

# **Interim Report & Financial Statements**

FP CRUX ICVC

For the six months ended 31 December  
2017 (unaudited)



## Contents

---

	<b>Page</b>
<b>FP CRUX Funds ICVC</b>	
Authorised Corporate Director's ("ACD") Report*	3
Certification of Financial Statements by Directors of the ACD*	4
Notes to the Financial Statements	5
<b>Individual Funds Investment Commentary and Financial Statements</b>	
<b>FP CRUX European Growth Fund</b>	
Investment Manager's Report	6
Net Asset Value per Share	7
Operating Charges	8
Portfolio Statement	9
Statement of Total Return	10
Statement of Change in Net Assets Attributable to Shareholders	10
Balance Sheet	11
<b>FP CRUX Global Fund</b>	
Investment Manager's Report	12
Net Asset Value per Share	14
Operating Charges	15
Risk and Reward Profile	15
Portfolio Statement	16
Statement of Total Return	18
Statement of Change in Net Assets Attributable to Shareholders	18
Balance Sheet	19
Distribution Tables	20
<b>FP CRUX UK Fund</b>	
Investment Manager's Report	21
Net Asset Value per Share	23
Operating Charges	24
Risk and Reward Profile	24
Portfolio Statement	25
Statement of Total Return	27
Statement of Change in Net Assets Attributable to Shareholders	27
Balance Sheet	28
Distribution Tables	29
General Information	30
Contact Information	32

\* Collectively these comprise the ACD's Report.

### Authorised Corporate Director's ("ACD") Report

We are pleased to present the Interim Report and Financial Statements for FP CRUX Funds ICVC for the six months ended 31 December 2017.

### Authorised Status

FP CRUX Funds ICVC ("the Company") is an investment company with variable capital ("ICVC") incorporated in England and Wales under registered number IC000065 and authorised by the Financial Conduct Authority ("FCA") with effect from 13 March 2000. 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 8-9 Lovat Lane, London EC3R 8DW.

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 UCITS scheme.

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") and the Investment Objective and Policy of each of the relevant Funds.

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

### Crossholdings

There were no Shares in any Fund held by any other Fund of the company.

### Important Events During the Period

This is the first Report and Accounts for these Funds.

On 30 June 2017 the Authorised Corporate Director ("ACD") changed from City Financial Investment Company Limited to Fund Partners Limited.

On 30 June 2017 FP CRUX European Fund a sub-fund of the FP CRUX Funds ICVC was renamed as FP CRUX European Growth Fund.

Following the transfer shareholders of the FP CRUX European Growth Fund transferred to become shareholders of the new FP CRUX European Fund in the FP CRUX UCITS OEIC.

On 27 September 2017, following regulatory approval of the FCA and the Commission de Surveillance du Secteur Financier ("CSSF"), Fund Partners Limited, became a sister Company to FundRock Management Company S.A. Luxembourg with both entities ultimately owned by FundRock Holding.

### 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 £10,000,000,000. 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.

**Certification of Financial Statements by Directors of the ACD  
For the six months ended 31 December 2017 (unaudited)**

**Directors' Certification**

The Directors have pleasure in presenting the annual report and Financial Statements for the CRUX Funds ICVC covering the six months to 31 December 2017. This report has been prepared in accordance with the requirements of COLL, as issued and amended by the FCA and we hereby certify the report on behalf of the Directors of Fund Partners Limited.

The sub funds of the OEIC are designed to meet the needs of those investors who primarily require long term total returns exposure without the constant need to monitor their portfolio themselves. The Investment Manager, CRUX Asset Management, decides which eligible markets and individual securities hold the most favourable prospects for growth and adjust the portfolio weightings accordingly. In the following pages CRUX Asset Management will provide more information with regard to the general economy and markets, together with individual sub-fund performance and outlook. We hope you find the report informative.

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.

C. Spencer

M. Wood

**Fund Partners Limited**

• TBC - Signing Date •

**Notes to the Financial Statements**

**For the six months ended 31 December 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 30 June 2017 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.

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.

All investments are recognised by trade date, and any trades that occur between valuation point and close of business are included in the Financial Statements.

**Investment Manager's Report  
For the six months ended 31 December 2017 (unaudited)**

The FP CRUX European Growth Fund will commence the termination process in due course and therefore there is no Investment Manager's Report.

## **FP CRUX European Growth Fund**

---

### **Net Asset Value per Share**

**As at 31 December 2017 (unaudited)**

### **Net Asset Value**

FP CRUX European Growth Fund merged with FP CRUX European Fund on 30 June 2017 and therefore the Net Asset Value of all Classes is nil.

