

# **Annual Report & Financial Statements**

FP Luceo Investments

For the period ended 31 March 2018



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## **FP Luceo Investments**

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\* Collectively these comprise the ACD's Report.

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

We are pleased to present the Annual Report & audited Financial Statements for the FP Luceo Investments for the period ended 31 March 2018.

#### Authorised Status

FP Luceo Investments ("the Company") is an investment company with variable capital ("ICVC") incorporated in England and Wales under registered number IC001064 and authorised by the Financial Conduct Authority ("FCA") with effect from 28 June 2016. The FCA product reference number is 746191. The Company has an unlimited duration. The Company launched on 3 October 2016.

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 the relevant Fund.

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

#### Important Events

On 3 October 2016, FP Luceo Investments was launched along with its sub funds FP Luceo 4, FP Luceo 5 and FP Luceo 6. First dealing commenced on 17 October 2016.

On 28 February 2017, sub funds FP Luceo 3 and FP Luceo 7 were launched and first dealing commenced.

On 27 September 2017, following regulatory approval of the Financial Conduct Authority ("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 Pound 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.

### **Certification of Financial Statements by Directors of the ACD For the period ended 31 March 2018**

#### **Directors' Certification**

This report has been prepared in accordance with the requirements of COLL, 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 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 for at least the next twelve months from the approval of these financial statements.

C. Spencer

M. Wood

**Fund Partners Limited**

20 July 2018

### **Statement of the ACD's Responsibilities For the period ended 31 March 2018**

The Authorised Corporate Director ("ACD") of The FP Luceo Investments ("the Company") is responsible for preparing the Annual Report and the Audited Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the FCA's Collective Investment Schemes Sourcebook ("COLL"), and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare Financial Statements for each annual accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards and applicable law"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association ("IA SORP") in May 2014; and
- give a true and fair view of the financial position of the Company and each of its sub funds as at the end of the period and the net revenue and the net capital gains or losses on the property of the Company and each of its sub funds for the period.

In preparing the Financial Statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the IA SORP have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the applicable IA SORP and UK GAAP. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with COLL 4.5.8BR, the Annual Report and the audited Financial Statements were approved by the Board of Directors of the ACD of the Company and authorised for issue on 20 July 2018.

### **Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the FP Luceo Investments ("the Company") For the period 03 October 2016 to 31 March 2018**

The Depositary is responsible for the safekeeping of all of the property of the company (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the company's Instrument of Incorporation and Prospectus, in relation to the pricing of, and dealings in, shares in the Company; the application of income of the Company; and the investment and borrowing powers applicable to the Company

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

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

**Société Generale S.A. London Branch**

20 July 2018

### Independent Auditor's Report to the Shareholders of the FP Luceo Investments For the period ended 31 March 2018

#### Report on the audit of the financial statements

##### Opinion

In our opinion the Financial Statements:

- give a true and fair view of the financial position of FP Luceo Investments ("the Company") and its sub-funds as at 31 March 2018 and of the net revenue and the net capital gains and losses on the property of the Company and its sub-funds for the period from 17 October 2016 to 31 March 2018; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements of the Company which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the distributable tables; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014, the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the authorised corporate director's ("ACD") use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the ACD has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

##### Other information

The ACD is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Independent Auditor's Report to the Shareholders of the FP Luceo Investments (continued) For the period ended 31 March 2018**

#### **Responsibilities of depositary and ACD**

As explained more fully in the Statement of the Depositary's Responsibilities and the Statement of the Authorised Corporate Director's Responsibilities, the depositary is responsible for the safeguarding the property of the company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Use of our report**

This report is made solely to the Company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Report on other legal and regulatory requirements**

##### **Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook**

In our opinion:

- proper accounting records for the Company and its sub-funds have been kept and the Financial Statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the Annual Report for the period from 17 October 2016 to 31 March 2018 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the Financial Statements.

#### **Deloitte LLP**

Statutory Auditor  
Glasgow,  
United Kingdom

20 July 2018

### Accounting Policies and Financial Statements For the period ended 31 March 2018

#### 1 Accounting Basis and Policies

##### ***(a) Basis of accounting***

The Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with 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.

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.

##### ***(b) Realised and unrealised gains and losses***

Realised gains or losses have been calculated as the proceeds from disposal less book cost. Where realised gains or losses include gains or losses which have arisen in previous years, a corresponding loss or gain is included in unrealised gains or losses.

Unrealised gain/losses are calculated with reference to the original recorded value of the asset or liability, and only the element of gain/loss within the accounting period is recorded in the Financial Statements. All unrealised and realised gains are capital in nature and do not form part of the Fund's distributable income.

##### ***(c) Recognition of revenue***

Distributions from Collective Investment Schemes are recognised when the schemes are quoted exdistribution. Equalisation returned with the distribution is deducted from the cost of the investment and does not form part of the distributable revenue.

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

All revenue includes withholding taxes but excludes irrecoverable tax credits.

Any reported revenue from an offshore fund, in excess of any distribution received in the reporting year, is recognised as revenue no later than the date on which the reporting fund makes this information available.

##### ***(d) Treatment of stock and special dividends***

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

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

##### ***(e) Treatment of expenses***

Expenses are recorded on an accrual basis but the Fund may incur additional allowable expenses which are charged as and when they are incurred.

Expenses of the Fund are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Fund.

##### ***(f) Allocation of revenue and expenses to multiple Share Classes***

Any revenue or expenses not directly attributable to a particular Share Class will normally be allocated prorata to the net assets of the relevant Share Classes.

### Accounting Policies and Financial Statements (continued) For the period ended 31 March 2018

#### 1 Accounting Basis and Policies (continued)

##### **(g) Taxation**

Tax is provided for using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Corporation tax is provided for on the income liable to corporation tax less deductible expenses.

Corporation tax is provided for on realised gains on non-reporting offshore funds less deductible expenses. Deferred tax is provided for on unrealised gains on non-reporting offshore funds less deductible expenses.

Where tax has been deducted from revenue that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief.

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

##### **(h) Distribution policy**

The net revenue after taxation, as disclosed in the Financial Statements, after adjustment for items of a capital nature, is distributable to Shareholders as dividend distributions. Any revenue deficit is deducted from capital.

In addition, the portfolio transaction charges will be charged wholly to the capital of the Fund. Accordingly, the imposition of such charges may constrain the capital growth of the Fund.

The ACD has elected to pay all revenue less expenses charged to revenue and taxation as a final distribution at the end of the annual accounting period.

##### **(i) 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.

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

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 closed-ended funds and open-ended funds with restrictions on redemption rights.

##### **(j) Exchange rates**

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into Sterling at the closing mid market exchange rates ruling on that date.

##### **(k) Dilution Adjustment**

The ACD may require a dilution adjustment on the sale and redemption of Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution adjustment may be charged in the following circumstances: where the scheme property is in continual decline; on a Fund experiencing large levels of net sales relative to its size; on 'large deals'; in any case where the ACD is of the opinion that the interests of remaining Shareholders require the imposition of a dilution adjustment.

##### **(l) Equalisation**

Equalisation applies only to Shares purchased during the distribution period (Group 2 Shares). It represents the accrued revenue included in the purchase price of the Shares.

After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the Shares for Capital Gains tax purposes.

### Accounting Policies and Financial Statements (continued) For the period ended 31 March 2018

#### 1 Accounting Basis and Policies (continued)

##### *(m) Derivatives*

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

Where the transactions are used to protect or enhance capital, the gains/losses are treated as capital and included within gains/losses on investments in the Statement of Total Return. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value. There were no derivative transactions during the period.

#### 2 Derivatives and other financial instruments

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

The main risks from the Company's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed below:

##### *(a) Foreign currency risk*

A significant portion of the Company's assets or the underlying assets of the Collective Investment Schemes and equities in which the Company invests may be denominated in a currency other than the base currency of the Company or Class. There is the risk that the value of such assets and/or the value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which Shares of the relevant Fund are valued and priced.

The Company is not required to hedge its foreign currency risk, although it may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that the Company does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the Company's assets and revenue could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the Company in circumstances where no such hedging transactions are undertaken.

##### *(b) Interest rate risk profile of financial assets and liabilities*

The interest rate risk is the risk that the value of the Company's investments will fluctuate due to changes in the interest rate. Cashflows from floating rate securities, bank balances, or bank overdrafts will be affected by the changes in interest rates. As the Company's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Company did not have any long term financial liabilities at the balance sheet date.

##### *(c) Credit risk*

The Company may find that companies in which it invests fail to settle their debts on a timely basis. The value of securities issued by such companies may fall as a result of the perceived increase in credit risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit credit risk.

### Accounting Policies and Financial Statements (continued) For the period ended 31 March 2018

#### 2 Derivatives and other financial instruments (continued)

##### **(d) Liquidity risk**

Subject to the Regulations, the Company may invest up to and including 20% of the Scheme Property of the Company in transferable securities which are not approved securities (essentially transferable securities which are admitted to official listing in an EEA state or traded on or under the rules of an eligible securities market). Such securities and instruments are generally not publicly traded, may be unregistered for securities law purposes and may only be able to be resold in privately negotiated transactions with a limited number of purchasers. The difficulties and delays associated with such transactions could result in the Company's inability to realise a favourable price upon disposal of such securities, and at times might make disposition of such securities and instruments impossible. To the extent the Company invests in securities and instruments the terms of which are privately negotiated, the terms of such securities and instruments may contain restrictions regarding resale and transfer.

In addition, certain listed securities and instruments, particularly securities and instruments of smaller capitalised or less seasoned issuers, may from time to time lack an active secondary market and may be subject to more abrupt or erratic price movements than securities of larger, more established companies or stock market averages in general. In the absence of an active secondary market the Company's ability to purchase or sell such securities at a fair price may be impaired or delayed.

##### **(e) Market price risk**

The Company invests principally in Collective Investment Schemes. The value of these investments are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Manager seeks to minimise these risks by holding a diversified portfolio in line with the Company's objectives. In addition, the management of the Company complies with the FCA's COLL sourcebook, which includes rules prohibiting a holding greater than 35% of assets in any one Fund.

##### **(f) Counterparty risk**

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties.

Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

##### **(g) Operational risk**

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot eliminate operational risks but, through the continual review and assessment of its control environment, by monitoring and responding to potential risks, they can be managed.

High level controls include effective segregation of duties, trade confirmation checking and reconciliation procedures, incident reporting and oversight of delegated functions.

##### **(h) Leverage**

In accordance with the IA SORP issued in May 2014, as ACD we are required to disclose any leverage of the Fund. Leverage is defined as any method by which the Fund increases its exposure through borrowing or the use of derivatives (calculated as the sum of the net asset value and the incremental exposure through the derivatives and in accordance with the IA SORP commitment approach (CESR/10-788)) divided by the net asset value.

The Fund's exposure is defined with reference to the 'Commitment' method. Commitment method exposure is calculated as the sum of all positions of the Fund, after netting off derivative and security positions and is disclosed within the Financial Statements Note 13(d).

##### **(i) Fair value of financial assets and financial liabilities**

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

### **Investment Manager's Report For the period ended 31 March 2018**

#### **Investment Objective**

The investment objective of the Fund is to achieve long term capital growth.

#### **Investment policy**

The Fund aims to achieve its objective by predominantly investing in passive and actively managed Collective Investment Schemes (OEICs, unit trusts and exchange-traded funds) and closed ended investment companies. The Fund will also have the ability to invest in transferable securities and bonds. This will give exposure mainly to global fixed interest investments. The Fund may also invest in global equities and funds with absolute return objectives. The Fund may have indirect exposure to property and commodities via property companies, infrastructure companies, and commodity companies or via index replication.

The Fund may also include money market instruments, cash and near cash deposits.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### **Investment Review**

The FP Luceo 3 Fund delivered a 0.2% return since its launch on 28 February 2017 to 31 March 2018 (Source: Lipper. 28/2/17–31/03/18. £ returns, net of fees, net income reinvested. A share class).

A large part of the period under review was spent building up the portfolio's holdings towards its target allocations, creating a diversified blend of active and passive funds across a range of asset classes, markets and geographic regions. The portfolio made satisfactory progress towards reaching its target operating model and we are now at our target allocations.

We concentrated initially on introducing investments that are low cost, easily traded and provide broad access to market indices. These investments were exchange-traded funds (ETFs) that can access a range of asset classes and geographic regions and allowed us to meet our broad asset allocation requirements quickly and efficiently. Using low cost investments in the initial stages of the portfolio, while it was still small in size, was a way to reduce the effect that costs can have on returns in the first few months from a fund's launch. By adopting this strategy, we have aimed to protect early investors from bearing a disproportionate amount of the portfolio's operational costs.

