



WHEB

# Annual Report & Financial Statements

## FP WHEB Asset Management Funds

For the year ended 28 February 2017

The state of the origin of the Fund is England and Wales.

This document may only be distributed in or from Switzerland to qualified investors within the meaning of Art. 10 Para 3, 3bis and 3ter CISA, in conjunction with Art.6 and 6a of CISO and the FINMA Circular. The Representative in Switzerland is ACOLIN Fund Services AG, Affolternsstrasse 56, CH-8050 Zürich, whilst the Paying Agent is Bank Vontobel Ltd, Gotthardstrasse 43, CH-8022 Zürich.

The basic documents of the Fund as defined in Art. 13a and 15 para. 3 CISO as well as the annual and semi-annual report may be obtained free of charge at the registered office of the Swiss Representative.

In respect of units of the Fund distributed in Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss representative.



FUND PARTNER

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\* Collectively, these comprise the ACD's Report.

## **FP WHEB Asset Management Funds**

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

We are pleased to present the Annual Report & audited Financial Statements for FP WHEB Asset Management Funds for the year ended 28 February 2017.

#### **Authorised Status**

FP WHEB Asset Management Funds ("the Company") is an investment company with variable capital incorporated in England and Wales under registered number IC000478 and authorised by the Financial Conduct Authority ("FCA"), with effect from 22 May 2009. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

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

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

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

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

The Company is a 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 only one Fund. In the future there may be other Funds established.

Under the UCITS V and the UCITS Remuneration Code, Fund Partners as UCITS Manager, are required to disclose remuneration information (see page 37) on how those whose actions have a material impact on the Fund are remunerated.

Under the requirements of UCITS V and the UCITS Remuneration Code, Fund Partners, as UCITS Manager, must establish and apply remuneration policies and practices for its staff that have a material impact on the risk profile of Fund Partners or the Fund.

#### **Base Currency:**

The base currency of the Company is Pounds Sterling.

#### **Share Capital:**

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

## **FP WHEB Asset Management Funds**

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### **Certification of Financial Statements by Directors of the ACD For the year ended 28 February 2017**

#### **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 continue to adopt the going concern basis in the preparation of the Financial Statements as the assets of the Fund consist predominantly of securities that are readily realisable, and accordingly, the Fund has adequate resources to continue in operational existence for the foreseeable future.

V. Hoare

M. Wood

#### **Fund Partners Limited**

24 April 2017

## **FP WHEB Asset Management Funds**

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### **Statement of the ACD's Responsibilities For the year ended 28 February 2017**

The Authorised Corporate Director ("ACD") of FP WHEB Asset Management Funds ("Company") is responsible for preparing the Annual Report and the 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 as at the end of that year and the net revenue and the net capital gains on the property of the Company for that year.

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 24 April 2017.

## **FP WHEB Asset Management Funds**

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### **Statement of the Depositary's Responsibilities For the year ended 28 February 2017**

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

### **Report of the Depositary to the Shareholders of the Company For the year ended 28 February 2017**

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and Scheme documents in relation to 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 AFM:

(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 and the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

**Northern Trust Global Services Limited**  
UK Trustee and Depositary Services

24 April 2017

### **Independent Auditor's Report to the Shareholders of FP WHEB Asset Management Funds For the year ended 28 February 2017**

We have audited the Financial Statements of FP WHEB Asset Management Funds ("the Company") for the year ended 28 February 2017 which comprise the Accounting Policies and Financial Instruments notes and for the sub-fund: the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the Distribution Tables and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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.

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.

#### **Respective Responsibilities of the Depositary, the ACD and the Auditor**

As explained more fully in the Statement of the Depositary's Responsibilities and the Statement of the ACD's Responsibilities, the Depositary is responsible for safeguarding the property of the Company and the ACD is responsible for the preparation of the Financial Statements. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with the requirements of the Collective Investment Schemes Sourcebook, applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the ACD; and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on Financial Statements**

In our opinion the Financial Statements:

- give a true and fair view of the financial position of the Company and its sub fund as at 28 February 2017 and of the net revenue and the net capital gains on the property of the Company and its sub fund for the year ended 28 February 2017; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

**Independent Auditor's Report to the Shareholders of FP WHEB Asset Management Funds  
(continued)**

**For the year ended 28 February 2017**

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

In our opinion:

- proper accounting records for the Company and its sub fund 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 year ended 28 February 2017 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the Financial Statements.

**Deloitte LLP**

Chartered Accountants and Statutory Auditor  
Edinburgh, United Kingdom

24 April 2017

## FP WHEB Sustainability Fund

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### Investment Manager's Report For the year ended 28 February 2017

#### Investment Objective

The aim of the Fund is to achieve capital growth over the medium to longer term.

#### Investment Policy

The Fund will invest predominantly in global equities and in particular will invest in such equities in those sectors identified by the investment manager as providing solutions to the challenges of sustainability. Under normal circumstances, the Fund will hold cash on deposit up to 10% of the value of the Fund.

The Fund may also invest in other transferable securities, Collective Investment Schemes, money market instruments and near cash.

The Fund may also invest in derivatives for efficient portfolio management. This is in order to reduce the Fund's exposure to risk, as permitted under the FCA rules.