## FP CRUX European Growth Fund

---

### Performance Information

As at 31 December 2017 (unaudited)

### Operating Charges

<b>Date</b>	Total Operating Charges (%)
31/12/17	
Share Class A	n/a
Share Class B	n/a
30/06/17	
Share Class A	n/a
Share Class B	n/a

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

FP CRUX European Growth Fund merged with FP CRUX European Fund on 30 June 2017.

At the period end there will be no distribution, as revenue was distributed to the Shareholders along with their final redemption proceeds.

### 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 CRUX European Growth Fund

---

### Portfolio Statement

As at 31 December 2017 (unaudited)

<b>Holdings or Nominal Value</b>	<b>Investments</b>	<b>Market Value £</b>	<b>% of Total Net Assets</b>
	<b>Portfolio of investments</b>	<b>0</b>	<b>0.00</b>
	Net other assets	0	0.00
	<b>Net assets</b>	<b>0</b>	<b>0.00</b>

There are no holdings at 31 December 2017 (30/06/2017: no holdings).

Gross purchases for the six months: nil [2016: £222,534].

Total sales net of transaction costs for the six months: nil [2016: £754,821].

## FP CRUX European Growth Fund

### Statement of Total Return

For the six months ended 31 December 2017 (unaudited)

	1 Jul 17 to 31 Dec 17		1 Jul 16 to 31 Dec 16	
	£	£	£	£
Income:				
Net capital gains		4,599		1,057,616
Revenue	(1,532)		38,333	
Expenses	(3,729)		(114,382)	
Interest payable and similar charges	(18)		(307)	
Net expense before taxation	(5,279)		(76,356)	
Taxation	662		(1,312)	
Net expense after taxation		(4,617)		(77,668)
Total return before distributions		(18)		979,948
Distributions		-		-
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(18)</b>		<b>979,948</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 December 2017 (unaudited)

	1 Jul 17 to 31 Dec 17		1 Jul 16 to 31 Dec 16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		18		11,923,604
Amounts receivable on issue of Shares	-		156,597	
Amounts payable on cancellation of Shares	-		(423,623)	
		-		(267,026)
Change in net assets attributable to Shareholders from investment activities (see above)		(18)		979,948
Unclaimed distributions		-		1,200
<b>Closing net assets attributable to Shareholders</b>		<b>-</b>		<b>12,637,726</b>

The above statement shows the comparative closing net assets at 31 December 2016 whereas the current accounting period commenced 1 July 2017.

## FP CRUX European Growth Fund

---

### Balance Sheet

As at 31 December 2017 (unaudited)

	31 Dec 17		30 Jun 17	
	£	£	£	£
<b>Assets:</b>				
Fixed assets:				
Investments		-		-
Current assets:				
Debtors	91,497		-	
Cash and bank balances	<u>40,160</u>		<u>97,219</u>	
Total current assets		<u>131,657</u>		<u>97,219</u>
Total assets		<u>131,657</u>		<u>97,219</u>
<b>Liabilities:</b>				
Creditors:				
Distribution payable on income shares	-		(97,201)	
Other creditors	<u>(131,657)</u>		<u>-</u>	
Total creditors		<u>(131,657)</u>		<u>(97,201)</u>
Total liabilities		<u>(131,657)</u>		<u>(97,201)</u>
<b>Net assets attributable to Shareholders</b>		<u>-</u>		<u>18</u>

### Investment Manager's Report For the six months ended 31 December 2017 (unaudited)

#### Investment Objective and Policy

The investment objective of the Fund is to achieve long term total returns in excess of the Benchmark Index which is the MSCI World Index. The reference to total return means the return from the combination of capital growth and income. The combination of these returns aims to be more than the total return from the Benchmark Index over the medium to long term, which should be seen as five years plus. There is no guarantee that the Fund will achieve a positive return over this, or any other, period and investors may not get back the original amount they invested.

In seeking to achieve the Fund's objective, the portfolio will consist primarily of direct investment in equities and will also include where appropriate interests in Collective Investment Schemes. Equity investments will consist predominantly of top 250 constituents of the MSCI World Index. Outperformance relative to the benchmark will be derived from stock selection and concentration. The structure of the portfolio may differ materially from the benchmark index due to its concentration, typically consisting of between 60 to 100 holdings.

The Fund may also invest in money market instruments, deposits, warrants, units in other Collective Investment Schemes and derivatives.

Derivatives and forward transactions may be used by the Fund for investment purposes.

#### Investment Review

The FP CRUX Global Fund (B Inc) returned 5.27%<sup>1</sup> in the six-month reporting period.

The shadow of Amazon looms large over the marketplace and the potential disruption that it causes, led us to conclude that our holding in Walgreens Boots Alliance was potentially exposed to the initial moves into the healthcare space that Jeff Bezos was making.