As the portfolio has grown, we have introduced more funds with active managers who seek to outperform their particular markets, whenever it has been cost effective to do so. Initially, this investment activity was directed towards alternative asset classes that are not as readily available in passively managed funds. We gradually increased the portfolio's exposure to actively managed funds across all asset classes, markets and regions as flows into the Fund increase.

In February 2018, the portfolio benefited from good returns in local emerging bonds, particularly iShares Local Emerging Markets Bond ETF. Actively managed funds were also among the portfolio's best performers, notably Vanguard US Opportunities, while Winton Absolute Return Futures' multi-asset investment strategy held it back during a period of market volatility. In March, holdings that invest in government bonds were the portfolio's best performers, led by iShares Core UK Gilts ETF. PIMCO Global Investment Grade Credit performed well following its recent move to a more defensive investment strategy, as did Lindsell Train UK Equity, which benefited from its focus on higher quality companies in the UK stockmarket. In contrast, Majedie UK Equity had a tougher time due to its current positioning which hasn't been rewarded in the prevailing market environment.

#### **Market Overview**

Political machinations dominated investor sentiment throughout the period. A poor general election campaign, and the resulting hung parliament, weakened Prime Minister Theresa May's hand in Brexit negotiations. Markets generally reacted favourably to pro-European centrist Emmanuel Macron's victory in France's presidential election in May. Whilst Angela Merkel's victory in Germany's federal government elections in September brought some welcome continuity and stability in European politics. In Japan, Shinzo Abe's third landslide win and third term as Prime Minister was greeted positively by markets.

Donald Trump ended the year with the successful passing of his tax reform which promises large scale fiscal stimulus and provided an additional boost to equity markets. The tax cut offers a potential boost to consumption, a key driver of the US economy. Equity markets reached new highs in December and continued apace into the New Year. A market correction came at the end of January, sparked by concerns that interest rates in the US might have to rise faster than anticipated. Markets did recover but volatility has returned.

Potential shifts in the direction of monetary and fiscal policy across the developed world will continue to be the focus of interest for investors and markets. The case for central banks to raise interest rates has strengthened. There is evidence that governments in the developed world are set to change their stance on austerity.

**Investment Manager's Report (continued)  
For the period ended 31 March 2018**

**Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stockmarket volatility. The question is whether they are set to weigh heavily on stockmarket returns in the near future. Short term volatility concerns are offset by continued supportive monetary policy, fiscal stimulus in the US through tax reform and improving global growth which should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

**Investment Manager**

Octopus Investments Limited

23 April 2018

**Performance Record  
As at 31 March 2018****A Accumulation**

	31/03/18 (p)
Change in net assets per Share	
Opening net asset value per Share	100.00
Return before operating charges*	1.62
Operating charges	(1.16)
Return after operating charges*	0.46
Distributions	(1.37)
Retained distributions on accumulation shares	1.37
Closing net asset value per Share	100.46
* after direct transaction costs of:	0.06
Performance	
Return after operating charges	0.46%
Other information	
Closing net asset value	£1,887,207
Closing number of Shares	1,878,610
Operating charges	1.15%
Direct transaction costs	0.06%
Price	
Highest Share price	102.67
Lowest Share price	99.53

All Share Class were launched on 28 February 2017. The first variable price dealing date was 1 March 2017.

**Performance Information  
As at 31 March 2018**

**Operating Charges**

Date	AMC* (%)	Synthetic expenses Ratio (%)	Rebate (%)	Operating Charges (%)
31/03/18				
Share Class A	0.75	0.45	(0.05)	1.15

\*Annual Management Charge

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

When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the Operating Charge shall take the account of the operating charges incurred in the underlying CIU and disclose as a 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.

**Risk and Reward Profile  
As at 31 March 2018**



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "3" on the scale. This is partly because the Fund invests in fixed income investments whose values do not fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

Portfolio Statement

As at 31 March 2018

Holdings	Investments	Market Value £	% of Total Net Assets
<b>COLLECTIVE INVESTMENT SCHEMES 49.21%</b>			
13,680	Ardevora UK Equity	32,599	1.73
27,321	Artemis US Extended Alpha	49,090	2.60
8,138	CF Lindsell Train UK Equity	30,820	1.63
16,118	Henderson Strategic Bond	52,885	2.80
42,767	Henderson UK Absolute Return	70,181	3.72
19,586	Hermes Multi Strategy Credit Hedged	22,290	1.18
5,697	Hermes Multi Strategy Credit	6,887	0.36
62,359	Invesco Perpetual Global Targeted Returns	74,376	3.94
24,311	JO Hambro UK Dynamic	67,413	3.57
31,097	Majedie UK Equity	52,585	2.79
489	Muzinich Global Tactical Credit	48,628	2.58
7,734	PIMCO Global Investment Grade Credit	154,054	8.17
48,033	Royal London International Government Bond	52,308	2.77
1,321	TwentyFour Corporate Bond	151,171	8.02
49	Vanguard US Opportunities	37,747	2.00
250	Winton Absolute Return Futures	25,535	1.35
		<b>928,569</b>	<b>49.21</b>
<b>EXCHANGE TRADED FUNDS 33.84%</b>			
6,348	iShares Index-Linked Gilts UCITS ETF	114,486	6.07
3,570	iShares Core FTSE 100 UCITS ETF	24,958	1.32
524	iShares Core GBP Corp Bond UCITS ETF	75,016	3.97
774	iShares FTSE 250 UCITS ETF	14,379	0.76
9,588	iShares FTSE UK Gilt All Stocks	126,850	6.73
222	iShares JP Morgan USD EM Bond UCITS ETF	17,558	0.93
309	iShares JP Morgan EM Local Government Bond UCITS ETF	14,959	0.79
2,089	iShares MSCI Europe ex-UK UCITS ETF	56,194	2.98
5,773	iShares MSCI Japan UCITS ETF	62,666	3.32
32,895	iShares Overseas Corporate Bond Index	45,559	2.41
373	iShares UK Gilts 0-5yr UCITS ETF	49,214	2.61
271	iShares USD Treasury Bond 7-10yr UCITS ETF	36,880	1.95
		<b>638,719</b>	<b>33.84</b>
<b>Portfolio of Investments</b>		<b>1,567,288</b>	<b>83.05</b>
Net Other Assets		319,919	16.95
<b>Net Assets</b>		<b>1,887,207</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

All investments are Collective Investment Schemes unless otherwise stated.

Total purchases including transaction costs for the period £2,163,624 (see Note 14)

Total sales net of transactions costs for the period £584,097 (see Note 14)

**Statement of Total Return  
For the period ended 31 March 2018**

	Note	28/02/17 to 31/03/18	
		£	£
Income:			
Net capital losses	2		(15,289)
Revenue	3	18,254	
Expenses	4	(9,320)	
Net revenue before taxation		8,934	
Taxation	5	-	
Net revenue after Taxation			8,934
Total return before distributions			(6,355)
Distributions	6		(8,934)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(15,289)</b>

**Statement of Change in Net Assets Attributable to Shareholders  
For the period ended 31 March 2018**

	28/02/17 to 31/03/18	
	£	£
<b>Opening net assets attributable to Shareholders</b>		-
Amounts received on issue of Shares	2,060,724	
Less: Amounts paid on cancellation of Shares	(185,019)	
		1,875,705
Dilution levy		1,026
Change in net assets attributable to Shareholders from investment activities		(15,289)
Retained distribution on accumulation Shares		25,765
<b>Closing net assets attributable to Shareholders</b>		<b>1,887,207</b>

**Balance Sheet**  
**As at 31 March 2018**

		<b>31/03/18</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Assets</b>			
Fixed assets:			
Investments			1,567,288
Current assets:			
Debtors	7	88,376	
Cash and bank balances	8	232,722	
Total current assets			321,098
Total assets			1,888,386
<b>Liabilities</b>			
Creditors:			
Other creditors	9	1,179	
Total creditors			1,179
Total liabilities			1,179
<b>Net assets attributable to Shareholders</b>			<b>1,887,207</b>

**Notes to the Financial Statements  
For the period ended 31 March 2018**

**1 Accounting Basis and Policies**

The Fund's Financial Statements have been prepared on the basis detailed on pages 9, 10, 11 and 12.

**2 Net capital losses**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
The net capital losses during the period comprise:	
Realised losses on non-derivative securities	(2,250)
Unrealised losses on non-derivative securities	(13,119)
Rebates received from underlying funds	80
<b>Net capital losses</b>	<b>(15,289)</b>

**3 Revenue**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
UK Dividends	2,666
Overseas Dividend	15,018
Rebates received from underlying funds	570
<b>Total revenue</b>	<b>18,254</b>

**4 Expenses**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>	
AMC Fees	9,320
<b>Total expenses</b>	<b>9,320</b>

A number of expenses have been borne by the sponsor, including audit fees of £5,572 + VAT for the period ended March 2018.

**5 Taxation**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
<b><i>a) Analysis of the tax charge in the period</i></b>	
Corporation tax	-
<b>Total current tax charge (Note 5 (b))</b>	<b>-</b>
Deferred tax (Note 5 (c))	-
<b>Total taxation for the period</b>	<b>-</b>

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

***b) Factors affecting current tax charge for the period***

The tax assessed for the period is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% is applied to the net revenue before taxation.

The differences are explained below:

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
Net revenue before taxation	8,934
Net revenue for the period multiplied by the standard rate of corporation tax	1,787
<b>Effects of:</b>	
Movement in excess management expenses	1,553
Revenue not subject to corporation tax	(3,340)
<b>Total taxation for the period</b>	<b>-</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

***c) Provision for deferred tax***

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

At the period end, there is a potential deferred tax asset of £1,553 in relation to surplus management expenses. It is unlikely the Funds will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the period.

**6 Distributions**

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

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
Final	25,765
Add: Revenue paid on cancellation of Shares	2,427
Deduct: Revenue received on issue of Shares	(19,258)
<b>Net distribution for the period</b>	<b>8,934</b>
<b>Reconciliation of net revenue after taxation to distributions</b>	
Net revenues after taxation	8,934
<b>Net distribution for the period</b>	<b>8,934</b>

Details of the distributions per Share are set out in the distribution table on page 26.

**7 Debtors**

	<b>31/03/18</b>
	<b>£</b>
Amounts receivable for creation of Shares	88,066
Amounts due for rebates from underlying funds	310
<b>Total debtors</b>	<b>88,376</b>

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**8 Cash and bank balances**

	<b>31/03/18</b>
	<b>£</b>
Cash and bank balances	232,722
<b>Total cash and bank balances</b>	<b>232,722</b>

**9 Other creditors**

	<b>31/03/18</b>
	<b>£</b>
<i>Accrued expenses</i>	
<i>Manager and Agents</i>	
AMC Fees	1,179
<b>Total other creditors</b>	<b>1,179</b>

**10 Related party transactions**

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of change in Shareholders' Net Assets and amounts due at the period end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the period end.

**Significant Shareholdings**

Fund Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 38.89% of the Fund's shares in issue are under the control of a nominee and its related parties.

**11 Share Class**

The Share Class and ACD's Annual Management Charges applicable to the fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.75

Each Share Class has equal rights in the event of the wind up of any fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	<b>28/02/17</b>	<b>Issued</b>	<b>Cancelled</b>	<b>Converted</b>	<b>31/03/18</b>
A Accumulation	-	2,064,484	(185,874)	-	1,878,610

**12 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date.

**13 Derivatives and other financial instruments**

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 11 and 12 of the report.

