

# Interim Report & Financial Statements

FP Verbatim Funds

For the six months ended 30 June 2017 (unaudited)

	<b>Page</b>
<b>FP Verbatim Funds</b>	
Authorised Corporate Director's ("ACD") Report*	3
Certification of Financial Statements by Directors of the ACD*	4
Notes to the Interim Financial Statements	5
<b>Individual Funds Investment Commentary and Financial Statements</b>	
FP Verbatim Portfolio 3 Fund	6
FP Verbatim Portfolio 4 Fund	13
FP Verbatim Portfolio 5 Income Fund	20
FP Verbatim Portfolio 5 Growth Fund	31
FP Verbatim Portfolio 6 Fund	38
FP Verbatim Portfolio 7 Fund	45
General Information	52
Contact Information	55

\* Collectively these comprise the ACD's Report.

## **FP Verbatim Funds**

---

### **Authorised Corporate Director's Report**

We are pleased to present the Interim Report & Financial Statements for FP Verbatim Funds for the six months ended 30 June 2017.

#### **Authorised Status**

FP Verbatim Funds ("the Company") is an investment company with variable capital incorporated in England and Wales under registered number IC000808 and authorised by the Financial Conduct Authority ("FCA"), with effect from 22 January 2010. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

Head Office: the Head Office of the Company is at Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB.

The Head Office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

#### **Structure of the Company**

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new Fund or Share Class, a revised prospectus will be prepared setting out the relevant details of each Fund or Share Class.

The Company is a non-UCITS retail scheme ("NURS").

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Investment of the assets of each of the Funds must comply with the FCA's Collective Investment Schemes Sourcebook ("COLL"), the FCA's Investment Funds Sourcebook ("FUND") and the investment objective and policy of the relevant Fund.

Currently the Company has six Funds. In the future there may be other Funds established.

Under the Alternative Investment Fund Managers Directive ("AIFMD") we are required to disclose remuneration information (see Page 53) in regards to those individuals whose actions have a material impact on the risk profile of the Company.

#### **Crossholdings**

There were no Shares in any fund held by any other fund of the Company.

#### **Base Currency:**

The base currency of the Company and each Fund is Pounds Sterling.

#### **Share Capital:**

The minimum Share Capital of the Company is £1 and the maximum is £100,000,000,000. Shares in the Company have no par value. The Share Capital of the Company at all times equals the sum of the Net Asset Values of each of the Funds.

## **FP Verbatim Funds**

---

### **Certification of Financial Statements of the Directors of the ACD For the six months ended 30 June 2017 (unaudited)**

#### **Directors' Certification**

This report has been prepared in accordance with the requirements of COLL and FUND, as issued and amended by the FCA. We hereby certify the report on behalf of the Directors of Fund Partners Limited.

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements as the assets of the Funds consist predominantly of securities that are readily realisable, and accordingly, the Funds have adequate resources to continue in operational existence for the foreseeable future.

V. Hoare

M. Wood

**Fund Partners Limited**

25 August 2017

### Notes to the Interim Financial Statements For the six months ended 30 June 2017 (unaudited)

#### Accounting Basis, Policies and Valuation of Investments

##### *Basis of accounting*

The interim Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 "The Financial Reporting Standards Applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice ("SORP") for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014.

The accounting policies applied are consistent with those of the audited annual Financial Statements for the year ended 31 December 2016 and are described in those Financial Statements. In this regard, comparative figures from previous periods are prepared to the same standards as the current period, unless otherwise stated.

As described in the Certification of Financial Statements by Directors of the ACD on page 4, the ACD continues to adopt the going concern basis in the preparation of the Financial Statements of the Funds.

##### *Basis of valuation of investments*

Listed investments are valued at close of business bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting period.

Market value is defined by the SORP as fair value which is the bid value of each security.

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

Non-observable entity specific data is only used where relevant observable market data is not available. Typically this category will include single broker-priced instruments, suspended/unquoted securities, private equity, unlisted close-ended funds and open-ended funds with restrictions on redemption rights.

## FP Verbatim Portfolio 3 Fund

---

### Investment Manager's Report For the six months ended 30 June 2017 (unaudited)

#### Investment Objective

The Fund will use a broadly defensive investment strategy with the aim of achieving capital growth over the medium to longer term.

#### Investment Policy

The Fund will seek to achieve its objective through investment in Collective Investment Schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

The Fund may also gain exposure (directly and indirectly) to alternatives, including but not limited to, property, commodities, hedge funds, private equity, infrastructure and loans, through investment in Collective Investment Schemes and transferable securities. Use may also be made of stock lending, borrowing, cash holdings and derivatives. It is intended that derivatives will be used for investment purposes as well as for efficient portfolio management but the ACD does not anticipate that such use of derivatives will have any significant adverse effect on the risk profile of the Fund. In particularly volatile markets, the Manager may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund. As the Manager has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

#### Investment Review

Over the six months under review, the Fund produced a return of 3.14% (Source: Lipper, B Acc shares).

Two key trends in place since last year's Brexit campaign and vote continued during the first half of 2017: politics dominated the news agenda and, for the most part, markets took little notice and kept on rising.

As we have said before, there has been a sea change in policy since the start of 2016, acknowledging the long road of austerity and printing money has come to an end and a new approach is needed to stimulate growth. We are moving from an era of belt tightening to loosening: from lower to higher growth, inflation and bond yields and Donald Trump is the encapsulation of this reflationary ideal.

One thing we can say about financial markets is that they rarely go up in a straight line and we continue to expect intermittent corrections in the 5-10% region. We saw that happen just before Christmas in Asia and Emerging Markets, where fears around US protectionism and changing trade agreements under Trump saw both fall off and gave us an opportunity to top up weightings.

Fund managers often feel compelled to trade to justify their fees but we would say the first six months of 2017 has been a period where less is more on this front.

Having taken over management in June 2016, we have continued to buy and sell to get the portfolio in line with our strategic and tactical views but despite ongoing political volatility, nothing has happened to change our fundamental views on growth and inflation.

We continue to favour Europe, Asia and emerging markets but have been wary of investing at higher valuations. Emerging markets and Asia have underperformed developed over recent years and there is clearly room for some equalisation, whether Western markets drop off or Eastern catch up – and we will continue to look for opportunities to take advantage of that trend.

One addition to the portfolio in May was a small position in the Downing Strategic Micro Cap fund, which improves overall diversification and brings a different source of returns. We like the private equity style of this team, which has a long track record in micro caps.

## FP Verbatim Portfolio 3 Fund

---

### Investment Manager's Report (continued) For the six months ended 30 June 2017 (unaudited)

#### Market Overview

Brexit and Donald Trump continued to dominate sentiment over the first six months of 2017.

In the UK, the government triggered Article 50 in March but the Conservatives' plan to strengthen its hand for exit negotiations by calling a snap election ended with a minority government shrouded in uncertainty.

Elsewhere, controversy has continued to swirl around Donald Trump in the White House and shows no sign of ceasing. As we have said before, Trump is clearly a businessman rather than a politician so is generally seen as pro-business, but I have concerns over the extent to which he will be able to back up his many promises.

We also had French elections over the period, and once again this revealed a populace tired of the status quo and seeking fresh political choices. With the widely-tipped Republican Party pushed down into third place and President François Hollande's Socialists fifth, the run-off contest was between former economy minister Emmanuel Macron and far-right candidate Marine Le Pen.

Macron was favourite and ended up winning comfortably in May, becoming France's youngest ruler since Napoleon. Macron is a centrist and his victory eased fears of a 'Frexit' had Le Pen won power.

#### Outlook

As has been the case for much of the last 12 months, ongoing political volatility is not translating into market volatility and several markets continue to hit fresh highs.

Against this however, there are growing concerns about how far the long bull market can continue. Bank of America Merrill Lynch's latest monthly *Global Fund Manager Survey*, conducted in early June, revealed 44% of managers taking a cautious stance on global equities, up from 37% in May, with 84% identifying the US as the most overvalued region for stocks.

On the interest rate front, the UK's Monetary Policy Committee (MPC) left policy unchanged over the period but minutes from the June meeting highlight a deepening rift between members. While the Committee voted 5-3 to keep rates on hold at 0.25%, the Bank of England's chief economist revealed he seriously considered opposing Governor Mark Carney and voting for a rise.

Carney cited Brexit uncertainty as justification for leaving rates on hold at 0.25%, but just hours later, economist Andy Haldane said it would be prudent to tighten policy before the end of the year. Again, it will be interesting to see how this plays out over the second half of the year.

In the US, we saw the Federal Reserve raise rates again in June, the second hike so far this year but still just the fourth since the financial crisis. US officials maintained their projection of one more rise in 2017 amid slightly stronger growth projections and downward revisions to its unemployment forecasts.

While macro twists and turns continue to cause havoc for short-term speculators, these events create opportunity for long-term patient investors and as ever, we stand poised to take advantage where markets look cheap.

Stronger economic growth favours portfolios skewed towards higher yield and shorter duration assets and we believe an end to quantitative easing around the world signals a return to 'old school' investing focusing on fundamentals and valuations.

#### Investment Manager

Liontrust Investment Partners LLP  
14 July 2017

## FP Verbatim Portfolio 3 Fund

---

### Net Asset Value per Share and Comparative Table As at 30 June 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value Share Class (£)	Shares in issue	Net Asset Value pence per Share	Percentage Change (%)
Share Class A Accumulation				
31/12/16	10,319,724	7,242,115	142.50	
30/06/17	10,952,608	7,499,914	146.04	2.48
Share Class B Accumulation				
31/12/16	40,250,155	26,980,097	149.18	
30/06/17	44,664,372	29,105,295	153.46	2.87

#### Distribution

The Fund distributes annually, following the annual accounting period. Therefore there is no distribution in the current period.

