

Interim Report & Accounts (unaudited)

Osprey Fund

**for the six months ended
30 April 2019**

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Performance and Fund Report

for the period ended 30 April 2019

Fund Objective and Policy

The investment objective of the Fund is to provide long term capital growth through investment in both UK and international equities, fixed interest securities, units in collective investment schemes and cash. The Fund may also invest in warrants, deposits and money market instruments.

Derivatives may be used for investment purposes as well as for efficient portfolio management.

General Information

Fund Size:	£15.67m as at 30 April 2019	
Accounting Dates:	Interim	30 April
	Final	31 October
Distribution Dates:	Two clear business days before:	
	Interim	30 June
	Final	31 December
Key Dates: Fund Launch	27 December 2000	
Net Yield :		
Income Units	0.86%	
Institutional W (Accumulation)	1.10%	
Institutional W (Income)	1.10%	

From To	31/10/2018 30/04/2019	31/10/2017 31/10/2018	31/10/2016 31/10/2017	31/10/2015 31/10/2016
Income Units	6.06%	-2.89%	12.87%	19.11%
Institutional W (Accumulation)	6.18%	-2.65%	13.16%	19.41%
Institutional W (Income)	6.18%	-2.65%	13.17%	19.40%
FTSE All share TR	6.36%	-1.47%	13.39%	12.22%

Total return including revenue net of UK tax and annual charges, but excluding initial charge. All figures are in Sterling terms. Performance figures including the initial charge are available upon request.

Past Performance is not a guide to future performance. The value of investments and the revenue from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.

Fund Report

The Osprey Fund marginally underperformed its comparative index over 6 months by approximately 0.14% (source: Newton, gross of fees). The portfolio's exposure to equities was greater by the end of the reporting period, holding approximately 11% in cash and short-term bonds.

Performance and background

November saw a brief rebound in stock markets, following October's sell-off, as Federal Reserve Chair Jerome Powell moderated his earlier hawkish stance. However, global equities subsequently plumbed new lows for the year as the tone of the Federal Reserve's forward-looking commentary once again unnerved investors. Political concerns contributed to the broader malaise, not least the ongoing US-China trade dispute, while in Europe, uncertainty around Brexit persisted. In contrast, the start of 2019 heralded a rebound in equity markets from the lows of late 2018. This was largely driven by expectations that the Federal Reserve would 'pivot' away from its prior course of monetary policy normalisation. Additionally, in response to the deceleration of the Chinese economy, the People's Bank of China introduced stimulus measures to support consumers. The economy appeared to gain traction with improving purchasing managers' indices, and this was positively received by financial markets. Global equity markets continued their upward momentum in April, with investor sentiment boosted by healthy corporate earnings and optimism about a trade agreement being reached between the US and China.

Against this backdrop, the benefits to relative performance of a large overweight position in technology and a large underweight position in oil and gas were offset by underperforming stock selection in several sectors, notably consumer goods, industrials, and basic materials.

As part of the agreed opening up of the Chinese life insurance markets, **AIA Group** announced that it had been granted approval to establish sales offices in Tianjin and Hebei. China represents a substantial part of the future growth potential of the group and, as such, the announcement was taken as a positive development and demonstrative of the regulator's desire to increase foreign participation in China.

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Performance and Fund Report

(continued)

Fund Report continued

Applied Materials, which had endured a difficult 2018, recovered well. Shares had been pricing in a tough near-term outlook on worries about a downturn in the semiconductor cycle, despite the long-term drivers of the stock remaining intact. Although concerns around stalling growth may be warranted, revenue and earnings progress for this business always has the potential to be volatile, a fact that was allowed for in our investment case.