**(a) Foreign currency risk**

The functional currency of the Fund is Sterling. All assets and liabilities of the Fund are denominated in Pound Sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date. However, there was a significant foreign currency exposure within the Fund's holdings of Collective Investment Schemes since a proportion of their assets are denominated in currencies other than Sterling, with the effect their balance sheet and total returns can be affected by exchange rate fluctuations.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

***(b) Interest rate risk profile of financial assets and liabilities***

Currency	Floating rate financial assets	Financial assets not carrying interest	Total
<b>Assets</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>31/03/18</b>			
Sterling	232,722	1,655,664	1,888,386
<b>Total</b>	<b>232,722</b>	<b>1,655,664</b>	<b>1,888,386</b>

Currency	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
<b>Liabilities</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>31/03/18</b>			
Sterling	-	1,179	1,179
<b>Total</b>	<b>-</b>	<b>1,179</b>	<b>1,179</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

***(c) Market Risk***

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the following amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	<b>Increase</b>	<b>Decrease</b>
	£	£
<b>2018*</b>	156,729	156,729

***(d) Leverage***

The Fund did not employ any significant leverage as at 31 March 2018, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**14 Portfolio transaction costs**

	<b>28/02/17 to 31/03/18</b>	
	£	£
<b>Analysis of total purchase costs</b>		
Purchases in period before transaction costs		
Funds total value paid		2,163,141
		2,163,141
Commissions	483	
Total purchase costs		483
<b>Total purchases including transaction costs</b>		<b>2,163,624</b>
<b>Analysis of total sales costs</b>		
Gross sales in period before transaction costs		
Funds total value paid		584,281
		584,281
Commissions	(184)	
Total sale costs		(184)
<b>Total sales net of transaction costs</b>		<b>584,097</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the period.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	<b>28/02/17 to 31/03/18</b>
	<b>%</b>
<b>Transaction costs as percentage of principal amounts</b>	
Purchases - Commissions	
Funds total value paid	0.02
Purchases - Taxes	
Equities total value paid	-
Sales - Commissions	
Funds total value paid	0.03
Sales - Taxes	
Equities total value paid	-
<b>28/02/17 to 31/03/18</b>	
<b>Transaction costs as percentage of average net asset value</b>	
Commissions	0.06
Taxes	-

**15 Post balance sheet events**

There are no post balance sheet events which require adjustments at the period end.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**16 Fair value disclosure**

	31/03/18	
	Assets	Liabilities
Valuation technique	£	£
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	593,159	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	974,129	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-
	<b>1,567,288</b>	<b>-</b>

\*The valuation techniques and the ACD's policy is disclosed in note 1 (i) on page 10.

**Distribution Table****For the period ended 31 March 2018****Final dividend Distribution in pence per Share**

Group 1 Shares purchased prior to 28 February 2017

Group 2 Shares purchased between 28 February 2017 to 31 March 2018

	Net Revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)
Share Class A Accumulation			
Group 1	1.3715	-	1.3715
Group 2	0.2788	1.0927	1.3715

### Investment Manager's Report For the period ended 31 March 2018

#### Investment Objective

The investment objective of the Fund is to achieve long term capital growth.

#### Investment policy

The Fund aims to achieve its objective by predominantly investing in passive and actively managed Collective Investment Schemes (OEICs, unit trusts and exchange-traded funds) and closed ended investment companies. The Fund will also have the ability to invest in transferable securities and bonds. This will expose no more than 55% of the portfolio to equities listed on the UK and international stock exchanges. The Fund will diversify market risk by also investing in UK and international fixed interest investments and funds with absolute return objectives. The Fund may have indirect exposure to property and commodities via property companies, infrastructure companies, and commodity companies or via index replication.

The Fund may also include money market instruments, cash and near cash deposits.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### Investment Review

The FP Luceo 4 Fund delivered a 3.5% return in the period from its launch on 17 October 2016 to 31 March 2018 (Source: Lipper. 17/10/16–31/03/18. £ returns net of fees, net income reinvested. A share class).

The first part of the period under review was spent building the portfolio towards its target allocations, creating a diversified blend of holdings across a range of asset classes, markets and geographic regions. These initial investments were mainly in exchange-traded funds (ETFs) accessing a range of asset classes and geographic regions and allowing us to meet our broad asset allocation requirements quickly and efficiently.

By February 2017, we were introducing funds with active managers who seek to outperform their respective markets. We made an initial investment in Hermes Multi-Strategy Credit. We also added two actively managed funds in March: Marlborough Special Situations and Matthew Asia Pacific Tiger.

In April, we increased our equity investments ahead of the first round of voting in the French presidential election. In June we switched some of our investment in iShares Global High Yield to iShares GBP Corporate Bond after sterling weakened in the aftermath of the General Election. This rebalanced the portfolio to a slightly more defensive position. We sold our holding in iShares Global High Yield GBP Hedged ETF in July and switched to iShares USD Emerging Market Bond ETF in order to reduce the portfolio's exposure to sterling.

August saw us add to TwentyFour Corporate Bond, whilst lowering the levels of equity investment slightly. In September, we introduced PIMCO Global Investment Grade Credit, a proven fund from a company known for its global bond expertise that invests in quality corporate debt. We also added a new holding in Winton Absolute Return Futures, which focuses on alternative investments and should provide a valuable complement to portfolio's diversified balance of holdings. In October, we added in a new holding, Royal London International Government Bond, a fund that invests in global government bonds (excluding the UK) whilst adopting a strategy that protects UK investors from the effects of a strengthening sterling on returns.

Positive investor sentiment from 2017 continued in 2018. But we grew more sceptical about its sustainability and reduced risk in the portfolio by shifting some of our holding in Vanguard S&P 500 ETF to iShares USD Treasury Bond 7-10yr ETF. When markets fell, we took the opportunity to increase our equity investments by reinvesting in Vanguard S&P 500 and adding to iShares MSCI Japan ETF, and iShares MSCI Asia Pacific ex Japan ETF. We continued this strategy in March by adding to iShares FTSE 100 ETF.

#### Market Overview

Political machinations dominated investor sentiment throughout the period. A poor general election campaign, and the resulting hung parliament, weakened Prime Minister Theresa May's hand in Brexit negotiations. Markets generally reacted favourably to pro-European centrist Emmanuel Macron's victory in France's presidential election in May. Whilst Angela Merkel's victory in Germany's federal government elections in September brought some welcome continuity and stability in European politics. In Japan, Shinzo Abe's third landslide win and third term as Prime Minister was greeted positively by markets.

### **Investment Manager's Report (continued) For the period ended 31 March 2018**

Donald Trump ended the year with the successful passing of his tax reform which promises large scale fiscal stimulus and provided an additional boost to equity markets. The tax cut offers a potential boost to consumption, a key driver of the US economy. Equity markets reached new highs in December and continued apace into the New Year. A market correction came at the end of January, sparked by concerns that interest rates in the US might have to rise faster than anticipated. Markets did recover but volatility has returned.

Potential shifts in the direction of monetary and fiscal policy across the developed world will continue to be the focus of interest for investors and markets. The case for central banks to raise interest rates has strengthened. There is evidence that governments in the developed world are set to change their stance on austerity.

### **Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stockmarket volatility. The question is whether they are set to weigh heavily on stockmarket returns in the near future. Short term volatility concerns are offset by continued supportive monetary policy, fiscal stimulus in the US through tax reform and improving global growth which should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

### **Investment Manager**

Octopus Investments Limited

23 April 2018

**Performance Record  
As at 31 March 2018****A Accumulation**

	<b>31/03/18 (p)</b>
Change in net assets per Share	
Opening net asset value per Share	100.00
Return before operating charges*	5.19
Operating charges	(1.31)
Return after operating charges*	3.88
Distribution	(1.15)
Retained distributions on accumulation shares	1.15
Closing net asset value per Share	103.88
* after direct transaction costs of:	0.06
Performance	
Return after operating charges	3.88%
Other information	
Closing net asset value	£12,550,638
Closing number of Shares	12,081,882
Operating charges	1.26%
Direct transaction costs	0.05%
Price	
Highest Share price	107.32
Lowest Share price	96.59

All Share Classes were launched were launched on 3 October 2016. The first variable price dealing was 17 October 2016.

**Performance Information  
As at 31 March 2018**

**Operating Charges**

Date	AMC* (%)	Synthetic expense Ratio (%)	Rebate (%)	Operating Charges (%)
31/03/18				
Share Class A	0.75	0.59	(0.08)	1.26

\* Annual Management Charge

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

When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the Operating Charge shall take the account of the operating charges incurred in the underlying CIU and disclose as a 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.

**Risk and Reward Profile  
As at 31 March 2018**



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund by its nature invests in a mixture of investments. The value of some of these investments may vary more widely than others.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

Portfolio Statement

As at 31 March 2018

Holdings	Investments	Market Value £	% of Total Net Assets
<b>COLLECTIVE INVESTMENT SCHEMES 60.56%</b>			
134,799	Ardevora UK Equity	321,227	2.56
272,170	Artemis US Extended Alpha	489,036	3.90
99,924	CF Lindsell Train UK Equity	378,442	3.02
18,520	Eastspring Investments - Japan Dynamic	257,838	2.05
99,888	FP CRUX European Special Situations	272,466	2.17
107,452	Henderson Strategic Bond	352,549	2.81
319,898	Henderson UK Absolute Return	524,952	4.18
174,184	Hermes Multi Strategy Credit Hedged	198,239	1.58
51,982	Hermes Multi Strategy Credit	62,847	0.50
365,900	Invesco Perpetual Global Targeted Returns	436,409	3.48
157,511	JO Hambro UK Dynamic	436,777	3.48
257,768	Majedie UK Equity	435,886	3.47
7,068	Marlborough Special Situations	115,335	0.92
14,696	Matthews Asia Pacific Tiger	298,338	2.38
2,608	Muzinich Global Tactical Credit	259,091	2.06
541	Muzinich Long Short Credit Yield	70,535	0.56
483	NN L Alternative Beta	50,206	0.40
47,153	PIMCO Global Investment Grade Credit	939,282	7.48
279,558	Royal London International Government Bond	304,439	2.43
7,675	TwentyFour Corporate Bond	878,531	7.00
473	Vanguard US Opportunities	361,675	2.88
1,534	Winton Absolute Return Futures	156,482	1.25
		<b>7,600,582</b>	<b>60.56</b>
<b>EXCHANGE TRADED FUNDS 30.25%</b>			
17,207	iShares Index-Linked Gilts UCITS ETF	310,328	2.47
64,701	iShares Core FTSE 100 UCITS ETF	452,325	3.61
2,836	iShares Core GBP Corp Bond UCITS ETF	406,002	3.23
28,006	iShares FTSE UK Gilt All Stocks	370,519	2.95
1,463	iShares JP Morgan USD EM Bond UCITS ETF	115,709	0.92
2,667	iShares JP Morgan EM Local Government Bond UCITS ETF	129,109	1.03
4,380	iShares MSCI AC Far East ex-Japan UCITS ETF	186,895	1.49
13,876	iShares MSCI Europe ex-UK UCITS ETF	373,264	2.97
34,769	iShares MSCI Japan UCITS ETF	377,418	3.01
279,259	iShares Overseas Corporate Bond Index	386,773	3.08
1,837	iShares UK Gilts 0-5yr UCITS ETF	242,374	1.93
1,446	iShares USD Treasury Bond 7-10yr UCITS ETF	196,786	1.57
7,010	Vanguard S&P 500 UCITS ETF	249,591	1.99
		<b>3,797,093</b>	<b>30.25</b>
<b>Portfolio of Investments</b>		<b>11,397,675</b>	<b>90.81</b>
Net Other Assets		1,152,963	9.19
<b>Net Assets</b>		<b>12,550,638</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

All investments are Collective Investment Schemes unless otherwise stated.

Total purchases including transaction costs for the period £14,672,583 (see Note 14)

Total sales net of transactions costs for the period £3,348,536 (see Note 14)

**Statement of Total Return  
For the period ended 31 March 2018**

	Note	17/10/16 to 31/03/18	
		£	£
Income:			
Net capital gains	2		32,544
Revenue	3	122,518	
Expenses	4	(66,076)	
Interest payable and similar charges		(7)	
Net revenue before taxation		56,435	
Taxation	5	-	
Net revenue after Taxation			56,435
Total return before distributions			88,979
Distributions	6		(56,435)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>32,544</b>

**Statement of Change in Net Assets Attributable to Shareholders  
For the period ended 31 March 2018**

	17/10/16 to 31/03/18	
	£	£
<b>Opening net assets attributable to Shareholders</b>		-
Amounts received on issue of Shares	12,552,208	
Less: Amounts paid on cancellation of Shares	(181,574)	
		12,370,634
Dilution Levy		7,951
Change in net assets attributable to Shareholders from investment activities		32,544
Retained distribution on accumulation Shares		139,509
<b>Closing net assets attributable to Shareholders</b>		<b>12,550,638</b>

**Balance Sheet  
As at 31 March 2018**

	Note	31/03/18	
		£	£
<b>Assets</b>			
Fixed assets:			
Investments			11,397,675
Current assets:			
Debtors	7	74,308	
Cash and bank balances	8	1,135,512	
Total current assets			1,209,820
Total assets			12,607,495
<b>Liabilities</b>			
Creditors:			
Other creditors	9	56,857	
Total creditors			56,857
Total liabilities			56,857
<b>Net assets attributable to Shareholders</b>			<b>12,550,638</b>

**Accounting Policies and Financial Statements  
For the period ended 31 March 2018**

**1 Accounting Basis And Policies**

The Fund's Financial Statements have been prepared on the basis detailed on pages 9, 10, 11 and 12.

