

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

31.03.2022

BMO Investment Funds (UK) ICVC VI

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BMO Investment Funds (UK) ICVC VI

Directory

Company Information

BMO Investment Funds (UK) ICVC VI
Exchange House
Primrose Street
London
EC2A 2NY

Authorised Corporate Director

BMO Fund Management Limited
Exchange House
Primrose Street
London
EC2A 2NY
Telephone: 0800 085 2752, Facsimile: (0207) 600 4180
The ACD is authorised and regulated by the Financial Conduct Authority and is a member of the IA.

Investment Manager

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

Independent Auditors

PricewaterhouseCoopers LLP
Level 4
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Depository

State Street Trustees Limited
Registered Office
20 Churchill Place
London
E14 5HJ

Head Office and Principal Place of Business

Quartermile 3
10 Nightingale Way
Edinburgh
EH3 9EG

Fund Accounting and Unit Pricing

State Street Bank and Trust Company
20 Churchill Place
London
E14 5HJ

Administrator and Registrar

SS&C Financial Services Europe Limited
SS&C House
St Nicholas Lane
Basildon
Essex
SS15 5FS

Legal Advisors

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

BMO Investment Funds (UK) ICVC VI

Company Information

Company Information

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

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

Financial Statements

These financial statements are for the year 1 April 2021 to 31 March 2022.

Shareholders

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

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

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

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

Instrument of Incorporation and Prospectus

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

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

As at 31 March 2022 the OEIC comprised the following sub-funds:

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

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

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

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

Other Information

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

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

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

There were no cross holdings between sub-funds in BMO Investment Funds (UK) ICVC VI as at 31 March 2022.

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

Following the announcement on 12 April 2021 regarding Ameriprise Financial's proposed acquisition of BMO's EMEA Asset Management business, including BMO GAM Asia Limited (BMO GAM (EMEA)), Columbia Threadneedle confirmed that this acquisition completed on 8 November 2021. BMO GAM (EMEA) is now part of Columbia Threadneedle Investments, the global asset management business of Ameriprise Financial.

ACD

Effective 4 July 2022, the Authorised Corporate Director of the Company has changed from BMO Fund Management Limited to Columbia Threadneedle Fund Management Limited.

Investment Manager

Effective 4 July 2022, the Investment Manager of the Company has changed from BMO AM Multi-Manager LLP to Columbia Threadneedle Multi-Manager LLP.

Sub-funds and Company Name

Effective 4 July 2022, the sub-funds and Company names have changed as follows:

Old Name	New Name
BMO MM Lifestyle 3 Fund	CT MM Lifestyle 3 Fund
BMO MM Lifestyle 4 Fund	CT MM Lifestyle 4 Fund
BMO MM Lifestyle 5 Fund	CT MM Lifestyle 5 Fund
BMO MM Lifestyle 6 Fund	CT MM Lifestyle 6 Fund
BMO MM Lifestyle 7 Fund	CT MM Lifestyle 7 Fund
BMO Investment Funds (UK) ICVC VI	Columbia Threadneedle (UK) ICVC VI

Value Assessment

A statement on the Assessment of Value is published on the 'Documents' section of our website at <https://www.bmogam.com/gben/retail/documents/>. The document is published annually on the 30 June with an annual 'reference date' 31 March.

Report on Remuneration

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

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

Remuneration policy

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

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

Decision making and governance

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

Applicability

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

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

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

Linking remuneration with performance

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

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

- Fixed remuneration is determined taking into account factors including the requirements of the particular role and the staff member's experience, expertise, contribution level and the fixed pay for comparable roles. Fixed remuneration is set, with reference to market data, at a level that is sufficient to attract high calibre staff as well as to permit the operation of a fully-flexible remuneration policy (including the possibility of a staff member receiving reduced or no variable remuneration in a particular year). The Committee keeps the balance between fixed and variable remuneration under review.
- Variable remuneration is determined annually by reference to both financial and non-financial AIFM performance considerations. External competitor practices are included in the funding review to ensure compensation opportunities in the markets within which the AIFM operates are given due consideration and retention risks are effectively managed. Incentive funding is developed in view of current and projected economics and risks, supported by BMO Global Asset Management (EMEA) Audit and Compliance Committee inputs, ensuring risk-adjustments and qualitative and quantitative considerations, such as the cost and quantity of capital and liquidity are actively considered as funding adjustments. The Committee ensures that all incentive awards are not paid through vehicles or methods that facilitate the avoidance of the requirements with regard to remuneration imposed by applicable law and/or regulations.
- Variable remuneration is allocated to respective business functions by reference to
 - contribution of the respective business function or unit to corporate performance;
 - business function performance relative to pre-determined targets and objectives, including adherence to risk management obligations; and
 - competitive market pay data.

Individual award allocations are referenced to the individual achievement during the performance year relative to pre-agreed objectives and assessment of market comparability. Performance is assessed in relation to pre-agreed objectives, which include financial and non-financial goals (including the achievement of fair customer outcomes), compliance with the BMO Group's policies and procedures, adherence to risk management and compliance requirements and the BMO Code of Conduct. The assessment of performance for Identified Staff reflects multi-year performance in a manner appropriate to the life-cycle of the funds that are managed by the AIFM.

- Application of Financial Conduct Authority's Handbook (SYSC 19B: AIFMD Remuneration Code) pay-out process rules, save for disapplication at individual or AIFM level, which is determined by an annual proportionality assessment.

Quantitative remuneration disclosure

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

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

As at 31 October 2021	Headcount Number	Fixed Remuneration £m	Variable Remuneration £m	Total Remuneration £m
Remuneration of AIFMD Identified Staff				
of which:	55	0.44	0.82	1.26
Senior Management	14	0.12	0.39	0.51
Other Code Staff	41	0.32	0.43	0.75

Notes on the quantitative remuneration disclosure

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

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

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

Delegation

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

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

AIFM activities

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

	Number of funds	AUM as at 31 October 2021 (GBP)	% of AUM as at 31 October 2021
Alternative investment funds	12	2,841,136,630	33%
UCITS	41	5,696,824,197	67%
Total	53	8,537,960,827	100%

AIFMD leverage

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

For the year ended 31 March 2022 the leverage calculations were as follows:

	BMO Investment Funds (UK) ICVC VI %					
	Gross			Commitment		
	Min	Max	Mean	Min	Max	Mean
BMO MM Lifestyle 3 Fund	81.7	100.8	91.9	82.2	101.0	98.6
BMO MM Lifestyle 4 Fund	87.1	100.2	94.4	87.8	102.2	99.0
BMO MM Lifestyle 5 Fund	91.8	100.3	96.5	92.8	101.9	99.3
BMO MM Lifestyle 6 Fund	91.5	100.5	96.5	94.5	101.3	99.6
BMO MM Lifestyle 7 Fund	95.2	100.7	98.2	96.6	101.8	100.0

Calculated based on monthly data for the year.

BMO Investment Funds (UK) ICVC VI

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

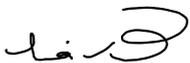
The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook (the 'Regulations') as issued and amended by the Financial Conduct Authority, require the ACD to prepare financial statements for each annual accounting period which give a true and fair view of the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

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

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

Certification of Financial Statements by Directors of the Authorised Corporate Director

This report contains the information required by the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued in May 2014, the Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook, in the case of annual financial statements and was approved for publication on 27 July 2022.



Director

On behalf of BMO Fund Management Limited

Authorised Corporate Director

27 July 2022

BMO Investment Funds (UK) ICVC VI

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

for the year ended 31 March 2022

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 Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

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

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

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



State Street Trustees Limited

27 July 2022

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of BMO Investment Funds (UK) ICVC VI (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 March 2022 and of the net revenue and the net capital gains/(losses) on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

BMO Investment Funds (UK) ICVC VI is an Open Ended Investment Company ('OEIC') with five sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheets as at 31 March 2022; the Statements of Total Return and the Statements of Change in Net Assets Attributable to Shareholders for the year then ended; the Distribution Tables; and the Notes to the Financial Statements, which include a description of the significant accounting policies (within the Accounting and distributions policies section).

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

Reporting on other information

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

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

Based on our work undertaken in the course of the audit, the Collective Investment sourcebook requires us also to report certain opinions as described below.

Authorised Corporate Director's Report

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

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

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

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

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

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

27 July 2022

BMO Investment Funds (UK) ICVC VI

Notes to the Financial Statements applicable to all sub-funds

for the year ended 31 March 2022

1. Accounting and distribution policies

(a) Basis of accounting

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

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

(b) Revenue recognition

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

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

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

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

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

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

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

(c) Basis of valuation of investments

Listed investments of the sub-funds have been valued at market value at 12pm on 31 March 2022. Market value is defined by the IMA SORP 2014 as fair value which generally is bid value of each security, excluding any accrued interest in the case of fixed and floating rate securities.

Investments in single priced authorised and recognised funds managed by the BMO group companies have been valued at the single price as at 12pm on 31 March 2022.

(d) Deferred taxation

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

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

(e) Current taxation

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

(f) Distribution policy

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

(g) Authorised Corporate Director's charge

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

for the year ended 31 March 2022

(h) Expenses

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

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

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

(i) Exchange rates

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

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

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

(k) Derivative contracts

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

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

(l) Dilution adjustment

All client transactions into and out of a sub-fund may result in the Investment Adviser buying or selling the underlying investments of the sub-fund, thereby attracting dealing costs which would otherwise be borne by the sub-fund's current investors.

As a result, long-term investors could be adversely affected by other investors trading in and out of the sub-fund. This effect is known as dilution.

However, an adjustment to the NAV can be made if the sub-fund experiences net subscriptions or redemptions on a particular dealing day, to reduce the impact of dilution costs. This adjustment is called swing pricing. This is a technique which reduces the impact of dilution and helps to protect existing investors. It aims to ensure that investors subscribing or redeeming from a sub-fund bear the trading costs, i.e. the underlying bid/offer spreads and transaction costs.

The extent to which prices are swung is based on an estimated dealing cost made up of a number of elements, including bid-offer spreads, commissions and other transaction costs. Commissions and other costs (e.g. transaction tax) will be based on an historic analysis of actual trades. The estimated rates are reviewed and updated periodically.

for the year ended 31 March 2022

2. Equalisation

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

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

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

3. Financial Instruments

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

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

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

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

Market price risk

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

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

Foreign currency risk

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

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

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

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

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

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

for the year ended 31 March 2022

Liquidity risk

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

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

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

Interest rate risk

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

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

Credit risk

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

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

Default risk

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

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

Other risk

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

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

Sensitivity analysis

	BMO MM Lifestyle 3 Fund	BMO MM Lifestyle 4 Fund	BMO MM Lifestyle 5 Fund	BMO MM Lifestyle 6 Fund	BMO MM Lifestyle 7 Fund
Market Price Risk					
If market prices move by:	+/- 5%	+/- 5%	+/- 5%	+/- 5%	+/- 5%
then the impact on the portfolio will be:	+/- 3.9%	+/- 4.2%	+/- 4.4%	+/- 4.6%	+/- 4.9%
Foreign Currency Risk					
If FX rates move by:	+/- 5%	+/- 5%	+/- 5%	+/- 5%	+/- 5%
then the impact on the portfolio will be:	-/+ 0.6%	-/+ 0.7%	-/+ 0.9%	-/+ 1.1%	-/+ 1.2%

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

BMO Investment Funds (UK) ICVC VI

Notes to the Financial Statements applicable to all sub-funds

(continued)

for the year ended 31 March 2022

Derivatives and forward transactions

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

The following sub-funds entered into exchange traded derivatives during the year. The market value of the exchange traded derivatives (deemed to be futures contracts) and global exposure that exists through the open future contracts at 31 March 2022 were:

BMO MM Lifestyle 3 Fund	Market Value 31/03/2022 £000	Exposure 31/03/2022 £000	Market Value 31/03/2021 £000	Exposure 31/03/2021 £000
S&P 500 E Mini Index Futures June 2021	-	-	(4)	(862)
Total	-	-	(4)	(862)
BMO MM Lifestyle 4 Fund	Market Value 31/03/2022 £000	Exposure 31/03/2022 £000	Market Value 31/03/2021 £000	Exposure 31/03/2021 £000
S&P 500 E Mini Index Futures June 2021	-	-	(31)	(6,465)
Total	-	-	(31)	(6,465)
BMO MM Lifestyle 5 Fund	Market Value 31/03/2022 £000	Exposure 31/03/2022 £000	Market Value 31/03/2021 £000	Exposure 31/03/2021 £000
S&P 500 E Mini Index Futures June 2021	-	-	(43)	(9,626)
Total	-	-	(43)	(9,626)
BMO MM Lifestyle 6 Fund	Market Value 31/03/2022 £000	Exposure 31/03/2022 £000	Market Value 31/03/2021 £000	Exposure 31/03/2021 £000
S&P 500 E Mini Index Futures June 2021	-	-	(16)	(3,304)
Total	-	-	(16)	(3,304)
BMO MM Lifestyle 7 Fund	Market Value 31/03/2022 £000	Exposure 31/03/2022 £000	Market Value 31/03/2021 £000	Exposure 31/03/2021 £000
S&P 500 E Mini Index Futures June 2021	-	-	(6)	(1,293)
Total	-	-	(6)	(1,293)

Goldman Sachs was the counterparty for these transactions (31/03/21: Goldman Sachs).

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

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

	Page
BMO MM Lifestyle 3 Fund	31
BMO MM Lifestyle 4 Fund	52
BMO MM Lifestyle 5 Fund	73
BMO MM Lifestyle 6 Fund	94
BMO MM Lifestyle 7 Fund	115

Authorised Corporate Director's Investment Report

for the year ended 31 March 2022

Fund Objective

The Fund aims to deliver capital growth with some income.

The Fund invests at least 70% in collective investment schemes (which may include schemes operated by the ACD) to obtain indirect exposure to a wide range of asset classes.

The investment manager uses a strategic asset allocation model that is matched to a specific target risk and volatility band (the volatility band is supplied by external provider). However, the Fund remains actively managed and the allocation to particular asset classes or geographies may vary over time at the investment manager's discretion.

To reflect the risk profile of the Fund, more than half of the Fund's exposure through collective investment schemes will be to bonds and cash.

The Fund will obtain exposure mainly to a combination of UK corporate and government bonds, as well as global corporate bonds.

The remaining exposure will be to a range of UK and global equities and to property.

To the extent that the Fund is not fully invested as set out above, it may also invest in other transferable securities, other collective investment schemes, money market instruments, deposits, cash and near cash. Derivatives may be used for the purposes of efficient portfolio management only.

Synthetic Risk and Reward Indicator

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

The most recent value of the SRRI for the Fund was 4, published on 26 January 2022. From the most recent review it has been determined that this is still appropriate.

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

Fund manager	Rob Burdett and Gary Potter
Fund size	£39.4 million
Launch date	2 December 2013

Manager's Review

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

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

Overall asset allocation changes were relatively muted over the period, we trimmed the fixed interest exposure, largely adding to cash for the time being. We increased property exposure, which offers some inflation protection from rental cashflows. The portfolios ended the period underweight equities, credit and government bonds against their strategic asset allocations. Offsetting this, the portfolios remain overweight absolute return funds, and cash temporarily.

In terms of underlying fund holdings, we introduced the TM Tellworth UK Select Fund to the portfolio to increase and diversify the absolute return exposure. This move retains a high weighting to active management whilst allowing for a reduction to directional market exposure. In order to increase scope for outperformance (driven by manager stock selection and sector allocation) within the UK exposure, we introduced the Mirabaud UK Equity High Alpha Fund to complement existing positions. We sold Tokio Marine Japanese Equity Focus following a portfolio manager change and switched into a new position in the JK Japan Fund. After a period of approximately 7 years of being invested, we took the decision to sell Man GLG Undervalued Assets following a bounce in performance. We remain invested with the value team at Man GLG via positions in the Absolute Value fund, which adopts a similar process on the long positions within the portfolio.

Having undertaken a thorough review of the fixed income space over the summer, we took the decision to exit our long-held position in the Legg Mason WA Macro Opportunities Bond Fund. Whilst the opportunity set in traditional corporate bond investing remains scant at best, there are still some opportunities in broader areas of the fixed income market. With unprecedented bifurcation in central bank policy and economic performance across the globe, it felt timely to introduce the Allianz Strategic Bond Fund run by Mike Riddell. We introduced a new position within the US fund selections via Pzena US Large Cap Value Fund. The Fund is a value strategy centred on stocks trading in the cheapest quintile, or 20%, of the US market.

for the year ended 31 March 2022

The current environment of higher inflation and tightening central bank policy isn't an attractive one for fixed interest assets and as such we're happy to maintain our duration underweight in this environment. Whilst we're not outrightly bearish on the outlook for equities, we are becoming more concerned about the impact of inflation on both consumer behaviour and company profit margins – this set against a backdrop of tightening financial conditions and conflict in Ukraine means that the direction of travel for us is likely to become more cautious in the weeks and months ahead.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 3 Fund rose by 0.3%.

All returns in sterling and on a total return basis.