A void in **British American Tobacco** was beneficial. The share price declined owing to continued regulatory pressure, this time coming in the form of a possible ban on menthol cigarettes in the US, which accounts for c.25% of the company's earnings. Later in the review period, further negative sentiment weighed on the stock, and the sector as a whole, after peer Altria released soft results. Indeed, our holding in **Altria** proved a particular negative over the reporting period. The stock fell rapidly following the perceived capital indiscipline demonstrated by the acquisition of stakes in Juul and Cronos in December. These acquisitions, alongside management commentary about diversifying exposure to mirror changing consumer tastes, raised some doubts about the company's prospects in the minds of investors.

UK utility **Centrica** was the largest detractor, with investors fearing the dividend could be cut as the company announced that profits and cash flow would be lower than expected this year. Meanwhile, concern around a potential change in lithium-supply dynamics continued to weigh on **Albemarle**, the global specialty chemicals company. Most recently, fears that the demand for electric vehicles in China and South Korea may be slowing also hindered the stock.

The US Federal Reserve's change of direction certainly appeared to ease the volatility which had threatened to escalate at the turn of the year, and it gave counterparts around the world the latitude to move away from their own hawkish paths. Whether it is sufficient either to reverse the downturn in economic growth or sustain the liquidity which has quenched financial markets in the aftermath of the global credit crisis remains to be seen.

As highlighted in past reports, we aim to balance our search for relative stability in much of the portfolio, owing to long-standing concerns, with a search for sustainable long-term growth. The desire for stability is expressed through a focus on balance-sheet strength across the portfolio, as well as sector positions that include relatively low exposure to financials and commodity businesses. Meanwhile, the desire for growth is apparent in the Fund's significant exposure to the technology sector as well as to companies we consider well placed to take market share across a number of sectors.

The table below shows the top ten purchases and sales (excluding any derivative transactions) for the period.

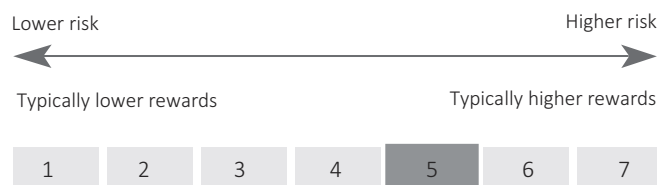
Purchases	Sales
Wolters Kluwer	New Zealand Government 2.5% Bonds 20/9/2040
Unilever	AIA
Brenntag	Applied Materials
Goldman Sachs	US Treasury 1.5% Notes 15/8/2026
Bayer	Associated British Foods
Swedbank series 'A' shares	Samsung SDI GDR (each representing 1/4 ordinary share)
Accenture	Treasury 4.5% Gilts 7/3/2019
Medtronic	TBC Bank
Suzuki Motor	Roche Holding
Ebara	Infineon Technologies

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Statistics

for the period ended 30 April 2019

Risk & Reward profile



We have calculated the risk and reward category, as shown above, using a method of calculation derived from EU rules. It is based on the rate at which the value of the Fund has moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the Fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment.

Funds in category 5 have in the past shown moderately high volatility. With a fund of category 5, you have a moderately high risk of losing money but your chance for gains is also moderately high.

For further information on the risks that may not be fully captured by the risk and reward indicator, please refer to the current Key Investor Information Document (KIID).

Price and Revenue Record by Unit Class

Accounting period

Unit class as at	Highest Price (p)	Lowest Price (p)	Net Revenue per unit (p)
Income Units			
31/10/2016	322.39	250.18	2.9400
31/10/2017	361.35	301.26	3.2359
31/10/2018	366.26	323.91	2.8290
30/04/2019	364.23	325.27	1.3835
Institutional W (Accumulation)			
31/10/2016	127.41	98.12	1.4371
31/10/2017	144.49	119.59	1.6241
31/10/2018	147.86	130.17	1.4923
30/04/2019	148.02	132.08	0.7355
Institutional W (Income)			
31/10/2016	126.39	98.04	1.4320
31/10/2017	141.69	118.01	1.5982
31/10/2018	143.58	126.96	1.4515
30/04/2019	142.83	127.45	0.7096