#### Investment Review

For the year ended 28 February 2017, the C Acc share class of your Fund returned 27.86%<sup>1</sup> while the MSCI World Total Return Index rose by 35.80%<sup>1</sup>, thus underperforming the benchmark. The main reason for the underperformance was the particularly weak performance from our Cleaner Energy theme in the period. Our Environmental Services and Sustainable Transport themes were relatively weak as well. These negative factors were partly offset by strong performance from our Resource Efficiency and Safety themes.

Our Cleaner Energy theme performed poorly as the solar sector was haunted by SunEdison's bankruptcy in April 2016, which created severe disruption across the whole sector. In addition, markets became increasingly concerned about the risk of oversupply of solar modules in the second half of 2016 as China, the biggest solar market in the world, cut its solar tariff starting from 1 July 2016 after a rush of solar installations. Our solar holdings, including SunPower and Canadian Solar, suffered as a result. SunPower also issued a profit warning and gave a negative outlook for 2017 due to unexpected challenges at their solar power plant business. We have since sold our position.

In our Environmental theme, Stericycle was the worst performer as its medical waste management business faced increasing pricing pressure and the synergies achieved at the recently acquired business Shred-It were slower than expected. We sold our position as a result. Within our Sustainable Transport theme, Norma was one of the worst performers, mainly driven by the sharp decline in the US commercial vehicle and agricultural machinery markets. We see these challenges as being cyclical rather than structural in nature and continue to own the shares.

Our Resource Efficiency theme delivered the largest positive contribution in the period, supported by strong performance from a number of our holdings. Our top contributor was ARM Holdings, a global leading designer of energy efficient chips for mobile phones and other applications, as it was bid for by Softbank. The stock price jumped 41%<sup>2</sup> on the day of the announcement and we sold out of it subsequently.

Within our Safety theme, MSA, a global leading provider of safety products, was the key contributor as its new self-contained breathing apparatus product G1 proved to be a successful product launch which helped the company win market share. Recent restructuring also delivered excellent results, substantially improving the firm's profitability.

<sup>1</sup> Data source: MSCI, Total Return 28/02/17

<sup>2</sup> Data source: Bloomberg

## FP WHEB Sustainability Fund

### Investment Manager's Report (continued) For the year ended 28 February 2017

#### Investment Review (continued)

<b>Significant Stock Movements within the Fund</b>	
<b>for the Year ended 28 February 2017 (in chronological order)</b>	
<i>Purchases</i>	<i>Sales</i>
Renishaw	United Natural Foods
Nautilus	ARM Holdings
Grand Canyon Education	SunPower
Gamesa	Stericycle
China Everbright International	Novo Nordisk

#### Market Overview

Global equity markets were bombarded with several major political events over the year under review. The UK referendum result in June shocked global markets, initially causing major indices to plummet. The decline was short-lived as markets expected more accommodative monetary policies. The referendum nevertheless had a severe impact on the currency markets. The UK Pound Sterling fell to its lowest level in three decades against the US Dollar. The weakened Pound led to strong absolute returns in Sterling for both your Fund and the benchmark, as stocks traded in currencies other than Sterling surged as a result of the translation effect.

The surprise victory of Donald Trump in the US presidential election, together with the Republicans maintaining their majorities in both chambers of the US Congress, led to a strong market rally in the US. US investors believed that the new administration would bring jobs back to the US and increase infrastructure investment. Outside the US, the response was more mixed due to Trump's advocacy for trade protectionism. In the second half of the year under review, markets saw a decisive shift out of defensive and quality stocks in favour of consumer discretionary, industrial commodities and financials.

#### Outlook

We maintain our cautious stance on global markets. On the one hand, the US economy continues to strengthen and we finally see some positive data coming out of Europe. In addition, the slowdown of the Chinese economy appears to be under the control of the Chinese government for now. On the other hand, US indices have recently reached all-time highs and equity valuations are elevated. There are several key elections coming up in Europe and China's growing debt problem is still looming in the background.

We see both risks and opportunities in the US under the new administration. We have strategically reduced our exposure to the healthcare sector due to uncertainty surrounding proposed healthcare reform. We initiated a position in Grand Canyon Education, our first position in the Education theme for over three years. We have admired the company's growth track record for a while and we view the election result as positive for for-profit education companies' regulation. As Trump tries to move manufacturing back to the US, we expect an increase in the use of robots which would benefit our industrial automation holdings, such as Rockwell Automation and Keyence.

Another wildcard in the US is potential tax reform, which includes changes in the corporate tax rate, border adjustment tax and interest expense deductibility. We believe most of our US holdings could weather the downside risks and some would certainly benefit from a lower corporate tax rate. Rising interest rates are widely expected in the US, but we do not see this as a major risk for your Fund, given our preference for companies with a strong balance sheet and cash flow generation capability.

While the ultimate impact of the UK referendum remains to be seen, we maintain our geographic neutrality strategy which keeps our exposure to the UK similar to that of the benchmark. We are comfortable with our UK holdings as they are well diversified geographically.

