7,704)	(6,389)
Euro	(284,017)	(50,191)
Hong Kong dollar	(77,177)	(1,545,698)
Japanese yen	(93,529)	(25,096)
Nigerian naira	(342)	-
South African rand	(1)	-
Swiss franc	(476,232)	(388,957)
US dollar	(1,090,624)	(418,542)
Pound sterling	(7,591,820)	(868,090)
	<hr/> (9,621,446)	<hr/> (3,302,963)
Fixed rate assets:		
Euro	-	13,884,202
US dollar	33,771,266	54,288,621
Pound sterling	101,179,321	182,630,965
	<hr/> 134,950,587	<hr/> 250,803,788

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Assets on which interest is not paid:		
Canadian dollar	3,069,137	2,760,413
Danish krone	3,377,060	7,383,241
Euro	48,747,209	85,825,856
Japanese yen	41,783,538	60,669,999
Norwegian krone	2,395,970	4,665,246
South African rand	1,365,289	2,384,717
Swedish krona	3,412,709	4,402,181
Swiss franc	14,945,971	24,332,112
US dollar	255,713,403	88,067,657
Pound sterling	417,259,295	240,920,338
	<hr/> 792,069,581	<hr/> 521,411,760
Liabilities on which interest is not paid:		
Euro	(57,140,725)	(51,627,669)
Hong Kong dollar	-	(1,266,238)
US dollar	(179,778,493)	(224,670)
Pound sterling	(4,323,886)	(3,643,516)
	<hr/> (241,243,104)	<hr/> (56,762,093)
Net assets	<hr/> 809,839,548	<hr/> 816,348,575

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets			
	Weighted average interest rate		Weighted average period for which rate is fixed	
	30.11.16	30.11.15	30.11.16	30.11.15
	%	%	Years	Years
US dollar	(9.57)	0.20	2	7
Pound sterling	0.63	1.01	1	2

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Currency			
Canadian dollar	3,069,137	-	3,069,137
Danish krone	3,377,060	-	3,377,060
Euro	48,768,276	(57,140,725)	(8,372,449)
Japanese yen	4,183,846	37,599,691	41,783,537
Norwegian krone	2,395,970	-	2,395,970
South African rand	1,365,289	-	1,365,289
Swedish krona	3,412,709	-	3,412,709
Swiss franc	15,206,001	-	15,206,001
US dollar	314,355,499	(179,778,493)	134,577,006
	396,133,787	(199,319,527)	196,814,260
Pound sterling	414,638,983	198,386,305	613,025,288
Net assets	810,772,770	(933,222)	809,839,548

	30.11.15 Gross £	30.11.15 Hedged £	30.11.15 Net £
Currency			
Canadian dollar	2,760,413	-	2,760,413
Danish krone	7,383,241	-	7,383,241
Euro	99,723,892	(51,627,669)	48,096,223
Hong Kong dollar	(2,766,338)	-	(2,766,338)
Japanese yen	30,722,328	30,342,437	61,064,765
Norwegian krone	4,665,246	-	4,665,246
South African rand	2,384,718	-	2,384,718
Swedish krona	4,402,181	-	4,402,181
Swiss franc	24,548,317	-	24,548,317
US dollar	126,833,397	15,325,640	142,159,037
	300,657,395	(5,959,592)	294,697,803
Pound sterling	514,835,035	6,815,737	521,650,772
Net assets	815,492,430	856,145	816,348,575

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risks Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	435,861,364	(1,315,594)
Level 2	381,413,079	(3,710,392)
Level 3	-	-
Total	817,274,443	(5,025,986)
	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	392,628,199	(4,000,854)
Level 2	413,552,198	(349,481)
Level 3	-	-
Total	806,180,397	(4,350,335)

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.

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 406.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	149,893	-	-	-	-	-
Collective Investment						
Schemes	622,711	-	-	-	-	-
Derivatives	9,110	-	-	-	-	-
Equities	499,135	64	534	598	0.01	0.10
Total	1,280,849	64	534	598	0.01	0.10
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	246,341	-	-	-	-	-
Collective Investment						
Schemes	640,164	-	-	-	-	-
Derivatives	8,347	-	-	-	-	-
Equities	458,692	(61)	(3)	(64)	0.01	-
Total	1,353,544	(61)	(3)	(64)	0.01	-
Total as a percentage of the average NAV		0.02%	0.06%	0.08%		

7IM AAP MODERATELY ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	188,246	-	-	-	-	-
Collective Investment						
Schemes	606,871	-	-	-	-	-
Derivatives	4,736	-	-	-	-	-
Equities	462,800	75	408	483	0.02	0.09
Total	1,262,653	75	408	483	0.02	0.09
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	16,057	-	-	-	-	-
Collective Investment						
Schemes	580,764	-	-	-	-	-
Derivatives	5,366	-	-	-	-	-
Equities	408,453	(66)	(1)	(67)	0.02	-
Total	1,010,640	(66)	(1)	(67)	0.02	-

Total as a percentage of the average NAV **0.02%** **0.06%** **0.08%**

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.17% (2015: 0.08%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

On 17 January 2017, 7IM launched three new Dublin domiciled sub-funds within the 7IM (Dublin) Funds umbrella. Assets to the value of £440 million were transferred from AAP Moderately Adventurous, AAP Balanced and AAP Moderately Cautious sub-funds.

7IM AAP MODERATELY ADVENTUROUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7620	-	0.7620	0.9029
Group 2	0.5131	0.2489	0.7620	0.9029
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8268	-	0.8268	0.9671
Group 2	0.5502	0.2766	0.8268	0.9671
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0209	-	1.0209	1.2376
Group 2	0.6010	0.4199	1.0209	1.2376
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1405	-	1.1405	1.3621
Group 2	0.7406	0.3999	1.1405	1.3621
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5562	-	0.5562	0.6351
Group 2	0.5272	0.0290	0.5562	0.6351
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5896	-	0.5896	0.6688
Group 2	0.5166	0.0730	0.5896	0.6688
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9406	-	0.9406	1.1380
Group 2	0.6041	0.3365	0.9406	1.1380
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.9706	-	0.9706	1.1539
Group 2	0.6549	0.3157	0.9706	1.1539

7IM AAP MODERATELY ADVENTUROUS FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.8717	-	0.8717	0.3759
Group 2	0.3737	0.4980	0.8717	0.3759
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.9476	-	0.9476	0.4076
Group 2	0.3140	0.6336	0.9476	0.4076
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1508	-	1.1508	0.6924
Group 2	0.4984	0.6524	1.1508	0.6924
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.2934	-	1.2934	0.7688
Group 2	0.6114	0.6820	1.2934	0.7688
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.6573	-	0.6573	0.1291
Group 2	0.2107	0.4466	0.6573	0.1291
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.6926	-	0.6926	0.1339
Group 2	0.2710	0.4216	0.6926	0.1339
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0537	-	1.0537	0.6790
Group 2	0.3442	0.7095	1.0537	0.6790
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0964	-	1.0964	0.6961
Group 2	0.4032	0.6932	1.0964	0.6961

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM AAP ADVENTUROUS FUND

ACD'S REPORT

for the year ended 30 November 2016

Investment Objective and Policy

The 7IM AAP (Asset Allocated Passives) Adventurous Fund (the 'Sub-fund') aims, by applying active asset allocation techniques to predominantly passive strategies, to provide capital growth. There is a risk of wide fluctuations in capital values.

The Investment Manager will invest the majority of the portfolio in fixed interest and equity instruments using predominantly passive strategies (that is, strategies designed to track the performance of particular indices, market sectors or asset classes). The Investment Manager will also make investments in other asset classes such as property, commodities and private equities. Such investments will be made indirectly through holdings in investment trusts, exchange traded funds or other intermediary vehicles with the objective of improving returns and controlling risk by increasing diversification within the portfolio. The asset allocation for the entire portfolio will be actively managed.

The Sub-fund invests predominantly in equities or instruments that track the returns of equity indices. Assets with scope for capital growth in real terms are likely to represent a major part of the portfolio. The Sub-fund may use different asset classes, with a substantial proportion primarily in equities or instruments that track the returns of equity indices.

Investment may also be made in fixed interest, warrants, deposits, cash and near cash, money market instruments, other transferable securities, derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company.

The Sub-fund may rely on third party advice on quantitative investment techniques or use third party quantitative investment software in the portfolio's construction.

The IA Flexible Investment Sector is the benchmark comparison against which the performance of the Sub-fund is measured.

7IM AAP ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report

Performance Report

In the reporting period, 1 December 2015 to 30 November 2016, the portfolio delivered a total return of 9.00%¹. Over the same period the peer group average return for the IMA Flexible Investment sector which is the fund benchmark was 10.71%².

Investment Background

2016 has been one of the most contrary years since the financial crisis. Headed into the year, there was an expectation of economic fragility and political stability and financial markets wobbled, but the year ended strongly for most asset classes. Initially, a plummeting oil price and Chinese policy missteps in the first few weeks of the year fed fears of a slowing global growth environment but by the end of March both markets and confidence had recovered.

The second quarter of 2016 was dominated by the impending referendum on Britain's EU membership and Britain's vote to leave the European Union was definitely unexpected, causing sterling to fall to levels last seen in the 1980's. With Brexit potentially opening a Pandora's Box of problems for the Eurozone, perhaps the biggest surprise over this period was the stability of European equities and peripheral bonds. It may be that it is too soon to really appreciate the ramifications of Brexit, but so far financial markets have dismissed the issue as a national political dispute, rather than a global shock.