## FP Verbatim Portfolio 3 Fund

---

### Performance Information

As at 30 June 2017 (unaudited)

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Operating Charges (%)
30/06/17						
Share Class A	1.40	0.26	0.32	(0.05)	0.01	1.94
Share Class B	0.65	0.26	0.32	(0.05)	0.01	1.19
31/12/16						
Share Class A	1.40	0.53	0.32	(0.02)	0.01	2.24
Share Class B	0.65	0.53	0.32	(0.02)	0.01	1.49

The Operating Charge is the total expenses paid by the Fund in the period, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the period and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Portfolio 3 Fund

### Portfolio Statement

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 89.26% [56.14%]</b>			
1,760,000	AXA US Short Duration High Yield	1,723,216	3.10
76,000	Baillie Gifford Japanese	1,102,000	1.98
7,860	Baring Europe Select	303,632	0.55
2,320,000	BlackRock Corporate Bond Tracker	3,055,440	5.49
333,000	CF Lindsell Train UK Equity	906,093	1.63
160,000	Downing Strategic Micro-Cap*	163,200	0.29
417,700	Fidelity Index Europe ex UK	585,824	1.05
355,500	Fidelity Index Japan	535,241	0.96
300,400	Fidelity Index Pacific ex Japan	441,678	0.80
1,294,772	Fidelity Index UK	1,634,262	2.94
218,000	Fidelity Index US	390,525	0.70
500,971	Goldman Sachs Sterling Liquid Reserve	500,971	0.90
1,480,000	Insight UK Corp All Maturities Bond	3,105,040	5.58
323,000	JPMorgan US Equity Income	764,541	1.38
114,000	Jupiter European Opportunities*	791,160	1.42
3,389,000	Legal & General All Stocks Gilt Index	7,408,354	13.32
5,470,000	Legal & General Sterling Corporate Bond Index	3,064,841	5.51
1,650,000	Legal & General UK Property	1,293,435	2.33
419,000	Liontrust European Income	991,061	1.78
48,400	Liontrust GF Asia Income	531,916	0.96
411,285	Liontrust Macro Equity Income	1,423,416	2.56
355,124	Liontrust UK Growth	1,459,063	2.62
125,640	M&G Property Portfolio	1,430,688	2.57
5,740	Man GLG Japan CoreAlpha Equity	1,045,770	1.88
578,000	Old Mutual UK Alpha	875,092	1.57
192,021	River and Mercantile UK Micro Cap*	307,234	0.55
3,096,997	Royal London Corporate Bond	3,756,657	6.76
1,439,000	Royal London Index Linked	3,731,327	6.71
144,000	Schroder AsiaPacific*	587,520	1.06
731,000	UBS US Growth	829,100	1.49
33,440	Vanguard Global Bond Index	4,905,150	8.82
		<b>49,643,447</b>	<b>89.26</b>
<b>Exchange Traded Funds 0.00% [34.69%]</b>			
<b>Portfolio of investments</b>		<b>49,643,447</b>	<b>89.26</b>
Net other assets		5,973,533	10.74
<b>Net assets</b>		<b>55,616,980</b>	<b>100.00</b>

\* Investment Trusts

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 31 December 2016.

Gross purchases for the six months: £34,460,282 [2016: £15,467,025].

Total sales net of transaction costs for the six months: £32,285,714 [2016: £17,266,651].

## FP Verbatim Portfolio 3 Fund

### Statement of Total Return For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
Income				
Net capital gains		1,357,783		1,968,230
Revenue	358,730		577,165	
Expenses	(271,158)		(297,226)	
Interest payable and similar charges	(192)		-	
Net revenue before taxation	87,380		279,939	
Taxation	-		(27,510)	
Net revenue after taxation		87,380		252,429
Total return before distributions		1,445,163		2,220,659
Distributions		9,545		803
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>1,454,708</b>		<b>2,221,462</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		50,569,879		43,404,018
Amounts received on issue of Shares	5,925,705		6,418,277	
Less: Amounts paid on cancellation of Shares	(2,333,312)		(6,814,006)	
		3,592,393		(395,729)
Change in net assets attributable to Shareholders from investment activities (see above)		1,454,708		2,221,462
<b>Closing net assets attributable to Shareholders</b>		<b>55,616,980</b>		<b>45,229,751</b>

The above statement shows the comparative closing net assets at 30 June 2016 whereas the current accounting period commenced 1 January 2017.

## FP Verbatim Portfolio 3 Fund

---

### Balance Sheet As at 30 June 2017 (unaudited)

	30/06/17		31/12/16	
	£	£	£	£
<b>Assets</b>				
Fixed assets:				
Investment assets		49,643,447		45,931,159
Current assets:				
Debtors	461,765		180,142	
Cash and bank balances	5,603,764		4,613,099	
Total current assets		6,065,529		4,793,241
Total assets		55,708,976		50,724,400
<b>Liabilities</b>				
Creditors:				
Other creditors	(91,996)		(154,521)	
Total creditors		(91,996)		(154,521)
Total liabilities		(91,996)		(154,521)
<b>Net assets attributable to Shareholders</b>		<b>55,616,980</b>		<b>50,569,879</b>

## FP Verbatim Portfolio 4 Fund

---

### Investment Manager's Report For the six months ended 30 June 2017 (unaudited)

#### Investment Objective

The Fund will use a broadly cautious managed investment strategy with the aim of achieving capital growth over the medium to longer term.

#### Investment Policy

The Fund will seek to achieve its objective through investment in Collective Investment Schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

The Fund may also gain exposure (directly and indirectly) to alternatives, including but not limited to, property, commodities, hedge funds, private equity, infrastructure and loans, through investment in Collective Investment Schemes and transferable securities.

Use may also be made of stock lending, borrowing, cash holdings and derivatives. It is intended that derivatives may be used for investment purposes as well as for efficient portfolio management but the ACD does not anticipate that such use of derivatives will have any significant adverse effect on the risk profile of the Fund. In particularly volatile markets, the Manager may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund. As the Manager has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

#### Investment Review

Over the six months under review, the Fund produced a return of 4.68% (Source: Lipper, B Acc shares).

Two key trends in place since last year's Brexit campaign and vote continued during the first half of 2017: politics dominated the news agenda and, for the most part, markets took little notice and kept on rising.

As we have said before, there has been a sea change in policy since the start of 2016, acknowledging the long road of austerity and printing money has come to an end and a new approach is needed to stimulate growth. We are moving from an era of belt tightening to loosening: from lower to higher growth, inflation and bond yields and Donald Trump is the encapsulation of this reflationary ideal.

One thing we can say about financial markets is that they rarely go up in a straight line and we continue to expect intermittent corrections in the 5-10% region. We saw that happen just before Christmas in Asia and Emerging Markets, where fears around US protectionism and changing trade agreements under Trump saw both fall off and gave us an opportunity to top up weightings.

Fund managers often feel compelled to trade to justify their fees but we would say the first six months of 2017 has been a period where less is more on this front.

Despite ongoing political volatility, nothing has happened to change our fundamental views on growth and inflation.

We continue to favour Europe, Asia and emerging markets but have been wary of investing at higher valuations. Emerging markets and Asia have underperformed developed over recent years and there is clearly room for some equalisation, whether Western markets drop off or Eastern catch up – and we will continue to look for opportunities to take advantage of that trend.

One addition to the portfolio in May was a small position in the Downing Strategic Micro Cap fund, which improves overall diversification and brings a different source of returns. We like the private equity style of this team, which has a long track record in micro caps.

### Investment Manager's Report (continued)

For the six months ended 30 June 2017 (unaudited)

#### Market Overview

Brexit and Donald Trump continued to dominate sentiment over the first six months of 2017.

In the UK, the government triggered Article 50 in March but the Conservatives' plan to strengthen its hand for exit negotiations by calling a snap election ended with a minority government shrouded in uncertainty.

Elsewhere, controversy has continued to swirl around Donald Trump in the White House and shows no sign of ceasing. As we have said before, Trump is clearly a businessman rather than a politician so is generally seen as pro-business, but I have concerns over the extent to which he will be able to back up his many promises.

We also had French elections over the period, and once again this revealed a populace tired of the status quo and seeking fresh political choices. With the widely-tipped Republican Party pushed down into third place and President François Hollande's Socialists fifth, the run-off contest was between former economy minister Emmanuel Macron and far-right candidate Marine Le Pen.

Macron was favourite and ended up winning comfortably in May, becoming France's youngest ruler since Napoleon. Macron is a centrist and his victory eased fears of a 'Frexit' had Le Pen won power.

#### Outlook

As has been the case for much of the last 12 months, ongoing political volatility is not translating into market volatility and several markets continue to hit fresh highs.

Against this however, there are growing concerns about how far the long bull market can continue. Bank of America Merrill Lynch's latest monthly *Global Fund Manager Survey*, conducted in early June, revealed 44% of managers taking a cautious stance on global equities, up from 37% in May, with 84% identifying the US as the most overvalued region for stocks.

On the interest rate front, the UK's Monetary Policy Committee (MPC) left policy unchanged over the period but minutes from the June meeting highlight a deepening rift between members. While the Committee voted 5-3 to keep rates on hold at 0.25%, the Bank of England's chief economist revealed he seriously considered opposing Governor Mark Carney and voting for a rise.

Carney cited Brexit uncertainty as justification for leaving rates on hold at 0.25%, but just hours later, economist Andy Haldane said it would be prudent to tighten policy before the end of the year. Again, it will be interesting to see how this plays out over the second half of the year.

In the US, we saw the Federal Reserve raise rates again in June, the second hike so far this year but still just the fourth since the financial crisis. US officials maintained their projection of one more rise in 2017 amid slightly stronger growth projections and downward revisions to its unemployment forecasts.

While macro twists and turns continue to cause havoc for short-term speculators, these events create opportunity for long-term patient investors and as ever, we stand poised to take advantage where markets look cheap.

Stronger economic growth favours portfolios skewed towards higher yield and shorter duration assets and we believe an end to quantitative easing around the world signals a return to 'old school' investing focusing on fundamentals and valuations.

#### Investment Manager

Liontrust Investment Partners LLP

14 July 2017

## FP Verbatim Portfolio 4 Fund

---

### Net Asset Value per Share and Comparative Table As at 30 June 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (£)	Shares in issue	Net Asset Value pence per Share	Percentage Change (%)
Share Class A Accumulation				
31/12/16	9,008,627	6,121,104	147.17	
30/06/17	9,379,240	6,135,414	152.87	3.87
Share Class B Accumulation				
31/12/16	64,092,943	41,568,118	154.19	
30/06/17	70,864,181	44,081,670	160.76	4.26

#### Distribution

The Fund distributes annually, following the annual accounting period. Therefore there is no distribution in the current period.