## **FP WHEB Sustainability Fund**

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### **Investment Manager's Report (continued) For the year ended 28 February 2017**

#### **Outlook (continued)**

Despite the macro economic uncertainty, we are optimistic about the secular growth opportunities in sustainability themes including energy storage, companion diagnostics, digital intelligence in energy efficiency, advanced driver assistance systems and others. We believe that these themes will continue to thrive despite economic uncertainty, driven by underlying demands for cleaner energy, more energy efficient technologies and safer products. Your Fund is set to benefit from these growth trends in the long term, through our stock selection process within the thematic framework.

#### **Investment Manager**

WHEB Asset Management LLP  
13 March 2017

## FP WHEB Sustainability Fund

### Performance record As at 28 February 2017

	A Accumulation			B Accumulation		
	28/02/17 (p)	28/02/16 (p)	28/02/15 (p)	28/02/17 (p)	28/02/16 (p)	28/02/15 (p)
Change in net assets per Share						
Opening net asset value per Share	145.71	145.13	129.55	105.52	103.89	100.00
Return before operating charges*	41.72	3.04	17.80	30.39	2.20	4.41
Operating charges	(2.79)	(2.46)	(2.22)	(0.64)	(0.57)	(0.52)
Return after operating charges*	38.93	0.58	15.58	29.75	1.63	3.89
Distributions	0.00	0.00	0.00	(0.77)	(0.54)	0.00
Retained distributions on accumulation	0.00	0.00	0.00	0.77	0.54	0.00
Closing net asset value per Share	184.64	145.71	145.13	135.27	105.52	103.89
* after direct transaction costs of:	0.36	0.22	0.22	0.26	0.16	0.16
Performance						
Return after operating charges	26.72%	0.40%	12.03%	28.19%	1.57%	3.89%
Other information						
Closing net asset value	10,559,101	8,975,652	13,363,342	49,554,571	25,736,488	9,990,084
Closing number of Shares	5,718,717	6,159,853	9,208,111	36,634,485	24,391,188	9,615,860
Operating charges	1.68%	1.70%	1.67%	0.53%	0.55%	0.52%
Direct transaction costs	0.21%	0.15%	0.16%	0.21%	0.15%	0.16%
Prices						
Highest Share price	185.62	157.51	145.08	135.99	112.92	103.86
Lowest Share price	144.72	129.79	123.59	104.81	93.95	94.36

	C Accumulation			C Income		
	28/02/17 (p)	28/02/16 (p)	28/02/15 (p)	28/02/17 (p)	28/02/16 (p)	28/02/15 (p)
Change in net assets per Share						
Opening net asset value per Share	145.65	144.13	127.82	110.46	110.46	98.97
Return before operating charges*	41.85	3.03	17.65	31.74	2.33	13.66
Operating charges	(1.72)	(1.51)	(1.34)	(1.30)	(1.16)	(1.04)
Return after operating charges*	40.13	1.52	16.31	30.44	1.17	12.62
Distributions	(0.22)	(0.26)	(0.09)	(1.24)	(1.17)	(1.13)
Retained distributions on accumulation	0.22	0.26	0.09	-	-	-
Closing net asset value per Share	185.78	145.65	144.13	139.66	110.46	110.46
* after direct transaction costs of:	0.36	0.22	0.22	0.27	0.17	0.17
Performance						
Return after operating charges	27.55%	1.05%	12.76%	27.56%	1.06%	12.75%
Other information						
Closing net asset value	67,724,733	41,829,713	53,019,843	21,847,702	11,407,982	8,675,930
Closing number of Shares	36,453,675	28,718,603	36,786,003	15,643,126	10,327,572	7,854,009
Operating charges	1.03%	1.05%	1.02%	1.03%	1.05%	1.02%
Direct transaction costs	0.21%	0.15%	0.16%	0.21%	0.15%	0.16%
Prices						
Highest Share price	186.77	156.56	144.08	141.65	120.00	108.08
Lowest Share price	144.68	129.71	122.12	109.73	99.42	94.56

## FP WHEB Sustainability Fund

### Performance Information As at 28 February 2017

#### Operating Charges

Date	AMC (%)	Other expenses (%)	Transaction costs (%)	Operating Charges (%)
28/02/17				
Share Class A	1.50	0.18	0.00	1.68
Share Class B	0.35	0.18	0.00	0.53
Share Class C	0.85	0.18	0.00	1.03
28/02/16				
Share Class A	1.50	0.19	0.01	1.70
Share Class B	0.35	0.19	0.01	0.55
Share Class C	0.85	0.19	0.01	1.05

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

### Risk and Reward Profile As at 28 February 2017

	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Typically lower rewards</span> <span>←</span> <span>→</span> <span>Typically higher rewards</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Lower risk</span> <span>Higher risk</span> </div>						
	1	2	3	4	5	6	7
Share Class A	1	2	3	4	5	6	7
Share Class B	1	2	3	4	5	6	7
Share Class C	1	2	3	4	5	6	7

- The 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 it invests in the shares of companies, whose values tend to vary more widely.