Perhaps the bigger concern throughout the summer months was with central bank policies. Bond yields around the world touched all-time lows in Q3, suggesting that the first-order effects of monetary easing – driving yields on safe-haven assets lower – seem to be taking place. However concerns about whether this is the most efficient manner of stimulating growth and inflation have emerged. As interest rates around the developed world have moved into negative territory, there has been an increasing call for fiscal stimulus to take the strain, for austerity policies to be abandoned, for governments to take advantage of near-zero borrowing costs and pass them through to their economies.

Another issue is the damage that low interest rates and increased regulation are doing to parts of the financial system. Banks are being told to build up cash reserves at the same time as reducing their more adventurous activities. Low rates make the non-risky part of banking very close to unprofitable and the higher risk operations are becoming off-limits, leading to fewer loans being made to businesses, and reduced liquidity in the trading of financial assets. If the vicious circle continues, no matter how low rates go, consumers will be unable to borrow, and growth will remain elusive.

If Q2 was dominated by the Brexit vote and its unexpected outcome, Q4 was dominated by the US Presidential Election and the unexpected election of Donald Trump to become 45th President of the United States of America. Market reaction was strongly negative initially as the fact that the largest economy in the World was going to be led by a man with no political experience but a penchant for making extravagant remarks on Twitter sunk in. But, with echoes of the Brexit vote, financial markets recovered within hours, having taken a view that a Trump presidency would be expansionary in fiscal terms and good for corporate America. Trump's views on global trade, however, were not such an attractive prospect for some Emerging Markets which suffered as investors took risk off in anticipation of more difficult trading conditions; Trump having announced he was going to use his executive powers to withdraw from the Trans Pacific Partnership (TPP) trade agreement on his first day in office.

¹ Calculated using 7IM AAP Adventurous C Acc. shares published prices. Source: NTRS.

² Source: FE Trustnet

7IM AAP ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

Equity returns in sterling terms were generally very strong over the period largely a result of the plunge in sterling after the Brexit vote with the S&P 500 Index up 30%, the TOPIX Japan Index up 23% and the MSCI Emerging Markets Index up 30.5%. The FTSE All-Share Index was up 9.8% but European equity markets disappointed with the MSCI Europe ex UK Local Index down 8.2%, albeit that in sterling terms this translated to a 10.9% gain. Bond returns were also strong with the FT-A All Stocks Gilt Index up 7.1% and the JPM Global Emerging Market Bond Index up a similar amount in local terms but when translated into sterling this return rose to 28.7%. Among alternatives, gold was a strong performer up 10.4% in dollars terms but up 32.8% for sterling investors

Portfolio Review

The market dislocations of the early part of 2016 have created opportunities where assets may be significantly mispricing the real economic risks. We identified high yield bond returns had a close correlation with equity returns but tended to exhibit less volatility so we bought a holding in the BMO Barclays Global High Yield Bond Fund; one of a number of fixed interest holdings we have added to the fund this year on the view that in some cases we will be better rewarded for risk taken in riskier fixed interest securities than equities. We also added to the loans exposure where discounts on closed end loans funds had been widening and which we thought attractive at these levels. We reduced exposure to China equity preferring the less idiosyncratic US equity market and initiated a position in BlackRock Asian Growth Leaders.

We invested in a commodity curve strategy which benefits from harvesting of the investment premium arising from the shape of the commodity curve.

With the degree of uncertainty that the referendum and forthcoming US presidential election has cast over the investment landscape traditional safe haven assets such as bonds had become expensive so to provide some downside risk protection we bought a put spread on the S&P 500 Index which has the advantage of being a cheap way to hedge risk which does not carry duration risk and reduced the allocation to Japan selling the Japan Shareholder certificate.

As the EU referendum approached, the polls were forecasting a win for Remain which led us remove some of our hedges selling some of the US dollars we had bought when Leave had looked likely. Right up to the close of the polling stations the exit polls and bookies were predicting a Remain result but in the wee small hours as the results came in it became clear that it was going to be Leave and we bought back the dollars we had sold helping to mitigate some of the effects of the subsequent plunge in sterling.

Theresa May being appointed Prime Minister and coming earlier than expected, removed some of the political uncertainty which could have dominated the summer months and so we took profits on the US dollar holdings and moved to a sterling overweight position on the view that sterling was likely to rally back against US dollar, yen and euro. We also took profits on some of the longer dated gilt holdings and US Treasuries where risks of rate rises were rising, sold some Japan equity which we felt would be challenged by lacklustre growth and a strong yen and took some profits on Asian equities.

Political risk continued to dominate with concerns around Brexit and the US presidential election. We took some risk of the table cutting European equity where we had become less sanguine of growth prospects, selling a future on the EURO STOXX 50, selling a future on the S&P 500 Index to reduce US equity exposure where we thought valuations were extended and added some exposure to gold as a further risk hedge. We replaced some of this risk with an allocation to Emerging Markets local

7IM AAP ADVENTUROUS FUND

ACD'S REPORT (continued)

for the year ended 30 November 2016

Investment Manager's Report (continued)

currency debt where we expected a decent return with some possible upside from foreign currency and added further to US high yield bonds as these had a similar return profile to US equity but without so much volatility.

Within the alternatives, we increased exposure to European dividend futures both shorter dated which we classified as market neutral investments and medium and longer dated futures which sit in alternative strategies and European equity respectively reflecting their relative risk and return profiles.

We raised the allocation to Japanese yen with its safe haven properties ahead of the US presidential election; although at that time the risk of Trump winning was thought to be low but because we saw this as a good "left tail" or downside hedge. Having hedged against Trump winning, the yen weakened reinforcing the contrary nature of financial markets this year. Once the result was known we made some other changes cutting US Treasuries but added equity exposure through a US financials index future and the Russell 2000 Index Future on the basis that a Trump win would mean more protectionism and less regulation and be good for US small cap stocks and financial stocks.

Dealing with political risk and the rise of "populism" on both sides of the Atlantic has posed a number of new questions for financial markets. As it has turned out financial markets have chosen to view the changing political climate as an opportunity rather than a threat seeking out assets which are expected to benefit from higher inflation and a stronger global growth environment, but we remain fairly cautiously positioned with risk being taken in riskier credits in some cases rather than equities, with an increased allocation to alternatives and with significant hedges back into sterling on currency positions.

Investment Outlook

Yet again, politics clouds the investing outlook. If we could invest simply according to the economic fundamentals, life would be relatively straightforward. The global economy is in reasonable shape: the US is resilient and has decent growth momentum, with wage gains supporting the consumer; the Fed is responding with rate hikes, but at a very measured pace. Europe has been growing as fast as can be expected, given its challenging demographics. And China has seen a stabilisation in "old economy" sectors, thanks to targeted economic stimulus. Deflation fears have subsided as commodity prices recovered from their February lows. Unfortunately, it's not quite so simple. Investors face a higher than usual concentration of political risk and policy uncertainty to muddy the waters. In the US, that we have a political regime change is obvious, but markets do not know which President Trump they are dealing with: is it the Trump of fiscal stimulus, potentially a huge short-term boost for the US economy, albeit very inflationary? Europe faces obvious and daunting political risks of its own. Next year sees major elections in France, Germany, Netherlands and most likely Italy. We can expect populists to do well at the expense of the mainstream, as we've seen in the US and UK. This is likely to lead to nervous moments ahead – after all, some populist platforms in Europe call for withdrawal from the euro, and the departure of a major Eurozone member could fatally undermine the single currency.

Seven Investment Management LLP

Investment Manager

December 2016

7IM AAP ADVENTUROUS FUND

FUND INFORMATION

The Comparative Tables on pages 450 to 457 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables

Class A Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	129.45	127.05	119.04
Return before operating charges*	12.76	4.94	10.73
Operating charges (calculated on average price)	(1.53)	(1.46)	(1.46)
Return after operating charges*	11.23	3.48	9.27
Distributions on income shares	(1.57)	(1.08)	(1.26)
Closing net asset value per share	139.11	129.45	127.05
* After direct transaction costs of ¹ :	0.13	0.10	0.22
Performance			
Return after charges ²	8.67%	2.74%	7.79%
Other Information			
Closing net asset value (£'000)	300	297	495
Closing number of shares	215,970	229,708	389,698
Operating charges ³	1.18%	1.11%	1.21%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	143.25	143.46	127.62
Lowest share price	111.45	119.09	114.55

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class A Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	138.47	134.81	125.04
Return before operating charges*	13.76	5.21	11.32
Operating charges (calculated on average price)	(1.64)	(1.55)	(1.55)
Return after operating charges*	12.12	3.66	9.77
Distributions	(1.68)	(1.16)	(1.35)
Retained distributions on accumulation shares	1.68	1.16	1.35
Closing net asset value per share	150.59	138.47	134.81
* After direct transaction costs of ¹ :	0.14	0.11	0.23
Performance			
Return after charges ²	8.75%	2.71%	7.81%
Other Information			
Closing net asset value (£'000)	1,104	1,169	1,741
Closing number of shares	732,916	844,518	1,291,151
Operating charges ³	1.18%	1.11%	1.21%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	154.21	152.26	134.88
Lowest share price	119.22	127.09	120.32

