FP Tellsons Endeavour Fund

Short Report for the year ended 31 March 2016

Investment Objective and Policy

The investment objective of the Fund is to seek to achieve long-term capital growth with less of the volatility of equities.

The Investment Manager aims to achieve the Fund's objective by investing predominantly in a diverse global allocation of direct investment in equities and corporate bonds. The Fund may also invest in other transferable securities, warrants, cash, near cash, deposits and money market instruments.

Subject to the requirements of the Regulations, this Investment Policy and the general investment and borrowing restrictions set out in the Prospectus, there will be no restrictions on the underlying content of the investments held, in terms of investment type, geographical or economic sector, meaning that the Investment Manager has the absolute discretion to weight the portfolio towards any permitted investment type or sector at any time.

The use of derivatives is permitted by the Fund for efficient portfolio management purposes (including hedging), and borrowing will be permitted under the terms of the Regulations, but any borrowing will not be used for gearing or to create leverage within the Fund even on a temporary basis. On giving 60 days' notice to Shareholders, the Fund may, in addition to its other investments powers, use derivatives and forward transaction for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

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

Fund Facts

Interim/Annual Accounting End Dates	Ex-dividend (xd) Dates	Income Distribution/ Accumulation Dates
30 September	01 October	30 November
31 March	01 April	31 July

Risk Profile

Please refer to the Full Prospectus for details of all the risks. The Fund has exposure to credit, counterparty and usual market risks. Past performance is not a guide to future performance. The value of investments and any income from them may go down as well as up. Exchange rate changes may cause the value of any overseas investments to rise or fall. You should always regard investments in the Fund as medium to long term.

Charges

Share Class	Initial Charge	Annual Management Charge as at 31/03/16	Ongoing Charge Figure (Excluding performance fee) as at 31/03/16	Performance Fee* as at 31/03/16	Ongoing Charge Figure (excluding performance fee) as at 31/03/15	Performance Fee* as at 31/03/15
Share Class IF	0.00%	0.75%	1.11%	N/A	1.06%	N/A
Share Class PF	0.00%	0.00%	0.36%	0.00%	0.31%	0.63%
Share Class RF	0.00%	1.00%	1.36%	N/A	1.31%	N/A
Share Class SP[1]	0.00%	0.40%	0.76%	N/A	N/A	N/A

[1] Share Class SP Institutional Accumulation was launched on 27 January 2014. However, the first dealing was on 22 October 2015.

* Performance fee is applied on Share Class PF under certain conditions.

Performance fee - 20% of any returns the Fund achieves above the performance of a composite benchmark consisting of 50% UK CPI (rolling 5-year average)/50% UK 5-year and less Gilt Index, accrued daily and paid quarterly in arrears. Please see Prospectus for more details.

The Performance Fee will be calculated and accrued daily but will only become payable annually in arrears in respect of each discrete period of twelve months ending on 31 March in each year (the 'Annual Calculation Period'). The Performance Fee will accrue daily as if each day were the end of an Annual Calculation Period.

Distributions/Accumulations

	Distribution payable 31/07/16	Distribution paid 31/07/15	Distribution paid 30/11/15	Distribution paid 30/11/14
Share Class IF Institutional Accumulation	0.6576	0.8479	1.0895	1.1835
Share Class IF Institutional Income	0.0000	0.8398	0.0000	1.2126
Share Class PF Retail Accumulation	1.0407	0.8328	1.4700	1.4643
Share Class RF Retail Accumulation	0.5300	0.7113	0.9588	1.0201
Share Class RF Retail Income	0.5156	0.7035	0.9419	1.0256
Share Class SP Institutional Accumulation [1]	0.0000	N/A	N/A	N/A

[1] Share Class SP Institutional Accumulation was launched on 27 January 2014. However, the first dealing was on 22 October 2015.

