

# **Interim Report & Financial Statements**

**FP Shenkman Credit Funds ICVC**

**For the six months ended 31 May 2016 (unaudited)**



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## Authorised Corporate Director's Report

We are pleased to present the Interim Report & Accounts for FP Shenkman Credit Funds ICVC for the six month period ended 31 May 2016.

### Authorised Status

FP Shenkman Credit Funds ICVC ("the Company") is an open-ended investment company with variable capital incorporated with limited liability, registered in England and Wales under number IC000031 and authorised by the Financial Conduct Authority ("FCA") with effect from 20 May 1999. 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 a UCITS Scheme for the purposes of the FCA Rules, and 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 Class, a revised Prospectus will be prepared setting out the relevant details of each Fund or Class.

In the future there may be other Funds of the Company. Currently the Company has only two Funds.

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.

### Crossholdings

There were no shares in any sub-fund held by other sub-funds of the ICVC.

### Important Events During the Period

The Investment Association (IA) has published, in accordance with FRS 102, a revised Statement of Recommended Practice (SORP) in May 2014 which supersedes the previous SORP for the preparation of Financial Statements by UK Authorised Funds. The recommendations of this SORP are applicable to accounting periods beginning on or after 1 January 2015.

### Base Currency:

The base currency of the Company is Euro.

### Share Capital:

The minimum share capital of the Company is EUR 50,000 and the maximum share capital is EUR 10,000,000,000. The shares in the Company have no par value. The share capital of the Company at all times equals the sum of the Net Asset Values of the Funds.

**Certification of Financial Statements by Directors of the ACD  
For the six months ended 31 May 2016 (unaudited)**

**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 Funds consist predominately of securities that are readily realisable and, accordingly, the Funds have adequate resources to continue in operational existence for the foreseeable future.

V. Hoare

J.Gardner

Fund Partners Limited  
**27 July 2016**

## Investment Manager's Report For the six months ended 31 May 2016 (unaudited)

### Investment Objectives and Policy

The Fund's investment objective is to achieve primarily a high level of income and in addition capital appreciation through investment in a broad range of securities, including those listed on the eligible markets and such securities that are not "approved securities" to the extent permitted by the FCA Rules.

To invest, in accordance with the FCA Rules, primarily in European high yield securities, but also to invest in countries outside Europe where the Investment Manager deems there to be appropriate opportunities, in each case where the issuer of such securities is incorporated in, or is a government or public body of, a member country of the OECD, as such list may be amended from time to time.

The investments will predominantly be a wide range of fixed income securities which will also include for example lower quality corporate and sovereign debt securities and convertible bonds.

The Fund may invest in other securities consistent with its investment objectives as determined by the Investment Manager and in accordance with the FCA Rules.

The Fund will invest in derivatives to manage its portfolio efficiently, generate additional income and hedge risks related to its underlying investments in accordance with the FCA Rules.

### Investment Review

Having positioned with lower exposure to commodity related sectors by the end of the November fiscal year 2015, the Fund continued to reduce exposure by exiting Oil & Gas related issuers Hornbeck Offshore and California Resources. With commodity prices declining further in early 2016, the fund added exposure to consumer related sectors that could benefit from lower costs and increased demand, with additions of issuers Gestamp (auto parts supplier) and LeasePlan (auto-fleet management solutions). With the European Central Bank bond purchase program continuing to push government bond yields ever lower, and with the announcement that it would begin corporate bond purchases in June, longer maturity bonds in select higher credit rated bonds performed well. The Fund took the opportunity to switch into lower maturity bonds of Telecom Italia, Chrysler Fiat, CNH Industrial and Wind Telecomunicazioni and reduce duration exposure. Overall, the focus was to find opportunities to lower volatility without giving up a disproportionate amount of income.

### Performance of the Fund

The net asset value per share of the Fund's Class A (Inc.) as of 31st May, 2016 was EUR 64.09, which represents a total net return of 2.10% for the six-month period on a dividend reinvested basis. During the same period, the BofA Merrill Lynch European Currency Non-Financial High Yield 3% Constrained Index (HPID) (euro hedged) rose by 2.18% and the BofA Merrill Lynch European Currency High Yield Constrained Index (HPC0) (euro hedged and including financial issuers) rose by 1.71%.

Please find performance for the FP Shenkman High Yield Europe Plus Fund for the six-month period ending 31st May 2016:

	<b>Gross MTD</b>	<b>Net MTD</b>
31-Dec-15	-0.73%	-0.81%
31-Jan-16	-1.41%	-1.49%
29-Feb-16	-0.39%	-0.47%
31-Mar-16	3.33%	3.25%
30-Apr-16	1.32%	1.23%
31-May-16	0.52%	0.44%

**Investment Manager's Report (continued)**  
**For the six months ended 31 May 2016 (unaudited)**

**Market Overview**

After a difficult start to the first half of the fiscal year, the market rallied strongly in March/April to squeeze out a positive total return. Early on the market was impacted by weak US high yield year-end technicals such as reduced liquidity, fund unwinds and ETF selling, as well as rising fears of defaults emanating from the Energy & Commodity complex. As oil prices stabilized and rallied in the last week of January, commodity and emerging market-sensitive high yield bond prices corrected significantly upwards. The trend in rising commodity prices persisted through March and April, while oil prices continued to rally through May, briefly touching \$50.0 per barrel.

As such, among the best returning bonds were Energy and commodity-price sensitive issuers. The European high yield market rally came to a pause in May, as investors digested earnings releases and contemplated political risks in the form of the June UK referendum on EU membership ("Brexit"). While oil prices continued to rise, lending support to the Energy sector, metals prices tended to decline, taking some of the steam out of the recent rally in commodity-related bonds. The European economy was resilient, despite concerns about a global slowdown. Inflation data remained subdued, reinforcing the prospect of slow growth and the "lower for longer" interest rate environment. Inflation readings continued to highlight the lack of price pressures in the economy and that the European Central Bank is likely to miss its target of 2% by a significant margin, increasing the likelihood of continued stimuli. The European Central Bank eased once again by lowering key rates and extending the asset purchase program through March 2017 and expanding the range of assets it can purchase.

**Outlook**

We continue to see good longer term strategic value in European high yield relative to government bonds, where yields on average are struggling to stay above zero in the face of ECB action. In the near term, global markets continue to face mixed signals, be they divergent central bank policies, the recent sharp rally in commodity prices, weakening corporate profit trends or complicated political developments. Nevertheless, economic growth in the US should improve off of anaemic first quarter levels as the year progresses, while defaults are likely to remain largely confined to the commodity sectors. A possible 25 basis point hike in interest rates by the Fed is unlikely to have a meaningful impact on high yield given its relatively low duration and high coupon. In Europe, central bank policy and corporate results trends have been positive factors for high yield. We do expect volatility to remain a factor, perhaps not the least due to uncertainty surrounding the Brexit vote and US elections. As such, we continue to focus on credit picking and avoiding reaching for yield at the expense of quality.

