

CAPITA



CF Prudential Investment Funds (1)

Interim Unaudited Report and Financial Statements
30 April 2016

CF Prudential Dynamic 0-30 Portfolio
CF Prudential Dynamic 10-40 Portfolio
CF Prudential Dynamic 20-55 Portfolio
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CF Prudential Dynamic Focused 60-100 Portfolio

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CF PRUDENTIAL INVESTMENT FUNDS (1)

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

AUTHORISED STATUS

CF Prudential Investment Funds (1) ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC508 and authorised by the Financial Conduct Authority with effect from 8 February 2007. The Company has an unlimited duration.

The Company is a non-UCITS retail scheme and the base currency of the Company and each sub-fund is Pounds Sterling.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

The Alternative Investment Fund Manager ('AIFM') is the legal person appointed on behalf of the Company and which (through this appointment) is responsible for managing the Company in accordance with the AIFM Directive and The Alternative Investment Fund Managers Regulations 2013. This role is performed by the ACD and references to the ACD in this Interim Unaudited Report and Financial Statements include the AIFM as applicable.

CROSS HOLDINGS

No sub-funds had holdings in any other sub-fund of the Company at the end of the period.

DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook and the Investment Funds Sourcebook, as applicable, as issued and amended by the Financial Conduct Authority together with the relevant provisions of the Alternative Investment Fund Manager's Directive and modified by a direction given by the Financial Conduct Authority where the ACD has opted to provide a NURS KII Document, a Key Investor Information Document for Non-UCITS Retail Schemes.

N. BOYLING

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Investment Funds (1)

23 June 2016

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic 0-30 Portfolio ('the Fund') aims to achieve long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. No more than 30% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund is an actively managed portfolio investing mainly in collective investment schemes in order to provide a well diversified exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. Typically the Fund will have a high exposure to lower risk assets such as fixed income assets, cash and near cash. Scheme selection is made on the basis of in depth initial and ongoing qualitative assessment of the fund managers and quantitative analysis of the collective investment schemes.

The Fund may also invest directly in other assets including transferable securities, other collective investment schemes, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be held directly for the purposes of efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Prudential Dynamic 0-30 Portfolio
23 June 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 (the period in review) share classes 'A' Accumulation 2.18%¹, 'R' Accumulation 2.44%¹, 'P' Accumulation 2.61%¹, produced positive returns ahead of the 1.29%¹ sector average for IA Mixed Investment 0-35% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

The UK equity funds underperformed with only the Threadneedle UK fund generating positive returns from 1 November to 30 April.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 0-35% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January 2016. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for later this year.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

The performance of the Henderson European Selected Opportunities fund lagged the performance of the benchmark index over the period in review.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies. Both the Stewart Investors Asia Pacific Leaders and Fidelity South-East Asia funds produced positive returns from 1 November to 30 April.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier, the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March. All five underlying corporate bond funds produced positive returns from 1 November to 30 April.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant. The M&G Property Portfolio contributed most to the underlying fund performance in the portfolio.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally. Whilst only small holdings, both the Aberdeen Emerging Markets Equity and M&G Global Emerging Markets funds performed relatively well.

POSITIONING

After a review of the long-term positioning of the portfolio, adjustments were made to the equity exposure with the holding in the Henderson European Selected Opportunities fund reduced and small positions taken in the Threadneedle American, Schroder US Mid Cap and Schroder Tokyo funds to provide more diversification. The cash holding was also reduced with small incremental additions made to each of the corporate bond and high yield bond funds.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2016

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of paying off debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

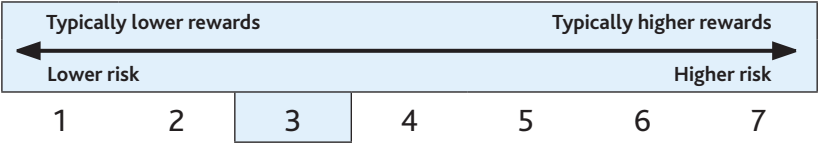
Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
19 May 2016

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 3 because its volatility has been measured as medium to average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	122.73	120.93	118.61	111.50
Return before operating charges*	3.43	6.70	7.21	11.45
Operating charges	(1.38)	(2.74)	(2.65)	(2.51)
Return after operating charges	2.05	3.96	4.56	8.94
Distributions on income shares	–	(2.16)	(2.24)	(1.83)
Closing net asset value per share	124.78	122.73	120.93	118.61
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	1.67%	3.27%	3.84%	8.02%

Other Information				
Closing net asset value (£'000)	607	2,020	3,080	4,373
Closing number of shares	486,235	1,645,494	2,546,645	3,687,000
Operating charges	2.25%	2.17%	2.19%	2.16%
Direct transaction costs	–	–	–	–

Prices				
Highest share price	125.45	129.67	124.78	120.69
Lowest share price	118.28	121.44	117.65	111.97

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	132.15	128.42	124.13	115.27
Return before operating charges*	3.72	6.65	6.91	11.45
Operating charges	(1.49)	(2.92)	(2.62)	(2.59)
Return after operating charges	2.23	3.73	4.29	8.86
Closing net asset value per share	134.38	132.15	128.42	124.13
Retained distributions on accumulation shares	–	2.27	2.34	1.98
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	1.69%	2.90%	3.46%	7.69%

Other Information				
Closing net asset value (£'000)	7,808	19,592	28,871	44,666
Closing number of shares	5,810,074	14,825,877	22,481,210	35,953,500
Operating charges	2.25%	2.17%	2.19%	2.16%
Direct transaction costs	–	–	–	–

Prices				
Highest share price	135.05	137.62	130.58	124.76
Lowest share price	127.37	128.98	123.08	115.73

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	123.04	121.20	118.86	111.66
Return before operating charges*	3.32	6.76	7.27	11.50
Operating charges	(0.64)	(1.22)	(1.18)	(1.09)
Return after operating charges	2.68	5.54	6.09	10.41
Distributions on income shares	—	(3.70)	(3.75)	(3.21)
Closing net asset value per share	125.72	123.04	121.20	118.86
* after direct transaction costs of:	—	—	—	—
Performance				
Return after charges	2.18%	4.57%	5.12%	9.32%
Other Information				
Closing net asset value (£'000)	21,377	19,920	20,863	19,982
Closing number of shares	17,003,503	16,189,837	17,213,474	16,811,000
Operating charges	1.03%	0.95%	0.97%	0.93%
Direct transaction costs	—	—	—	—
Prices				
Highest share price	126.35	130.38	126.11	122.04
Lowest share price	118.93	121.75	118.03	112.13

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	103.89	102.35	100.00
Return before operating charges*	2.87	5.67	6.34
Operating charges	(0.79)	(1.52)	(1.37)
Return after operating charges	2.08	4.15	4.97
Distributions on income shares	—	(2.61)	(2.62)
Closing net asset value per share	105.97	103.89	102.35
* after direct transaction costs of:	—	—	—
Performance			
Return after charges	2.00%	4.05%	4.97%
Other Information			
Closing net asset value (£'000)	3,979	2,740	1,268
Closing number of shares	3,755,015	2,637,442	1,239,133
Operating charges	1.50%	1.42%	1.40% ²
Direct transaction costs	—	—	—
Prices			
Highest share price	106.60	109.77	106.11
Lowest share price	100.31	102.75	99.62

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	108.09	104.46	100.00
Return before operating charges*	2.97	5.20	5.85
Operating charges	(0.81)	(1.57)	(1.39)
Return after operating charges	2.16	3.63	4.46
Closing net asset value per share	110.25	108.09	104.46
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	2.00%	3.48%	4.46%
Other Information			
Closing net asset value (£'000)	43,212	33,997	21,960
Closing number of shares	39,193,453	31,451,447	21,022,766
Operating charges	1.50%	1.42%	1.40% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	110.89	112.05	106.11
Lowest share price	104.37	104.86	99.61

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	118.93	115.13	110.82	102.20
Return before operating charges*	3.30	5.82	6.19	10.31
Operating charges	(1.05)	(2.02)	(1.88)	(1.69)
Return after operating charges	2.25	3.80	4.31	8.62
Closing net asset value per share	121.18	118.93	115.13	110.82
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.89%	3.30%	3.89%	8.43%
Other Information				
Closing net asset value (£'000)	5,122	4,493	7,761	3,953
Closing number of shares	4,226,989	3,778,163	6,741,368	3,567,000
Operating charges	1.75%	1.67%	1.68%	1.59%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	121.83	123.48	116.98	111.38
Lowest share price	114.77	115.63	109.94	102.93

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 0-30 Portfolio	2.18	(0.38)	9.80	23.63

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 20.31% (31.10.15 – 21.48%)		
	CONTINENTAL EUROPE – 3.70% (31.10.15 – 8.22%)		
238,466	Henderson European Selected Opportunities	3,038	3.70
	UNITED KINGDOM – 5.98% (31.10.15 – 7.93%)		
472,670	Artemis Income	1,616	1.97
53,197	AXA Framlington UK Select Opportunities	1,601	1.95
1,415,878	Threadneedle UK	1,693	2.06
	TOTAL UNITED KINGDOM	4,910	5.98
	FAR EAST – 5.73% (31.10.15 – 3.53%)		
198,010	Fidelity South-East Asia	1,660	2.02
560,422	Schroder Tokyo	1,403	1.71
329,670	Stewart Investors Asia Pacific Leaders	1,644	2.00
	TOTAL FAR EAST	4,707	5.73
	NORTH AMERICA – 3.86% (31.10.15 – 0.00%)		
1,000,334	Schroder US Mid Cap	1,041	1.27
1,078,963	Threadneedle American	2,129	2.59
	TOTAL NORTH AMERICA	3,170	3.86
	EMERGING MARKETS – 1.04% (31.10.15 – 1.80%)		
401,180	M&G Global Emerging Markets*	855	1.04
	TOTAL EMERGING MARKETS	855	1.04
	TOTAL EQUITY PORTFOLIOS	16,680	20.31
	PROPERTY PORTFOLIOS – 9.82% (31.10.15 – 9.22%)		
2,302,025	Aviva Investors Property	3,933	4.79
330,688	M&G Property Portfolio*	4,126	5.03
	TOTAL PROPERTY PORTFOLIOS	8,059	9.82
	BOND PORTFOLIOS – 67.91% (31.10.15 – 69.48%)		
1,772,321	Baillie Gifford High Yield Bond	2,164	2.63
4,784,369	Fidelity MoneyBuilder Income	7,932	9.66
4,469,304	Invesco Perpetual Corporate Bond	8,351	10.17
3,710,842	Kames High Yield Bond	4,283	5.22

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	BOND PORTFOLIOS – 67.91% (31.10.15 – 69.48%) (continued)		
5,123,400	Kames Investment Grade Bond	8,334	10.15
3,666,049	M&G Global High Yield Bond*	4,284	5.22
16,126,098	M&G Short Dated Corporate Bond*	4,072	4.96
7,463,848	M&G Strategic Corporate Bond*	8,015	9.76
8,457,439	Royal London Corporate Bond	8,323	10.14
	TOTAL BOND PORTFOLIOS	55,758	67.91
	Portfolio of investments	80,497	98.04
	Net other assets	1,608	1.96
	Net assets	82,105	100.00

The investments are collective investment schemes.

* Related party holding.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **13,813**

Purchases	Cost £'000
Threadneedle American	2,498
Schroder Tokyo	1,331
Henderson European Selected Opportunities	1,215
Fidelity MoneyBuilder Income	1,146
Schroder US Mid Cap	900
Invesco Perpetual Corporate Bond	890
Kames High Yield Bond	886
M&G Global High Yield Bond	806
M&G Strategic Corporate Bond	795
Kames Investment Grade Bond	719
Royal London Corporate Bond	645
Baillie Gifford High Yield Bond	507
Artemis Income	398
Fidelity South-East Asia	311
Stewart Investors Asia Pacific Leaders	310
M&G Property Portfolio	291
M&G Global Emerging Markets	165

Total sales for the half year £'000 **17,754**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	7,802
Henderson European Selected Opportunities	4,716
Artemis Income	967
Aberdeen Emerging Markets Equity	818
AXA Framlington UK Select Opportunities	683
Threadneedle American	659
Fidelity MoneyBuilder Income	562
Fidelity South-East Asia	415
Invesco Perpetual Corporate Bond	410
M&G Strategic Corporate Bond	400
Threadneedle UK	322

The summary of material portfolio changes represents all of the purchases and sales during the half year.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		722		3,654
Revenue	1,384		1,630	
Expenses	(340)		(423)	
Net revenue before taxation	1,044		1,207	
Taxation	2		(26)	
Net revenue after taxation		1,046		1,181
Total return before distributions		1,768		4,835
Distributions*		(226)		(239)
Change in net assets attributable to shareholders from investment activities		1,542		4,596

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		82,762		83,803
Amounts receivable on issue of shares	6,264		7,784	
Amounts payable on cancellation of shares	(8,487)		(7,749)	
		(2,223)		35
Dilution adjustment		24		24
Change in net assets attributable to shareholders from investment activities		1,542		4,596
Closing net assets attributable to shareholders		82,105		88,458

The above statement shows the comparative closing net assets at 30 April 2015 whereas the current accounting period commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation and a position for UK income tax on interest distribution deductible at source only.

BALANCE SHEET
AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	80,497	82,912
Current assets		
Debtors	902	520
Cash and bank balances	1,184	602
Total assets	82,583	84,034
LIABILITIES		
Creditors		
Distribution payable*	(209)	(969)
Other creditors	(269)	(303)
Total liabilities	(478)	(1,272)
Net assets attributable to shareholders	82,105	82,762

* The Fund distributes annually, therefore 'Distribution payable' at half year consists of a position for UK income tax on interest distribution deductible at source only.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading; and has also resulted in presentational changes to the Balance Sheet, whereby UK income tax withheld on interest distributions are now disclosed within 'Distributions payable', which were previously disclosed in 'Other creditors'. The comparatives have been updated accordingly.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic 10-40 Portfolio ('the Fund') aims to achieve long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 10% and 40% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund is an actively managed portfolio investing mainly in collective investment schemes in order to provide a well diversified exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. Typically the Fund will have a bias towards lower risk assets such as fixed income assets and cash, but will always have some exposure to equities. Scheme selection is made on the basis of in depth initial and ongoing qualitative assessment of the fund managers and quantitative analysis of the collective investment schemes.

The Fund may also invest directly in other assets including transferable securities, other collective investment schemes, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be held directly for the purposes of efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic 10-40 Portfolio

23 June 2016

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 1.18%¹, 'R' Accumulation 1.39%¹, 'P' Accumulation 1.5%¹, produced positive returns ahead of the 1.08%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

The UK equity funds underperformed with only the Threadneedle UK fund generating positive returns from 1 November to 30 April.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 20-60% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January 2016. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

The performance of the underlying funds was mixed. The Schroder US Mid Cap fund outperformed the S&P 500 over the six month period with the Threadneedle American fund lagging the benchmark.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

The Henderson European Growth fund was the best performing over the six months generating returns above the Henderson European Selected Opportunities and Jupiter European Special Situations funds, both of which lagged the performance of the benchmark index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Performance of the Schroder Toyko fund was well behind the TOPIX 100 over the six months from 1 November 2015.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies. Both the Stewart Investors Asia Pacific Leaders and Fidelity South-East Asia funds produced positive relative returns.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March. All five underlying corporate bond funds produced positive returns from 1 November to 30 April.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant. The M&G Property Portfolio contributed most to the underlying fund performance in the portfolio.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally. Whilst only small holdings both the Aberdeen Emerging Markets Equity and M&G Global Emerging Markets funds performed well.