## FP Verbatim Portfolio 4 Fund

---

### Performance Information As at 30 June 2017 (unaudited)

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Operating Charges (%)
30/06/17						
Share Class A	1.40	0.26	0.47	(0.07)	0.01	2.07
Share Class B	0.65	0.26	0.47	(0.07)	0.01	1.32
31/12/16						
Share Class A	1.40	0.27	0.48	0.00	0.01	2.16
Share Class B	0.65	0.27	0.48	0.00	0.01	1.41

The Operating Charge is the total expenses paid by the Fund in the period, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the period and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Portfolio 4 Fund

### Portfolio Statement

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 94.48% [96.38%]</b>			
4,091,670	AXA US Short Duration High Yield	4,006,154	4.99
216,000	Baillie Gifford Japanese	3,132,000	3.90
12,590	Baring Europe Select	486,352	0.61
3,379,900	BlackRock Corporate Bond Tracker	4,451,328	5.55
827,870	CF Lindsell Train UK Equity	2,252,634	2.81
310,000	Downing Strategic Micro-Cap*	316,200	0.39
672,299	Fidelity Index Europe ex UK	942,899	1.17
713,298	Fidelity Index Japan	1,073,941	1.34
733,760	Fidelity Index Pacific ex Japan	1,078,847	1.34
1,247,000	Fidelity Index UK	1,573,964	1.96
712,850	Fidelity Index US	1,276,999	1.59
2,270,472	Insight UK Corp All Maturities Bond	4,763,450	5.94
927,400	JPMorgan US Equity Income	2,195,156	2.74
297,800	Jupiter European Opportunities*	2,066,732	2.58
2,792,568	Legal & General All Stocks Gilt Index	6,104,553	7.61
9,025,029	Legal & General Sterling Corporate Bond Index	5,056,724	6.30
2,533,900	Legal & General UK Property	1,986,324	2.47
736,000	Liontrust European Income	1,740,861	2.17
242,000	Liontrust GF Asia Income	2,659,580	3.31
909,000	Liontrust Macro Equity Income	3,145,958	3.92
791,098	Liontrust UK Growth	3,250,304	4.05
185,064	M&G Property Portfolio	2,107,366	2.63
6,390	Man GLG Japan CoreAlpha Equity	1,164,194	1.45
1,418,461	Old Mutual UK Alpha	2,147,550	2.68
270,576	River and Mercantile UK Micro Cap*	432,922	0.54
3,910,457	Royal London Corporate Bond	4,743,385	5.91
1,510,985	Royal London Index Linked	3,917,984	4.88
373,275	Schroder AsiaPacific*	1,522,962	1.90
1,937,550	UBS US Growth	2,197,569	2.74
27,400	Vanquard Global Bond Index	4,019,172	5.01
		<b>75,814,064</b>	<b>94.48</b>
<b>Portfolio of investments</b>		<b>75,814,064</b>	<b>94.48</b>
Net other assets		4,429,357	5.52
<b>Net assets</b>		<b>80,243,421</b>	<b>100.00</b>

\* Investment Trust

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 31 December 2016.

Gross purchases for the six months: £17,642,688 [2016: £157,844].

Total sales net of transaction costs for the six months: £15,291,139 [2016: £2,353,900].

## FP Verbatim Portfolio 4 Fund

### Statement of Total Return For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
Income				
Net capital gains		2,573,729		360,359
Revenue	946,090		1,017,937	
Expenses	(377,564)		(345,840)	
Interest payable and similar charges	-		-	
Net revenue before taxation	568,526		672,097	
Taxation	(23,479)		(31,775)	
Net revenue after taxation		545,047		640,322
Total return before distributions		3,118,776		1,000,681
Distributions		26,826		(11,963)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>3,145,602</b>		<b>988,718</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		73,101,570		69,708,535
Amounts received on issue of Shares	7,099,679		4,730,872	
Less: Amounts paid on cancellation of Shares	(3,103,430)		(6,976,750)	
		3,996,249		(2,245,878)
Change in net assets attributable to Shareholders from investment activities (see above)		3,145,602		988,718
<b>Closing net assets attributable to Shareholders</b>		<b>80,243,421</b>		<b>68,451,375</b>

The above statement shows the comparative closing net assets at 30 June 2016 whereas the current accounting period commenced 1 January 2017.

## FP Verbatim Portfolio 4 Fund

---

### Balance Sheet As at 30 June 2017 (unaudited)

	30/06/17		31/12/16	
	£	£	£	£
<b>Assets</b>				
Fixed assets:				
Investment assets		75,814,064		70,456,363
Current assets:				
Debtors	832,915		314,312	
Cash and bank balances	3,778,840		2,464,329	
Total current assets		4,611,755		2,778,641
Total assets		80,425,819		73,235,004
<b>Liabilities</b>				
Creditors:				
Other creditors	(182,398)		(133,434)	
Total creditors		(182,398)		(133,434)
Total liabilities		(182,398)		(133,434)
<b>Net assets attributable to Shareholders</b>		<b>80,243,421</b>		<b>73,101,570</b>

## **FP Verbatim Portfolio 5 Income Fund**

---

### **Investment Manager's Report For the six months ended 30 June 2017 (unaudited)**

#### **Investment Objective**

The Fund will use a broadly cautious balanced investment strategy with the aim of achieving income with some potential for capital growth over the medium to longer term.

#### **Investment Policy**

The Fund will seek to achieve its objective through investment in Collective Investment Schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

The Fund may also gain exposure (directly and indirectly) to alternatives, including but not limited to, property, commodities, hedge funds, private equity, infrastructure and loans, through investment in Collective Investment Schemes and transferable securities.

The equity element of the portfolio will have a bias towards stocks generating a high and sustainable income.

Use may also be made of stock lending, borrowing, cash holdings and derivatives. It is intended that derivatives may be used for investment purposes as well as for efficient portfolio management but the ACD does not anticipate that such use of derivatives will have any significant adverse effect on the risk profile of the Fund. In particularly volatile markets, the Manager may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund. As the Manager has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

#### **Investment Review**

For the six months period under review, performance has been driven by strong contributions from some of our quality compounders; for example, the Fund's core holding in Sweden's Investor AB, with unlisted investments concentrated in medical solutions and devices increased its dividend by 10%. Notable returns were also forthcoming from Nestle, as well as Drillisch, the German telco services provider, whose shares rose following the announcement of a merger with United Internet to create a credible fourth player in the German telecoms market.

Despite an encouraging first half, we have been feeling cautious of late regarding markets and where possible reducing exposure to global equities after the strong start to the year. We sold out of JP Morgan Chase and reinvested a modest amount in Europe's ING Groep, which has an equally high quality management team. The shares yield 4.2% gross. We also sold our holding in Nissan on account of its cautious guidance for 2018, having earlier received the final dividend.

Although bond markets faded towards the end of the quarter the fragility of the expansion in the face of Brexit means that highly adverse returns are unlikely and upside surprises are still possible. In the absence of recession risks, corporate credit continues to offer superior risk-return potential to gilts. During the period under review, sectors such as insurance performed well and particularly the Fund's holding in Scottish Widows long dated bonds with a running yield of 5 ½%. We also added further to our fixed income exposure in transport by acquiring bonds issued by the Go-Ahead Group.

#### **Market Overview**

It has been a good six months for global investment markets. Equities have led the way with a return of just over 6% from the MSCI All Countries World Index but bonds are also in positive territory having digested another well telegraphed rise in US interest rates. The euro zone's solid recovery appears to be ongoing. The pro-business centrist Emmanuel Macron provides a breath of fresh air in France and politically Mrs Merkel seems more secure than earlier in the year. The USA is still hoping that Mr Trump will get at least some of his tax reforms and financial sector deregulation through Congress, and the economy is performing respectably in the meantime (the IMF forecast 2.2% real GDP growth for this year).

## **FP Verbatim Portfolio 5 Income Fund**

---

### **Investment Manager's Report (continued) For the six months ended 30 June 2017 (unaudited)**

#### **Outlook**

In spite of concern with equity valuations as a whole, the backdrop remains supportive for companies with dependable, good quality cash flows. Therefore, global equities probably remain the asset class most able to meet medium term investment targets. We are in a low growth, low inflation environment where central bankers will continue to tempt us (some would say force us) into the real economy with a continued diet of super low interest rates. US rates may go up one more time in 2017, but as the Federal Reserve starts to shrink its balance sheet, it is difficult to see rates increasing much if at all next year. Closer to home UK inflation will stick should there be compensatory rises in wages in the months ahead and most likely the Bank of England will raise rates by taking back the 0.25% precautionary cut in bank rate that it implemented last summer after the referendum.

*\*Unless otherwise stated, all data has been sourced from Bloomberg and/or Sarasin & Partners LLP*

#### **Investment Manager**

Sarasin & Partners LLP

11 July 2017

## FP Verbatim Portfolio 5 Income Fund

---

### Net Asset Value per Share and Comparative Table As at 30 June 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (£)	Shares in issue	Net Asset Value pence per Share	Percentage Change (%)
Share Class A Income				
31/12/16	2,824,069	2,259,778	124.97	
30/06/17	2,428,052	1,899,883	127.80	2.26
Share Class B Income				
31/12/16	20,633,559	15,784,320	130.72	
30/06/17	22,001,704	16,396,652	134.18	2.65

## FP Verbatim Portfolio 5 Income Fund

---

### Performance Information

As at 30 June 2017 (unaudited)

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Operating Charges (%)
30/06/17						
Share Class A	1.40	0.40	0.33	(0.25)	0.02	1.90
Share Class B	0.65	0.40	0.33	(0.25)	0.02	1.15
31/12/16						
Share Class A	1.40	0.39	0.34	(0.28)	0.03	1.88
Share Class B	0.65	0.39	0.34	(0.28)	0.03	1.13

The Operating Charge is the total expenses paid by the Fund in the period, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the period and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Portfolio 5 Income Fund