**Shenkman Capital Management, Inc.**  
**27 July 2016**

**Net Asset Value per Share and Comparative Table**  
**As at 31 May 2016 (unaudited)**

**Net Asset Value**

Date	Net Asset Value Of Share Class (€)	Shares in Issue	Net Asset Value per Share <sup>1</sup>	Percentage Change (%)
A (Inc) (Euro)				
30/11/15	104,790,880	1,571,442	66.68	(4.57)
31/05/16	86,083,911	1,343,247	64.09	(3.88)
B (Inc) (Euro)				
30/11/15	24,692,066	247,876	99.61	(5.29)
31/05/16	4,286,879	44,927	95.42	(4.21)
A (Acc) (Euro)				
30/11/15	3,519,019	26,837	131.13	1.34
31/05/16	3,229,200	24,070	134.16	2.31

<sup>1</sup> Net Asset Value per share has been calculated using the net asset value before distribution

**Performance Information**  
As at 31 May 2016 (unaudited)

**Ongoing Charge Figures\***

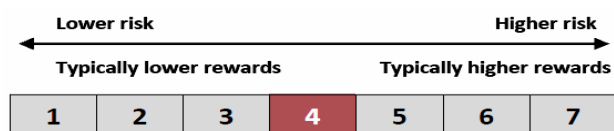
	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Total ongoing charge Figures** (%)
<b>Date</b>				
31/05/16				
Share Class A (Inc) (Euro)	0.75	0.27	-	1.02
Share Class A (Acc) (Euro)	0.75	0.27	-	1.02
Share Class B (Inc) (Euro)	1.50	0.26	-	1.76
30/11/15				
Share Class A (Inc) (Euro)	0.75	0.32	-	1.07
Share Class A (Acc) (Euro)	0.75	0.29	-	1.04
Share Class B (Inc) (Euro)	1.50	0.32	-	1.82

\* The above Ongoing Charges calculations exclude transaction costs.

\*\* Calculated on an annualised basis

The Ongoing Charge Figure ("OCF") is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

**Risk and Reward Profile**  
As at 31 May 2016 (unaudited)



This is for all Share Classes

- The indicator above is not a measure of the risk of capital loss, but an estimated measure of the Fund's price movement over time. It is based on historical data, and thus may not be a reliable indication for the future.
- The Fund is classified in the category above due to the nature of the investments which include the risks noted below.
- The indicated risk category is not guaranteed and may shift over time.
- The indicator is designed to help investors understand the uncertainties both for loss and for growth that may affect their investment. In this context, the lowest category does not mean 'risk free.'
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.



### **Risk and Reward Profile (continued)**

**As at 31 May 2016**

**In addition to the risk captured by the indicator, the overall Fund value may be considerably affected by:**

- **Credit Risk:** Investing in debt securities offers you the chance to gain returns through growing your investment and generating income. However, there is a risk that the institution which issued the debt security will fail, which would result in a loss of income to the Fund, along with its initial investment. Fixed income values are likely to fall if interest rates rise.
- **Distressed or Below Investment Grade Securities Risk:** Investing in such securities increases the risk that the Fund may lose a portion or all of its investment and may cause the Fund to incur higher expenses trying to protect its interest in such investments.
- **Liquidity risk:** Below investment grade debt securities may offer less liquidity than investment grade securities because there are insufficient buyers and sellers to allow the Fund to sell or buy investments readily.
- **Derivatives Risk:** You should note that returns which are derived from derivatives may be more volatile than returns derived from the asset underlying the derivatives. Certain derivatives may result in gains or losses that are greater than the original amount invested.
- **Currency Risk:** Changes in exchange rates may cause the value of investments to decrease or increase.

### **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.

**Portfolio Statement**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
	<b>Bonds 96.46% [97.06%]</b>			
	<b>Belgium 1.52% [1.43%]</b>			
1,335,000	Ontex Group NV, 4.75%, 15/11/21	EUR	1,423,110	1.52
	<b>Canada 0.26% [1.34%]</b>			
250,000	Bombardier Inc, 6.125%, 15/05/21 EMTN	EUR	246,250	0.26
	<b>Czech Republic 1.53% [1.45%]</b>			
1,380,000	RPG Byty Sro, 6.75%, 01/05/20	EUR	1,428,203	1.53
	<b>France 14.87% [11.24%]</b>			
975,000	BiSoho SAS 5.875% 01/05/2023	EUR	1,001,957	1.07
475,000	Crown European Holdings SA, 3.375%, 15/05/25	EUR	479,608	0.51
1,735,000	Elis SA, 3%, 30/04/22	EUR	1,758,855	1.88
230,000	Faurecia 3.625% 15/06/2023	EUR	235,334	0.25
905,000	Faurecia, 3.125%, 15/06/22	EUR	917,847	0.98
1,350,000	Loxam SAS 4.875% 23/07/2021	EUR	1,420,875	1.52
1,360,000	Novacap International SAS, 4.749%, 01/05/19 EMTN	EUR	1,358,781	1.45
710,000	Numericable-SFR SA, 5.375%, 15/05/22	EUR	736,945	0.79
970,000	Paprec Holding, 5.25%, 01/04/22	EUR	974,850	1.04
610,000	Rexel SA 3.5% 15/06/2023	EUR	622,200	0.66
785,000	Rexel SA, 3.25%, 15/06/22	EUR	797,756	0.85
1,295,000	SGD Group SAS, 5.625%, 15/05/19	EUR	1,333,850	1.43
930,000	SMCP SAS, 8.875%, 15/06/20	EUR	974,445	1.04
970,000	SPCM SA, 2.875%, 15/06/23	EUR	945,265	1.01
350,000	WFS Global Holding SAS 9.5% 15/07/2022	EUR	360,500	0.39
	<b>Germany 8.49% [8.22%]</b>			
550,000	CeramTec Group GmbH, 8.25%, 15/08/21	EUR	588,445	0.63
885,000	Douglas GmbH, 6.25%, 15/07/22	EUR	961,331	1.03
580,000	ProGroup AG, 5.125%, 01/05/22	EUR	616,308	0.66
1,080,000	Techem Energy Metering Service GmbH & Co KG, 7.875%, 01/10/20 EMTN	EUR	1,144,800	1.22
1,510,000	Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH, 6.25%, 15/01/29	EUR	1,702,525	1.82
1,165,000	WEPA Hygieneprodukte GmbH 3.75% 15/05/2024	EUR	1,170,825	1.25
1,680,000	WEPA Hygieneprodukte GmbH, 6.5%, 15/05/20 EMTN	EUR	1,763,999	1.88