Although it could take time to obtain pharmacy licences in all 50 states, Amazon could easily make an initial step through the mail order segment; Amazon already has a Health, Household and Baby Care department on its website. As a result, we believe that Walgreens will face an increasing threat from a player who is known to drive down prices to gain a foothold in a business area, squeezing the existing players' profits.

We also sold our holding in Procter and Gamble. The rise of e-commerce and ease of route to market for new entrants with niche products undermines the growth potential of P&G's 22 'billion-dollar brands', around which it focuses its sales and marketing dollars.

We also sold our remaining holding in WPP. We believe that there is a meaningful change in the dynamics of the industry taking place, where the traditional agencies are facing increased pressure from new entrants such as Accenture (which we hold in the Fund) and the proliferation of mediums for distribution such as Google (which we also hold in the Fund) and Facebook.

We initiated a position in Thermo Fisher Scientific, which provides specialist instruments, consumables and services for the diagnostic and analysis sectors of the healthcare industry. The customer base is highly diversified, including pharmaceutical and biotech companies, hospitals, clinical diagnostic laboratories, as well as universities and research institutions, and its products are protected by a high level of intellectual property rights. Recurring revenues amount for around 75% of revenues and it has a healthy Free Cash Flow yield of 5%.

Investing to secure market leading positions and capture future growth opportunities we believe is an effective use of capital by company management. In the past six months, management who referred to future investment periods have often seen significant corrections in their share prices, and such was the case for both Priceline and SAP. We took such an opportunity to invest in both companies as they had been on our 'watch' list for some time and had only been omitted from the Fund on valuation grounds.

<sup>1</sup> Source: Financial Express.

Based on midday NAV from 30th June 2017 to midday NAV 29th December 2017 on a Total Return Basis.

### Investment Manager's Report For the six months ended 31 December 2017 (unaudited)

#### Market Overview

Over the last six months we have seen the gradual improvement in economic conditions continue. The European recovery that found new impetus from the election of President Macron in France has accelerated, buoyed by falling unemployment, labour market reforms and rising business activity, despite the backdrop of Brexit and German political limbo.

The Federal Open Market Committee ("FOMC") decided that the US economy was in good enough shape to withstand another rise in Interest rates as they continue their route to normalisation, in stark contrast to the approach of Mario Draghi, who continues to inject liquidity into the European markets despite the improving conditions. We would prefer to see the European Central Bank ("ECB") follow the FOMC in adopting a more prudent approach and restoring their balance sheet as well as normalising interest rates so that they have more levers to pull should the improving economic conditions start to deteriorate or inflation accelerate.

#### Outlook

Although valuations for Global Equity markets are high when compared to historical levels, and we expect operating margins to come under pressure as wage inflation comes through as a bi-product of lower unemployment, and improving economic conditions, we are optimistic that potential for growth still abounds. We will continue to assess the minutiae of the US tax reforms, however expect that the Trump administration will seek further headline grabbing acts and populist moves such as infrastructure spending ahead of the mid-term elections in the Autumn as the Republicans fight to keep their control of both Houses.

We expect that European companies will continue to prosper from the improving conditions in both their home markets and global demand despite the emerging trend for protectionism. We remain wary of those companies exposed to UK government spending and the implications of a disorganised Brexit as the lack of visibility makes it difficult for companies to plan ahead and therefore may stifle growth until the situation is resolved.

As your Fund managers we will continue to pursue our quest for identifying quality companies with reliable revenue stream and cash flow generation that should be able to grow when times are good and prove steadfast should things turn sour. As we have witnessed in the past six months active management and stock selection has become more important as valuations have risen. We believe that this will continue to be the case in the coming months and will strive to take opportunities as they arise.

#### Investment Manager

CRUX Asset Management Limited  
25th January 2018

## FP CRUX Global Fund

---

### Net Asset Value per Share As at 31 December 2017 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (£)	Shares in Issue	Net Asset Value per Share (p)	Percentage Change (%)
<b>Share Class A Income</b>				
30/06/17	7,328,448	3,102,183	236.24	
31/12/17	7,353,393	2,984,400	246.39	4.30
<b>Share Class A Accumulation</b>				
30/06/17	10,139,826	4,249,286	238.62	
31/12/17	10,027,766	4,029,094	248.88	4.30
<b>Share Class B Income</b>				
30/06/17	8,037,225	2,542,397	316.13	
31/12/17	7,775,349	2,354,660	330.21	4.45

## FP CRUX Global Fund

### Performance Information

As at 31 December 2017 (unaudited)

### Operating Charges

Date	AMC (%)	Other expenses (%)	Transaction costs (%)	Total Operating Charges (%)
31/12/17				
Share Class A	1.50	0.17	0.02	1.69
Share Class B	0.75	0.17	0.02	0.94
30/06/17				
Share Class A	1.50	0.43	0.00	1.93
Share Class B	0.75	0.43	0.00	1.18

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

### Risk and Reward Profile

As at 31 December 2017 (unaudited)

	Typically lower rewards ←				Typically higher rewards →		
	Lower risk				Higher risk		
Share Class A	1	2	3	4	5	6	7
Share Class B	1	2	3	4	5	6	7

- The risk category is based on the rate at which the value of the Fund has moved up or down in the past.
- Historical Fund data is used in calculating the risk category and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time. The lowest category does not mean risk-free.
- Actual figures show that this share class is in risk category 5 as equity prices tend to fluctuate more than other asset classes and its price has experienced significant rises and falls.