**2 Net capital gains**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
The net capital gains during the period comprise:	
Realised gains on non-derivative securities	31,411
Unrealised gains on non-derivative securities	355
Rebates received from underlying funds	778
<b>Net capital gains</b>	<b>32,544</b>

**3 Revenue**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
UK Dividends	28,821
Overseas Dividend	87,420
Rebates received from underlying funds	6,277
<b>Total revenue</b>	<b>122,518</b>

**4 Expenses**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>	
AMC Fees	66,076
<b>Total expenses</b>	<b>66,076</b>

A number of expenses have been borne by the sponsor, including audit fees of £5,572 + VAT for the period ended March 2018.

**5 Taxation**

***a) Analysis of the tax charge in the period***

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Corporation tax	-
<b>Total current tax charge (Note 5 (b))</b>	<b>-</b>
Deferred tax (Note 5 (c))	-
<b>Total taxation for the period</b>	<b>-</b>

**Accounting Policies and Financial Statements (continued)**  
**For the period ended 31 March 2018**

***b) Factors affecting current tax charge for the period***

The tax assessed for the period is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% is applied to the net revenue before taxation.

The differences are explained below:

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Net revenue before taxation	56,435
Net revenue for the period multiplied by the standard rate of corporation tax	11,287
<b>Effects of:</b>	
Movement in excess management expenses	9,559
Revenue not subject to corporation tax	(20,846)
<b>Total taxation for the period</b>	<b>-</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

***c) Provision for deferred tax***

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

At the period end, there is a potential deferred tax asset of £9,559 in relation to surplus management expenses. It is unlikely the Funds will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the period.

**6 Distributions**

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

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Final	139,509
Add: Revenue paid on cancellation of Shares	1,363
Deduct: Revenue received on issue of Shares	(84,437)
<b>Net distribution for the period</b>	<b>56,435</b>
<b>Reconciliation of net revenue after taxation to distributions</b>	
Net expenses after taxation	56,435
<b>Net distribution for the period</b>	<b>56,435</b>

Details of the distributions per Share are set out in the distribution table on page 40.

**7 Debtors**

	<b>31/03/18</b>
	<b>£</b>
Amounts receivable for creation of Shares	70,920
Accrued revenue	912
Amounts due for rebates from underlying funds	2,476
<b>Total debtors</b>	<b>74,308</b>

**Accounting Policies and Financial Statements (continued)**  
**For the period ended 31 March 2018**

**8 Cash and bank balances**

	<b>31/03/18</b>
	<b>£</b>
Cash and bank balances	1,135,512
<b>Total cash and bank balances</b>	<b>1,135,512</b>

**9 Other creditors**

	<b>31/03/18</b>
	<b>£</b>
Amounts payable for cancellation of Shares	4,111
Purchases awaiting settlement	45,001
	49,112
<i>Accrued expenses</i>	
<i>Manager and Agents</i>	
AMC Fees	7,745
<b>Total other creditors</b>	<b>56,857</b>

**10 Related party transactions**

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of change in Shareholders' Net Assets and amounts due at the period end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the period end.

**Significant Shareholdings**

Fund Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 56.05% of the Fund's shares in issue are under the control of a nominee and its related parties.

**11 Share Class**

The Share Class and ACD's Annual Management Charges applicable to the fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.75

Each Share Class has equal rights in the event of the wind up of any fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	<b>17/10/16</b>	<b>Issued</b>	<b>Cancelled</b>	<b>Converted</b>	<b>31/03/18</b>
A Accumulation	-	12,258,530	(176,647)	-	12,081,882

**12 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date.

**13 Derivatives and other financial instruments**

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 11 and 12 of the report.

**Accounting Policies and Financial Statements (continued)**  
**For the period ended 31 March 2018**

**(a) Foreign currency risk**

The table below shows the foreign currency risk profile at the balance sheet date:

	Portfolio of Investments	Net other assets	Total
Currency	£	£	£
US Dollar	-	912	912
<b>Total foreign currency exposure</b>	<b>-</b>	<b>912</b>	<b>912</b>
Sterling	11,397,675	1,152,051	12,549,726
<b>Total NetAssets</b>	<b>11,397,675</b>	<b>1,152,963</b>	<b>12,550,638</b>

**(b) Interest rate risk profile of financial assets and liabilities**

Currency	Floating rate financial assets	Financial assets not carrying interest	Total
Assets	£	£	£
<b>31/03/18</b>			
US Dollar	-	912	912
Sterling	1,135,512	11,471,071	12,606,583
<b>Total</b>	<b>1,135,512</b>	<b>11,471,983</b>	<b>12,607,495</b>

Currency	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
Liabilities	£	£	£
<b>31/03/18</b>			
Sterling	-	56,857	56,857
<b>Total</b>	<b>-</b>	<b>56,857</b>	<b>56,857</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the following amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	Increase	Decrease
	£	£
<b>2018</b>	1,139,768	1,139,768

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 March 2018, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

**Notes to the Financial Statements  
For the period ended 31 March 2018**

**14 Portfolio transaction costs**

	<b>17/10/16 to 31/03/18</b>	
	£	£
<b>Analysis of total purchase costs</b>		
Purchases in period before transaction costs		
Funds total value paid		14,670,132
		14,670,132
Commissions	2,451	
Total purchase costs		2,451
<b>Total purchases including transaction costs</b>		<b>14,672,583</b>
<b>Analysis of total sales costs</b>		
Gross sales in period before transaction costs		
Funds total value paid		3,349,295
		3,349,295
Commissions		
Fees	(759)	
Total sale costs		(759)
<b>Total sales net of transaction costs</b>		<b>3,348,536</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the period. For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	<b>17/10/16 to 31/03/18</b>
	%
<b>Transaction costs as percentage of principal amounts</b>	
Purchases - Commissions	
Funds total value paid	0.02
Purchases - Taxes	
Equities total value paid	-
Sales - Commissions	
Funds total value paid	0.02
Sales - Taxes	
Equities total value paid	-
	<b>17/10/16 to 31/03/18</b>
	%
<b>Transaction costs as percentage of average net asset value</b>	
Commissions	0.05
Taxes	-

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**15 Post balance sheet events**

There are no post balance sheet events which require adjustments at the period end.

**16 Fair value disclosure**

Valuation technique	31/03/18	
	Assets	Liabilities
	£	£
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	3,410,320	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	7,987,355	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-
	<b>11,397,675</b>	<b>-</b>

\*The valuation techniques and the ACD's policy is disclosed in note 1 (i) on page 10.

**Distribution Table****For the period ended 31 March 2018****Final dividend Distribution in pence per Share**

Group 1 Shares purchased prior to 17 October 2016

Group 2 Shares purchased between 17 October 2016 to 31 March 2018

	Net Revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)
Share Class A Accumulation			
Group 1	1.1547	-	1.1547
Group 2	0.4487	0.7060	1.1547

### Investment Manager's Report For the period ended 31 March 2018

#### Investment Objective

The investment objective of the Fund is to achieve long term capital growth.

#### Investment policy

The Fund aims to achieve its objective by predominantly investing in passive and actively managed Collective Investment Schemes (OEICs, unit trusts and exchange-traded funds) and closed ended investment companies. The Fund will also have the ability to invest in transferable securities and bonds. This will expose no more than 70% of the portfolio to equities listed on the UK and international stock exchanges. The Fund may diversify market risk by also investing in UK and international fixed interest investments and funds with absolute return objectives. The Funds may have an indirect exposure to property and commodities via property companies, infrastructure companies, and commodity companies or via index replication.

The Fund may also include money market instruments, cash and near cash deposits.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### Investment Review

The FP Luceo 5 Fund delivered a 5.9% return in the period from its launch on 17 October 2016 to 31 March 2018 (Source: Lipper. 17/10/16–31/03/18. £ returns net of fees, net income reinvested. A share class).

The first part of the period under review was spent building the portfolio towards its target allocations, creating a diversified blend of holdings across a range of asset classes, markets and geographic regions. By February 2017, we were close to reaching our optimum target portfolio and began introducing funds with active managers who seek to outperform their respective markets.

In February we introduced four active funds; BlackRock Asia Special Situations, Lindsell Train UK Equity, Goldman Sachs Emerging Markets Equity and BlackRock European Dynamic We purchased Hermes Multi Strategy Credit in March which brought the total number of funds within the portfolio to twenty-one. We sold our holding in iShares GBP Corporate Bond exchange-traded fund (ETF) and replaced it with iShares USD Corporate Bond ETF switching currency, country and market exposure.

In April, we re-introduced iShares US Treasury Bond ETF as a defensive strategy that proved beneficial ahead of the first round of the French presidential election. A number of small tactical adjustments to the portfolio in May and June included selling our iShares US Treasury Bond ETF, and reducing the holding in iShares US High Yield ETF. In July, we made small additions to holdings in funds that focus on European and UK equities by adding to CRUX Special Situations and iShares FTSE 100 ETF.

In October, we invested in JOCHM UK Dynamic, whose manager is well known to us and which offers a good complement to our existing holding in Majedie UK Equity. We also added Old Mutual Global Equity Absolute Return, another fund whose manager we know, that aims to benefit from market fluctuations. November was a relatively busy month for investment activity and included the re-introduction of iShares Core MSCI Emerging Markets ETF to the portfolio when sterling weakened.

Investment activity was fairly limited in December and January. We trimmed our holding in iShares FTSE 100 ETF after the index rallied. We also made a small switch from European to Asian equities by reducing the holding in iShares MSCI Europe ex-UK ETF and re-introducing iShares MSCI AC Far East ex Japan ETF. In our bond holdings, we re-introduced iShares US Treasury Bond 7-10yr ETF, while in alternative assets we increased the holding in Old Mutual Global Equity Absolute Return towards its target weight in the portfolio. In February and March, while market volatility continued, we increased our equity investments by adding to iShares MSCI Japan ETF, Vanguard S&P 500 ETF and iShares FTSE 100 ETF.

#### Market Overview

Political machinations dominated investor sentiment throughout the period. A poor general election campaign, and the resulting hung parliament, weakened Prime Minister Theresa May's hand in Brexit negotiations. Markets generally reacted favourably to pro-European centrist Emmanuel Macron's victory in France's presidential election in May. Whilst Angela Merkel's victory in Germany's federal government elections in September brought some welcome continuity and stability in European politics. In Japan, Shinzo Abe's third landslide win and third term as Prime Minister was greeted positively by markets.

**Investment Manager's Report (continued)  
For the period ended 31 March 2018**

Donald Trump ended the year with the successful passing of his tax reform which promises large scale fiscal stimulus and provided an additional boost to equity markets. The tax cut offers a potential boost to consumption, a key driver of the US economy. Equity markets reached new highs in December and continued apace into the New Year. A market correction came at the end of January, sparked by concerns that interest rates in the US might have to rise faster than anticipated. Markets did recover but volatility has returned.

Potential shifts in the direction of monetary and fiscal policy across the developed world will continue to be the focus of interest for investors and markets. The case for central banks to raise interest rates has strengthened. There is evidence that governments in the developed world are set to change their stance on austerity.

**Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stockmarket volatility. The question is whether they are set to weigh heavily on stockmarket returns in the near future. Short term volatility concerns are offset by continued supportive monetary policy, fiscal stimulus in the US through tax reform and improving global growth which should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

**Investment Manager**

Octopus Investments Limited

23 April 2018

**Performance Record  
As at 31 March 2018****A Accumulation**

	31/03/18
Change in net assets per Share	
Opening net asset value per Share	100.00
Return before operating charges*	7.62
Operating charges	(1.39)
Return after operating charges*	6.23
Distributions	(1.45)
Retained distributions on accumulation shares	1.45
Closing net asset value per Share	106.23
* after direct transaction costs of:	0.05
Performance	
Return after operating charges	6.23%
Other information	
Closing net asset value	£16,259,857
Closing number of Shares	15,305,639
Operating charges	1.31%
Direct transaction costs	0.04%
Price	
Highest Share price	110.78
Lowest Share price	96.98

All Share Class were launched on 03 October 2016. The first variable price dealing date was 17 October 2016.