### Portfolio Statement

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 34.78% [34.65%]</b>			
139,000	3i Infrastructure*	265,351	1.09
88,217	Greencoat UK Wind*	106,478	0.44
1,550,000	Sarasin Global Higher Dividend	2,532,700	10.37
3,120,000	Sarasin Global Higher Dividend Sterling Hedge	4,976,400	20.37
140,000	Schroder Oriental Income*	344,750	1.41
157,472	Sequoia Economic Infrastructure Income*	174,794	0.71
80,000	TwentyFour Income*	96,200	0.39
		<b>8,496,673</b>	<b>34.78</b>
<b>Fixed Interest 38.41% [36.57%]</b>			
£120,000	A2D Funding II 4.5% Bonds 30/09/2026	132,116	0.54
£100,000	A2Dominion Housing Group 3.5% Bonds 15/11/2028	101,428	0.42
£211,000	AA Bond Co 2.875% Bonds 31/07/2043	214,937	0.88
£200,000	Affordable Housing Finance 2.893% Bonds 11/08/2043	227,750	0.93
£50,000	Alpha Plus Holdings 5% Bonds 31/03/2024	52,668	0.22
£100,000	Arqiva Financing 5.34% Bonds 30/12/2037	118,133	0.48
£100,000	AT&T 7% Bonds 30/04/2040	146,225	0.60
£100,000	Aviva 6.625% Bonds 03/06/2041	114,527	0.47
£150,000	Bank of America 6.125% Bonds 15/09/2021	177,660	0.73
£100,000	BPCE 5.25% Bonds 16/04/2029	115,942	0.47
£100,000	Centrica 7% Bonds 19/09/2018	107,098	0.44
£100,000	Citigroup 5.15% Bonds 21/05/2026	122,129	0.50
£150,000	Comcast 5.5% Bonds 23/11/2029	198,555	0.81
£200,000	Coventry Building Society 6.375% Bonds 31/12/2049	201,332	0.82
£200,000	Credit Suisse Group Guernsey 3% Bonds 27/05/2022	211,278	0.87
£200,000	Deutsche Bank 1.875% Bonds 28/02/2020	200,458	0.82
£200,000	Digital Stout 4.25% Bonds 17/01/2025	218,448	0.89
£100,000	Dignity Finance 4.6956% Bonds 31/12/2049	123,565	0.51
£100,000	E.ON International Finance 5.875% Bonds 30/10/2037	141,191	0.58
£100,000	Eastern Power Networks 8.5% Bonds 31/03/2025	146,091	0.60
£100,000	Electricite de France 5.875% Bonds 22/01/2049	101,813	0.42
£150,000	Engie 7% Bonds 30/10/2028	220,443	0.90
£200,000	GlaxoSmithKline Capital 5.25% Bonds 19/12/2033	274,106	1.12
£100,000	Go-Ahead 2.5% Bonds 06/07/2024	99,280	0.41
£126,240	Great Rolling Stock 6.875% Bonds 27/07/2035	165,796	0.68
£182,744	Greater Gabbard OFTO 4.137% Bonds 29/11/2032	210,671	0.86
£100,000	Guinness Partnership 4% Bonds 24/10/2044	120,168	0.49
£100,000	Heathrow Funding 6.75% Bonds 03/12/2028	136,900	0.56
£100,000	Henkel AG & Co 0.875% Bonds 13/09/2022	97,802	0.40
£100,000	Innogy Finance 5.625% Bonds 06/12/2023	121,652	0.50
INR 14,000,000	International Finance 6.45% Bonds 10/08/2020	168,974	0.69
£100,000	Kennedy Wilson Europe Real Estate 3.95% Bonds 30/06/2022	102,371	0.42
£100,000	Legal & General 5.5% Bonds 27/06/2064	106,973	0.44
£200,000	Manchester Airport Group Funding 4.75% Bonds 31/03/2034	252,038	1.03
£100,000	Mexico Government International Bond 6.75% Bonds 06/02/2024	121,251	0.50
£200,000	Motability Operations 3.75% Bonds 16/07/2026	228,928	0.94
£100,000	NGG Finance 2.625% Bonds 22/09/2038	95,367	0.39
£100,000	NGG Finance 5.625% Bonds 18/06/2073	113,307	0.46
£80,000	Orange 5.625% Bonds 23/01/2034	107,446	0.44

## FP Verbatim Portfolio 5 Income Fund

### Portfolio Statement (continued)

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Fixed Interest (continued)</b>			
£100,000	Orange 5.875% Perpetual Bonds	110,595	0.45
£100,000	Pennon Group 6.75% Perpetual Bonds	103,054	0.42
£200,000	Places for People Homes 2.875% Bonds 17/08/2026	193,946	0.79
£150,000	Porterbrook Rail Finance 6.5% Bonds 20/10/2020	173,859	0.71
£100,000	Prudential 5.7% Bonds 19/12/2063	113,122	0.46
£100,000	RAC Bond 4.565% Bonds 06/05/2046	108,446	0.44
£100,000	Rabobank 4.625% Bonds 23/05/2029	114,268	0.47
£40,000	Retail Charity 5% Bonds 12/04/2026	44,200	0.18
£100,000	Royal Bank of Scotland 6.375% Bonds 07/12/2028	134,083	0.55
£200,000	Scottish Widows 7% Bonds 16/06/2043	253,042	1.04
£250,000	SNCF Reseau 5.5% Bonds 01/12/2021	296,250	1.21
£120,000	Societe Generale 8.875% Perpetual Bonds	127,428	0.52
£100,000	Southern Gas Networks 5.125% Bonds 02/11/2018	105,396	0.43
£100,000	Telecom Italia Spa 3.625% Bonds 25/05/2026	97,766	0.40
£100,000	Telefonica Emisiones 5.289% Bonds 09/12/2022	117,090	0.48
\$100,000	Tesco 6.15% Bonds 15/11/2037	81,131	0.33
£98,298	Tesco Property Finance 5.8006% Bonds 13/10/2040	108,172	0.44
£100,000	Thames Water Utilities Cayman Finance 3.5% Bonds 25/02/2028	110,905	0.45
£150,000	THFC Funding No 2 6.35% Bonds 08/07/2039	229,402	0.94
£150,000	Transport for London 3.875% Bonds 23/07/2042	189,372	0.78
£200,000	UNITE USAF II 3.921% Bonds 30/06/2025	225,980	0.93
£95,941	UPP Bond 1 Issuer 4.9023% Bonds 28/02/2040	117,109	0.48
£200,000	Wells Fargo 2% Bonds 28/07/2025	198,008	0.81
£100,000	Welltower 4.5% Bonds 01/12/2034	113,687	0.47
		<b>9,383,128</b>	<b>38.41</b>
<b>Automobiles &amp; Parts 0.00% [1.19%]</b>			
<b>Banks 2.78% [1.01%]</b>			
25,000	ING	331,839	1.36
18,500	Sweden Bank	346,524	1.42
		<b>678,363</b>	<b>2.78</b>
<b>Basic Resources 0.00% [0.55%]</b>			
<b>Financial Services 3.52% [4.88%]</b>			
125,000	Apax Global Alpha	187,500	0.77
900	Equinix	297,579	1.22
10,140	Investor AB	375,522	1.53
		<b>860,601</b>	<b>3.52</b>
<b>Food &amp; Beverage 2.28% [1.90%]</b>			
7,600	Associated British Foods	223,060	0.91
8,173	Compass	132,402	0.54
3,000	Nestle	201,158	0.83
		<b>556,620</b>	<b>2.28</b>

## FP Verbatim Portfolio 5 Income Fund

### Portfolio Statement (continued) As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Health Care 1.06% [1.14%]</b>			
10,000	Pfizer	258,883	1.06
		<b>258,883</b>	<b>1.06</b>
<b>Industrial Goods &amp; Services 2.23% [3.16%]</b>			
4,000	Altria	229,580	0.94
115	Givaudan	177,151	0.72
2,800	Jardine Matheson	138,327	0.57
		<b>545,058</b>	<b>2.23</b>
<b>Industrial Inorganic Chemicals 0.62% [0.68%]</b>			
1,370	Air Products & Chemicals	151,064	0.62
		<b>151,064</b>	<b>0.62</b>
<b>Oil &amp; Gas 2.82% [3.30%]</b>			
60,000	Enel	247,574	1.01
10,600	Royal Dutch Shell	218,625	0.90
5,865	Total	223,160	0.91
		<b>689,359</b>	<b>2.82</b>
<b>Personal &amp; Household Goods 0.58% [0.57%]</b>			
2,500	Colgate-Palmolive	142,832	0.58
		<b>142,832</b>	<b>0.58</b>
<b>Pharmaceuticals 1.37% [1.31%]</b>			
2,000	AmerisourceBergen	145,711	0.60
11,600	GlaxoSmithKline	189,602	0.77
		<b>335,313</b>	<b>1.37</b>
<b>Real Estate 2.68% [1.17%]</b>			
36,000	Segro	175,428	0.72
20,000	Sun Hung Kai	226,328	0.93
1,300	Unibail-Rodamco	252,149	1.03
		<b>653,905</b>	<b>2.68</b>
<b>Telecommunications 3.88% [2.81%]</b>			
7,500	Drillisch	347,488	1.42
15,000	SES	270,570	1.11
152,000	Vodafone	330,904	1.35
		<b>948,962</b>	<b>3.88</b>
<b>Utilities 1.46% [2.16%]</b>			
37,375	National Grid	355,698	1.46
		<b>355,698</b>	<b>1.46</b>

## FP Verbatim Portfolio 5 Income Fund

### Portfolio Statement (continued) As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>Portfolio of investments</b>	<b>24,056,459</b>	<b>98.47</b>
	Net other assets	373,297	1.53
	<b>Net assets</b>	<b>24,429,756</b>	<b>100.00</b>

\* Investment Trusts

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 31 December 2016.

Gross purchases for the six months: £3,190,365 [2016: £9,147,322].

Total sales net of transaction costs for the six months: £2,637,477 [2016: £9,778,279].

### Credit Ratings

	% of Total Net Assets
Collective Investment Schemes	34.78
Investment grade securities**	30.20
Equities	25.28
Non Investment grade securities***	8.21
Cash	1.53
	<b>100.00</b>

\*\* Bond ratings AAA to BBB

\*\*\* Bond ratings BB to NR

## FP Verbatim Portfolio 5 Income Fund

### Statement of Total Return For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
Income				
Net capital gains		766,590		1,071,927
Revenue	486,060		457,334	
Expenses	(169,307)		(119,489)	
Interest payable and similar charges	(15)		-	
Net revenue before taxation	316,738		337,845	
Taxation	(4,679)		(19,301)	
Net revenue after taxation		312,059		318,544
Total return before distributions		1,078,649		1,390,471
Distributions		(447,504)		(414,128)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>631,145</b>		<b>976,343</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		23,457,628		19,913,075
Amounts received on issue of Shares	2,111,042		2,492,293	
Less: Amounts paid on cancellation of Shares	(1,770,059)		(2,695,205)	
		340,983		(202,912)
Change in net assets attributable to Shareholders from investment activities (see above)		631,145		976,343
<b>Closing net assets attributable to Shareholders</b>		<b>24,429,756</b>		<b>20,686,506</b>

The above statement shows the comparative closing net assets at 30 June 2016 whereas the current accounting period commenced 1 January 2017.