**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
<b>Ireland 4.45% [4.11%]</b>				
390,000	Ardagh Packaging Finance PLC / Ardagh Holdings USA Inc 4.125% 15/05/2023	EUR	396,338	0.42
220,000	Ardagh Packaging Finance PLC / Ardagh Holdings USA Inc, 4.25%, 15/01/22	EUR	224,125	0.24
1,245,000	Ardagh Packaging Finance PLC, 9.25%, 15/10/20	EUR	1,305,246	1.39
1,665,000	Europcar Groupe SA, 5.75%, 15/06/22	EUR	1,755,775	1.88
485,000	Smurfit Kappa Acquisitions, 2.75%, 01/02/25	EUR	488,516	0.52
<b>Italy 3.39% [3.72%]</b>				
875,000	Guala Closures SpA, 5.117%, 15/11/19 EMTN	EUR	876,969	0.94
475,000	Leonardo-Finmeccanica SpA, 4.875%, 24/03/25 EMTN	EUR	557,548	0.60
590,000	Telecom Italia SpA 3.625% 19/01/2024 EMTN	EUR	623,028	0.67
1,020,000	Telecom Italia SpA 4.75% 25/05/2018 EMTN	EUR	1,103,726	1.18
<b>Japan Nil [1.24%]</b>				
<b>Jersey 2.94% [Nil%]</b>				
1,575,000	Lincoln Finance Ltd 6.875% 15/04/2021	EUR	1,706,513	1.82
780,000	TVL Finance PLC 8.5% 15/05/2023	GBP	1,048,345	1.12
<b>Luxembourg 11.89% [15.05%]</b>				
280,000	Altice Financing SA, 5.25%, 15/02/23 EMTN	EUR	288,750	0.31
585,000	Cabot Financial Luxembourg SA, 10.375%, 01/10/19	GBP	811,708	0.87
650,000	Cabot Financial Luxembourg SA, 6.5%, 01/04/21	GBP	813,969	0.87
900,000	CNH Industrial Finance Europe SA 2.75% 18/03/2019 EMTN	EUR	917,235	0.98
800,000	Dufry Finance SCA, 4.5%, 01/08/23	EUR	849,600	0.91
860,000	Fiat Chrysler Finance Europe, 4.75%, 22/03/21 EMTN	EUR	932,326	1.00
925,000	Garfunkelux Holdco 3 SA, 8.5%, 01/11/22	GBP	1,217,823	1.30
970,000	Gestamp Funding Luxembourg SA 3.5% 15/05/2023	EUR	998,506	1.07
1,095,000	SIG Combibloc Holdings SCA, 7.75%, 15/02/23	EUR	1,171,650	1.25
1,120,000	Sunrise Communications Holdings SA, 2.125%, 31/03/22	CHF	972,627	1.04
670,000	Wind Acquisition Finance SA 4.125% 15/07/2020	EUR	662,965	0.71
570,000	Wind Acquisition Finance SA, 4%, 15/07/20	EUR	566,438	0.60
920,000	Xefin Lux SCA, 3.75%, 01/06/19 EMTN	EUR	920,000	0.98

**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
<b>Netherlands 11.07% [11.17%]</b>				
580,000	Altice Luxembourg SA, 7.25%, 15/05/22	EUR	590,150	0.63
500,000	Darling Global Finance BV, 4.75%, 30/05/22	EUR	511,210	0.55
1,340,000	Goodyear Dunlop Tires Europe BV 3.75% 15/12/2023	EUR	1,395,637	1.49
1,605,000	Grupo Antolin Dutch BV, 5.125%, 30/06/22	EUR	1,706,356	1.82
1,285,000	Hertz Holdings Netherlands BV, 4.375%, 15/01/19	EUR	1,323,550	1.41
900,000	InterXion Holding NV, 6%, 15/07/20	EUR	945,180	1.01
1,200,000	Schaeffler Finance BV, 3.25%, 15/05/25	EUR	1,234,560	1.32
240,000	TMF Group Holding BV, 5.114%, 01/12/18	EUR	240,960	0.26
555,000	TMF Group Holding BV, 9.875%, 01/12/19	EUR	593,983	0.63
880,000	UPC Holding BV, 6.375%, 15/09/22	EUR	940,280	1.00
450,000	Ziggo Bond Finance BV, 4.625%, 15/01/25	EUR	439,875	0.47
460,000	Ziggo Secured Finance BV, 3.75%, 15/01/25	EUR	453,905	0.48
<b>Spain 3.73% [3.45%]</b>				
965,000	Campofrio Food Group SA, 3.375%, 15/03/22	EUR	991,540	1.06
1,090,000	Ence Energia y Celulosa SA, 5.375%, 01/11/22	EUR	1,142,040	1.22
1,230,000	NH Hotel Group SA, 6.875%, 15/11/19	EUR	1,356,026	1.45
<b>Sweden 1.09% [1.50%]</b>				
1,195,000	TVN Finance Corp III AB, 7.375%, 15/12/20	EUR	1,020,721	1.09
<b>United Kingdom 15.78% [19.18%]</b>				
785,000	Arrow Global Finance Plc, 4.989%, 01/11/21	EUR	793,400	0.85
640,000	Debenhams PLC, 5.25%, 15/07/21	GBP	839,179	0.90
1,090,000	Grainger PLC, 5%, 16/12/20	GBP	1,477,339	1.58
515,000	HSS Financing PLC, 6.75%, 01/08/19	GBP	455,864	0.49
335,000	Ineos Finance PLC, 4%, 01/05/23	EUR	327,385	0.35
1,170,000	Inmarsat Finance PLC, 4.875%, 15/05/22	USD	928,029	0.99
1,170,000	Inovyn Finance PLC 6.25% 15/05/2021	EUR	1,212,413	1.29
845,000	Iron Mountain Europe PLC, 6.125%, 15/09/22	GBP	1,132,957	1.21
265,000	Jaguar Land Rover Automotive PLC, 5%, 15/02/22	GBP	357,031	0.38
1,020,000	Merlin Entertainments PLC, 2.75%, 15/03/22	EUR	1,010,840	1.08
315,000	Stonegate Pub Co Financing PLC, 5.33781%, 15/04/19	GBP	409,018	0.44
1,235,000	Synlab Bondco PLC, 6.25%, 01/07/22	EUR	1,299,838	1.39
720,000	Virgin Media Finance PLC, 6.375%, 15/10/24	GBP	953,644	1.02
865,000	Virgin Media Secured Finance PLC, 5.5%, 15/01/21	GBP	1,200,590	1.28
1,075,000	William Hill PLC, 4.25%, 05/06/20	GBP	1,424,124	1.52
915,000	Worldpay Finance PLC, 3.75%, 15/11/22	EUR	949,313	1.01