**Performance Information  
As at 31 March 2018**

**Operating Charges**

Date	AMC* (%)	Synthetic expenses Ratio (%)	Rebate (%)	Operating Charges (%)
31/03/18				
Share Class A	0.75	0.72	(0.16)	1.31

\* Annual Management Charge

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

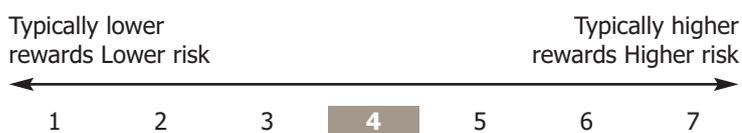
When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the Operating Charge shall take the account of the operating charges incurred in the underlying CIU and disclose as a Synthetic expense ratio.

**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.

**Risk and Reward Profile**

**As at 31 March 2018**



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.

- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund by its nature invests in a mixture of investments. The value of some of these investments may vary more widely than others.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

Portfolio Statement

As at 31 March 2018

Holdings	Investments	Market Value £	% of Total Net Assets
<b>COLLECTIVE INVESTMENT SCHEMES 68.59%</b>			
156,600	Ardevora UK Equity	373,177	2.30
472,105	Artemis US Extended Alpha	848,279	5.21
202,423	Blackrock Asia Special Situations	379,948	2.34
252,130	Blackrock European Dynamic	396,600	2.44
127,272	CF Lindsell Train UK Equity	482,018	2.96
35,955	Eastspring Investments - Japan Dynamic	500,564	3.08
158,108	FP CRUX European Special Situations	431,273	2.65
302,199	Franklin UK Managers Focus	373,276	2.30
22,227	Goldman Sachs Emerging Markets Equity Portfolio	336,066	2.07
170,179	Henderson Strategic Bond	558,356	3.43
429,804	Henderson UK Absolute Return	705,309	4.34
471,078	Hermes Multi Strategy Credit	536,134	3.30
529,119	Invesco Perpetual Global Targeted Returns	631,080	3.88
204,870	JO Hambro UK Dynamic	568,103	3.49
331,390	Majedie UK Equity	560,381	3.45
23,477	Marlborough Special Situations	383,117	2.36
16,135	Matthews Asia Pacific Tiger	327,547	2.01
7,406	Muzinich Global Tactical Credit	735,889	4.53
167,500	NGAM H2O MultiReturns N/AG GBP	267,247	1.64
238,431	Old Mutual Global Equity Absolute Return	422,404	2.60
1,880	RWC Global Emerging Markets	367,025	2.26
5,120	TwentyFour Corporate Bond	586,001	3.60
501	Vanguard US Opportunities	382,803	2.35
		<b>11,152,597</b>	<b>68.59</b>
<b>EXCHANGE TRADED FUNDS 22.30%</b>			
1,650	iShares Corp Bond 0-5yr UCITS ETF	172,970	1.06
132,500	iShares Core FTSE 100 UCITS ETF	926,307	5.70
4,100	iShares Core GBP Corp Bond UCITS ETF	586,955	3.61
4,500	iShares Core MSCI EM IMI UCITS ETF	98,393	0.61
2,500	iShares Global High Yield Corp Bond UCITS ETF	173,625	1.07
4,750	iShares JP Morgan EM Local Government Bond UCITS ETF	229,948	1.41
3,000	iShares JP Morgan USD EM Bond UCITS ETF	237,270	1.46
1,750	iShares MSCI AC Far East ex-Japan UCITS ETF	74,673	0.46
2,750	iShares MSCI Europe ex-UK UCITS ETF	73,975	0.45
23,500	iShares MSCI Japan UCITS ETF	255,092	1.57
30,000	iShares UK Dividend UCITS ETF	252,810	1.55
1,750	iShares USD Corp Bond UCITS ETF	139,843	0.86
11,350	Vanguard S&P 500 UCITS ETF	404,116	2.49
		<b>3,625,977</b>	<b>22.30</b>
<b>Portfolio of Investments</b>		<b>14,778,574</b>	<b>90.89</b>
Net Other Assets		1,481,283	9.11
<b>Net Assets</b>		<b>16,259,857</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

All investments are Collective Investment Schemes unless otherwise stated.

Total purchases including transaction costs for the period £17,878,952 (see Note 14)

Total sales net of transactions costs for the period £3,266,957 (see Note 14)

**Statement of Total Return  
For the period ended 31 March 2018**

	Note	17/10/16 to 31/03/18	
		£	£
Income:			
Net capital gains	2		103,321
Revenue	3	205,898	
Expenses	4	(92,164)	
Interest payable and similar charges		(112)	
Net revenue before taxation		113,622	
Taxation	5	-	
Net revenue after Taxation			113,622
Total return before distributions			216,943
Distributions	6		(113,622)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>103,321</b>

**Statement of Change in Net Assets Attributable to Shareholders  
For the period ended 31 March 2018**

	17/10/16 to 31/03/18	
	£	£
<b>Opening net assets attributable to Shareholders</b>		-
Amounts received on issue of Shares	16,074,057	
Less: Amounts paid on cancellation of Shares	(154,658)	
		15,919,399
Dilution levy		15,680
Change in net assets attributable to Shareholders from investment activities		103,321
Retained distribution on accumulation Shares		221,457
<b>Closing net assets attributable to Shareholders</b>		<b>16,259,857</b>

**Balance Sheet  
As at 31 March 2018**

	Note	31/03/18	
		£	£
<b>Assets</b>			
Fixed assets:			
Investments			14,778,574
Current assets:			
Debtors	7	67,062	
Cash and bank balances	8	1,431,656	
Total current assets			1,498,718
Total assets			16,277,292
<b>Liabilities</b>			
Creditors:			
Other creditors	9	17,435	
Total creditors			17,435
Total liabilities			17,435
<b>Net assets attributable to Shareholders</b>			<b>16,259,857</b>

**Accounting Policies and Financial Statements  
For the period ended 31 March 2018**

**1 Accounting Basis And Policies**

The Fund's Financial Statements have been prepared on the basis detailed on pages 9, 10, 11 and 12.

**2 Net capital gains**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
The net capital gains during the period comprise:	
Realised gains on non-derivative securities	43,636
Unrealised gains on non-derivative securities	55,717
Rebates received from underlying funds	3,968
<b>Net capital gains</b>	<b>103,321</b>

**3 Revenue**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
UK Dividends	39,965
Overseas Dividend	150,425
Rebates received from underlying funds	15,508
<b>Total revenue</b>	<b>205,898</b>

**4 Expenses**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>	<b>£</b>
AMC Fees	92,164
<b>Total expenses</b>	<b>92,164</b>

A number of expenses have been borne by the sponsor, including audit fees of £5,572 + VAT for the period ended March 2018.

**5 Taxation**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
<b><i>a) Analysis of the tax charge in the period</i></b>	
Corporation tax	-
<b>Total current tax charge (Note 5 (b))</b>	<b>-</b>
Deferred tax (Note 5 (c))	-
<b>Total taxation for the period</b>	<b>-</b>

**Accounting Policies and Financial Statements (continued)**  
**For the period ended 31 March 2018**

***b) Factors affecting current tax charge for the period***

The tax assessed for the period is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% is applied to the net revenue before taxation.

The differences are explained below:

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Net revenue before taxation	113,622
Net revenue for the period multiplied by the standard rate of corporation tax	22,724
<b>Effects of:</b>	
Movement in excess management expenses	12,338
Revenue not subject to corporation tax	(35,062)
<b>Total taxation for the period</b>	<b>-</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

***c) Provision for deferred tax***

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

At the period end, there is a potential deferred tax asset of £12,338 in relation to surplus management expenses. It is unlikely the Funds will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the period.

**6 Distributions**

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

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Final	221,457
Add: Revenue paid on cancellation of Shares	1,686
Deduct: Revenue received on issue of Shares	(109,521)
<b>Net distribution for the period</b>	<b>113,622</b>
<b>Reconciliation of net revenue after taxation to distributions</b>	
Net revenue after distribution	113,622
<b>Total distribution for the period</b>	<b>113,622</b>

**7 Debtors**

	<b>31/03/18</b>
	<b>£</b>
Amounts receivable for creation of Shares	57,301
Accrued revenue	1,679
Amounts due for rebates from underlying funds	8,082
<b>Total debtors</b>	<b>67,062</b>

**Accounting Policies and Financial Statements (continued)**  
**For the period ended 31 March 2018**

**8 Cash and bank balances**

	<b>31/03/18</b>
	<b>£</b>
Cash and bank balances	1,431,656
<b>Total cash and bank balances</b>	<b>1,431,656</b>

**9 Creditors**

	<b>31/03/18</b>
	<b>£</b>
Amounts payable for cancellation of Shares	7,199
	7,199
<i>Accrued expenses</i>	
<i>Manager and Agents</i>	
AMC Fees	10,236
<b>Total other creditors</b>	<b>17,435</b>

**10 Related party transactions**

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of change in Shareholders' Net Assets and amounts due at the period end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the period end.

**Significant Shareholdings**

Fund Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 50.77% of the Fund's shares in issue are under the control of a nominee and its related parties.

**11 Share Class**

The Share Class and ACD's Annual Management Charges applicable to the fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.75

Each Share Class has equal rights in the event of the wind up of any fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	<b>17/10/16</b>	<b>Issued</b>	<b>Cancelled</b>	<b>Converted</b>	<b>31/03/18</b>
A Accumulation	-	15,450,511	(144,872)	-	15,305,639

**12 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date.

**13 Derivatives and other financial instruments**

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 11 and 12 of the report.

**Accounting Policies and Financial Statements (continued)**  
**For the period ended 31 March 2018**

**(a) Foreign currency risk**

The table below shows the foreign currency risk profile at the balance sheet date:

	Portfolio of Investments	Net other assets	Total
Currency	£	£	£
US Dollar	-	1,679	1,679
<b>Total foreign currency exposure</b>	<b>-</b>	<b>1,679</b>	<b>1,679</b>
Sterling	14,778,574	1,479,604	16,258,178
<b>Total Net Assets</b>	<b>14,778,574</b>	<b>1,481,283</b>	<b>16,259,857</b>

**(b) Interest rate risk profile of financial assets and liabilities**

Currency	Floating rate financial assets	Financial assets not carrying interest	Total
Assets	£	£	£
<b>31/03/18</b>			
US Dollar	-	1,679	1679
Sterling	1,431,656	14,843,957	16,275,613
<b>Total</b>	<b>1,431,656</b>	<b>14,845,636</b>	<b>16,277,292</b>

Currency	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
Liabilities	£	£	£
<b>31/03/18</b>			
Sterling	-	17,435	17,435
<b>Total</b>	<b>-</b>	<b>17,435</b>	<b>17,435</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the following amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	Increase	Decrease
	£	£
2018	1,477,857	1,477,857

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 March 2018, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

**Notes to the Financial Statements  
For the period ended 31 March 2018**

**14 Portfolio transaction costs**

	<b>17/10/16 to 31/03/18</b>	
	£	£
<b>Analysis of total purchase costs</b>		
Purchases in period before transaction costs		
Funds total value paid		17,876,155
		<b>17,876,155</b>
Commissions	2,797	
Total purchase costs		2,797
<b>Total purchases including transaction costs</b>		<b>17,878,952</b>
<b>Analysis of total sales costs</b>		
Gross sales in period before transaction costs		
Funds total value paid		3,267,958
		<b>3,267,958</b>
Commissions	(1,001)	
Fees	-	
Total sale costs		(1,001)
<b>Total sales net of transaction costs</b>		<b>3,266,957</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the period.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	<b>17/10/16 to 31/03/18</b>
Transaction costs as percentage of principal amounts	%
Purchases - Commissions	
Funds total value paid	0.02
Purchases - Taxes	
Equities total value paid	-
Sales - Commissions	
Funds total value paid	0.03
Sales - Taxes	
Equities total value paid	-
	<b>17/10/16 to 31/03/18</b>
Transaction costs as percentage of average net asset value	%
Commissions	0.04
Taxes	-

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**15 Post balance sheet events**

There are no post balance sheet events which require adjustments at the period end.

**16 Fair value disclosure**

Valuation technique	31/03/18	
	Assets	Liabilities
	£	£
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	3,625,977	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	11,152,597	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-
	<b>14,778,574</b>	<b>-</b>

\*The valuation techniques and the ACD's policy is disclosed in note 1 (i) on page 10.

**Distribution Table****For the period ended 31 March 2018****Final dividend Distribution in pence per Share**

Group 1 Shares purchased prior to 17 October 2016

Group 2 Shares purchased between 17 October 2016 to 31 March 2018

	Net Revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)
Share Class A Accumulation			
Group 1	1.4469	-	1.4469
Group 2	0.7091	0.7378	1.4469

### Investment Manager's Report For the period ended 31 March 2018

#### Investment Objective

The investment objective of the Fund is to achieve long term capital growth.