POSITIONING

After a review of the long-term positioning of the portfolio, equity exposures were rebalanced with Europe, emerging markets and Japan holdings reduced and property increased. The cash holding was also reduced with small additions made to the corporate bond and high yield bond funds exposure.

The portfolio managers also took the decision to re-adjust the underlying fund positions such that they are equally weighted within each asset class.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of paying off debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

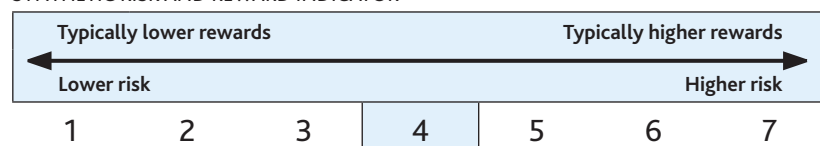
19 May 2016

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	129.29	125.87	123.43	113.08
Return before operating charges*	3.30	7.88	6.94	14.59
Operating charges	(1.45)	(2.90)	(2.82)	(2.68)
Return after operating charges	1.85	4.98	4.12	11.91
Distributions on income shares	–	(1.56)	(1.68)	(1.56)
Closing net asset value per share	131.14	129.29	125.87	123.43
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	1.43%	3.96%	3.34%	10.53%
Other Information				
Closing net asset value (£'000)	1,849	4,569	5,923	7,188
Closing number of shares	1,410,186	3,534,078	4,705,241	5,824,000
Operating charges	2.26%	2.21%	2.24%	2.23%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	132.18	137.09	130.59	125.75
Lowest share price	122.56	126.64	122.04	113.34

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)
Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	138.10	132.87	128.58	116.33
Return before operating charges*	3.53	8.30	7.22	15.00
Operating charges	(1.55)	(3.07)	(2.93)	(2.75)
Return after operating charges	1.98	5.23	4.29	12.25
Closing net asset value per share	140.08	138.10	132.87	128.58
Retained distributions on accumulation shares	–	1.64	1.75	1.54
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.43%	3.94%	3.34%	10.53%
Other Information				
Closing net asset value (£'000)	14,953	35,338	53,343	77,338
Closing number of shares	10,674,947	25,588,642	40,146,768	60,146,968
Operating charges	2.26%	2.21%	2.24%	2.23%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	141.18	144.78	136.03	129.36
Lowest share price	130.92	133.68	127.13	116.60

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	129.77	126.32	123.87	113.26
Return before operating charges*	3.18	7.62	6.66	14.38
Operating charges	(0.68)	(1.31)	(1.28)	(1.21)
Return after operating charges	2.50	6.31	5.38	13.17
Distributions on income shares	–	(2.86)	(2.93)	(2.56)
Closing net asset value per share	132.27	129.77	126.32	123.87
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.93%	5.00%	4.34%	11.63%
Other Information				
Closing net asset value (£'000)	54,350	54,691	53,606	48,579
Closing number of shares	41,091,207	42,143,690	42,436,412	39,219,000
Operating charges	1.04%	0.99%	1.01%	1.00%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	133.28	138.17	132.16	126.96
Lowest share price	123.37	127.12	122.63	113.58

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	105.16	102.37	100.00
Return before operating charges*	2.61	6.25	5.76
Operating charges	(0.79)	(1.56)	(1.40)
Return after operating charges	1.82	4.69	4.36
Distributions on income shares	–	(1.90)	(1.99)
Closing net asset value per share	106.98	105.16	102.37
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	1.73%	4.58%	4.36%
Other Information			
Closing net asset value (£'000)	5,901	3,515	2,009
Closing number of shares	5,515,596	3,342,599	1,962,825
Operating charges	1.51%	1.46%	1.43% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	107.94	111.74	106.77
Lowest share price	99.86	103.01	99.34

¹ Launch date 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	109.08	104.39	100.00
Return before operating charges*	2.73	6.29	5.80
Operating charges	(0.82)	(1.60)	(1.41)
Return after operating charges	1.91	4.69	4.39
Closing net asset value per share	110.99	109.08	104.39
Retained distributions on accumulation shares	–	1.94	2.00
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	1.75%	4.49%	4.39%
Other Information			
Closing net asset value (£'000)	88,245	76,443	43,398
Closing number of shares	79,509,496	70,078,654	41,572,995
Operating charges	1.51%	1.46%	1.43% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	111.95	113.87	106.77
Lowest share price	103.60	105.02	99.34

¹ Launch date 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	122.60	117.52	113.27	102.08
Return before operating charges*	3.09	7.18	6.25	12.95
Operating charges	(1.08)	(2.10)	(2.00)	(1.76)
Return after operating charges	2.01	5.08	4.25	11.19
Closing net asset value per share	124.61	122.60	117.52	113.27
Retained distributions on accumulation shares	–	1.93	2.01	1.73
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.64%	4.32%	3.75%	10.96%
Other Information				
Closing net asset value (£'000)	12,872	11,355	10,847	10,192
Closing number of shares	10,330,147	9,261,919	9,230,272	8,998,000
Operating charges	1.76%	1.71%	1.73%	1.62%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	125.62	128.15	120.25	113.74
Lowest share price	116.36	118.25	112.05	102.31

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 10-40 Portfolio	1.18	(1.98)	10.19	24.23

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.15 %
	EQUITY PORTFOLIOS – 31.11% (31.10.15 – 36.37%)		
	CONTINENTAL EUROPE – 5.77% (31.10.15 – 9.45%)		
410,215	Henderson European Selected Opportunities	5,226	2.93
1,554,015	Jupiter European Special Situations	5,063	2.84
	TOTAL CONTINENTAL EUROPE	10,289	5.77
	UNITED KINGDOM – 9.59% (31.10.15 – 8.51%)		
1,313,768	Artemis Income	4,492	2.53
161,971	AXA Framlington UK Select Opportunities	4,874	2.73
1,114,486	M&G Recovery*	2,879	1.62
4,044,831	Threadneedle UK	4,836	2.71
	TOTAL UNITED KINGDOM	17,081	9.59
	FAR EAST – 5.72% (31.10.15 – 5.15%)		
596,579	Fidelity South-East Asia	5,003	2.81
1,039,906	Stewart Investors Asia Pacific Leaders	5,186	2.91
	TOTAL FAR EAST	10,189	5.72
	JAPAN – 2.57% (31.10.15 – 4.30%)		
1,830,120	Schroder Tokyo	4,581	2.57
	UNITED STATES – 5.65% (31.10.15 – 5.35%)		
2,637,079	Schroder US Mid Cap	2,745	1.54
3,709,179	Threadneedle American	7,320	4.11
	TOTAL UNITED STATES	10,065	5.65
	EMERGING MARKETS – 1.81% (31.10.15 – 3.61%)		
1,515,622	M&G Global Emerging Markets*	3,229	1.81
	TOTAL EQUITY PORTFOLIOS	55,434	31.11
	PROPERTY PORTFOLIOS – 13.54% (31.10.15 – 10.18%)		
5,329,679	Aviva Investors Property	9,105	5.11
1,203,037	M&G Property Portfolio*	15,011	8.43
	TOTAL PROPERTY PORTFOLIOS	24,116	13.54

Holding	Portfolio of Investments	Value £'000	30.04.15 %
	BOND PORTFOLIOS – 55.00% (31.10.15 – 53.70%)		
4,373,518	Baillie Gifford High Yield Bond	5,340	3.00
7,585,761	Fidelity MoneyBuilder Income	12,577	7.06
6,744,282	Invesco Perpetual Corporate Bond	12,602	7.07
9,268,327	Kames High Yield Bond	10,697	6.00
7,731,391	Kames Investment Grade Bond	12,576	7.06
9,338,555	M&G Global High Yield Bond*	10,913	6.13
31,956,445	M&G Short Dated Corporate Bond*	8,069	4.53
11,788,427	M&G Strategic Corporate Bond*	12,658	7.10
12,765,548	Royal London Corporate Bond	12,563	7.05
	TOTAL BOND PORTFOLIOS	97,995	55.00
	Portfolio of investments	177,545	99.65
	Net other assets	625	0.35
	Net assets	178,170	100.00

The investments are collective investment schemes.

* Related party holdings.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **21,553**

Purchases	Cost £'000
M&G Property Portfolio	4,849
Threadneedle American	3,230
M&G Short Dated Corporate Bond	1,790
Schroder US Mid Cap	1,432
AXA Framlington UK Select Opportunities	1,431
Jupiter European Special Situations	1,409
Royal London Corporate Bond	962
Kames Investment Grade Bond	920
Fidelity South-East Asia	801
M&G Global Emerging Markets	720
Fidelity MoneyBuilder Income	695
Invesco Perpetual Corporate Bond	689
M&G Global High Yield Bond	641
Artemis Income	523
Henderson European Selected Opportunities	500
Stewart Investors Asia Pacific Leaders	500
M&G Strategic Corporate Bond	461

Total sales for the half year £'000 **33,303**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	7,005
Henderson European Growth	3,593
Schroder Tokyo	3,197
Threadneedle American	2,743
Jupiter European Special Situations	2,715
Henderson European Selected Opportunities	2,691
M&G Global Emerging Markets	2,668
Schroder US Mid Cap	2,436
Aberdeen Emerging Markets Equity	1,565
Kames Investment Grade Bond	932
Royal London Corporate Bond	900
Artemis Income	890
Fidelity South-East Asia	725
Fidelity MoneyBuilder Income	543
Stewart Investors Asia Pacific Leaders	538
M&G Global High Yield Bond	162

The summary of material portfolio changes represents all of the purchases and sales during the half year.

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		1,250		10,804
Revenue	2,816		2,993	
Expenses	(709)		(820)	
Net revenue before taxation	2,107		2,173	
Taxation	(369)		(385)	
Net revenue after taxation		1,738		1,788
Total return before distributions		2,988		12,592
Distributions*		(32)		103
Change in net assets attributable to shareholders from investment activities		2,956		12,695

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		185,911		169,125
Amounts receivable on issue of shares	5,648		16,999	
Amounts payable on cancellation of shares	(16,363)		(8,333)	
		(10,715)		8,666
Dilution adjustment		18		72
Change in net assets attributable to shareholders from investment activities		2,956		12,695
Closing net assets attributable to shareholders		178,170		190,558

The above statements show the comparative closing net assets at 30 April 2015 whereas the current accounting policy commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	177,545	186,385
Current assets		
Debtors	1,103	982
Cash and bank balances	960	2,983
Total assets	<u>179,608</u>	<u>190,350</u>
LIABILITIES		
Creditors		
Bank overdrafts	–	(1,284)
Distribution payable	–	(1,322)
Other creditors	(1,438)	(1,833)
Total liabilities	<u>(1,438)</u>	<u>(4,439)</u>
Net assets attributable to shareholders	<u>178,170</u>	<u>185,911</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading. Comparatives have been restated accordingly.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic 20-55 Portfolio ('the Fund') aims to achieve long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 20% and 55% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund is an actively managed portfolio investing mainly in collective investment schemes in order to provide a well diversified exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. From time to time, however, the Fund may have a high exposure to equities and/or fixed income assets. Scheme selection is made on the basis of in depth initial and ongoing qualitative assessment of the fund managers and quantitative analysis of the collective investment schemes.

The Fund may also invest directly in other assets including transferable securities, other collective investment schemes, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be held directly for the purposes of efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic 20-55 Portfolio

23 June 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 1.29%¹, 'R' Accumulation 1.48%¹, 'P' Accumulation 1.59%¹, produced positive returns ahead of the 1.08%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

The UK equity funds underperformed with only the Threadneedle UK fund generating positive returns from 1 November to 30 April.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 20-60% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January 2016. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

The performance of the underlying funds was mixed. The Schroder US Mid Cap fund outperformed the S&P 500 over the six month period with the Threadneedle American fund lagging the benchmark.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

The Henderson European Growth fund was the best performing over the six months generating returns above the Henderson European Selected Opportunities and Jupiter European Special Situations funds, both of which lagged the performance of the benchmark index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Performance of the Schroder Tokyo fund was well behind the TOPIX 100 over the six months from 1 November. Following a review of the portfolio the position in Schroder Tokyo was reduced and the Man GLG Japan CoreAlpha fund was added.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies. Both the Stewart Investors Asia Pacific Leaders and Fidelity South-East Asia funds produced positive returns.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March. All five underlying corporate bond funds produced positive returns during the period from 1 November to 30 April.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant. The M&G Property Portfolio contributed most to the underlying fund performance in the portfolio.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally. Whilst only small holdings both the Aberdeen Emerging Markets Equity and M&G Global Emerging Markets performed well.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2016

POSITIONING

After a review of the long-term positioning of the portfolio, equity exposures were rebalanced with Europe, emerging markets and Japan holdings reduced and US, Asia and Property increased. The cash holding was also reduced with a small addition made to the corporate bond exposure.