BMO Fund Management Limited

27 April 2022

BMO MM Lifestyle 3 Fund

Portfolio Statement

as at 31 March 2022

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (12.88%*)		8,336	21.15
iShares Core FTSE 100 UCITS ETF	110,486	822	2.09
iShares Core Global Aggregate Bond UCITS ETF	780,020	2,889	7.33
iShares Core S&P 500 UCITS ETF	3,020	1,085	2.75
iShares USD TIPS UCITS ETF	213,198	1,171	2.97
Lyxor Core UK Government Bond (DR) UCITS ETF	18,245	2,369	6.01
INVESTMENT TRUSTS (2.23%*)		1,476	3.75
LXI REIT #	472,073	704	1.79
Supermarket Income REIT #	605,761	772	1.96
OFFSHORE INVESTMENT COMPANIES (26.84%*)		10,823	27.45
Allianz Strategic Bond W6 H2	27,761	2,390	6.06
Barings Emerging Markets Debt Blended Total Return Fund A Acc	12,088	1,418	3.60
Darwin Leisure Property Fund M Inc **	417,091	773	1.96
Eastspring Japan Dynamic Fund CG Acc	26,225	429	1.09
JK Japan Fund Acc JPY	5,523	551	1.40
Majedie Asset Management US Equity Fund Z Acc	330,978	1,046	2.65
Mirabaud UK Equity High Alpha S3 Acc	5,930	619	1.57
Montanaro UK Income Fund	425,000	521	1.32
Pzena US Large Cap Value Fund A Acc USD	161	40	0.10
Spyglass US Growth Fund UCITS F Acc USD	26,975	301	0.76
TwentyFour Corporate Bond Fund I Inc	28,525	2,735	6.94
OPEN ENDED INVESTMENT COMPANIES (41.35%*)		10,329	26.20
Allianz Index-Linked Gilt Fund E Inc	1,837,672	2,059	5.22
Artemis US Select Fund I Acc	237,775	763	1.94
Baillie Gifford Japanese Fund B Acc	25,650	499	1.27
ES River and Mercantile UK Recovery Fund S Inc	313,665	880	2.23
Janus Henderson Strategic Bond Fund I Inc	1,441,229	1,933	4.90
LF Lindsell Train UK Equity Fund Acc	225,445	1,098	2.79
Man GLG Absolute Value Fund CX Acc	739,065	975	2.47
TM Redwheel UK Equity Income L Inc	744,500	789	2.00
TM Tellworth UK Select Fund F Acc	785,000	955	2.42
TM Tellworth UK Smaller Companies Fund F Acc	270,369	378	0.96
DERIVATIVES (-0.01%*)		-	-
Portfolio of investments		30,964	78.55
Net other assets		8,455	21.45
Total net assets		39,419	100.00

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

* Comparative figures shown in brackets relate to 31 March 2021.

** Unlisted investments.

Real Estate Investment Trust.

BMO MM Lifestyle 3 Fund

Material Portfolio Changes

for the year ended 31 March 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
iShares Core Global Aggregate Bond UCITS ETF	3,362	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	3,149
Allianz Strategic Bond W6 H2	2,711	M&G Global Macro Bond Fund PP Inc	2,933
iShares Core S&P 500 UCITS ETF	1,970	Schroder Sterling Corporate Bond Z Inc	1,882
iShares Core FTSE 100 UCITS ETF	1,210	Invesco S&P 500 UCITS ETF	1,199
TM Tellworth UK Select Fund F Acc	896	iShares Core S&P 500 UCITS ETF	1,071
S&P 500 E Mini Index Futures June 2021	866	BMO FTSE All-Share Tracker Fund 4 Inc †	1,067
Mirabaud UK Equity High Alpha S3 Acc	694	Lyxor Core UK Government Bond (DR) UCITS ETF	962
JK Japan Fund Acc JPY	596	Man GLG Undervalued Assets Fund D Inc	961
TwentyFour Corporate Bond Fund I Inc	507	Allianz Index-Linked Gilt Fund E Inc	873
Lyxor Core UK Government Bond (DR) UCITS ETF	408	Man GLG Absolute Value Fund CX Acc	773

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

† This investment is a related party.

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 3 Fund

Comparative Tables

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	67.11	59.58	62.10
Return before operating charges*	0.93	8.23	(1.79)
Operating charges#	(0.72)	(0.70)	(0.73)
Return after operating charges*	0.21	7.53	(2.52)
Distributions	(0.78)	(0.64)	(0.98)
Retained distributions on accumulation shares	0.78	0.64	0.98
Closing net asset value per share	67.32	67.11	59.58
* after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	0.31%	12.64%	(4.06)%
Other information			
Closing net asset value (£'000)	32,543	41,025	38,732
Closing number of shares	48,342,204	61,132,591	65,003,597
Operating charges#	1.03%	1.07%	1.14%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	70.91	67.86	66.28
Lowest share price	66.22	59.26	57.06

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 3 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	59.38	53.44	56.82
Return before operating charges*	0.84	7.37	(1.59)
Operating charges#	(0.63)	(0.63)	(0.67)
Return after operating charges*	0.21	6.74	(2.26)
Distributions on income shares	(0.94)	(0.80)	(1.12)
Closing net asset value per share	58.65	59.38	53.44
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	0.35%	12.61%	(3.98)%
Other information			
Closing net asset value (£'000)	2,106	2,214	2,237
Closing number of shares	3,591,136	3,728,665	4,185,651
Operating charges#	1.03%	1.08%	1.16%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	62.56	60.43	59.92
Lowest share price	57.89	53.14	51.57

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 3 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	66.48	58.99	61.61
Return before operating charges*	0.89	8.19	(1.73)
Operating charges#	(0.60)	(0.70)	(0.89)
Return after operating charges*	0.29	7.49	(2.62)
Distributions	(0.86)	(0.67)	(0.84)
Retained distributions on accumulation shares	0.86	0.67	0.84
Closing net asset value per share	66.77	66.48	58.99
*after direct transaction costs of:	0.01	0.01	0.01
Performance			
Return after charges	0.44%	12.70%	(4.25)%
Other information			
Closing net asset value (£'000)	115	123	101
Closing number of shares	172,069	185,188	170,593
Operating charges#	0.88%	1.09%	1.41%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	70.33	67.23	65.66
Lowest share price	65.68	58.68	56.50

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 3 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Accumulation			
Change in net assets per share			
Opening net asset value per share	53.03	47.04	50.00†
Return before operating charges*	0.72	6.49	(2.55)
Operating charges#	(0.51)	(0.50)	(0.41)
Return after operating charges*	0.21	5.99	(2.96)
Distributions	(0.67)	(0.54)	(0.74)
Retained distributions on accumulation shares	0.67	0.54	0.74
Closing net asset value per share	53.24	53.03	47.04
*after direct transaction costs of:	0.01	0.01	-
Performance			
Return after charges	0.40%	12.73%	(5.92)%
Other information			
Closing net asset value (£'000)	4,655	2,428	1,063
Closing number of shares	8,743,876	4,578,267	2,259,995
Operating charges#	0.94%	0.97%	1.02%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	56.06	53.59	52.33
Lowest share price	52.37	46.78	45.05

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Share Class S Accumulation was launched on 20 June 2019.

BMO MM Lifestyle 3 Fund

Statement of Total Return

for the year ended 31 March 2022

	Notes	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(211)		4,841
Revenue	3	871		814	
Expenses	4	(287)		(300)	
Interest payable and similar charges	6	-		-	
Net revenue before taxation		584		514	
Taxation	5	(86)		(69)	
Net revenue after taxation			498		445
Total return before distributions			287		5,286
Distributions	6		(508)		(457)
Change in net assets attributable to shareholders from investment activities			(221)		4,829

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2022

	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		45,790		42,133
Amounts receivable on creation of shares	5,384		6,041	
Amounts payable on cancellation of shares	(11,973)		(7,627)	
		(6,589)		(1,586)
Change in net assets attributable to shareholders from investment activities		(221)		4,829
Retained distribution on accumulation shares		439		414
Closing net assets attributable to shareholders		39,419		45,790

Notes to the Financial Statements are on pages 27 to 32.

BMO MM Lifestyle 3 Fund

Balance Sheet

as at 31 March 2022

	Notes	31/03/22 £000	31/03/21 £000
Assets			
Investments		30,964	38,143
Current assets			
Debtors	8	115	1,404
Cash and bank balances	9	8,547	7,609
Total assets		39,626	47,156
Liabilities			
Investment liabilities		-	(4)
Creditors			
Bank overdrafts		-	(23)
Distribution payable		(7)	(14)
Other creditors	10	(200)	(1,325)
Total liabilities		(207)	(1,366)
Net assets attributable to shareholders		39,419	45,790

Notes to the Financial Statements are on pages 27 to 32.

Notes to the Financial Statements

for the year ended 31 March 2022

1. Accounting policies

Please see pages 12 and 13 for accounting policies.

2. Net capital (losses)/gains

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

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Non-derivative securities*	(231)	5,166
Derivative contracts*	13	(368)
Forward foreign exchange currency contracts*	-	(4)
Currency gains*	2	34
Rebate of capital management fees from underlying investments	10	19
Handling charges	(5)	(6)
Net capital (losses)/gains	(211)	4,841

*Includes realised gains of £1,164,600 and unrealised losses of £1,380,370 (31/03/21: realised gains of £759,788 and unrealised gains of £4,068,342).

3. Revenue

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Overseas non-taxable revenue	1	1
Property revenue from UK REITs - PID	46	41
Property revenue from UK REITs - Non PID	3	23
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	81	102
Interest distributions	162	260
Offshore distribution taxable	461	283
Offshore distribution non-taxable	78	58
Bank interest	7	1
Rebate of revenue management fees from underlying investments	32	45
Total revenue	871	814

4. Expenses

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	214	226
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	8	8
Other expenses:		
Accounting & administration fees	19	19
Administration costs	12	12
AIMFD fee	15	17
Audit fee	15	15
KIID publication costs	1	-
Legal fee	-	1
Registrar's fees	3	2
Total expenses	287	300

Expenses include irrecoverable VAT where applicable.

The PricewaterhouseCoopers LLP audit fee for the year, exclusive of VAT, is £12,700 (31/03/21: £12,700).

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

5. Taxation

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
(a) Analysis of charge in year:		
Corporation tax	86	69
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:		
Net revenue before taxation	584	514
Corporation tax of 20% (2021: 20%)	117	103
Effects of:		
UK dividends*	(16)	(20)
Overseas non-taxable revenue*	(16)	(12)
Property revenue from UK REITs - Non PID	(1)	(5)
Rebated capital expenses deductible for tax purposes	2	3
Total tax charge for the year (note 5a)	86	69

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

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

(c) Deferred taxation:

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

6. Finance costs

Distributions and interest

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

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Interim dividend distributions	22	17
Final dividend distributions	446	428
	468	445
Add: Revenue deducted on cancellation of shares	69	49
Deduct: Revenue received on creation of shares	(29)	(37)
Net distributions for the year	508	457
Interest	-	-
Total finance costs	508	457

Details of the distributions per share are set out in the Distribution Tables on page 33.

7. Movement between net revenue and net distributions

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Net revenue after taxation	498	445
ACD's periodic charge taken to capital	10	11
Tax effect on ACD's periodic charge	(2)	(2)
Tax relief on ACD's periodic charge rebate	2	3
Net distributions for the year	508	457

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

8. Debtors

	31/03/22	31/03/21
	£000	£000
Sales awaiting settlement	-	1,291
Amounts receivable for issue of shares	49	96
Accrued revenue	61	5
Accrued ACD fee rebates	5	12
Total debtors	<u>115</u>	<u>1,404</u>

9. Cash and bank balances

	31/03/22	31/03/21
	£000	£000
Cash and bank balances	8,547	7,548
Amounts held at futures clearing houses and brokers	-	61
Total cash and bank balances	<u>8,547</u>	<u>7,609</u>

10. Other creditors

	31/03/22	31/03/21
	£000	£000
Purchases awaiting settlement	-	1,183
Amounts payable for cancellation of shares	65	16
Accrued expenses	33	37
Accrued ACD's periodic charge	16	19
Corporation tax payable	86	70
Total other creditors	<u>200</u>	<u>1,325</u>

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000	£000	£000
Equities	593	646	342	991
Collective Investment Schemes	13,209	28,432	20,690	35,097
Trades in the year before transaction costs	13,802	29,078	21,032	36,088
Commissions				
Equities	-	-	-	(1)
Collective Investment Schemes	2	2	(1)	(1)
Total commissions	2	2	(1)	(2)
Taxes				
Equities	2	1	-	-
Collective Investment Schemes	1	-	-	-
Total taxes	3	1	-	-
Total costs	5	3	(1)	(2)
Total net trades in the year after transaction costs	13,807	29,081	21,031	36,086

Futures have incurred broker commissions of £nil (31/03/21: £nil) and taxes of £nil (31/03/21: £nil).

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

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	%	%	%	%
Commissions				
Equities	-	-	-	0.10
Collective Investment Schemes	0.02	0.01	-	-
Taxes				
Equities	0.34	0.15	-	-
Collective Investment Schemes	0.01	-	-	-
Total transaction cost expressed as a percentage of average net asset value.				
	01/04/21 to 31/03/22	01/04/20 to 31/03/21		
		%		%
Commissions		0.01		0.01
Taxes		0.01		-
Total costs		0.02		0.01

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.04% (31/03/21: 0.03%).

12. Related party transactions

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

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

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus. No such transactions were entered into during the current year.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £nil (31/03/21: £31,500). The value of these investments held was £nil (31/03/21: £1,028,963).

for the year ended 31 March 2022

13. Shareholders' funds

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

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

	%
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.50
Share Class S - Accumulation:	0.40

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 21 to 24.

The distributions per share class are given in the Distribution Tables on page 33.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/21			31/03/22	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class B - Accumulation:	61,132,591	3,102,516	(15,892,903)	-	48,342,204
Share Class B - Income:	3,728,665	997,655	(1,135,184)	-	3,591,136
Share Class D - Accumulation:	185,188	1,441	(14,560)	-	172,069
Share Class S - Accumulation:	4,578,267	4,863,615	(698,006)	-	8,743,876

14. Capital commitments and contingent liabilities

On 31 March 2022, the Fund had no capital commitments (31/03/21: £nil) and no contingent liabilities (31/03/21: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 14 to 16.

Currency exposure

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

The Fund holds an insignificant Japanese yen and US dollar currency exposure at 31 March 2022 therefore a currency table has not been disclosed.

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £8.547m (31/03/21: holding £7.586m) is held in a floating rate deposit account. Interest is earned by reference to overnight benchmark rates for the following currencies : GBP (SONIA), USD (EFFR), EUR (€STR), CHF (SARON), and JPY (TONAR). For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2022 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2021.

Fair values of financial assets and liabilities

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

for the year ended 31 March 2022

16. Fair value

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

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

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

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

Valuation technique	31/03/22		31/03/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	9,812	-	6,916	(4)
Level 2	21,152	-	31,227	-
Total fair value	30,964	-	38,143	(4)

BMO MM Lifestyle 3 Fund

Distribution Tables

for the year ended 31 March 2022

Distribution in pence per share

Share Class B - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 0.7841	(p) -	(p) 0.7841	(p) 0.6354
Group 2 Final	(p) 0.4212	(p) 0.3629	(p) 0.7841	(p) 0.6354

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

31/12/21: Group 1: Shares purchased prior to 1 October 2021

31/03/22: Group 1: Shares purchased prior to 1 January 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1 30/09/21	(p) 0.4248	(p) -	(p) 0.4248	(p) 0.4201
Group 1 31/12/21	(p) 0.3168	(p) -	(p) 0.3168	(p) -
Group 1 Final	(p) 0.1973	(p) -	(p) 0.1973	(p) 0.3783
Group 2 30/09/21	(p) 0.1651	(p) 0.2597	(p) 0.4248	(p) 0.4201
Group 2 31/12/21	(p) 0.1044	(p) 0.2124	(p) 0.3168	(p) -
Group 2 Final	(p) 0.0808	(p) 0.1165	(p) 0.1973	(p) 0.3783

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 December 2021

Group 2: Shares purchased from 1 January 2022 to 31 March 2022

Share Class D - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 0.8631	(p) -	(p) 0.8631	(p) 0.6654
Group 2 Final	(p) 0.1152	(p) 0.7479	(p) 0.8631	(p) 0.6654

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class S - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 0.6666	(p) -	(p) 0.6666	(p) 0.5396
Group 2 Final	(p) 0.3146	(p) 0.3520	(p) 0.6666	(p) 0.5396

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Authorised Corporate Director's Investment Report

for the year ended 31 March 2022

Fund Objective

The Fund aims to deliver capital growth with some income.

The Fund invests at least 70% in collective investment schemes (which may include schemes operated by the ACD) to obtain indirect exposure to a wide range of asset classes.

The investment manager uses a strategic asset allocation model that is matched to a specific target risk and volatility band (the volatility band is supplied by external provider). However, the Fund remains actively managed and the allocation to particular asset classes or geographies may vary over time at the investment manager's discretion.

To reflect the risk profile of the Fund, around 80% of the Fund's exposure through collective investment schemes will be divided between equities and bonds.

The Fund's equity exposure will be to UK and global equities. The bond exposure will be to UK corporate and government bonds, as well as global corporate and high yield bonds. The remaining exposure will be to property and cash.

To the extent that the Fund is not fully invested as set out above, it may also invest in other transferable securities, other collective investment schemes, money market instruments, deposits, cash and near cash. Derivatives may be used for the purposes of efficient portfolio management only.

Synthetic Risk and Reward Indicator

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

The most recent value of the SRRI for the Fund was 4, published on 26 January 2022. From the most recent review it has been determined that this is still appropriate.

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

Fund manager	Rob Burdett and Gary Potter
Fund size	£250.0 million
Launch date	30 March 2007

Manager's Review

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

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

Overall asset allocation changes were relatively muted over the period, we trimmed the fixed interest exposure, largely adding to cash for the time being. We increased property exposure, which offers some inflation protection from rental cashflows. The portfolios ended the period underweight equities, credit and government bonds against their strategic asset allocations. Offsetting this, the portfolios remain overweight absolute return funds, and cash temporarily.