#### Investment policy

The Fund aims to achieve its objective by predominantly investing in passive and actively managed Collective Investment Schemes (OEICs, unit trusts and exchange-traded funds) and closed ended investment companies. The Fund will also have the ability to invest in transferable securities and bonds. This will expose no more than 85% of the portfolio to equities listed on the UK and international stock exchanges. The Fund may diversify market risk by also investing in UK and international fixed interest investments and funds with absolute return objectives. The Fund may have indirect exposure to property and commodities via property companies, infrastructure companies, and commodity companies or via index replication.

The Fund may also include money market instruments, cash and near cash deposits.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### Investment Review

The FP Luceo 6 Fund delivered a 8.1% return in the period from its launch on 17 October 2016 to 31 March 2018 (Source: Lipper. 17/10/16–31/03/18. £ returns net of fees, net income reinvested. A share class).

The first part of the period under review was spent building the portfolio towards its target allocations, creating a diversified blend of holdings across a range of asset classes, markets and geographic regions. These investments were mainly in exchange-traded funds (ETFs) that access a range of asset classes and geographic regions allowing us to meet our portfolio allocation targets quickly and efficiently.

By February 2017, we were close to reaching our optimum target portfolio and began introducing funds with active managers who seek to outperform their respective markets. We invested in Lindsell Train UK Equity, Franklin UK Managers Focus Fund, Matthew Asia Pacific Tiger and Invesco Perpetual Global Targeted Returns. We continued building the portfolio with initial investments in Henderson UK Absolute Return and Hermes Multi-Strategy Credit. April and May saw us add two new funds: Muzinich Global Tactical Credit, for its focus on corporate debt markets, and iShares Japan Sterling hedged ETF, which tracks the performance the Japanese stockmarket whilst using a strategy to protect UK-based investors from the effects a strong sterling, relative to the yen, would have on returns.

The portfolio's best performers in October were holdings focused on Japan, Asian, emerging markets and US equities, led by Hermes Asia ex Japan, iShares MSCI Japan exchange-traded fund and RWC Global Emerging Markets. On the other hand, Eastspring Japan Dynamic lagged its benchmark and Majedie UK Equity suffered from its current positioning which isn't being rewarded in the prevailing environment.

Vanguard US Opportunities consistently delivered some the portfolio's best returns in the last five months of the period, driven by a strongly performing healthcare sector and buoyed by investor optimism about tax reform. Good stock selection and a focus on the Chinese market helped Matthews Asia Pacific Tiger deliver strong returns in December. In contrast, poor stock selection in November and December held back Hermes Asia ex Japan, BlackRock European Dynamic and Eastspring Japan Dynamic.

In January and February, UK and European equities were the portfolio's main detractors, although our holding in Ardevora UK Equity held up well. Artemis US Extended Alpha struggled, as the US technology sector was impacted by a spate of bad news stories.

#### Market Overview

Political machinations dominated investor sentiment throughout the period. A poor general election campaign, and the resulting hung parliament, weakened Prime Minister Theresa May's hand in Brexit negotiations. Markets generally reacted favourably to pro-European centrist Emmanuel Macron's victory in France's presidential election in May. Whilst Angela Merkel's victory in Germany's federal government elections in September brought some welcome continuity and stability in European politics. In Japan, Shinzo Abe's third landslide win and third term as Prime Minister was greeted positively by markets.

### **Investment Manager's Report (continued) For the period ended 31 March 2018**

Donald Trump ended the year with the successful passing of his tax reform which promises large scale fiscal stimulus and provided an additional boost to equity markets. The tax cut offers a potential boost to consumption, a key driver of the US economy. Equity markets reached new highs in December and continued apace into the New Year. A market correction came at the end of January, sparked by concerns that interest rates in the US might have to rise faster than anticipated. Markets did recover but volatility has returned.

Potential shifts in the direction of monetary and fiscal policy across the developed world will continue to be the focus of interest for investors and markets. The case for central banks to raise interest rates has strengthened. There is evidence that governments in the developed world are set to change their stance on austerity.

### **Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stockmarket volatility. The question is whether they are set to weigh heavily on stockmarket returns in the near future. Short term volatility concerns are offset by continued supportive monetary policy, fiscal stimulus in the US through tax reform and improving global growth which should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

### **Investment Manager**

Octopus Investments Limited

23 April 2018

**Performance Record  
As at 31 March 2018****A Accumulation**

	<b>31/03/18 (p)</b>
Change in net assets per Share	
Opening net asset value per Share	100.00
Return before operating charges*	9.88
Operating charges	(1.38)
Return after operating charges*	8.50
Distributions	(1.53)
Retained distributions on accumulation shares	1.53
Closing net asset value per Share	108.50
* after direct transaction costs of:	0.05
Performance	
Return after operating charges	8.50%
Other information	
Closing net asset value	£10,738,572
Closing number of Shares	9,896,908
Operating charges	1.27%
Direct transaction costs	0.05%
Price	
Highest Share price	114.45
Lowest Share price	96.07

All Share Class were launched on 03 October 2016. The first variable price dealing date was 17 October 2016.

**Performance Information  
As at 31 March 2018**

**Operating Charges**

Date	AMC* (%)	Synthetic expense Ratio (%)	Rebate (%)	Operating Charges (%)
31/03/18				
Share Class A	0.75	0.67	(0.15)	1.27

\* Annual Management Charge

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

When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the Operating Charge shall take the account of the operating charges incurred in the underlying CIU and disclose as a 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.

**Risk and Reward Profile  
As at 31 March 2018**



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund by its nature invests in a mixture of investments. The value of some of these investments may vary more widely than others.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

Portfolio Statement

As at 31 March 2018

Holdings	Investments	Market Value £	% of Total Net Assets
<b>COLLECTIVE INVESTMENT SCHEMES 62.21%</b>			
150,666	Ardevora UK Equity	359,036	3.34
246,191	Artemis US Extended Alpha	442,355	4.12
123,852	Blackrock Asia Special Situations	232,470	2.16
118,419	BlackRock European Dynamic	186,273	1.73
96,017	CF Lindsell Train UK Equity	363,647	3.39
28,160	Eastspring Investments Japan Dynamic	392,050	3.65
65,818	FP CRUX European Special Situations	179,533	1.67
279,017	Franklin UK Managers Focus	344,642	3.21
20,953	Goldman Sachs Emerging Markets Equity Portfolio	316,804	2.95
158,776	Henderson UK Absolute Return	260,551	2.43
92,494	Hermes Asia ex-Japan Equity	233,584	2.18
300,205	Hermes Multi Strategy Credit	341,663	3.18
183,822	Invesco Perpetual Global Targeted Returns	219,244	2.04
108,647	JO Hambro UK Dynamic	301,279	2.81
28,854	Legal & General UK Index Trust	84,139	0.78
243,827	Majedie UK Equity	412,312	3.84
12,292	Marlborough Special Situations	200,589	1.87
11,022	Matthews Asia Pacific Tiger	223,739	2.08
4,615	Muzinich Global Tactical Credit	458,553	4.28
1,828	RWC Global Emerging Markets	356,844	3.32
3,746	TwentyFour Corporate Bond	428,798	3.99
448	Vanguard US Opportunities	342,748	3.19
		<b>6,680,853</b>	<b>62.21</b>
<b>EXCHANGE TRADED FUNDS 27.79%</b>			
4,369	db x-trackers Euro Stoxx 50 ETF	136,444	1.27
642	iShares Corp Bond 0-5yr UCITS ETF	67,301	0.63
110,283	iShares Core FTSE 100 UCITS ETF	770,988	7.18
986	iShares Core GBP Corp Bond UCITS ETF	141,156	1.31
10,748	iShares Core MSCI EM IMI UCITS ETF	235,005	2.19
16,912	iShares FTSE 250 UCITS ETF	314,191	2.93
926	iShares Global High Yield Corp	92,619	0.86
1,382	iShares Global High Yield Corp Bond UCITS ETF	95,980	0.89
3,757	iShares MSCI AC Far East ex-Japan UCITS ETF	160,311	1.49
1,319	iShares MSCI Europe ex-UK UCITS ETF	35,481	0.33
1,010	iShares MSCI Japan GBP Hedged UCITS ETF	58,691	0.55
27,461	iShares MSCI Japan UCITS ETF	298,089	2.78
14,007	iShares UK Dividend UCITS ETF	118,037	1.10
12,904	Vanguard S&P 500 UCITS ETF	459,447	4.28
		<b>2,983,740</b>	<b>27.79</b>
<b>Portfolio of Investments</b>		<b>9,664,593</b>	<b>90.00</b>
Net Other Assets		1,073,979	10.00
<b>Net Assets</b>		<b>10,738,572</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

All investments are Collective Investment Schemes unless otherwise stated.

Total purchases including transaction costs for the period £11,154,810 (see Note 14)

Total sales net of transactions costs for the period £1,734,576 (see Note 14)

**Statement of Total Return  
For the period ended 31 March 2018**

	Note	17/10/16 to 31/03/18	
		£	£
Income:			
Net capital gains	2		208,857
Revenue	3	142,758	
Expenses	4	(63,060)	
Interest payable and similar charges		(49)	
Net revenue before taxation		79,649	
Taxation	5	-	
Net revenue after Taxation			79,649
Total return before distributions			288,506
Distributions	6		(79,649)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>208,857</b>

**Statement of Change in Net Assets Attributable to Shareholders  
For the period ended 31 March 2018**

	17/10/16 to 31/03/18	
	£	£
<b>Opening net assets attributable to Shareholders</b>		-
Amounts received on issue of Shares	10,706,988	
Less: Amounts paid on cancellation of Shares	(339,646)	
		10,367,342
Dilution levy		11,396
Change in net assets attributable to Shareholders from investment activities		208,857
Retained distribution on accumulation Shares		150,977
<b>Closing net assets attributable to Shareholders</b>		<b>10,738,572</b>

**Balance Sheet  
As at 31 March 2018**

	Note	31/03/18	
		£	£
<b>Assets</b>			
Fixed assets:			
Investments			9,664,593
Current assets:			
Debtors	7	308,520	
Cash and bank balances	8	842,494	
Total current assets			1,151,014
Total assets			10,815,607
<b>Liabilities</b>			
Creditors:			
Other creditors	9	77,035	
Total creditors			77,035
Total liabilities			77,035
<b>Net assets attributable to Shareholders</b>			<b>10,738,572</b>

**Notes to the Financial Statements  
For the period ended 31 March 2018**

**1 Accounting Basis And Policies**

The Fund's Financial Statements have been prepared on the basis detailed on pages 9, 10, 11 and 12.

**2 Net capital gains**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
The net capital gains during the period comprise:	
Realised gains on non-derivative securities	85,285
Unrealised gains on non-derivative securities	119,968
Rebates received from underlying funds	3,604
<b>Net capital gains</b>	<b>208,857</b>

**3 Revenue**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
UK Dividends	16,120
Overseas Dividend	117,906
Rebates received from underlying funds	8,732
<b>Total revenue</b>	<b>142,758</b>

**4 Expenses**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>	
AMC Fees	63,060
<b>Total expenses</b>	<b>63,060</b>

A number of expenses have been borne by the sponsor, including audit fees of £5,572 + VAT for the period ended March 2018.

**5 Taxation**

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
<b><i>a) Analysis of the tax charge in the period</i></b>	
Corporation tax	-
<b>Total current tax charge (Note 5 (b))</b>	<b>-</b>
Deferred tax (Note 5 (c))	-
<b>Total taxation for the period</b>	<b>-</b>

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**b) Factors affecting current tax charge for the period**

The tax assessed for the period is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% is applied to the net revenue before taxation.

The differences are explained below:

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Net revenue before taxation	79,649
Net revenue for the period multiplied by the standard rate of corporation tax	15,930
<b>Effects of:</b>	
Movement in excess management expenses	10,383
Revenue not subject to corporation tax	(26,313)
<b>Total taxation for the period</b>	<b>-</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

**c) Provision for deferred tax**

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

At the period end, there is a potential deferred tax asset of £10,383 in relation to surplus management expenses. It is unlikely the Funds will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the period.

**6 Distributions**

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

	<b>17/10/16 to 31/03/18</b>
	<b>£</b>
Final	150,977
Add: Revenue paid on cancellation of Shares	3,749
Deduct: Revenue received on issue of Shares	(75,077)
<b>Net distribution for the period</b>	<b>79,649</b>
<b>Reconciliation of net revenue after taxation to distributions</b>	
Net revenue after taxation	79,649
<b>Net distribution for the period</b>	<b>79,649</b>

Details of the distributions per Share are set out in the distribution table on page 68.