The portfolio managers also took the decision to re-adjust the underlying fund positions such that they are equally weighted within each asset class.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of paying off debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

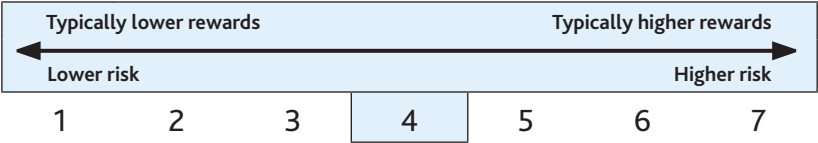
Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
19 May 2016

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	134.20	129.94	127.96	114.88
Return before operating charges*	3.23	8.71	6.44	17.52
Operating charges	(1.55)	(3.07)	(2.94)	(2.82)
Return after operating charges	1.68	5.64	3.50	14.70
Distributions on income shares	–	(1.38)	(1.52)	(1.62)
Closing net asset value per share	135.88	134.20	129.94	127.96
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	1.25%	4.34%	2.74%	12.80%
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Other Information

Closing net asset value (£'000)	4,216	6,733	7,388	9,251
Closing number of shares	3,102,322	5,016,795	5,685,755	7,230,000
Operating charges	2.31%	2.26%	2.26%	2.28%
Direct transaction costs	–	–	–	–

Prices

Highest share price	137.48	143.71	135.55	130.61
Lowest share price	125.60	130.43	125.85	114.83

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	142.18	136.26	132.64	117.60
Return before operating charges*	3.38	9.14	6.66	17.93
Operating charges	(1.64)	(3.22)	(3.04)	(2.89)
Return after operating charges	1.74	5.92	3.62	15.04
Closing net asset value per share	143.92	142.18	136.26	132.64
Retained distributions on accumulation shares	–	1.44	1.58	1.44
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	1.22%	4.34%	2.73%	12.79%
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Other Information

Closing net asset value (£'000)	17,639	44,867	67,601	95,663
Closing number of shares	12,256,646	31,556,180	49,609,893	72,119,707
Operating charges	2.31%	2.26%	2.26%	2.28%
Direct transaction costs	–	–	–	–

Prices

Highest share price	145.61	150.66	140.50	133.70
Lowest share price	133.07	136.78	130.46	117.52

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)
Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	134.61	130.32	128.33	114.95
Return before operating charges*	3.08	8.43	6.15	17.29
Operating charges	(0.74)	(1.41)	(1.35)	(1.32)
Return after operating charges	2.34	7.02	4.80	15.97
Distributions on income shares	–	(2.73)	(2.81)	(2.59)
Closing net asset value per share	136.95	134.61	130.32	128.33
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.74%	5.39%	3.74%	13.89%
Other Information				
Closing net asset value (£'000)	83,213	83,423	84,001	78,940
Closing number of shares	60,762,765	61,973,907	64,455,739	61,511,900
Operating charges	1.09%	1.04%	1.03%	1.06%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	138.52	144.77	137.09	131.55
Lowest share price	126.34	131.15	126.55	114.94

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	105.24	102.02	100.00
Return before operating charges*	2.61	6.57	5.28
Operating charges	(0.82)	(1.61)	(1.44)
Return after operating charges	1.79	4.96	3.84
Distributions on income shares	–	(1.74)	(1.82)
Closing net asset value per share	107.03	105.24	102.02
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	1.70%	4.86%	3.84%
Other Information			
Closing net asset value (£'000)	6,711	4,320	2,360
Closing number of shares	6,270,168	4,105,497	2,313,243
Operating charges	1.56%	1.51%	1.46% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	108.27	113.10	106.97
Lowest share price	98.65	102.60	98.95

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	108.83	103.84	100.00
Return before operating charges*	2.68	6.63	5.28
Operating charges	(0.85)	(1.64)	(1.44)
Return after operating charges	1.83	4.99	3.84
Closing net asset value per share	110.66	108.83	103.84
Retained distributions on accumulation shares	–	1.76	1.82
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	1.68%	4.81%	3.84%
Other Information			
Closing net asset value (£'000)	113,055	92,995	45,790
Closing number of shares	102,161,302	85,447,076	44,097,694
Operating charges	1.56%	1.51%	1.46% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	111.95	115.07	106.97
Lowest share price	102.03	104.41	98.94

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	124.86	119.30	115.65	102.10
Return before operating charges*	2.98	7.76	5.70	15.44
Operating charges	(1.12)	(2.20)	(2.05)	(1.89)
Return after operating charges	1.86	5.56	3.65	13.55
Closing net asset value per share	126.72	124.86	119.30	115.65
Retained distributions on accumulation shares	–	1.76	1.85	1.64
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.49%	4.66%	3.16%	13.27%
Other Information				
Closing net asset value (£'000)	19,270	13,218	19,623	13,589
Closing number of shares	15,206,508	10,586,236	16,448,715	11,749,645
Operating charges	1.81%	1.76%	1.75%	1.70%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	128.19	132.17	122.93	116.34
Lowest share price	116.98	119.94	113.88	102.05

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 20-55 Portfolio	1.29	(2.51)	11.20	26.95

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 43.46% (31.10.15 – 48.66%)		
	CONTINENTAL EUROPE – 7.92% (31.10.15 – 12.00%)		
770,592	Henderson European Selected Opportunities	9,817	4.02
2,923,932	Jupiter European Special Situations	9,526	3.90
	TOTAL CONTINENTAL EUROPE	19,343	7.92
	UNITED KINGDOM – 13.06% (31.10.15 – 11.53%)		
2,574,274	Artemis Income	8,801	3.61
298,503	AXA Framlington UK Select Opportunities	8,982	3.68
2,280,233	M&G Recovery*	5,890	2.41
6,859,777	Threadneedle UK	8,201	3.36
	TOTAL UNITED KINGDOM	31,874	13.06
	FAR EAST – 8.05% (31.10.15 – 6.42%)		
1,161,491	Fidelity South-East Asia	9,719	3.98
1,989,866	Stewart Investors Asia Pacific Leaders	9,923	4.07
	TOTAL FAR EAST	19,642	8.05
	JAPAN – 3.51% (31.10.15 – 6.42%)		
2,970,120	Man GLG Japan CoreAlpha	3,285	1.35
2,112,063	Schroder Tokyo	5,286	2.16
	TOTAL JAPAN	8,571	3.51
	UNITED STATES – 8.30% (31.10.15 – 6.16%)		
6,256,243	Schroder US Mid Cap	6,513	2.67
6,969,680	Threadneedle American	13,755	5.63
	TOTAL UNITED STATES	20,268	8.30
	EMERGING MARKETS – 2.62% (31.10.15 – 6.13%)		
658,692	Aberdeen Emerging Markets Equity	3,524	1.44
1,346,189	M&G Global Emerging Markets*	2,868	1.18
	TOTAL EMERGING MARKETS	6,392	2.62
	TOTAL EQUITY PORTFOLIOS	106,090	43.46

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	PROPERTY PORTFOLIOS – 16.21% (31.10.15 – 10.06%)		
7,067,030	Aviva Investors Property	12,073	4.94
2,204,451	M&G Property Portfolio*	27,507	11.27
	TOTAL PROPERTY PORTFOLIOS	39,580	16.21
	BOND PORTFOLIOS – 39.38% (31.10.15 – 41.35%)		
6,501,024	Baillie Gifford High Yield Bond	7,938	3.25
6,344,893	Fidelity MoneyBuilder Income	10,520	4.31
5,705,863	Invesco Perpetual Corporate Bond	10,662	4.37
12,809,120	Kames High Yield Bond	14,783	6.06
6,491,707	Kames Investment Grade Bond	10,559	4.32
12,370,566	M&G Global High Yield Bond*	14,456	5.92
25,103,952	M&G Short Dated Corporate Bond*	6,339	2.60
10,092,756	M&G Strategic Corporate Bond*	10,838	4.44
10,192,625	Royal London Corporate Bond	10,031	4.11
	TOTAL BOND PORTFOLIOS	96,126	39.38
	Portfolio of investments	241,796	99.05
	Net other assets	2,308	0.95
	Net assets	244,104	100.00

The investments are collective investment schemes.

* Related party holding.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **43,597**

Purchases	Cost £'000
M&G Property Portfolio	14,435
Threadneedle American	6,004
AXA Framlington UK Select Opportunities	3,118
Man GLG Japan CoreAlpha	2,982
Fidelity South-East Asia	2,500
Jupiter European Special Situations	2,370
Stewart Investors Asia Pacific Leaders	2,350
Artemis Income	2,340
Invesco Perpetual Corporate Bond	1,740
M&G Short Dated Corporate Bond	1,500
Schroder US Mid Cap	1,200
Kames Investment Grade Bond	877
M&G Strategic Corporate Bond	750
M&G Global Emerging Markets	729
Henderson European Selected Opportunities	702

Total sales for the half year £'000 **51,173**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	9,745
Schroder Tokyo	9,650
M&G Global Emerging Markets	6,470
Henderson European Growth	5,962
Henderson European Selected Opportunities	3,832
Jupiter European Special Situations	3,082
Aberdeen Emerging Markets Equity	2,692
Artemis Income	2,380
Threadneedle American	2,189
Fidelity South-East Asia	1,594
Schroder US Mid Cap	1,170
Invesco Perpetual Corporate Bond	1,150
M&G Strategic Corporate Bond	729
Stewart Investors Asia Pacific Leaders	528

The summary of material portfolio changes represents all of the purchases and sales during the half year.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		1,699		17,264
Revenue	3,341		3,590	
Expenses	(927)		(1,058)	
Net revenue before taxation	2,414		2,532	
Taxation	(394)		(425)	
Net revenue after taxation		2,020		2,107
Total return before distributions		3,719		19,371
Distributions*		(44)		54
Change in net assets attributable to shareholders from investment activities		3,675		19,425

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		245,556		226,763
Amounts receivable on issue of shares	16,213		22,040	
Amounts payable on cancellation of shares	(21,416)		(13,301)	
		(5,203)		8,739
Dilution adjustment		76		73
Change in net assets attributable to shareholders from investment activities		3,675		19,425
Closing net assets attributable to shareholders		244,104		255,000

The above statement shows the comparative closing net assets at 30 April 2015 whereas the current accounting period commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

BALANCE SHEET
AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	241,796	245,720
Current assets		
Debtors	2,820	1,912
Cash and bank balances	1,030	1,087
Total assets	245,646	248,719
LIABILITIES		
Creditors		
Distribution payable	–	(1,834)
Other creditors	(1,542)	(1,329)
Total liabilities	(1,542)	(3,163)
Net assets attributable to shareholders	244,104	245,556

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading. Comparatives have been restated accordingly.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic 40-80 Portfolio ('the Fund') aims to achieve long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 40% and 80% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund is an actively managed portfolio investing mainly in collective investment schemes in order to provide a well diversified exposure to global equities, fixed income and variable rate assets, immovable property, cash and/or near cash. Typically the Fund will have a bias towards assets providing potential for growth, such as equities. Scheme selection is made on the basis of in depth initial and ongoing qualitative assessment of the fund managers and quantitative analysis of the collective investment schemes.

The Fund may also invest directly in other assets including transferable securities, other collective investment schemes, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be directly held for the purposes of efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic 40-80 Portfolio

23 June 2016

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation -0.11%¹, 'R' Accumulation 0.02%¹, 'P' Accumulation 0.01%¹, were behind the 0.99%¹ sector average for IA Mixed Investment 40-85% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

The UK equity funds underperformed with only the Threadneedle UK fund generating positive returns from 1 November to 30 April.

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

The performance of the underlying funds was mixed. The Schroder US Mid Cap outperformed the S&P 500 over the six month period with the Threadneedle American lagging the benchmark. Following a review of its management and longer-term performance the decision was taken to sell the holding in the M&G North American Dividend.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

The Henderson European Growth was the best performing over the six months generating returns above the Henderson European Selected Opportunities and Jupiter European Special Situation, both of which lagged the performance of the benchmark index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Performance of both the Schroder Toyko and Man GLG Japan CoreAlpha funds was below the TOPIX 100 over the six months from 1 November.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 40-85% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies. Both the Stewart Investors Asia Pacific Leaders and Fidelity South-East Asia funds produced positive returns.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March. All five underlying corporate bond funds produced positive returns from 1 November to 30 April.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant. The M&G Property Portfolio contributed most to the underlying performance in the portfolio.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally. Whilst only small holdings both the Aberdeen Emerging Markets Equity and M&G Global Emerging Markets performed well.

POSITIONING

After a review of the long-term positioning of the portfolio, equity exposures were rebalanced with Europe, emerging markets and Japan holdings reduced and UK equity and property increased. The portfolio managers also took the decision to re-adjust the underlying fund positions such that they are equally weighted within each asset class.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of repaying debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

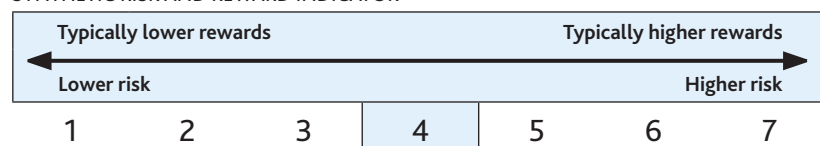
19 May 2016

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	141.40	135.42	132.12	115.06
Return before operating charges*	3.12	10.37	7.51	21.04
Operating charges	(1.66)	(3.33)	(3.20)	(3.00)
Return after operating charges	1.46	7.04	4.31	18.04
Distributions on income shares	–	(1.06)	(1.01)	(0.98)
Closing net asset value per share	142.86	141.40	135.42	132.12
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	1.03%	5.20%	3.26%	15.68%
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Other Information

Closing net asset value (£'000)	1,619	3,741	4,761	5,077
Closing number of shares	1,133,084	2,645,698	3,515,753	3,843,000
Operating charges	2.36%	2.33%	2.39%	2.37%
Direct transaction costs	–	–	–	–

Prices

Highest share price	145.19	153.07	141.49	134.99
Lowest share price	130.89	135.12	129.12	114.06

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	146.82	139.54	135.13	116.82
Return before operating charges*	3.24	10.71	7.69	21.35
Operating charges	(1.72)	(3.43)	(3.28)	(3.04)
Return after operating charges	1.52	7.28	4.41	18.31
Closing net asset value per share	148.34	146.82	139.54	135.13
Retained distributions on accumulation shares	–	1.09	1.00	0.95
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.04%	5.22%	3.26%	15.67%
Other Information				
Closing net asset value (£'000)	27,852	55,711	73,461	94,697
Closing number of shares	18,775,405	37,944,258	52,646,722	70,076,400
Operating charges	2.36%	2.33%	2.39%	2.37%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	150.74	157.65	144.71	137.06
Lowest share price	135.92	139.24	132.09	115.78

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	141.78	135.74	132.35	115.16
Return before operating charges*	2.96	10.09	7.21	20.84
Operating charges	(0.81)	(1.58)	(1.56)	(1.47)
Return after operating charges	2.15	8.51	5.65	19.37
Distributions on income shares	–	(2.47)	(2.26)	(2.18)
Closing net asset value per share	143.93	141.78	135.74	132.35
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.52%	6.27%	4.27%	16.82%
Other Information				
Closing net asset value (£'000)	91,767	92,487	89,151	81,720
Closing number of shares	63,758,530	65,234,803	65,676,564	61,744,000
Operating charges	1.14%	1.11%	1.16%	1.15%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	146.22	154.06	142.92	135.86
Lowest share price	131.60	135.64	129.76	114.22

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	107.26	102.85	100.00
Return before operating charges*	2.29	7.57	5.77
Operating charges	(0.86)	(1.71)	(1.56)
Return after operating charges	1.43	5.86	4.21
Distributions on income shares	–	(1.45)	(1.36)
Closing net asset value per share	108.69	107.26	102.85
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	1.33%	5.70%	4.21%
Other Information			
Closing net asset value (£'000)	5,527	3,528	1,277
Closing number of shares	5,085,229	3,289,126	1,241,533
Operating charges	1.61%	1.58%	1.59% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	110.64	116.38	107.98
Lowest share price	99.45	102.68	98.22

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	110.10	104.21	100.00
Return before operating charges*	2.37	7.64	5.78
Operating charges	(0.89)	(1.75)	(1.57)
Return after operating charges	1.48	5.89	4.21
Closing net asset value per share	111.58	110.10	104.21
Retained distributions on accumulation shares	–	1.47	1.36
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	1.34%	5.65%	4.21%
Other Information			
Closing net asset value (£'000)	107,069	80,887	43,685
Closing number of shares	95,957,181	73,464,533	41,920,152
Operating charges	1.61%	1.58%	1.59% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	113.56	117.98	107.99
Lowest share price	102.10	104.05	98.22

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	129.05	122.26	118.74	101.57
Return before operating charges*	2.79	9.15	5.77	19.23
Operating charges	(1.19)	(2.36)	(2.25)	(2.06)
Return after operating charges	1.60	6.79	3.52	17.17
Closing net asset value per share	130.65	129.05	122.26	118.74
Retained distributions on accumulation shares	–	1.47	1.37	1.26
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	1.24%	5.55%	2.96%	16.90%
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Other Information

