

# **Interim Report & Accounts (unaudited)**

## **Osprey Fund**

**for the six months ended  
30 April 2018**

## Osprey Fund - Interim Report & Accounts

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## Osprey Fund - Interim Report & Accounts

### Performance and Fund Report

for the period ended 30 April 2018

#### 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: £24.71m as at 30 April 2018

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 0.76%  
Institutional W (Accumulation) 1.01%  
Institutional W (Income) 1.02%

| From<br>To                      | 31/10/2017<br>30/04/2018 | 31/10/2016<br>31/10/2017 | 31/10/2015<br>31/10/2016 | 31/10/2014<br>31/10/2015 |
|---------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Income Units                    | -3.95%                   | 12.87%                   | 19.11%                   | 7.56%                    |
| Institutional W (Accumulation)* | -3.83%                   | 13.16%                   | 19.41%                   | N/A                      |
| Institutional W (Income)*       | -3.83%                   | 13.17%                   | 19.40%                   | N/A                      |
| FTSE All share TR               | 2.13%                    | 13.39%                   | 12.22%                   | 2.99%                    |

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.

\*Full 3 year performance data is not available. For unit class launch dates, please refer to the Statistics section of this report.

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

In the six months to 30 April 2018 the Osprey Fund is down 3.95%, in net sterling terms. This compares with the FTSE All Share index which is up 2.13%.

#### Performance and background

Through the past six month period under review, the Osprey Fund has maintained a reduced exposure to company shares (equities) and by the end of the period was holding approximately 20% in cash and bonds. This held back performance over the reporting period, a time in which equity markets have been challenging. Bonds had a negative contribution of -0.32% over the period while cash dragged by -0.28%. We felt having an element of flexibility during this time was no bad thing.

The six months to the end of April was an unusual period with technology racing ahead and then volatility re-emerged across markets in February, weighing on some individual holdings.

In the beginning half of this reporting period markets have been dictated and driven by a handful of stocks – mostly technology-related. Known as the FAANGs (Facebook, Amazon, Apple, Netflix and Google), these companies buoyed markets substantially. The Fund owned Alphabet (Google), Microsoft, SAP and Accenture during this period.

As at the end of April 2018 our technology weightings were over 13.5%, compared to an index weight of under 1%. This proved a drag on returns when markets rotated into sectors such as basic materials and oils in January so over the full six months, our position in technology was a negative contributor to returns. Our underweight in basic materials, as well as an overweight to industrials, also dragged on returns over the reporting period.

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### Performance and Fund Report

(continued)

#### Fund Report continued

Over the six months to end of April the oil and gas sector, to which the Fund had a 1.88% weighting, added the most to returns at 13.45%; stock selection in utilities was also a positive performer.

Markets through the past six months, more notably in the first quarter of 2018, have also been buffeted by political upsets and instability (Italy, Germany as well as Brexit negotiations). In addition there has also been threats of impending trade war – between the US and China as well as between the US and other countries. This has resulted in a very mercurial period for investments.

Trade wars are not good for financial stability and pressures are building between the US and the rest of the world. This is especially poor timing for the UK as it tries to negotiate new trade deals after the Brexit referendum. Stock market corrections are very difficult to predict and upwards markets can go on much longer than people expect. As such, our stock selection remains very much being focused on long-term ideas. While we believe the investment outlook to be tough, the Fund is well positioned to exploit opportunities as they arise, and the Fund's small size gives it added flexibility.

Other reasons for our caution during this reporting period, and looking ahead, include:

- Stock markets were valued richly, in our opinion.
- There is a lot of debt in all three main areas of the economy – corporate, personal and government – which, in my view, adds to risk.
- Interest rates were at very low levels – and remain so – but they have started to rise, particularly in the US. We saw this as putting a strain on a highly indebted financial system.
- The European Union (EU), and especially the euro, has structural problems.
- Quantitative easing, the process by which central banks have increased the money supply, was telegraphed as slowing in Europe and being reversed in the US.

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

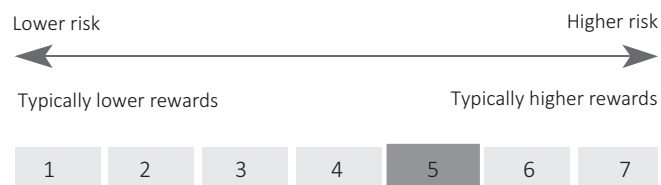
| Purchases                               | Sales                              |
|---|------------------------------------|
| BAE Systems                             | Orsted                             |
| Cobham                                  | US Treasury 2.125% Notes 15/2/2041 |
| Bangkok Bank                            | Treasury 1.25% Stock 22/7/2018     |
| Volkswagen non-voting preference shares | Allied Irish Banks                 |
| Royal Dutch Shell class 'B' shares      | Intuit                             |
| TBC Bank                                | Swisscom                           |
| US Treasury 1.5% Note 15/8/2026         | Japan Tobacco                      |
| Treasury 4.5% Gilts 7/3/2019            | China Biologic Products            |
| Treasury 1.75% Gilts 22/7/2019          | Dixons Carphone                    |
| Samsung Electronics                     | Applied Materials                  |