## FP Verbatim Portfolio 5 Income Fund

### Balance Sheet As at 30 June 2017 (unaudited)

	30/06/17		31/12/16	
	£	£	£	£
<b>Assets</b>				
Fixed assets:				
Investment assets		24,056,459		22,764,863
Current assets:				
Debtors	290,381		178,200	
Cash and bank balances	493,813		743,591	
Total current assets		784,194		921,791
Total assets		24,840,653		23,686,654
<b>Liabilities</b>				
Creditors:				
Distribution payable on income Shares	(238,574)		(179,889)	
Other creditors	(172,323)		(49,137)	
Total creditors		(410,897)		(229,026)
Total liabilities		(410,897)		(229,026)
<b>Net assets attributable to Shareholders</b>		<b>24,429,756</b>		<b>23,457,628</b>

## FP Verbatim Portfolio 5 Income Fund

### Distribution Table

As at 30 June 2017 (unaudited)

#### First Distribution in pence per Share

Group 1 Shares purchased prior to 1 January 2017

Group 2 Shares purchased on or after 1 January to 31 March 2017

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/17 (p)	Distribution paid 31/05/16 (p)
--	-----------------------	---------------------	---	---

#### Share Class A Income

Group 1	1.0816	-	1.0816	1.1986
Group 2	0.4418	0.6398	1.0816	1.1986

#### Share Class B Income

Group 1	1.1303	-	1.1303	1.2449
Group 2	0.4169	0.7134	1.1303	1.2449

#### Second Distribution in pence per Share

Group 1 Shares purchased prior to 1 April 2017

Group 2 Shares purchased on or after 1 April to 30 June 2017

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/17 (p)	Distribution paid 31/08/16 (p)
--	-----------------------	---------------------	--	---

#### Share Class A Income

Group 1	1.2481	-	1.2481	1.1888
Group 2	0.6572	0.5909	1.2481	1.1888

#### Share Class B Income

Group 1	1.3104	-	1.3104	1.2372
Group 2	0.6010	0.7094	1.3104	1.2372

## **FP Verbatim Portfolio 5 Growth Fund**

---

### **Investment Manager's Report For the six months ended 30 June 2017 (unaudited)**

#### **Investment Objective**

The Fund will use a broadly cautious balanced strategy with the aim of achieving capital growth over the medium to longer term.

#### **Investment Policy**

The Fund will seek to achieve its objective through investment in Collective Investment Schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

The Fund may also gain exposure (directly and indirectly) to alternatives, including but not limited to, property, commodities, hedge funds, private equity, infrastructure and loans, through investment in Collective Investment Schemes and transferable securities.

Use may also be made of stock lending, borrowing, cash holdings and derivatives. It is intended that derivatives will be used for investment purposes as well as for efficient portfolio management but the ACD does not anticipate that such use of derivatives will have any significant adverse effect on the risk profile of the Fund. In particularly volatile markets, the Manager may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund. As the Manager has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

#### **Investment Review**

Over the six months under review, the Fund produced a return of 5.74% (Source: Lipper, B Acc shares).

Two key trends in place since last year's Brexit campaign and vote continued during the first half of 2017: politics dominated the news agenda and, for the most part, markets took little notice and kept on rising.

As we have said before, there has been a sea change in policy since the start of 2016, acknowledging the long road of austerity and printing money has come to an end and a new approach is needed to stimulate growth. We are moving from an era of belt tightening to loosening: from lower to higher growth, inflation and bond yields and Donald Trump is the encapsulation of this reflationary ideal.

One thing we can say about financial markets is that they rarely go up in a straight line and we continue to expect intermittent corrections in the 5-10% region. We saw that happen just before Christmas in Asia and Emerging Markets, where fears around US protectionism and changing trade agreements under Trump saw both fall off and gave us an opportunity to top up weightings.

Fund managers often feel compelled to trade to justify their fees but we would say the first six months of 2017 has been a period where less is more on this front.

Having taken over management in June 2016, we have continued to buy and sell to get the portfolio in line with our strategic and tactical views but despite ongoing political volatility, nothing has happened to change our fundamental views on growth and inflation.

We continue to favour Europe, Asia and emerging markets but have been wary of investing at higher valuations. Emerging markets and Asia have underperformed developed over recent years and there is clearly room for some equalisation, whether Western markets drop off or Eastern catch up – and we will continue to look for opportunities to take advantage of that trend.

One addition to the portfolio in May was a small position in the Downing Strategic Micro Cap fund, which improves overall diversification and brings a different source of returns. We like the private equity style of this team, which has a long track record in micro caps.

## **FP Verbatim Portfolio 5 Growth Fund**

---

### **Investment Manager's Report (continued) For the six months ended 30 June 2017 (unaudited)**

#### **Market Overview**

Brexit and Donald Trump continued to dominate sentiment over the first six months of 2017.

In the UK, the government triggered Article 50 in March but the Conservatives' plan to strengthen its hand for exit negotiations by calling a snap election ended with a minority government shrouded in uncertainty.

Elsewhere, controversy has continued to swirl around Donald Trump in the White House and shows no sign of ceasing. As we have said before, Trump is clearly a businessman rather than a politician so is generally seen as pro-business, but I have concerns over the extent to which he will be able to back up his many promises.

We also had French elections over the period, and once again this revealed a populace tired of the status quo and seeking fresh political choices. With the widely-tipped Republican Party pushed down into third place and President François Hollande's Socialists fifth, the run-off contest was between former economy minister Emmanuel Macron and far-right candidate Marine Le Pen.

Macron was favourite and ended up winning comfortably in May, becoming France's youngest ruler since Napoleon. Macron is a centrist and his victory eased fears of a 'F Brexit' had Le Pen won power.

#### **Outlook**

As has been the case for much of the last 12 months, ongoing political volatility is not translating into market volatility and several markets continue to hit fresh highs.

Against this however, there are growing concerns about how far the long bull market can continue. Bank of America Merrill Lynch's latest monthly Global Fund Manager Survey, conducted in early June, revealed 44% of managers taking a cautious stance on global equities, up from 37% in May, with 84% identifying the US as the most overvalued region for stocks.

On the interest rate front, the UK's Monetary Policy Committee (MPC) left policy unchanged over the period but minutes from the June meeting highlight a deepening rift between members. While the Committee voted 5-3 to keep rates on hold at 0.25%, the Bank of England's chief economist revealed he seriously considered opposing Governor Mark Carney and voting for a rise.

Carney cited Brexit uncertainty as justification for leaving rates on hold at 0.25%, but just hours later, economist Andy Haldane said it would be prudent to tighten policy before the end of the year. Again, it will be interesting to see how this plays out over the second half of the year.

In the US, we saw the Federal Reserve raise rates again in June, the second hike so far this year but still just the fourth since the financial crisis. US officials maintained their projection of one more rise in 2017 amid slightly stronger growth projections and downward revisions to its unemployment forecasts.

While macro twists and turns continue to cause havoc for short-term speculators, these events create opportunity for long-term patient investors and as ever, we stand poised to take advantage where markets look cheap.

Stronger economic growth favours portfolios skewed towards higher yield and shorter duration assets and we believe an end to quantitative easing around the world signals a return to 'old school' investing focusing on fundamentals and valuations.

#### **Investment Manager**

Liontrust Investment Partners LLP  
14 July 2017

## FP Verbatim Portfolio 5 Growth Fund

---

### Net Asset Value per Share and Comparative Table As at 30 June 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (£)	Shares in issue	Net Asset Value pence per Share	Percentage Change (%)
Share Class A Accumulation				
31/12/16	10,395,881	6,880,950	151.08	
30/06/17	10,764,226	6,783,736	158.68	5.03
Share Class B Accumulation				
31/12/16	79,402,553	50,230,455	158.08	
30/06/17	90,357,740	54,221,724	166.64	5.41

#### Distribution

The Fund distributes annually, following the annual accounting period. Therefore there is no distribution in the current period.

## FP Verbatim Portfolio 5 Growth Fund

---

### Performance Information

As at 30 June 2017 (unaudited)

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Operating Charges (%)
30/06/17						
Share Class A	1.40	0.26	0.48	(0.08)	0.00	2.06
Share Class B	0.65	0.26	0.48	(0.08)	0.00	1.31
31/12/16						
Share Class A	1.40	0.34	0.51	(0.20)	0.01	2.06
Share Class B	0.65	0.34	0.51	(0.20)	0.01	1.31

The Operating Charge is the total expenses paid by the Fund in the period, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the period and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Portfolio 5 Growth Fund

### Portfolio Statement

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 97.29% [92.89%]</b>			
5,170,000	AXA US Short Duration High Yield	5,061,947	5.01
182,000	Baillie Gifford Japanese	2,639,000	2.61
16,800	Baring Europe Select	648,984	0.64
3,905,268	BlackRock Corporate Bond Tracker	5,955,534	5.89
1,067,295	CF Lindsell Train UK Equity	3,879,189	3.84
590,000	Downing Strategic Micro-Cap*	601,800	0.60
765,440	Fidelity Index Emerging Markets	1,098,100	1.09
1,733,672	Fidelity Index Europe ex UK	2,431,475	2.40
949,000	Fidelity Index Japan	1,428,814	1.41
659,000	Fidelity Index Pacific ex Japan	968,928	0.96
4,484,000	Fidelity Index UK	5,659,705	5.60
1,024,000	Fidelity Index US	1,834,394	1.81
430,000	First State Global Emerging Markets Leaders	2,591,008	2.56
2,910,000	Insight UK Corp All Maturities Bond	6,105,180	6.04
1,572,000	JPMorgan US Equity Income	3,720,924	3.68
352,000	Jupiter European Opportunities*	2,442,880	2.42
2,955,000	Legal & General All Stocks Gilt Index	6,459,630	6.39
10,744,000	Legal & General Sterling Corporate Bond Index	6,019,863	5.95
3,646,338	Legal & General UK Property	1,927,089	1.91
1,042,000	Liontrust European Income	2,464,643	2.44
170,960	Liontrust GF Asia Income	1,878,850	1.86
1,191,200	Liontrust Macro Equity Income	4,122,624	4.08
962,984	Liontrust UK Growth	3,956,516	3.91
185,900	M&G Property Portfolio	2,116,881	2.09
13,900	Man GLG Japan CoreAlpha Equity	2,532,441	2.50
1,000,000	MI Somerset Global Emerging Markets	2,569,748	2.54
2,620,000	Old Mutual UK Alpha	3,966,680	3.92
645,019	River and Mercantile UK Micro Cap*	1,032,030	1.02
5,044,997	Royal London Corporate Bond	6,119,581	6.05
296,000	Royal London Index Linked	767,528	0.76
462,000	Schroder AsiaPacific*	1,884,960	1.86
3,080,000	UBS US Growth	3,493,336	3.45
		<b>98,380,262</b>	<b>97.29</b>
<b>Offshore Funds 0.00% [3.19%]</b>			
<b>Portfolio of investments</b>		<b>98,380,262</b>	<b>97.29</b>
Net other assets		2,741,704	2.71
<b>Net assets</b>		<b>101,121,966</b>	<b>100.00</b>

\* Investment Trusts

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 31 December 2016.