#### Risk Warning

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

## FP WHEB Sustainability Fund

### Portfolio Statement As at 28 February 2017

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>AUSTRALASIA 1.62% [1.65%]</b>			
<b>Australia 1.62% [1.65%]</b>			
33,358	CSL	2,418,290	1.62
		<b>2,418,290</b>	<b>1.62</b>
<b>EUROPE 21.15% [23.23%]</b>			
<b>Austria 1.21% [0.00%]</b>			
48,766	ams	1,808,677	1.21
		<b>1,808,677</b>	<b>1.21</b>
<b>Denmark 0.00% [2.00%]</b>			
<b>France 5.12% [4.39%]</b>			
26,236	Dassault Systemes	1,703,408	1.14
43,514	Orpea	3,036,825	2.03
241,893	Suez Environnement	2,916,272	1.95
		<b>7,656,505</b>	<b>5.12</b>
<b>Germany 5.29% [4.27%]</b>			
49,105	Fresenius	3,132,080	2.09
77,028	Hella KHaA Hueck	2,432,342	1.63
68,146	Norma	2,357,338	1.57
		<b>7,921,760</b>	<b>5.29</b>
<b>Ireland 3.06% [2.94%]</b>			
119,111	Kingspan	2,938,464	1.96
76,782	Smurfit Kappa	1,640,470	1.10
		<b>4,578,934</b>	<b>3.06</b>
<b>Italy 1.14% [1.18%]</b>			
859,966	Hera	1,712,461	1.14
		<b>1,712,461</b>	<b>1.14</b>
<b>Spain 1.09% [0.00%]</b>			
91,975	Gamesa Corporacion Tecnologica	1,637,235	1.09
		<b>1,637,235</b>	<b>1.09</b>
<b>Sweden 0.00% [1.38%]</b>			
<b>United Kingdom 4.24% [7.07%]</b>			
85,033	Intertek	2,999,114	2.00
47,171	Johnson Matthey	1,445,319	0.97
62,106	Renishaw	1,906,033	1.27
		<b>6,350,466</b>	<b>4.24</b>

## FP WHEB Sustainability Fund

### Portfolio Statement (continued)

As at 28 February 2017

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>FAR EAST 12.05% [10.61%]</b>		
	<b>Hong Kong 3.83% [3.18%]*</b>		
1,623,000	China Everbright International	1,687,439	1.13
3,664,000	China Longyuan Power	2,523,207	1.68
2,910,000	China Water Affairs	1,527,836	1.02
		<b>5,738,482</b>	<b>3.83</b>
	<b>Japan 8.22% [7.43%]</b>		
57,507	Horiba	2,557,752	1.71
8,010	Keyence	2,488,675	1.67
13,700	Murata Manufacturing	1,584,181	1.06
31,900	Nitto Denko	2,159,080	1.44
13,006	Shimano	1,544,452	1.03
86,700	Ship Healthcare	1,962,241	1.31
		<b>12,296,381</b>	<b>8.22</b>
	<b>NORTH AMERICA 62.05% [63.12%]</b>		
	<b>Canada 1.92% [1.43%]**</b>		
137,691	Stantec	2,877,489	1.92
		<b>2,877,489</b>	<b>1.92</b>
	<b>United States 60.13% [61.69%]**</b>		
18,116	Acuity Brands	3,076,079	2.06
75,006	Agilent Technologies	3,093,093	2.07
37,361	Ansys	3,206,319	2.14
77,029	AO Smith	3,118,312	2.08
86,286	BorgWarner	2,925,678	1.96
119,108	Canadian Solar**	1,408,423	0.94
38,550	Cerner	1,705,311	1.14
10,936	Cooper	1,750,639	1.17
45,257	CVS Health	2,931,519	1.96
45,529	Danaher	3,131,034	2.09
40,817	DaVita	2,276,762	1.52
29,439	Ecolab	2,933,724	1.96
50,571	Grand Canyon Education	2,495,216	1.67
94,529	Hannon Armstrong Sustainable Infrastructure Capital	1,503,042	1.00
23,247	Henry Schein	3,205,619	2.14
99,934	HMS	1,495,797	1.00
19,346	IPG Photonics	1,839,736	1.23
27,340	JB Hunt Transport Services	2,157,530	1.44
70,278	Johnson Controls International	2,369,340	1.58
23,504	Lennox International	3,110,312	2.08
24,436	Littelfuse	3,171,376	2.12
53,550	Mednax	3,064,489	2.05
8,412	Mettler-Toledo International	3,218,604	2.15
53,190	MSA Safety	3,088,355	2.06
88,975	National Instruments	2,305,912	1.54
119,409	Nautilus	1,540,607	1.03
24,984	Praxair	2,384,124	1.59
63,940	Premier	1,614,948	1.08
19,665	Rockwell Automation	2,388,254	1.60
19,137	Roper Technologies	3,218,062	2.15

## FP WHEB Sustainability Fund

### Portfolio Statement (continued) As at 28 February 2017

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>United States (continued)</b>			
39,401	Steris	2,222,483	1.48
24,879	Thermo Fisher Scientific	3,153,673	2.11
25,162	Varian Medical Systems	1,697,019	1.13
17,791	WABCO	1,605,624	1.07
42,706	Wabtec	2,750,829	1.84
73,687	Xylem	2,850,336	1.90
		<b>90,008,180</b>	<b>60.13</b>
<b>Portfolio of investments</b>		<b>145,004,860</b>	<b>96.87</b>
Net other assets		4,681,247	3.13
<b>Net assets</b>		<b>149,686,107</b>	<b>100.00</b>

\*CT Environmental was re-categorised in the Interim Report from China to Hong Kong. The comparative has therefore changed by 0.99%.