**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
<b>United States 15.45% [13.96%]</b>				
1,440,000	Alliance Data Systems Corp, 5.25%, 15/11/23	EUR	1,396,080	1.49
940,000	Ball Corp 3.5% 15/12/2020	EUR	1,012,455	1.08
1,020,000	Belden Inc, 5.5%, 15/04/23 EMTN	EUR	1,041,930	1.11
390,000	Celanese US Holdings LLC, 3.25%, 15/10/19	EUR	409,988	0.44
950,000	Fiat Chrysler Finance North America Inc 5.625% 12/06/2017 EMTN	EUR	990,280	1.06
805,000	Hanesbrands Finance Luxembourg SCA 3.5% 15/06/2024	EUR	819,168	0.88
230,000	Huntsman International LLC, 5.125%, 15/04/21	EUR	236,785	0.25
955,000	IMS Health Inc, 4.125%, 01/04/23	EUR	973,985	1.04
	MPT Operating Partnership LP / MPT Finance Corp, 5.75%, 01/10/20 EMTN	EUR	1,418,975	1.52
1,345,000	Newell Brands Inc 3.75% 01/10/2021	EUR	1,052,935	1.12
1,315,000	Nord Anglia Education Finance LLC, 5.75%, 15/07/22	CHF	1,236,488	1.32
1,160,000	Sealed Air Corp, 4.5%, 15/09/23 EMTN	EUR	1,228,765	1.31
1,230,000	VWR Funding Inc, 4.625%, 15/04/22	EUR	1,233,075	1.32
500,000	XPO Logistics Inc, 5.75%, 15/06/21	EUR	482,857	0.52
900,000	ZF North America Capital Inc, 2.25%, 26/04/19	EUR	923,625	0.99
			<b>90,288,918</b>	<b>96.46</b>
<b>Forward Foreign Currency Contracts (0.07%) [(0.38%)]</b>				
	Bought EUR744,238 for USD840,000 Settlement 27/06/2016		(9,984)	(0.01)
	Bought EUR12,693,706 for GBP9,805,000 Settlement 27/06/2016		(59,303)	(0.06)
	Bought EUR2,168,315 for CHF2,400,000 Settlement 27/06/2016		(2,453)	-
	Bought GBP 535,000 for EUR 692,019 Settlement 27/06/2016		3,833	-
			<b>(67,907)</b>	<b>(0.07)</b>
<b>Portfolio of investment</b>			<b>90,221,011</b>	<b>96.39</b>
Net other assets			3,378,979	3.61
<b>Net assets</b>			<b>93,599,990</b>	<b>100.00</b>

Comparative figures shown above in square brackets relate to 30 November 2015.

Total gross purchases for the six months period amounted to €39,193,029 [2015: €153,594,652].

Total gross sales for the six months period amounted to €69,035,729 [2015: €163,808,307].

**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

**Credit Ratings as at 31 May 2016**

	<b>% of Total Net Assets</b>
<b>Bond Rating</b>	
BBB	1.13
BBB-	4.83
BB+	15.62
BB	19.99
BB-	14.81
B+	13.97
B	15.38
B-	3.78
CCC+	2.76
Non Rated	7.73
<b>Net Assets</b>	<b>100.00</b>

The above information has been supplied by the Investment Manager.

**Statement of Total Return**  
**For the six months ended 31 May 2016 (unaudited)**

	1 December 2015 to 31 May 2016	1 December 2014 to 31 May 2015		
	€	€	€	€
Income				
Net capital gains/(losses)	219,370		236,661	
Revenue	2,403,843	3,311,156		
Expenses	(531,009)	(778,049)		
Finance costs: Interest	(5,645)	(6,586)		
Net revenue before taxation	1,867,189	2,526,521		
Taxation	-	-		
Net revenue after taxation	398,709	2,526,521		
Total return before distributions	2,086,559	2,763,182		
Finance costs: Distributions	(246,706)	168,764		
<b>Change in net assets attributable to Shareholders from investment activities</b>	<b>1,839,853</b>	<b>2,931,946</b>		

**Statement of Change in Net Assets Attributable to Shareholders**  
**For the six months ended 31 May 2016 (unaudited)**

	1 December 2015 to 31 May 2016	1 December 2014 to 31 May 2015		
	€	€	€	€
<b>Opening net assets attributable to Shareholders</b>	125,231,977	136,399,687		
Amounts received on issue of shares	16,282,330	31,495,945		
Less: Amounts paid on cancellations of shares	(49,754,170)	(27,627,090)		
	(33,471,840)	3,868,855		
Changes in net assets attributable to Shareholders from investment activities (see above)	1,839,853	2,931,946		
<b>Closing net assets attributable to Shareholders</b>	<b>93,599,990</b>	<b>143,200,488</b>		

**Balance Sheet**  
**As at 31 May 2016 (unaudited)**

	31 May 2016	30 November 2015
	€	€
<b>Assets</b>		
Investment assets	90,292,751	121,557,543
Debtors	2,011,450	5,180,634
Cash and bank balances	4,054,496	7,182,615
Total other assets	6,065,946	12,363,249
Total assets	96,358,697	133,920,792
<b>Liabilities</b>		
Investment liabilities	(71,740)	(478,685)
Creditors	(2,686,967)	(440,142)
Distribution payable	-	(7,769,988)
Total other liabilities	(2,686,967)	(8,210,130)
Total liabilities	(2,758,707)	(8,688,815)
<b>Net assets attributable to shareholders</b>	<b>93,599,990</b>	<b>125,231,977</b>



**Notes to the Financial Statements**  
**For the six months ended 31 May 2016 (unaudited)**

**Accounting Basis, Policies and Valuation of Investment**

**(a) Basis of accounting**

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ("SORP") for Financial Statements of Authorised Funds issued by the Investment Association (formerly the Investment Management Association) in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 November 2015 and are described in those Financial Statements. In this regard, comparative figures from previous periods are prepared to the same standards as the current period, unless otherwise stated.

As described in the Certification of Financial Statements by Directors of the ACD on page 4, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

**(b) Basis of valuation of investments**

Listed investments are valued at close of business bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting period.

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

The fair value of derivative instruments is marked to market value. The forward currency contracts are valued at the prevailing forward exchange rates.

**Investment Manager's Report**  
**For the six months ended 31 May 2016 (unaudited)**

**Investment Objectives and Policy**

The Fund's investment objective is to achieve primarily a high level of income and in addition capital appreciation through investment in a broad range of securities, including those listed on the eligible markets as listed in Appendix 1 and such securities that are not "approved securities" to the extent permitted by the FCA Rules.

To invest, in accordance with the FCA Rules, primarily in European high yield securities, but also to invest in countries outside Europe where the Investment Manager deems there to be appropriate opportunities, in each case where the issuer of such securities is incorporated in, or is a government or public body of, a member country of the OECD, as such list may be amended from time to time.

The investments will predominantly be a wide range of fixed income securities which will also include for example lower quality corporate and sovereign debt securities and convertible bonds.

The fund may invest up to 20% of NAV in securities that are not rated by a credit rating agency. Where securities are rated by either Standard & Poor's (S&P), Fitch Ratings or Moody's credit rating agencies, the Fund may invest in securities that are rated CCC- (S&P), CCC (Fitch) or Caa3 (Moody's) or above at the time of purchase.

The Fund may invest in other securities consistent with its investment objectives as determined by the Investment Manager and in accordance with the FCA Rules.

Subject to the investment and borrowing powers in Appendix 3, the Fund will limit its holdings to 6% of net asset value in a single issuer and 20% of net asset value in aggregate in issuers of a single industry sector. The Fund will limit its holdings to 10% of net asset value in issuers of a single domicile country, except where the issuer domicile is a G7 country (Canada, France, Germany, Italy, Japan, the United Kingdom or the United States), the Netherlands or Luxembourg, in which case there is no limit.

The Fund will invest in derivatives to manage its portfolio efficiently, generate additional income and hedge risks related to its underlying investments in accordance with the FCA Rules. These risks include but are not limited to market risk, interest rate risk, currency risk and credit risk.