In terms of underlying fund holdings, we introduced the TM Tellworth UK Select Fund to the portfolio to increase and diversify the absolute return exposure. This move retains a high weighting to active management whilst allowing for a reduction to directional market exposure. In order to increase scope for outperformance (driven by manager stock selection and sector allocation) within the UK exposure, we introduced the Mirabaud UK Equity High Alpha Fund to complement existing positions. In order to increase the diversification of our European holdings, we added Berenberg European Small Cap to the portfolios. Actively managed by Peter Kraus, this small cap fund focuses on high quality companies with long term structural growth drivers. We sold Tokio Marine Japanese Equity Focus following a portfolio manager change and switched into a new position in the JK Japan Fund. After a period of approximately 7 years of being invested, we took the decision to sell Man GLG Undervalued Assets following a bounce in performance. We remain invested with the value team at Man GLG via positions in the Absolute Value Fund, which adopts a similar process on the long positions within the portfolio.

Having undertaken a thorough review of the fixed income space over the summer, we took the decision to exit our long-held position in the Legg Mason WA Macro Opportunities Bond Fund. Whilst the opportunity set in traditional corporate bond investing remains scant at best, there are still some opportunities in broader areas of the fixed income market. With unprecedented bifurcation in central bank policy and economic performance across the globe, it felt timely to introduce the Allianz Strategic Bond Fund run by Mike Riddell. We introduced a new position within the US Fund selections via Pzena US Large Cap Value Fund. The Fund is a value strategy centred on stocks trading in the cheapest quintile, or 20%, of the US market.

for the year ended 31 March 2022

The current environment of higher inflation and tightening central bank policy isn't an attractive one for fixed interest assets and as such we're happy to maintain our duration underweight in this environment. Whilst we're not outrightly bearish on the outlook for equities, we are becoming more concerned about the impact of inflation on both consumer behaviour and company profit margins – this set against a backdrop of tightening financial conditions and conflict in Ukraine means that the direction of travel for us is likely to become more cautious in the weeks and months ahead.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 4 Fund rose by 1.8%.

All returns in sterling and on a total return basis.

BMO Fund Management Limited

27 April 2022

BMO MM Lifestyle 4 Fund

Portfolio Statement

as at 31 March 2022

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (10.04%*)		42,711	17.09
iShares Core FTSE 100 UCITS ETF	1,039,027	7,728	3.09
iShares Core Global Aggregate Bond UCITS ETF	2,690,150	9,964	3.99
iShares Core S&P 500 UCITS ETF	35,280	12,671	5.07
iShares USD TIPS UCITS ETF	1,350,040	7,416	2.97
Lyxor Core UK Government Bond (DR) UCITS ETF	37,987	4,932	1.97
INVESTMENT TRUSTS (2.22%*)		9,254	3.70
LXI REIT #	2,962,547	4,420	1.77
Supermarket Income REIT #	3,791,438	4,834	1.93
OFFSHORE INVESTMENT COMPANIES (30.48%*)		81,100	32.44
Allianz Strategic Bond W6 H2	70,022	6,029	2.41
Barings Emerging Markets Debt Blended Total Return Fund A Acc	57,549	6,750	2.70
Berenberg European Small Cap I Acc EUR	19,300	2,287	0.91
Darwin Leisure Property Fund M Inc **	2,573,598	4,772	1.91
Eastspring Japan Dynamic Fund CG Acc	184,443	3,019	1.21
Federated Hermes Asia Ex-Japan Equity Fund F Acc	864,500	2,698	1.08
JK Japan Fund Acc JPY	34,429	3,436	1.37
Majedie Asset Management US Equity Fund Z Acc	3,505,941	11,077	4.43
Mirabaud UK Equity High Alpha S3 Acc	48,154	5,028	2.01
Montanaro UK Income Fund	3,080,000	3,776	1.51
Polar Capital European EX UK Income Fund X Inc	637,633	6,370	2.55
Pzena US Large Cap Value Fund A Acc USD	7,521	1,870	0.75
Spyglass US Growth Fund UCITS F Acc USD	340,500	3,797	1.52
TT Asia EX Japan Equity Fund A2 Acc USD	341,595	2,842	1.14
TwentyFour Corporate Bond Fund I Inc	180,940	17,349	6.94
OPEN ENDED INVESTMENT COMPANIES (46.30%*)		80,484	32.20
Allianz Index-Linked Gilt Fund E Inc	11,578,453	12,975	5.19
Artemis US Select Fund I Acc	2,294,792	7,360	2.94
Baillie Gifford Japanese Fund B Acc	157,720	3,069	1.23
ES River and Mercantile UK Recovery Fund S Inc	2,387,113	6,700	2.68
Fidelity Asia Pacific Opportunities Fund W Acc	2,140,752	6,281	2.51
Janus Henderson Strategic Bond Fund I Inc	9,099,406	12,202	4.88
LF Lindsell Train UK Equity Fund Acc	1,829,418	8,906	3.56
Man GLG Absolute Value Fund CX Acc	4,653,276	6,138	2.46
Premier Miton European Opportunities Fund B Acc	623,000	1,813	0.73
TM Redwheel UK Equity Income L Inc	5,817,000	6,166	2.47
TM Tellworth UK Select Fund F Acc	4,970,000	6,044	2.42
TM Tellworth UK Smaller Companies Fund F Acc	2,021,789	2,830	1.13
DERIVATIVES (-0.01%*)		-	-
Portfolio of investments		213,549	85.43
Net other assets		36,419	14.57
Total net assets		249,968	100.00

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

* Comparative figures shown in brackets relate to 31 March 2021.

** Unlisted investments.

Real Estate Investment Trust.

BMO MM Lifestyle 4 Fund

Material Portfolio Changes

for the year ended 31 March 2022

	Cost		Proceeds
	£000		£000
Major purchases		Major sales	
iShares Core S&P 500 UCITS ETF	17,772	Invesco S&P 500 UCITS ETF	13,551
iShares Core Global Aggregate Bond UCITS ETF	11,372	Schroder Sterling Corporate Bond Z Inc	11,508
iShares Core FTSE 100 UCITS ETF	10,677	BMO FTSE All-Share Tracker Fund 4 Inc †	10,022
Allianz Strategic Bond W6 H2	6,867	M&G Global Macro Bond Fund PP Inc	9,794
S&P 500 E Mini Index Futures June 2021	6,504	Man GLG Undervalued Assets Fund D Inc	8,169
TM Tellworth UK Select Fund F Acc	5,678	iShares Core S&P 500 UCITS ETF	7,643
Mirabaud UK Equity High Alpha S3 Acc	5,596	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	7,335
JK Japan Fund Acc JPY	3,714	Allianz Index-Linked Gilt Fund E Inc	4,843
Lyxor Core UK Government Bond (DR) UCITS ETF	3,411	Man GLG Absolute Value Fund CX Acc	4,594
LF Lindsell Train UK Equity Fund Acc	3,234	Tokio Marine Japanese Equity Focus Fund D JPY	4,454

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

† This investment is a related party.

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 4 Fund

Comparative Tables

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	145.06	121.07	131.34
Return before operating charges*	4.44	26.69	(7.42)
Operating charges#	(3.01)	(2.70)	(2.85)
Return after operating charges*	1.43	23.99	(10.27)
Distributions	(0.57)	(0.36)	(0.98)
Retained distributions on accumulation shares	0.57	0.36	0.98
Closing net asset value per share	146.49	145.06	121.07
*after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	0.99%	19.81%	(7.82)%
Other information			
Closing net asset value (£'000)	12,531	13,497	13,912
Closing number of shares	8,554,245	9,304,606	11,490,456
Operating charges#	2.00%	1.98%	2.10%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	154.50	146.00	140.90
Lowest share price	141.80	120.20	115.60

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class A - Income			
Change in net assets per share			
Opening net asset value per share	135.52	114.79	127.00
Return before operating charges*	4.15	25.16	(6.93)
Operating charges#	(2.65)	(2.57)	(3.19)
Return after operating charges*	1.50	22.59	(10.12)
Distributions on income shares	(2.31)	(1.86)	(2.09)
Closing net asset value per share	134.71	135.52	114.79
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	1.11%	19.68%	(7.97)%
Other information			
Closing net asset value (£'000)	145	207	316
Closing number of shares	107,831	152,858	275,582
Operating charges#	1.90%	2.01%	2.45%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	143.40	136.80	134.20
Lowest share price	130.90	113.90	110.00

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	85.30	70.63	75.98
Return before operating charges*	2.42	15.45	(4.51)
Operating charges#	(0.89)	(0.78)	(0.84)
Return after operating charges*	1.53	14.67	(5.35)
Distributions	(1.04)	(0.85)	(1.23)
Retained distributions on accumulation shares	1.04	0.85	1.23
Closing net asset value per share	86.83	85.30	70.63
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	1.79%	20.77%	(7.04)%
Other information			
Closing net asset value (£'000)	189,413	223,148	209,792
Closing number of shares	218,154,329	261,616,076	297,043,450
Operating charges#	1.01%	0.98%	1.06%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	91.35	85.80	82.09
Lowest share price	84.00	70.11	67.42

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	174.63	146.71	161.10
Return before operating charges*	5.03	31.97	(9.36)
Operating charges#	(1.82)	(1.62)	(1.78)
Return after operating charges*	3.21	30.35	(11.14)
Distributions on income shares	(2.85)	(2.43)	(3.25)
Closing net asset value per share	174.99	174.63	146.71
*after direct transaction costs of:	0.03	0.02	0.01
Performance			
Return after charges	1.84%	20.69%	(6.91)%
Other information			
Closing net asset value (£'000)	28,389	30,412	28,711
Closing number of shares	16,223,590	17,414,520	19,570,057
Operating charges#	1.01%	0.98%	1.08%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	186.00	176.70	172.10
Lowest share price	170.00	145.60	141.30

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	86.22	71.36	76.94
Return before operating charges*	2.44	15.68	(4.54)
Operating charges#	(0.87)	(0.82)	(1.04)
Return after operating charges*	1.57	14.86	(5.58)
Distributions	(1.08)	(0.89)	(1.07)
Retained distributions on accumulation shares	1.08	0.89	1.07
Closing net asset value per share	87.79	86.22	71.36
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	1.82%	20.82%	(7.25)%
Other information			
Closing net asset value (£'000)	531	544	456
Closing number of shares	605,277	631,127	638,719
Operating charges#	0.97%	1.02%	1.31%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	92.36	86.72	82.96
Lowest share price	84.94	70.84	68.12

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Accumulation			
Change in net assets per share			
Opening net asset value per share	54.98	45.49	50.00†
Return before operating charges*	1.55	9.95	(4.13)
Operating charges#	(0.52)	(0.46)	(0.38)
Return after operating charges*	1.03	9.49	(4.51)
Distributions	(0.72)	(0.59)	(0.74)
Retained distributions on accumulation shares	0.72	0.59	0.74
Closing net asset value per share	56.01	54.98	45.49
*after direct transaction costs of:	0.01	0.01	-
Performance			
Return after charges	1.87%	20.86%	(9.02)%
Other information			
Closing net asset value (£'000)	18,946	12,143	6,917
Closing number of shares	33,826,439	22,086,818	15,205,478
Operating charges#	0.91%	0.88%	0.94%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	58.91	55.30	52.87
Lowest share price	54.19	45.15	43.42

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Share Class S Accumulation was launched on 20 June 2019.

BMO MM Lifestyle 4 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Income			
Change in net assets per share			
Opening net asset value per share	55.13	45.50	50.00†
Return before operating charges*	1.78	9.92	(4.26)
Operating charges#	(0.51)	(0.29)	(0.24)
Return after operating charges*	1.27	9.63	(4.50)
Distributions on income shares	(2.54)	-	-
Closing net asset value per share	53.86	55.13	45.50
*after direct transaction costs of:	0.01	0.01	-
Performance			
Return after charges	2.30%	21.16%	(9.00)%
Other information			
Closing net asset value (£'000)	13	-	-
Closing number of shares	24,191	298	298
Operating charges#	0.90%	0.55%	0.61%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	83.94	55.44	52.88
Lowest share price	52.53	45.19	43.43

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Net asset value of Share Class S Income as at 31/03/21 and 31/03/20 was less than £500.

Share Class S Income was launched on 20 June 2019.

BMO MM Lifestyle 4 Fund

Statement of Total Return

for the year ended 31 March 2022

	Notes	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
		£000	£000	£000	£000
Income					
Net capital gains	2		2,447		49,837
Revenue	3	5,149		5,022	
Expenses	4	(1,673)		(1,760)	
Interest payable and similar charges	6	(2)		(2)	
Net revenue before taxation		3,474		3,260	
Taxation	5	(357)		(346)	
Net revenue after taxation			3,117		2,914
Total return before distributions			5,564		52,751
Distributions	6		(3,269)		(3,096)
Change in net assets attributable to shareholders from investment activities			2,295		49,655

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2022

	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		279,951		260,104
Amounts receivable on creation of shares	15,157		16,883	
Amounts payable on cancellation of shares	(50,014)		(49,095)	
		(34,857)		(32,212)
Change in net assets attributable to shareholders from investment activities		2,295		49,655
Retained distribution on accumulation shares		2,579		2,404
Closing net assets attributable to shareholders		249,968		279,951

Notes to the Financial Statements are on pages 47 to 52.

BMO MM Lifestyle 4 Fund

Balance Sheet

as at 31 March 2022

	Notes	31/03/22 £000	31/03/21 £000
Assets			
Investments		213,549	249,273
Current assets			
Debtors	8	1,380	14,172
Cash and bank balances	9	38,558	32,925
Total assets		253,487	296,370
Liabilities			
Investment liabilities		-	(31)
Provisions for liabilities	10	(1)	-
Creditors			
Bank overdrafts		-	(53)
Distribution payable		(118)	(186)
Other creditors	11	(3,400)	(16,149)
Total liabilities		(3,519)	(16,419)
Net assets attributable to shareholders		249,968	279,951

Notes to the Financial Statements are on pages 47 to 52.

Notes to the Financial Statements

for the year ended 31 March 2022

1. Accounting policies

Please see pages 12 and 13 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Non-derivative securities*	2,314	51,360
Derivative contracts*	42	(1,825)
Forward foreign exchange currency contracts*	-	(15)
Currency (losses)/gains*	(38)	72
Rebate of capital management fees from underlying investments	134	250
Handling charges	(5)	(5)
Net capital gains	<u>2,447</u>	<u>49,837</u>

*Includes realised gains of £12,593,172 and unrealised losses of £10,274,923 (31/03/21: realised gains of £8,122,629 and unrealised gains of £41,469,843).

3. Revenue

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Overseas taxable revenue	2	(3)
Overseas non-taxable revenue	7	(3)
Property revenue from UK REITs - PID	286	258
Property revenue from UK REITs - Non PID	21	154
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	670	878
Interest distributions	996	1,499
Offshore distribution taxable	1,794	1,212
Offshore distribution non-taxable	1,128	751
Bank interest	30	6
Interest on amounts held at futures clearing houses and brokers*	-	(1)
Rebate of revenue management fees from underlying investments	215	271
Total revenue	<u>5,149</u>	<u>5,022</u>

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

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

4. Expenses

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,484	1,561
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	49	51
Safe custody fees	1	1
	50	52
Other expenses:		
Accounting & administration fees	42	46
Administration costs	50	53
AIMFD fee	15	17
Audit fee	15	15
KIID publication costs	2	1
Registrar's fees	15	15
	139	147
Total expenses	1,673	1,760

Expenses include irrecoverable VAT where applicable.

The PricewaterhouseCoopers LLP audit fee for the year, exclusive of VAT, is £12,700 (31/03/21: £12,700).

5. Taxation

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
(a) Analysis of charge in year:		
Corporation tax	356	346
Deferred taxation	1	-
Total tax charge for the year (note 5b)	357	346
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:		
Net revenue before taxation	3,474	3,260
Corporation tax of 20% (2021: 20%)	695	652
Effects of:		
UK dividends*	(134)	(175)
Overseas non-taxable revenue*	(227)	(150)
Property revenue from UK REITs - Non PID	(4)	(31)
Rebated capital expenses deductible for tax purposes	27	50
Total tax charge for the year (note 5a)	357	346
<i>*As an authorised OEIC these items are not subject to corporation tax. UK dividends comprise franked investment income.</i>		
<i>Open Ended Investment Companies are exempt from tax on capital gains, subject to certain exceptions. Therefore, any capital return is not included within the above reconciliation.</i>		
(c) Deferred taxation:		
Provision at the start of the year	-	-
Deferred tax charge in profit and loss account for the year (note 5a)	1	-
Provision at the end of the year	1	-
Provision consists of:		
Revenue taxable in different periods	1	-
Provision at the end of the year	1	-

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

6. Finance costs**Distributions and interest**

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

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Interim dividend distributions	360	260
Final dividend distributions	2,697	2,590
	<u>3,057</u>	<u>2,850</u>
Add: Revenue deducted on cancellation of shares	300	331
Deduct: Revenue received on creation of shares	(88)	(85)
Net distributions for the year	<u>3,269</u>	<u>3,096</u>
Bank interest	2	2
Total finance costs	<u>3,271</u>	<u>3,098</u>

Details of the distributions per share are set out in the Distribution Tables on pages 53 to 54.