\*\*Canadian Solar has been re-categorised from Canada to United States. The comparatives are changed by 2.26%.

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

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings.

Comparative figures shown above in square brackets relate to 28 February 2016.

Gross purchases for the year: £68,674,514 [2016: £29,715,508] (See Note 16).

Total sales net of transaction costs for the year: £37,249,020 [2016: £28,374,953] (See Note 16).

## FP WHEB Sustainability Fund

### Statement of Total Return For the year ended 28 February 2017

	Note	29/02/16 to 28/02/17		01/03/15 to 28/02/16	
		£	£	£	£
Income					
Net capital gains	2		27,097,058		679,035
Revenue	3	1,438,975		1,142,498	
Expenses	4	(1,066,319)		(886,301)	
Interest payable and similar charges	5	(1,260)		(54)	
Net revenue before taxation		371,396		256,143	
Taxation	6	(143,904)		(98,986)	
Net revenue after taxation			227,492		157,157
Total return before distributions			27,324,550		836,192
Distributions	7		(419,654)		(298,036)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>26,904,896</b>		<b>538,156</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 28 February 2017

	29/02/16 to 28/02/17		01/03/15 to 28/02/16	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		87,949,835		85,049,199
Amounts received on issue of Shares	45,869,150		32,115,876	
Less: Amounts paid on cancellation of Shares	(11,459,266)		(30,001,571)	
		34,409,884		2,114,305
Dilution adjustment charged		62,058		40,796
Change in net assets attributable to Shareholders from investment activities (see above)		26,904,896		538,156
Retained distribution on accumulation Shares		359,434		207,379
<b>Closing net assets attributable to Shareholders</b>		<b>149,686,107</b>		<b>87,949,835</b>

## FP WHEB Sustainability Fund

### Balance Sheet As at 28 February 2017

	Note	28/02/17		28/02/16	
		£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investment		145,004,860		86,728,497	
Current assets:					
Debtors	8	407,858		298,122	
Cash and bank balances	9	4,679,317		1,547,815	
Total current assets			5,087,175		1,845,937
Total assets			150,092,035		88,574,434
<b>Liabilities</b>					
Creditors:					
Bank overdrafts	11	(2,801)		(2,802)	
Distribution payable on income Shares		(194,100)		(121,091)	
Other creditors	10	(209,027)		(500,706)	
Total creditors			(405,928)		(624,599)
Total liabilities			(405,928)		(624,599)
<b>Net assets attributable to Shareholders</b>			<b>149,686,107</b>		<b>87,949,835</b>

## **FP WHEB Asset Management Funds**

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### **Accounting Policies and Financial Instruments For the year ended 28 February 2017**

#### **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 Fund.

##### ***(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.

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

Dividends on quoted equities and preference Shares are recognised when the securities are quoted ex-dividend and are recognised net of attributable tax credits.

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

All revenue includes withholding taxes but excludes irrecoverable tax credits.

##### ***(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***

With the exception of the Share Class C Income, the expenses of the Fund are charged against revenue except for costs associated with the purchase and sale of investment which are allocated to the capital of the Fund. On the Share Class C Income, the ACD's Annual Management Charge is charged to capital.

##### ***(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 pro-rata to the net assets of the relevant Share Classes.

##### ***(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.

### Accounting Policies and Financial Instruments (continued) For the year ended 28 February 2017

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

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

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 year.

##### *(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 year.

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

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

##### *(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 year 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 Instruments (continued) For the year ended 28 February 2017

#### 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 year.

#### 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 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 Instruments (continued) For the year ended 28 February 2017

#### 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 equities. 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 of equity 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.

### Accounting Policies and Financial Instruments (continued)

For the year ended 28 February 2017

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

##### *(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 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 15(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.

## FP WHEB Sustainability Fund

### Notes to the Financial Statements For the year ended 28 February 2017

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 19, 20 and 21.

<b>2 Net capital gains</b>	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	£	£
The net capital gains during the year		
Currency losses	(122,455)	(289,166)
Non-derivative securities	27,223,033	979,660
Transaction charges	(3,520)	(11,459)
<b>Net capital gains</b>	<b>27,097,058</b>	<b>679,035</b>

<b>3 Revenue</b>	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	£	£
Bank interest	1	1
Overseas dividends	1,296,333	911,160
UK dividends	142,641	231,337
<b>Total revenue</b>	<b>1,438,975</b>	<b>1,142,498</b>

<b>4 Expenses</b>	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	£	£
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
Administration charge	26,647	22,523
AMC fees	864,821	709,862
Printing, postage, stationery and typesetting costs	6,668	9,930
Registration fees	67,375	58,957
	965,511	801,272
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	54,015	41,565
Safe custody fees	14,011	15,328
	68,026	56,893
<b>Other expenses</b>		
Audit fees*	9,420	9,210
FCA fees	172	171
Legal fees	23,190	18,755
	32,782	28,136
<b>Total expenses</b>	<b>1,066,319</b>	<b>886,301</b>

\* Audit fees of £7,850 + VAT have been charged in the current year (2016: £7,675 + VAT).