**Investment Review**

Having positioned with lower exposure to commodity related sectors by the end of the November fiscal year 2015, the Fund continued to reduce exposure by exiting Oil & Gas-related issuers Hornbeck Offshore and California Resources. With commodity prices declining further in early 2016, the fund added exposure to consumer-related sectors that could benefit from lower costs and increased demand, with additions of issuers Gestamp (auto parts supplier) and LeasePlan (auto-fleet management solutions). With the European Central Bank bond purchase program continuing to push government bond yields ever lower, and with the announcement that it would begin corporate bond purchases in June, longer maturity bonds in select higher credit rated bonds performed well. The Fund took the opportunity to switch into lower maturity bonds of Telecom Italia, Chrysler Fiat, CNH Industrial and Wind Telecomunicazioni and reduce duration exposure. Overall, the focus was to find opportunities to lower volatility without giving up a disproportionate amount of income.

**Investment Manager's Report (continued)**  
**For the six months ended 31 May 2016 (unaudited)**

**Performance of the Fund**

The net asset value per share of the FP Shenkman Hansa High Yield as of 31<sup>st</sup> May 2016 was EUR 103.01, which represents a total net return of 1.95% for the six-month period on a dividend reinvested basis. During the same period, the BofA Merrill Lynch European Currency Non-Financial High Yield 3% Constrained Index (HPID) (euro hedged) rose by 2.18% and the BofA Merrill Lynch European Currency High Yield Constrained Index (HPC0) (euro hedged and including financial issuers) rose by 1.71%.

Please find performance for the FP Shenkman Hansa High Yield Europe Fund for the six-month period ending 31<sup>st</sup> May 2016:

	<b>Gross MTD</b>	<b>Net MTD</b>
31-Dec-15	-0.70%	-0.80%
31-Jan-16	-1.44%	-1.54%
29-Feb-16	-0.36%	-0.45%
31-Mar-16	3.25%	3.15%
30-Apr-16	1.30%	1.20%
31-May-16	0.54%	0.45%

**Market Overview**

After a difficult start to the first half of the fiscal year, the market rallied strongly in March/April to squeeze out a positive total return. Early on the market was impacted by weak US high yield year-end technicals such as reduced liquidity, fund unwinds and ETF selling, as well as rising fears of defaults emanating from the Energy & Commodity complex. As oil prices stabilized and rallied in the last week of January, commodity and emerging market-sensitive high yield bond prices corrected significantly upwards. The trend in rising commodity prices persisted through March and April, while oil prices continued to rally through May, briefly touching \$50.0 per barrel.

As such, among the best returning bonds were Energy and commodity-price sensitive issuers. The European high yield market rally came to a pause in May, as investors digested earnings releases and contemplated political risks in the form of the June UK referendum on EU membership ("Brexit"). While oil prices continued to rise, lending support to the Energy sector, metals prices tended to decline, taking some of the steam out of the recent rally in commodity-related bonds. The European economy was resilient, despite concerns about a global slowdown. Inflation data remained subdued, reinforcing the prospect of slow growth and the "lower for longer" interest rate environment. Inflation readings continued to highlight the lack of price pressures in the economy and that the European Central Bank is likely to miss its target of 2% by a significant margin, increasing the likelihood of continued stimuli. The European Central Bank eased once again by lowering key rates and extending the asset purchase program through March 2017 and expanding the range of assets it can purchase.

**Investment Manager's Report (continued)**  
**For the six months ended 31 May 2016 (unaudited)**

**Outlook**

We continue to see good longer term strategic value in European high yield relative to government bonds, where yields on average are struggling to stay above zero in the face of ECB action. In the near term, global markets continue to face mixed signals, be they divergent central bank policies, the recent sharp rally in commodity prices, weakening corporate profit trends or complicated political developments. Nevertheless, economic growth in the US should improve off of anaemic first quarter levels as the year progresses, while defaults are likely to remain largely confined to the commodity sectors. A possible 25 basis point hike in interest rates by the Fed is unlikely to have a meaningful impact on high yield given its relatively low duration and high coupon. In Europe, central bank policy and corporate results trends have been positive factors for high yield. We do expect volatility to remain a factor, perhaps not the least due to uncertainty surrounding the Brexit vote and US elections. As such, we continue to focus on credit picking and avoiding reaching for yield at the expense of quality.

**Shenkman Capital Management, Inc.**  
**27 July 2016**

### Net Asset Value per Share and Comparative Table As at 31 May 2016 (unaudited)

#### Net Asset Value

Date	Net Asset Value Of Share Class (€)	Shares in Issue	Net Asset Value per Share <sup>1</sup>	Percentage Change (%)
A (Inc) (Euro)				
30/11/15	28,350,728	267,252	106.08	(4.41)
31/05/16	27,498,768	266,952	103.01	(2.89)

<sup>1</sup> Net Asset Value per share has been calculated using the net asset value before distribution

### Performance Information As at 31 May 2016 (unaudited)

#### Ongoing Charge Figures\*

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Total ongoing charge Figures** (%)
31/05/16				
Share Class A (Inc) (Euro)	0.75	0.41	-	1.16
30/11/15				
Share Class A (Inc) (Euro)	0.75	0.67	-	1.42

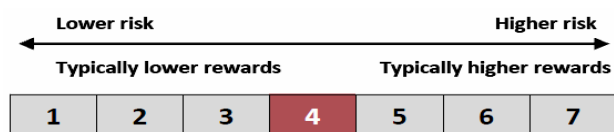
\* The above Ongoing Charges calculations exclude transaction costs.

\*\* Calculated on an annualised basis

The Ongoing Charge Figure ("OCF") is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

### As at 31 May 2016 (unaudited)



This is for all Share Classes

- The indicator above is not a measure of the risk of capital loss, but an estimated measure of the Fund's price movement over time. It is based on historical data, and thus may not be a reliable indication for the future.
- The Fund is classified in the category above due to the nature of the investments which include the risks noted below.
- The indicated risk category is not guaranteed and may shift over time.
- The indicator is designed to help investors understand the uncertainties both for loss and for growth that may affect their investment. In this context, the lowest category does not mean 'risk free.'
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

### In addition to the risk captured by the indicator, the overall Fund value may be considerably affected by:

- **Credit Risk:** Investing in debt securities offers you the chance to gain returns through growing your investment and generating income. However, there is a risk that the institution which issued the debt security will fail, which would result in a loss of income to the Fund, along with its initial investment. Fixed income values are likely to fall if interest rates rise.
- **Distressed or Below Investment Grade Securities Risk:** Investing in below investment grade securities increases the risk that the Fund may lose a portion or all of its investment and may cause the Fund to incur higher expenses trying to protect its interest in such investments.
- **Liquidity Risk:** Below investment grade debt securities may offer less liquidity than investment grade securities because there are insufficient buyers and sellers to allow the Fund to sell or buy investments readily.
- **Derivatives Risk:** You should note that returns which are derived from derivatives may be more volatile than returns derived from the asset underlying the derivatives. Certain derivatives may result in gains or losses that are greater than the original amount invested.
- **Currency Risk:** Changes in exchange rates may cause the value of investments to decrease or increase.