Closing net asset value (£'000)	10,545	9,961	13,771	12,310
Closing number of shares	8,071,682	7,718,599	11,264,097	10,367,000
Operating charges	1.86%	1.83%	1.88%	1.81%
Direct transaction costs	–	–	–	–

Prices

Highest share price	132.83	138.38	126.72	120.36
Lowest share price	119.60	122.06	115.40	100.69

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 40-80 Portfolio	(0.11)	(4.08)	11.89	27.29

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 57.04% (31.10.15 – 62.76%)		
	CONTINENTAL EUROPE – 10.50% (31.10.15 – 12.19%)		
5,077,932	Henderson European Growth	8,902	3.65
666,713	Henderson European Selected Opportunities	8,494	3.48
2,529,881	Jupiter European Special Situations	8,242	3.37
	TOTAL CONTINENTAL EUROPE	25,638	10.50
	UNITED KINGDOM – 17.21% (31.10.15 – 11.78%)		
3,408,554	Artemis Income	11,654	4.77
391,824	AXA Framlington UK Select Opportunities	11,790	4.82
2,503,771	M&G Recovery*	6,467	2.65
10,170,761	Threadneedle UK	12,159	4.97
	TOTAL UNITED KINGDOM	42,070	17.21
	FAR EAST – 10.62% (31.10.15 – 9.99%)		
1,556,175	Fidelity South-East Asia	13,050	5.34
2,584,360	Stewart Investors Asia Pacific Leaders	12,888	5.28
	TOTAL FAR EAST	25,938	10.62
	JAPAN – 4.43% (31.10.15 – 10.22%)		
3,441,044	Man GLG Japan CoreAlpha	3,806	1.56
2,807,948	Schroder Tokyo	7,028	2.87
	TOTAL JAPAN	10,834	4.43
	UNITED STATES – 10.70% (31.10.15 – 10.72%)		
7,992,774	Schroder US Mid Cap	8,320	3.40
9,042,172	Threadneedle American	17,845	7.30
	TOTAL UNITED STATES	26,165	10.70
	EMERGING MARKETS – 3.58% (31.10.15 – 7.86%)		
842,668	Aberdeen Emerging Markets Equity	4,509	1.84
1,991,767	M&G Global Emerging Markets*	4,244	1.74
	TOTAL EMERGING MARKETS	8,753	3.58
	TOTAL EQUITY PORTFOLIOS	139,398	57.04

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	PROPERTY PORTFOLIOS – 18.55% (31.10.15 – 10.07%)		
6,706,290	Aviva Investors Property	11,457	4.69
2,715,007	M&G Property Portfolio*	33,877	13.86
	TOTAL PROPERTY PORTFOLIOS	45,334	18.55
	BOND PORTFOLIOS – 23.56% (31.10.15 – 26.84%)		
4,591,073	Baillie Gifford High Yield Bond	5,606	2.29
3,272,870	Fidelity MoneyBuilder Income	5,426	2.22
2,901,759	Invesco Perpetual Corporate Bond	5,422	2.22
9,608,711	Kames High Yield Bond	11,089	4.54
3,327,798	Kames Investment Grade Bond	5,413	2.22
9,588,015	M&G Global High Yield Bond*	11,205	4.58
9,469,247	M&G Short Dated Corporate Bond*	2,391	0.98
5,099,189	M&G Strategic Corporate Bond*	5,476	2.24
5,641,449	Royal London Corporate Bond	5,552	2.27
	TOTAL BOND PORTFOLIOS	57,580	23.56
	Portfolio of investments	242,312	99.15
	Net other assets	2,067	0.85
	Net assets	244,379	100.00

The investments are collective investment schemes.

* Related party holding.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **59,859**

Purchases	Cost £'000
M&G Property Portfolio	20,082
M&G High Yield Corporate Bond	10,588
Threadneedle American	7,308
AXA Framlington UK Select Opportunities	5,971
Threadneedle UK	3,772
Artemis Income	3,029
Henderson European Growth	2,041
Schroders US Mid Cap	1,907
Jupiter European Special Situations	1,151
Schroders Tokyo	1,000
Stewart Investors Asia Pacific Leaders	900
Henderson European Selected Opportunities	800
M&G Global Emerging Markets	715
Royal London Corporate Bond	595

Total sales for the half year £'000 **66,144**

Sales	Proceeds £'000
Schroders Tokyo	9,230
M&G Global Emerging Markets	8,634
Kames High Yield Bond	6,032
M&G North American Dividend	5,360
Henderson European Selected Opportunities	5,188
Man GLG Japan CoreAlpha	4,556
Baillie Gifford High Yield Bond	3,853
Threadneedle American	3,628
Jupiter European Special Situations	3,556
Fidelity Moneybuilder Income	2,369
Aberdeen Emerging Markets Equity	2,363
M&G Short Dated Corporate Bond	2,020
Invesco Perpetual Corporate Bond	1,969
Schroders US Mid Cap	1,773
Kames Investment Grade Bond	1,558
M&G Strategic Corporate Bond	1,301
Royal London Corporate Bond	1,300
Stewart Investors Asia Pacific Leaders	730
Artemis Income	724

The summary of material portfolio changes represents all of the purchases and sales during the half year.

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		1,584		22,031
Revenue	2,838		3,038	
Expenses	(925)		(1,061)	
Interest payable and similar charges	(1)		—	
Net revenue before taxation	1,912		1,977	
Taxation	(266)		(306)	
Net revenue after taxation		1,646		1,671
Total return before distributions		3,230		23,702
Distributions*		—		38
Change in net assets attributable to shareholders from investment activities		3,230		23,740

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		246,315		226,106
Amounts receivable on issue of shares	8,909		18,356	
Amounts payable on cancellation of shares	(14,118)		(9,731)	
		(5,209)		8,625
Dilution adjustment		43		70
Change in net assets attributable to shareholders from investment activities		3,230		23,740
Closing net assets attributable to shareholders		244,379		258,541

The above statement shows the comparative closing net assets at 30 April 2015 whereas the current accounting period commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	242,312	245,509
Current assets		
Debtors	1,184	2,493
Cash and bank balances	2,356	2,311
Total assets	<u>245,852</u>	<u>250,313</u>
LIABILITIES		
Creditors		
Distribution payable	–	(1,688)
Other creditors	(1,473)	(2,310)
Total liabilities	<u>(1,473)</u>	<u>(3,998)</u>
Net assets attributable to shareholders	<u>244,379</u>	<u>246,315</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading. Comparatives have been restated accordingly.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic 60-100 Portfolio ('the Fund') aims to achieve long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 60% and 100% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund is an actively managed portfolio investing in collective investment schemes in order to provide a well diversified exposure to global equities, fixed interest and variable rate assets, immovable property, cash and/or near cash. Typically the Fund will have a high exposure to assets providing potential for growth, such as equities. Scheme selection is made on the basis of in depth initial and ongoing qualitative assessment of the fund managers and quantitative analysis of the collective investment schemes.

The Fund may also invest directly in other assets including transferable securities, other collective investment schemes, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be held directly for the purposes of efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic 60-100 Portfolio

23 June 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 1.19%¹, 'R' Accumulation 1.45%¹, 'P' Accumulation 1.68%¹, were ahead of the 0.64%¹ sector average for IA Flexible Investment.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

The UK equity funds underperformed with only the Threadneedle UK fund generating positive returns from 1 November to 30 April.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Flexible Investment for comparison. No benchmark is required to be disclosed per the Prospectus.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

The performance of the underlying funds was mixed. The Schroder US Mid Cap fund outperformed the S&P 500 over the six month period with the Threadneedle American fund lagging the benchmark. Following a review of its management and longer-term performance the decision was taken to sell the holding in the M&G North American Dividend fund.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

The Henderson European Growth fund was the best performing over the six months generating returns above the Henderson European Selected Opportunities and Jupiter European Special Situations funds, both of which lagged the performance of the benchmark index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Performance of both the Schroder Toyko and Man GLG Japan CoreAlpha funds was below the TOPIX 100 over the six months from 1 November.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies. Both the Stewart Investors Asia Pacific Leaders and Fidelity South-East Asia funds produced positive returns.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession started to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant. The M&G Property Portfolio contributed most to the underlying fund performance in the portfolio.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally. The Aberdeen Emerging Markets Equity and M&G Global Emerging Markets funds performed well.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2016

POSITIONING

After a review of the long-term positioning of the portfolio, equity exposures were rebalanced with Europe, emerging markets and Japan holdings reduced and UK equity and Property increased. Small positions in the Fidelity MoneyBuilder Income and Invesco Perpetual Corporate Bond funds were added.

The portfolio managers also took the decision to re-adjust the underlying fund positions such that they were equally weighted within each asset class.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of repaying debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

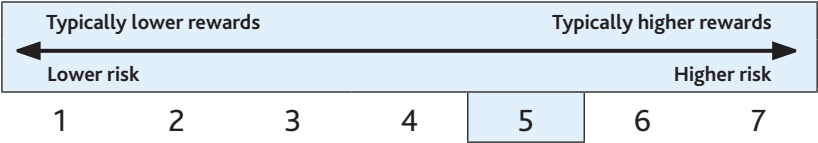
Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
19 May 2016

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	149.84	141.35	139.37	117.36
Return before operating charges*	2.59	12.73	5.94	25.79
Operating charges	(1.68)	(3.55)	(3.47)	(3.23)
Return after operating charges	(0.91)	9.18	2.47	22.56
Distribution on income shares	–	(0.69)	(0.49)	(0.55)
Closing net asset value per share	150.75	149.84	141.35	139.37
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	0.61%	6.49%	1.77%	19.22%

Other Information				
Closing net asset value (£'000)	357	872	1,477	1,526
Closing number of shares	237,028	581,674	1,045,309	1,095,000
Operating charges	2.42%	2.39%	2.47%	2.46%
Direct transaction costs	–	–	–	–

Prices				
Highest share price	153.48	162.88	148.44	141.72
Lowest share price	136.66	141.53	134.90	116.69

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	152.76	143.44	140.96	118.24
Return before operating charges*	2.76	12.92	5.99	25.98
Operating charges	(1.82)	(3.60)	(3.51)	(3.26)
Return after operating charges	0.94	9.32	2.48	22.72
Closing net asset value per share	153.70	152.76	143.44	140.96
Retained distribution on accumulation shares	–	0.70	0.47	0.54
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	0.62%	6.50%	1.76%	19.22%

Other Information				
Closing net asset value (£'000)	10,637	20,075	23,542	32,636
Closing number of shares	6,920,857	13,140,980	16,412,886	23,153,000
Operating charges	2.42%	2.39%	2.47%	2.46%
Direct transaction costs	–	–	–	–

Prices				
Highest share price	156.53	165.27	150.11	142.77
Lowest share price	139.33	143.68	136.44	117.56

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	150.33	141.79	139.79	117.64
Return before operating charges*	2.54	12.45	5.67	25.65
Operating charges	(0.89)	(1.71)	(1.74)	(1.65)
Return after operating charges	1.65	10.74	3.93	24.00
Distribution on income shares	–	(2.20)	(1.93)	(1.85)
Closing net asset value per share	151.98	150.33	141.79	139.79
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	1.10%	7.57%	2.81%	20.40%
Other Information				
Closing net asset value (£'000)	35,989	35,106	28,628	22,867
Closing number of shares	23,680,434	23,352,953	20,189,932	16,358,000
Operating charges	1.20%	1.17%	1.23%	1.24%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	154.70	164.13	150.15	142.85
Lowest share price	137.50	142.18	135.66	117.04

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	107.90	102.00	100.00
Return before operating charges*	1.88	8.81	4.64
Operating charges	(0.89)	(1.74)	(1.61)
Return after operating charges	0.99	7.07	3.03
Distribution on income shares	–	(1.17)	(1.03)
Closing net asset value per share	108.89	107.90	102.00
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	0.92%	6.93%	3.03%
Other Information			
Closing net asset value (£'000)	2,116	1,470	666
Closing number of shares	1,943,144	1,362,232	653,235
Operating charges	1.67%	1.64%	1.64% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	111.10	117.86	107.70
Lowest share price	98.58	102.20	97.50

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	110.14	103.03	100.00
Return before operating charges*	1.92	8.87	4.64
Operating charges	(0.91)	(1.76)	(1.61)
Return after operating charges	1.01	7.11	3.03
Closing net asset value per share	111.15	110.14	103.03
Retained distribution on accumulation shares	–	1.18	1.03
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	0.92%	6.90%	3.03%
Other Information			
Closing net asset value (£'000)	36,767	27,148	16,050
Closing number of shares	33,079,018	24,649,483	15,578,009
Operating charges	1.67%	1.64%	1.64% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	113.38	119.01	107.71
Lowest share price	100.62	103.24	97.50

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	132.80	124.31	121.62	101.62
Return before operating charges*	2.35	10.94	5.08	22.12
Operating charges	(1.26)	(2.45)	(2.39)	(2.12)
Return after operating charges	1.09	8.49	2.69	20.00
Closing net asset value per share	133.89	132.80	124.31	121.62
Retained distribution on accumulation shares	–	1.15	0.96	0.89
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	0.82%	6.83%	2.21%	19.68%
Other Information				
Closing net asset value (£'000)	4,656	4,355	3,495	2,528
Closing number of shares	3,477,528	3,279,098	2,811,259	2,078,274
Operating charges	1.92%	1.89%	1.95%	1.83%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	136.41	143.46	129.98	122.95
Lowest share price	121.27	124.55	117.85	101.04

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 60-100 Portfolio	1.19	(4.58)	13.84	29.96

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

PORTFOLIO STATEMENT AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 70.04% (31.10.15 – 79.48%)		
	CONTINENTAL EUROPE – 12.76% (31.10.15 – 17.59%)		
2,238,206	Henderson European Growth	3,923	4.34
302,846	Henderson European Selected Opportunities	3,858	4.26
1,156,873	Jupiter European Special Situations	3,769	4.16
	TOTAL CONTINENTAL EUROPE	11,550	12.76
	UNITED KINGDOM – 20.96% (31.10.15 – 16.95%)		
1,431,569	Artemis Income	4,894	5.41
163,892	AXA Framlington UK Select Opportunities	4,932	5.45
1,568,521	M&G Recovery*	4,052	4.47
4,262,649	Threadneedle UK	5,096	5.63
	TOTAL UNITED KINGDOM	18,974	20.96
	FAR EAST – 12.94% (31.10.15 – 12.39%)		
695,971	Fidelity South-East Asia	5,836	6.45
1,179,072	Stewart Investors Asia Pacific Leaders	5,880	6.49
	TOTAL FAR EAST	11,716	12.94
	JAPAN – 5.90% (31.10.15 – 12.32%)		
1,594,507	Man GLG Japan CoreAlpha	1,764	1.95
1,427,448	Schroder Tokyo	3,573	3.95
	TOTAL JAPAN	5,337	5.90
	UNITED STATES – 13.08% (31.10.15 – 12.11%)		
3,632,824	Schroder US Mid Cap	3,782	4.18
4,082,665	Threadneedle American	8,057	8.90
	TOTAL UNITED STATES	11,839	13.08
	EMERGING MARKETS – 4.40% (31.10.15 – 8.12%)		
427,657	Aberdeen Emerging Markets Equity	2,288	2.53
795,405	M&G Global Emerging Markets*	1,695	1.87
	TOTAL EMERGING MARKETS	3,983	4.40
	TOTAL EQUITY PORTFOLIOS	63,399	70.04

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	PROPERTY PORTFOLIOS – 19.62% (31.10.15 – 9.68%)		
2,491,374	Aviva Investors Property	4,256	4.70
1,082,166	M&G Property Portfolio*	13,503	14.92
	TOTAL PROPERTY PORTFOLIOS	17,759	19.62
	BOND PORTFOLIOS – 8.86% (31.10.15 – 10.16%)		
1,404,489	Baillie Gifford High Yield Bond	1,715	1.89
950,093	Fidelity MoneyBuilder Income	1,575	1.74
850,290	Invesco Perpetual Corporate Bond	1,589	1.75
2,726,404	Kames High Yield Bond	3,147	3.48
	TOTAL BOND PORTFOLIOS	8,026	8.86
	Portfolio of investments	89,184	98.52
	Net other assets	1,338	1.48
	Net assets	90,522	100.00

The investments are collective investment schemes.