**Notes to the Financial Statements (continued)  
For the year ended 28 February 2017**

<b>5 Interest payable and similar charges</b>	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	<b>£</b>	<b>£</b>
Bank Interest	1,260	54
<b>Total Interest payable and similar charges</b>	<b>1,260</b>	<b>54</b>

<b>6 Taxation</b>	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	<b>£</b>	<b>£</b>
<i><b>(a) Analysis of the tax charge in the year</b></i>		
Overseas tax	143,904	98,986
<b>Total current tax charge (Note 6 (b))</b>	<b>143,904</b>	<b>98,986</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>143,904</b>	<b>98,986</b>

***(b) Factors affecting current tax charge for the year***

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2016: 20%) is applied to the net revenue before taxation

The differences are explained below:

	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	<b>£</b>	<b>£</b>
Net revenue before taxation	371,396	256,143
Net revenue for the year multiplied by the standard rate of corporation tax	74,279	51,229
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	3,751
Movement in excess management expenses	213,516	173,520
Overseas tax	143,904	98,986
Revenue not subject to corporation tax	(287,795)	(228,500)
<b>Total tax charge for the year</b>	<b>143,904</b>	<b>98,986</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 or prior year.

***(d) Factors that may affect future tax charges***

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £981,582 (2016: £766,271) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## FP WHEB Sustainability Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2017

#### 7 Finance costs

##### Distributions

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

	29/02/16 to 28/02/17	01/03/15 to 28/02/16
	£	£
Final	553,534	328,470
Add: Revenue paid on cancellation of Shares	21,278	16,666
Deduct: Revenue received on issue of Shares	(155,158)	(47,100)
<b>Net distribution for the year</b>	<b>419,654</b>	<b>298,036</b>
<b>Reconciliation of net revenue after taxation to distributions</b>		
Net revenue after taxation	227,492	157,157
Expenses charged to capital	143,167	83,659
Net movement in revenue account	7	(9)
Revenue deficit	48,987	57,229
<b>Net distribution for the year</b>	<b>419,653</b>	<b>298,036</b>

Details of the distributions per Share are set out in the distribution table on page 35.

#### 8 Debtors

	28/02/17	28/02/16
	£	£
Accrued bank interest	1	-
Accrued revenue	87,358	51,333
Amounts receivable for creation of Shares	288,488	218,683
Overseas withholding tax recoverable	32,011	28,106
<b>Total debtors</b>	<b>407,858</b>	<b>298,122</b>

#### 9 Cash and bank balances

	28/02/17	28/02/16
	£	£
Cash and bank balances	4,679,317	1,547,815
<b>Total cash and bank balances</b>	<b>4,679,317</b>	<b>1,547,815</b>

## FP WHEB Sustainability Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2017

<b>10 Creditors</b>	<b>28/02/17</b>	<b>28/02/16</b>
	<b>£</b>	<b>£</b>
Amounts payable for cancellation of Shares	55,114	5,467
Purchases awaiting settlement	-	397,693
	<b>55,114</b>	<b>403,160</b>
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
Administration charge	2,418	1,833
AMC fees	81,232	49,251
Printing, postage, stationery and typesetting costs	2,700	2,700
Registration fees	1,180	4,126
	<b>87,530</b>	<b>57,910</b>
<i>Depositary and Agents</i>		
Depositary fees	39,170	20,267
Safe custody fees	9,256	6,037
Transaction charges	3,854	4,133
	<b>52,280</b>	<b>30,437</b>
<i>Other accrued expenses</i>		
Administration fees	-	-
Audit fees	9,420	9,210
FCA fees	157	(15)
Legal fees	3,335	-
Overdraft interest	1,191	4
	<b>14,103</b>	<b>9,199</b>
<b>Total creditors</b>	<b>209,027</b>	<b>500,706</b>
<b>11 Bank overdrafts</b>	<b>28/02/17</b>	<b>28/02/16</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	2,801	2,802
<b>Total bank overdrafts</b>	<b>2,801</b>	<b>2,802</b>

### Notes to the Financial Statements (continued) For the year ended 28 February 2017

#### 12 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 year end are disclosed in notes 8 and 10.

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

#### 13 Share Classes

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

Share Class	%
A Accumulation	1.50
B Accumulation	0.35
C Accumulation	0.85
C Income	0.85

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:

	28/02/16	Issued	Cancelled	Converted	28/02/17
A Accumulation	6,159,853	1,973,040	(2,390,286)	(23,890)	5,718,717
B Accumulation	24,391,188	13,271,318	(1,020,742)	(7,279)	36,634,485
C Accumulation	28,718,603	10,949,602	(3,238,399)	23,869	36,453,675
C Income	10,327,572	5,697,404	(388,806)	6,956	15,643,126

#### 14 Capital commitments and contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date (2016: nil).

**Notes to the Financial Statements (continued)**  
**For the year ended 28 February 2017**
**15 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 21, 22 and 23.