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	129.38	126.96	118.96
Return before operating charges*	12.73	4.88	10.75
Operating charges (calculated on average price)	(0.89)	(0.80)	(0.86)
Return after operating charges*	11.84	4.08	9.89
Distributions on income shares	(2.22)	(1.66)	(1.89)
Closing net asset value per share	139.00	129.38	126.96
* After direct transaction costs of ¹ :	0.13	0.10	0.22
Performance			
Return after charges ²	9.15%	3.21%	8.31%
Other Information			
Closing net asset value (£'000)	8,385	7,878	4,534
Closing number of shares	6,032,588	6,089,535	3,571,085
Operating charges ³	0.68%	0.61%	0.71%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	143.39	143.56	127.85
Lowest share price	111.48	119.22	114.57

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class C Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	143.75	139.35	128.61
Return before operating charges*	14.31	5.29	11.68
Operating charges (calculated on average price)	(0.99)	(0.89)	(0.94)
Return after operating charges*	13.32	4.40	10.74
Distributions	(2.48)	(1.84)	(2.06)
Retained distributions on accumulation shares	2.48	1.84	2.06
Closing net asset value per share	157.07	143.75	139.35
* After direct transaction costs of ¹ :	0.14	0.11	0.24
Performance			
Return after charges ²	9.27	3.16%	8.35%
Other Information			
Closing net asset value (£'000)	188,136	188,599	133,272
Closing number of shares	119,776,431	131,195,476	95,638,880
Operating charges ³	0.68%	0.61%	0.71%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	160.74	157.58	139.42
Lowest share price	123.86	131.84	123.86

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Income

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	128.65	126.27	118.34
Return before operating charges*	13.00	4.97	10.64
Operating charges (calculated on average price)	(1.92)	(1.98)	(1.94)
Return after operating charges*	11.08	2.99	8.70
Distributions on income shares	-	(0.61)	(0.77)
Closing net asset value per share	139.73	128.65	126.27
* After direct transaction costs of ¹ :	0.12	0.10	0.22
Performance			
Return after charges ²	8.62%	2.37%	7.35%
Other Information			
Closing net asset value (£'000)	-	130	331
Closing number of shares	42	100,997	262,280
Operating charges ³	1.58%	1.51%	1.61%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	142.61	142.43	126.60
Lowest share price	110.71	118.20	113.78

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class D Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	134.45	131.37	122.34
Return before operating charges*	13.33	5.14	11.04
Operating charges (calculated on average price)	(2.12)	(2.06)	(2.01)
Return after operating charges*	11.21	3.08	9.03
Distributions	(1.08)	(0.63)	(0.81)
Retained distributions on accumulation shares	1.08	0.63	0.81
Closing net asset value per share	145.66	134.45	131.37
* After direct transaction costs of ¹ :	0.13	0.11	0.22
Performance			
Return after charges ²	8.34%	2.34%	7.38%
Other Information			
Closing net asset value (£'000)	8,015	12,698	22,431
Closing number of shares	5,505,498	9,444,887	17,074,465
Operating charges ³	1.58%	1.51%	1.61%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	149.25	148.19	131.44
Lowest share price	115.68	123.48	117.64

¹ Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

² The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

³ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Income

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	108.01	106.00	100.00
Return before operating charges*	10.63	4.05	8.04
Operating charges (calculated on average price)	(0.47)	(0.40)	(0.36)
Return after operating charges*	10.16	3.65	7.68
Distributions on income shares	(2.12)	(1.64)	(1.68)
Closing net asset value per share	116.05	108.01	106.00
* After direct transaction costs of ² :	0.11	0.09	0.18
Performance			
Return after charges ³	9.41%	3.44%	7.68%
Other Information			
Closing net asset value (£'000)	1,527	2,003	1,518
Closing number of shares	1,315,852	1,854,734	1,431,943
Operating charges ⁴	0.43%	0.36%	0.46%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	119.82	119.95	106.87
Lowest share price	93.11	99.61	97.80

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Comparative Tables (continued)

Class S Accumulation

	2016 (pence per share)	2015 (pence per share)	2014 ¹ (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	111.35	107.71	100.00
Return before operating charges*	11.11	4.05	8.07
Operating charges (calculated on average price)	(0.48)	(0.41)	(0.36)
Return after operating charges*	10.63	3.64	7.71
Distributions	(2.20)	(1.67)	(1.70)
Retained distributions on accumulation shares	2.20	1.67	1.70
Closing net asset value per share	121.98	111.35	107.71
* After direct transaction costs of ² :	0.11	0.09	0.19
Performance			
Return after charges ³	9.55%	3.38%	7.71%
Other Information			
Closing net asset value (£'000)	33,561	30,538	19,275
Closing number of shares	27,514,118	27,424,106	17,894,866
Operating charges ⁴	0.43%	0.36%	0.43%
Direct transaction costs	0.10%	0.08%	0.18%
Prices			
Highest share price	124.79	121.90	107.76
Lowest share price	95.98	102.09	98.24

¹ Share class launched 26 February 2014. The operating charge for 2014 has been annualised based on the expenses incurred to the period end 30 November 2014.

² Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

³ The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

⁴ Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 458.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Ongoing Charges Figures

As at 30 November 2016

	Class A	Class C	Class D	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	0.25%
Other expenses	0.08%	0.08%	0.08%	0.08%
	1.08%	0.58%	1.48%	0.33%
Collective investment scheme costs	0.10%	0.10%	0.10%	0.10%
Ongoing Charges Figure	1.18%	0.68%	1.58%	0.43%

As at 30 November 2015

	Class A	Class C	Class D	Class S
ACD's periodic charge	1.00%	0.50%	1.40%	0.25%
Other expenses	0.06%	0.06%	0.06%	0.06%
	1.06%	0.56%	1.46%	0.31%
Collective investment scheme costs	0.05%	0.05%	0.05%	0.05%
Ongoing Charges Figure	1.11%	0.61%	1.51%	0.36%

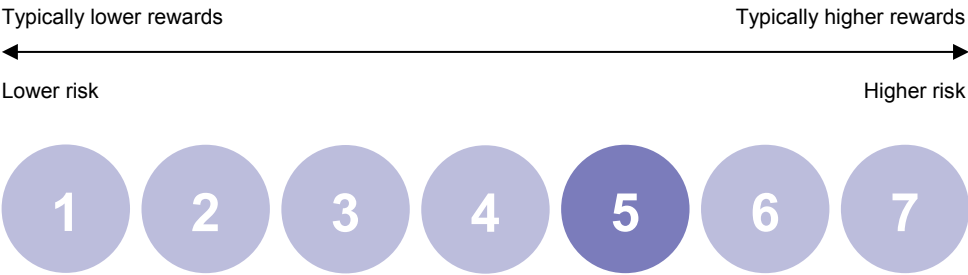
The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting year.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Fund's net assets at the balance sheet date.

7IM AAP ADVENTUROUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



This indicator shows how much a sub-fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a sub-fund's past volatility the higher the number on the scale and the greater the risk that investors in that sub-fund may have made losses as well as gains. The lowest number on the scale does not mean that a sub-fund is risk free.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the year end date 30 November 2016 was 5.

Fund performance to 30 November 2016 (%)

	1 year	3 years	5 years
7IM AAP Adventurous Fund	9.00	21.72	62.00
IA Flexible Investment Sector ¹	10.71	19.56	52.27

¹ Source: FE Trustnet.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 486 to 487.

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	EQUITIES 47.60% (36.55%)		
	UK Equity 13.51% (7.38%)		
295,346	3i Group	2,009,831	0.83
840,210	7IM UK Equity Value Fund 'Z' Inc ^{1 2}	826,095	0.34
159,457	Aberdeen Asset Management	427,026	0.18
3,635	Admiral Group	69,574	0.03
3,472	Aggreko	27,776	0.01
14,463	AstraZeneca	613,087	0.25
16,687	Auto Trader Group	66,564	0.03
266,658	Aviva	1,199,428	0.50
57,053	Barratt Developments	267,864	0.11
2,128	Berkeley Group Holdings	53,072	0.02
327,107	BP	1,491,117	0.62
12,680	British American Tobacco	572,819	0.24
15,738	British Land	94,192	0.04
4,515	Capita	23,704	0.01
26,607	Carnival	1,102,328	0.46
308,173	Centrica	654,251	0.27
14,157	Dexion Equity Alternative ³	-	-
6,164	Dexion Equity Alternative ³	-	-
2,134	Diageo	43,459	0.02
22,341	Direct Line Insurance Group	78,886	0.03
27,718	easyJet	273,854	0.11
6,750	Electric & General Investment Trust	-	-
62,972	Experian	953,396	0.40
3,853	Fresnillo	47,276	0.02
49	FTSE 100 Index Futures Dec 2016 ⁴	70,315	0.03
30,665	GlaxoSmithKline	463,042	0.19
227,287	Glencore	625,607	0.26
2,397	Hikma Pharmaceuticals	41,180	0.02
195,958	HSBC Holdings	1,242,962	0.52
3,478	IMI	33,597	0.01
20,728	Imperial Tobacco Group	727,656	0.30
1,423	InterContinental Hotels Group	47,158	0.02
91,158	Intermediate Capital Group	625,344	0.26
4,606	Intertek Group	154,071	0.06
15,526	Intu Properties	42,355	0.02
61,831	Investec	323,376	0.13
200,391	IP Group	290,367	0.12
59,506	ITV	99,911	0.04
162,494	J Sainsbury	377,799	0.16
12,942	Johnson Matthey	408,579	0.17
12,830	Land Securities	125,734	0.05
347,457	Legal & General Group	820,693	0.34
1,064,206	Lloyds Banking Group	620,113	0.26
8,883	Marks & Spencer	29,429	0.01
12,576	Meggitt	59,811	0.02
50,077	National Grid	466,668	0.19
184,394	Old Mutual	349,980	0.15
56,358	Persimmon	965,976	0.40