* Related party holding.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **20,594**

Purchases	Cost £'000
M&G Property Portfolio	8,416
Threadneedle American	3,445
Threadneedle UK	1,590
Fidelity MoneyBuilder Income	1,542
Invesco Perpetual Corporate Bond	1,542
AXA Framlington UK Select Opportunities	1,099
Artemis Income	1,000
Schroder US Mid Cap	435
Jupiter European Special Situations	410
Schroder Tokyo	410
Stewart Investors Asia Pacific Leaders	386
Fidelity South-East Asia	319

Total sales for the half year £'000 **20,709**

Sales	Proceeds £'000
Schroder Tokyo	3,749
M&G Global Emerging Markets	3,235
Kames High Yield Bond	2,355
M&G North American Dividend	2,026
Henderson European Growth	1,730
Man GLG Japan CoreAlpha	1,667
Jupiter European Special Situations	1,538
Henderson European Selected Opportunities	1,265
Baillie Gifford High Yield Bond	1,216
Threadneedle American	877
Schroder US Mid Cap	473
Fidelity South-East Asia	340
Stewart Investors Asia Pacific Leaders	238

The summary of material portfolio changes represents all of the purchases and sales during the half year.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		328		8,849
Revenue	853		783	
Expenses	(339)		(355)	
Net revenue before taxation	514		428	
Taxation	(53)		(50)	
Net revenue after taxation		461		378
Total return before distributions		789		9,227
Distributions*		3		20
Change in net assets attributable to shareholders from investment activities		792		9,247

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		89,026		73,858
Amounts receivable on issue of shares	5,114		8,426	
Amounts payable on cancellation of shares	(4,449)		(3,405)	
		665		5,021
Dilution adjustment		39		41
Change in net assets attributable to shareholders from investment activities		792		9,247
Closing net assets attributable to shareholders		90,522		88,167

The above statement shows the comparative closing net assets at 30 April 2015 whereas the current accounting period commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

BALANCE SHEET
AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	89,184	88,536
Current assets		
Debtors	383	353
Cash and bank balances	1,385	991
Total assets	90,952	89,880
LIABILITIES		
Creditors		
Distribution payable	–	(533)
Other creditors	(430)	(321)
Total liabilities	(430)	(854)
Net assets attributable to shareholders	90,522	89,026

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading. Comparatives have been restated accordingly.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic Focused 0-30 Portfolio ('the Fund') aims to achieve a long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. No more than 30% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund invests in other funds which use active and passive management approaches in order to provide a well-diversified, indirect exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. Typically, the Fund will have a higher exposure to lower risk assets such as fixed income assets, cash and near cash. The Fund will concentrate on delivering returns from the Portfolio Manager's asset allocation decisions and the selection of a focused range of funds and fund management groups (which may include other funds managed by the Portfolio Manager).

The Fund may also invest directly in other assets such as transferable securities, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be used for efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic Focused 0-30 Portfolio

23 June 2016

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 (the period in review) share classes 'A' Accumulation 3.42%¹, 'R' Accumulation 3.63%¹, 'P' Accumulation 3.74%¹, produced positive returns ahead of the 1.29%¹ sector average for IA Mixed Investment 0-35% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

Returns from the Legal & General UK Index trust were in line with the performance of the FTSE All-Share Index.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 0-35% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January 2016. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for later this year.

Returns from the Legal & General US Index trust were in line with the performance of the FTSE USA Index.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

Returns from the Legal & General European Index trust were in line with the performance of the FTSE World Europe ex UK Index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Returns from the Legal & General Japan Index trust were in line with the performance of the FTSE Japan Index.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

ASIA EX JAPAN (continued)

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies.

Returns from the Legal & General Pacific Index trust were in line with the performance of the FTSE World Asia Pacific ex Japan Index.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March.

The M&G Strategic Corporate Bond and M&G Corporate Bond both produced solid returns over the period in review.

INTERNATIONAL BONDS

With the uncertain outlook at the beginning of 2016, demand for global corporate bonds tended to weaken, and as a result, these assets initially delivered mixed returns. In contrast, demand for core government bonds, including those from the US and Germany, increased sharply as investors sought out 'safe-haven' assets.

The situation reversed from mid-February onwards as investor risk appetite returned, helped by the stabilisation in commodity prices. Corporate bonds experienced a solid rebound in the circumstances, but still lagged government issues which delivered strong returns on the whole over the quarter. High yield issues, which struggled earlier in the quarter, also staged a sharp rally later in the period.

The M&G European Corporate Bond, M&G Global Convertibles, M&G European Loan and M&G Global High Yield Bond funds all produced positive returns. The M&G Global High Yield Bond fund generated least value only just breaking in to positive territory.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant.

The performance of the M&G Property Portfolio fund was positive but marginally behind the IPD UK All Property Index.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally.

Returns from the Legal & General Global Emerging Markets Index trust were in line with the performance of the FTSE All World Emerging Index.

POSITIONING

Over the period, there have been no major changes to the overall portfolio structure which remains broadly diversified by asset class and geography with an overall bias to fixed income. Any transactions relate to ongoing trading in order to keep the portfolio in line with target positions, in accordance with the underlying mandate of the Fund.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of paying off debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

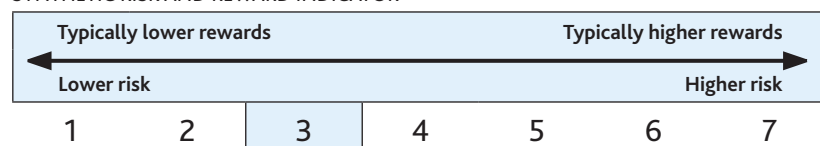
19 May 2016

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 3 because its volatility has been measured as medium to average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	122.49	123.74	123.57	115.98
Return before operating charges*	5.19	3.35	4.96	12.15
Operating charges	(0.97)	(1.96)	(2.05)	(2.02)
Return after operating charges	4.22	1.39	2.91	10.13
Distributions on income shares	–	(2.64)	(2.74)	(2.54)
Closing net asset value per share	126.71	122.49	123.74	123.57
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	3.45%	1.12%	2.35%	8.73%
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Other Information

Closing net asset value (£'000)	437	1,907	3,025	3,854
Closing number of shares	344,700	1,556,959	2,444,379	3,119,000
Operating charges	1.57%	1.56%	1.64%	1.65%
Direct transaction costs	–	–	–	–

Prices

Highest share price	127.12	129.83	128.45	126.39
Lowest share price	119.61	121.90	121.94	115.71

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	145.99	144.99	142.27	131.36
Return before operating charges*	6.21	3.30	5.08	13.19
Operating charges	(1.15)	(2.30)	(2.36)	(2.28)
Return after operating charges	5.06	1.00	2.72	10.91
Closing net asset value per share	151.05	145.99	144.99	142.27
Retained distributions on accumulation shares	–	3.08	3.15	2.85
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.47%	0.69%	1.91%	8.31%
Other Information				
Closing net asset value (£'000)	10,083	22,374	33,338	44,267
Closing number of shares	6,675,529	15,325,078	22,993,727	31,114,500
Operating charges	1.57%	1.56%	1.64%	1.65%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	151.44	152.08	147.87	143.16
Lowest share price	142.59	142.83	140.43	131.04

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	122.61	123.88	123.71	116.06
Return before operating charges*	5.05	3.34	4.99	12.21
Operating charges	(0.14)	(0.26)	(0.36)	(0.37)
Return after operating charges	4.91	3.08	4.63	11.84
Distributions on income shares	–	(4.35)	(4.46)	(4.19)
Closing net asset value per share	127.52	122.61	123.88	123.71
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.00%	2.49%	3.74%	10.20%
Other Information				
Closing net asset value (£'000)	185,058	187,326	202,083	202,380
Closing number of shares	145,124,936	152,781,499	163,127,405	163,592,584
Operating charges	0.22%	0.21%	0.29%	0.31%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	127.85	130.56	129.79	127.83
Lowest share price	120.10	123.25	122.20	115.84

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	99.45	100.47	100.00
Return before operating charges*	4.16	2.71	4.22
Operating charges	(0.41)	(0.83)	(0.84)
Return after operating charges	3.75	1.88	3.38
Distributions on income shares	–	(2.90)	(2.91)
Closing net asset value per share	103.20	99.45	100.47
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	3.77%	1.87%	3.38%
Other Information			
Closing net asset value (£'000)	4,065	3,014	2,591
Closing number of shares	3,938,761	3,030,903	2,578,469
Operating charges	0.82%	0.81%	0.86% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	103.63	105.67	104.77
Lowest share price	97.29	99.52	99.01

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	104.11	102.84	100.00
Return before operating charges*	4.36	2.12	3.68
Operating charges	(0.43)	(0.85)	(0.84)
Return after operating charges	3.93	1.27	2.84
Closing net asset value per share	108.04	104.11	102.84
Retained distributions on accumulation shares	–	2.97	2.94
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	3.77%	1.23%	2.84%
Other Information			
Closing net asset value (£'000)	63,441	59,047	52,063
Closing number of shares	58,719,825	56,718,628	50,625,907
Operating charges	0.82%	0.81%	0.86% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	108.45	108.08	104.78
Lowest share price	101.85	101.80	99.01

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	115.29	114.05	111.47	102.51
Return before operating charges*	4.86	2.47	3.86	10.19
Operating charges	(0.62)	(1.23)	(1.28)	(1.23)
Return after operating charges	4.24	1.24	2.58	8.96
Closing net asset value per share	119.53	115.29	114.05	111.47
Retained distributions on accumulation shares	–	3.02	3.05	2.75
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	3.68%	1.09%	2.31%	8.74%
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Other Information

Closing net asset value (£'000)	14,085	12,462	8,644	8,204
Closing number of shares	11,784,241	10,809,455	7,579,396	7,360,000
Operating charges	1.07%	1.06%	1.14%	1.14%
Direct transaction costs	–	–	–	–

Prices

Highest share price	119.93	119.90	116.25	112.16
Lowest share price	112.73	112.75	110.06	102.30

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic Focused 0-30 Portfolio	3.42	0.67	7.28	21.65

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 17.07% (31.10.15 – 19.07%)		
14,708,551	UNITED KINGDOM – 7.28% (31.10.15 – 7.47%) Legal & General UK Index	20,165	7.28
	CONTINENTAL EUROPE – 2.71% (31.10.15 – 3.02%)		
3,372,038	Legal & General European Index	7,519	2.71
	FAR EAST – 2.86% (31.10.15 – 3.08%)		
9,956,646	Legal & General Pacific Index	7,915	2.86
	JAPAN – 0.91% (31.10.15 – 1.35%)		
6,364,577	Legal & General Japan Index	2,533	0.91
	UNITED STATES – 2.80% (31.10.15 – 3.16%)		
2,678,175	Legal & General US Index	7,767	2.80
	EMERGING MARKETS – 0.51% (31.10.15 – 0.99%)		
3,360,911	Legal & General Global Emerging Markets Index	1,401	0.51
	TOTAL EQUITY PORTFOLIOS	47,300	17.07
	EQUITY INVESTMENT INSTRUMENTS – 3.73% (31.10.15 – 3.08%)		
1,226,429	Bilfinger Berger Global Infrastructure**	1,668	0.61
1,280,000	Blue Capital Global Reinsurance**	876	0.32
2,106,860	CATCo Reinsurance Opportunities**	1,795	0.65
953,797	DP Aircraft 'I'**	672	0.24
147,365	HarbourVest Global Private Equity**	1,370	0.49
107,500	HgCapital Trust**	1,257	0.45
765,089	NB Distressed Debt Investment**	474	0.17
1,297,586	NextEnergy Solar**	1,272	0.46
925,824	Renewables Infrastructure Group (The)**	950	0.34
	TOTAL EQUITY INVESTMENT INSTRUMENTS	10,334	3.73
	PROPERTY PORTFOLIOS – 9.24% (31.10.15 – 10.15%)		
2,053,963	M&G Property Portfolio*	25,629	9.24

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	BOND PORTFOLIOS – 69.45% (31.10.15 – 69.32%)		
74,901,962	M&G Corporate Bond*	29,856	10.77
40,038,353	M&G European Corporate Bond*	38,040	13.73
91,354	M&G European Loan*	7,816	2.82
2,771,181	M&G Global Convertibles*	5,149	1.86
8,166,635	M&G Global High Yield Bond*	9,544	3.44
62,940,859	M&G Short Dated Corporate Bond*	15,893	5.73
80,262,575	M&G Strategic Corporate Bond*	86,186	31.10
	TOTAL BOND PORTFOLIOS	192,484	69.45
	Portfolio of investments	275,747	99.49
	Net other assets	1,422	0.51
	Net assets	277,169	100.00

The investments are collective investment schemes unless stated otherwise.

* Related party holding.