Comparative Tables

Performance Record

Change in net assets per Share	IF Institutional Accumulation 31/03/16 (p)	IF Institutional Accumulation 31/03/15 (p)	IF Institutional Income 31/03/16 (p)	IF Institutional Income 31/03/15 (p)
Opening net asset value per Share	104.16	100.00	102.15	100.00
Return before operating charges*	(3.10)	5.24	(3.03)	4.07
Operating charges	(1.12)	(1.08)	(1.10)	(1.08)
Return after operating charges*	(4.22)	4.16	(4.13)	2.99
Distributions on income Shares	-	-	0.00	(0.84)
Closing net asset value per Share	99.94	104.16	98.02	102.15
Retained distributions on accumulation Shares	0.66	0.85	-	-
* after direct transaction costs of:	0.22	0.32	0.22	0.32
Performance				
Return after operating charges	(4.05%)	4.16%	(4.04%)	2.99%
Other information				
Closing net asset value	1,060,343	1,132,652	3,463	46,072
Closing number of Shares	1,060,941	1,087,452	3,533	45,101
Operating charges	1.11%	1.06%	1.11%	1.06%
Direct transaction costs	0.22%	0.32%	0.22%	0.32%
Prices				
Highest Share price	105.96	105.77	103.93	104.58
Lowest Share price	94.56	99.75	92.74	99.77

nge in net assets per Share	PF Retail Accumulation 31/03/16 (p)	PF Retail Accumulation 31/03/15 (p)	RF Retail Accumulation 31/03/16 (p)	RF Retail Accumulation 31/03/15 (p)
Opening net asset value per Share	104.41	100.00	103.85	100.00
Return before operating charges*	(3.11)	4.73	(3.10)	5.19
Operating Charges	(0.37)	(0.32)	(1.37)	(1.34)
Return after operating charges*	(3.48)	4.41	(4.47)	3.85
Closing net asset value per Share	100.93	104.41	99.38	103.85
Retained distributions on accumulation Shares	1.04	0.83	0.53	0.71
* after direct transaction costs of:	0.22	0.32	0.22	0.32
Performance				
Return after operating charges	(3.33%)	4.41%	(4.30%)	3.85%
Other information				
Closing net asset value	98,961	115,540	22,277,779	23,276,550
Closing number of Shares	98,054	110,658	22,417,375	22,412,673
Operating charges (excluding Performance fee)	0.36%	0.31%	1.36%	1.31%
Performance fee	0.00%	0.63%	n/a	n/a
Direct transaction costs	0.22%	0.32%	0.22%	0.32%
Prices				
Highest Share price	106.03	105.67	105.64	105.51
Lowest Share price	95.40	99.90	94.06	99.62

Comparative Tables (continued)

Performance Record

Change in net assets per Share	31/03/16 (p)	RF Retail Income 31/03/15 (p)	SP Institutional Accumulation 31/03/16 (p)
Opening net asset value per Share	102.10	100.00	100.00
Return before operating charges*	(4.03)	4.13	0.60
Operating Charges	(1.34)	(1.33)	(0.75)
Return after operating charges*	(5.37)	2.80	(0.15)
Distributions on income Shares	(0.52)	(0.70)	-
Closing net asset value per Share	96.21	102.10	99.85
Retained distributions on accumulation Shares	-	-	0.00
* after direct transaction costs of:	0.22	0.32	0.22
Performance			
Return after operating charges	(5.26%)	2.80%	(0.15%)
Other information			
Closing net asset value	300,008	357,380	6,054
Closing number of Shares	311,822	350,015	6,063
Operating charges	1.36%	1.31%	0.76%
Direct transaction costs	0.22%	0.32%	0.22%
Prices			
Highest Share price	103.87	104.44	101.38
Lowest Share price	91.55	99.62	94.43