### 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 CRUX Global Fund

### Portfolio Statement

As at 31 December 2017 (unaudited)

Holdings or Nominal Value	Investments	Market Value £	% of Total Net Assets
	<b>Belgium 2.40% [2.90%]</b>		
7,300	Anheuser-Busch InBev	603,419	2.40
		<b>603,419</b>	<b>2.40</b>
	<b>China 3.20% [2.27%]</b>		
16	China Literature	126	0.00
21,000	Tencent	806,252	3.20
		<b>806,378</b>	<b>3.20</b>
	<b>Denmark 1.58% [1.29%]</b>		
10,000	Novo Nordisk	398,565	1.58
		<b>398,565</b>	<b>1.58</b>
	<b>Finland 1.17% [1.14%]</b>		
7,400	Kone	293,296	1.17
		<b>293,296</b>	<b>1.17</b>
	<b>France 1.31% [1.25%]</b>		
2,000	L'Oreal	329,060	1.31
		<b>329,060</b>	<b>1.31</b>
	<b>Germany 2.44% [1.02%]</b>		
9,300	Jungheinrich Preference	324,229	1.29
3,500	SAP	289,839	1.15
		<b>614,068</b>	<b>2.44</b>
	<b>Ireland 4.85% [4.84%]*</b>		
7,100	Accenture	803,661	3.19
7,000	Medtronic	418,008	1.66
		<b>1,221,669</b>	<b>4.85</b>
	<b>Japan 7.49% [6.61%]</b>		
27,500	Asahi	1,008,418	4.01
17,500	Kao	874,499	3.48
		<b>1,882,917</b>	<b>7.49</b>
	<b>Sweden 2.42% [3.08%]</b>		
26,500	ASSA ABLOY	407,466	1.62
20,000	Svenska Handelsbanken	201,523	0.80
		<b>608,989</b>	<b>2.42</b>
	<b>Switzerland 9.73% [10.40%]</b>		
1,150	Banque Cantonale Vaudoise	641,189	2.55
12,500	Nestle	794,137	3.16
2,500	Roche	467,284	1.86
40,000	UBS	544,053	2.16
		<b>2,446,663</b>	<b>9.73</b>



**Portfolio Statement**

**As at 31 December 2017 (unaudited)**

<b>United Kingdom 5.47% [7.82%]</b>			
6,500	British American Tobacco	325,520	1.29
13,500	Bunzl	278,775	1.11
17,100	Compass	273,600	1.09
23,500	GlaxoSmithKline	309,730	1.23
3,988	InterContinental Hotels	188,154	0.75
		<b>1,375,779</b>	<b>5.47</b>
<b>United States 55.76% [56.24%]*</b>			
4,500	3M	784,336	3.12
9,500	Abbott Laboratories	401,138	1.59
780	Alphabet	607,394	2.41
12,000	American Express	881,050	3.50
4,700	Apple	588,182	2.34
7,000	Becton Dickinson	1,107,736	4.40
800	BlackRock	304,062	1.21
5,900	Fiserv	572,009	2.27
2,400	Intuit	280,034	1.11
9,700	Johnson & Johnson	1,002,734	3.99
16,000	JPMorgan Chase	1,267,818	5.04
19,700	Microsoft	1,246,441	4.95
21,200	NIKE	980,740	3.90
6,000	PepsiCo	531,939	2.11
11,000	Philip Morris International	859,102	3.42
215	Priceline	276,189	1.10
3,400	Thermo Fisher Scientific	477,521	1.90
6,800	United Technologies	641,821	2.55
3,300	Walt Disney	262,951	1.05
16,500	Wells Fargo	740,869	2.95
4,000	Zoetis	213,166	0.85
		<b>14,027,232</b>	<b>55.76</b>
	<b>Portfolio of investments</b>	<b>24,608,035</b>	<b>97.82</b>
	Net other assets	548,473	2.18
	<b>Net assets</b>	<b>25,156,508</b>	<b>100.00</b>

\* Since the previous report the classification headings have been updated by data providers. Comparative figures have been updated where appropriate.

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings. Comparative figures shown above in square brackets relate to 30 June 2017.