**7 Debtors**

	<b>31/03/18</b>
	<b>£</b>
Amounts receivable for creation of Shares	302,665
Accrued revenue	1,618
Amounts due for rebates from underlying funds	4,237
<b>Total debtors</b>	<b>308,520</b>

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**8 Cash and bank balances**

	<b>31/03/18</b>
	<b>£</b>
Cash and bank balances	842,494
<b>Total cash and bank balances</b>	<b>842,494</b>

**9 Other creditors**

	<b>31/03/18</b>
	<b>£</b>
Amounts payable for cancellation of Shares	262
Purchases awaiting settlement	70,131
	70,393
<i>Accrued expenses</i>	
<i>Manager and Agents</i>	
AMC Fees	6,642
	6,642
<b>Total other creditors</b>	<b>77,035</b>

**10 Related party transactions**

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of change in Shareholders' Net Assets and amounts due at the period end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the period end.

**Significant Shareholdings**

Fund Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 62.69% of the Fund's shares in issue are under the control of a nominee and its related parties.

**11 Share Class**

The Share Class and ACD's Annual Management Charges applicable to the fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.75

Each Share Class has equal rights in the event of the wind up of any fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	<b>17/10/16</b>	<b>Issued</b>	<b>Cancelled</b>	<b>Converted</b>	<b>31/03/18</b>
A Accumulation	-	10,207,082	(310,173)	-	9,896,908

**12 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date.

**13 Derivatives and other financial instruments**

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 11 and 12 of the report.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**(a) Foreign currency risk**

The table below shows the foreign currency risk profile at the balance sheet date:

	Portfolio of Investments	Net other assets	Total
	£	£	£
US Dollar	-	1,618	1,618
<b>Total foreign currency exposure</b>	<b>-</b>	<b>1,618</b>	<b>1,618</b>
Sterling	9,664,593	1,072,361	10,736,954
<b>Total net assets</b>	<b>9,664,593</b>	<b>1,073,979</b>	<b>10,738,572</b>

**(b) Interest rate risk profile of financial assets and liabilities**

Currency	Floating rate financial assets	Financial assets not carrying interest	Total
Assets	£	£	£
<b>31/03/18</b>			
US Dollar	-	1,618	1,618
Sterling	842,494	9,971,495	10,813,989
<b>Total</b>	<b>842,494</b>	<b>9,973,113</b>	<b>10,815,607</b>

Currency	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
Liabilities	£	£	£
<b>31/03/18</b>			
Sterling	-	77,035	77,035
<b>Total</b>	<b>-</b>	<b>77,035</b>	<b>77,035</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the following amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	Increase	Decrease
	£	£
<b>2018</b>	965,459	965,459

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 March 2018, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

Notes to the Financial Statements (continued)  
For the period ended 31 March 2018

14 Portfolio transaction costs

	17/10/16 to 31/03/18	
	£	£
<b>Analysis of total purchase costs</b>		
Purchases in period before transaction costs		
Funds total value paid		11,152,695
		11,152,695
Commissions	2,115	
Total purchase costs		2,115
<b>Total purchases including transaction costs</b>		<b>11,154,810</b>
<b>Analysis of total sales costs</b>		
Gross sales in period before transaction costs		
Funds total value paid		1,735,231
		1,735,231
Commissions	(655)	
Total sale costs		(655)
<b>Total sales net of transaction costs</b>		<b>1,734,576</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the period.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	17/10/16 to 31/03/18
	%
<b>Transaction costs as percentage of principal amounts</b>	
Purchases - Commissions	
Funds total value paid	0.02
Purchases - Taxes	
Equities total value paid	-
Sales - Commissions	
Funds total value paid	0.04
Sales - Taxes	
Equities total value paid	-
	<b>17/10/16 to 31/03/18</b>
	%
<b>Transaction costs as percentage of average net asset value</b>	
Commissions	0.05
Taxes	-

As the Company's Fund and its Share Classes are single priced there is no bid/offer spread applicable.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**15 Post balance sheet events**

There are no post balance sheet events which require adjustments at the period end.

**16 Fair value disclosure**

	<b>31/03/18</b>	
	<b>Assets</b>	<b>Liabilities</b>
<b>Valuation technique</b>	<b>£</b>	<b>£</b>
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	2,983,740	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	6,680,853	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-
	<b>9,664,593</b>	<b>-</b>

\*The valuation techniques and the ACD's policy is disclosed in note 1 (i) on page 10.

**Distribution table  
For the period ended 31 March 2018****Final dividend Distribution in pence per Share**

Group 1 Shares purchased prior to 17 October 2016

Group 2 Shares purchased between 17 October 2016 to 31 March 2018

	Net Revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)
Share Class A Accumulation			
Group 1	1.5255	-	1.5255
Group 2	0.7622	0.7633	1.5255

### Investment Manager's Report For the period ended 31 March 2018

#### Investment Objective

The investment objective of the Fund is to achieve long term capital growth.

#### Investment policy

The Fund aims to achieve its objective by predominantly investing in passive and actively managed Collective Investment Schemes (OEICs, unit trusts and exchange-traded funds) and closed ended investment companies. The Fund will also have the ability to invest in transferable securities and bonds. This will expose up to 100% of the portfolio to equities listed on the UK and international stock exchanges. The Fund may diversify market risk by also investing in UK and international fixed interest investments and funds with absolute return objectives. The Fund may have indirect exposure to property and commodities via property companies, infrastructure companies, and commodity companies or via index replication.

The Fund may also include money market instruments, cash and near cash deposits.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### Investment Review

The FP Luceo 7 Fund delivered a 4.9% return in the period from its launch on 28 February 2017 to 31 March 2018 (Source: Lipper. 28/2/17–31/03/18. £ returns net of fees, net income reinvested. A share class).

A large part of the period under review was spent building up the portfolio holdings towards its target allocations, creating a diversified blend of active and passive funds across a range of asset classes, markets and geographic regions. Our investment strategy was to gradually build up to targets, taking into account the small fund size at launch and investing as inflows were received.

We concentrated initially on introducing investments that are low cost, easily traded and provide broad access to market indices. These investments were exchange-traded funds (ETFs). As the portfolio has grown, we have introduced more funds with active managers who seek to outperform their particular markets.

October's best performers were holdings focused on Japan, Asian, emerging markets and US equities, led by Hermes Asia ex Japan, iShares MSCI Japan ETF and Matthews Pacific Tiger. On the other hand, Eastspring Japan Dynamic lagged its benchmark and Majedie UK Equity suffered as its positioning is not currently being rewarded by the prevailing market environment.

Vanguard US Opportunities delivered the portfolio's best return in November, driven by a strongly performing healthcare sector and buoyed by investor optimism about tax reform. Good stock selections helped Ardevora UK Equity outperform its benchmark. In contrast, poor stock selection held back Hermes Asia ex Japan, BlackRock European Dynamic and Eastspring Japan Dynamic.

In December, good stock selection and a focus on the Chinese market helped Matthews Asia Pacific Tiger deliver the portfolio's best return. Poor performances from European equities held back BlackRock European Dynamic, while Majedie UK and Marlborough Special Situations also delivered only modest returns.

January's positive contributors were holdings that invest in US, European and emerging market equities, led by Vanguard US Opportunities, BlackRock European Dynamic and iShares Core MSCI Emerging Markets ETF. February's performance was held back by poor equity performances around the world, with Franklin UK Managers' Focus one of the main detractors. However, in March, Franklin UK Managers' Focus was the only equity fund to deliver a positive return for the portfolio, and Vanguard US Opportunities continued to be better protected than other funds from market volatility.

#### Market Overview

Political machinations dominated investor sentiment throughout the period. A poor general election campaign, and the resulting hung parliament, weakened Prime Minister Theresa May's hand in Brexit negotiations. Markets generally reacted favourably to pro-European centrist Emmanuel Macron's victory in France's presidential election in May. Whilst Angela Merkel's victory in Germany's federal government elections in September brought some welcome continuity and stability in European politics. In Japan, Shinzo Abe's third landslide win and third term as Prime Minister was greeted positively by markets.

**Investment Manager's Report (continued)  
For the period ended 31 March 2018**

Donald Trump ended the year with the successful passing of his tax reform which promises large scale fiscal stimulus and provided an additional boost to equity markets. The tax cut offers a potential boost to consumption, a key driver of the US economy. Equity markets reached new highs in December and continued apace into the New Year. A market correction came at the end of January, sparked by concerns that interest rates in the US might have to rise faster than anticipated. Markets did recover but volatility has returned.

Potential shifts in the direction of monetary and fiscal policy across the developed world will continue to be the focus of interest for investors and markets. The case for central banks to raise interest rates has strengthened. There is evidence that governments in the developed world are set to change their stance on austerity.

**Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stockmarket volatility. The question is whether they are set to weigh heavily on stockmarket returns in the near future. Short term volatility concerns are offset by continued supportive monetary policy, fiscal stimulus in the US through tax reform and improving global growth which should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

**Investment Manager**

Octopus Investments Limited

23 April 2018

**Performance Record  
As at 31 March 2018**

**A Accumulation**

	31/03/18 (p)
Change in net assets per Share	
Opening net asset value per Share	100.00
Return before operating charges*	6.58
Operating charges	(1.33)
Return after operating charges*	5.25
Distributions	(1.70)
Retained distributions on accumulation shares	1.70
Closing net asset value per Share	105.25
* after direct transaction costs of:	0.10
Performance	
Return after operating charges	5.25%
Other information	
Closing net asset value	£2,732,807
Closing number of Shares	2,596,567
Operating charges	1.26%
Direct transaction costs	0.09%
Price	
Highest Share price	112.10
Lowest Share price	98.95

All Share Class were launched on 28 February 2017. The first variable price dealing date was 1 March 2017.

**Performance Information  
As at 31 March 2018**

**Operating Charges**

Date	AMC* (%)	Synthetic expense Ratio (%)	Rebate (%)	Operating Charges (%)
31/03/18				
Share Class A	0.75	0.63	(0.12)	1.26

\* Annual Management Charge

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

When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the Operating Charge shall take the account of the operating charges incurred in the underlying CIU and disclose as a 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.

**Risk and Reward Profile  
As at 31 March 2018**



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "5" on the scale. This is because the Fund by its nature invests in a mixture of investments. The value of some of these investments may vary more widely than others.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

Portfolio Statement

As at 31 March 2018

Holdings	Investments	Market Value £	% of Total Net Assets
	<b>COLLECTIVE INVESTMENT SCHEMES 46.91%</b>		
17,419	Ardevora UK Equity	41,510	1.52
6,958	Artemis UK Select	38,947	1.43
43,870	Artemis US Extended Alpha	78,826	2.88
41,063	Blackrock Asia Special Situations	77,075	2.82
24,053	BlackRock European Dynamic	37,835	1.38
21,354	CF Lindsell Train UK Equity	80,874	2.96
5,718	Eastspring Investment Japan Dynamic	79,603	2.91
14,225	FP CRUX European Special Situations	38,802	1.42
66,115	Franklin UK Managers Focus	81,667	2.98
5,228	Goldman Sachs Emerging Markets Equity Portfolio	79,047	2.89
30,395	Henderson UK Absolute Return	49,878	1.83
30,565	Hermes Asia ex-Japan Equity	77,189	2.82
33,342	Invesco Perpetual Global Targeted Returns	39,767	1.46
27,377	JO Hambro UK Dynamic	75,915	2.78
45,210	Majedie UK Equity	76,451	2.80
2,590	Marlborough Special Situations	42,260	1.55
3,939	Matthews Asia Pacific Tiger	79,961	2.93
417	RWC Global Emerging Markets	81,393	2.98
707	TwentyFour Corporate Bond	80,958	2.96
58	Vanguard US Opportunities	43,984	1.61
		<b>1,281,942</b>	<b>46.91</b>
	<b>EXCHANGE TRADED FUNDS 46.77%</b>		
467	db x-trackers Euro Stoxx 50 ETF	14,584	0.53
44,818	iShares Core FTSE 100 UCITS ETF	313,322	11.46
169	iShares Core GBP Corp Bond UCITS ETF	24,194	0.89
10,936	iShares Core MSCI EM IMI UCITS ETF	239,115	8.75
5,142	iShares FTSE 250 UCITS ETF	95,528	3.50
244	iShares Global High Yield Corp	24,405	0.89
530	iShares Global High Yield Corp Bond UCITS ETF	36,809	1.35
2,946	iShares MSCI AC Far East ex-Japan UCITS ETF	125,706	4.60
1,694	iShares MSCI Europe ex-UK UCITS ETF	45,569	1.67
276	iShares MSCI Japan GBP Hedged UCITS ETF	16,038	0.59
10,980	iShares MSCI Japan UCITS ETF	119,188	4.36
4,543	iShares UK Dividend UCITS ETF	38,284	1.40
1,516	Vanguard FTSE 100 UCITS ETF	47,428	1.74
3,872	Vanguard S&P 500 UCITS ETF	137,863	5.04
		<b>1,278,033</b>	<b>46.77</b>
	<b>Portfolio of Investments</b>	<b>2,559,975</b>	<b>93.68</b>
	Net Other Assets	172,832	6.32
	<b>Net Assets</b>	<b>2,732,807</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

All investments are Collective Investment Schemes unless otherwise stated.