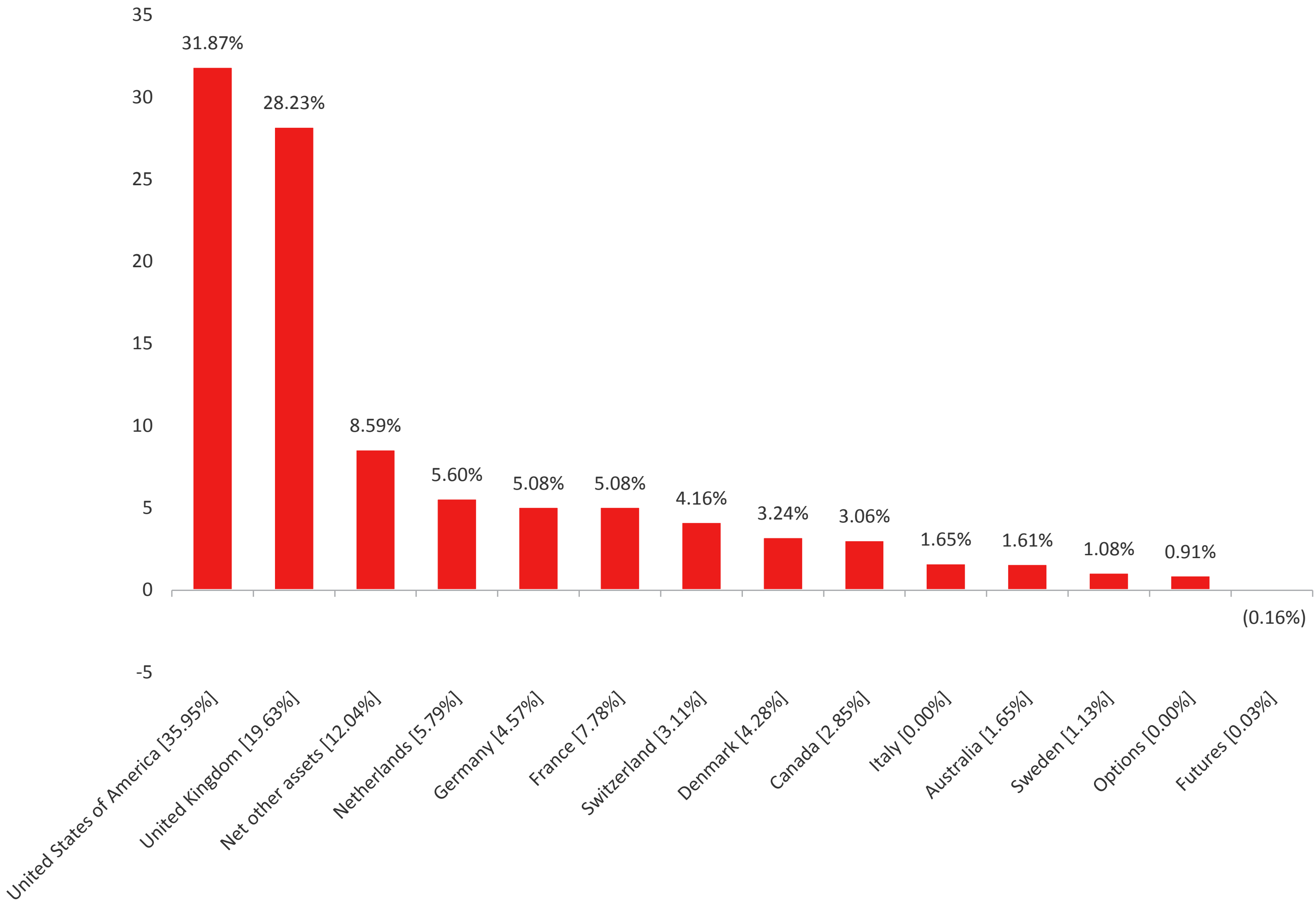
Major Holdings

Top 10 Holdings	% of Fund as at 31/03/16
US Treasury Inflation Indexed 0.625% Bonds 15/01/2026	4.13
CVS Health	3.82
US Treasury Inflation Indexed 0.625% Bonds 15/01/2024	3.54
Novo Nordisk	3.24
Rabobank Nederland 6.91% Bonds Perpetual	2.94
UK Treasury Inflation Linked 1.875% Bonds 22/11/2022	2.92
UK Treasury Inflation Linked 0.125% Bonds 22/03/2024	2.73
ING	2.66
Givaudan	2.52
Investec Bank 9.625% Bonds 17/02/2022	2.45