Gross purchases for the six months: £1,646,099 [2016: £1,135,533].

Total sales net of transaction costs for the six months: £3,347,805 [2016: £1,550,171].

## FP CRUX Global Fund

### Statement of Total Return

For the six months ended 31 December 2017 (unaudited)

	1 Jul 17 to 31 Dec 17		1 Jul 16 to 31 Dec 16	
	£	£	£	£
Income:				
Net capital gains		1,089,040		2,353,884
Revenue	196,577		226,717	
Expenses	(182,386)		(213,915)	
Interest payable and similar charges	-		(105)	
Net revenue before taxation	<u>14,191</u>		<u>12,697</u>	
Taxation	<u>(20,654)</u>		<u>(21,964)</u>	
Net expense after taxation		<u>(6,463)</u>		<u>(9,267)</u>
Total return before distributions		1,082,577		2,344,617
Distributions		(18,283)		(18,021)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<u><b>1,064,294</b></u>		<u><b>2,326,596</b></u>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 December 2017 (unaudited)

	1 Jul 17 to 31 Dec 17		1 Jul 16 to 31 Dec 16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		25,505,499		23,950,603
Amounts receivable on issue of Shares	357,643		258,934	
Amounts payable on cancellation of Shares	<u>(1,771,574)</u>		<u>(864,074)</u>	
		(1,413,931)		(605,140)
Change in net assets attributable to Shareholders from investment activities (see above)		1,064,294		2,326,596
Retained distributions on accumulation Shares		-		1
Unclaimed distributions		646		225
<b>Closing net assets attributable to Shareholders</b>		<u><b>25,156,508</b></u>		<u><b>25,672,285</b></u>

The above statement shows the comparative closing net assets at 31 December 2016 whereas the current accounting period commenced 1 July 2017.

## FP CRUX Global Fund

---

### Balance Sheet

As at 31 December 2017 (unaudited)

	31 Dec 17		30 Jun 17	
	£	£	£	£
<b>Assets:</b>				
Fixed assets:				
Investments		24,608,035		25,214,342
Current assets:				
Debtors	473,146		114,786	
Cash and bank balances	<u>171,120</u>		<u>337,463</u>	
Total current assets		<u>644,266</u>		<u>452,249</u>
Total assets		<u>25,252,301</u>		<u>25,666,591</u>
<b>Liabilities:</b>				
Creditors:				
Distribution payable on income shares	(17,976)		(87,021)	
Other creditors	<u>(77,817)</u>		<u>(74,072)</u>	
Total creditors		<u>(95,793)</u>		<u>(161,092)</u>
Total liabilities		<u>(95,793)</u>		<u>(161,092)</u>
<b>Net assets attributable to Shareholders</b>		<b><u>25,156,508</u></b>		<b><u>25,505,499</u></b>

**Distribution Table**

**As at 31 December 2017 (unaudited)**

**Interim Distribution in pence per Share**

Group 1 Shares purchased prior to 1 July 2017

Group 2 Shares purchased on or after 1 July to 31 December 2017

	<b>Net revenue (p)</b>	<b>Equalisation (p)</b>	<b>Distribution payable 28 Feb 18 (p)</b>	<b>Distribution paid 28 Feb 17 (p)</b>
<b>Share Class A Income</b>				
Group 1	0.0000	-	0.0000	0.0000
Group 2	0.0000	0.0000	0.0000	0.0000
<b>Share Class A Accumulation</b>				
Group 1	0.0000	-	0.0000	0.0000
Group 2	0.0000	0.0000	0.0000	0.0000
<b>Share Class B Income</b>				
Group 1	0.7634	-	0.7634	0.6285
Group 2	0.5648	0.1986	0.7634	0.6285

### Investment Manager's Report For the six months ended 31 December 2017 (unaudited)

#### Investment Objective and Policy

The investment objective of the Fund is to achieve long term total returns in excess of the Benchmark Index which is the FTSE All Share Index. The reference to total return means the return from the combination of capital growth and income. The combination of these returns aims to be more than the total return from the Benchmark Index over the medium to long term, which should be seen as five years plus. There is no guarantee that the Fund will achieve a positive return over this, or any other, period and investors may not get back the original amount they invested.

In seeking to achieve the Fund's objective, the portfolio will consist predominantly of FTSE 350 constituents selected by applying strict cash flow based value criteria with the focus firmly on the medium to longer term horizon. The Fund may also invest in non-UK securities. Outperformance relative to the benchmark will be derived from stock selection and concentration. The structure of the portfolio may differ materially from the benchmark index due to its concentration, typically consisting of between 20 to 40 holdings.

The Fund may also invest in money market instruments, deposits, warrants, units in other Collective Investment Schemes and derivatives.

Derivatives and forward transactions may be used by the Fund for investment purposes.