** Ordinary shares.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **6,853**

Purchases	Cost £'000
Legal & General US Index	3,000
M&G Short Dated Corporate Bond	1,700
HarbourVest Global Private Equity	1,327
Legal & General European Index	826

Total sales for the half year £'000 **30,778**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	6,213
M&G European Corporate Bond	6,000
Legal & General US Index	4,850
M&G Property Portfolio	3,850
M&G Strategic Corporate Bond	2,500
Legal & General European Index	2,200
Legal & General Global Emerging Markets Index	1,420
Legal & General Pacific Index	1,400
Legal & General Japan Index	1,400
Legal & General UK Index	800
NB Distressed Debt Investment	145

The summary of material portfolio changes represents all of the purchases and sales during the half year.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN

FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		7,851		5,599
Revenue	3,928		6,430	
Expenses	(574)		(714)	
Interest payable and similar charges	(1)		(2)	
Net revenue before taxation	3,353		5,714	
Taxation	(81)		(165)	
Net revenue after taxation		3,272		5,549
Total return before distributions		11,123		11,148
Distributions*		(730)		(1,316)
Change in net assets attributable to shareholders from investment activities		10,393		9,832

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		286,130		301,744
Amounts receivable on issue of shares	8,725		27,478	
Amounts payable on cancellation of shares	(28,234)		(17,701)	
		(19,509)		9,777
Dilution adjustment		155		106
Change in net assets attributable to shareholders from investment activities		10,393		9,832
Closing net assets attributable to shareholders		277,169		321,459

The above statement shows the comparative closing net assets at 30 April 2015 whereas the current accounting period commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation and a position for UK income tax on interest distribution deductible at source only.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	275,747	290,761
Current assets		
Debtors	1,106	2,437
Cash and bank balances	1,834	2,061
Total assets	<u>278,687</u>	<u>295,259</u>
LIABILITIES		
Creditors		
Distribution payable*	(654)	(7,391)
Other creditors	(864)	(1,738)
Total liabilities	<u>(1,518)</u>	<u>(9,129)</u>
Net assets attributable to shareholders	<u>277,169</u>	<u>286,130</u>

* The Fund distributes annually, therefore 'Distribution payable' at half year consists of a position for UK income tax on interest distribution deductible at source only.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading; and has also resulted in presentational changes to the Balance Sheet, whereby UK income tax withheld on interest distributions are now disclosed within 'Distributions payable', which were previously disclosed in 'Other creditors'. The comparatives have been updated accordingly.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic Focused 10-40 Portfolio ('the Fund') aims to achieve a long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 10% and 40% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund invests in other funds which use active and passive management approaches in order to provide a well-diversified, indirect exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. Typically, the Fund will have a bias towards lower risk assets such as fixed income assets and cash but will always have some exposure to equities. The Fund will concentrate on delivering returns from the Portfolio Manager's asset allocation decisions and the selection of a focused range of funds and fund management groups (which may include other funds managed by the Portfolio Manager).

The Fund may also invest directly in other assets such as transferable securities, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be used for efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Prudential Dynamic Focused 10-40 Portfolio
23 June 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 3.26%¹, 'R' Accumulation 3.37%¹, 'P' Accumulation 3.48%¹, produced positive returns ahead of the 1.08%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

Returns from the Legal & General UK Index trust were in line with the performance of the FTSE All-Share Index.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 20-60% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January 2016. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

Returns from the Legal & General US Index trust were in line with the performance of the FTSE USA Index.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

Returns from the Legal & General European Index trust were in line with the performance of the FTSE World Europe ex UK Index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Returns from the Legal & General Japan Index trust were in line with the performance of the FTSE Japan Index.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies.

Returns from the Legal & General Pacific Index trust were in line with the performance of the FTSE World Asia Pacific ex Japan Index.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March.

The M&G Strategic Corporate Bond produced solid returns over the period in review.

INTERNATIONAL BONDS

With the uncertain outlook at the beginning of 2016, demand for global corporate bonds tended to weaken, and as a result, these assets initially delivered mixed returns. In contrast, demand for core government bonds, including those from the US and Germany, increased sharply as investors sought out 'safe-haven' assets.

The situation reversed from mid-February onwards as investor risk appetite returned, helped by the stabilisation in commodity prices. Corporate bonds experienced a solid rebound in the circumstances, but still lagged government issues which delivered strong returns on the whole over the quarter. High yield issues, which struggled earlier in the quarter, also staged a sharp rally later in the period.

The M&G European Corporate Bond, M&G Global Convertibles, M&G European Loan and M&G Global High Yield Bond funds all produced positive returns. The M&G Global High Yield Bond fund generated least value only just breaking in to positive territory.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

UK PROPERTY (continued)

The performance of the M&G Property Portfolio Fund was positive but marginally behind the IPD UK All Property Index.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally.

Returns from the Legal & General Global Emerging Markets Index trust were in line with the performance of the FTSE All World Emerging Index.

POSITIONING

Over the period, there have been no major changes to the overall portfolio structure which remains broadly diversified by asset class and geography with an overall bias to fixed income. Any transactions relate to ongoing trading in order to keep the portfolio in line with target positions, in accordance with the underlying mandate of the Fund.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of paying off debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

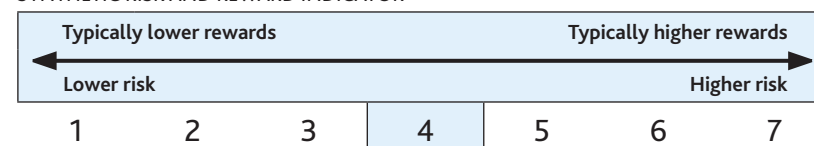
M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2016

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

As the Fund has less than 5 years' price history, this calculation incorporates the volatility of an appropriate benchmark index.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'A' Income shares		
Change in net assets per share		
Opening net asset value per share	100.11	100.00
Return before operating charges*	3.73	0.75
Operating charges	(0.78)	(0.24)
Return after operating charges	2.95	0.51
Distributions on income shares	–	(0.40)
Closing net asset value per share	103.06	100.11
* after direct transaction costs of:	–	–
Performance		
Return after charges	2.95%	0.51%
Other Information		
Closing net asset value (£'000)	–	–
Closing number of shares	250	250
Operating charges	1.58% ²	1.56% ²
Direct transaction costs	–	–
Prices		
Highest share price	103.70	100.73
Lowest share price	96.21	98.16

¹ From 9 September 2015.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'A' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	100.62	100.00
Return before operating charges*	4.21	0.86
Operating charges	(0.93)	(0.24)
Return after operating charges	3.28	0.62
Closing net asset value per share	103.90	100.62
Retained distributions on accumulation shares	–	0.52
* after direct transaction costs of:	–	–
Performance		
Return after charges	3.26%	0.62%
Other Information		
Closing net asset value (£'000)	–	–
Closing number of shares	250	250
Operating charges	1.58% ²	1.56% ²
Direct transaction costs	–	–
Prices		
Highest share price	104.46	100.82
Lowest share price	96.89	98.17

¹ From 9 September 2015.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'P' Income shares		
Change in net assets per share		
Opening net asset value per share	100.11	100.00
Return before operating charges*	3.87	0.77
Operating charges	(0.41)	(0.12)
Return after operating charges	3.46	0.65
Distributions on income shares	–	(0.54)
Closing net asset value per share	103.57	100.11
* after direct transaction costs of:	–	–
Performance		
Return after charges	3.46%	0.65%
Other Information		
Closing net asset value (£'000)	5,340	5,006
Closing number of shares	5,155,103	5,000,255
Operating charges	0.83% ²	0.81% ²
Direct transaction costs	–	–
Prices		
Highest share price	104.15	100.86
Lowest share price	96.50	98.21

¹ From 9 September 2015.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'P' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	100.66	100.00
Return before operating charges*	3.92	0.76
Operating charges	(0.42)	(0.10)
Return after operating charges	3.50	0.66
Closing net asset value per share	104.16	100.66
Retained distributions on accumulation shares	–	0.55
* after direct transaction costs of:	–	–
Performance		
Return after charges	3.48%	0.66%
Other Information		
Closing net asset value (£'000)	243	3
Closing number of shares	233,565	3,092
Operating charges	0.83% ²	0.81% ²
Direct transaction costs	–	–
Prices		
Highest share price	104.73	100.88
Lowest share price	97.04	98.22

¹ From 9 September 2015.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'R' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	100.62	100.00
Return before operating charges*	3.93	0.76
Operating charges	(0.54)	(0.14)
Return after operating charges	3.39	0.62
Closing net asset value per share	104.01	100.62
Retained distributions on accumulation shares	–	0.52
* after direct transaction costs of:	–	–

Performance

Return after charges	3.37%	0.62%
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Other Information

Closing net asset value (£'000)	4,178	750
Closing number of shares	4,016,728	745,172
Operating charges	1.08% ²	1.06% ²
Direct transaction costs	–	–

Prices

Highest share price	104.60	100.84
Lowest share price	96.94	98.20

¹ From 9 September 2015.

² Annualised figure due to share class being launched less than 1 year.

FUND PERFORMANCE

As the Fund has less than one calendar year's performance, there is insufficient data to provide a useful indication of past performance.

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 30.70% (31.10.15 – 27.31%)		
775,471	UNITED KINGDOM – 10.89% (31.10.15 – 11.03%) Legal & General UK Index	1,063	10.89
200,928	CONTINENTAL EUROPE – 4.59% (31.10.15 – 3.92%) Legal & General European Index	448	4.59
546,607	FAR EAST – 4.44% (31.10.15 – 3.99%) Legal & General Pacific Index	434	4.44
585,694	JAPAN – 2.39% (31.10.15 – 1.77%) Legal & General Japan Index	233	2.39
9,872	UNITED STATES – 5.29% (31.10.15 – 4.10%) HarbourVest Global Private Equity	92	0.94
146,111	Legal & General US Index	424	4.35
	TOTAL UNITED STATES	516	5.29
370,548	EMERGING MARKETS – 1.59% (31.10.15 – 1.28%) Legal & General Global Emerging Markets Index	155	1.59
	EQUITY INVESTMENT INSTRUMENTS – 1.51% (31.10.15 – 1.22%)		
45,714	BBGI**	62	0.64
15,239	DP Aircraft 'I'**	11	0.11
4,256	HgCapital Trust**	50	0.51
6,556	NextEnergy Solar**	6	0.06
18,191	Renewables Infrastructure Group (The)**	19	0.19
	TOTAL EQUITY INVESTMENT INSTRUMENTS	148	1.51
	TOTAL EQUITY PORTFOLIOS	2,997	30.70
	PROPERTY PORTFOLIOS – 13.34% (31.10.15 – 11.69%)		
104,366	M&G Property Portfolio*	1,302	13.34
	BOND PORTFOLIOS – 54.24% (31.10.15 – 48.81%)		
1,076,740	M&G European Corporate Bond*	1,023	10.48
2,348	M&G European Loan	201	2.06
56,613	M&G Global Convertibles*	105	1.08

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	BOND PORTFOLIOS – 54.24% (31.10.15 – 48.81%) (continued)		
341,545	M&G Global High Yield Bond*	399	4.09
1,920,489	M&G Short Dated Corporate Bond*	485	4.97
2,869,073	M&G Strategic Corporate Bond*	3,081	31.56
	TOTAL BOND PORTFOLIOS	5,294	54.24
	Portfolio of investments	9,593	98.28
	Net other assets	168	1.72
	Net assets	9,761	100.00

The investments are collective investment schemes unless stated otherwise.

* Related party holding.

** Ordinary shares.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **4,417**

Purchases	Cost £'000
M&G Strategic Corporate Bond	1,442
M&G Property Portfolio	615
Legal & General UK Index	439
M&G European Corporate Bond	415
M&G Short Dated Corporate Bond	278
Legal & General European Index	211
M&G Global High Yield Bond	208
Legal & General Pacific Index	180
Legal & General US Index	163
Legal & General Japan Index	126
HarbourVest Global Private Equity	89
M&G European Loan	75
Legal & General Global Emerging Markets Index	70
BBGI	46
M&G Global Convertibles	35
Renewables Infrastructure Group (The)	18
DP Aircraft 'I'	7

Total sales for the half year £'000 **142**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	142

The summary of material portfolio changes represents all of the purchases and sales during the half year.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16** £'000
Income:		
Net capital gains		245
Revenue	94	
Expenses	(33)	
Net revenue before taxation	61	
Taxation	(10)	
Net revenue after taxation		51
Total return before distributions		296
Distributions*		12
Change in net assets attributable to shareholders from investment activities		308

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16** £'000
Opening net assets attributable to shareholders		5,759
Amounts receivable on issue of shares	3,703	
Amounts payable on cancellation of shares	(37)	
		3,666
Dilution adjustment		28
Change in net assets attributable to shareholders from investment activities		308
Closing net assets attributable to shareholders		9,761

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

** No comparative figures are presented for the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders as this is the Fund's first interim reporting period; the Fund launched 9 September 2015.

BALANCE SHEET
AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	9,593	5,057
Current assets		
Debtors	189	392
Cash and bank balances	153	343
Total assets	9,935	5,792
LIABILITIES		
Creditors		
Distribution payable	–	(27)
Other creditors	(174)	(6)
Total liabilities	(174)	(33)
Net assets attributable to shareholders	9,761	5,759

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic Focused 20-55 Portfolio ('the Fund') aims to achieve a long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 20% and 55% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund invests in other funds which use active and passive management approaches in order to provide a well-diversified, indirect exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. From time to time, however, the Fund may have a high exposure to equities and/or fixed income assets. The Fund will concentrate on delivering returns from the Portfolio Manager's asset allocation decisions and the selection of a focused range of funds and fund management groups (which may include other funds managed by the Portfolio Manager).

The Fund may also invest directly in other assets such as transferable securities, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be used for efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic Focused 20-55 Portfolio

23 June 2016

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 2.78%¹, 'R' Accumulation 2.98%¹, 'P' Accumulation 3.1%¹, produced positive returns ahead of the 1.08%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

Returns from the Legal & General UK Index trust were in line with the performance of the FTSE All-Share Index.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 20-60% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January 2016. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

Returns from the Legal & General US Index trust were in line with the performance of the FTSE USA Index.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

Returns from the Legal & General European Index trust were in line with the performance of the FTSE World Europe ex UK Index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Returns from the Legal & General Japan Index trust were in line with the performance of the FTSE Japan Index.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

ASIA EX JAPAN (continued)

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies.

Returns from the Legal & General Pacific Index trust were in line with the performance of the FTSE World Asia Pacific ex Japan Index.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March.

The M&G Strategic Corporate Bond produced solid returns over the period in review.

INTERNATIONAL BONDS

With the uncertain outlook at the beginning of 2016, demand for global corporate bonds tended to weaken, and as a result, these assets initially delivered mixed returns. In contrast, demand for core government bonds, including those from the US and Germany, increased sharply as investors sought out 'safe-haven' assets.

The situation reversed from mid-February onwards as investor risk appetite returned, helped by the stabilisation in commodity prices. Corporate bonds experienced a solid rebound in the circumstances, but still lagged government issues which delivered strong returns on the whole over the quarter. High yield issues, which struggled earlier in the quarter, also staged a sharp rally later in the period.

The M&G European Corporate Bond, M&G Global Convertibles, M&G European Loan and M&G Global High Yield Bond funds all produced positive returns. The M&G Global High Yield Bond fund generated least value only just breaking in to positive territory.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant.

The performance of the M&G Property Portfolio fund was positive but marginally behind the IPD UK All Property Index.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally.

Returns from the Legal & General Global Emerging Markets Index were in line with the performance of the FTSE All World Emerging Index.