Top 10 Holdings	% of Fund as at 31/03/15
General Electric Capital 6.5% Bonds 15/09/2067	4.56
Veolia Environnement 4.85% Bonds Perpetual	4.49
CVS Health	2.76
Orange 5.875% Bonds Perpetual	2.57
Comcast	2.55
Investec Bank 9.625% Bonds 17/02/2022	2.40
EDP Finance 5.25% Bonds 14/01/2021	2.34
Old Mutual 8% Bonds 03/06/2021	2.32
RWE 7% Bonds Perpetual	2.17
DONG Energy 6.25% Bonds Perpetual	2.14

Portfolio Information

Breakdown by Geographic Region



Country	% of Fund as at 31/03/16	% of Fund as at 31/03/15
Ireland	0.00	1.19

Comparative figures shown above in square brackets relate to 31 March 2015

Risk and Reward Profile

As at 31 March 2016

	Typically lower rewards Lower risk						Typically higher rewards Higher risk
Share Class RF	1	2	3	4	5	6	7
Share Class IF	1	2	3	4	5	6	7
Share Class PF	1	2	3	4	5	6	7
Share Class SP	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 “4” on the scale. This is because it invests in a mixture of investments. The value of some of these investments may vary more widely than others.

Investment Manager’s Report

Investment Review

The year was characterised by unusually pronounced mood swings about the prospects for global growth, accentuated by monetary policy divergence between the US and most other leading economies. Positive sentiment in Europe stimulated by the European Central Bank’s first foray into quantitative easing soon evaporated in the face of another Greek debt crisis. Just as markets moved beyond that, slower growth in China sent equity valuations reeling across the world throughout August. Amidst the turmoil, the US Federal Reserve postponed a rise in interest rates that had been expected in September, and relieved markets rallied strongly to recover most of their losses by December when the Federal Reserve did then raise rates - for the first time in almost 10 years. As the investment manager of the Fund had cautioned in the Half Year Report in October, volatility would persist around feeble growth and rising interest rates, and the New Year opened with some of the worst equity market falls for many years, exacerbated by a fall in the oil price to a decade low of $27/barrel (WTI).

Returns and Risk

The Fund delivered a total return loss of -4.41% (RF Accumulation share class) for the period net of all fees and costs. The Performance benchmark for the Fund – the average of a 5 year gilts index and 5 year rolling CPI measure of inflation – returned a positive 1.99%, the FTSE 100 delivered a loss of -5.26%, the DAX a loss of -16.72% and the S&P500 a positive return of 1.78% (total returns, in local currencies). The volatility of the Fund was 6.2% whereas for the FTSE 100 it was 11.1%, the DAX 17.3%, and S&P500 11.4% (volatility defined as the annualised standard deviation of monthly total returns over the last 36 months, and for the Fund since inception; sources: Apex, Bloomberg).

Investment Manager's Report (continued)

Returns and Risks (continued)

Equity investments comprised an average 61% of the Fund through the period and detracted -4.40% in absolute terms, equivalent to -7.21% on a 100% weighted basis. The bond investments comprised an average 30% of the Fund and detracted -0.32% in absolute terms, equivalent to -1.07% on a 100% weighted basis (source: StatPro Analytics, Apex, Tellsons). Seven of our biggest 20 investment holdings at the end of the year were amongst the biggest contributors to performance, and six of those were also amongst our biggest holdings at the start of the year. Four of our top contributors were also amongst our top contributors last year. However, four of our biggest investments at the end of the year were also the biggest detractors, costing the Fund 1.5% losses between them. We have taken advantage of their weak price performance to add to all of these investments throughout the period and we are confident the fundamentals of their businesses should drive a turnaround in their contribution to the Fund in the period ahead.

We have made use of exchange-traded derivatives in our efforts to protect against downside risks in our equity and bond holdings and to mitigate the impact of increased volatility in currency markets (as prescribed in the Fund's UCITS remit for efficient portfolio management). These risk mitigation activities made a total contribution of 2.05%, with equity hedging contributing 1.50%, interest rates 0.24% and currencies 0.31%.