#### Investment Review

The strategy of the fund has remained consistent since being founded in 2007. In brief we seek to protect and enhance the real value of capital within the framework of a long-only, UK equity structure. This is done through a concentrated selection of high-quality businesses, which we believe have the capability of generating shareholder value over the long term. This style of investing requires patience in the holding periods of the equities held and consequently our turnover is low, and our average holding period is considerable. We are unconstrained and indeed rather disinterested in the precise make up of the underlying index against which we are compared.

Over the period the strategy has delivered a positive return of 3.19%<sup>1</sup> and has therefore fulfilled the mandate of protection and enhancement of capital. Nevertheless, it is disappointing that this figure is some way below both the large capitalisation FTSE100 Index (+6.94%)<sup>2</sup> and the FTSE All Share Index (+7.21%)<sup>2</sup>. Broadly speaking the reason for this underperformance is that our investment style is naturally biased away from businesses that sell commodities. Mining and oil companies had a tremendous period with several large mining companies with questionable business models generating returns of more than 30%. Additionally, on most measures the market is very expensive. Reflecting this we have struggled to find suitable investments that meet our strict criteria and have consequently ran liquidity of around 8% for most of the period in question.

In terms of activity, there have been no absolute disposals in the fund however we have made appropriate reductions in holdings where either the position size has grown excessive through good performance (HSBC, JP Morgan and Schroders) or the valuation has become slightly excessive (Sage, Diageo, Intertek, British American Tobacco and Burberry). We have added two new holdings in the fund; Greene King, where we feel the market has an excessively pessimistic view on its prospects; and Serco where we believe that a much better business than is being priced in will emerge from the current turnaround program. Additionally, we have selectively added to existing holdings that have become cheaper; Bunzl, WPP, PZ Cussons and Barclays.

<sup>1</sup> Source: Financial Express.

Based on midday NAV from 30th June 2017 to midday NAV 29th December 2017 on a Total Return Basis.

<sup>2</sup> Source: Financial Express.

Close on 30 June 2017 to Close on 29 December 2017.

**Investment Manager's Report**  
**For the six months ended 31 December 2017 (unaudited)**

**Outlook**

On most measures valuations are stretched, and we feel it is becoming ever more important to focus on the protection of capital rather than attempt to chase capital enhancement. Alas, we are ill-equipped to judge the timing of the emergence of an easier investment environment. Thus, we continue to believe that over the completion of the market cycle that we will be rewarded for maintaining a portfolio of high-quality, well-capitalised businesses however if markets continue in their inexorable rise, we will benefit absolutely but are unlikely to participate in the totality of the return. It is likely that liquidity will remain relatively high in the fund as we await to deploy capital in opportunities as they arise.

**Investment Manager**  
CRUX Asset Management Limited  
25th January 2018

**FP CRUX UK Fund**

---

**Net Asset Value per Share**

As at 31 December 2017 (unaudited)

**Net Asset Value**

<b>Date</b>	<b>Net Asset Value of Share Class (£)</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share (p)</b>	<b>Percentage Change (%)</b>
<b>Share Class A Income</b>				
30/06/17	8,977,344	1,991,781	450.72	
31/12/17	8,986,619	1,928,985	465.87	3.36
<b>Share Class A Accumulation</b>				
30/06/17	48,480	9,851	492.13	
31/12/17	45,112	8,832	510.78	3.79
<b>Share Class B Income</b>				
30/06/17	30,949,121	17,276,637	179.14	
31/12/17	31,632,310	17,082,379	185.18	3.37
<b>Share Class B Accumulation</b>				
30/06/17	17,350,819	7,941,871	218.47	
31/12/17	23,366,766	10,266,128	227.61	4.18

## FP CRUX UK Fund

### Performance Information

As at 31 December 2017 (unaudited)

### Operating Charges

Date	AMC (%)	Other expenses (%)	Transaction costs (%)	Total Operating Charges (%)
31/12/17				
Share Class A	1.50	0.19	0.00	1.69
Share Class B	0.75	0.19	0.00	0.94
30/06/17				
Share Class A	1.50	0.36	0.00	1.86
Share Class B	0.75	0.36	0.00	1.11

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

### Risk and Reward Profile

As at 31 December 2017 (unaudited)

	Typically lower rewards ←				Typically higher rewards →		
	Lower risk				Higher risk		
Share Class A	1	2	3	4	5	6	7
Share Class B	1	2	3	4	5	6	7

- The risk category is based on the rate at which the value of the Fund has moved up or down in the past.
- Historical Fund data is used in calculating the risk category and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time. The lowest category does not mean risk-free.
- Actual figures show that this share class is in risk category 5 as equity prices tend to fluctuate more than other asset classes and its price has experienced significant rises and falls.