POSITIONING

Over the period, there have been no major changes to the overall portfolio structure which remains broadly diversified by asset class and geography with a balanced exposure to equities and fixed income. Any transactions relate to ongoing trading in order to keep the portfolio in line with target positions, in accordance with the underlying mandate of the Fund.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of paying off debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

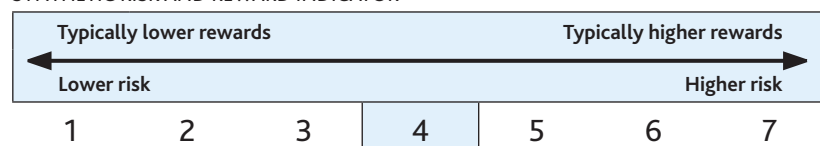
19 May 2016

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	120.01	119.18	118.20	106.14
Return before operating charges*	4.61	5.37	5.02	15.88
Operating charges	(0.95)	(1.97)	(2.00)	(1.95)
Return after operating charges	3.66	3.40	3.02	13.93
Distributions on income shares	–	(2.57)	(2.04)	(1.87)
Closing net asset value per share	123.67	120.01	119.18	118.20
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	3.05%	2.85%	2.55%	13.12%
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Other Information

Closing net asset value (£'000)	358	1,066	2,987	4,931
Closing number of shares	289,144	888,074	2,505,892	4,172,000
Operating charges	1.60%	1.59%	1.67%	1.69%
Direct transaction costs	–	–	–	–

Prices

Highest share price	124.78	130.22	124.05	121.02
Lowest share price	115.24	117.85	116.17	105.51

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	140.95	137.01	133.60	118.09
Return before operating charges*	5.46	6.19	5.67	17.67
Operating charges	(1.12)	(2.25)	(2.26)	(2.16)
Return after operating charges	4.34	3.94	3.41	15.51
Closing net asset value per share	145.29	140.95	137.01	133.60
Retained distributions on accumulation shares	–	3.00	2.30	2.07
* after direct transaction costs of:	–	0.01	–	–
Performance				
Return after charges	3.08%	2.88%	2.55%	13.13%
Other Information				
Closing net asset value (£'000)	10,754	15,039	19,004	30,977
Closing number of shares	7,401,850	10,669,696	13,870,846	23,185,500
Operating charges	1.60%	1.59%	1.67%	1.69%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	146.46	149.46	140.20	134.65
Lowest share price	135.26	135.52	131.30	117.41

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	119.91	119.16	118.16	106.05
Return before operating charges*	4.47	5.02	4.69	15.62
Operating charges	(0.15)	(0.30)	(0.35)	(0.39)
Return after operating charges	4.32	4.72	4.34	15.23
Distributions on income shares	–	(3.97)	(3.34)	(3.12)
Closing net asset value per share	124.23	119.91	119.16	118.16
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.61%	3.96%	3.67%	14.36%
Other Information				
Closing net asset value (£'000)	62,381	59,226	55,438	42,130
Closing number of shares	50,214,924	49,393,175	46,525,762	35,654,800
Operating charges	0.25%	0.24%	0.29%	0.34%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	125.31	130.60	125.16	122.22
Lowest share price	115.50	118.99	116.47	105.50

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	101.44	100.89	100.00
Return before operating charges*	3.85	4.30	3.99
Operating charges	(0.43)	(0.89)	(0.80)
Return after operating charges	3.42	3.41	3.19
Distributions on income shares	–	(2.86)	(2.30)
Closing net asset value per share	104.86	101.44	100.89
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	3.37%	3.38%	3.19%
Other Information			
Closing net asset value (£'000)	3,512	2,950	3,641
Closing number of shares	3,349,507	2,907,923	3,608,354
Operating charges	0.85%	0.84%	0.83% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	105.90	110.29	105.51
Lowest share price	97.70	100.23	98.45

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	106.66	103.20	100.00
Return before operating charges*	4.08	4.36	4.01
Operating charges	(0.46)	(0.90)	(0.81)
Return after operating charges	3.62	3.46	3.20
Closing net asset value per share	110.28	106.66	103.20
Retained distributions on accumulation shares	–	2.92	2.30
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	3.39%	3.36%	3.20%
Other Information			
Closing net asset value (£'000)	41,459	42,800	39,972
Closing number of shares	37,594,006	40,126,665	38,731,446
Operating charges	0.85%	0.84%	0.83% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	111.33	112.83	105.51
Lowest share price	102.71	102.49	98.45

¹ From 15 November 2013.

² Annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)	31.10.13 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	123.93	120.01	116.57	102.59
Return before operating charges*	4.75	5.25	4.78	15.25
Operating charges	(0.68)	(1.33)	(1.34)	(1.27)
Return after operating charges	4.07	3.92	3.44	13.98
Closing net asset value per share	128.00	123.93	120.01	116.57
Retained distributions on accumulation shares	–	3.16	2.48	2.26
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	3.29%	3.26%	2.95%	13.63%
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Other Information

Closing net asset value (£'000)	11,032	8,507	2,132	1,394
Closing number of shares	8,619,069	6,864,399	1,776,685	1,196,000
Operating charges	1.10%	1.09%	1.14%	1.14%
Direct transaction costs	–	–	–	–

Prices

Highest share price	129.11	131.13	122.74	117.46
Lowest share price	119.15	119.10	114.67	101.98

FUND PERFORMANCE TO 30 APRIL 2016 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic Focused 20-55 Portfolio	2.78	(1.72)	9.82	24.14

The performance of the Fund is based on the published price per 'A' Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 39.05% (31.10.15 – 39.65%)		
	CONTINENTAL EUROPE – 6.27% (31.10.15 – 6.28%)		
3,640,744	Legal & General European Index	8,119	6.27
	UNITED KINGDOM – 15.23% (31.10.15 – 15.54%)		
14,389,205	Legal & General UK Index	19,727	15.23
	FAR EAST – 6.39% (31.10.15 – 6.40%)		
10,409,786	Legal & General Pacific Index	8,275	6.39
	JAPAN – 2.68% (31.10.15 – 2.81%)		
8,716,977	Legal & General Japan Index	3,469	2.68
	UNITED STATES – 6.30% (31.10.15 – 6.56%)		
2,811,649	Legal & General US Index	8,154	6.30
	EMERGING MARKETS – 2.18% (31.10.15 – 2.06%)		
6,762,838	Legal & General Global Emerging Markets Index	2,820	2.18
	TOTAL EQUITY PORTFOLIOS	50,564	39.05
	EQUITY INVESTMENT INSTRUMENTS – 4.44% (31.10.15 – 2.68%)		
988,106	Bilfinger Berger Global Infrastructure**	1,344	1.04
320,000	Blue Capital Global Reinsurance**	219	0.17
505,645	CATCo Reinsurance Opportunities**	431	0.33
1,007,254	DP Aircraft 'I'**	710	0.55
156,257	Harbourvest Global Private Equity**	1,453	1.12
29,250	HG Capital Trust**	342	0.26
219,624	NB Distressed Debt Investment **	136	0.11
587,400	NextEnergy Solar**	575	0.44
524,478	Renewables Infrastructure Group (The) **	538	0.42
	TOTAL EQUITY INVESTMENT INSTRUMENTS	5,748	4.44
	PROPERTY PORTFOLIOS – 15.86% (31.10.15 – 15.40%)		
1,645,614	M&G Property Portfolio*	20,534	15.86

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	BOND PORTFOLIOS – 39.12% (31.10.15 – 39.65%)		
10,024,369	M&G European Corporate Bond*	9,524	7.35
26,867	M&G European Loan*	2,299	1.78
491,203	M&G Global Convertibles*	913	0.71
4,071,901	M&G Global High Yield Bond*	4,758	3.67
17,291,012	M&G Short Dated Corporate Bond*	4,366	3.37
26,825,361	M&G Strategic Corporate Bond*	28,805	22.24
	TOTAL BOND PORTFOLIOS	50,665	39.12
	Portfolio of investments	127,511	98.47
	Net other assets	1,985	1.53
	Net assets	129,496	100.00

The investments are collective investment schemes unless stated otherwise.

* Related party holding.

** Ordinary shares.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **10,781**

Purchases	Cost £'000
M&G Short Dated Corporate Bond	2,200
HarbourVest Global Private Equity	1,406
Legal & General European Index	1,300
M&G Property Portfolio	1,300
Legal & General Japan Index	1,300
M&G European Corporate Bond	1,000
Legal & General US Index	930
M&G Strategic Corporate Bond	650
Bilfinger Berger Global Infrastructure	521
Renewables Infrastructure Group (The)	174

Total sales for the half year £'000 **12,948**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	3,273
M&G European Corporate Bond	1,850
Legal & General US Index	1,800
Legal & General European Index	1,528
Legal & General Japan Index	1,528
M&G Property Portfolio	1,047
M&G Global Convertibles	640
M&G Strategic Corporate Bond	640
Legal & General Pacific Index	600
NB Distressed Debt Investment	42

The summary of material portfolio changes represents all of the purchases and sales during the half year.

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN

FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Income:				
Net capital gains		3,488		7,522
Revenue	1,243		2,423	
Expenses	(371)		(407)	
Interest payable and similar charges	—		—	
Net revenue before taxation	872		2,016	
Taxation	(154)		(244)	
Net revenue after taxation		718		1,772
Total return before distributions		4,206		9,294
Distributions*		6		(1)
Change in net assets attributable to shareholders from investment activities		4,212		9,293

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16 £'000	£'000	30.04.15 £'000
Opening net assets attributable to shareholders		129,588		123,174
Amounts receivable on issue of shares	13,306		16,503	
Amounts payable on cancellation of shares	(17,700)		(9,940)	
		(4,394)		6,563
Dilution adjustment		90		83
Change in net assets attributable to shareholders from investment activities		4,212		9,293
Closing net assets attributable to shareholders		129,496		139,113

The above statement shows the comparative closing net assets at 30 April 2015 whereas the current accounting period commenced 1 November 2015.

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	127,511	126,197
Current assets		
Debtors	767	1,205
Cash and bank balances	1,840	5,366
Total assets	<u>130,118</u>	<u>132,768</u>
LIABILITIES		
Creditors		
Distribution payable	–	(2,067)
Other creditors	(622)	(1,113)
Total liabilities	<u>(622)</u>	<u>(3,180)</u>
Net assets attributable to shareholders	<u>129,496</u>	<u>129,588</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading. Comparatives have been restated accordingly.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic Focused 40-80 Portfolio ('the Fund') aims to achieve a long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 40% and 80% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund invests in other funds which use active and passive management approaches in order to provide a well-diversified, indirect exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. Typically the Fund will have a bias towards assets providing potential for growth, such as equities. The Fund will concentrate on delivering returns from the Portfolio Manager's asset allocation decisions and the selection of a focused range of funds and fund management groups (which may include other funds managed by the Portfolio Manager).

The Fund may also invest directly in other assets such as transferable securities, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be used for efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic Focused 40-80 Portfolio

23 June 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 2.79%¹, 'R' Accumulation 3.01%¹, 'P' Accumulation 3.11%¹, were ahead of the 0.99%¹ sector average for IA Mixed Investment 40-85% Shares.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

Returns from the Legal & General UK Index trust were in line with the performance of the FTSE All-Share Index.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Mixed Investment 40-85% Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

Returns from the Legal & General US Index trust were in line with the performance of the FTSE USA Index.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

Returns from the Legal & General European Index trust were in line with the performance of the FTSE World Europe ex UK Index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Returns from the Legal & General Japan Index trust were in line with the performance of the FTSE Japan Index.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies.

Returns from the Legal & General Pacific Index trust were in line with the performance of the FTSE World Asia Pacific ex Japan Index.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession starting to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March.

The M&G Strategic Corporate Bond produced solid returns over the period in review.

INTERNATIONAL BONDS

With the uncertain outlook at the beginning of 2016, demand for global corporate bonds tended to weaken, and as a result, these assets initially delivered mixed returns. In contrast, demand for core government bonds, including those from the US and Germany, increased sharply as investors sought out 'safe-haven' assets.

The situation reversed from mid-February onwards as investor risk appetite returned, helped by the stabilisation in commodity prices. Corporate bonds experienced a solid rebound in the circumstances, but still lagged government issues which delivered strong returns on the whole over the quarter. High yield issues, which struggled earlier in the quarter, also staged a sharp rally later in the period.

The M&G European Corporate Bond, M&G Global Convertibles, M&G European Loan and M&G Global High Yield Bond funds all produced positive returns. The M&G Global High Yield Bond fund generated least value only just breaking in to positive territory.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

UK PROPERTY (continued)

The performance of the M&G Property Portfolio fund was positive but marginally behind the IPD UK All Property Index.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally.

Returns from the Legal & General Global Emerging Markets Index trust were in line with the performance of the FTSE All World Emerging Index.

POSITIONING

Over the period, there have been no major changes to the overall portfolio structure which remains broadly diversified by asset class and geography with an overall bias to equities. Any transactions relate to ongoing trading in order to keep the portfolio in line with target positions, in accordance with the underlying mandate of the Fund.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of repaying debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

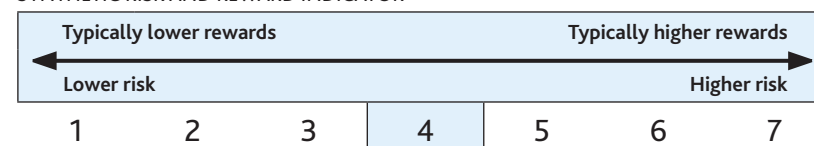
M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2016

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

As the Fund has less than 5 years' price history, this calculation incorporates the volatility of an appropriate benchmark index.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'A' Income shares		
Change in net assets per share		
Opening net asset value per share	100.65	100.00
Return before operating charges*	3.45	1.54
Operating charges	(0.79)	(0.22)
Return after operating charges	2.66	1.32
Distributions on income shares	–	(0.67)
Closing net asset value per share	103.31	100.65
* after direct transaction costs of:	–	–
Performance		
Return after charges	2.64%	1.32%
Other Information		
Closing net asset value (£'000)	–	–
Closing number of shares	250	250
Operating charges	1.60% ²	1.58% ²
Direct transaction costs	–	–
Prices		
Highest share price	104.55	101.62
Lowest share price	94.35	97.32

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'A' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	101.32	100.00
Return before operating charges*	3.72	1.56
Operating charges	(0.91)	(0.24)
Return after operating charges	2.81	1.32
Closing net asset value per share	104.13	101.32
Retained distributions on accumulation shares	–	0.69
* after direct transaction costs of:	–	–
Performance		
Return after charges	2.77%	1.32%
Other Information		
Closing net asset value (£'000)	–	–
Closing number of shares	250	250
Operating charges	1.60% ²	1.58% ²
Direct transaction costs	–	–
Prices		
Highest share price	105.34	101.62
Lowest share price	95.11	97.31

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'P' Income shares		
Change in net assets per share		
Opening net asset value per share	100.65	100.00
Return before operating charges*	3.51	1.55
Operating charges	(0.42)	(0.12)
Return after operating charges	3.09	1.43
Distributions on income shares	–	(0.78)
Closing net asset value per share	103.74	100.65
* after direct transaction costs of:	–	–
Performance		
Return after charges	3.07%	1.43%
Other Information		
Closing net asset value (£'000)	5,297	5,033
Closing number of shares	5,106,329	5,000,255
Operating charges	0.85% ²	0.83% ²
Direct transaction costs	–	–
Prices		
Highest share price	104.95	101.73
Lowest share price	94.60	97.37

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'P' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	101.45	100.00
Return before operating charges*	3.56	1.57
Operating charges	(0.43)	(0.12)
Return after operating charges	3.13	1.45
Closing net asset value per share	104.58	101.45
Retained distributions on accumulation shares	–	0.80
* after direct transaction costs of:	–	–
Performance		
Return after charges	3.09%	1.45%
Other Information		
Closing net asset value (£'000)	853	4
Closing number of shares	815,231	3,874
Operating charges	0.85% ²	0.83% ²
Direct transaction costs	–	–
Prices		
Highest share price	105.79	101.75
Lowest share price	95.36	97.39

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)
Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'R' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	101.39	100.00
Return before operating charges*	3.57	1.54
Operating charges	(0.55)	(0.15)
Return after operating charges	3.02	1.39
Closing net asset value per share	104.41	101.39
Retained distributions on accumulation shares	–	0.76
* after direct transaction costs of:	–	–

Performance

Return after charges	2.98%	1.39%
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Other Information

Closing net asset value (£'000)	1,108	254
Closing number of shares	1,060,708	250,416
Operating charges	1.10% ²	1.08% ²
Direct transaction costs	–	–

Prices

Highest share price	105.64	101.70
Lowest share price	95.25	97.36

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

FUND PERFORMANCE

As the Fund has less than one calendar year's performance, there is insufficient data to provide a useful indication of past performance.