7. Movement between net revenue and net distributions

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Net revenue after taxation	3,117	2,914
ACD's periodic charge taken to capital	156	159
Tax effect on ACD's periodic charge	(31)	(32)
Tax relief on ACD's periodic charge rebate	27	50
Net revenue received on share class conversions	-	5
Net distributions for the year	<u>3,269</u>	<u>3,096</u>

8. Debtors

	31/03/22	31/03/21
	£000	£000
Sales awaiting settlement	866	13,964
Amounts receivable for issue of shares	80	74
Accrued revenue	377	44
Accrued ACD fee rebates	57	90
Total debtors	<u>1,380</u>	<u>14,172</u>

9. Cash and bank balances

	31/03/22	31/03/21
	£000	£000
Cash and bank balances	38,558	32,434
Amounts held at futures clearing houses and brokers	-	491
Total cash and bank balances	<u>38,558</u>	<u>32,925</u>

10. Provisions for liabilities

	31/03/22	31/03/21
	£000	£000
Deferred taxation	1	-
Total provisions for liabilities	<u>1</u>	<u>-</u>

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

11. Other creditors

	31/03/22	31/03/21
	£000	£000
Purchases awaiting settlement	1,617	14,578
Amounts payable for cancellation of shares	1,418	1,205
Accrued expenses	49	60
Accrued ACD's periodic charge	115	130
Corporation tax payable	201	176
Total other creditors	<u>3,400</u>	<u>16,149</u>

12. Portfolio transaction costs

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000	£000	£000
Equities	3,612	3,869	1,828	7,105
Collective Investment Schemes	82,582	164,345	123,801	211,640
Trades in the year before transaction costs	<u>86,194</u>	<u>168,214</u>	<u>125,629</u>	<u>218,745</u>
Commissions				
Equities	2	-	(1)	(4)
Collective Investment Schemes	12	12	(9)	(10)
Total commissions	<u>14</u>	<u>12</u>	<u>(10)</u>	<u>(14)</u>
Taxes				
Equities	14	3	-	-
Collective Investment Schemes	11	-	-	(2)
Total taxes	<u>25</u>	<u>3</u>	<u>-</u>	<u>(2)</u>
Total costs	<u>39</u>	<u>15</u>	<u>(10)</u>	<u>(16)</u>
Total net trades in the year after transaction costs	<u>86,233</u>	<u>168,229</u>	<u>125,619</u>	<u>218,729</u>

Futures have incurred broker commissions of £nil (31/03/21: £nil) and taxes of £nil (31/03/21: £nil).

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

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	%	%	%	%
Commissions				
Equities	0.06	-	0.05	0.06
Collective Investment Schemes	0.01	0.01	0.01	-
Taxes				
Equities	0.39	0.08	-	-
Collective Investment Schemes	0.01	-	-	-

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

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	%	%
Commissions	0.01	0.01
Taxes	0.01	-
Total costs	<u>0.02</u>	<u>0.01</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.03% (31/03/21: 0.02%).

for the year ended 31 March 2022

13. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 11 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management are disclosed in note 4 and amounts due at the end of the year in note 11.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus. No such transactions were entered into during the current year.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £nil (31/03/21: £274,877). The value of these investments held was £nil (31/03/21: £9,679,799).

14. Shareholders' funds

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

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

	%
Share Class A - Accumulation:	1.50
Share Class A - Income:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.50
Share Class S - Accumulation:	0.40
Share Class S - Income:	0.40

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 38 to 44.

The distributions per share class are given in the Distribution Tables on pages 53 to 54.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/21			31/03/22	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation:	9,304,606	360,744	(1,084,315)	(26,790)	8,554,245
Share Class A - Income:	152,858	165	(45,192)	-	107,831
Share Class B - Accumulation:	261,616,076	4,238,102	(47,504,916)	(194,933)	218,154,329
Share Class B - Income:	17,414,520	2,202,766	(3,393,696)	-	16,223,590
Share Class D - Accumulation:	631,127	-	(25,850)	-	605,277
Share Class S - Accumulation:	22,086,818	12,263,976	(896,786)	372,431	33,826,439
Share Class S - Income:	298	23,893	-	-	24,191

15. Capital commitments and contingent liabilities

On 31 March 2022, the Fund had no capital commitments (31/03/21: £nil) and no contingent liabilities (31/03/21: £nil).

for the year ended 31 March 2022

16. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 14 to 16.

Currency exposure

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

The Fund holds an insignificant Euro, Japanese yen and US dollar currency exposure at 31 March 2022 therefore a currency table has not been disclosed.

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £38.558m (31/03/21: holding £32.872m) is held in a floating rate deposit account. Interest is earned by reference to overnight benchmark rates for the following currencies : GBP (SONIA), USD (EFFR), EUR (€STR), CHF (SARON), and JPY (TONAR). For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2022 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2021.

Fair values of financial assets and liabilities

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

17. Non Adjusting Post Balance Sheet Event

Subsequent to the balance sheet date, below share classes experienced the following redemptions, as a result of market uncertainty due to COVID19.

Share Class A - Income: -15.70%

No adjustment is required to the amounts recognised at the year end date.

18. Fair value

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

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

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

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

Valuation technique	31/03/22		31/03/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	51,965	-	34,317	(31)
Level 2	161,584	-	214,956	-
Total fair value	213,549	-	249,273	(31)

BMO MM Lifestyle 4 Fund

Distribution Tables

for the year ended 31 March 2022

Distribution in pence per share

Share Class A - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 0.5732	(p) -	(p) 0.5732	(p) 0.3613
Group 2 Final	(p) 0.1334	(p) 0.4398	(p) 0.5732	(p) 0.3613

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class A - Income

30/06/21: Group 1: Shares purchased prior to 1 April 2021

30/09/21: Group 1: Shares purchased prior to 1 July 2021

31/12/21: Group 1: Shares purchased prior to 1 October 2021

31/03/22: Group 1: Shares purchased prior to 1 January 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1 30/06/21	(p) 0.5010	(p) -	(p) 0.5010	(p) 0.4206
30/09/21	0.7103	-	0.7103	0.6297
31/12/21	0.5401	-	0.5401	0.4832
Final	0.5571	-	0.5571	0.3271
Group 2 30/06/21	(p) 0.1628	(p) 0.3382	(p) 0.5010	(p) 0.4206
30/09/21	0.0640	0.6463	0.7103	0.6297
31/12/21	0.1473	0.3928	0.5401	0.4832
Final	0.1988	0.3583	0.5571	0.3271

Group 2: Shares purchased from 1 April 2021 to 30 June 2021

Group 2: Shares purchased from 1 July 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 December 2021

Group 2: Shares purchased from 1 January 2022 to 31 March 2022

Share Class B - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 1.0449	(p) -	(p) 1.0449	(p) 0.8543
Group 2 Final	(p) 0.4587	(p) 0.5862	(p) 1.0449	(p) 0.8543

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

31/12/21: Group 1: Shares purchased prior to 1 October 2021

31/03/22: Group 1: Shares purchased prior to 1 January 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1 30/09/21	(p) 1.4301	(p) -	(p) 1.4301	(p) 1.3649
31/12/21	0.6996	-	0.6996	-
Final	0.7222	-	0.7222	1.0641
Group 2 30/09/21	(p) 0.8402	(p) 0.5899	(p) 1.4301	(p) 1.3649
31/12/21	0.2306	0.4690	0.6996	-
Final	0.2644	0.4578	0.7222	1.0641

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 December 2021

Group 2: Shares purchased from 1 January 2022 to 31 March 2022

BMO MM Lifestyle 4 Fund

Distribution Tables

(continued)

for the year ended 31 March 2022

Share Class D - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	1.0821	-	1.0821	0.8916
Group 2	(p)	(p)	(p)	(p)
Final	1.0821	-	1.0821	0.8916

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class S - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	0.7204	-	0.7204	0.5897
Group 2	(p)	(p)	(p)	(p)
Final	0.3137	0.4067	0.7204	0.5897

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class S - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

31/03/22: Group 1: Shares purchased prior to 1 October 2021

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
30/09/21	2.1018	-	2.1018	-
Final	0.4395	-	0.4395	-
Group 2	(p)	(p)	(p)	(p)
30/09/21	-	2.1018	2.1018	-
Final	0.4395	-	0.4395	-

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 March 2022

Authorised Corporate Director's Investment Report

for the year ended 31 March 2022

Fund Objective

The Fund aims to deliver capital growth with some income.

The Fund invests at least 70% in collective investment schemes (which may include schemes operated by the ACD) to obtain indirect exposure to a wide range of asset classes.

The investment manager uses a strategic asset allocation model that is matched to a specific target risk and volatility band (the volatility band is supplied by external provider). However, the Fund remains actively managed and the allocation to particular asset classes or geographies may vary over time at the investment manager's discretion.

To reflect the risk profile of the Fund, around 60% of the Fund's exposure through collective investment schemes will be to UK and global equities including emerging markets.

The remaining exposure will be to UK corporate and government bonds, as well as global corporate and high yield bonds.

To the extent that the Fund is not fully invested as set out above, it may also invest in other transferable securities, other collective investment schemes, money market instruments, deposits, cash and near cash. Derivatives may be used for the purposes of efficient portfolio management only.

Synthetic Risk and Reward Indicator

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

The most recent value of the SRRI for the Fund was 4, published on 26 January 2022. From the most recent review it has been determined that this is still appropriate.

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

Fund manager	Rob Burdett and Gary Potter
Fund size	£396.6 million
Launch date	30 March 2007

Manager's Review

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

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

Overall asset allocation changes were relatively muted over the period, we trimmed the fixed interest exposure, largely adding to cash for the time being. We increased property exposure, which offers some inflation protection from rental cashflows. The portfolios ended the period underweight equities, credit and government bonds against their strategic asset allocations. Offsetting this, the portfolios remain overweight absolute return funds, and cash temporarily.

In terms of underlying fund holdings, we introduced the TM Tellworth UK Select Fund to the portfolio to increase and diversify the absolute return exposure. This move retains a high weighting to active management whilst allowing for a reduction to directional market exposure. In order to increase scope for outperformance (driven by manager stock selection and sector allocation) within the UK exposure, we introduced the Mirabaud UK Equity High Alpha Fund to complement existing positions. In order to increase the diversification of our European holdings, we added Berenberg European Small Cap to the portfolios. Actively managed by Peter Kraus, this small cap fund focuses on high quality companies with long term structural growth drivers. We sold Tokio Marine Japanese Equity Focus following a portfolio manager change and switched into a new position in the JK Japan Fund. We switched our Robeco Emerging Stars holding into Schroder ISF Emerging Markets Value. In terms of style, both funds have a value bias, but we see higher alpha potential in the Schroder ISF Emerging Markets Value Fund going forward. After a period of approximately 7 years of being invested, we took the decision to sell Man GLG Undervalued Assets following a bounce in performance. We remain invested with the value team at Man GLG via positions in the Absolute Value Fund, which adopts a similar process on the long positions within the portfolio.

for the year ended 31 March 2022

Having undertaken a thorough review of the fixed income space over the summer, we took the decision to exit our long-held position in the Legg Mason WA Macro Opportunities Bond Fund. Whilst the opportunity set in traditional corporate bond investing remains scant at best, there are still some opportunities in broader areas of the fixed income market. With unprecedented bifurcation in central bank policy and economic performance across the globe, it felt timely to introduce the Allianz Strategic Bond Fund run by Mike Riddell. In October, we took part in a capital raise and added Supermarket Income REIT. The REIT invests in omni-channel supermarket real estate assets, with long and inflation linked leases which provides the cashflows with some protection should we see more sustained inflation in the UK. We introduced a new position within the US fund selections via Pzena US Large Cap Value Fund. The Fund is a value strategy centred on stocks trading in the cheapest quintile, or 20%, of the US market. We used the weakness in Chinese equities as an entry point to introduce a small position in our first dedicated China equity fund to the portfolios via the T. Rowe Price China Evolution Equity Fund. Whilst the news flow around enforced covid lockdowns in China has worsened, we believe the long-term growth opportunity in the region remains attractive – we expect to build this position gradually over time.

The current environment of higher inflation and tightening central bank policy isn't an attractive one for fixed interest assets and as such we're happy to maintain our duration underweight in this environment. Whilst we're not outrightly bearish on the outlook for equities, we are becoming more concerned about the impact of inflation on both consumer behaviour and company profit margins – this set against a backdrop of tightening financial conditions and conflict in Ukraine means that the direction of travel for us is likely to become more cautious in the weeks and months ahead.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 5 Fund rose by 3.4%.

All returns in sterling and on a total return basis.

BMO Fund Management Limited

27 April 2022

BMO MM Lifestyle 5 Fund

Portfolio Statement

as at 31 March 2022

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (11.58%*)		69,052	17.42
iShares Core FTSE 100 UCITS ETF	2,680,228	19,936	5.03
iShares Core Global Aggregate Bond UCITS ETF	1,530,400	5,668	1.43
iShares Core S&P 500 UCITS ETF	82,930	29,784	7.51
iShares USD TIPS UCITS ETF	1,413,002	7,762	1.96
Lyxor Core UK Government Bond (DR) UCITS ETF	45,453	5,902	1.49
INVESTMENT TRUSTS (1.14%*)		15,410	3.88
LXI REIT #	5,248,159	7,830	1.97
Supermarket Income REIT #	5,945,512	7,580	1.91
OFFSHORE INVESTMENT COMPANIES (32.49%*)		132,513	33.40
Allianz Strategic Bond W6 H2	88,373	7,609	1.92
Berenberg European Small Cap I Acc EUR	29,780	3,529	0.89
Darwin Leisure Property Fund M Inc **	3,836,370	7,114	1.79
Eastspring Japan Dynamic Fund CG Acc	319,217	5,225	1.32
Federated Hermes Asia Ex-Japan Equity Fund F Acc	1,321,325	4,124	1.04
JK Japan Fund Acc JPY	70,934	7,079	1.77
Majedie Asset Management US Equity Fund Z Acc	8,074,254	25,511	6.43
Mirabaud UK Equity High Alpha S3 Acc	111,988	11,694	2.95
Montanaro UK Income Fund	5,315,000	6,516	1.64
Polar Capital European EX UK Income Fund X Inc	1,102,119	11,010	2.78
Pzena US Large Cap Value Fund A Acc USD	11,844	2,944	0.74
Schroder Emerging Markets Value IZ Acc USD	38,886	4,465	1.13
Spyglass US Growth Fund UCITS F Acc USD	754,750	8,416	2.12
T. Rowe Price China Evolution Equity Fund Q9	429,527	2,507	0.63
TT Asia EX Japan Equity Fund A2 Acc USD	541,522	4,506	1.14
TT Emerging Markets Unconstrained Fund A1 Inc USD	381,400	5,078	1.28
TwentyFour Corporate Bond Fund I Inc	158,387	15,186	3.83
OPEN ENDED INVESTMENT COMPANIES (46.36%*)		130,623	32.94
Allianz Index-Linked Gilt Fund E Inc	9,053,700	10,146	2.56
Artemis US Select Fund I Acc	5,619,900	18,024	4.54
Baillie Gifford Japanese Fund B Acc	291,789	5,678	1.43
ES River and Mercantile UK Recovery Fund S Inc	5,822,309	16,341	4.12
Fidelity Asia Pacific Opportunities Fund W Acc	3,346,855	9,820	2.48
Janus Henderson Strategic Bond Fund I Inc	8,525,700	11,433	2.88
LF Lindsell Train UK Equity Fund Acc	3,705,004	18,036	4.55
Man GLG Absolute Value Fund CX Acc	6,965,029	9,187	2.32
Premier Miton European Opportunities Fund B Acc	956,750	2,784	0.70
TM Redwheel UK Equity Income L Inc	13,153,000	13,942	3.52
TM Tellworth UK Select Fund F Acc	7,375,000	8,969	2.26
TM Tellworth UK Smaller Companies Fund F Acc	4,474,422	6,263	1.58

BMO MM Lifestyle 5 Fund

Portfolio Statement

(continued)

as at 31 March 2022

	Holdings	Market Value £000	Total Net Assets %
UNIT TRUSTS (1.92%*)		4,885	1.23
iShares Emerging Markets Equity Index Fund UK D Acc	2,595,640	4,885	1.23
DERIVATIVES (-0.01%*)		-	-
Portfolio of investments		352,483	88.87
Net other assets		44,137	11.13
Total net assets		396,620	100.00

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

* Comparative figures shown in brackets relate to 31 March 2021.

** Unlisted investments.

Real Estate Investment Trust.

BMO MM Lifestyle 5 Fund

Material Portfolio Changes

for the year ended 31 March 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
iShares Core S&P 500 UCITS ETF	39,192	Invesco S&P 500 UCITS ETF	31,143
iShares Core FTSE 100 UCITS ETF	23,069	BMO FTSE All-Share Tracker Fund 4 Inc †	21,977
Mirabaud UK Equity High Alpha S3 Acc	12,992	Man GLG Undervalued Assets Fund D Inc	15,702
S&P 500 E Mini Index Futures June 2021	9,670	iShares Core S&P 500 UCITS ETF	15,261
Allianz Strategic Bond W6 H2	9,569	Schroder Sterling Corporate Bond Z Inc	14,988
TM Tellworth UK Select Fund F Acc	8,428	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	9,948
JK Japan Fund Acc JPY	7,694	Tokio Marine Japanese Equity Focus Fund D JPY	7,730
Supermarket Income REIT #	6,980	Janus Henderson Strategic Bond Fund I Inc	7,244
iShares Core Global Aggregate Bond UCITS ETF	6,247	TwentyFour Corporate Bond Fund I Inc	6,307
Lyxor Core UK Government Bond (DR) UCITS ETF	5,118	Lyxor Core UK Government Bond (DR) UCITS ETF	6,098

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

Real Estate Investment Trust.