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Statistics

(continued)

Net Asset Value History by Unit Class

Unit class as at	Net Asset Value (£)	Per unit (p)	Units in issue
Income Units			
31/10/2016	20,011,196	317.55	6,301,833
31/10/2017	19,538,100	354.82	5,506,543
31/10/2018	11,930,215	343.59	3,472,174
30/04/2019	12,351,130	360.88	3,422,510
Institutional W (Accumulation)			
31/10/2016	4,654,812	126.02	3,693,620
31/10/2017	7,444,245	142.50	5,224,165
31/10/2018	4,991,862	139.47	3,579,198
30/04/2019	697,694	147.23	473,879
Institutional W (Income)			
31/10/2016	5,363,669	124.36	4,313,073
31/10/2017	6,088,980	138.98	4,381,313
31/10/2018	2,672,591	134.58	1,985,936
30/04/2019	2,620,848	141.35	1,854,111

Operating Charges

Unit class	30/04/2019 %	31/10/2018 %
Income Units	1.18	1.15
Institutional W (Accumulation)	0.93	0.90
Institutional W (Income)	0.93	0.90

The Operating Charges figure is made up of the Annual Management Charge (AMC) and other operating costs. Other operating costs include the costs for other services paid for by the Fund, such as the fees paid to the Fund Accountant, Fund Administrator, Depositary, Custodian, Auditor and Regulator.

The Operating Charges figure shown is calculated on an ex-post basis over the period, whereas the Ongoing Charges figure shown in the KIID is a calculation as at a point in time, and therefore there could be immaterial differences between the two.

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Portfolio Statement

as at 30 April 2019

Investments	Holding	Market Value (£)	Total Net Assets (%)
BONDS 8.57% (10.86%)			
UK Government bonds 1.19% (2.40%)			
UK Treasury 1.75% Gilt 22/7/2019	£185,710	186,003	1.19
Overseas Government Bonds 7.38% (8.46%)			
US Treasury 0% Bonds 13/6/2019	USD1,512,400	1,156,815	7.38
EQUITIES 88.96% (82.35%)			
United Kingdom 18.33% (18.17%)			
Associated British Foods	16,107	411,695	2.63
BAE Systems	54,607	269,759	1.72
Centrica	214,195	227,475	1.45
Cobham	238,145	274,581	1.75
Ferguson	7,917	430,685	2.75
Informa	42,615	331,971	2.12
Prudential	15,909	276,021	1.76
RELX	19,923	350,346	2.24
Unilever	6,467	299,931	1.91
Canada 2.11% (2.08%)			
Intact Financial	5,312	330,800	2.11
France 1.74% (1.49%)			
Valeo	9,818	273,208	1.74
Germany 16.30% (12.29%)			
Bayer	4,660	237,877	1.52
Brenntag	9,199	379,980	2.43
Deutsche Wohnen	11,715	404,549	2.58
Infineon Technologies	17,380	314,058	2.01
LEG Immobilien	4,711	420,173	2.68
SAP	5,084	500,074	3.19
Volkswagen non-voting preference shares	2,231	296,776	1.89
Hong Kong 2.86% (3.73%)			
AIA	57,400	448,698	2.86
Ireland 4.04% (3.70%)			
Medtronic	5,261	358,280	2.29
Ryanair	26,591	273,854	1.75
Japan 5.34% (5.38%)			
Ebara	11,900	278,252	1.78
Sugi	4,700	181,275	1.16
Suzuki Motor	10,800	376,677	2.40
Netherlands 4.95% (2.67%)			
Royal Dutch Shell class 'B' shares	16,100	396,784	2.53
Wolters Kluwer	7,107	379,040	2.42
New Zealand 2.64% (2.29%)			
Fisher & Paykel Healthcare	51,160	413,509	2.64
South Korea 2.16% (2.11%)			
Samsung Electronics	11,234	338,232	2.16
Sweden 1.03% (0.00%)			
Swedbank series 'A' shares	12,883	161,069	1.03
Switzerland 7.04% (7.71%)			
ABB (Regd.)	23,655	373,416	2.38
Alcon	1,179	52,080	0.33
Novartis	5,897	369,384	2.36
Roche Holding	1,527	308,757	1.97