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### Statistics

for the period ended 30 April 2018

#### 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<br>(p) | Lowest Price<br>(p) | Net Revenue<br>per unit (p) |
|---------------------------------------|----------------------|---------------------|-----------------------------|
| <b>Income Units</b>                   |                      |                     |                             |
| 31/10/2015                            | 283.84               | 249.47              | 2.6010                      |
| 31/10/2016                            | 322.39               | 250.18              | 2.9400                      |
| 31/10/2017                            | 361.35               | 301.26              | 3.2359                      |
| 30/04/2018                            | 360.13               | 324.17              | 1.0916                      |
| <b>Institutional W (Accumulation)</b> |                      |                     |                             |
| 01/09/2015 - 31/10/2015               | 106.18               | 97.43               | 0.0844                      |
| 31/10/2016                            | 127.41               | 98.12               | 1.4371                      |
| 31/10/2017                            | 144.49               | 119.59              | 1.6241                      |
| 30/04/2018                            | 144.65               | 130.27              | 0.6108                      |
| <b>Institutional W (Income)</b>       |                      |                     |                             |
| 01/09/2015 - 31/10/2015               | 106.18               | 97.43               | 0.0844                      |
| 31/10/2016                            | 126.39               | 98.04               | 1.4320                      |
| 31/10/2017                            | 141.69               | 118.01              | 1.5982                      |
| 30/04/2018                            | 141.08               | 127.06              | 0.5956                      |

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### Statistics

(continued)

#### Net Asset Value History by Unit Class

| Unit class as at                      | Net Asset Value<br>(£) | Per unit<br>(p) | Units<br>in issue |
|---------------------------------------|------------------------|-----------------|-------------------|
| <b>Income Units</b>                   |                        |                 |                   |
| 31/10/2015                            | 22,470,927             | 268.63          | 8,364,920         |
| 31/10/2016                            | 20,011,196             | 317.55          | 6,301,833         |
| 31/10/2017                            | 19,538,100             | 354.82          | 5,506,543         |
| 30/04/2018                            | 15,714,132             | 339.45          | 4,629,230         |
| <b>Institutional W (Accumulation)</b> |                        |                 |                   |
| 31/10/2015                            | 5,264                  | 105.28          | 5,000             |
| 31/10/2016                            | 4,654,812              | 126.02          | 3,693,620         |
| 31/10/2017                            | 7,444,245              | 142.50          | 5,224,165         |
| 30/04/2018                            | 5,114,019              | 136.93          | 3,734,730         |
| <b>Institutional W (Income)</b>       |                        |                 |                   |
| 31/10/2015                            | 5,259                  | 105.18          | 5,000             |
| 31/10/2016                            | 5,363,669              | 124.36          | 4,313,073         |
| 31/10/2017                            | 6,088,980              | 138.98          | 4,381,313         |
| 30/04/2018                            | 3,879,466              | 132.96          | 2,917,814         |

#### Operating Charges

| Unit class                     | 30/04/2018<br>% | 31/10/2017<br>% |
|--------------------------------|-----------------|-----------------|
| Income Units                   | 1.15            | 1.12            |
| Institutional W (Accumulation) | 0.90            | 0.87            |
| Institutional W (Income)       | 0.90            | 0.87            |