† This investment is a related party.

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 5 Fund

Comparative Tables

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	174.27	137.09	153.30
Return before operating charges*	8.13	40.35	(12.86)
Operating charges#	(3.63)	(3.17)	(3.35)
Return after operating charges*	4.50	37.18	(16.21)
Distributions	(0.61)	(0.39)	(1.18)
Retained distributions on accumulation shares	0.61	0.39	1.18
Closing net asset value per share	178.77	174.27	137.09
*after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	2.58%	27.12%	(10.57)%
Other information			
Closing net asset value (£'000)	14,315	15,546	17,038
Closing number of shares	8,007,306	8,920,831	12,428,265
Operating charges#	2.00%	2.00%	2.11%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	187.70	175.60	166.90
Lowest share price	170.00	135.80	131.20

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	93.09	72.64	80.58
Return before operating charges*	4.15	21.30	(7.03)
Operating charges#	(0.98)	(0.85)	(0.91)
Return after operating charges*	3.17	20.45	(7.94)
Distributions	(1.10)	(0.89)	(1.30)
Retained distributions on accumulation shares	1.10	0.89	1.30
Closing net asset value per share	96.26	93.09	72.64
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	3.41%	28.15%	(9.85)%
Other information			
Closing net asset value (£'000)	304,344	340,323	296,572
Closing number of shares	316,161,830	365,584,524	408,256,707
Operating charges#	1.01%	1.00%	1.09%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	100.80	93.69	88.32
Lowest share price	91.51	72.00	69.50

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	196.04	155.18	175.76
Return before operating charges*	8.79	45.29	(15.06)
Operating charges#	(2.05)	(1.80)	(1.98)
Return after operating charges*	6.74	43.49	(17.04)
Distributions on income shares	(3.12)	(2.63)	(3.54)
Closing net asset value per share	199.66	196.04	155.18
*after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	3.44%	28.03%	(9.70)%
Other information			
Closing net asset value (£'000)	41,747	40,530	36,233
Closing number of shares	20,908,434	20,673,619	23,349,058
Operating charges#	1.01%	1.00%	1.09%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	210.60	198.50	190.60
Lowest share price	190.50	153.70	150.00

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	94.16	73.47	81.66
Return before operating charges*	4.19	21.60	(7.05)
Operating charges#	(0.86)	(0.91)	(1.14)
Return after operating charges*	3.33	20.69	(8.19)
Distributions	(1.23)	(0.91)	(1.15)
Retained distributions on accumulation shares	1.23	0.91	1.15
Closing net asset value per share	97.49	94.16	73.47
*after direct transaction costs of:	0.02	0.01	0.01
Performance			
Return after charges	3.54%	28.16%	(10.03)%
Other information			
Closing net asset value (£'000)	207	188	162
Closing number of shares	212,349	199,307	219,526
Operating charges#	0.87%	1.06%	1.35%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	102.10	94.79	89.32
Lowest share price	92.67	72.79	70.26

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Accumulation			
Change in net assets per share			
Opening net asset value per share	56.43	44.00	50.00†
Return before operating charges*	2.50	12.89	(5.61)
Operating charges#	(0.53)	(0.46)	(0.39)
Return after operating charges*	1.97	12.43	(6.00)
Distributions	(0.72)	(0.58)	(0.72)
Retained distributions on accumulation shares	0.72	0.58	0.72
Closing net asset value per share	58.40	56.43	44.00
*after direct transaction costs of:	0.01	0.01	-
Performance			
Return after charges	3.49%	28.25%	(12.00)%
Other information			
Closing net asset value (£'000)	35,802	21,911	8,816
Closing number of shares	61,309,138	38,832,344	20,038,338
Operating charges#	0.91%	0.90%	0.97%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	61.11	56.79	53.48
Lowest share price	55.51	43.61	42.09

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Share Class S Accumulation was launched on 20 June 2019.

BMO MM Lifestyle 5 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Income			
Change in net assets per share			
Opening net asset value per share	54.82	44.03	50.00†
Return before operating charges*	2.44	12.79	(5.70)
Operating charges#	(0.50)	(0.49)	(0.27)
Return after operating charges*	1.94	12.30	(5.97)
Distributions on income shares	(0.89)	(1.51)	-
Closing net asset value per share	55.87	54.82	44.03
*after direct transaction costs of:	0.01	0.01	-
Performance			
Return after charges	3.54%	27.94%	(11.94)%
Other information			
Closing net asset value (£'000)	205	211	-
Closing number of shares	366,994	385,406	299
Operating charges#	0.87%	0.95%	0.66%
Direct transaction costs	0.02%	0.01%	0.01%
Prices			
Highest share price	58.92	55.49	53.53
Lowest share price	53.52	43.66	42.13

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Net asset value of Share Class S Income as at 31/03/20 was less than £500.

Share Class S Income was launched on 20 June 2019.

BMO MM Lifestyle 5 Fund

Statement of Total Return

for the year ended 31 March 2022

	Notes	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
		£000	£000	£000	£000
Income					
Net capital gains	2		9,652		94,511
Revenue	3	7,288		6,834	
Expenses	4	(2,449)		(2,426)	
Interest payable and similar charges	6	(1)		(3)	
Net revenue before taxation		4,838		4,405	
Taxation	5	(242)		(262)	
Net revenue after taxation			4,596		4,143
Total return before distributions			14,248		98,654
Distributions	6		(4,808)		(4,367)
Change in net assets attributable to shareholders from investment activities			9,440		94,287

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2022

	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		418,709		358,821
Amounts receivable on creation of shares	35,914		32,049	
Amounts payable on cancellation of shares	(71,412)		(69,978)	
		(35,498)		(37,929)
Change in net assets attributable to shareholders from investment activities		9,440		94,287
Retained distribution on accumulation shares		3,969		3,529
Unclaimed distributions		-		1
Closing net assets attributable to shareholders		396,620		418,709

Notes to the Financial Statements are on pages 68 to 74.

BMO MM Lifestyle 5 Fund

Balance Sheet

as at 31 March 2022

	Notes	31/03/22 £000	31/03/21 £000
Assets			
Investments		352,483	391,453
Current assets			
Debtors	8	3,108	32,190
Cash and bank balances	9	44,309	28,053
Total assets		399,900	451,696
Liabilities			
Investment liabilities		-	(43)
Provisions for liabilities	10	(1)	-
Creditors			
Bank overdrafts		-	(83)
Distribution payable		(158)	(242)
Other creditors	11	(3,121)	(32,619)
Total liabilities		(3,280)	(32,987)
Net assets attributable to shareholders		396,620	418,709

Notes to the Financial Statements are on pages 68 to 74.

Notes to the Financial Statements

for the year ended 31 March 2022

1. Accounting policies

Please see pages 12 and 13 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Non-derivative securities*	9,433	96,564
Derivative contracts*	97	(2,325)
Currency losses*	(77)	(9)
Rebate of capital management fees from underlying investments	205	287
Handling charges	(6)	(6)
Net capital gains	<u>9,652</u>	<u>94,511</u>

*Includes realised gains of £21,766,612 and unrealised losses of £12,313,658 (31/03/21: realised gains of £14,688,912 and unrealised gains of £79,541,128).

3. Revenue

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Overseas taxable revenue	1	(11)
Overseas non-taxable revenue	15	(8)
Property revenue from UK REITs - PID	302	208
Property revenue from UK REITs - Non PID	-	306
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	1,604	1,700
Unfranked investment income	-	11
Interest distributions	997	1,810
Offshore distribution taxable	1,596	958
Offshore distribution non-taxable	2,287	1,381
Bank interest	36	5
Interest on amounts held at futures clearing houses and brokers*	(1)	(1)
Rebate of revenue management fees from underlying investments	451	475
Total revenue	<u>7,288</u>	<u>6,834</u>

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

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

4. Expenses

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	2,218	2,197
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	75	73
Safe custody fees	2	2
	77	75
Other expenses:		
Accounting & administration fees	32	32
Administration costs	74	73
AIMFD fee	15	17
Audit fee	15	15
KIID publication costs	2	1
Registrar's fees	16	16
	154	154
Total expenses	2,449	2,426

Expenses include irrecoverable VAT where applicable.

The PricewaterhouseCoopers LLP audit fee for the year, exclusive of VAT, is £12,700 (31/03/21: £12,700).

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

5. Taxation

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
(a) Analysis of charge in year:		
Corporation tax	226	262
Adjustments in respect of prior years	15	-
Deferred taxation	1	-
Total tax charge for the year (note 5b)	<u>242</u>	<u>262</u>

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

Net revenue before taxation	4,838	4,405
Corporation tax of 20% (2021: 20%)	968	881
Effects of:		
UK dividends*	(321)	(340)
Overseas non-taxable revenue*	(461)	(275)
Property revenue from UK REITs - Non PID	-	(61)
Rebated capital expenses deductible for tax purposes	41	57
Adjustments in respect of prior years	15	-
Total tax charge for the year (note 5a)	<u>242</u>	<u>262</u>

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

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

(c) Deferred taxation:

Provision at the start of the year	-	-
Deferred tax charge in profit and loss account for the year (note 5a)	1	-
Provision at the end of the year	<u>1</u>	<u>-</u>
Provision consists of:		
Revenue taxable in different periods	1	-
Provision at the end of the year	<u>1</u>	<u>-</u>

6. Finance costs

Distributions and interest

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

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Interim dividend distributions	487	325
Final dividend distributions	4,126	3,772
	<u>4,613</u>	<u>4,097</u>
Add: Revenue deducted on cancellation of shares	390	449
Deduct: Revenue received on creation of shares	(195)	(179)
Net distributions for the year	<u>4,808</u>	<u>4,367</u>
Bank interest	1	3
Total finance costs	<u>4,809</u>	<u>4,370</u>

Details of the distributions per share are set out in the Distribution Tables on pages 75 to 76.

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

7. Movement between net revenue and net distributions

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Net revenue after taxation	4,596	4,143
ACD's periodic charge taken to capital	212	200
Tax effect on ACD's periodic charge	(42)	(40)
Tax relief on ACD's periodic charge rebate	41	57
Net revenue received on share class conversions	1	7
	<u>4,808</u>	<u>4,367</u>

8. Debtors

	31/03/22	31/03/21
	£000	£000
Sales awaiting settlement	2,069	31,467
Amounts receivable for issue of shares	650	488
Accrued revenue	278	83
Accrued ACD fee rebates	111	150
Income tax recoverable	-	2
Total debtors	<u>3,108</u>	<u>32,190</u>

9. Cash and bank balances

	31/03/22	31/03/21
	£000	£000
Cash and bank balances	44,309	27,322
Amounts held at futures clearing houses and brokers	-	731
Total cash and bank balances	<u>44,309</u>	<u>28,053</u>

10. Provisions for liabilities

	31/03/22	31/03/21
	£000	£000
Deferred taxation	1	-
Total provisions for liabilities	<u>1</u>	<u>-</u>

11. Other creditors

	31/03/22	31/03/21
	£000	£000
Purchases awaiting settlement	2,551	30,580
Amounts payable for cancellation of shares	165	1,637
Accrued expenses	70	69
Accrued ACD's periodic charge	174	190
Corporation tax payable	161	143
Total other creditors	<u>3,121</u>	<u>32,619</u>

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

12. Portfolio transaction costs

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000	£000	£000
Equities	10,920	1,502	1,874	9,312
Collective Investment Schemes	149,481	227,059	208,871	273,044
Trades in the year before transaction costs	160,401	228,561	210,745	282,356
Commissions				
Equities	3	1	(1)	(6)
Collective Investment Schemes	19	18	(16)	(14)
Total commissions	22	19	(17)	(20)
Taxes				
Equities	30	5	-	-
Collective Investment Schemes	17	-	-	(4)
Total taxes	47	5	-	(4)
Total costs	69	24	(17)	(24)
Total net trades in the year after transaction costs	160,470	228,585	210,728	282,332

Futures have incurred broker commissions of £nil (31/03/21: £nil) and taxes of £nil (31/03/21: £nil).

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

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	%	%	%	%
Commissions				
Equities	0.03	0.07	0.05	0.06
Collective Investment Schemes	0.01	0.01	0.01	0.01
Taxes				
Equities	0.27	0.33	-	-
Collective Investment Schemes	0.01	-	-	-
Total transaction cost expressed as a percentage of average net asset value.				
		01/04/21 to 31/03/22		01/04/20 to 31/03/21
		%		%
Commissions		0.01		0.01
Taxes		0.01		-
Total costs		0.02		0.01

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.03% (31/03/21: 0.02%).

13. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 11 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management are disclosed in note 4 and amounts due at the end of the year in note 11.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus. No such transactions were entered into during the current year.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £nil (31/03/21: £501,771). The value of these investments held was £nil (31/03/21: £21,187,462).

for the year ended 31 March 2022

14. Shareholders' funds

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

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

	%
Share Class A - Accumulation:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.50
Share Class S - Accumulation:	0.40
Share Class S - Income:	0.40

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 60 to 65.

The distributions per share class are given in the Distribution Tables on pages 75 to 76.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/21			31/03/22	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation:	8,920,831	3,558,762	(4,308,122)	(164,165)	8,007,306
Share Class B - Accumulation:	365,584,524	10,040,600	(59,417,768)	(45,526)	316,161,830
Share Class B - Income:	20,673,619	3,096,581	(2,861,766)	-	20,908,434
Share Class D - Accumulation:	199,307	82,865	(45,601)	(24,222)	212,349
Share Class S - Accumulation:	38,832,344	22,854,549	(997,627)	619,872	61,309,138
Share Class S - Income:	385,406	-	(18,412)	-	366,994

15. Capital commitments and contingent liabilities

On 31 March 2022, the Fund had no capital commitments (31/03/21: £nil) and no contingent liabilities (31/03/21: £nil).

16. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 14 to 16.

Currency exposure

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

The Fund holds an insignificant Euro, Japanese yen and US dollar currency exposure at 31 March 2022 therefore a currency table has not been disclosed.

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £44.309m (31/03/21: holding £27.970m) is held in a floating rate deposit account. Interest is earned by reference to overnight benchmark rates for the following currencies : GBP (SONIA), USD (EFFR), EUR (€STR), CHF (SARON), and JPY (TONAR). For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2022 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2021.

Fair values of financial assets and liabilities

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

for the year ended 31 March 2022

17. Non Adjusting Post Balance Sheet Event

Subsequent to the balance sheet date, below share classes experienced the following redemptions, as a result of market uncertainty due to COVID19.

Share Class D - Accumulation: -27.36%

No adjustment is required to the amounts recognised at the year end date.

18. Fair value

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

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

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

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

Valuation technique	31/03/22		31/03/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	84,462	-	53,263	(43)
Level 2	268,021	-	338,190	-
Total fair value	352,483	-	391,453	(43)

BMO MM Lifestyle 5 Fund

Distribution Tables

for the year ended 31 March 2022

Distribution in pence per share

Share Class A - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	0.6082	-	0.6082	0.3931
Group 2	(p)	(p)	(p)	(p)
Final	0.2460	0.3622	0.6082	0.3931

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	1.1003	-	1.1003	0.8938
Group 2	(p)	(p)	(p)	(p)
Final	0.5098	0.5905	1.1003	0.8938

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

31/12/21: Group 1: Shares purchased prior to 1 October 2021

31/03/22: Group 1: Shares purchased prior to 1 January 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
30/09/21	1.5650	-	1.5650	1.4603
31/12/21	0.8116	-	0.8116	-
Final	0.7457	-	0.7457	1.1666
Group 2	(p)	(p)	(p)	(p)
30/09/21	0.7488	0.8162	1.5650	1.4603
31/12/21	0.4024	0.4092	0.8116	-
Final	0.2477	0.4980	0.7457	1.1666

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 December 2021

Group 2: Shares purchased from 1 January 2022 to 31 March 2022

Share Class D - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	1.2348	-	1.2348	0.9098
Group 2	(p)	(p)	(p)	(p)
Final	0.1961	1.0387	1.2348	0.9098

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Distribution Tables

(continued)

for the year ended 31 March 2022

Share Class S - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	0.7152	-	0.7152	0.5791
Group 2	(p)	(p)	(p)	(p)
Final	0.2967	0.4185	0.7152	0.5791

Share Class S - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

31/03/22: Group 1: Shares purchased prior to 1 October 2021

Group 2: Shares purchased from 1 October 2021 to 31 March 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
30/09/21	0.4543	-	0.4543	1.1964
Final	0.4366	-	0.4366	0.3128
Group 2	(p)	(p)	(p)	(p)
30/09/21	0.4543	-	0.4543	1.1964
Final	0.4366	-	0.4366	0.3128

Authorised Corporate Director's Investment Report

for the year ended 31 March 2022

Fund Objective

The Fund aims to deliver capital growth with some income.

The Fund invests at least 70% in collective investment schemes (which may include schemes operated by the ACD) to obtain indirect exposure to a wide range of asset classes.

The investment manager uses a strategic asset allocation model that is matched to a specific target risk and volatility band (the volatility band is supplied by external provider). However, the Fund remains actively managed and the allocation to particular asset classes or geographies may vary over time at the investment manager's discretion.

To reflect the risk profile of the Fund, around 70% of the Fund's exposure through collective investment schemes will be to UK and global equities, including emerging markets.

The remaining exposure will be to UK corporate and government bonds, global high yield bonds and property.