### 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.

**Portfolio Statement**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
	<b>Bonds 96.48% [96.64%]</b>			
	<b>Belgium 1.90% [1.54%]</b>			
490,000	Ontex Group NV, 4.75%, 15/11/21	EUR	522,340	1.90
	<b>Canada 0.25% [1.28%]</b>			
70,000	Bombardier Inc, 6.125%, 15/05/21 EMTN	EUR	68,950	0.25
	<b>Czech Republic 1.71% [1.38%]</b>			
455,000	RPG Byty Sro, 6.75%, 01/05/20	EUR	470,893	1.71
	<b>France 14.77% [11.97%]</b>			
275,000	BiSoho SAS 5.875% 01/05/2023	EUR	282,603	1.03
135,000	Crown European Holdings SA, 3.375%, 15/05/25	EUR	136,310	0.50
600,000	Elis SA, 3%, 30/04/22	EUR	608,249	2.21
100,000	Faurecia 3.625% 15/06/2023	EUR	102,319	0.37
215,000	Faurecia, 3.125%, 15/06/22	EUR	218,052	0.79
420,000	Loxam SAS 4.875% 23/07/2021	EUR	442,050	1.61
415,000	Novacap International SAS, 4.749%, 01/05/19 EMTN	EUR	414,628	1.51
165,000	Numericable-SFR SA, 5.375%, 15/05/22	EUR	171,262	0.62
275,000	Paprec Holding, 5.25%, 01/04/22	EUR	276,375	1.01
175,000	Rexel SA 3.5% 15/06/2023	EUR	178,500	0.65
185,000	Rexel SA, 3.25%, 15/06/22	EUR	188,006	0.68
390,000	SGD Group SAS, 5.625%, 15/05/19	EUR	401,700	1.46
230,000	SMCP SAS, 8.875%, 15/06/20	EUR	240,992	0.88
305,000	SPCM SA, 2.875%, 15/06/23	EUR	297,223	1.08
100,000	WFS Global Holding SAS 9.5% 15/07/2022	EUR	103,000	0.37
	<b>Germany 8.60% [7.87%]</b>			
335,000	Douglas GmbH, 6.25%, 15/07/22	EUR	363,894	1.32
185,000	ProGroup AG, 5.125%, 01/05/22	EUR	196,581	0.71
360,000	Techem Energy Metering Service GmbH & Co KG, 7.875%, 01/10/20 EMTN	EUR	381,600	1.39
495,000	Unitymedia Hessen GmbH & Co KG / Unitymedia NRW GmbH, 6.25%, 15/01/29	EUR	558,112	2.03
345,000	WEPA Hygieneprodukte GmbH 3.75% 15/05/2024	EUR	346,725	1.26
495,000	WEPA Hygieneprodukte GmbH, 6.5%, 15/05/20 EMTN	EUR	519,750	1.89

**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
<b>Ireland 4.59% [4.00%]</b>				
110,000	Ardagh Packaging Finance PLC / Ardagh Holdings USA Inc 4.125% 15/05/2023	EUR	111,788	0.41
415,000	Ardagh Packaging Finance PLC / Ardagh Holdings USA Inc, 4.25%, 15/01/22	EUR	422,781	1.54
555,000	Europcar Groupe SA, 5.75%, 15/06/22	EUR	585,258	2.13
140,000	Smurfit Kappa Acquisitions, 2.75%, 01/02/25	EUR	141,015	0.51
<b>Italy 3.19% [4.34%]</b>				
290,000	Guala Closures SpA, 5.117%, 15/11/19 EMTN	EUR	290,653	1.06
125,000	Leonardo-Finmeccanica SpA, 4.875%, 24/03/25 EMTN	EUR	146,723	0.53
150,000	Telecom Italia SpA 3.625% 19/01/2024 EMTN	EUR	158,397	0.58
260,000	Telecom Italia SpA 4.75% 25/05/2018 EMTN	EUR	281,342	1.02
<b>Japan Nil% [1.13%]</b>				
<b>Jersey 3.01% [Nil%]</b>				
490,000	Lincoln Finance Ltd 6.875% 15/04/2021	EUR	530,915	1.93
220,000	TVL Finance PLC 8.5% 15/05/2023	GBP	295,687	1.08
<b>Luxembourg 10.57% [13.57%]</b>				
100,000	Altice Financing SA, 5.25%, 15/02/23 EMTN	EUR	103,125	0.38
185,000	Cabot Financial Luxembourg SA, 10.375%, 01/10/19	GBP	256,694	0.93
125,000	Cabot Financial Luxembourg SA, 6.5%, 01/04/21	GBP	156,533	0.57
215,000	CNH Industrial Finance Europe SA 2.75% 18/03/2019 EMTN	EUR	219,117	0.80
255,000	Dufry Finance SCA, 4.5%, 01/08/23	EUR	270,810	0.98
250,000	Fiat Chrysler Finance Europe, 4.75%, 22/03/21 EMTN	EUR	271,025	0.99
320,000	Garfunkelux Holdco 3 SA, 8.5%, 01/11/22	GBP	421,301	1.53
275,000	Gestamp Funding Luxembourg SA 3.5% 15/05/2023	EUR	283,082	1.03
320,000	Sunrise Communications Holdings SA, 2.125%, 31/03/22	CHF	277,893	1.01
190,000	Wind Acquisition Finance SA 4.125% 15/07/2020	EUR	188,005	0.68
165,000	Wind Acquisition Finance SA, 4%, 15/07/20	EUR	163,969	0.60
295,000	Xefin Lux SCA, 3.75%, 01/06/19 EMTN	EUR	295,000	1.07
<b>Netherlands 11.08% [10.55%]</b>				
135,000	Altice Luxembourg SA, 7.25%, 15/05/22	EUR	137,363	0.50
150,000	Darling Global Finance BV, 4.75%, 30/05/22	EUR	153,363	0.56
410,000	Goodyear Dunlop Tires Europe BV 3.75% 15/12/2023	EUR	427,023	1.55
515,000	Grupo Antolin Dutch BV, 5.125%, 30/06/22	EUR	547,521	1.99
380,000	Hertz Holdings Netherlands BV, 4.375%, 15/01/19	EUR	391,400	1.42
300,000	InterXion Holding NV, 6%, 15/07/20	EUR	315,060	1.15
385,000	Schaeffler Finance BV, 3.25%, 15/05/25	EUR	396,088	1.44
145,000	TMF Group Holding BV, 5.114%, 01/12/18	EUR	145,580	0.53
255,000	UPC Holding BV, 6.375%, 15/09/22	EUR	272,468	0.99
115,000	Ziggo Bond Finance BV, 4.625%, 15/01/25	EUR	112,413	0.41
150,000	Ziggo Secured Finance BV, 3.75%, 15/01/25	EUR	148,013	0.54