**(a) Foreign currency risk**

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

Currency	Net foreign currency assets/(liabilities)		
	Monetary exposures	Non-monetary exposures	Total
	£	£	£
<b>28/02/17</b>			
Australian Dollar	-	2,418,290	2,418,290
Canadian Dollar	1,679	2,877,489	2,879,168
Danish Krone	9,345	-	9,345
Euro	14,173	23,506,895	23,521,068
Hong Kong Dollar	-	5,738,482	5,738,482
Japanese Yen	20,691	12,296,381	12,317,072
Swiss Franc	(522)	1,808,677	1,808,155
US Dollar	102,687	90,008,180	90,110,867
<b>Total foreign currency exposure</b>	<b>148,053</b>	<b>138,654,394</b>	<b>138,802,447</b>
Sterling	4,533,194	6,350,466	10,883,660
<b>Total net assets</b>	<b>4,681,247</b>	<b>145,004,860</b>	<b>149,686,107</b>
<b>28/02/16</b>			
Australian Dollar	-	1,447,619	1,447,619
Canadian Dollar	1,739	1,257,756	1,259,495
Danish Krone	2,788	1,760,531	1,763,319
Euro	21,062	11,240,918	11,261,980
Hong Kong Dollar	-	2,794,976	2,794,976
Japanese Yen	19,047	6,535,279	6,554,326
Swedish Krona	9,340	1,214,816	1,224,156
Swiss Franc	(2,802)	-	(2,802)
US Dollar	57,117	54,258,488	54,315,605
<b>Total foreign currency exposure</b>	<b>108,291</b>	<b>80,510,383</b>	<b>80,618,674</b>
Sterling	1,113,047	6,218,114	7,331,161
<b>Total net assets</b>	<b>1,221,338</b>	<b>86,728,497</b>	<b>87,949,835</b>

If GBP to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £12,618,404 (2016: £7,328,970). If GBP to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £15,422,494 (2016: £8,957,630). These calculations assume all other variables remain constant.

## FP WHEB Sustainability Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2017

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

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

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £	Financial assets not carrying interest £	Total £
<b>28/02/17</b>			
Australian Dollar	-	2,418,290	2,418,290
Canadian Dollar	-	2,879,168	2,879,168
Danish Krone	-	9,345	9,345
Euro	-	23,527,882	23,527,882
Hong Kong Dollar	-	5,738,482	5,738,482
Japanese Yen	-	12,317,072	12,317,072
Sterling	4,643,297	6,638,955	11,282,252
Swiss Franc	-	1,808,677	1,808,677
US Dollar	36,020	90,074,847	90,110,867
<b>Total</b>	<b>4,679,317</b>	<b>145,412,718</b>	<b>150,092,035</b>
<b>28/02/16</b>			
Australian Dollar	-	1,447,619	1,447,619
Canadian Dollar	-	1,259,495	1,259,495
Danish Krone	-	1,763,319	1,763,319
Euro	6,823	11,255,156	11,261,979
Hong Kong Dollar	-	2,794,976	2,794,976
Japanese Yen	-	6,554,326	6,554,326
Sterling	1,516,161	6,436,797	7,952,958
Swedish Krona	-	1,224,156	1,224,156
US Dollar	24,831	54,290,775	54,315,606
<b>Total</b>	<b>1,547,815</b>	<b>87,026,619</b>	<b>88,574,434</b>

**Notes to the Financial Statements (continued)  
For the year ended 28 February 2017**

**15 Derivatives and other financial instruments (continued)**

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

<b>Currency Liabilities 28/02/17</b>	<b>Floating rate financial liabilities £</b>	<b>Financial liabilities not carrying interest £</b>	<b>Total £</b>
Euro	-	6,814	6,814
Sterling	-	398,592	398,592
Swiss Franc	2,801	(2,279)	522
<b>Total</b>	<b>2,801</b>	<b>403,127</b>	<b>405,928</b>
<b>28/02/16</b>			
Sterling	-	621,797	621,797
Swiss Franc	2,802	-	2,802
<b>Total</b>	<b>2,802</b>	<b>621,797</b>	<b>624,599</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 Price 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.

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.

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 £
2017	14,500,486	14,500,486
2016	8,672,850	8,672,850

*(d) Leverage*

There was 96.79% leverage as at 28 February 2017, 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 year ended 28 February 2017**

**16 Portfolio transaction costs**

	29/02/16 to 28/02/17		01/03/15 to 28/02/16	
	£	£	£	£
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs:				
Equities		68,509,678		29,641,687
		68,509,678		29,641,687
Commissions - Equities	118,733		59,283	
Fees - Equities	46,103		14,538	
Total purchase costs		164,836		73,821
<b>Gross purchase total</b>		<b>68,674,514</b>		<b>29,715,508</b>

<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs:				
Equities		37,326,055		28,433,826
		37,326,055		28,433,826
Commissions - Equities	(74,418)		(56,608)	
Fees - Equities	(2,617)		(2,265)	
Total sale costs		(77,035)		(58,873)
<b>Total sales net of transaction costs</b>		<b>37,249,020</b>		<b>28,374,953</b>

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

Separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

**Notes to the Financial Statements (continued)  
For the year ended 28 February 2017**

**16 Portfolio transaction costs (continued)**

	<b>29/02/16 to 28/02/17 %</b>	<b>01/03/15 to 28/02/16 %</b>
<b>Transaction costs as percentage of principal amounts</b>		
Purchases - Commissions		
Equities	0.1733%	0.2000%
Purchases - Fees		
Equities	0.0673%	0.0490%
Sales - Commissions		
Equities	0.1994%	0.1991%
Sales - Fees		
Equities	0.0070%	0.0080%
	<b>29/02/16 to 28/02/17</b>	<b>01/03/15 to 28/02/16</b>
	<b>%</b>	<b>%</b>
<b>Transaction costs as percentage of average net asset value</b>		
Commissions	0.1712%	0.1345%
Fees	0.0432%	0.0195%

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

**17 Post balance sheet events**

Subsequent to the year end, the Net Asset Value per Share of the Fund has decreased using the Share prices at the year end date compared to 21 April 2017.