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 2018

| Investments  | Holding       | Market Value (£) | Total Net Assets (%) |
|--|---------------|------------------|----------------------|
| <b>UK Government bonds 5.86% (4.41%)</b>               |               |                  |                      |
| Treasury 1.25% Stock 22/7/2018                         | £910,000      | 910,969          | 3.69                 |
| Treasury 1.75% Gilt 22/7/2019                          | £265,000      | 268,295          | 1.08                 |
| Treasury 4.5% Gilt 7/3/2019                            | £260,000      | 268,392          | 1.09                 |
| <b>United Kingdom 21.10% (15.46%)</b>                  |               |                  |                      |
| Associated British Foods                               | 31,126        | 840,713          | 3.40                 |
| BAE Systems  | 117,622       | 718,435          | 2.91                 |
| Centrica   | 661,665       | 1,017,641        | 4.12                 |
| Cobham   | 924,881       | 1,064,076        | 4.31                 |
| Informa  | 56,255        | 415,612          | 1.68                 |
| Prudential   | 23,784        | 445,831          | 1.80                 |
| RELX   | 28,106        | 436,908          | 1.77                 |
| TBC Bank   | 14,869        | 273,292          | 1.11                 |
| <b>Overseas Government Bonds 4.33% (4.34%)</b>         |               |                  |                      |
| New Zealand (Government) 2.5% Bonds 20/9/2040          | NZD 1,468,000 | 797,833          | 3.23                 |
| US Treasury 1.5% Note 15/8/2026                        | USD 419,600   | 272,322          | 1.10                 |
| <b>United States of America 17.47% (20.64%)</b>        |               |                  |                      |
| Accenture  | 3,086         | 338,791          | 1.37                 |
| Albemarle  | 9,390         | 660,883          | 2.68                 |
| Alphabet class 'A' shares                              | 765           | 565,734          | 2.29                 |
| Applied Materials                                      | 23,424        | 844,546          | 3.42                 |
| Microsoft  | 8,024         | 544,643          | 2.20                 |
| Samsung SDI GDR (each representing 1/4 ordinary share) | 43,633        | 1,362,195        | 5.51                 |
| <b>Australia 0.48% (0.34%)</b>                         |               |                  |                      |
| Mesoblast  | 146,250       | 117,420          | 0.48                 |
| <b>Canada 1.76% (1.47%)</b>                            |               |                  |                      |
| Intact Financial                                       | 7,874         | 434,838          | 1.76                 |
| <b>New Zealand 2.00% (1.57%)</b>                       |               |                  |                      |
| Fisher & Paykel Healthcare                             | 76,031        | 493,960          | 2.00                 |
| <b>Denmark 0.28% (4.70%)</b>                           |               |                  |                      |
| Orsted   | 1,431         | 68,672           | 0.28                 |
| <b>Hong Kong 4.84% (3.67%)</b>                         |               |                  |                      |
| AIA  | 182,800       | 1,194,733        | 4.84                 |
| <b>Japan 4.23% (5.06%)</b>                             |               |                  |                      |
| Sugi   | 7,200         | 304,306          | 1.23                 |
| Suzuki Motor   | 19,000        | 742,520          | 3.00                 |
| <b>South Korea 2.44% (1.71%)</b>                       |               |                  |                      |
| Samsung Electronics                                    | 335           | 603,469          | 2.44                 |
| <b>Germany 12.46% (9.31%)</b>                          |               |                  |                      |
| Deutsche Wohnen  | 17,413        | 596,930          | 2.42                 |
| Infineon Technologies                                  | 43,821        | 817,607          | 3.31                 |
| LEG Immobilien   | 7,001         | 586,610          | 2.37                 |
| SAP  | 7,153         | 578,891          | 2.34                 |
| Volkswagen non-voting preference shares                | 3,317         | 498,947          | 2.02                 |
| <b>Ireland 3.46% (4.37%)</b>                           |               |                  |                      |
| Medtronic  | 5,500         | 319,973          | 1.29                 |
| Ryanair  | 39,468        | 535,934          | 2.17                 |
| <b>Italy 1.15% (1.38%)</b>                             |               |                  |                      |
| ePrice   | 172,041       | 284,019          | 1.15                 |
| <b>Netherlands 1.88% (0.00%)</b>                       |               |                  |                      |
| Royal Dutch Shell class 'B' shares                     | 17,820        | 463,498          | 1.88                 |

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### Portfolio Statement

(continued)

| Investments                      | Holding | Market Value (£)  | Total Net Assets (%) |
|----------------------------------|---------|-------------------|----------------------|
| <b>Switzerland 8.86% (8.53%)</b> |         |                   |                      |
| Novartis                         | 15,290  | 860,097           | 3.48                 |
| Roche Holding                    | 5,013   | 811,970           | 3.29                 |
| Zurich Insurance                 | 2,220   | 516,779           | 2.09                 |
| <b>Thailand 1.54% (0.00%)</b>    |         |                   |                      |
| Bangkok Bank                     | 82,400  | 381,015           | 1.54                 |
| <b>Portfolio of investments</b>  |         | <b>23,259,299</b> | <b>94.14</b>         |
| <b>Net current assets</b>        |         | <b>1,448,318</b>  | <b>5.86</b>          |
| <b>Total Net Assets</b>          |         | <b>24,707,617</b> | <b>100.00</b>        |

Total unapproved and unquoted securities 0.00%

Comparative figures in brackets refer to 31 October 2017.

During the year ended 30 April 2018 the Fund disposed of its holdings on China portfolio category, which, as at 31 October 2017, represented 1.26% 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.