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Portfolio Statement

(continued)

Investments	Holding	Market Value (£)	Total Net Assets (%)
Thailand 1.77% (1.79%)			
Bangkok Bank	55,600	277,873	1.77
United States of America 18.65% (18.63%)			
Accenture	3,094	433,229	2.76
Albemarle	3,042	175,195	1.12
Alphabet class 'A' shares	465	427,679	2.73
Altria	5,848	243,717	1.56
Applied Materials	10,208	345,082	2.20
Eversource Energy	5,945	326,607	2.08
Goldman Sachs	1,972	311,399	1.99
Microsoft	3,907	391,344	2.50
Samsung SDI GDR (each representing 1/4 ordinary share)	6,881	268,135	1.71
Portfolio of investments		15,282,344	97.53
Net current assets		387,328	2.47
Total Net Assets		15,669,672	100.00

Total unapproved and unquoted securities 0.00%

Comparative figures in brackets refer to 31 October 2018.

During the year ended 30 April 2019 the Fund disposed of its holdings in Denmark portfolio category, which, as at 31 October 2018, represented 0.31% respectively of the Total Net Assets of the Fund

Unless otherwise indicated, the holdings in the Portfolio Statement represent the ordinary shares, ordinary stock units, common shares or debt securities of the relevant companies or issuers.

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Statement of Total Return

for the six months ended 30 April 2019

		30/04/2019		30/04/2018
	£	£	£	£
Income				
Net capital gains/(losses)		772,072		(1,395,849)
Revenue	164,088		285,212	
Expenses	(80,435)		(145,161)	
Interest payable and similar charges	—		—	
Net revenue before taxation	83,653		140,051	
Taxation	(18,095)		(44,013)	
Net revenue after taxation		65,558		96,038
Total return before distributions		837,630		(1,299,811)
Distributions		(65,558)		(96,038)
Change in net assets attributable to Unitholders from investment activities		772,072		(1,395,849)

Statement of Change in Net Assets Attributable to Unitholders

for the six months ended 30 April 2019

		30/04/2019		30/04/2018
	£	£	£	£
Opening net assets attributable to Unitholders		19,594,668		33,071,325
Amounts received on issue of units	40,263		478,328	
Amounts paid on cancellation of units	(4,746,113)		(7,472,384)	
		(4,705,850)		(6,994,056)
Dilution adjustment		5,297		3,387
Change in net assets attributable to Unitholders from investment activities (see above)		772,072		(1,395,849)
Retained distributions on accumulation units		3,485		22,810
Closing net assets attributable to Unitholders		15,669,672		24,707,617

Balance Sheet

as at 30 April 2019

		30/04/2019		31/10/2018
	£	£	£	£
ASSETS				
Fixed assets				
Investment assets		15,282,344		18,263,577
Current assets				
Debtors	177,431		139,870	
Cash and bank balances	291,754		1,442,021	
Total other assets		469,185		1,581,891
Total assets		15,751,529		19,845,468
LIABILITIES				
Creditors				
Bank overdrafts	(17)		—	
Distribution payable	(60,507)		(77,324)	
Other creditors	(21,333)		(173,476)	
Total other liabilities		(81,857)		(250,800)
Total liabilities		(81,857)		(250,800)
Net assets attributable to Unitholders		15,669,672		19,594,668

The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

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Distribution Statement

for the six months ended 30 April 2019

Interim Dividend Distribution (in pence per unit)

	Amount payable 30/04/2019	Amount paid 30/04/2018
Income Units	1.3835	1.0916
Institutional W (Accumulation)	0.7355	0.6108
Institutional W (Income)	0.7096	0.5956

As the Fund pays no corporation tax, the distribution is 100% franked.