Gross purchases for the six months: £64,834,868 [2016: £21,620,794].

Total sales net of transaction costs for the six months: £57,751,576 [2016: £24,519,595].

## FP Verbatim Portfolio 5 Growth Fund

### Statement of Total Return For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
Income				
Net capital gains		4,441,587		1,814,568
Revenue	986,726		1,109,300	
Expenses	(467,949)		(442,022)	
Interest payable and similar charges	(370)		-	
Net revenue before taxation	518,407		667,278	
Taxation	(6,093)		(42,550)	
Net revenue after taxation		512,314		624,728
Total return before distributions		4,953,901		2,439,296
Distributions		30,817		(6,017)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>4,984,718</b>		<b>2,433,279</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		89,798,434		79,696,725
Amounts received on issue of Shares	9,320,440		7,239,896	
Less: Amounts paid on cancellation of Shares	(2,981,626)		(9,042,814)	
		6,338,814		(1,802,918)
Change in net assets attributable to Shareholders from investment activities (see above)		4,984,718		2,433,279
<b>Closing net assets attributable to Shareholders</b>		<b>101,121,966</b>		<b>80,327,086</b>

The above statement shows the comparative closing net assets at 30 June 2016 whereas the current accounting period commenced 1 January 2017.

## FP Verbatim Portfolio 5 Growth Fund

### Balance Sheet As at 30 June 2017 (unaudited)

	30/06/17		31/12/16	
	£	£	£	£
<b>Assets</b>				
<b>Fixed assets:</b>				
Investment assets		98,380,262		86,276,284
Current assets:				
Debtors	628,616		554,709	
Cash and bank balances	3,031,233		3,358,592	
Total current assets		3,659,849		3,913,301
Total assets		102,040,111		90,189,585
<b>Liabilities</b>				
Creditors:				
Other creditors	(918,145)		(391,151)	
Total creditors		(918,145)		(391,151)
Total liabilities		(918,145)		(391,151)
<b>Net assets attributable to Shareholders</b>		<b>101,121,966</b>		<b>89,798,434</b>

## FP Verbatim Portfolio 6 Fund

---

### Investment Manager's Report For the six months ended 30 June 2017 (unaudited)

#### Investment Objective

The Fund will use a broadly balanced investment strategy with the aim of achieving capital growth over the medium to longer term.

#### Investment Policy

The Fund will seek to achieve its objective through investment in Collective Investment Schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

The Fund may also gain exposure (directly and indirectly) to alternatives, including but not limited to, property, commodities, hedge funds, private equity, infrastructure and loans, through investment in Collective Investment Schemes and transferable securities.

Use may also be made of stock lending, borrowing, cash holdings and derivatives. It is intended that derivatives will be used for investment purposes as well as for efficient portfolio management but the ACD does not anticipate that such use of derivatives will have any significant adverse effect on the risk profile of the Fund. In particularly volatile markets, the Manager may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund. As the Manager has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

#### Investment Review

Over the six months under review, the Fund produced a return of 7.07% (Source: Lipper, B Acc shares).

Two key trends in place since last year's Brexit campaign and vote continued during the first half of 2017: politics dominated the news agenda and, for the most part, markets took little notice and kept on rising.

As we have said before, there has been a sea change in policy since the start of 2016, acknowledging the long road of austerity and printing money has come to an end and a new approach is needed to stimulate growth. We are moving from an era of belt tightening to loosening: from lower to higher growth, inflation and bond yields and Donald Trump is the encapsulation of this reflationary ideal.

One thing we can say about financial markets is that they rarely go up in a straight line and we continue to expect intermittent corrections in the 5-10% region. We saw that happen just before Christmas in Asia and Emerging Markets, where fears around US protectionism and changing trade agreements under Trump saw both fall off and gave us an opportunity to top up weightings.

Fund managers often feel compelled to trade to justify their fees but we would say the first six months of 2017 has been a period where less is more on this front. Despite ongoing political volatility, nothing has happened to change our fundamental views on growth and inflation.

We continue to favour Europe, Asia and emerging markets but have been wary of investing at higher valuations. Emerging markets and Asia have underperformed developed over recent years and there is clearly room for some equalisation, whether Western markets drop off or Eastern catch up – and we will continue to look for opportunities to take advantage of that trend.

One addition to the portfolio in May was a small position in the Downing Strategic Micro Cap fund, which improves overall diversification and brings a different source of returns. We like the private equity style of this team, which has a long track record in micro caps.

#### Market Overview

Brexit and Donald Trump continued to dominate sentiment over the first six months of 2017.

### **Investment Manager's Report For the six months ended 30 June 2017 (unaudited)**

#### **Market Overview (continued)**

In the UK, the government triggered Article 50 in March but the Conservatives' plan to strengthen its hand for exit negotiations by calling a snap election ended with a minority government shrouded in uncertainty.

Elsewhere, controversy has continued to swirl around Donald Trump in the White House and shows no sign of ceasing. As we have said before, Trump is clearly a businessman rather than a politician so is generally seen as pro-business, but I have concerns over the extent to which he will be able to back up his many promises.

We also had French elections over the period, and once again this revealed a populace tired of the status quo and seeking fresh political choices. With the widely-tipped Republican Party pushed down into third place and President François Hollande's Socialists fifth, the run-off contest was between former economy minister Emmanuel Macron and far-right candidate Marine Le Pen.

Macron was favourite and ended up winning comfortably in May, becoming France's youngest ruler since Napoleon. Macron is a centrist and his victory eased fears of a 'Frexit' had Le Pen won power.

#### **Outlook**

As has been the case for much of the last 12 months, ongoing political volatility is not translating into market volatility and several markets continue to hit fresh highs.

Against this however, there are growing concerns about how far the long bull market can continue. Bank of America Merrill Lynch's latest monthly Global Fund Manager Survey, conducted in early June, revealed 44% of managers taking a cautious stance on global equities, up from 37% in May, with 84% identifying the US as the most overvalued region for stocks.

On the interest rate front, the UK's Monetary Policy Committee (MPC) left policy unchanged over the period but minutes from the June meeting highlight a deepening rift between members. While the Committee voted 5-3 to keep rates on hold at 0.25%, the Bank of England's chief economist revealed he seriously considered opposing Governor Mark Carney and voting for a rise.

Carney cited Brexit uncertainty as justification for leaving rates on hold at 0.25%, but just hours later, economist Andy Haldane said it would be prudent to tighten policy before the end of the year. Again, it will be interesting to see how this plays out over the second half of the year.

In the US, we saw the Federal Reserve raise rates again in June, the second hike so far this year but still just the fourth since the financial crisis. US officials maintained their projection of one more rise in 2017 amid slightly stronger growth projections and downward revisions to its unemployment forecasts.

While macro twists and turns continue to cause havoc for short-term speculators, these events create opportunity for long-term patient investors and as ever, we stand poised to take advantage where markets look cheap.

Stronger economic growth favours portfolios skewed towards higher yield and shorter duration assets and we believe an end to quantitative easing around the world signals a return to 'old school' investing focusing on fundamentals and valuations.

#### **Investment Manager**

Liontrust Investment Partners LLP

14 July 2017

## FP Verbatim Portfolio 6 Fund

---

### Net Asset Value per Share and Comparative Table As at 30 June 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (£)	Shares in issue	Net Asset Value pence per Share	Percentage Change (%)
Share Class A Accumulation				
31/12/16	5,617,144	3,801,154	147.77	
30/06/17	5,676,181	3,620,519	156.78	6.10
Share Class B Accumulation				
31/12/16	37,533,198	24,217,136	154.99	
30/06/17	42,105,026	25,511,218	165.05	6.49

#### Distribution

The Fund distributes annually, following the annual accounting period. Therefore there is no distribution in the current period.

## FP Verbatim Portfolio 6 Fund

---

### Performance Information As at 30 June 2017 (unaudited)

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Operating Charges (%)
30/06/17						
Share Class A	1.40	0.26	0.52	(0.07)	0.01	2.12
Share Class B	0.65	0.26	0.52	(0.07)	0.01	1.37
31/12/16						
Share Class A	1.40	0.30	0.58	(0.01)	0.01	2.28
Share Class B	0.65	0.30	0.58	(0.01)	0.01	1.53

The Operating Charge is the total expenses paid by the Fund in the period, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the period and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Portfolio 6 Fund