**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments		Bid-Market Valuation €	% of Total Net Assets
	<b>Spain 3.96% [3.55%]</b>			
280,000	Campofrio Food Group SA, 3.375%, 15/03/22	EUR	287,701	1.05
365,000	Ence Energia y Celulosa SA, 5.375%, 01/11/22	EUR	382,426	1.39
380,000	NH Hotel Group SA, 6.875%, 15/11/19	EUR	418,935	1.52
	<b>Sweden 0.93% [0.96%]</b>			
300,000	TVN Finance Corp III AB, 7.375%, 15/12/20	EUR	256,248	0.93
	<b>United Kingdom 15.96% [20.40%]</b>			
180,000	Arrow Global Finance Plc, 4.989%, 01/11/21	EUR	181,926	0.66
165,000	Debenhams PLC, 5.25%, 15/07/21	GBP	216,351	0.79
350,000	Grainger PLC, 5%, 16/12/20	GBP	474,375	1.73
155,000	HSS Financing PLC, 6.75%, 01/08/19	GBP	137,202	0.50
100,000	Ineos Finance PLC, 4%, 01/05/23	EUR	97,727	0.36
290,000	Inmarsat Finance PLC, 4.875%, 15/05/22	USD	230,024	0.84
330,000	Inovyn Finance PLC 6.25% 15/05/2021	EUR	341,963	1.24
255,000	Iron Mountain Europe PLC, 6.125%, 15/09/22	GBP	341,898	1.24
200,000	Jaguar Land Rover Automotive PLC, 5%, 15/02/22	GBP	269,457	0.98
270,000	Merlin Entertainments PLC, 2.75%, 15/03/22	EUR	267,575	0.97
105,000	Stonegate Pub Co Financing PLC, 5.33781%, 15/04/19	GBP	136,340	0.50
360,000	Synlab Bondco PLC, 6.25%, 01/07/22	EUR	378,900	1.38
200,000	Virgin Media Finance PLC, 6.375%, 15/10/24	GBP	264,901	0.96
255,000	Virgin Media Secured Finance PLC, 5.5%, 15/01/21	GBP	353,931	1.29
320,000	William Hill PLC, 4.25%, 05/06/20	GBP	423,925	1.54
260,000	Worldpay Finance PLC, 3.75%, 15/11/22	EUR	269,750	0.98
	<b>United States 15.96% [14.10%]</b>			
460,000	Alliance Data Systems Corp, 5.25%, 15/11/23	EUR	445,970	1.62
305,000	Ball Corp 3.5% 15/12/2020	EUR	328,509	1.19
290,000	Belden Inc, 5.5%, 15/04/23 EMTN	EUR	296,235	1.08
100,000	Celanese US Holdings LLC, 3.25%, 15/10/19	EUR	105,125	0.38
250,000	Fiat Chrysler Finance North America Inc 5.625% 12/06/2017 EMTN	EUR	260,600	0.95
230,000	Hanesbrands Finance Luxembourg SCA 3.5% 15/06/2024	EUR	234,048	0.85
100,000	Huntsman International LLC, 5.125%, 15/04/21	EUR	102,950	0.37
305,000	IMS Health Inc, 4.125%, 01/04/23	EUR	311,063	1.13
400,000	MPT Operating Partnership LP / MPT Finance Corp, 5.75%, 01/10/20 EMTN	EUR	422,000	1.53
290,000	Newell Brands Inc 3.75% 01/10/2021	EUR	314,795	1.14
440,000	Nord Anglia Education Finance LLC, 5.75%, 15/07/22	CHF	413,730	1.50
335,000	Sealed Air Corp, 4.5%, 15/09/23 EMTN	EUR	354,859	1.29
350,000	VWR Funding Inc, 4.625%, 15/04/22	EUR	350,875	1.28
150,000	XPO Logistics Inc, 5.75%, 15/06/21	EUR	144,857	0.53
300,000	ZF North America Capital Inc, 2.25%, 26/04/19	EUR	307,875	1.12
			<b>26,532,565</b>	<b>96.48</b>

**Portfolio Statement (continued)**  
**As at 31 May 2016 (unaudited)**

Holdings or Nominal Value	Investments	Bid-Market Valuation €	% of Total Net Assets
	<b>Forward Foreign Currency Contracts (0.07%) [(0.38%)]</b>		
	Bought EUR177,199 for USD 200,000 Settlement 27/06/2016	(2,377)	(0.01)
	Bought EUR641,460 for CHF710,000 Settlement 27/06/2016	(726)	-
	Bought EUR3,715,547 for GBP2,870,000 Settlement 27/06/2016	(17,359)	(0.06)
		<b>(20,461)</b>	<b>(0.07)</b>
	<b>Portfolio of investment</b>	<b>26,512,104</b>	<b>96.41</b>
	Net other assets	986,664	3.59
	<b>Net assets</b>	<b>27,498,768</b>	<b>100.00</b>

Comparative figures shown above in square brackets relate to 30 November 2015.

Total gross purchases for the six months period amounted to €12,213,584 [2015: €32,784,306].

Total gross sales for the six months period amounted to €11,483,089 [2015: €34,085,685].

**Credit Ratings as at 31 May 2016**

	% of Total Net Assets
<b>Bond Rating</b>	
BBB	0.97
BBB-	4.96
BB+	15.33
BB	21.27
BB-	15.28
B+	15.32
B	16.28
B-	2.75
Non Rated	7.84
<b>Net Assets</b>	<b>100.00</b>

The above information has been supplied by the Investment Manager.

**Statement of Total Return**  
**For the six months ended 31 May 2016 (unaudited)**

	1 December 2015 to 31 May 2016	1 December 2014 to 31 May 2015	
	€	€	€
Income			
Net capital gains/(losses)	145,088		9,821
Revenue	568,554	673,572	
Expenses	(153,604)	(167,474)	
Finance costs: Interest	(1,643)	(789)	
Net revenue before taxation	413,307	505,309	
Taxation	-	-	
Net revenue after taxation	413,307	505,309	
Total return before distributions	558,395	515,130	
Finance costs: Distributions	501	(3,738)	
<b>Change in net assets attributable to Shareholders from investment activities</b>	<b>558,896</b>	<b>511,392</b>	

**Statement of Change in Net Assets Attributable to Shareholders**  
**For the six months ended 31 May 2016 (unaudited)**

	1 December 2015 to 31 May 2016	1 December 2014 to 31 May 2015	
	€	€	€
<b>Opening net assets attributable to Shareholders</b>	26,991,433	28,300,950	
Amounts received on issue of shares	1,604,992		
Less: Amounts paid on cancellations of shares	(1,656,553)	(125,130)	
	(51,561)	(125,130)	
Changes in net assets attributable to Shareholders from investment activities (see above)	558,896	511,392	
<b>Closing net assets attributable to Shareholders</b>	<b>27,498,768</b>	<b>28,687,212</b>	

**Balance Sheet**  
**As at 31 May 2016 (unaudited)**

	31 May 2016		30 November 2015	
	€	€	€	€
<b>Assets</b>				
Investment assets		26,532,565		26,089,093
Debtors	542,093		351,059	
Cash and bank balances	705,223		2,075,744	
Total other assets		1,247,316		2,426,803
Total assets		27,779,881		28,515,896
<b>Liabilities</b>				
Investment liabilities		(20,461)		(105,908)
Creditors	(260,652)		(59,260)	
Distribution payable			(1,359,295)	
Total other liabilities		(260,652)		(1,418,555)
Total liabilities		(281,113)		(1,524,463)
<b>Net assets attributable to shareholders</b>		<b>27,498,768</b>		<b>26,991,433</b>

**Notes to the Financial Statements**  
**For the six months ended 31 May 2016 (unaudited)**

**Accounting Basis, Policies and Valuation of Investment**

**(c) Basis of accounting**

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ("SORP") for Financial Statements of Authorised Funds issued by the Investment Association (formerly the Investment Management Association) in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 November 2015 and are described in those financial statements. In this regard, comparative figures from previous periods are prepared to the same standards as the current period, unless otherwise stated.