A Accumulation Shares have decreased from 185.62p to 182.35p. This takes into account routine transactions but also reflects the market movements.

B Accumulation Shares have decreased from 135.99p to 133.81p. This takes into account routine transactions but also reflects the market movements.

C Accumulation Shares have decreased from 186.77p to 183.65p. This takes into account routine transactions but also reflects the market movements.

C Income Shares have decreased from 141.65p to 138.13p. This takes into account routine transactions but also reflects the market movements.

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

## FP WHEB Sustainability Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2017

#### 18 Fair value disclosure

Valuation technique	28/02/17		28/02/16	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	145,004,860	-	86,728,497	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	-	-	-	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>145,004,860</b>	<b>-</b>	<b>86,728,497</b>	<b>-</b>

\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 20.

## FP WHEB Sustainability Fund

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### Distribution Table As at 28 February 2017

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 29 February 2016

Group 2 Shares purchased on or after 29 February 2016 to 28 February 2017

	Net revenue (p)	Equalisation (p)	Distribution payable 30/06/17 (p)	Distribution paid 30/06/16 (p)
<b>Share Class A Accumulation</b>				
Group 1	0.0000	-	0.0000	0.0000
Group 2	0.0000	0.0000	0.0000	0.0000
<b>Share Class B Accumulation</b>				
Group 1	0.7664	-	0.7664	0.5448
Group 2	0.1384	0.6280	0.7664	0.5448
<b>Share Class C Accumulation</b>				
Group 1	0.2158	-	0.2158	0.2594
Group 2	0.0000	0.2158	0.2158	0.2594
<b>Share Class C Income</b>				
Group 1	1.2408	-	1.2408	1.1725
Group 2	0.5540	0.6868	1.2408	1.1725

## FP WHEB Asset Management Funds

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### 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.

#### 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.

#### 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 - WHEB, PO Box 10449, Chelmsford, CM99 2UU or by telephone on 01268 448234\* (UK only) or +44 1268 448234\* (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.

#### Prices

The prices of Shares for each class in the Fund will be posted via a link on [www.fundpartners.co.uk](http://www.fundpartners.co.uk) and prices can also be obtained by telephoning the Administrator on 01268 448234\* (UK only) or +44 1268 448234\* (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.

Interim Financial Statements period ended:	31 August
Annual Financial Statements year ended:	28 February

#### Distribution Payment Dates

Interim	Not applicable as the Fund distributes annually
Annual	30 June

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

## FP WHEB Asset Management Funds

### General Information (continued)

#### 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.

<b>February 17</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	44	1,807,966	1,807,966	0	0
Remuneration paid to employees of FP who have a material impact on the risk profile of the UCITS	8	586,578	586,578	0	0
Senior Management	8	586,578	586,578	0	0
Control functions	7	497,567	497,567	0	0
Employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers	1	89,012	89,012	0	0

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.

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

#### **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.

## FP WHEB Asset Management Funds

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### Contact Information

#### The Company and its Head Office

FP WHEB Asset Management Funds  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne,  
Dorset BH21 7SB  
Incorporated in England and Wales  
under registration number IC000478  
Website address: [www.fundpartners.co.uk](http://www.fundpartners.co.uk)  
(Authorised and regulated by the FCA)

#### Directors of the ACD

J. Gardner (Resigned 25 November 2016)  
V. Hoare  
I. Hobday (Appointed 19 January 2017)  
L. Isaacs (Appointed 4 May 2016  
Resigned 17 January 2017)  
K. Lavery (Resigned 25 November 2016)  
P. Legg  
M. Woods (Appointed 29 March 2017)

#### Non-executive Directors

P. Wilcox

#### Registrar

International Financial Data Services Limited  
Head Office:  
IFDS House,  
St Nicholas Lane,  
Basildon,  
Essex SS15 5FS

#### Customer Service Centre

Fund Partners Ltd - WHEB  
PO Box 10449,  
Chelmsford CM99 2UU  
Telephone: 01268 448234\* (within UK only)  
Outside the UK: +44 1268 448234\*  
Fax: 01268 441498 (within UK only)  
Outside the UK fax : +44 1268 441498

#### Auditor

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

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

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

#### Company Secretary of the ACD

P. Legg

#### Investment Manager

WHEB Asset Management LLP  
7 Cavendish Square,  
London W1G 0PE  
(Authorised and regulated by the FCA)

#### Depositary

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

#### Swiss Representative

ACOLIN Fund Services AG  
Affolternsstrasse 56,  
CH-8050 Zürich

#### Paying Agent

Bank Vontobel Ltd  
Gotthardstrasse 43,  
CH-8022 Zürich

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



FUND PARTNERS