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	UK Equity (continued)		
75,356	Petrofac	600,211	0.25
6,312	Randgold Resources	367,043	0.15
20,401	Reckitt Benckiser Group	1,399,305	0.58
10,334	RELX	143,953	0.06
20,867	Rio Tinto	624,758	0.26
60,492	Royal Bank of Scotland Group	115,600	0.05
32,331	Royal Dutch Shell 'A'	654,056	0.27
65,649	Royal Dutch Shell 'B'	1,388,148	0.58
105,373	Royal Mail	496,518	0.21
16,737	RSA Insurance Group	91,384	0.04
62,409	Sage Group (The)	417,828	0.17
35,061	Shire	1,682,929	0.70
65,811	Smith & Nephew	748,271	0.31
17,052	SSE	254,927	0.11
34,393	Tate & Lyle	237,484	0.10
135,150	Tesco	284,423	0.12
6,495	Unilever	211,884	0.09
695,244	Vodafone Group	1,371,021	0.57
24,952	Weir Group (The)	440,652	0.18
14,987	William Hill	45,081	0.02
441,802	WM Morrison Supermarkets	979,475	0.41
23,828	Worldpay	64,765	0.03
		32,527,038	13.51
	North American Equity 15.69% (2.12%)		
4,623,890	7IM US Equity Value Fund 'Z' Inc ^{1 2}	5,397,467	2.23
1,429	Abbott Laboratories	44,424	0.02
451	Adobe Systems	38,012	0.02
6,184	Aetna	655,697	0.27
1,227	Agilent Technologies	43,820	0.02
664	AGNC Investment	10,132	-
31	Alleghany	14,163	0.01
718	Allstate	40,161	0.02
601	Alphabet 'C'	372,049	0.15
4,169	American International Group	211,865	0.09
386	AmerisourceBergen	24,052	0.01
9,617	Amgen	1,127,518	0.47
1,184	Annaly Capital Management	9,851	-
523	Anthem	61,019	0.03
1,110	Apple	99,349	0.04
2,137	Applied Materials	55,210	0.02
1,136	Archer-Daniels-Midland	39,010	0.02
183	Axis Capital Holdings	9,093	-
11,996	Baker Hughes	582,652	0.24
954	Baxter International	34,285	0.01
287	Biogen	69,782	0.03
1,180	Boeing	143,700	0.06
279	Bunge	15,034	0.01
1,676	Cadence Design Systems	35,789	0.01

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
16,193	Capital One Financial	1,074,288	0.45
663	Cardinal Health	37,793	0.02
709	Carnival	30,297	0.01
1,131	Caterpillar	85,415	0.04
347	Church & Dwight	12,501	0.01
500	Cigna	55,589	0.02
45,993	Cisco Systems	1,101,808	0.45
28,521	Citigroup	1,271,672	0.52
13,030	Citrix Systems	920,220	0.38
560	Coach	16,820	0.01
1,659	Colgate-Palmolive	88,639	0.04
22,101	Comcast 'A'	1,244,734	0.52
813	ConAgra Foods	24,634	0.01
191	Continental Resources	7,245	-
142	CR Bard	24,620	0.01
2,656	Cummins	294,843	0.12
1,206	Danaher	76,658	0.03
387	Delta Air Lines	15,101	0.01
454	Dentsply Sirona	22,047	0.01
796	Discover Financial Services	43,239	0.02
41,301	eBay	945,624	0.39
401	Edwards Lifesciences	27,019	0.01
1,980	El du Pont de Nemours	113,231	0.05
1,942	Eli Lilly & Company	104,726	0.04
(32)	E-Mini S&P 500 Futures Dec 2016 ⁴	(42,643)	(0.02)
186	E-Mini S&P Select Financial Sector Futures Mar 2017 ⁴	411,151	0.17
734	EOG Resources	54,490	0.02
443	Estee Lauder	27,967	0.01
4,789	Exxon Mobil	330,369	0.14
931	Flextronics International	10,864	-
14,700	FMC Technologies	389,458	0.16
7,222	Ford Motor	69,134	0.03
50,751	General Electric	1,265,514	0.52
17,919	Gilead Sciences	1,077,558	0.45
216	Helmerich & Payne	11,721	-
646	Illinois Tool Works	65,171	0.03
5,422	Intel	153,664	0.06
5,096	JM Smucker	520,895	0.22
3,624	Johnson & Johnson	327,388	0.14
1,237	JPMorgan Chase	78,400	0.03
700	Juniper Networks	15,049	0.01
697	Kimberly-Clark	65,216	0.03
1,191	Kinder Morgan	20,459	0.01
312	KLA-Tencor	20,463	0.01
271	Lamb Weston	7,223	-
476	Las Vegas Sands	23,758	0.01
4,511	Linear Technology	226,673	0.09
17,715	Lowe's Cos	1,006,392	0.42
696	LyondellBasell Industries	46,789	0.02

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	North American Equity (continued)		
338	Macy's	11,525	-
666	Masco	17,228	0.01
702	Mattel	17,787	0.01
550	Maxim Integrated Products	17,557	0.01
1,712	McDonald's	165,893	0.07
457	McKesson	51,840	0.02
649	Mead Johnson Nutrition	37,792	0.02
10,915	Merck & Co	545,136	0.23
16,430	Michael Kors Holdings	629,518	0.26
312	Molson Coors Brewing	25,066	0.01
3,057	Mondelez International	105,222	0.04
11,977	Monsanto	984,649	0.41
2,401	Morgan Stanley	78,304	0.03
651	Mosaic	14,142	0.01
7,439	Motorola Solutions	484,443	0.20
13,182	NetApp	386,504	0.16
1,013	Newmont Mining	27,286	0.01
22,091	News Corp	204,553	0.08
644	Nisource	11,569	-
679	Nucor	33,612	0.01
1,043	NVIDIA	78,108	0.03
12,849	Occidental Petroleum	697,243	0.29
25,165	OGE Energy	651,962	0.27
29,410	Oracle	957,974	0.40
2,115	Paypal	67,737	0.03
200	PepsiCo	16,471	0.01
12,051	Pfizer	308,921	0.13
3,002	Philip Morris International	218,424	0.09
12,548	PNC Financial Services Group	1,101,124	0.46
2,052	Procter & Gamble	136,597	0.06
829	Prudential Financial	66,423	0.03
2,855	Qualcomm	153,068	0.06
2,443	Regions Financial	25,858	0.01
83	RenaissanceRe	8,737	-
122	Russell 2000 Mini Futures Dec 2016 ⁴	779,159	0.32
2,676	Schlumberger	171,709	0.07
3,980	Sirius XM	14,703	0.01
23,264	Southwest Airlines	882,582	0.37
965	SunTrust Banks	39,632	0.02
746	Symantec	14,564	0.01
305	Synopsys	14,983	0.01
15,815	Target	995,740	0.41
2,752	Texas Instruments	164,430	0.07
837	TJX Companies (The)	52,968	0.02
573	T-Mobile	25,484	0.01
129	Travelers	11,779	-
824	Twenty-First Century Fox	18,760	0.01
14,040	Tyson Foods	664,904	0.28
1,468	UGI	54,631	0.02

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
North American Equity (continued)			
174	United Rentals	13,457	0.01
404	United Technologies	35,322	0.01
523	Valero Energy	26,780	0.01
670	Ventas	32,849	0.01
125,334	Vereit	857,570	0.36
11,388	Verizon Communications	466,056	0.19
407	Viacom	12,077	0.01
414	Voya Financial	12,578	0.01
18,812	Wal-Mart Stores	1,078,230	0.45
276	Westar Energy	12,654	0.01
1,757	Xerox	13,334	0.01
504	Xilinx	21,857	0.01
		37,783,085	15.69
European Equity 9.54% (17.38%)			
1,503,209	7IM European (ex UK) Equity Value Fund 'Z' Inc ^{1 2}	1,382,802	0.57
10,506	ABB	172,028	0.07
411	Actelion	66,192	0.03
661	Adecco Group	32,747	0.01
7,163	Aegon	28,974	0.01
288	Aena	31,137	0.01
667	AerCap	23,258	0.01
774	Ageas	23,222	0.01
3,146	Amadeus IT Holding	114,506	0.05
3,241	Anheuser-Busch InBev	276,608	0.11
15	AP Moeller - Maersk 'A'	15,480	0.01
303	AP Moeller - Maersk 'B'	328,703	0.14
37,150	ArcelorMittal	224,948	0.09
3,660	ASML Holding	304,732	0.13
9,537	Aurelius	439,591	0.18
3,681	BASF	252,411	0.10
1,432	Bayer	108,638	0.05
4,443	BNP Paribas	206,768	0.09
169,212	Brait	831,399	0.34
1,173	Cie Financiere Richemont	61,177	0.03
730	Cie Generale des Etablissements Michelin	63,383	0.03
32,886	Coca-Cola HBC	558,733	0.23
476	Coloplast	24,533	0.01
4,137	Commerzbank	22,585	0.01
1,963	Compagnie De St-Gobain	68,696	0.03
18,310	Danske Bank	433,877	0.18
15,175	Deutsche Lufthansa	157,253	0.07
2,014	Deutsche Telekom	25,692	0.01
3,832	DNB	45,385	0.02
39,556	E.ON	211,683	0.09
905	Eaton	47,743	0.02
1,279	Endesa	21,445	0.01
10,206	Engie	102,445	0.04
78,429	Eni	871,742	0.36