Total purchases including transaction costs for the period £3,287,690 (see Note 14)

Total sales net of transactions costs for the period £717,039 (see Note 14)

**Statement of Total Return  
For the period ended 31 March 2018**

	Note	28/02/17 to 31/03/18	
		£	£
Income:			
Net capital losses	2		(15,063)
Revenue	3	28,629	
Expenses	4	(11,633)	
Interest payable and similar charges	7	(10)	
Net revenue before taxation		16,986	
Taxation	5	-	
Net revenue after Taxation			16,986
Total return before distributions			1,923
Distributions	6		(16,986)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(15,063)</b>

**Statement of Change in Net Assets Attributable to Shareholders  
For the period ended 31 March 2018**

	28/02/17 to 31/03/18	
	£	£
<b>Opening net assets attributable to Shareholders</b>		-
Amounts received on issue of Shares	2,849,471	
Less: Amounts paid on cancellation of Shares	(148,384)	
		2,701,087
Dilution levy		2,726
Change in net assets attributable to Shareholders from investment activities		(15,063)
Retained distribution on accumulation Shares		44,057
<b>Closing net assets attributable to Shareholders</b>		<b>2,732,807</b>

**Balance Sheet  
As at 31 March 2018**

	Note	31/03/18	
		£	£
<b>Assets</b>			
Fixed assets:			
Investments			2,559,975
Current assets:			
Debtors	7	118,315	
Cash and bank balances	8	71,093	
Total current assets			189,408
Total assets			2,749,383
<b>Liabilities</b>			
Creditors:			
Other creditors	9	16,576	
Total creditors			16,576
Total liabilities			16,576
<b>Net assets attributable to Shareholders</b>			<b>2,732,807</b>

**Notes to the Financial Statements  
For the period ended 31 March 2018**

**1 Accounting Basis And Policies**

The Fund's Financial Statements have been prepared on the basis detailed on pages 9, 10, 11 and 12.

**2 Net capital losses**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
The net capital losses during the period comprise:	
Realised gains on non-derivative securities	21,176
Unrealised losses on non-derivative securities	(36,861)
Rebates received from underlying funds	622
<b>Net capital losses</b>	<b>(15,063)</b>

**3 Revenue**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
UK Dividends	2,387
Overseas Dividend	25,065
Rebates received from underlying funds	1,177
<b>Total revenue</b>	<b>28,629</b>

**4 Expenses**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>	
AMC Fees	11,633
<b>Total expenses</b>	<b>11,633</b>

A number of expenses have been borne by the sponsor, including audit fees of £5,572 + VAT for the period ended March 2018.

**5 Taxation**

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
<b><i>a) Analysis of the tax charge in the period</i></b>	
<b>Corporation tax</b>	-
Total current tax charge (Note 5 (b))	-
<b>Deferred tax (Note 5 (c))</b>	-

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**b) Factors affecting current tax charge for the period**

The tax assessed for the period is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% is applied to the net revenue before taxation.

The differences are explained below:

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
Net revenue before taxation	16,986
Net revenue for the period multiplied by the standard rate of corporation tax	3,397
<b>Effects of:</b>	
Movement in excess management expenses	1,947
Revenue not subject to corporation tax	(5,344)
<b>Total taxation for the period</b>	<b>-</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

**c) Provision for deferred tax**

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

At the period end, there is a potential deferred tax asset of £1,947 in relation to surplus management expenses. It is unlikely the Funds will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the period.

**6 Distributions**

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

	<b>28/02/17 to 31/03/18</b>
	<b>£</b>
Final	44,057
Add: Revenue paid on cancellation of Shares	1,974
Deduct: Revenue received on issue of Shares	(29,045)
<b>Net distribution for the period</b>	<b>16,986</b>
<b>Reconciliation of net revenue after taxation to distributions</b>	
Net expenses after taxation	16,986
<b>Net distribution for the period</b>	<b>16,986</b>

Details of the distributions per Share are set out in the distribution table on page 82.

**7 Debtors**

	<b>31/03/18</b>
	<b>£</b>
Amounts receivable for creation of Shares	116,113
Accrued revenue	985
Amounts due for rebates from underlying funds	1,217
<b>Total debtors</b>	<b>118,315</b>

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**8 Cash and bank balances**

	<b>31/03/18</b>
	<b>£</b>
Cash and bank balances	71,093
<b>Total cash and bank balances</b>	<b>71,093</b>

**9 Other Creditors**

	<b>31/03/18</b>
	<b>£</b>
Amounts payable for cancellation of Shares	157
Purchases awaiting settlement	14,777
	14,934
<i>Accrued expenses</i>	
<i>Manager and Agents</i>	
AMC Fees	1,642
<b>Total other creditors</b>	<b>16,576</b>

**10 Related party transactions**

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of change in Shareholders' Net Assets and amounts due at the period end are disclosed in notes 7 and 9.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the period end.

**Significant Shareholdings**

Fund Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 40.58% of the Fund's shares in issue are under the control of a nominee and its related parties.

**11 Share Class**

The Share Class and ACD's Annual Management Charges applicable to the fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.75

Each Share Class has equal rights in the event of the wind up of any fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	<b>28/02/17</b>	<b>Issued</b>	<b>Cancelled</b>	<b>Converted</b>	<b>31/03/18</b>
A Accumulation	-	2,736,872	(140,304)	-	2,596,567

**12 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date.

**13 Derivatives and other financial instruments**

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 11 and 12 of the report.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**(a) Foreign currency risk**

The table below shows the foreign currency risk profile at the balance sheet date:

	Portfolio of Investments	Net other assets	Total
Currency	£	£	£
US Dollar	-	510	510
<b>Total foreign currency exposure</b>	<b>-</b>	<b>510</b>	<b>510</b>
Sterling	2,559,975	172,322	2,732,297
<b>Total net asset</b>	<b>2,559,975</b>	<b>172,832</b>	<b>2,732,807</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(b) Interest rate risk profile of financial assets and liabilities**

Currency	Floating rate financial assets	Financial assets not carrying interest	Total
Assets	£	£	£
<b>31/03/18</b>			
US Dollar	-	510	510
Sterling	71,093	2,677,780	2,748,873
<b>Total</b>	<b>71,093</b>	<b>2,678,290</b>	<b>2,749,383</b>

Currency	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
Liabilities	£	£	£
<b>31/03/18</b>			
Sterling	-	16,576	16,576
<b>Total</b>	<b>-</b>	<b>16,576</b>	<b>16,576</b>

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the following amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	Increase	Decrease
	£	£
2018	255,998	255,998

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 March 2018, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**14 Portfolio transaction costs**

	<b>28/02/17 to 31/03/18</b>	
	£	£
<b>Analysis of total purchase costs</b>		
Purchases in period before transaction costs		
Funds total value paid		3,286,713
		3,286,713
Commissions	977	
Total purchase costs		977
<b>Total purchases including transaction costs</b>		<b>3,287,690</b>
<b>Analysis of total sales costs</b>		
Gross sales in period before transaction costs		
Funds total value paid		717,396
		717,396
Commissions	(357)	
Total sale costs		(357)
<b>Total sales net of transaction costs</b>		<b>717,039</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the period. For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	<b>28/02/17 to 31/03/18</b>
	<b>%</b>
<b>Transaction costs as percentage of principal amounts</b>	
Purchases - Commissions	
Funds total value paid	0.03
Purchases - Taxes	
Equities total value paid	-
Sales - Commissions	
Funds total value paid	0.05
Sales - Taxes	
Equities total value paid	-
	<b>28/02/17 to 31/03/18</b>
	<b>%</b>
<b>Transaction costs as percentage of average net asset value</b>	
Commissions	0.09
Taxes	-

**15 Post balance sheet events**

There are no post balance sheet events which require adjustments at the period end.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 March 2018**

**16 Fair value disclosure**

Valuation technique	31/03/18	
	Assets	Liabilities
	£	£
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	1,278,033	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	1,281,942	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-
	<b>2,559,975</b>	<b>-</b>

\*The valuation techniques and the ACD's policy is disclosed in note 1 (i) on page 10.

**Distribution table  
For the period ended 31 March 2018****Final dividend Distribution in pence per Share**

Group 1 Shares purchased prior to 28 February 2017

Group 2 Shares purchased between 28 February 2017 to 31 March 2018

	Net Revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)
Share Class A Accumulation			
Group 1	1.6967	-	1.6967
Group 2	0.4939	1.2028	1.6967

### General Information

#### Classes of Shares

The Company can issue different classes of Shares in respect of the 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 Limited - Octopus, Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset BH21 7SB or by telephone on 01202 855 856\* (UK only) or +44 1202 855 856\* (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 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.

#### Price

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 01202 855 856\* (UK only) or +44 1202 855 856\* (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:	30 September
Annual Financial Statements year ended:	31 March

#### Distribution Payment Dates

Annual:	31 May
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#### Significant Information

Under the UCITS V and the UCITS Remuneration Code, Fund Partners as UCITS Manager, are required to disclose how those whose actions have a material impact on the Fund are remunerated.

The remuneration strategy across Fund Partners is governed by the Fund Partners' Board and Fund Partners has chosen not to establish a Remuneration Committee. The Fund Partners' Board has established a Remuneration Policy designed to ensure the UCITS Remuneration Code in the UK Financial Authority handbook is met proportionately for all UCITS Remuneration Code Staff.

Fund Partners considers its activities as non complex due to the fact that regulation limits the UCITS 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 UCITS.

In its role as an UCITS Manager, 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 Fund are remunerated.

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

**General Information (continued)****Significant Information (continued)**

<b>March-18</b>	<b>Number of Beneficiaries</b>	<b>Total remuneration paid</b>	<b>Fixed remuneration</b>	<b>Variable remuneration paid</b>	<b>Carried interest paid by the UCITS</b>
Total remuneration paid by FP during the financial year	33	1,875,971	1,875,971	-	-
Remuneration paid to employees of FP who have a material impact on the risk profile of the UCITS	6	525,691	525,691	-	-
Senior Management	4	444,310	444,310	-	-
Control functions	4	444,310	444,310	-	-
Employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers	2	43,334	43,334	-	-

The only material change to the adopted remuneration policy, since the previous year end, is the identification of new risk takers and inclusion of delegates required by UCITS.

**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.

**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.

### Contact information

#### The Company and its Head Office

FP Luceo Investments  
8-9 Lovat Lane,  
London EC3R 8DW

Incorporated in England and Wales under registration number IC001064.

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 (Appointed 19 January 2017 and resigned 1 October 2017)  
P. Legg (Resigned 27 September 2017)  
C. Spencer (Appointed 3 November 2017)  
R. Thomson (Appointed 28 September 2017)  
M. Wood (Appointed 29 March 2017)  
R. Wood (Appointed 30 September 2017)

#### Non-executive Directors of the ACD

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

#### Depository

Société Générale S.A. (London Branch),  
SG House, 41 Tower Hill,  
London EC3N 4SG  
(Authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and FCA)

#### Auditor

Deloitte LLP  
Statutory Auditor  
110 Queen Street,  
Glasgow G1 3BX

#### 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)

#### Sponsor

Luceo Asset Management Limited,  
26 Throgmorton Street,  
London EC2N 2AN

#### Investment Adviser

Octopus Investments Limited  
33 Holborn,  
London EC1N 2HT  
(Authorised and regulated by the FCA)

#### Administrator

Investor Administration Solutions Limited  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne,  
Dorset BH21 7SB  
Telephone: 01202 855 856\* (within UK only)  
Outside the UK: +44 1202 855 856  
Email: [customerservice@fundpartners.co.uk](mailto:customerservice@fundpartners.co.uk)

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



**FUND PARTNERS**