To the extent that the Fund is not fully invested as set out above, it may also invest in other transferable securities, other collective investment schemes, money market instruments, deposits, cash and near cash. Derivatives may be used for the purposes of efficient portfolio management only.

Synthetic Risk and Reward Indicator

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

The most recent value of the SRRI for the Fund was 5, published on 26 January 2022. From the most recent review it has been determined that this is still appropriate.

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

Fund manager	Rob Burdett and Gary Potter
Fund size	£243.3 million
Launch date	30 March 2007

Manager's Review

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

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

Overall asset allocation changes were relatively muted over the period, we trimmed the fixed interest exposure, largely adding to cash for the time being. We increased property exposure, which offers some inflation protection from rental cashflows. The portfolios ended the period underweight equities, credit and government bonds against their strategic asset allocations. Offsetting this, the portfolios remain overweight absolute return funds, and cash temporarily.

In terms of underlying fund holdings, we introduced the TM Tellworth UK Select Fund to the portfolio to increase and diversify the absolute return exposure. This move retains a high weighting to active management whilst allowing for a reduction to directional market exposure. In order to increase scope for outperformance (driven by manager stock selection and sector allocation) within the UK exposure, we introduced the Mirabaud UK Equity High Alpha Fund to complement existing positions. In order to increase the diversification of our European holdings, we added Berenberg European Small Cap to the portfolios. Actively managed by Peter Kraus, this small cap fund focuses on high quality companies with long term structural growth drivers. We sold Tokio Marine Japanese Equity Focus following a portfolio manager change and switched into a new position in the JK Japan Fund. We switched our Robeco Emerging Stars holding into Schroder ISF Emerging Markets Value. In terms of style, both funds have a value bias, but we see higher alpha potential in the Schroder ISF Emerging Markets Value Fund going forward. After a period of approximately 7 years of being invested, we took the decision to sell Man GLG Undervalued Assets following a bounce in performance. We remain invested with the value team at Man GLG via positions in the Absolute Value Fund, which adopts a similar process on the long positions within the portfolio.

for the year ended 31 March 2022

Having undertaken a thorough review of the fixed income space over the summer, we took the decision to exit our long-held position in the Legg Mason WA Macro Opportunities Bond Fund. Whilst the opportunity set in traditional corporate bond investing remains scant at best, there are still some opportunities in broader areas of the fixed income market. With unprecedented bifurcation in central bank policy and economic performance across the globe, it felt timely to introduce the Allianz Strategic Bond Fund run by Mike Riddell. In October, we took part in a capital raise and added Supermarket Income REIT. The REIT invests in omni-channel supermarket real estate assets, with long and inflation linked leases which provides the cashflows with some protection should we see more sustained inflation in the UK. We introduced a new position within the US fund selections via Pzena US Large Cap Value Fund. The Fund is a value strategy centred on stocks trading in the cheapest quintile, or 20%, of the US market. We have added a small position of the recently launched CRUX Asia Ex-Japan Fund into the portfolios to further diversify our Asian equity allocation. While this Fund is a new offering to the market, the manager is very experienced with a strong track record of investing in high growth businesses across the region. We used the weakness in Chinese equities as an entry point to introduce a small position in our first dedicated China equity fund to the portfolios via the T. Rowe Price China Evolution Equity Fund. Whilst the news flow around enforced covid lockdowns in China has worsened, we believe the long-term growth opportunity in the region remains attractive – we expect to build this position gradually over time.

The current environment of higher inflation and tightening central bank policy isn't an attractive one for fixed interest assets and as such we're happy to maintain our duration underweight in this environment. Whilst we're not outrightly bearish on the outlook for equities, we are becoming more concerned about the impact of inflation on both consumer behaviour and company profit margins – this set against a backdrop of tightening financial conditions and conflict in Ukraine means that the direction of travel for us is likely to become more cautious in the weeks and months ahead.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 6 Fund rose by 2.6%.

All returns in sterling and on a total return basis.

BMO Fund Management Limited
27 April 2022

BMO MM Lifestyle 6 Fund

Portfolio Statement

as at 31 March 2022

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (7.15%*)		28,617	11.76
iShares Core FTSE 100 UCITS ETF	1,587,046	11,805	4.85
iShares Core S&P 500 UCITS ETF	46,810	16,812	6.91
INVESTMENT TRUSTS (1.14%*)		9,438	3.88
LXI REIT #	3,217,267	4,800	1.97
Supermarket Income REIT #	3,637,866	4,638	1.91
OFFSHORE INVESTMENT COMPANIES (38.69%*)		102,763	42.24
Allianz Strategic Bond W6 H2	92,365	7,953	3.27
Berenberg European Small Cap I Acc EUR	17,600	2,086	0.86
CRUX Asia ex-Japan Fund F Acc	41,166	3,533	1.45
Darwin Leisure Property Fund M Inc **	2,442,178	4,529	1.86
Eastspring Japan Dynamic Fund CG Acc	259,831	4,253	1.75
Federated Hermes Asia Ex-Japan Equity Fund F Acc	1,849,875	5,773	2.37
JK Japan Fund Acc JPY	58,640	5,852	2.40
Majedie Asset Management US Equity Fund Z Acc	5,028,258	15,887	6.53
Mirabaud UK Equity High Alpha S3 Acc	62,163	6,491	2.67
Montanaro UK Income Fund	3,630,000	4,450	1.83
Polar Capital European EX UK Income Fund X Inc	614,742	6,141	2.52
Pzena US Large Cap Value Fund A Acc USD	7,225	1,796	0.74
Schroder Emerging Markets Value IZ Acc USD	58,445	6,711	2.76
Spyglass US Growth Fund UCITS F Acc USD	494,600	5,515	2.27
T. Rowe Price China Evolution Equity Fund Q9	392,291	2,289	0.94
TT Asia EX Japan Equity Fund A2 Acc USD	668,374	5,562	2.29
TT Emerging Markets Unconstrained Fund A1 Inc USD	516,998	6,883	2.83
TwentyFour Corporate Bond Fund I Inc	73,627	7,059	2.90
OPEN ENDED INVESTMENT COMPANIES (42.32%*)		77,967	32.03
Artemis US Select Fund I Acc	3,176,470	10,187	4.19
Baillie Gifford Japanese Fund B Acc	211,679	4,119	1.69
ES River and Mercantile UK Recovery Fund S Inc	3,645,990	10,233	4.21
Fidelity Asia Pacific Opportunities Fund W Acc	3,452,505	10,130	4.16
Janus Henderson Strategic Bond Fund I Inc	4,287,100	5,749	2.36
LF Lindsell Train UK Equity Fund Acc	2,396,358	11,666	4.79
Man GLG Absolute Value Fund CX Acc	4,383,489	5,782	2.38
Premier Miton European Opportunities Fund B Acc	797,500	2,321	0.95
TM Redwheel UK Equity Income L Inc	7,787,000	8,254	3.39
TM Tellworth UK Select Fund F Acc	4,645,000	5,649	2.32
TM Tellworth UK Smaller Companies Fund F Acc	2,769,640	3,877	1.59
UNIT TRUSTS (3.59%*)		8,502	3.49
iShares Emerging Markets Equity Index Fund UK D Acc	4,517,513	8,502	3.49
DERIVATIVES (-0.01%*)		-	-
Portfolio of investments		227,287	93.40
Net other assets		16,053	6.60
Total net assets		243,340	100.00

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

* Comparative figures shown in brackets relate to 31 March 2021.

** Unlisted investments.

Real Estate Investment Trust.

BMO MM Lifestyle 6 Fund

Material Portfolio Changes

for the year ended 31 March 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
iShares Core S&P 500 UCITS ETF	23,618	Invesco S&P 500 UCITS ETF	18,763
iShares Core FTSE 100 UCITS ETF	14,986	BMO FTSE All-Share Tracker Fund 4 Inc †	13,799
Allianz Strategic Bond W6 H2	9,167	iShares Core S&P 500 UCITS ETF	10,460
Mirabaud UK Equity High Alpha S3 Acc	7,218	Legg Mason Western Asset Macro Opportunities Bond Fund A Acc	10,133
Schroder Emerging Markets Value IZ Acc USD	6,366	Man GLG Undervalued Assets Fund D Inc	9,784
JK Japan Fund Acc JPY	6,332	Robeco Emerging Stars Equities IL	6,698
TM Tellworth UK Select Fund F Acc	5,308	Schroder Sterling Corporate Bond Z Inc	6,564
CRUX Asia ex-Japan Fund F Acc	4,300	Tokio Marine Japanese Equity Focus Fund D JPY	6,031
Supermarket Income REIT #	4,266	Polar Capital European EX UK Income Fund X Inc	4,244
Fidelity Asia Pacific Opportunities Fund W Acc	3,544	Fidelity Asia Pacific Opportunities Fund W Acc	4,218

Real Estate Investment Trust.

† This investment is a related party.

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 6 Fund

Comparative Tables

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	189.43	142.70	165.20
Return before operating charges*	7.47	50.20	(18.79)
Operating charges#	(4.09)	(3.47)	(3.71)
Return after operating charges*	3.38	46.73	(22.50)
Distributions	(0.65)	(0.57)	(1.69)
Retained distributions on accumulation shares	0.65	0.57	1.69
Closing net asset value per share	192.81	189.43	142.70
*after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	1.78%	32.75%	(13.62)%
Other information			
Closing net asset value (£'000)	24,277	26,270	24,377
Closing number of shares	12,591,044	13,868,292	17,083,028
Operating charges#	2.08%	2.04%	2.17%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	204.20	191.80	181.60
Lowest share price	181.70	141.50	135.90

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	98.03	73.31	84.32
Return before operating charges*	3.66	25.64	(10.01)
Operating charges#	(1.11)	(0.92)	(1.00)
Return after operating charges*	2.55	24.72	(11.01)
Distributions	(1.15)	(0.95)	(1.42)
Retained distributions on accumulation shares	1.15	0.95	1.42
Closing net asset value per share	100.58	98.03	73.31
*after direct transaction costs of:	0.02	0.01	-
Performance			
Return after charges	2.60%	33.72%	(13.06)%
Other information			
Closing net asset value (£'000)	165,659	188,186	163,038
Closing number of shares	164,701,637	191,961,747	222,383,623
Operating charges#	1.08%	1.05%	1.15%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	106.20	99.19	93.12
Lowest share price	94.74	72.57	69.78

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	211.40	160.40	188.56
Return before operating charges*	7.80	55.83	(21.97)
Operating charges#	(2.37)	(2.00)	(2.26)
Return after operating charges*	5.43	53.83	(24.23)
Distributions on income shares	(3.20)	(2.83)	(3.93)
Closing net asset value per share	213.63	211.40	160.40
*after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	2.57%	33.56%	(12.85)%
Other information			
Closing net asset value (£'000)	21,726	23,764	21,506
Closing number of shares	10,170,148	11,241,235	13,407,493
Operating charges#	1.08%	1.05%	1.16%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	227.20	215.20	205.80
Lowest share price	201.90	158.70	154.20

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	100.32	74.99	86.41
Return before operating charges*	3.73	26.30	(10.17)
Operating charges#	(1.10)	(0.97)	(1.25)
Return after operating charges*	2.63	25.33	(11.42)
Distributions	(1.20)	(1.00)	(1.28)
Retained distributions on accumulation shares	1.20	1.00	1.28
Closing net asset value per share	102.95	100.32	74.99
*after direct transaction costs of:	0.02	0.01	-
Performance			
Return after charges	2.62%	33.78%	(13.22)%
Other information			
Closing net asset value (£'000)	660	694	536
Closing number of shares	640,822	691,871	714,825
Operating charges#	1.06%	1.08%	1.40%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	108.70	101.50	95.28
Lowest share price	96.97	74.23	71.37

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Accumulation			
Change in net assets per share			
Opening net asset value per share	56.74	42.40	50.00†
Return before operating charges*	2.10	14.83	(7.19)
Operating charges#	(0.58)	(0.49)	(0.41)
Return after operating charges*	1.52	14.34	(7.60)
Distributions	(0.71)	(0.58)	(0.75)
Retained distributions on accumulation shares	0.71	0.58	0.75
Closing net asset value per share	58.26	56.74	42.40
*after direct transaction costs of:	0.01	-	-
Performance			
Return after charges	2.68%	33.82%	(15.20)%
Other information			
Closing net asset value (£'000)	30,903	18,194	6,663
Closing number of shares	53,040,067	32,064,910	15,715,722
Operating charges#	0.99%	0.95%	1.02%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	61.50	57.40	53.84
Lowest share price	54.88	41.97	40.35

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Share Class S Accumulation was launched on 20 June 2019.

BMO MM Lifestyle 6 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Income			
Change in net assets per share			
Opening net asset value per share	54.86	41.60	50.00†
Return before operating charges*	2.00	14.47	(6.73)
Operating charges#	(0.50)	(0.51)	(0.87)
Return after operating charges*	1.50	13.96	(7.60)
Distributions on income shares	(0.88)	(0.70)	(0.80)
Closing net asset value per share	55.48	54.86	41.60
*after direct transaction costs of:	0.01	-	-
Performance			
Return after charges	2.73%	33.56%	(15.20)%
Other information			
Closing net asset value (£'000)	115	98	80
Closing number of shares	207,856	178,506	191,756
Operating charges#	0.88%	1.03%	3.17%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	59.01	55.82	53.84
Lowest share price	52.65	41.14	40.37

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Share Class S Income was launched on 20 June 2019.

BMO MM Lifestyle 6 Fund

Statement of Total Return

for the year ended 31 March 2022

	Notes	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
		£000	£000	£000	£000
Income					
Net capital gains	2		4,112		68,114
Revenue	3	4,403		4,209	
Expenses	4	(1,692)		(1,663)	
Interest payable and similar charges	6	-		(2)	
Net revenue before taxation		2,711		2,544	
Taxation	5	(9)		(66)	
Net revenue after taxation			2,702		2,478
Total return before distributions			6,814		70,592
Distributions	6		(2,825)		(2,625)
Change in net assets attributable to shareholders from investment activities			3,989		67,967

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2022

	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		257,206		216,200
Amounts receivable on creation of shares	26,382		23,085	
Amounts payable on cancellation of shares	(46,601)		(52,135)	
		(20,219)		(29,050)
Change in net assets attributable to shareholders from investment activities		3,989		67,967
Retained distribution on accumulation shares		2,364		2,089
Closing net assets attributable to shareholders		243,340		257,206

Notes to the Financial Statements are on pages 89 to 95.

BMO MM Lifestyle 6 Fund

Balance Sheet

as at 31 March 2022

	Notes	31/03/22 £000	31/03/21 £000
Assets			
Investments		227,287	238,913
Current assets			
Debtors	8	2,260	18,897
Cash and bank balances	9	15,879	19,548
Total assets		245,426	277,358
Liabilities			
Investment liabilities		-	(16)
Provisions for liabilities	10	(1)	-
Creditors			
Bank overdrafts		-	(29)
Distribution payable		(78)	(143)
Other creditors	11	(2,007)	(19,964)
Total liabilities		(2,086)	(20,152)
Net assets attributable to shareholders		243,340	257,206

Notes to the Financial Statements are on pages 89 to 95.

Notes to the Financial Statements

for the year ended 31 March 2022

1. Accounting policies

Please see pages 12 and 13 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Non-derivative securities*	3,902	69,225
Derivative contracts*	131	(1,360)
Currency (losses)/gains*	(50)	28
Rebate of capital management fees from underlying investments	133	226
Handling charges	(4)	(5)
Net capital gains	<u>4,112</u>	<u>68,114</u>

*Includes realised gains of £15,669,280 and unrealised losses of £11,686,569 (31/03/21: realised gains of £7,127,750 and unrealised gains of £60,765,678).

3. Revenue

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Overseas taxable revenue	-	(7)
Overseas non-taxable revenue	10	(3)
Property revenue from UK REITs - PID	187	189
Property revenue from UK REITs - Non PID	-	138
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	1,138	1,258
Unfranked investment income	-	36
Interest distributions	309	614
Offshore distribution taxable	755	593
Offshore distribution non-taxable	1,653	1,032
Bank interest	13	2
Interest on amounts held at futures clearing houses and brokers*	-	(1)
Rebate of revenue management fees from underlying investments	338	358
Total revenue	<u>4,403</u>	<u>4,209</u>

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

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

4. Expenses

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,519	1,493
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	46	45
Safe custody fees	1	1
	<u>47</u>	<u>46</u>
Other expenses:		
Accounting & administration fees	33	32
Administration costs	48	46
AIMFD fee	15	17
Audit fee	15	15
KIID publication costs	-	1
Price publication costs	2	-
Registrar's fees	13	13
	<u>126</u>	<u>124</u>
Total expenses	<u>1,692</u>	<u>1,663</u>

Expenses include irrecoverable VAT where applicable.

The PricewaterhouseCoopers LLP audit fee for the year, exclusive of VAT, is £12,700 (31/03/21: £12,700).