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
	European Equity (continued)		
189,923	Ericsson 'B'	785,107	0.33
433	Essilor International	37,077	0.02
(254)	EURO STOXX 50 Equity Index Futures Dec 2016 ⁴	(162,851)	(0.07)
418	EURO STOXX 50 Index Dividend Futures Dec 2018 ⁴	289,487	0.12
264	EURO STOXX 50 Index Dividend Futures Dec 2019 ⁴	74,488	0.03
1,949	Ferrovial	27,937	0.01
24,985	Fiat Chrysler Automobiles	154,663	0.06
8,181	Fraport AG Frankfurt Airport Services Worldwide	383,734	0.16
204	Genmab	29,093	0.01
3,207	HeidelbergCement	232,905	0.10
415	Henkel	33,740	0.01
709	Henkel non-voting preference shares	66,076	0.03
38,791	Iberdrola	190,972	0.08
6,070	ING Group	65,808	0.03
1,823	Investor 'B'	49,664	0.02
1,339	Kone	47,534	0.02
6,105	Koninklijke Ahold Delhaize	97,923	0.04
746	Linde	102,149	0.04
657	Luxottica	27,598	0.01
301,561	Marfin Investment Group Holdings	32,487	0.01
6,128	Muenchener Rueckversicherungs	904,069	0.38
26,979	Nestle	1,471,116	0.61
1,352	NN Group	35,032	0.01
7,058	Nordea Bank	59,840	0.02
183,109	Norsk Hydro	694,368	0.29
8,928	Novartis	497,780	0.21
7,980	Novo Nordisk	216,607	0.09
8,601	Orange	101,778	0.04
315	Paddy Power Betfair	26,775	0.01
6,043	Partners Group	2,368,530	0.98
4,813	Pernod Ricard	406,698	0.17
59,837	Peugeot	711,391	0.30
616	Porsche Automobil	25,202	0.01
13,323	Renault	840,329	0.35
26,860	Repsol	288,675	0.12
2,809	Roche Holding	503,304	0.21
47,843	Rocket Internet	734,670	0.30
16,682	Safran	922,541	0.38
4,561	Sanofi	299,144	0.12
3,935	SAP	268,549	0.11
179	Schindler	25,570	0.01
9	Sika Signature Metals	35,165	0.01
5,089	Societe Generale	174,262	0.07
22,161	Stora Enso	172,709	0.07
2,647	Svenska Cellulosa 'B'	57,313	0.02
124	Swatch Group	29,234	0.01
761	Swedish Match	19,403	0.01
1,835	Swiss Life	409,531	0.17
462	Swiss Prime Site	30,494	0.01

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
European Equity (continued)			
1,391	Swiss Re	103,040	0.04
700	TE Connectivity	37,783	0.02
2,982	Telenor	35,827	0.01
507	UCB	26,508	0.01
2,119	UPM-Kymmene	38,971	0.02
962	Vestas Wind Systems	51,528	0.02
4,596	Vivendi	70,851	0.03
129	Volkswagen	14,289	0.01
743	Volkswagen non-voting preference shares	77,566	0.03
599	Zurich Insurance Group	126,430	0.05
		23,058,979	9.54
Japanese Equity 0.66% (4.29%)			
19,332	Jafco	540,788	0.22
105	TOPIX Index Futures Dec 2016 ⁴	1,051,271	0.44
		1,592,059	0.66
Far East Equity 0.99% (0.31%)			
231	MSCI All Countries Asia ex Japan Index Futures Dec 2016 ⁴	(466,452)	(0.19)
593	MSCI China Free Index Futures Dec 2016 ⁴	2,849,560	1.18
		2,383,108	0.99
Emerging Markets Equity 7.21% (5.07%)			
1,619,986	7IM Emerging Markets Equity Value Fund 'Z' Inc ^{1 2}	1,887,608	0.78
2,166	Most Diversified TOBAM Anti-Benchmark Emerging Markets ²	14,878,969	6.17
125	MSCI India Index Futures Mar 2017 ⁴	618,164	0.26
		17,384,741	7.21
BONDS 10.59% (0.85%)			
Emerging Markets Bonds 4.97% (0.00%)			
634,000	ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	5,059,320	2.1
11,503,564	Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc ²	6,928,597	2.87
		11,987,917	4.97
Gilts & Other Public Securities 0.42% (0.85%)			
£1,000,000	European Investment Bank 1.5% 2019	1,021,562	0.42
Global High Yield Bonds 5.20% (0.00%)			
92,000	BMO Barclays Global High Yield GBP Hedged UCITS - ETF	9,424,480	3.91
37,900	iShares \$ High Yield Corporate Bond UCITS ETF	3,099,996	1.29
		12,524,476	5.20
PRIVATE EQUITY 6.21% (6.31%)			
71,624	American Capital	995,673	0.41
54,861	Apollo Global Management	849,878	0.35
66,940	Apollo Investment Corporation	329,539	0.14

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
PRIVATE EQUITY (continued)			
113,775	Ares Capital Corporation	1,464,675	0.61
112,061	Blackstone Group (The)	2,339,854	0.96
30,312	Carlyle Group (The)	374,883	0.16
14,053	Electra Private Equity	646,438	0.27
22,219	Eurazeo	958,605	0.40
5,998	GIMV	257,749	0.11
22,174	Hercules Technology Growth Capital	244,854	0.10
139,105	KKR & Company	1,704,740	0.71
11,716	Main Street Capital Corporation	340,133	0.14
33,116	Onex Corporation	1,879,605	0.78
138,942	Prospect Capital Corporation	893,772	0.37
91,677	Ratos	309,457	0.13
14,781	Wendel	1,374,361	0.57
		14,964,216	6.21
REAL ESTATE 3.80% (4.85%)			
95,975	iShares FTSE Europe Property Index	2,938,755	1.22
198,400	iShares UK Property UCITS ETF	1,095,168	0.45
232,250	iShares US Property Yield	5,137,370	2.13
		9,171,293	3.80
HEDGE FUNDS & OTHER STRATEGIES 5.02% (2.02%)			
9,200,000	F&C Global Equity Market Neutral 3 Acc ²	5,192,480	2.15
368,210	iShares Physical Gold ETC ⁵	6,911,330	2.87
		12,103,810	5.02
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS 27.44% (46.93%)			
£500,000	Abbey National Treasury Services FRN 2018	500,395	0.21
£1,000,000	African Development Bank 1.125% 2016	1,000,290	0.42
£1,300,000	Agence Francaise De Developpement 0.75% 2017	1,300,996	0.54
£1,300,000	ASB Finance FRN 2017	1,300,944	0.54
£700,000	ASB Finance FRN 2018	701,072	0.29
£1,000,000	Asian Development Bank 1% 2016	1,000,200	0.41
£1,000,000	Asian Development Bank 1.5% 2017	1,011,667	0.42
£1,800,000	Bank Nederlandse Gemeenten 0.875% 2016	1,800,275	0.75
£500,000	Bank of Montreal FRN 2018	500,170	0.21
US\$3,400,000	BNP Paribas Arbitrage 0% 2021	2,765,435	1.15
£790,000	Canadian Imperial Bank of Commerce FRN 2018	790,459	0.33
£1,740,000	Coventry Building Society 4.625% 2018	1,836,358	0.76
£270,000	Coventry Building Society FRN 2020	269,912	0.11
£1,460,000	DNB Boligkreditt FRN 2020	1,457,331	0.60
£233,000	European Bank for Reconstruction & Development 1.875% 2018	239,479	0.10
£150,000	European Investment Bank 3.25% 2016	150,060	0.06
£2,000,000	Export Development Canada 0.875% 2016	2,000,148	0.83
£1,000,000	FMS Wertmanagement 0.75% 2017	1,004,010	0.42
£1,000,000	FMS Wertmanagement 1.25% 2019	1,017,590	0.42
£270,000	GE Capital UK Funding 4.125% 2017	277,403	0.12
£600,000	GE Capital UK Funding 6.75% 2018	658,938	0.27