### Portfolio Statement

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 97.50% [97.26%]</b>			
1,820,000	AXA US Short Duration High Yield	1,781,962	3.73
73,700	Baillie Gifford Japanese	1,068,650	2.24
7,650	Baring Europe Select	295,519	0.62
1,781,456	BlackRock Corporate Bond Tracker	2,346,178	4.91
838,000	CF Lindsell Train UK Equity	2,280,198	4.77
325,000	Downing Strategic Micro-Cap*	331,500	0.69
939,109	Fidelity Index Emerging Markets	1,146,371	2.40
459,492	Fidelity Index Europe ex UK	611,906	1.28
547,550	Fidelity Index Japan	824,391	1.73
623,156	Fidelity Index Pacific ex Japan	916,227	1.92
2,564,896	Fidelity Index UK	3,237,411	6.78
320,331	Fidelity Index US	573,840	1.20
363,900	First State Global Emerging Markets Leaders	2,192,716	4.59
1,098,000	Insight UK Corp All Maturities Bond	2,303,604	4.82
439,000	JPMorgan US Equity Income	1,039,113	2.17
167,800	Jupiter European Opportunities*	1,164,532	2.44
4,118,574	Legal & General Sterling Corporate Bond Index	2,307,637	4.83
737,000	Legal & General UK Property	577,734	1.21
560,000	Liontrust European Income	1,324,568	2.77
146,000	Liontrust GF Asia Income	1,604,540	3.36
627,000	Liontrust Macro Equity Income	2,169,984	4.54
547,116	Liontrust UK Growth	2,247,882	4.70
41,745	M&G Property Portfolio	475,359	0.99
6,525	Man GLG Japan CoreAlpha Equity	1,188,790	2.49
925,000	MI Somerset Global Emerging Markets	2,377,017	4.97
1,433,000	Old Mutual UK Alpha	2,169,562	4.54
679,932	River and Mercantile UK Micro Cap*	1,087,891	2.28
1,913,000	Royal London Corporate Bond	2,320,469	4.86
219,000	Royal London Index Linked	567,867	1.19
474,000	Schroder AsiaPacific*	1,933,920	4.05
1,100,000	UBS US Growth	1,247,620	2.61
5,930	Vanguard Global Bond Index	869,843	1.82
		<b>46,584,801</b>	<b>97.50</b>
<b>Portfolio of investments</b>		<b>46,584,801</b>	<b>97.50</b>
Net other assets		1,196,406	2.50
<b>Net assets</b>		<b>47,781,207</b>	<b>100.00</b>

\* Investment Trusts

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 31 December 2016.

Gross purchases for the six months: £12,632,049 [2016: £33,577,380].

Total sales net of transaction costs for the six months: £10,809,781 [2016: £33,605,483].

## FP Verbatim Portfolio 6 Fund

### Statement of Total Return For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
Income				
Net capital gains		2,583,102		1,222,841
Revenue	461,976		432,157	
Expenses	(226,050)		(209,523)	
Finance costs: Interest	(8)		(10)	
Net revenue before taxation	235,918		222,624	
Taxation	-		-	
Net revenue after taxation		235,918		222,624
Total return before distributions		2,819,020		1,445,465
Finance costs: Distributions		8,941		2,128
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>2,827,961</b>		<b>1,447,593</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		43,150,342		38,127,634
Amounts received on issue of Shares	4,880,655		3,786,005	
Less: Amounts paid on cancellation of Shares	(3,077,751)		(3,819,721)	
		1,802,904		(33,716)
Change in net assets attributable to Shareholders from investment activities (see above)		2,827,961		1,447,593
<b>Closing net assets attributable to Shareholders</b>		<b>47,781,207</b>		<b>39,541,511</b>

The above statement shows the comparative closing net assets at 30 June 2016 whereas the current accounting period commenced 1 January 2017.

## FP Verbatim Portfolio 6 Fund

---

### Balance Sheet As at 30 June 2017 (unaudited)

	30/06/17		31/12/16	
	£	£	£	£
<b>Assets</b>				
Investment assets		46,584,801		41,967,565
Debtors	186,592		153,837	
Cash and bank balances	1,142,490		1,128,147	
Total other assets		1,329,082		1,281,984
Total assets		47,913,883		43,249,549
<b>Liabilities</b>				
Creditors	(132,676)		(99,207)	
Total other liabilities		(132,676)		(99,207)
Total liabilities		(132,676)		(99,207)
<b>Net assets attributable to Shareholders</b>		<b>47,781,207</b>		<b>43,150,342</b>

## FP Verbatim Portfolio 7 Fund

---

### Investment Manager's Report For the six months ended 30 June 2017 (unaudited)

#### Investment Objective

The Fund will use a broadly growth investment strategy with the aim of achieving capital growth over the medium to longer term.

#### Investment Policy

The Fund will seek to achieve its objective through investment in Collective Investment Schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non UK investments may be hedged back into Sterling.

The Fund may also gain exposure (directly and indirectly) to alternatives, including but not limited to, property, commodities, hedge funds, private equity, infrastructure and loans, through investment in Collective Investment Schemes and transferable securities.

Use may also be made of stock lending, borrowing, cash holdings and derivatives. It is intended that derivatives will be used for investment purposes as well as for efficient portfolio management but the ACD does not anticipate that such use of derivatives will have any significant adverse effect on the risk profile of the Fund. In particularly volatile markets, the Manager may temporarily hold more than 10% in cash provided it is in accordance with the investment objective of the Fund. As the Manager has the discretion to borrow up to 10% of the value of the property of the Fund, this facility may be used to help manage liquidity.

#### Investment Review

Over the six months under review, the Fund produced a return of 7.46% (Source: Lipper, B Acc shares).

Two key trends in place since last year's Brexit campaign and vote continued during the first half of 2017: politics dominated the news agenda and, for the most part, markets took little notice and kept on rising.

As we have said before, there has been a sea change in policy since the start of 2016, acknowledging the long road of austerity and printing money has come to an end and a new approach is needed to stimulate growth. We are moving from an era of belt tightening to loosening: from lower to higher growth, inflation and bond yields and Donald Trump is the encapsulation of this reflationary ideal.

One thing we can say about financial markets is that they rarely go up in a straight line and we continue to expect intermittent corrections in the 5-10% region. We saw that happen just before Christmas in Asia and Emerging Markets, where fears around US protectionism and changing trade agreements under Trump saw both fall off and gave us an opportunity to top up weightings.

Fund managers often feel compelled to trade to justify their fees but we would say the first six months of 2017 has been a period where less is more on this front.

Having taken over management in June 2016, we have continued to buy and sell to get the portfolio in line with our strategic and tactical views but despite ongoing political volatility, nothing has happened to change our fundamental views on growth and inflation.

We continue to favour Europe, Asia and emerging markets but have been wary of investing at higher valuations. Emerging markets and Asia have underperformed developed over recent years and there is clearly room for some equalisation, whether Western markets drop off or Eastern catch up – and we will continue to look for opportunities to take advantage of that trend.

One addition to the portfolio in May was a small position in the Downing Strategic Micro Cap fund, which improves overall diversification and brings a different source of returns. We like the private equity style of this team, which has a long track record in micro caps.

### Investment Manager's Report (continued) For the six months ended 30 June 2017 (unaudited)

#### Market Overview

Brexit and Donald Trump continued to dominate sentiment over the first six months of 2017.

In the UK, the government triggered Article 50 in March but the Conservatives' plan to strengthen its hand for exit negotiations by calling a snap election ended with a minority government shrouded in uncertainty.

Elsewhere, controversy has continued to swirl around Donald Trump in the White House and shows no sign of ceasing. As we have said before, Trump is clearly a businessman rather than a politician so is generally seen as pro-business, but I have concerns over the extent to which he will be able to back up his many promises.

We also had French elections over the period, and once again this revealed a populace tired of the status quo and seeking fresh political choices. With the widely-tipped Republican Party pushed down into third place and President François Hollande's Socialists fifth, the run-off contest was between former economy minister Emmanuel Macron and far-right candidate Marine Le Pen.

Macron was favourite and ended up winning comfortably in May, becoming France's youngest ruler since Napoleon. Macron is a centrist and his victory eased fears of a 'F Brexit' had Le Pen won power.

#### Outlook

As has been the case for much of the last 12 months, ongoing political volatility is not translating into market volatility and several markets continue to hit fresh highs.

Against this however, there are growing concerns about how far the long bull market can continue. Bank of America Merrill Lynch's latest monthly Global Fund Manager Survey, conducted in early June, revealed 44% of managers taking a cautious stance on global equities, up from 37% in May, with 84% identifying the US as the most overvalued region for stocks.

On the interest rate front, the UK's Monetary Policy Committee (MPC) left policy unchanged over the period but minutes from the June meeting highlight a deepening rift between members. While the Committee voted 5-3 to keep rates on hold at 0.25%, the Bank of England's chief economist revealed he seriously considered opposing Governor Mark Carney and voting for a rise.

Carney cited Brexit uncertainty as justification for leaving rates on hold at 0.25%, but just hours later, economist Andy Haldane said it would be prudent to tighten policy before the end of the year. Again, it will be interesting to see how this plays out over the second half of the year.

In the US, we saw the Federal Reserve raise rates again in June, the second hike so far this year but still just the fourth since the financial crisis. US officials maintained their projection of one more rise in 2017 amid slightly stronger growth projections and downward revisions to its unemployment forecasts.

While macro twists and turns continue to cause havoc for short-term speculators, these events create opportunity for long-term patient investors and as ever, we stand poised to take advantage where markets look cheap.

Stronger economic growth favours portfolios skewed towards higher yield and shorter duration assets and we believe an end to quantitative easing around the world signals a return to 'old school' investing focusing on fundamentals and valuations.

#### Investment Manager

Liontrust Investment Partners LLP

14 July 2017

## FP Verbatim Portfolio 7 Fund

---

### Net Asset Value per Share and Comparative Table As at 30 June 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (£)	Shares in issue	Net Asset Value pence per Share	Percentage Change (%)
Share Class A Accumulation				
31/12/16	5,955,479	3,675,913	162.01	
30/06/17	6,194,282	3,586,130	172.73	6.62
Share Class B Accumulation				
31/12/16	28,339,486	16,625,595	170.46	
30/06/17	32,699,722	17,926,341	182.41	7.01

#### Distribution

The Fund distributes annually, following the annual accounting period. Therefore there is no distribution in the current period.