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

5. Taxation

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
(a) Analysis of charge in year:		
Corporation tax	8	66
Deferred taxation	1	-
Total tax charge for the year (note 5b)	<u>9</u>	<u>66</u>

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

Net revenue before taxation	2,711	2,544
Corporation tax of 20% (2021: 20%)	542	509
Effects of:		
UK dividends*	(228)	(251)
Overseas non-taxable revenue*	(332)	(206)
Movement in excess management expenses	-	(13)
Expenses not deductible for tax purposes	-	10
Property revenue from UK REITs - Non PID	-	(28)
Rebated capital expenses deductible for tax purposes	27	45
Total tax charge for the year (note 5a)	<u>9</u>	<u>66</u>

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

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

(c) Deferred taxation:

Provision at the start of the year	-	-
Deferred tax charge in profit and loss account for the year (note 5a)	1	-
Provision at the end of the year	<u>1</u>	<u>-</u>
Provision consists of:		
Revenue taxable in different periods	1	-
Provision at the end of the year	<u>1</u>	<u>-</u>

6. Finance costs

Distributions and interest

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

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Interim dividend distributions	277	190
Final dividend distributions	2,441	2,233
	<u>2,718</u>	<u>2,423</u>
Add: Revenue deducted on cancellation of shares	264	320
Deduct: Revenue received on creation of shares	(157)	(118)
Net distributions for the year	<u>2,825</u>	<u>2,625</u>
Bank interest	-	2
Total finance costs	<u>2,825</u>	<u>2,627</u>

Details of the distributions per share are set out in the Distribution Tables on pages 96 to 97.

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

7. Movement between net revenue and net distributions

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Net revenue after taxation	2,702	2,478
ACD's periodic charge taken to capital	119	119
Tax effect on ACD's periodic charge	(24)	(24)
Tax relief on ACD's periodic charge rebate	27	45
Net revenue received on share class conversions	1	7
Net distributions for the year	<u>2,825</u>	<u>2,625</u>

8. Debtors

	31/03/22	31/03/21
	£000	£000
Sales awaiting settlement	1,555	18,227
Amounts receivable for issue of shares	609	494
Accrued revenue	10	56
Accrued ACD fee rebates	79	109
Corporation tax recoverable	7	-
Income tax recoverable	-	11
Total debtors	<u>2,260</u>	<u>18,897</u>

9. Cash and bank balances

	31/03/22	31/03/21
	£000	£000
Cash and bank balances	15,879	19,316
Amounts held at futures clearing houses and brokers	-	232
Total cash and bank balances	<u>15,879</u>	<u>19,548</u>

10. Provisions for liabilities

	31/03/22	31/03/21
	£000	£000
Deferred taxation	1	-
Total provisions for liabilities	<u>1</u>	<u>-</u>

11. Other creditors

	31/03/22	31/03/21
	£000	£000
Purchases awaiting settlement	1,555	18,395
Amounts payable for cancellation of shares	278	1,315
Accrued expenses	56	57
Accrued ACD's periodic charge	118	131
Corporation tax payable	-	66
Total other creditors	<u>2,007</u>	<u>19,964</u>

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

12. Portfolio transaction costs

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000	£000	£000
Equities	6,726	810	1,191	7,101
Collective Investment Schemes	104,658	128,575	127,281	164,731
Trades in the year before transaction costs	111,384	129,385	128,472	171,832
Commissions				
Equities	2	-	(1)	(4)
Collective Investment Schemes	10	7	(8)	(7)
Total commissions	12	7	(9)	(11)
Taxes				
Equities	18	2	-	-
Collective Investment Schemes	11	-	-	(2)
Total taxes	29	2	-	(2)
Total costs	41	9	(9)	(13)
Total net trades in the year after transaction costs	111,425	129,394	128,463	171,819

Futures have incurred broker commissions of £nil (31/03/21: £nil) and taxes of £nil (31/03/21: £nil).

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

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	%	%	%	%
Commissions				
Equities	0.03	-	0.08	0.06
Collective Investment Schemes	0.01	0.01	0.01	-
Taxes				
Equities	0.27	0.25	-	-
Collective Investment Schemes	0.01	-	-	-
Total transaction cost expressed as a percentage of average net asset value.				
		01/04/21 to 31/03/22		01/04/20 to 31/03/21
		%		%
Commissions		0.01		0.01
Taxes		0.01		-
Total costs		0.02		0.01

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.03% (31/03/21: 0.02%).

13. Related party transactions

BMO Fund Management Limited, as Authorised Corporate Director (ACD), is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issue, and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to, or from, BMO Fund Management Limited at the end of the accounting year are disclosed in notes 11 and 8 respectively.

Amounts payable to BMO Fund Management Limited in respect of fund management are disclosed in note 4 and amounts due at the end of the year in note 11.

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus. No such transactions were entered into during the current year.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £nil (31/03/21: £337,988). The value of these investments held was £nil (31/03/21: £13,287,131).

for the year ended 31 March 2022

14. Shareholders' funds

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

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

	%
Share Class A - Accumulation:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.50
Share Class S - Accumulation:	0.40
Share Class S - Income:	0.40

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 81 to 86.

The distributions per share class are given in the Distribution Tables on pages 96 to 97.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/21			31/03/22	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation:	13,868,292	566,267	(1,811,831)	(31,684)	12,591,044
Share Class B - Accumulation:	191,961,747	7,880,450	(34,867,754)	(272,806)	164,701,637
Share Class B - Income:	11,241,235	2,130,035	(3,201,122)	-	10,170,148
Share Class D - Accumulation:	691,871	-	(51,049)	-	640,822
Share Class S - Accumulation:	32,064,910	21,426,054	(1,027,257)	576,360	53,040,067
Share Class S - Income:	178,506	40,724	(11,374)	-	207,856

15. Capital commitments and contingent liabilities

On 31 March 2022, the Fund had no capital commitments (31/03/21: £nil) and no contingent liabilities (31/03/21: £nil).

16. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 14 to 16.

Currency exposure

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

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

	Currency exposure 31/03/22		Currency exposure 31/03/21	
Currency	Total £000		Total £000	
Euro	2,086		-	
Japanese yen	5,852		5,581	
US dollar	44,013		41,833	
Total	<u>51,951</u>		<u>47,414</u>	

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £15.879m (31/03/21: holding £19.519m) is held in a floating rate deposit account. Interest is earned by reference to overnight benchmark rates for the following currencies : GBP (SONIA), USD (EFFR), EUR (€STR), CHF (SARON), and JPY (TONAR). For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2022 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2021.

Fair values of financial assets and liabilities

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

for the year ended 31 March 2022

17. Non Adjusting Post Balance Sheet Event

Subsequent to the balance sheet date, below share classes experienced the following redemptions, as a result of market uncertainty due to COVID19.

Share Class D - Accumulation: -20.48%

No adjustment is required to the amounts recognised at the year end date.

18. Fair value

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

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

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

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

Valuation technique	31/03/22		31/03/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	38,055	-	21,323	(16)
Level 2	189,232	-	217,590	-
Total fair value	227,287	-	238,913	(16)

BMO MM Lifestyle 6 Fund

Distribution Tables

for the year ended 31 March 2022

Distribution in pence per share

Share Class A - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 0.6518	(p) -	(p) 0.6518	(p) 0.5705
Group 2 Final	(p) 0.0969	(p) 0.5549	(p) 0.6518	(p) 0.5705

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 1.1507	(p) -	(p) 1.1507	(p) 0.9465
Group 2 Final	(p) 0.5450	(p) 0.6057	(p) 1.1507	(p) 0.9465

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

31/12/21: Group 1: Shares purchased prior to 1 October 2021

31/03/22: Group 1: Shares purchased prior to 1 January 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1 30/09/21	(p) 1.5650	(p) -	(p) 1.5650	(p) 1.5571
Group 1 31/12/21	0.8833	-	0.8833	-
Group 1 Final	0.7540	-	0.7540	1.2713
Group 2 30/09/21	(p) 0.7488	(p) 0.8162	(p) 1.5650	(p) 1.5571
Group 2 31/12/21	0.1674	0.7159	0.8833	-
Group 2 Final	0.3325	0.4215	0.7540	1.2713

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 December 2021

Group 2: Shares purchased from 1 January 2022 to 31 March 2022

Share Class D - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1 Final	(p) 1.2006	(p) -	(p) 1.2006	(p) 1.0041
Group 2 Final	(p) 1.2006	(p) -	(p) 1.2006	(p) 1.0041

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

BMO MM Lifestyle 6 Fund

Distribution Tables

(continued)

for the year ended 31 March 2022

Share Class S - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	0.7144	-	0.7144	0.5819
Group 2	(p)	(p)	(p)	(p)
Final	0.3175	0.3969	0.7144	0.5819

Share Class S - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

31/03/22: Group 1: Shares purchased prior to 1 October 2021

Group 2: Shares purchased from 1 October 2021 to 31 March 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
30/09/21	0.4543	-	0.4543	0.3862
Final	0.4261	-	0.4261	0.3125
Group 2	(p)	(p)	(p)	(p)
30/09/21	0.4543	-	0.4543	0.3862
Final	0.2692	0.1569	0.4261	0.3125

Authorised Corporate Director's Investment Report

for the year ended 31 March 2022

Fund Objective

The Fund aims to deliver capital growth with some income.

The Fund invests at least 70% in collective investment schemes (which may include schemes operated by the ACD) to obtain indirect exposure to a wide range of asset classes.

The investment manager uses a strategic asset allocation model that is matched to a specific target risk and volatility band (the volatility band is supplied by external provider). However, the Fund remains actively managed and the allocation to particular asset classes or geographies may vary over time at the investment manager's discretion.

To reflect the risk profile of the Fund, around 90% of the Fund's exposure through collective investment schemes will be to UK and global equities, including emerging markets.

The remaining exposure will be to UK corporate and government bonds, global high yield bonds and property.

To the extent that the Fund is not fully invested as set out above, it may also invest in other transferable securities, other collective investment schemes, money market instruments, deposits, cash and near cash. Derivatives may be used for the purposes of efficient portfolio management only.

Synthetic Risk and Reward Indicator

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

The most recent value of the SRRI for the Fund was 5, published on 26 January 2022. From the most recent review it has been determined that this is still appropriate.

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

Fund manager	Rob Burdett and Gary Potter
Fund size	£106.1 million
Launch date	30 March 2007

Manager's Review

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

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

Overall asset allocation changes were relatively muted over the period, we increased property exposure, which offers some inflation protection from rental cashflows. The portfolios ended the period underweight equities and high-yield credit against their strategic asset allocations. Offsetting this, the portfolios remain overweight absolute return funds, and cash temporarily.

In terms of underlying fund holdings, we introduced the TM Tellworth UK Select Fund to the portfolio to increase and diversify the absolute return exposure. This move retains a high weighting to active management whilst allowing for a reduction to directional market exposure. In order to increase scope for outperformance (driven by manager stock selection and sector allocation) within the UK exposure, we introduced the Mirabaud UK Equity High Alpha Fund to complement existing positions. In order to increase the diversification of our European holdings, we added Berenberg European Small Cap to the portfolios. Actively managed by Peter Kraus, this small cap fund focuses on high quality companies with long term structural growth drivers. We sold Tokio Marine Japanese Equity Focus following a portfolio manager change and switched into a new position in the JK Japan Fund. We switched our Robeco Emerging Stars holding into Schroder ISF Emerging Markets Value. In terms of style, both funds have a value bias, but we see higher alpha potential in the Schroder ISF Emerging Markets Value Fund going forward. After a period of approximately 7 years of being invested, we took the decision to sell Man GLG Undervalued Assets following a bounce in performance. We remain invested with the value team at Man GLG via positions in the Absolute Value Fund, which adopts a similar process on the long positions within the portfolio.

for the year ended 31 March 2022

In October, we took part in a capital raise and added Supermarket Income REIT. The REIT invests in omni-channel supermarket real estate assets, with long and inflation linked leases which provides the cashflows with some protection should we see more sustained inflation in the UK. We have added a small position of the recently launched CRUX Asia Ex-Japan Fund into the portfolios to further diversify our Asian equity allocation. While this Fund is a new offering to the market, the manager is very experienced with a strong track record of investing in high growth businesses across the region. We introduced a new position within the US fund selections via Pzena US Large Cap Value Fund. The Fund is a value strategy centred on stocks trading in the cheapest quintile, or 20%, of the US market. We used the weakness in Chinese equities as an entry point to introduce a small position in our first dedicated China equity fund to the portfolios via the T. Rowe Price China Evolution Equity Fund. Whilst the news flow around enforced covid lockdowns in China has worsened, we believe the long-term growth opportunity in the region remains attractive – we expect to build this position gradually over time.

Whilst we're not outrightly bearish on the outlook for equities, we are becoming more concerned about the impact of inflation on both consumer behaviour and company profit margins – this set against a backdrop of tightening financial conditions and conflict in Ukraine means that the direction of travel for us is likely to become more cautious in the weeks and months ahead.

Performance Summary

Over the period under review, the price of shares in the BMO MM Lifestyle 7 Fund rose by 2.4%.

All returns in sterling and on a total return basis.

BMO Fund Management Limited

27 April 2022

BMO MM Lifestyle 7 Fund

Portfolio Statement

as at 31 March 2022

	Holdings	Market Value £000	Total Net Assets %
EXCHANGE TRADED FUNDS (6.09%*)		13,957	13.14
iShares Core FTSE 100 UCITS ETF	1,038,184	7,722	7.27
iShares Core S&P 500 UCITS ETF	17,360	6,235	5.87
INVESTMENT TRUSTS (1.37%*)		4,143	3.91
LXI REIT #	1,412,447	2,107	1.99
Supermarket Income REIT #	1,596,852	2,036	1.92
OFFSHORE INVESTMENT COMPANIES (35.94%*)		44,338	41.77
Berenberg European Small Cap I Acc EUR	7,975	945	0.89
CRUX Asia ex-Japan Fund F Acc	21,167	1,816	1.71
Darwin Leisure Property Fund M Inc **	927,952	1,721	1.62
Eastspring Japan Dynamic Fund CG Acc	144,027	2,357	2.22
Federated Hermes Asia Ex-Japan Equity Fund F Acc	729,219	2,276	2.14
JK Japan Fund Acc JPY	30,406	3,035	2.86
Majedie Asset Management US Equity Fund Z Acc	1,797,565	5,680	5.35
Mirabaud UK Equity High Alpha S3 Acc	40,048	4,182	3.94
Montanaro UK Income Fund	2,605,000	3,194	3.01
Polar Capital European EX UK Income Fund X Inc	351,522	3,512	3.31
Pzena US Large Cap Value Fund A Acc USD	3,153	784	0.74
Schroder Emerging Markets Value IZ Acc USD	35,806	4,111	3.87
Spyglass US Growth Fund UCITS F Acc USD	249,250	2,779	2.62
T. Rowe Price China Evolution Equity Fund Q9	245,680	1,434	1.35
TT Asia EX Japan Equity Fund A2 Acc USD	344,327	2,865	2.70
TT Emerging Markets Unconstrained Fund A1 Inc USD	273,983	3,647	3.44
OPEN ENDED INVESTMENT COMPANIES (47.72%*)		37,514	35.35
Artemis US Select Fund I Acc	1,164,553	3,735	3.52
Baillie Gifford Japanese Fund B Acc	99,721	1,941	1.83
ES River and Mercantile UK Recovery Fund S Inc	2,112,247	5,928	5.58
Fidelity Asia Pacific Opportunities Fund W Acc	1,684,581	4,943	4.66
LF Lindsell Train UK Equity Fund Acc	1,480,465	7,207	6.79
Man GLG Absolute Value Fund CX Acc	1,745,360	2,302	2.17
Premier Miton European Opportunities Fund B Acc	345,500	1,005	0.95
TM Redwheel UK Equity Income L Inc	4,882,000	5,175	4.88
TM Tellworth UK Select Fund F Acc	2,158,000	2,624	2.47
TM Tellworth UK Smaller Companies Fund F Acc	1,896,017	2,654	2.50
UNIT TRUSTS (5.53%*)		4,524	4.26
iShares Emerging Markets Equity Index Fund UK D Acc	2,403,641	4,524	4.26
DERIVATIVES (-0.01%*)		-	-
Portfolio of investments		104,476	98.43
Net other assets		1,669	1.57
Total net assets		106,145	100.00

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

* Comparative figures shown in brackets relate to 31 March 2021.

** Unlisted investments.

Real Estate Investment Trust.

BMO MM Lifestyle 7 Fund

Material Portfolio Changes

for the year ended 31 March 2022

	Cost		Proceeds
	£000		£000
Major purchases		Major sales	
iShares Core FTSE 100 UCITS ETF	8,712	BMO FTSE All-Share Tracker Fund 4 Inc †	8,495
iShares Core S&P 500 UCITS ETF	8,591	Invesco S&P 500 UCITS ETF	6,093
Mirabaud UK Equity High Alpha S3 Acc	4,638	Man GLG Undervalued Assets Fund D Inc	5,432
Schroder Emerging Markets Value IZ Acc USD	3,909	Robeco Emerging Stars Equities IL	3,967
JK Japan Fund Acc JPY	3,295	iShares Core S&P 500 UCITS ETF	3,555
TM Tellworth UK Select Fund F Acc	2,466	Tokio Marine Japanese Equity Focus Fund D JPY	2,923
CRUX Asia ex-Japan Fund F Acc	2,203	Fidelity Asia Pacific Opportunities Fund W Acc	2,679
Supermarket Income REIT #	1,876	iShares Emerging Markets Equity Index Fund UK D Acc	2,362
LF Lindsell Train UK Equity Fund Acc	1,847	Lyxor UK Government Bond 0-5Y (DR) UCITS ETF	1,642
Fidelity Asia Pacific Opportunities Fund W Acc	1,806	iShares Core FTSE 100 UCITS ETF	1,445

Real Estate Investment Trust.

† This investment is a related party.

Stocks shown as ETFs represent Exchange Traded Funds.