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

Holding	Portfolio of Investment	Value £	30.11.16 %
CASH, MONEY MARKETS & SHORT TERM			
STERLING BONDS (continued)			
£1,000,000	GE Capital UK Funding FRN 2018	1,000,194	0.41
£1,263,000	General Electric Capital Corporation 6.25% 2017	1,333,844	0.55
£913,000	ING Bank FRN 2017	912,574	0.38
£1,000,000	Kommunalbanken 1.125% 2016	1,000,290	0.42
£1,000,000	Landeskreditbank B 1.25% 2016	1,000,325	0.42
£130,000	Landwirtschaftliche Rentenbank 3.25% 2016	130,051	0.05
£3,000,000	Lloyds Bank FRN 2017	3,008,883	1.25
£400,000	National Bank of Australia 3.625% 2017	410,708	0.17
£2,500,000	Nationwide Building Society 5.625% 2019	2,806,140	1.16
£1,800,000	Nederlandse Water 0.875% 2018	1,807,211	0.75
£1,449,000	Nordea Bank FRN 2019	1,454,682	0.60
12,788,000	Northern Trust Global Sterling Fund ²	12,788,000	5.31
£200,000	NRW Bank 0.875% 2017	200,894	0.08
£1,400,000	Oversea-Chinese Bank FRN 2017	1,400,438	0.58
£2,100,000	Royal Bank of Canada FRN 2018	2,104,393	0.87
£100,000	Royal Bank of Canada FRN 2019	99,754	0.04
£1,100,000	Skandinaviska Enskilda Banken FRN 2018	1,099,208	0.46
£3,500,000	Stadshypotek AB FRN 2018	3,507,431	1.46
£789,000	Svenska Handelsbanken 1.875% 2017	796,099	0.33
£1,800,000	Swedbank Hypotek FRN 2018	1,801,386	0.75
£1,082,000	Swedish Export Credit 1.125% 2016	1,082,299	0.45
£1,150,000	Total Capital 3.875% 2018	1,221,716	0.51
£1,100,000	Total Capital International FRN 2019	1,094,545	0.45
£300,000	Transport for London 1.25% 2017	302,202	0.13
£1,500,000	Westpac Banking 5.00% 2019	1,670,871	0.69
£500,000	Westpac Securities FRN 2017	500,455	0.21
		66,117,725	27.44
FORWARD FX CURRENCY CONTRACTS -0.24% (0.33%)			
¥(100,000,000)	Vs £741,190 Expiry 16.12.16	31,762	0.01
US\$(26,400,000)	Vs £21,417,706 Expiry 20.01.17	248,428	0.10
¥(29,000,000)	Vs £228,644 Expiry 16.12.16	22,909	0.01
US\$(2,000,000)	Vs £1,637,063 Expiry 20.01.17	33,330	0.01
US\$(13,900,000)	Vs £11,192,284 Expiry 20.01.17	46,338	0.02
€(19,000,000)	Vs £16,394,340 Expiry 17.02.17	117,372	0.05
US\$(3,600,000)	Vs £2,874,986 Expiry 20.01.17	(11,734)	-
¥1,690,000,000	Vs £(13,050,304) Expiry 16.12.16	(1,060,968)	(0.44)
		(572,563)	(0.24)

7IM AAP ADVENTUROUS FUND

PORTFOLIO STATEMENT (continued)

as at 30 November 2016

	Value £	30.11.16 %
Portfolio of investment	242,047,446	100.42
Net other liabilities	(1,018,395)	(0.42)
Net assets	241,029,051	100.00

Comparative figures shown in brackets relate to 30 November 2015.

All investments are ordinary shares listed on a regulated market unless stated otherwise.

¹Related party holding (see note 12 of the Financial Statements)

²Collective investment scheme

³Delisted security

⁴Derivatives contract

⁵Structured product

Credit Quality	30.11.16 %	30.11.15 %
Investment grade debt securities	21.40	36.61
Non-rated debt securities	1.15	4.77
Other investments	77.87	56.46
Net other (liabilities)/assets	(0.42)	2.16
	100.00	100.00

7IM AAP ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 30 November 2016

Total purchases for the year (note 16)

£369,833,972

	Cost £
Major purchases	
Northern Trust Global Sterling Fund ¹	156,386,000
BMO Barclays Global High Yield GBP Hedged UCITS - ETF	9,483,820
iShares \$ High Yield Corporate Bond UCITS ETF	8,947,541
iShares Physical Gold ETC	7,437,055
Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc	7,100,000
ETFS Lombard Odier IM Emerging Market Local Government Bond Fundamental GO UCITS	5,236,079
7IM US Equity Value Fund 'Z' Inc	3,111,426
Lloyds Bank FRN 2017	3,000,000
Nationwide Building Society 5.625% 2019	2,857,500
BNP Paribas Arbitrage 0% 2021	2,352,697
BNP Paribas Arbitrage Issuance Call Warrants 21/04/2021	2,352,697
Ericsson 'B'	2,024,656
E.ON	1,902,192
Vodafone Group	1,841,502
Muenchener Rueckversicherungs	1,779,680
Deutsche Bank	1,711,956
Westpac Banking 5.00% 2019	1,691,550
Nordea Bank FRN 2019	1,449,000
Gilead Sciences	1,389,906
General Electric	1,387,248

¹ Purchase activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest purchases during the year.

7IM AAP ADVENTUROUS FUND

SUMMARY OF MATERIAL PORTFOLIO CHANGES (continued) for the year ended 30 November 2016

Total sales for the year (note 16)	£385,804,792
Major sales	Proceeds £
Northern Trust Global Sterling Fund ¹	150,472,000
Royal London Cash Plus	7,596,739
Merrill Lynch International & Company (linked to the Japan Shareholder Index) 2016	7,308,808
iShares \$ High Yield Corporate Bond UCITS ETF	6,578,123
Abbey National Treasury Services FRN 2017	2,501,250
Swiss Re	2,250,895
Leeds Building Society 4.25% 2018	2,164,800
iShares FTSE Europe Property Index	2,100,716
Rabobank Nederland 3.25% 2017	2,075,601
Yorkshire Building Society 4.75% 2018	2,074,636
Lloyds Bank FRN 2018	2,073,569
Caisse d'Amortissement de la Dette Sociale 1% 2018	2,064,532
Orange	2,023,187
Landwirtschaftlich 1% 2017	2,012,800
Caisse des Depots et Consignations 1.5% 2017	2,012,200
Barclays Bank 1.5% 2017	2,011,000
Kommunerkredit 1.125% 2018	2,008,420
Muenchener Hypothekenbank FRN 2016	2,000,000
European Investment Bank 4.875% 2016	2,000,000
Partners Group	1,918,618

¹ Sale activity in a near cash fund.

The summary of material portfolio changes represents the 20 largest sales during the year.

7IM AAP ADVENTUROUS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 November 2016

	Notes	£	30.11.16 £	£	30.11.15 £
Income					
Net capital gains	4		16,345,702		2,545,311
Revenue	5	5,677,631		4,201,483	
Expenses	6	(1,332,930)		(1,314,734)	
Interest payable and similar charges	8	(110,898)		(51,227)	
Net revenue before taxation		4,233,803		2,835,522	
Taxation	7	(206,419)		(174,423)	
Net revenue after taxation for the year			4,027,384		2,661,099
Total return before distributions			20,373,086		5,206,410
Distributions	8		(4,033,495)		(2,660,998)
Change in net assets attributable to shareholders from investment activities			16,339,591		2,545,412

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 November 2016

		£	30.11.16 £	£	30.11.15 £
Opening net assets attributable to shareholders			243,313,479		183,595,888
Amounts received on creation of shares		52,927,408		107,513,587	
Amounts paid on cancellation of shares		(75,316,191)		(53,046,974)	
			(22,388,783)		54,466,613
Stamp Duty Reserve Tax	2(h)		3,359		-
Change in net assets attributable to shareholders from investment activities			16,339,591		2,545,412
Retained distribution on accumulation shares			3,761,405		2,705,566
Closing net assets attributable to shareholders			241,029,051		243,313,479

The notes on pages 474 to 485 are an integral part of these Financial Statements.

7IM AAP ADVENTUROUS FUND

BALANCE SHEET

as at 30 November 2016

	Notes	30.11.16 £	30.11.15 £
ASSETS			
Fixed assets:			
Investments		243,792,094	239,388,004
Current assets:			
Debtors	9	2,016,451	3,296,076
Cash and bank balances	10	1,337,739	4,513,437
Total assets		247,146,284	247,197,517
LIABILITIES			
Investment liabilities		(1,744,648)	(1,340,107)
Creditors:			
Cash and bank overdrafts	10	(2,287,846)	(950,561)
Distribution payable		(83,204)	(49,813)
Other creditors	11	(2,001,535)	(1,543,557)
Total liabilities		(6,117,233)	(3,884,038)
Net assets attributable to shareholders		241,029,051	243,313,479

The notes on pages 474 to 485 are an integral part of these Financial Statements.

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2016

1 Statement of Compliance

The Sub-fund's Financial Statements have been prepared on the same basis as the Statement of Compliance disclosed on page 10.

2 Summary of Significant Accounting Policies

The Sub-fund's Financial Statements have been prepared on the same basis as the Summary of Significant Accounting Policies disclosed on pages 10 to 15.

3 Risk Management Policies

The Sub-fund's Risk Management Policies are the same as the Risk Management Policies disclosed on pages 15 to 17.