As described in the Certification of financial statements by Directors of the ACD on page 4, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

**(d) Basis of valuation of investments**

Listed investments are valued at close of business bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting period.

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

The fair value of derivative instruments is marked to market value. The forward currency contracts are valued at the prevailing forward exchange rates.

## General Information

### Constitution – Authorised Status

FP Shenkman Credit Funds ICVC (the “Company”) is an open-ended investment company with variable capital incorporated with limited liability, registered in England and Wales under number IC000031. The Company was authorised by an order made by the Financial Conduct Authority (“FCA”) with effect from 20 May 1999. The Company is structured as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) Scheme for the purposes of the FCA Rules. The shareholders of the Company are not liable for the debts of the Company. The base currency for the Company is the Euro.

The Scheme Property is normally valued on a mid-market basis each dealing day, and the price is published in the Handelsblatt newspaper in Germany and is available via a link at the ACD’s website at [www.fundpartners.co.uk](http://www.fundpartners.co.uk).

### Authorised Corporate Directors (the “ACD”) Annual Charges

The ACD annual charges are as follows:

#### *Funds*

FP Shenkman High Yield Europe Plus Fund

A (Inc) (Euro): 0.75%

A (Acc) (Euro): 0.75%

B (Inc) (Euro): 1.50%

FP Shenkman Hansa High Yield Fund

A (Inc) (Euro): 0.75%

All income in the A (Inc) (Euro) class and the B (Inc) (Euro) class of FP Shenkman High Yield Europe Plus Fund and the A (Inc) (Euro) class for FP Shenkman Hansa High Yield Fund will be distributed after charging expenses in accordance with the Prospectus and the FCA Rules.

### Share Prices

The price quoted for the Funds are determined by reference to the underlying market value of the net assets of the Company at the valuation point.

The Funds are valued at 16.00 Eastern Standard Time each dealing day (a day on which clearing banks and stock exchanges are open for business during normal trading hours in each of London, Dublin and Frankfurt) for the purpose of determining the share price.

A link to the prices of Shares for each class in each Fund can be found at [www.fundpartners.co.uk](http://www.fundpartners.co.uk).

### Dealing in Shares

Contract notes are issued for all subscriptions and redemptions of shares and will be despatched after the next valuation point following receipt of application. The cut-off time is 12.00 midday (UK time) on a dealing day. Orders for a subscription, redemption or conversion received after the cut-off time will be valued as at the valuation point on the next dealing day.

The shares of the Company are non-certificated.

## General Information (continued)

### Dealing in Shares (continued)

Shares may be sold back to the ACD on any dealing day at the price applicable at the valuation point following receipt of instructions.

### General Risks

Past performance is no guide to the future. The value of shares, and any income from them, can fluctuate and therefore may go down as well as up, particularly in the short term, meaning that an investment may not be returned in full.

The tax treatment of the Funds may change and such changes cannot be foreseen

### Taxation

#### *UK Residents*

#### Interest Distribution

The Funds' interest distributions, being the amounts paid out to Shareholders, are allowed as deductions against the Funds' taxable profits for the period. As all such income is paid out, there should be no charge to tax within the Funds in respect of that income.

At present only Gross Paying Shares are available. Therefore, it is not expected that such withholdings or deductions from interest distributions will be necessary in the ordinary course by the Funds.

#### Capital gains

There is no tax on capital gains within the Funds. Gains realised on disposal of shares by shareholders who are UK resident for taxation purposes may be liable to capital gains tax.

All taxation information in this report is based on current legislation and may be subject to change.

#### *Non-UK Residents*

Shareholders resident outside the UK receiving interest distributions will be treated as having received yearly interest from a UK resident company. The Company is obliged to withhold tax from any interest distribution it makes and to account for this to HM Revenue & Customs unless an exemption is available.

Non-UK resident shareholders who are individuals may make a declaration that they are not ordinarily resident in the UK. The Company can pay a proportion of any interest distribution gross to any such shareholder who makes a valid declaration, or to a company which is a "reputable financial intermediary" (as defined in Regulation 27 of the Authorised Investment Funds (Tax) Rules SI 2006/964) which the Company believes to be acting for a shareholder who is not ordinarily resident in the UK. Non-UK resident shareholders may, depending on their circumstances, make a claim for repayment in respect of any withholding made by the Company on any interest distribution under the provisions of any relevant double tax treaty.

## General Information (continued)

### Reports and Prospectus

The annual report of the Company will normally be published within two months of each annual accounting period, although the ACD reserves the right to publish the annual report at a later date but not later than four months from the end of each annual accounting period and the interim report will be published within two months of each interim accounting period.

Interim accounts period ended 31 May

Annual accounts period ended 30 November

Distribution Payment Dates

Interim N/A

Annual 31 January

Copies of long reports, if requested, may be obtained from, or inspected at, the ACD's offices at Cedar House, 3 Cedar Park, Cobham Road, Wimborne, Dorset, United Kingdom, BH21 7SB and in Germany at Marcard, Stein & Co. AG, Ballindamm 36, D-20095 Hamburg, Germany.

Shareholders will be sent a short report in respect of the Company, within four months after the end of the annual accounting period and within two months after the end of the interim accounting period.



## Contact Information

### **The Company and Head Office**

FD Shenkman Credit Funds ICVC  
Cedar House, 3 Cedar Park,  
Cobham Road,  
Wimborne  
Dorset, BH21 7SB  
Incorporated in England and Wales under  
registration number IC000031  
Website address: [www.fundpartners.co.uk](http://www.fundpartners.co.uk)  
(Authorised and regulated by the FCA)

### **Directors of the ACD**

Vincent Hoare  
Peter Legg  
Kevin Lavery  
James Gardner  
Leanne Issacs (Appointed 04 May 2016)

### **Non executive Director**

Paul Wilcox

### **Depository**

National Westminster Bank plc  
135 Bishopsgate  
London, EC2M 3UR  
(Authorised and regulated by the FCA)

### **Administrator and Registrar**

RBC Investor Services Ireland Limited  
4<sup>th</sup> Floor, One George's Quay Plaza  
George's Quay  
Dublin 2, Ireland  
Telephone: 00353 1 440 6555

### **Paying and Information Agent in Germany**

Marcard, Stein & Co AG  
Ballindamm 36  
D-20095, Hamburg  
Germany

### **Authorised Corporate Director**

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**

Peter Legg

### **Investment Manager**

Shenkman Capital Management, Inc.  
461 Fifth Avenue, 22<sup>nd</sup> Floor  
New York, New York 10017  
United States of America

Registered with the U.S Securities and Exchange  
Commission

### **Custodian**

RBC Investor Services Trust, UK Branch  
Riverbank House – 2 Swan Lane  
London EC4R 3AF

### **Independent Auditor**

RSM UK Audit LLP  
(previously Baker Tilly UK Audit LLP)  
25 Farrington Street  
London EC4A 4AB