BMO MM Lifestyle 7 Fund

Comparative Tables

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	189.64	137.54	165.28
Return before operating charges*	6.82	55.65	(23.93)
Operating charges#	(4.28)	(3.55)	(3.81)
Return after operating charges*	2.54	52.10	(27.74)
Distributions	(0.12)	-	(0.91)
Retained distributions on accumulation shares	0.12	-	0.91
Closing net asset value per share	192.18	189.64	137.54
*after direct transaction costs of:	0.03	0.01	0.01
Performance			
Return after charges	1.34%	37.88%	(16.78)%
Other information			
Closing net asset value (£'000)	4,907	5,742	4,237
Closing number of shares	2,553,528	3,027,583	3,080,312
Operating charges#	2.18%	2.13%	2.24%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	204.30	191.90	182.00
Lowest share price	179.00	136.00	130.60

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	99.45	71.38	84.84
Return before operating charges*	3.57	29.02	(12.45)
Operating charges#	(1.13)	(0.95)	(1.01)
Return after operating charges*	2.44	28.07	(13.46)
Distributions	(1.19)	(0.81)	(1.42)
Retained distributions on accumulation shares	1.19	0.81	1.42
Closing net asset value per share	101.89	99.45	71.38
*after direct transaction costs of:	0.02	0.01	-
Performance			
Return after charges	2.45%	39.32%	(15.87)%
Other information			
Closing net asset value (£'000)	74,217	81,752	65,868
Closing number of shares	72,840,304	82,202,494	92,281,325
Operating charges#	1.09%	1.09%	1.15%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	107.80	100.60	94.25
Lowest share price	94.80	70.60	67.76

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	219.27	159.53	193.91
Return before operating charges*	7.93	64.52	(27.98)
Operating charges#	(2.68)	(2.19)	(2.43)
Return after operating charges*	5.25	62.33	(30.41)
Distributions on income shares	(3.45)	(2.59)	(3.97)
Closing net asset value per share	221.07	219.27	159.53
*after direct transaction costs of:	0.04	0.02	0.01
Performance			
Return after charges	2.39%	39.07%	(15.68)%
Other information			
Closing net asset value (£'000)	7,656	8,607	7,166
Closing number of shares	3,463,025	3,925,208	4,492,068
Operating charges#	1.18%	1.13%	1.22%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	235.70	222.70	212.80
Lowest share price	206.40	157.60	152.90

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class D - Accumulation			
Change in net assets per share			
Opening net asset value per share	101.69	72.90	86.87
Return before operating charges*	3.64	29.76	(12.71)
Operating charges#	(1.09)	(0.97)	(1.26)
Return after operating charges*	2.55	28.79	(13.97)
Distributions	(1.28)	(0.92)	(1.23)
Retained distributions on accumulation shares	1.28	0.92	1.23
Closing net asset value per share	104.24	101.69	72.90
*after direct transaction costs of:	0.02	0.01	-
Performance			
Return after charges	2.51%	39.49%	(16.08)%
Other information			
Closing net asset value (£'000)	26	25	18
Closing number of shares	25,076	25,076	25,076
Operating charges#	1.03%	1.09%	1.40%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	110.40	102.80	96.31
Lowest share price	97.03	72.10	69.21

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Accumulation			
Change in net assets per share			
Opening net asset value per share	57.30	41.10	50.00†
Return before operating charges*	2.05	16.72	(8.46)
Operating charges#	(0.64)	(0.52)	(0.44)
Return after operating charges*	1.41	16.20	(8.90)
Distributions	(0.69)	(0.49)	(0.74)
Retained distributions on accumulation shares	0.69	0.49	0.74
Closing net asset value per share	58.71	57.30	41.10
*after direct transaction costs of:	0.01	-	-
Performance			
Return after charges	2.46%	39.42%	(17.80)%
Other information			
Closing net asset value (£'000)	19,333	10,922	4,893
Closing number of shares	32,930,106	19,060,715	11,903,289
Operating charges#	1.08%	1.04%	1.09%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	62.16	57.92	54.27
Lowest share price	54.65	40.66	39.02

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Share Class S Accumulation was launched on 20 June 2019.

BMO MM Lifestyle 7 Fund

Comparative Tables

(continued)

as at 31 March 2022

	31/03/22 (p)	31/03/21 (p)	31/03/20 (p)
Share Class S - Income			
Change in net assets per share			
Opening net asset value per share	57.59	41.21	50.00†
Return before operating charges*	2.05	16.73	(8.49)
Operating charges#	(0.62)	(0.35)	(0.30)
Return after operating charges*	1.43	16.38	(8.79)
Distributions on income shares	(2.47)	-	-
Closing net asset value per share	56.55	57.59	41.21
*after direct transaction costs of:	0.01	-	-
Performance			
Return after charges	2.48%	39.75%	(17.58)%
Other information			
Closing net asset value (£'000)	6	-	-
Closing number of shares	11,008	300	300
Operating charges#	1.03%	0.69%	0.74%
Direct transaction costs	0.02%	0.01%	0.00%
Prices			
Highest share price	82.32	58.19	54.34
Lowest share price	52.98	40.75	39.09

†Price at launch date.

#Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.

Net asset value of Share Class S Income as at 31/03/21 and 31/03/20 was less than £500.

Share Class S Income was launched on 20 June 2019.

BMO MM Lifestyle 7 Fund

Statement of Total Return

for the year ended 31 March 2022

	Notes	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
		£000	£000	£000	£000
Income					
Net capital gains	2		1,383		30,666
Revenue	3	1,822		1,471	
Expenses	4	(635)		(611)	
Interest payable and similar charges	6	-		-	
Net revenue before taxation		1,187		860	
Taxation	5	-		-	
Net revenue after taxation			1,187		860
Total return before distributions			2,570		31,526
Distributions	6		(1,242)		(920)
Change in net assets attributable to shareholders from investment activities			1,328		30,606

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2022

	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		107,048		82,182
Amounts receivable on creation of shares	20,741		15,060	
Amounts payable on cancellation of shares	(24,070)		(21,560)	
		(3,329)		(6,500)
Change in net assets attributable to shareholders from investment activities		1,328		30,606
Retained distribution on accumulation shares		1,098		760
Closing net assets attributable to shareholders		106,145		107,048

Notes to the Financial Statements are on pages 110 to 116.

BMO MM Lifestyle 7 Fund

Balance Sheet

as at 31 March 2022

	Notes	31/03/22 £000	31/03/21 £000
Assets			
Investments		104,476	103,459
Current assets			
Debtors	8	918	6,330
Cash and bank balances	9	1,595	3,953
Total assets		106,989	113,742
Liabilities			
Investment liabilities		-	(6)
Creditors			
Bank overdrafts		-	(23)
Distribution payable		(25)	(40)
Other creditors	10	(819)	(6,625)
Total liabilities		(844)	(6,694)
Net assets attributable to shareholders		106,145	107,048

Notes to the Financial Statements are on pages 110 to 116.

Notes to the Financial Statements

for the year ended 31 March 2022

1. Accounting policies

Please see pages 12 and 13 for accounting policies.

2. Net capital gains

The net capital gains during the year comprise:

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Non-derivative securities*	1,280	31,064
Derivative contracts*	57	(6)
Currency losses*	(11)	(465)
Rebate of capital management fees from underlying investments	61	78
Handling charges	(4)	(5)
Net capital gains	<u>1,383</u>	<u>30,666</u>

*Includes realised gains of £6,689,765 and unrealised losses of £5,363,281 (31/03/21: realised gains of £1,315,086 and unrealised gains of £29,277,914).

3. Revenue

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Overseas taxable revenue	-	1
Overseas non-taxable revenue	3	-
Property revenue from UK REITs - PID	83	90
Property revenue from UK REITs - Non PID	-	48
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	670	664
Unfranked investment income	-	16
Interest distributions	-	14
Offshore distribution taxable	53	81
Offshore distribution non-taxable	881	426
Bank interest	2	-
Rebate of revenue management fees from underlying investments	130	131
Total revenue	<u>1,822</u>	<u>1,471</u>

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

4. Expenses

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	594	531
ACD's expense rebate*	(74)	(31)
	<u>520</u>	<u>500</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fee	<u>20</u>	<u>18</u>
Other expenses:		
Accounting & administration fees	32	31
Administration costs	24	22
AIMFD fee	15	17
Audit fee	15	15
KIID publication costs	2	1
Registrar's fees	<u>7</u>	<u>7</u>
	<u>95</u>	<u>93</u>
Total expenses	<u><u>635</u></u>	<u><u>611</u></u>

Expenses include irrecoverable VAT where applicable.

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

The PricewaterhouseCoopers LLP audit fee for the year, exclusive of VAT, is £12,700 (31/03/21: £12,700).

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

5. Taxation

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
(a) Analysis of charge in year:		
There is no corporation tax charge in the current year or prior year.		
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:		
Net revenue before taxation	1,187	860
Corporation tax of 20% (2021: 20%)	237	172
Effects of:		
UK dividends*	(134)	(133)
Overseas non-taxable revenue*	(177)	(85)
Movement in excess management expenses	61	40
Property revenue from UK REITs - Non PID	-	(10)
Rebated capital expenses deductible for tax purposes	13	16
Total tax charge for the year	-	-

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

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £700,578 (31/03/21: £639,496) relating to surplus management expenses. No deferred tax asset was recognised in the current or prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Finance costs

Distributions and interest

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

	01/04/21 to 31/03/22 £000	01/04/20 to 31/03/21 £000
Interim dividend distributions	104	67
Final dividend distributions	1,123	801
	1,227	868
Add: Revenue deducted on cancellation of shares	137	132
Deduct: Revenue received on creation of shares	(122)	(80)
Net distributions for the year	1,242	920
Interest	-	-
Total finance costs	1,242	920

Details of the distributions per share are set out in the Distribution Tables on pages 117 to 118.

Notes to the Financial Statements

(continued)

for the year ended 31 March 2022

7. Movement between net revenue and net distributions

	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000
Net revenue after taxation	1,187	860
Revenue deficit payable from capital	-	6
ACD's periodic charge taken to capital	43	41
Tax relief	9	11
Net revenue received on share class conversions	3	2
Net distributions for the year	<u>1,242</u>	<u>920</u>

8. Debtors

	31/03/22	31/03/21
	£000	£000
Sales awaiting settlement	529	5,928
Amounts receivable for issue of shares	271	297
Accrued revenue	3	29
Accrued ACD fee rebates	40	40
Accrued ACD expense rebate	75	31
Income tax recoverable	-	5
Total debtors	<u>918</u>	<u>6,330</u>

9. Cash and bank balances

	31/03/22	31/03/21
	£000	£000
Cash and bank balances	1,595	3,833
Amounts held at futures clearing houses and brokers	-	120
Total cash and bank balances	<u>1,595</u>	<u>3,953</u>

10. Other creditors

	31/03/22	31/03/21
	£000	£000
Purchases awaiting settlement	677	6,042
Amounts payable for cancellation of shares	53	489
Accrued expenses	43	45
Accrued ACD's periodic charge	46	49
Total other creditors	<u>819</u>	<u>6,625</u>

for the year ended 31 March 2022

11. Portfolio transaction costs

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	£000	£000	£000	£000
Equities	2,689	434	474	2,372
Collective Investment Schemes	48,569	44,059	51,705	49,070
Trades in the year before transaction costs	51,258	44,493	52,179	51,442
Commissions				
Equities	1	-	-	(1)
Collective Investment Schemes	5	3	(3)	(2)
Total commissions	6	3	(3)	(3)
Taxes				
Equities	6	2	-	-
Collective Investment Schemes	3	-	-	(1)
Total taxes	9	2	-	(1)
Total costs	15	5	(3)	(4)
Total net trades in the year after transaction costs	51,273	44,498	52,176	51,438

Futures have incurred broker commissions of £nil (31/03/21: £nil) and taxes of £nil (31/03/21: £nil).

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

	Purchases		Sales	
	01/04/21 to 31/03/22	01/04/20 to 31/03/21	01/04/21 to 31/03/22	01/04/20 to 31/03/21
	%	%	%	%
Commissions				
Equities	0.04	-	-	0.04
Collective Investment Schemes	0.01	0.01	0.01	-
Taxes				
Equities	0.22	0.46	-	-
Collective Investment Schemes	0.01	-	-	-
Total transaction cost expressed as a percentage of average net asset value.				
	01/04/21 to 31/03/22		01/04/20 to 31/03/21	
		%		%
Commissions		0.01		0.01
Taxes		0.01		-
Total costs		0.02		0.01

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.03% (31/03/21: 0.03%).

12. Related party transactions

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

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

The ACD is also the ACD or Manager for other authorised funds and those funds may invest in each other where this is within the investment objectives of the investing fund. Such transactions will be conducted on an arm's length basis within the regulations and the terms of the prospectus. No such transactions were entered into during the current year.

Investments considered to be related parties have been identified in the portfolio statement if held at the year end. The revenue from these investments was £nil (31/03/21: £194,682). The value of these investments held was £nil (31/03/21: £8,173,716).

for the year ended 31 March 2022

13. Shareholders' funds

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

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

	%
Share Class A - Accumulation:	1.50
Share Class B - Accumulation:	0.50
Share Class B - Income:	0.50
Share Class D - Accumulation:	0.50
Share Class S - Accumulation:	0.40
Share Class S - Income:	0.40

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative Tables on pages 102 to 107.

The distributions per share class are given in the Distribution Tables on pages 117 to 118.

All share classes have the same rights on winding up.

Reconciliation of the shares movement in the year:

	01/04/21			31/03/22	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation:	3,027,583	200,882	(532,085)	(142,852)	2,553,528
Share Class B - Accumulation:	82,202,494	10,662,745	(20,294,937)	270,002	72,840,304
Share Class B - Income:	3,925,208	309,532	(771,715)	-	3,463,025
Share Class D - Accumulation:	25,076	-	-	-	25,076
Share Class S - Accumulation:	19,060,715	14,629,731	(760,340)	-	32,930,106
Share Class S - Income:	300	14,842	(4,134)	-	11,008

14. Capital commitments and contingent liabilities

On 31 March 2022, the Fund had no capital commitments (31/03/21: £nil) and no contingent liabilities (31/03/21: £nil).

15. Financial instruments

The analysis and tables provided below refer to the narrative and numerical disclosure on 'Financial Instruments Risks' on pages 14 to 16.

Currency exposure

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

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

	Currency exposure 31/03/22		Currency exposure 31/03/21	
Currency	Total £000		Total £000	
Euro	945		-	
Japanese yen	3,035		2,509	
US dollar	21,179		17,544	
Total	<u>25,159</u>		<u>20,053</u>	

Interest rate risk profile of financial assets and liabilities

The Fund's net cash holding of £1.595m (31/03/21: holding £3.930m) is held in a floating rate deposit account. Interest is earned by reference to overnight benchmark rates for the following currencies: GBP (SONIA), USD (EFFR), EUR (€STR), CHF (SARON), and JPY (TONAR). For all other currencies interest is earned by reference to their international benchmark equivalents.

Maturity of financial liabilities

The financial liabilities of the Fund as at 31 March 2022 are payable either within one year or on demand, as were the financial liabilities of the previous year ended 31 March 2021.

Fair values of financial assets and liabilities

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

for the year ended 31 March 2022

16. Fair value

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

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

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

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

Valuation technique	31/03/22		31/03/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	18,100	-	7,995	(6)
Level 2	86,376	-	95,464	-
Total fair value	104,476	-	103,459	(6)

BMO MM Lifestyle 7 Fund

Distribution Tables

for the year ended 31 March 2022

Distribution in pence per share

Share Class A - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	0.1209	-	0.1209	-
Group 2	(p)	(p)	(p)	(p)
Final	-	0.1209	0.1209	-

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	1.1905	-	1.1905	0.8109
Group 2	(p)	(p)	(p)	(p)
Final	0.6548	0.5357	1.1905	0.8109

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

Share Class B - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

31/12/21: Group 1: Shares purchased prior to 1 October 2021

31/03/22: Group 1: Shares purchased prior to 1 January 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
30/09/21	1.9860	-	1.9860	1.5519
31/12/21	0.7352	-	0.7352	-
Final	0.7289	-	0.7289	1.0331
Group 2	(p)	(p)	(p)	(p)
30/09/21	1.1112	0.8748	1.9860	1.5519
31/12/21	0.1034	0.6318	0.7352	-
Final	0.3532	0.3757	0.7289	1.0331

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

Group 2: Shares purchased from 1 October 2021 to 31 December 2021

Group 2: Shares purchased from 1 January 2022 to 31 March 2022

Share Class D - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	1.2806	-	1.2806	0.9179
Group 2	(p)	(p)	(p)	(p)
Final	1.2806	-	1.2806	0.9179

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

BMO MM Lifestyle 7 Fund

Distribution Tables

(continued)

for the year ended 31 March 2022

Share Class S - Accumulation

31/03/22: Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased from 1 April 2021 to 31 March 2022

	Net revenue	Equalisation	Distribution payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
Final	0.6901	-	0.6901	0.4916
Group 2	(p)	(p)	(p)	(p)
Final	0.2538	0.4363	0.6901	0.4916

Share Class S - Income

30/09/21: Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased from 1 April 2021 to 30 September 2021

31/03/22: Group 1: Shares purchased prior to 1 October 2021

Group 2: Shares purchased from 1 October 2021 to 31 March 2022

	Net revenue	Equalisation	Distributions paid/payable to 31/05/22	Distributions paid to 31/05/21
Group 1	(p)	(p)	(p)	(p)
30/09/21	2.0966	-	2.0966	-
Final	0.3736	-	0.3736	-
Group 2	(p)	(p)	(p)	(p)
30/09/21	2.0966	-	2.0966	-
Final	0.3736	-	0.3736	-