4 Net capital gains

	30.11.16 £	30.11.15 £
The net capital gains during the year comprise:		
Non-derivative securities	18,700,313	(294,498)
Derivative contracts	(2,206,044)	(738,738)
Forward currency contracts	(16,935)	3,662,659
Transaction charges	(37,442)	(22,767)
AMC rebates from underlying investments	7,426	1,593
Currency losses	(101,616)	(62,938)
Net capital gains	16,345,702	2,545,311

5 Revenue

	30.11.16 £	30.11.15 £
Non-taxable dividends	4,042,770	2,988,382
Taxable dividends	162,466	125,762
UK property income distributions	43,505	4,993
Unfranked interest	1,164,731	912,391
AMC rebates from underlying investments	260,349	169,955
Bank interest	3,810	-
Total revenue	5,677,631	4,201,483

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

6 Expenses

	30.11.16 £	30.11.15 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,185,364	1,203,120
Other expenses	4,856	3,267
	<hr/> 1,190,220	<hr/> 1,206,387
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	34,641	32,074
Safe custody and other bank charges	22,762	29,801
Market risk fee	7,500	-
	<hr/> 64,903	<hr/> 61,875
Other expenses:		
Advisory fees	10,935	10,827
Audit fee	8,809	9,527
Dealing and exchange fees	43,148	6,189
FCA and other regulatory fee	276	217
Legal and professional fees	1,184	16,695
Printing, postage and distribution costs	7,555	3,017
Risk analysis fee	5,900	-
	<hr/> 77,807	<hr/> 46,472
Total expenses	<hr/> 1,332,930	<hr/> 1,314,734

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

7 Taxation

	30.11.16 £	30.11.15 £
a) <i>Analysis of charge for the year</i>		
Overseas tax	206,347	158,323
Irrecoverable income tax	72	16,100
	<hr/>	<hr/>
Current tax charge (note 7b)	206,419	174,423
	<hr/>	<hr/>
Total taxation	206,419	174,423
b) <i>Factors affecting current tax charge for the year</i>		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an Authorised Fund (20%) (2015: 20%) for the reasons explained below.		
Net revenue before taxation	4,233,803	2,835,522
	<hr/>	<hr/>
Corporation tax at 20%	846,761	567,104
Effects of:		
Non-taxable dividends	(841,048)	(597,047)
Overseas tax	206,347	158,323
AMC rebates taken to capital	1,485	319
Unutilised excess management expenses	(7,198)	29,625
Irrecoverable income tax	72	16,100
Double taxation relief expensed	-	(1)
	<hr/>	<hr/>
Total tax charge (note 7a)	206,419	174,423
c) <i>Deferred tax</i>		
There is no deferred tax provision in the current year (2015: none).		

At the year end there is a potential deferred tax asset of £428,589 (2015: £435,158) due to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore, no deferred tax asset has been recognised.

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

8 Distributions

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

	30.11.16	30.11.15
	£	£
Interim	2,007,633	1,697,766
Final	1,926,550	1,124,440
	<hr/>	<hr/>
	3,934,183	2,822,206
Add: Revenue deducted on cancellation of shares	271,897	122,988
Deduct: Revenue received on issue of shares	(172,585)	(284,196)
	<hr/>	<hr/>
Net distributions for the year	4,033,495	2,660,998
Interest payable and similar charges	110,898	51,227
	<hr/>	<hr/>
Total distribution	4,144,393	2,712,225

Details of the distributions per share are set out in the table on pages 486 to 487.

Distributions represented by:

Net revenue after taxation	4,027,384	2,661,099
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Allocations to capital:

Revenue deficit	27	-
	<hr/>	<hr/>
	4,027,411	2,661,099

Equalisation on conversions¹

Net movement in revenue account	4,509	-
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Tax relief on capital expenses	88	(101)
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	1,487	-
	<hr/>	<hr/>
Net distributions for the year	4,033,495	2,660,998

¹ Where an investor converts to a class with a higher income yield, the investor will pay or receive an equalisation as if they had held the new class throughout the period from the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

9 Debtors

	30.11.16	30.11.15
	£	£
Amounts receivable for issue of shares	949,016	2,063,147
Accrued revenue	721,133	1,103,121
Income tax recoverable	41,155	48,096
Withholding tax recoverable	166,994	42,956
AMC rebates from underlying investments	138,153	38,756
Total debtors	2,016,451	3,296,076

10 Cash and bank balances

	30.11.16	30.11.15
	£	£
Cash and bank balances	1,337,739	549,727
Cash held at clearing houses	-	3,963,710
Total cash and bank balances	1,337,739	4,513,437
Bank Overdraft	(1,219,662)	(392,349)
Cash in overdraft at clearing houses	(1,068,184)	(558,212)
Total cash and bank overdrafts	(2,287,846)	(950,561)

11 Other creditors

	30.11.16	30.11.15
	£	£
Amounts payable for cancellation of shares	1,792,763	1,412,629
Purchases awaiting settlement	90,025	-
Accrued expenses	118,747	130,928
Total other creditors	2,001,535	1,543,557

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

12 Related party transactions

ACD's periodic charge and other expenses payable to 7IM (the 'ACD') are disclosed in note 6.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 472.

The Sub-fund has the following shareholdings in the 7IM Specialist Investment Funds ICVC.

	Held at 30.11.16	Held at 30.11.15
7IM Emerging Markets Equity Value Fund 'Z' Inc	1,619,986	454,650
7IM European (ex UK) Equity Value Fund 'Z' Inc	1,503,209	1,329,723
7IM UK Equity Value Fund 'Z' Inc	840,210	749,093
7IM US Equity Value Fund 'Z' Inc	4,623,890	1,289,137

A shareholder may be able to exercise significant influence over the financial and operating policies of the Sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Sub-fund:

Pershing Keen 37.81% (2015: 34.89%)

Where the Sub-fund invests in another sub-fund of the ICVC or any other collective investment scheme managed by the ACD it is referenced in the Portfolio Statement of the Sub-fund.

13 Classes of Shares

The Sub-fund has four share classes: 'A', 'C', 'D' and 'S'. The annual management charge on each class are as follows:

Class A	1.00%
Class C	0.50%
Class D	1.40%
Class S	0.25%

The following table shows the shares in issue during the year:

Class	Opening Shares	Shares Created	Shares Liquidated	Shares Converted	Closing Shares
Class A Income	229,708	7,678	(21,416)	-	215,970
Class A Accumulation	844,518	19,378	(42,895)	(88,085)	732,916
Class C Income	6,089,535	1,812,693	(1,950,464)	80,824	6,032,588
Class C Accumulation	131,195,476	33,495,576	(44,610,159)	(304,462)	119,776,431
Class D Income	100,997	246	(19,844)	(81,357)	42
Class D Accumulation	9,444,887	663,758	(2,294,844)	(2,311,303)	5,505,498
Class S Income	1,854,734	184,154	(723,036)	-	1,315,852
Class S Accumulation	27,424,106	4,949,636	(4,869,218)	9,594	27,514,118

14 Contingent liabilities and commitments

There are no contingent liabilities or unrecorded outstanding commitments at the balance sheet date (2015: none).

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures

The main risks from the Sub-fund's holding of financial instruments, together with the ACD's policy for managing these risks are detailed in note 3 on pages 15 to 17. Further analysis and numeric disclosure of interest rate risk, foreign currency risk and derivatives are shown below.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	30.11.16 £	30.11.15 £
Floating rate assets:		
Canadian dollar	3,965	3,288
Euro	111,549	35,338
Hong Kong dollar	25,278	14,143
Japanese yen	29,782	86,222
Swiss franc	222,976	176,492
US dollar	3,777,017	250,892
South African rand	7	-
Pound sterling	57,971,782	40,270,218
	<hr/> 62,142,356	<hr/> 40,836,593
Floating rate liabilities:		
Canadian dollar	(3,965)	(3,289)
Euro	(130,843)	(35,400)
Hong Kong dollar	(25,278)	(568,902)
Japanese yen	(29,782)	(7,269)
Swiss franc	(147,301)	(113,570)
US dollar	(658,369)	(222,131)
South African rand	(6)	-
Pound sterling	(1,292,302)	-
	<hr/> (2,287,846)	<hr/> (950,561)
Fixed rate assets:		
Japanese yen	-	7,719,096
US dollar	2,765,435	-
Pound sterling	28,081,626	60,516,496
	<hr/> 30,847,061	<hr/> 68,235,592

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 November 2016

15 Risk Disclosures (continued)

i. Interest rate risk (continued)

	30.11.16 £	30.11.15 £
Assets on which interest is not paid:		
Canadian dollars	1,879,740	1,952,415
Danish krone	1,108,113	2,389,394
Euro	14,031,642	29,580,279
Japanese yen	11,614,961	13,001,929
Norwegian krone	787,814	1,507,629
Swedish krona	1,280,783	1,596,552
Swiss franc	6,021,492	9,182,944
US dollar	62,734,116	48,684,964
South African rand	831,399	1,519,131
Pound sterling	99,733,155	59,986,061
	<u>200,023,215</u>	<u>169,401,298</u>
Liabilities on which interest is not paid:		
Euro	(16,075,844)	(11,935,809)
Hong Kong dollar	-	(469,297)
Japanese yen	1,051,271	-
US dollar	(32,656,738)	-
Pound sterling	(2,014,424)	(21,804,337)
	<u>(49,695,735)</u>	<u>(34,209,443)</u>
Net assets	<u>241,029,051</u>	<u>243,313,479</u>

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents, index-linked securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalent and collective investment schemes that pay UK interest distributions.