## FP Verbatim Portfolio 7 Fund

---

### Performance Information As at 30 June 2017 (unaudited)

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Operating Charges (%)
30/06/17						
Share Class A	1.40	0.26	0.57	(0.13)	0.01	2.11
Share Class B	0.65	0.26	0.57	(0.13)	0.01	1.36
31/12/16						
Share Class A	1.40	0.55	0.39	(0.05)	0.01	2.30
Share Class B	0.65	0.55	0.39	(0.05)	0.01	1.55

The Operating Charge is the total expenses paid by the Fund in the period, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the period and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Portfolio 7 Fund

### Portfolio Statement

As at 30 June 2017 (unaudited)

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 98.16% [79.69%]</b>			
1,782,000	AXA US Short Duration High Yield	1,744,756	4.49
59,500	Baillie Gifford Japanese	862,750	2.22
8,675	Baring Europe Select	335,115	0.86
581,570	BlackRock Corporate Bond Tracker	765,928	1.97
787,000	CF Lindsell Train UK Equity	2,141,427	5.51
305,000	Downing Strategic Micro-Cap*	311,100	0.80
907,000	Fidelity Index Emerging Markets	1,301,182	3.35
325,467	Fidelity Index Europe ex UK	456,468	1.17
290,000	Fidelity Index Japan	436,624	1.12
657,000	Fidelity Index Pacific ex Japan	965,987	2.48
2,471,708	Fidelity Index UK	3,119,790	8.02
158,000	Fidelity Index US	283,041	0.73
419,705	First State Global Emerging Markets Leaders	2,528,975	6.50
342,000	Insight UK Corp All Maturities Bond	717,516	1.85
314,700	JPMorgan US Equity Income	744,895	1.92
100,000	Jupiter European Opportunities*	694,000	1.78
1,258,000	Legal & General Sterling Corporate Bond Index	704,857	1.81
800,000	Legal & General UK Property	627,120	1.61
484,000	Liontrust European Income	1,144,805	2.94
200,000	Liontrust GF Asia Income	2,198,000	5.65
613,000	Liontrust Macro Equity Income	2,121,532	5.46
529,536	Liontrust UK Growth	2,175,650	5.59
56,500	M&G Property Portfolio	643,377	1.65
5,365	Man GLG Japan CoreAlpha Equity	977,510	2.51
1,014,000	MI Somerset Global Emerging Markets	2,605,724	6.70
1,333,000	Old Mutual UK Alpha	2,018,162	5.19
313,344	River and Mercantile UK Micro Cap*	501,350	1.29
637,000	Royal London Corporate Bond	772,681	1.99
215,000	Royal London Index Linked	557,495	1.43
560,000	Schroder AsiaPacific*	2,284,800	5.88
528,000	UBS US Growth	598,858	1.54
5,700	Vanguard Global Bond Index	836,105	2.15
		<b>38,177,580</b>	<b>98.16</b>

### Exchange Traded Funds 0.00% [14.11%]

### Offshore Funds 0.00% [4.08%]

<b>Portfolio of investments</b>	<b>38,177,580</b>	<b>98.16</b>
Net other assets	716,424	1.84
<b>Net assets</b>	<b>38,894,004</b>	<b>100.00</b>

\* Investment Trusts

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 31 December 2016.

Gross purchases for the six months: £26,062,718 [2016: £6,219,413].

Total sales net of transaction costs for the six months: £23,932,166 [2016: £4,513,054].

## FP Verbatim Portfolio 7 Fund

### Statement of Total Return For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
Income				
Net capital gains		2,324,805		1,659,496
Revenue	313,176		347,470	
Expenses	(180,616)		(204,485)	
Finance costs: Interest	(558)		-	
Net revenue before taxation	132,002		142,985	
Taxation	-		-	
Net revenue after taxation		132,002		142,985
Total return before distributions		2,456,807		1,802,481
Finance costs: Distributions		3,837		(4,144)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>2,460,644</b>		<b>1,798,337</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 30 June 2017 (unaudited)

	01/01/17 to 30/06/17		01/01/16 to 30/06/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		34,294,965		30,794,768
Amounts received on issue of Shares	3,851,496		3,132,161	
Less: Amounts paid on cancellation of Shares	(1,713,101)		(4,253,214)	
		2,138,395		(1,121,053)
Change in net assets attributable to Shareholders from investment activities (see above)		2,460,644		1,798,337
<b>Closing net assets attributable to Shareholders</b>		<b>38,894,004</b>		<b>31,472,052</b>

The above statement shows the comparative closing net assets at 30 June 2016 whereas the current accounting period commenced 1 January 2017.

## FP Verbatim Portfolio 7 Fund

---

### Balance Sheet As at 30 June 2017 (unaudited)

	30/06/17		31/12/16	
	£	£	£	£
<b>Assets</b>				
Investment assets		38,177,580		33,569,321
Debtors	83,053		144,160	
Cash and bank balances	732,602		639,205	
Total other assets		815,655		783,365
Total assets		38,993,235		34,352,686
<b>Liabilities</b>				
Creditors	(99,231)		(57,721)	
Total other liabilities		(99,231)		(57,721)
Total liabilities		(99,231)		(57,721)
<b>Net assets attributable to Shareholders</b>		<b>38,894,004</b>		<b>34,294,965</b>

## FP Verbatim Funds

---

### General Information

#### Classes of Shares

The Company can issue different classes of Shares in respect of any Fund. Holders of Income Shares are entitled to be paid the revenue attributable to such Shares, in respect of each annual accounting period. Holders of Accumulation Shares are not entitled to be paid the revenue attributable to such Shares, but that revenue is retained and accumulated for the benefit of Shareholders and is reflected in the price of Shares.

#### Buying and Selling Shares

The ACD will accept orders to deal in the Shares on normal business days between 9.00 am and 5.00 pm. Instructions to buy or sell Shares may be either in writing to Fund Partners Ltd - Verbatim, PO Box 10631, Chelmsford CM99 2AS or by telephone on 01268 448632\*. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

#### Valuation Point

The valuation point for the Fund is 12 noon on each dealing day (being each day which is a business day in London). Valuations may be made at other times under the terms contained within the Prospectus.

#### Prices

The prices of Shares for each class in the Fund will be posted via a link on [www.fundpartners.co.uk](http://www.fundpartners.co.uk) and prices can also be obtained by telephoning the Administrator on 01268 448632\* during the ACD's normal business hours.

#### Report

The annual report of the Company will normally be published within two months of each annual accounting period, although the ACD reserves the right to publish the annual report at a later date but not later than four months from the end of each annual accounting period.

Interim Financial Statements period ended:	30 June
Annual Financial Statements year ended:	31 December

#### Distribution Payment Dates

Interim (for FP Verbatim Portfolio 5 Income only)	31 August, 30 November and 31 May
Annual	28 February

\* Please note that telephone calls may be recorded for monitoring and training purposes and to confirm investors' instructions.

## FP Verbatim Funds

### General Information (continued)

#### Significant Information (continued)

Under the Alternative Investment Fund Managers Directive ("AIFMD"), acting as the Alternative Investment Fund Managers ("AIFM"), Fund Partners is required to disclose how those whose actions have a material impact on the Funds are remunerated.

The remuneration strategy across Fund Partners is governed by the Remuneration Committee, a committee appointed by the Fund Partners' Board. The Remuneration Committee has established an AIFM Remuneration Policy designed to ensure the AIFM Remuneration Code in the UK Financial Authority handbook is met proportionately for all AIFM Remuneration Code Staff.

Fund Partners considers its activities as non complex due to the fact that regulation limits the AIF strategies conducted and the scope of investment in such a way that investor risk is mitigated. The discretion of Fund Partners and the portfolio manager is strictly controlled within certain pre-defined parameters as determined in the prospectus of each Alternative Investment Fund.

In its role as an AIFM, Fund Partners deems itself as lower risk due to the nature of the activities it conducts. Fund Partners does not pay any form of variable remuneration currently. Therefore Fund Partners has provided a basic overview of how staff whose actions have a material impact on the Funds are remunerated.

June 17	Number of Beneficiaries	Total remuneration paid	Fixed remuneration	Variable remuneration paid	Carried interest paid by the AIF
Total remuneration paid by FP during the financial year	45	1,780,801	1,780,801	0	0
Remuneration paid to employees of FP who have a material impact on the risk profile of the AIF	7	506,568	506,568	0	0

Due to the size and structure of Fund Partners, it is determined that employees of the AIFM who have a material impact on the risk profile of the AIF include the Board, Director of Client Relations and Product Management and the Head of Finance.

The delegated investment manager is subject to regulatory requirements on remuneration that Fund Partners deem to be equally as effective as those detailed in the AIFMD, which would include the Capital Requirements Directive or Markets in Financial Instruments Directive.

## **FP Verbatim Funds**

---

### **General Information (continued)**

#### **Other Information**

The Instrument of Incorporation, Prospectus, Simplified Prospectus and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a Shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

#### **Data Protection**

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

#### **Effects of Personal Taxation**

Investors should be aware that unless their Shares are held within an ISA, selling Shares is treated as a disposal for the purpose of Capital Gains tax.

#### **Risk Warning**

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP Verbatim Funds

---

### Contact Information

#### The Company and its Head Office

FP Verbatim Funds  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne,  
Dorset BH21 7SB  
Incorporated in England and Wales  
under registration number IC000808.  
Website address: [www.fundpartners.co.uk](http://www.fundpartners.co.uk)  
(Authorised and regulated by the FCA)

#### Directors of the ACD

V. Hoare  
I. Hobday (Appointed 19 January 2017)  
L. Isaacs (Resigned 17 January 2017)  
P. Legg  
M. Wood (Appointed 29 March 2017)

#### Non-executive Directors

P. Wilcox

#### Registrar

DST Financial Services International Ltd  
Head Office:  
DST House,  
St Nicholas Lane,  
Basildon,  
Essex SS15 5FS

#### Customer Service Centre

Fund Partners Ltd - Verbatim  
PO Box 10631,  
Chelmsford CM99 2BB  
Telephone: 01268 448 632\* (within UK only)  
Outside the UK: +44 1268 448 632\*  
Fax: 01268 441 498 (within UK only)  
Outside the UK: +44 1268 441 498\*

#### Depositary

Northern Trust Global Services Limited  
50 Bank Street,  
Canary Wharf,  
London E14 5NT  
(Authorised by the Prudential Regulation  
Authority ('PRA') and regulated by the  
PRA and FCA)

#### Authorised Corporate Director ("ACD")

Fund Partners Limited  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne,  
Dorset BH21 7SB  
(Authorised and regulated by the FCA and  
a member of the Investment Association)

#### Company Secretary of the ACD

P. Legg

#### Auditor

Deloitte LLP  
Statutory Auditor  
Saltire Court,  
20 Castle Terrace,  
Edinburgh EH1 2DB

#### Investment Manager

Liontrust Investment Partners LLP  
2 Savoy Court,  
London WC2R 0EZ  
(Authorised and regulated by the FCA)

Sarasin & Partners LLP  
Juxon House,  
100 St Paul's Churchyard,  
London EC4M 8BU  
(Authorised and regulated by the FCA)

\* Please note that telephone calls may be recorded for monitoring and training purposes, and to confirm investors' instructions.



FUND PARTNERS