Top 20 Contributors / Top 20 Detractors

Company, Country	Eqty/Bond	Contr local%[1]	TR Local%[2]		Company, Country	Eqty/Bond	Contr local%[1]	TR Local%[2]
Agnico Eagle US	E	0.30	35.02	1	BHP Billiton UK	E	-0.53	-40.08
Visa US	E	0.27	18.17	2	Bayer GER	E	-0.51	-24.94
Syngenta SUI	E	0.26	25.19	3	ING Groep NED	E	-0.42	-20.15
National Grid UK	E	0.23	19.76	4	Bunge US	E	-0.36	-36.15
Givaudan SUI	E	0.22	10.19	5	City Group US	E	-0.34	-18.64
Reckitt Benckiser UK	E	0.22	24.47	6	Nokia FIN	E	-0.34	-23.47
BG Group UK	E	0.21	21.46	7	Anadarko UK	E	-0.32	-43.01
Reed Elsevier UK	E	0.17	14.37	8	Union Pacific US	E	-0.32	-28.52
Lloyds UK	E	0.16	3.91	9	Wirecard GER	E	-0.31	-5.84
Paysafe UK	E	0.14	13.78	10	Apple US	E	-0.28	-21.38
Tullow Oil UK	E	0.14	52.40	11	St. Jude US	E	-0.25	-18.51
Comcast US	E	0.13	9.56	12	Walmart US	E	-0.23	-21.52
UST 0.625% 2026	B	0.12	3.69	13	Capital One Fin. US	E	-0.23	-19.07
Amplifon ITA	E	0.11	9.72	14	Unied Tech. US	E	-0.22	-21.07
Rabobank NED	B	0.10	6.37	15	Cummins US	E	-0.20	-17.22
CVS Health US	E	0.09	1.97	16	Dong DEN	B	-0.19	-12.05
JC Decaux FRA	E	0.09	-2.53	17	Pacwest Bancorp US	E	-0.19	-15.05
Veolia FRA	B	0.08	2.04	18	Wells Fargo US	E	-0.19	-8.58
UPS US	E	0.07	7.27	19	Bic FRA	E	-0.18	-10.37
UST 0.625% 2024	B	0.06	1.74	20	SVB Financial US	E	-0.17	-9.48
Total		3.17					-5.78	

[1] contribution to portfolio return in local currency, weighted;

[2] total return is the sum of price return and income, in local currency, unweighted.

[3]the portfolio return will only reflect currency gains or losses from max. 15% non GBP exposure.

Investment Manager's Report (continued)

Returns and Risks (continued)

During the year, we sold a number of equity investments to shelter from the downdraughts of slowing emerging economies, slowing international trade and the higher exporting costs of the strong US Dollar. Amongst these were some of our best investments from last year: Cummins, PepsiCo, Bunge Limited, John Deere, United Technologies and Union Pacific Railroad. We look forward to revisiting all of these strong companies when conditions are more favourable. Bank investments that we made during the year, especially in the Western US where the technology sector provides strong economic fundamentals, have performed poorly, as did most banks, as the continued low interest rate environment meant net interest margins would remain subdued. Our new investment in Lloyds Bank has turned out to be more successful and we have been able to add to some of our banking investments on weaker valuations, Lloyds, ING, Silicon Valley Bank and PacWest Bancorp amongst them.

There were also opportunities to use cash balances in the Fund to add to many of our other investments at points of weakness throughout the year, notably Givaudan and Visa. Although our investment in Bayer performed poorly in the year, we remain confident in the future of its integrated 'life sciences' strategy as each of its main markets continue to specialise and consolidate around it. It's attempted merger with the US seeds maker Monsanto to create a global leader in agri-tech is controversial and will take some time to fully play out, but we remain supportive of the new Chief Executive and his long term options for strategy development. Our investments in healthcare have also yet to bear fruit, though good returns were notable from Italy's Amplifon, a retailer of hearing aids, and France's care home operator Orpea. New investments initiated in the media and tobacco sectors have performed well during this period, notably JCDecaux and Publicis of France, and British American and Imperial Tobacco in the UK. A number of our investments have received takeover bids at significant valuation premiums and we have sold into or intend to sell into those bids as they complete, notably BG Group, the brewer SAB Miller and Syngenta the Swiss agri-chemicals giant.