### 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 CRUX UK Fund

### Portfolio Statement

As at 31 December 2017 (unaudited)

Holdings or Nominal Value	Investments	Market Value £	% of Total Net Assets
	<b>Oil &amp; Gas 4.46% [3.80%]</b>		
547,000	BP	2,855,887	4.46
		<b>2,855,887</b>	<b>4.46</b>
	<b>Industrials 14.66% [14.21%]</b>		
1,550,000	Breedon	1,333,000	2.08
100,000	Bunzl	2,065,000	3.23
163,000	Experian	2,665,050	4.16
43,000	Intertek	2,231,700	3.49
1,100,000	Serco	1,086,800	1.70
		<b>9,381,550</b>	<b>14.66</b>
	<b>Consumer Goods 19.43% [21.61%]</b>		
91,000	Associated British Foods	2,566,200	4.01
42,500	British American Tobacco	2,128,400	3.32
156,500	Burberry	2,804,480	4.38
95,000	Diageo	2,584,475	4.04
729,000	PZ Cussons	2,357,586	3.68
		<b>12,441,141</b>	<b>19.43</b>
	<b>Health Care 8.23% [9.45%]</b>		
199,000	GlaxoSmithKline	2,622,820	4.10
206,000	Smith & Nephew	2,647,100	4.13
		<b>5,269,920</b>	<b>8.23</b>
	<b>Consumer Services 18.76% [18.32%]</b>		
176,500	Compass	2,824,000	4.41
114,000	Greene King	632,700	0.99
33,000	InterContinental Hotels	1,556,940	2.43
47,000	Next	2,124,400	3.32
266,000	Sky	2,691,920	4.20
163,000	WPP	2,185,830	3.41
		<b>12,015,790</b>	<b>18.76</b>
	<b>Financials 23.13% [23.07%]</b>		
1,300,000	Barclays	2,640,300	4.12
5,400	Goldman Sachs	1,017,847	1.59
384,000	HSBC	2,941,824	4.59
39,500	JPMorgan Chase	3,129,925	4.89
106,000	Schroders (non-voting)	2,655,300	4.15
54,000	Wells Fargo	2,424,661	3.79
		<b>14,809,857</b>	<b>23.13</b>

## FP CRUX UK Fund

---

### Portfolio Statement

As at 31 December 2017 (unaudited)

313,000	<b>Technology 3.88% [4.21%]</b> Sage	2,486,785	3.88
		<b>2,486,785</b>	<b>3.88</b>
	<b>Portfolio of investments</b>	<b>59,260,930</b>	<b>92.55</b>
	Net other assets	4,769,877	7.45
	<b>Net assets</b>	<b>64,030,807</b>	<b>100.00</b>

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings.  
Comparative figures shown above in square brackets relate to 30 June 2017.

Gross purchases for the six months: £5,827,749 [2016: £3,773,521].

Total sales net of transaction costs for the six months: £2,852,137 [2016: £2,433,100].

**Statement of Total Return**

**For the six months ended 31 December 2017 (unaudited)**

	<b>1 Jul 17 to 31 Dec 17</b>		<b>1 Jul 16 to 31 Dec 16</b>	
	£	£	£	£
Income:				
Net capital gains		2,010,917		6,510,012
Revenue	760,566		681,676	
Expenses	(301,097)		(318,438)	
Interest payable and similar charges	-		(8)	
Net revenue before taxation	<u>459,469</u>		<u>363,230</u>	
Taxation	<u>(10,629)</u>		<u>(11,289)</u>	
Net revenue after taxation		<u>448,840</u>		<u>351,941</u>
Total return before distributions		2,459,757		6,861,953
Distributions		(448,819)		(351,983)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<u><b>2,010,938</b></u>		<u><b>6,509,970</b></u>

**Statement of Change in Net Assets Attributable to Shareholders**

**For the six months ended 31 December 2017 (unaudited)**

	<b>1 Jul 17 to 31 Dec 17</b>		<b>1 Jul 16 to 31 Dec 16</b>	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		57,325,764		46,531,869
Amounts receivable on issue of Shares	7,517,565		4,518,951	
Amounts payable on cancellation of Shares	<u>(3,006,802)</u>		<u>(2,602,705)</u>	
		4,510,763		1,916,246
Change in net assets attributable to Shareholders from investment activities (see above)		2,010,938		6,509,970
Retained distributions on accumulation Shares		182,455		108,030
Unclaimed distributions		887		925
<b>Closing net assets attributable to Shareholders</b>		<u><b>64,030,807</b></u>		<u><b>55,067,040</b></u>

The above statement shows the comparative closing net assets at 31 December 2016 whereas the current accounting period commenced 1 July 2017.