Currency	Fixed Rate Financial Assets		Weighted average period for which rate is fixed	
	Weighted average interest rate			
	30.11.16	30.11.15	30.11.16	30.11.15
	%	%	Years	Years
US dollar	(0.29)	-	4	-
Pounds sterling	0.59	0.99	1	2

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

Currency	30.11.16 Gross £	30.11.16 Hedged £	30.11.16 Net £
Canadian dollar	1,879,740	-	1,879,740
Danish krone	1,108,113	-	1,108,113
Euro	14,213,472	(16,276,968)	(2,063,496)
Japanese yen	1,592,059	11,074,173	12,666,232
Norwegian krone	787,814	-	787,814
Swedish krona	1,280,783	-	1,280,783
Swiss franc	6,097,167	-	6,097,167
US dollar	72,767,138	(36,805,677)	35,961,461
South African rand	831,400	-	831,400
	100,557,686	(42,008,472)	58,549,214
Pound sterling	141,043,927	41,435,910	182,479,837
Net assets	241,601,613	(572,562)	241,029,051

Currency	30.11.15 Gross £	30.11.15 Hedged £	30.11.15 Net £
Canadian dollar	1,952,414	-	1,952,414
Danish krone	2,389,394	-	2,389,394
Euro	29,580,216	(11,935,808)	17,644,408
Hong Kong dollar	(1,024,056)	-	(1,024,056)
Japanese yen	10,505,223	10,294,755	20,799,978
Norwegian krone	1,507,629	-	1,507,629
South African rand	1,519,131	-	1,519,131
Swedish krona	1,596,552	-	1,596,552
Swiss franc	9,245,866	-	9,245,866
US dollar	26,058,431	22,655,294	48,713,725
	83,330,800	21,014,241	104,345,041
Pound sterling	159,179,405	(20,210,967)	138,968,438
Net assets	242,510,205	803,274	243,313,479

iii. Derivatives

The derivatives held by the Sub-fund during the year were for the purposes of meeting the investment objectives of the Sub-fund and for efficient portfolio management.

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

15 Risk Disclosures (continued)

iv Fair value

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

The Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014, and subsequently amended by Financial Reporting Exposure Draft 62 (FRED62), requires the classification of the Sub-fund's financial instruments held at the year end into a 3 tiered fair value hierarchy. The 3 tiers of the hierarchy and the classification of the Sub-fund's financial instruments as at the balance sheet date were:

	Assets £	Liabilities £
Valuation technique as at 30 November 2016		
Level 1	143,960,085	(671,946)
Level 2	99,832,009	(1,070,702)
Level 3	-	-
Total	243,792,094	(1,744,648)
	Assets £	Liabilities £
Valuation technique as at 30 November 2015		
Level 1	119,133,542	(1,259,310)
Level 2	120,254,462	(80,797)
Level 3	-	-
Total	239,388,004	(1,340,107)

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.

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 449.

Analysis of direct transaction costs for the year ended 30 November 2016:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	20,254	-	-	-	-	-
Collective Investment						
Schemes	172,720	-	-	-	-	-
Derivatives	2,353	-	-	-	-	-
Equities	174,294	21	192	213	0.01	0.11
Total	369,621	21	192	213	0.01	0.11
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	67,445	-	-	-	-	-
Collective Investment						
Schemes	161,921	-	-	-	-	-
Derivatives	2,404	-	-	-	-	-
Equities	154,056	(20)	(1)	(21)	0.01	-
Total	385,826	(20)	(1)	(21)	0.01	-
Total as a percentage of the average NAV		0.02%	0.08%	0.10%		

7IM AAP ADVENTUROUS FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 30 November 2016

16 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30 November 2015:

	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	70,779	-	-	-	-	-
Collective Investment						
Schemes	190,685	-	-	-	-	-
Derivatives	3,653	-	-	-	-	-
Equities	131,372	23	127	150	0.02	0.10
Total	396,489	23	127	150	0.02	0.10
	Principal £'000	Commissions £'000	Taxes £'000	Total Cost £'000	Commissions % of principal	Taxes % of principal
Sales						
Bonds	8,330	-	-	-	-	-
Collective Investment						
Schemes	197,102	-	-	-	-	-
Derivatives	3,948	-	-	-	-	-
Equities	111,588	(20)	(1)	(21)	0.02	-
Total	320,968	(20)	(1)	(21)	0.02	-

Total as a percentage of the average NAV **0.02%** **0.06%** **0.08%**

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.18% (2015: 0.08%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17 Stock lending

At 30 November 2016, the Sub-fund had no securities on loan (2015: none).

18 Post Balance Sheet Events

There have been no significant events since the year end that impact the Sub-fund and require disclosure in the financial statements.

7IM AAP ADVENTUROUS FUND

DISTRIBUTION TABLES

for the year ended 30 November 2016

Interim - in pence per share

Group 1 – Shares purchased prior to 1 December 2015

Group 2 – Shares purchased on or after 1 December 2015 and on or before 31 May 2016

			Paid	Paid
Class A Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.7964	-	0.7964	0.7862
Group 2	0.5423	0.2541	0.7964	0.7862
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.8503	-	0.8503	0.8526
Group 2	0.6117	0.2386	0.8503	0.8526
			Paid	Paid
Class C Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.1061	-	1.1061	1.0513
Group 2	0.7536	0.3525	1.1061	1.0513
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.2295	-	1.2295	1.1615
Group 2	0.8748	0.3547	1.2295	1.1615
			Paid	Paid
Class D Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	-	-	-	0.5753
Group 2	-	-	-	0.5753
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	0.5499	-	0.5499	0.5928
Group 2	0.4744	0.0755	0.5499	0.5928
			Paid	Paid
Class S Income	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0543	-	1.0543	1.0133
Group 2	0.5624	0.4919	1.0543	1.0133
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.07.16	31.07.15
Group 1	1.0877	-	1.0877	1.0263
Group 2	0.7461	0.3416	1.0877	1.0263

7IM AAP ADVENTUROUS FUND

DISTRIBUTION TABLES (continued)

for the year ended 30 November 2016

Final - in pence per share

Group 1 – Shares purchased prior to 1 June 2016

Group 2 – Shares purchased on or after 1 June 2016 and on or before 30 November 2016

			Payable	Paid
Class A Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.7781	-	0.7781	0.2957
Group 2	0.1301	0.6480	0.7781	0.2957
			Allocated	Allocated
Class A Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.8380	-	0.8380	0.3164
Group 2	0.3327	0.5053	0.8380	0.3164
			Payable	Paid
Class C Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1169	-	1.1169	0.6144
Group 2	0.4812	0.6357	1.1169	0.6144
			Allocated	Allocated
Class C Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.2523	-	1.2523	0.6792
Group 2	0.5620	0.6903	1.2523	0.6792
			Payable	Paid
Class D Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	-	-	-	0.0423
Group 2	-	-	-	0.0423
			Allocated	Allocated
Class D Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	0.5321	-	0.5321	0.0434
Group 2	0.1734	0.3587	0.5321	0.0434
			Payable	Paid
Class S Income	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.0750	-	1.0750	0.6296
Group 2	0.6162	0.4588	1.0750	0.6296
			Allocated	Allocated
Class S Accumulation	Net Revenue	Equalisation	31.01.17	31.01.16
Group 1	1.1193	-	1.1193	0.6446
Group 2	0.6060	0.5133	1.1193	0.6446

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

7IM INVESTMENT FUNDS

GENERAL INFORMATION

Head Office

3rd Floor
55 Bishopsgate
London EC2N 3AS

Address for Service

The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base Currency

The base currency of the Company is Pounds Sterling. Each sub-fund and class is designated in Pounds Sterling.

Share Capital

The minimum share capital of the company is £1 and the maximum is £100,000,000,000.

Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the net asset values of each of the sub-funds.

Structure of the Company

The Company is structured as an umbrella company in that different sub-funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new sub-fund or class of share, a revised prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. The sub-funds which are currently available are:

7IM Cautious Fund
7IM Moderately Cautious Fund
7IM Balanced Fund
7IM Moderately Adventurous Fund
7IM Adventurous Fund
7IM Sustainable Balance Fund
7IM AAP Income Fund
7IM AAP Moderately Cautious Fund
7IM AAP Balanced Fund
7IM AAP Moderately Adventurous Fund
7IM AAP Adventurous Fund

In the future there may be other sub-funds of the Company.

7IM INVESTMENT FUNDS

GENERAL INFORMATION (continued)

Classes of Shares

The Company has the following active shares classes 'A' Income, 'A' Accumulation, 'B' Income, 'B' Accumulation, 'C' Income, 'C' Accumulation, 'D' Income, 'D' Accumulation, 'O' Accumulation, 'S' Income and 'S' Accumulation. The Company can issue any share class in accordance with the Prospectus.

Holders of Income shares are entitled to be paid the income attributable to such shares in respect of each annual or interim accounting period, as applicable to the relevant sub-fund.

Holders of Accumulation shares are not entitled to be paid the income attributable to such shares, but that income is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

Valuation Point

The valuation point of the Company is 12:00pm London time on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

Buying and Selling Shares

The dealing office of the ACD is normally open from 9.00am to 5.30pm London time on each business day. The ACD may vary these times at its discretion. Requests to deal in shares may also be made by telephone on each business day (at the ACD's discretion) between 9.00am and 5.30pm London time directly to the office of the ACD (telephone: 0870 870 7431 or such other number as published from time to time). The initial purchase must, at the discretion of the ACD, be accompanied by an application form.

Prices

The prices of all shares are published on: www.fundlistings.com and the ACD's website: www.7im.co.uk. Alternatively, the prices of all shares may be obtained by calling 0870 870 7431 during the ACD's normal business hours.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on our website, www.7im.co.uk.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

Data Protection Act

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

Risk Warning

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

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