We also took the opportunity to reduce some of our bond investments in the utility and energy sectors late in the calendar year in anticipation of deteriorating liquidity and widening credit spreads across corporate bond markets. Corporate bond markets had responded badly to the VW emissions scandal and the slump in Glencore's commodities and energy markets, and we saw it as an indication of how ill-equipped the bond market has become since the Financial Crisis - and the regulatory changes resulting from that - to contain and disperse such liquidity shocks. The rewards of holding corporate bonds currently do not seem to compensate investors for the risks that come with them, many of which seem remote and improbable in today's landscape but which have a nasty tendency of manifesting themselves when least expected. We have been defensive about our investments in bonds on a number of occasions since the Financial Crisis took hold almost 8 years ago, and time and again we have been too early in our caution. We may be early again but the opportunity cost of being wrong is now so low given the depressed yield environment that many equity investments seem preferable, offering reasonable dividends and some reliable growth at the same time. We expect investment opportunities within the bond market to re-emerge before too long.

Outlook

This 'Stop-Start' story is likely to continue for a while longer until the direction of the US economy becomes clear. As we write in early April, the First Quarter earnings season gets under way in the US with the worst expectations for corporate profits since the Financial Crisis. The question is whether this is a "mid-cycle" correction for the US (and UK, held back by 'Brexit' concerns), with further upside to come; or whether the best from this cycle is behind us, a cycle that we have often referred to as more akin to a 'survival' cycle than a full 'recovery' cycle, and a return to recession is just around the corner.

Investment Manager's Report (continued)

Outlook (continued)

In spite of continued employment gains in the US, estimates for economic activity continue to be downgraded by economists as each quarter unfolds, with top line revenue growth, productivity and profit growth continuing to disappoint. The irony in this context is that inflation, which seems most elusive around the world today, could actually materialise in the US later this year, and maybe in the UK too, but without the economic growth that investors would normally expect to accompany this.

Whatever the outcomes from this obscure landscape, our greatest confidence as ever lies in our investments: where analyst consensus estimates are still intact for 12% earnings growth on average for our equity investments over the coming 2-3 years; where these earnings retained and reinvested by management should steadily grow the intrinsic value of these companies, regardless of the ups and downs in their stock prices traded in the markets from one day to the next; where most of that earnings growth we believe to be less sensitive to the broad economic cycle; where the dividend yield we can reinvest stands at a sustainable 2.5%; where our bond investments generate a yield of almost 3% and are of considerably stronger credit quality than at any point since the Financial Crisis; and where some provision is also in place for a deceleration in global growth with more inflation than the markets currently expect. We remain positive in our outlook despite these uncertain and unsettled times, confident in the long-term returns that are available from capital employed.

Investment Manager
Tellsons Investors LLP
27 April 2016

Significant Information

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

These practices must be consistent with and promote sound and effective risk management, not encourage risk taking which is inconsistent with the risk profile of the Fund as detailed in the instrument of the Fund or the prospectus and does not impair WAY Fund Managers compliance with its duty to act in the best interest of the Fund it manages.

Under the UCITS Remuneration Code, WAY Fund Managers are required to disclose how those individuals whose actions have a material impact on the Fund are remunerated.

The Financial Conduct Authority recognises that the remuneration related disclosures, may be required to be made available to Shareholders before the completion of the manager's first annual performance period in which it has to comply with the UCITS Remuneration Code. Therefore WAY Fund Managers is able to omit to disclose information relating to remuneration where the information is not available or would not provide materially relevant, reliable, comparable and clear information to Shareholders about the remuneration policy.

Due to the UCITS Remuneration Code becoming effective in March 2016, WAY Fund Managers do not believe the figures available are materially relevant in the context of the full twelve month disclosure period and have therefore decided to omit these figures from this report.

From 12 November 2015, the auditor for this Company changed from Grant Thornton LLP to Deloitte LLP. This brings the Company in line with other Companies operated within the ACD's group.

The information in this report is designed to enable shareholders to make an informed judgment on the activities of the Fund during the period it covers and the result of those activities at the end of the period. The long Report and Accounts are available free of charge on request. For more information about the activities and performance of the Fund during the period and previous periods, please contact:

Authorised Corporate Director

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From 12 November 2015
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