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Notes to the Financial Statements

for the period ended 30 April 2019

Accounting policies

The financial statements have been prepared using the historical cost convention in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the The Investment Association in May 2014 (the SORP).

The accounting policies applied are consistent with those disclosed within the annual Financial statements for the year ended 31 October 2018.

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Directors' Statement

Directors' Statement

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, we hereby certify the Report on behalf of the Directors of BNY Mellon Fund Managers Limited.

G Rehn

Director

BNY Mellon Fund Managers Limited

21 June 2019

H Lopez

Director

BNY Mellon Fund Managers Limited

21 June 2019

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Additional Information

1 Pricing

The Manager may set the price of units within the limits, which are allowed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook. The value of the Fund's underlying assets forms the basis for calculating the price of the units. The Fund is valued at 12 noon on each business day. This time is known as the valuation point.

2 Dilution adjustment

The Fund's investments are valued on a mid-market basis in accordance with the Financial Conduct Authority's regulations.

However, the actual cost of purchasing or selling investments may deviate from the mid-market value used in calculating the unit price, due to dealing costs such as broker charges, taxes and any spread between the buying and selling prices of the underlying investments.

These dealing costs can have an adverse effect on the value of the Fund, and this is known as "dilution".

The Financial Conduct Authority regulations allow the cost of dilution to be met directly from the Fund's assets or to be recovered from investors on the purchase or redemption of units, inter alia, by means of a dilution adjustment to the dealing price, which is the policy that has been adopted by the Manager.

To mitigate the effects of dilution the Manager therefore has the discretion to make a dilution adjustment in the calculation of the dealing price and thereby adjust the dealing price of units on any given day.

The need to make a dilution adjustment will depend on the volume of purchases or redemptions on any given day. As set out in the Prospectus, the Manager may make a dilution adjustment when calculating the price of a unit. In deciding whether to make a dilution adjustment at any valuation point, the Manager will take into account the number of units to be issued or cancelled. Where the number of units to be issued exceeds the number of units to be cancelled, the dilution adjustment to the unit price will be upwards. Where the number of units to be cancelled exceeds the number of units to be issued, the dilution adjustment to the unit price will be downwards.

3 The net yield

The published yield of the Fund is the Historic Yield and reflects distributions declared over the past twelve months as a percentage of the quoted unit price as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

4 Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital.

5 Tax on income

Previously income, whether it was distributed to Unitholders or reinvested in units, was net of tax at 10%. This was known as a 'tax credit' and was shown on the tax voucher together with the 'Dividend Distribution'. Both of these sums would have been shown separately on the Unitholders income tax return.

6 Charges

An annual management charge of 1.00% for Income Units, 0.75% for Institutional W (Accumulation) and 0.75% for Institutional W (Income) per annum of the value of the Fund is deducted in monthly instalments from the Fund's revenue.

Any change to the management charge is subject to 60 days' written notice by the Manager. The Trust Deed also permits payment out of the Fund of the Trustee's fee (plus VAT) together with other fees and expenses associated with the operation of the Fund.

7 Buying and selling

Instructions to buy and sell units can be provided to the Manager between 9.00 am and 5.00 pm on any business day, excluding UK public holidays. These will be effected at the price ruling at the next valuation point. Units may also be sold by sending us a completed and signed renunciation form. We will send you a contract note within one business day of processing your buy or sell instruction. No other acknowledgement of your instruction will be made. Payment of redemption proceeds will be made within four business days of receipt of a completed renunciation form.

Prices are calculated by reference to the net asset value of the Fund in accordance with the regulations.

8 The Price and yield of units

The most recent prices will be available on the Manager's website:-

<http://www.bnymellonim.com/uk/en/individual/funds-centre/>

Prices may also be published in other media on each day the Fund is valued.