## Osprey Fund - Interim Report & Accounts

### Statement of Total Return

for the six months ended 30 April 2018

|  |           | 30/04/2018         |           | 30/04/2017       |
|--|-----------|--------------------|-----------|------------------|
|  | £         | £                  | £         | £                |
| Income   |           |                    |           |                  |
| Net capital (losses)/gains   |           | (1,395,849)        |           | 1,521,804        |
| Revenue  | 285,212   |                    | 351,803   |                  |
| Expenses   | (145,161) |                    | (147,228) |                  |
| Interest payable and similar charges   | —         |                    | —         |                  |
| Net revenue before taxation  | 140,051   |                    | 204,575   |                  |
| Taxation   | (44,013)  |                    | (27,081)  |                  |
| Net revenue after taxation   |           | 96,038             |           | 177,494          |
| <b>Total return before distributions</b>   |           | <b>(1,299,811)</b> |           | <b>1,699,298</b> |
| Distributions  |           | (96,038)           |           | (177,494)        |
| <b>Change in net assets attributable to Unitholders from investment activities</b> |           | <b>(1,395,849)</b> |           | <b>1,521,804</b> |

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

for the six months ended 30 April 2018

|   |             | 30/04/2018        |             | 30/04/2017        |
|---|-------------|-------------------|-------------|-------------------|
|   | £           | £                 | £           | £                 |
| <b>Opening net assets attributable to Unitholders</b>                                   |             | 33,071,325        |             | 30,029,677        |
| Amounts received on issue of units  | 478,328     |                   | 1,646,710   |                   |
| Amounts paid on cancellation of units   | (7,472,384) |                   | (2,421,911) |                   |
|   |             | (6,994,056)       |             | (775,201)         |
| Dilution adjustment   |             | 3,387             |             | 1,905             |
| Change in net assets attributable to Unitholders from investment activities (see above) |             | (1,395,849)       |             | 1,521,804         |
| Retained distributions on accumulation units  |             | 22,810            |             | 38,276            |
| <b>Closing net assets attributable to Unitholders</b>                                   |             | <b>24,707,617</b> |             | <b>30,816,461</b> |

### Balance Sheet

as at 30 April 2018

|   |           | 30/04/2018        |           | 31/10/2017        |
|---|-----------|-------------------|-----------|-------------------|
|   | £         | £                 | £         | £                 |
| <b>ASSETS</b>                                 |           |                   |           |                   |
| Fixed assets                                  |           |                   |           |                   |
| Investment assets                             |           | 23,259,299        |           | 29,173,957        |
| Current assets                                |           |                   |           |                   |
| Debtors                                       | 125,367   |                   | 214,120   |                   |
| Cash and bank balances                        | 1,667,306 |                   | 3,835,398 |                   |
| Total other assets                            |           | 1,792,673         |           | 4,049,518         |
| Total assets                                  |           | 25,051,972        |           | 33,223,475        |
| <b>LIABILITIES</b>                            |           |                   |           |                   |
| Creditors                                     |           |                   |           |                   |
| Bank overdrafts                               |           |                   | (1,472)   |                   |
| Distribution payable                          | (67,913)  |                   | (115,736) |                   |
| Other creditors                               | (276,442) |                   | (34,942)  |                   |
| Total other liabilities                       |           | (344,355)         |           | (152,150)         |
| Total liabilities                             |           | (344,355)         |           | (152,150)         |
| <b>Net assets attributable to Unitholders</b> |           | <b>24,707,617</b> |           | <b>33,071,325</b> |

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

## Osprey Fund - Interim Report & Accounts

### Distribution Statement

for the six months ended 30 April 2018

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#### Interim Dividend Distribution (in pence per unit)

|                                | Amount<br>payable<br>30/04/2018 | Amount<br>paid<br>30/04/2017 |
|--------------------------------|---------------------------------|------------------------------|
| Income Units                   | 1.0916                          | 1.7388                       |
| Institutional W (Accumulation) | 0.6108                          | 0.8494                       |
| Institutional W (Income)       | 0.5956                          | 0.8382                       |

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

## **Osprey Fund - Interim Report & Accounts**

### **Notes to the Financial Statements**

for the period ended 30 April 2018

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#### **Accounting policies**

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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 2017.

## **Osprey Fund - Interim Report & Accounts**

### **Directors' Statement**

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#### **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 A Brisk**

**D M Turnbull**

Directors

BNY Mellon Fund Managers Limited

27 June 2018

## Osprey Fund - Interim Report & Accounts

### Additional Information

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#### 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.

## Osprey Fund - Interim Report & Accounts

### 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 2018 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](http://www.bnymellonim.co.uk) under Client Classification.

#### 16 Significant events

There were no significant events during the period.

## **Osprey Fund - Interim Report & Accounts**

### **Management and Professional Services**

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#### **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 0500 440 000

#### **Directors**

G A Brisk  
H Lopez  
J F Lubran  
D M Turnbull (Chairman)

#### **Trustee**

National Westminster Bank plc  
Trustee & Depositary Services  
Floor 2 South  
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.