**Balance Sheet**

**As at 31 December 2017 (unaudited)**

	31 Dec 17		30 Jun 17	
	£	£	£	£
<b>Assets:</b>				
Fixed assets:				
Investments		59,260,930		54,273,486
Current assets:				
Debtors	656,711		541,559	
Cash and bank balances	4,511,759		3,058,339	
		<u>5,168,470</u>		<u>3,599,898</u>
Total current assets		<u>5,168,470</u>		<u>3,599,898</u>
Total assets		<u>64,429,400</u>		<u>57,873,384</u>
<b>Liabilities:</b>				
Creditors:				
Distribution payable on income shares	(285,578)		(425,022)	
Other creditors	(113,015)		(122,598)	
		<u>(398,593)</u>		<u>(547,620)</u>
Total creditors		<u>(398,593)</u>		<u>(547,620)</u>
Total liabilities		<u>(398,593)</u>		<u>(547,620)</u>
<b>Net assets attributable to Shareholders</b>		<u><b>64,030,807</b></u>		<u><b>57,325,764</b></u>

**Distribution Table**

**As at 31 December 2017 (unaudited)**

**Interim Distribution in pence per Share**

Group 1 Shares purchased prior to 1 July 2017

Group 2 Shares purchased on or after 1 July to 31 December 2017

	Net revenue (p)	Equalisation (p)	Distribution payable 28 Feb 18 (p)	Distribution paid 28 Feb 17 (p)
<b>Share Class A Income</b>				
Group 1	1.9214	-	1.9214	1.5821
Group 2	1.9214	0.0000	1.9214	1.5821
<b>Share Class A Accumulation</b>				
Group 1	2.0896	-	2.0896	1.7099
Group 2	0.1811	1.9085	2.0896	1.7099
<b>Share Class B Income</b>				
Group 1	1.4548	-	1.4548	1.2573
Group 2	0.5549	0.8999	1.4548	1.2573
<b>Share Class B Accumulation</b>				
Group 1	1.7755	-	1.7755	1.5052
Group 2	0.6259	1.1496	1.7755	1.5052

### 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 or interim 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 9:00am and 5:00pm. Instructions to buy or sell Shares may be either in writing to: Fund Partners Limited - CRUX, Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB or by telephone on 01202 804 491\* (UK only) or +44 1202 804 491\* (from outside the UK). 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 each 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 price of Shares for each class in each Fund will be posted via a link on [www.fundpartners.co.uk](http://www.fundpartners.co.uk) and can also be obtained by telephoning the Administrator on 01202 804 491\* (UK only) or +44 1202 804 491\* (outside the UK) 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 and the interim report will be published within two months of each interim accounting period.

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

#### Distribution Payment Dates

All Funds	
Interim	28 February
Annual	31 August

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

#### Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) 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.

### General Information

#### Effects of Personal Taxation

Investors should be aware that unless their Shares are held within an ISA, or switched between Funds in this OEIC, 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.

**Contact Information**

**The Company and its Head Office**

FP CRUX Funds ICVC  
8-9 Lovat Lane,  
London EC3R 8DW  
Incorporated in England and Wales under registration  
number IC000065  
Website address: [www.fundpartners.co.uk](http://www.fundpartners.co.uk)  
(Authorised and regulated by the FCA)

**Directors of the ACD**

V. Hoare (Resigned 27 September 2017)  
I. Hobday (Resigned 1 October 2017)  
P. Legg (Resigned 27 September 2017)  
C. Spencer (Appointed 3 November 2017)  
R. Thomson (Appointed 28 September 2017)  
M. Wood  
R. Wood (Appointed 30 September 2017)

**Non executive Directors**

M. Manassee (Appointed 6 November 2017)  
P. Wilcox (Resigned 27 September 2017)

**Registrar**

Investor Administration Services Limited  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne,  
Dorset BH21 7SB

**Auditor**

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

**Investment Manager**

CRUX Asset Management Limited  
5 Stratton Street,  
London,  
W1J 8LA  
Authorised and regulated by the FCA

**Authorised Corporate Director ("ACD")**

Fund Partners Limited  
8-9 Lovat Lane,  
London EC3R 8DW  
(Authorised and regulated by the FCA and a member  
of the Investment Association)

**Company Secretary of the ACD**

P. Legg (Resigned 27 September 2017)  
V. Ondoro (Appointed 5 December 2017)

**Customer Service Centre**

Fund Partners Limited - CRUX  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne,  
Dorset BH21 7SB  
Telephone: 01202 804 491\* (within UK only)  
Outside the UK: +44 1202 804 491\*  
Fax: 01202 855 850 (within UK only)  
Outside the UK: +44 1202 855 850

**Depository**

State Street Trustee Limited  
20 Churchill Place,  
London E14 5HJ  
(Authorised and regulated by the FCA)

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