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Additional Information

(continued)

9 Trust status

The Fund is an authorised unit trust scheme under s243 of the Financial Services and Markets Act 2000. It is a UCITS Fund as defined by the Financial Conduct Authority's Collective Investment Schemes Sourcebook. The Fund was constituted by a Trust Deed dated 21 December 2000.

10 Minimum investment

The minimum investment for new Unitholders is £1,000 for Income Units and £10,000,000 for the Institutional W (Accumulation) and Institutional W (Income). Additional Units may be purchased with a minimum of £250 for Income Units and 'As agreed' for the Institutional W (Accumulation) and Institutional W (Income). These limits may be waived at the Manager's discretion.

11 Dealing arrangements

The Investment Manager uses dealing commission that it pays to brokers to cover costs relating to the purchase of research services from brokers or third parties. The Investment Manager considers such use of commission to be beneficial to the funds, as it enables the Investment Manager to obtain valuable research in a cost effective manner.

Payment for research services is included within the full service commission paid to brokers for execution. A portion of this commission is recognised as being for advisory services, principally research. This advisory commission is redistributed across brokers and other research providers according to the value placed by the Investment Adviser on the quality of research received.

The Investment Manager currently receives the following goods and services under its Dealing Arrangements in accordance with FCA guidance:

- goods and services relating to the provision of research;
- broker led research;
- research from third party information providers; and
- non-broker led research.

12 Application forms and Prospectus

All stated documents can be requested by calling 0344 892 2715 or writing to BNY Mellon Fund Managers Limited at the address stated on page 15.

13 A word of warning

Investors should remember that the value of units and the revenue from them can fluctuate and is not guaranteed. Past performance is not a guide to the future and you may not get back the full amount invested. Unit trusts should be regarded as long term investments and may not be suitable for money you may need at short notice. The value of overseas securities will be influenced by the rate of exchange which is used to convert these into sterling.

14 Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the period to 30 April 2019 and at the balance sheet date, the Fund did not use SFTs or total return swaps, as such no disclosure is required.

15 Client classification notice

Under the FCA's Conduct of Business rules we are required to classify our investors. We have classified you as a Retail Client unless otherwise notified. This means that you will have the maximum amount of protection available for complaints and compensation, and will receive information in a straightforward way. However, some clients, such as professional investors, may not necessarily have the same rights under the Financial Ombudsman Service and the Financial Services Compensation Scheme. Further details may be found on our website – www.bnymellonim.co.uk under Client Classification.

16 Significant events

There were no significant events during the period.

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Management and Professional Services

Manager and Registered Office

BNY Mellon Fund Managers Limited
BNY Mellon Centre
160 Queen Victoria Street, London EC4V 4LA
United Kingdom
Tel: 0344 892 2715

Client Enquiries: Call free on 0344 892 2715

Dealing: Call free on 08085 440 000

Directors

G A Brisk (Chairman)
G Rehn (appointed 11 February 2019)
H Lopez
J F Lubran
D M Turnbull (resigned 18 February 2019)
M Saluzzi (appointed 19 March 2019)

Trustee

NatWest Trustee and Depositary Services Limited
2nd Floor
Drummond House
1 Redheughs Avenue
Edinburgh EH12 9RH
United Kingdom

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Investment Manager

Newton Investment Management Limited
BNY Mellon Centre
160 Queen Victoria Street, London EC4V 4LA
United Kingdom

(Authorised and regulated by the Financial Conduct Authority)

Registrar and Administration

BNY Mellon Fund Managers Limited
Client Service Centre
PO Box 366
Darlington, DL1 9RF
United Kingdom

(Authorised and regulated by the Financial Conduct Authority)

Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom

Authorisation

BNY Mellon Fund Managers Limited is authorised and regulated by the Financial Conduct Authority.
A member of The Investment Association.

BNY Mellon Fund Managers Limited is registered in England No. 1998251.
A subsidiary of BNY Mellon Investment Management EMEA Limited.