PORTFOLIO STATEMENT AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 55.54% (31.10.15 – 53.14%)		
269,117	CONTINENTAL EUROPE – 8.27% (31.10.15 – 8.66%) Legal & General European Index	600	8.27
1,090,339	UNITED KINGDOM – 20.60% (31.10.15 – 20.45%) Legal & General UK Index	1,495	20.60
730,639	FAR EAST – 8.00% (31.10.15 – 7.84%) Legal & General Pacific Index	581	8.00
589,602	JAPAN – 3.24% (31.10.15 – 3.43%) Legal & General Japan Index	235	3.24
209,777	UNITED STATES – 8.38% (31.10.15 – 8.05%) Legal & General US Index	608	8.38
418,296	EMERGING MARKETS – 2.39% (31.10.15 – 2.54%) Legal & General Global Emerging Markets Index	174	2.39
	EQUITY INVESTMENT INSTRUMENTS – 4.66% (31.10.15 – 2.17%)		
56,803	BBGI**	77	1.06
22,904	DP Aircraft I**	16	0.22
13,179	HarbourVest Global Private Equity**	123	1.70
7,141	HgCapital Trust**	83	1.14
11,018	NextEnergy Solar**	11	0.15
26,932	Renewables Infrastructure Group (The)**	28	0.39
	TOTAL EQUITY INVESTMENT INSTRUMENTS	338	4.66
	TOTAL EQUITY PORTFOLIOS	4,031	55.54
	PROPERTY PORTFOLIOS – 18.24% (31.10.15 – 17.47%)		
106,128	M&G Property Portfolio*	1,324	18.24
	BOND PORTFOLIOS – 24.39% (31.10.15 – 25.74%)		
393,404	M&G European Corporate Bond*	374	5.15
928	M&G European Loan*	79	1.09
16,563	M&G Global Convertibles*	31	0.43

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	BOND PORTFOLIOS – 24.39% (31.10.15 – 25.74%) (continued)		
193,040	M&G Global High Yield Bond*	226	3.11
419,661	M&G Short Dated Corporate Bond*	106	1.46
888,512	M&G Strategic Corporate Bond*	954	13.15
	TOTAL BOND PORTFOLIOS	1,770	24.39
	Portfolio of investments	7,125	98.17
	Net other assets	133	1.83
	Net assets	7,258	100.00

The investments are collective investment schemes unless stated otherwise.

* Related party holding.

** Ordinary shares.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **2,093**

Purchases	Cost £'000
Legal & General UK Index	425
M&G Property Portfolio	384
M&G Strategic Corporate Bond	258
Legal & General US Index	149
Legal & General European Index	126
Legal & General Pacific Index	124
M&G European Corporate Bond	123
HarbourVest Global Private Equity	119
Legal & General Japan Index	112
M&G Global High Yield Bond	83
BBGI	52
M&G Corporate Bond	43
Legal & General Global Emerging Markets Index	30
M&G European Loan	30
Renewables Infrastructure Group (The)	26
DP Aircraft 'I'	9

Total sales for the half year £'000 **252**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	144
M&G Corporate Bond	43
Legal & General Japan Index	65

The summary of material portfolio changes represents all of the purchases and sales during the half year.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16** £'000
Income:		
Net capital gains		200
Revenue	56	
Expenses	(25)	
Net revenue before taxation	31	
Taxation	(4)	
Net revenue after taxation		27
Total return before distributions		227
Distributions*		4
Change in net assets attributable to shareholders from investment activities		231

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16** £'000
Opening net assets attributable to shareholders		5,291
Amounts receivable on issue of shares	1,830	
Amounts payable on cancellation of shares	(113)	
		1,717
Dilution adjustment		19
Change in net assets attributable to shareholders from investment activities		231
Closing net assets attributable to shareholders		7,258

* The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

** No comparative figures are presented for the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders as this is the Fund's first interim reporting period; the Fund launched 9 September 2015.

BALANCE SHEET
AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	7,125	5,098
Current assets		
Debtors	52	69
Cash and bank balances	92	169
Total assets	7,269	5,336
LIABILITIES		
Creditors		
Distribution payable	–	(39)
Other creditors	(11)	(6)
Total liabilities	(11)	(45)
Net assets attributable to shareholders	7,258	5,291

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2016

INVESTMENT OBJECTIVE AND POLICY

The CF Prudential Dynamic Focused 60-100 Portfolio ('the Fund') aims to achieve a long-term total return (the combination of income and growth of capital) by investing mainly in collective investment schemes. Between 60% and 100% of the Fund will be invested in schemes whose predominant exposure is to equities.

The Fund invests in other funds which use active and passive management approaches in order to provide a well-diversified, indirect exposure to global fixed income and variable rate assets, cash, near cash, equities and/or immovable property. Typically the Fund will have a high exposure towards assets providing potential for growth, such as equities. The Fund will concentrate on delivering returns from the Portfolio Manager's asset allocation decisions and the selection of a focused range of funds and fund management groups (which may include other funds managed by the Portfolio Manager).

The Fund may also invest directly in other assets such as transferable securities, cash and near cash, deposits, warrants and money market instruments. Derivative instruments may be used for efficient portfolio management only.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Dynamic Focused 60-100 Portfolio

23 June 2016

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2016

PORTFOLIO MANAGER'S REPORT

Between 1 November 2015 and 30 April 2016 share classes 'A' Accumulation 2.44%¹, 'R' Accumulation 2.66%¹, 'P' Accumulation 2.86%¹, were ahead of the 0.64%¹ sector average for IA Flexible Investment.

ECONOMIC OVERVIEW

The global economy appears divided; western economies continue to grow while many Asian and developing economies have struggled. The UK economy seems to be expanding well relative to most other countries; it grew by 2.2% in 2015, although the growth forecast for 2016 was revised down from 2.4% to 2.0%. The US economy grew by 2.4% in 2015 and the eurozone by 1.5%. Japan managed an annual GDP rise of 0.5%, but the economy contracted by an annualised 1.1% in the fourth quarter of 2015, while China's economy expanded by 6.8% last year. Central banks continued to make unprecedented moves to stimulate economic growth and stave off deflation, or falling prices. Negative interest rates are now in operation around the world; Japan joined Sweden, Switzerland, Denmark and the eurozone in having below zero interest rates during the first few months of 2016. Also, asset-purchasing activity remains in force in many countries. In the US and UK interest rates could rise this year, although the Federal Reserve ('the Fed') has pledged it will proceed cautiously, having raised interest rates for first time since 2006 in December 2015.

MARKET OVERVIEW

Having experienced a positive end to 2015, the early part of 2016 brought a remarkable turnaround in investor sentiment. In January 2016, many stock markets experienced their worst month for many years as renewed fears about a China-led global economic slowdown and a collapse in the oil price led to a retreat from risk assets. Investors flocked towards 'safe haven' assets, such as government bonds and gold. Added to this were rising concerns over the financial health of many banks before pessimism peaked in mid-February. Investors then appeared to accept that a global recession was not as likely as feared and, when the oil price began to recover and central banks announced further action to boost growth, stock markets rallied strongly. The Fed also signalled that a further US interest rate hike was unlikely to happen anytime soon, so share prices rose further. Significant movements in currency markets also featured; sterling weakened against most other currencies, initially on the recognition that UK interest rates were unlikely to rise in the short term, but subsequently from the announcement of a referendum that could result in the UK withdrawing from the European Union (EU).

UK EQUITIES

The FTSE All-Share ended the period in review flat, having recovered from the lows of mid-February driven by a strong recovery led by international energy and mining stocks, as oil and metal prices rebounded. The domestically focused FTSE 250 and smaller companies indices were unable to make up the steep losses suffered in January and first half of the period, the 'risk-off' phase, when investors were risk averse.

Returns from the Legal & General UK Index trust were in line with the performance of the FTSE All-Share Index.

¹ Source: FE Analytics. The Portfolio Manager uses the IA Flexible Investment Shares for comparison. No benchmark is required to be disclosed per the Prospectus.

NORTH AMERICA

US stock markets had their worst start to a new year for many years, with investors spooked by the slump in the oil price in January. Concern that the economy could fall back into recession peaked in mid-February before bargain hunting among financial and energy stocks emerged. A rebound in the oil price and good economic data saw US shares recover strongly. The S&P 500 and Dow Jones indices both finished in positive territory, although the tech-heavy NASDAQ fell. US shares remain supported by a steady flow of takeover activity and share buybacks. Stable growth in the economy, at an annualised rate of 1.0% in the final quarter of 2015, plus jobs and wages on the rise had to be set against uncertainty over China and the oil price. This prompted the Fed to confirm interest rate hikes would proceed cautiously, with only two more increases signalled for this year.

Returns from the Legal & General US Index trust were in line with the performance of the FTSE USA Index.

EUROPE

Having pledged that it would not hesitate to act in support of the eurozone's economy, the European Central Bank (ECB) took unexpectedly aggressive action in March. The main interest rate was reduced to zero, the deposit rate cut to -0.4% and the programme of asset purchases extended. Growth remained modestly positive, at 0.3% in the final quarter of 2015, though inflation remained insipid.

Most of Europe's stock markets declined over the period in local terms, though the strength of the euro against the pound meant that, in sterling terms, the losses were reduced or reversed. Italy suffered large falls, pressured by the weakness of the country's banks on concerns about the amount of bad loans in the system. In fact, the potential effect of negative interest rates weighed on the European banking sector as a whole.

Returns from the Legal & General European Index trust were in line with the performance of the FTSE World Europe ex UK Index.

JAPAN

Despite the government's package of measures to keep interest rates low, weaken the yen and encourage inflation, the Japanese economy remained under pressure. Latest figures showed that it shrank by an annualised rate of 1.1% in the fourth quarter of 2015. The Bank of Japan took the unprecedented step of setting the main interest rate below zero, at -0.1%.

While this caused the yen to weaken in the short term, it then strengthened significantly over the period – regarded not only as a safe haven when other markets weakened, but also gaining relative to the US dollar when it became apparent US interest rates were not about to rise soon. A strong yen tends to weigh on the Japanese stock market as it restricts the country's export competitiveness. Japanese shares were marginally higher over the period in review.

Returns from the Legal & General Japan Index trust were in line with the performance of the FTSE Japan Index.

ASIA EX JAPAN

In common with other global stock markets, shares in Asia endured a turbulent first few months of 2016 having recovered towards the end of 2015. The Chinese stock market, the largest in the region, declined sharply early in the year as investors became increasingly concerned that the economy was stalling. In a surprise move, the authorities devalued the Chinese currency, alarming investors and sending shock waves around the world. Despite a robust recovery in March, the earlier losses could not be recouped.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2016

ASIA EX JAPAN (continued)

Some markets in the region performed well during the first quarter of 2016, boosted by weakness of the US dollar, which tends to support commodity prices and Asian currencies.

Returns from the Legal & General Pacific Index trust were in line with the performance of the FTSE World Asia Pacific ex Japan Index.

UK BONDS

UK interest rates and inflation remained low during the period. Ongoing weakness in the price of oil and other commodities notably contributed to subdued inflation, while signs that the global economy may be slowing supported the Bank of England's decision to keep interest rates unchanged.

As discussed earlier the beginning of 2016 saw investors becoming increasingly unwilling to own assets seen as risky, such as company shares (equities), due to growing concerns over a global economic slowdown and further falls in commodity prices. Instead, they flocked into perceived 'safe havens', such as UK government bonds, or gilts. These securities performed very well as a result, which drove their expected returns (or yields) down below historic levels.

However, with fears of a global recession started to fade from around the middle of February, gilt prices moderated while UK corporate bonds staged a solid rebound, especially in the final weeks of March.

The M&G Strategic Corporate Bond produced solid returns over the period in review.

INTERNATIONAL BONDS

With the uncertain outlook at the beginning of 2016, demand for global corporate bonds tended to weaken, and as a result, these assets initially delivered mixed returns. In contrast, demand for core government bonds, including those from the US and Germany, increased sharply as investors sought out 'safe-haven' assets.

The situation reversed from mid-February onwards as investor risk appetite returned, helped by the stabilisation in commodity prices. Corporate bonds experienced a solid rebound in the circumstances, but still lagged government issues which delivered strong returns on the whole over the quarter. High yield issues, which struggled earlier in the quarter, also staged a sharp rally later in the period.

The M&G European Corporate Bond, M&G Global Convertibles, M&G European Loan and M&G Global High Yield Bond funds all produced positive returns. The M&G Global High Yield Bond fund generated least value only just breaking in to positive territory.

UK PROPERTY

The UK commercial property market produced solid performance over the period in review, with the offices sector recording the strongest returns. However, while monthly total returns (the combination of income and growth of capital) remained positive for all three broad sectors – offices, industrials and retail – the rate of growth continued to moderate.

The steady pace of the UK's economic expansion is still fuelling tenant demand, which, combined with a limited supply of newly built quality properties, is driving rental growth. In 2015, rental value growth was the strongest since 2008. Rental values grew fastest in the office sector, followed by industrials. Meanwhile, in the retail sector, increases remain subdued, with rental values in the High Street outside of the South East being stagnant.

The performance of the M&G Property Portfolio was positive but marginally behind the IPD UK All Property Index.

EMERGING MARKETS

The end of 2015 was modestly positive for emerging markets overall, however at the beginning of 2016 they suffered in an environment of risk aversion as investors considered the effect of a slowing global economy and lower oil prices. Many emerging markets recovered as oil and commodity prices rebounded in the first quarter, helped by a weaker US dollar.

The standout market was Brazil where, despite the economy suffering the worst recession since records began, share prices rallied on hopes of political change in the country. The Russian stock market also rose, helped by higher oil and commodity prices, although India declined, being unable to recover earlier losses despite a late rally.

Returns from the Legal & General Global Emerging Markets Index trust were in line with the performance of the FTSE All World Emerging Index.

POSITIONING

Over the period, there have been no major changes to the overall portfolio structure which remains broadly diversified by asset class and geography with an overall bias to equities. Any transactions relate to ongoing trading in order to keep the portfolio in line with target positions, in accordance with the underlying mandate of the Fund.

OUTLOOK

Although growth in the US and UK is expected to slow slightly and remain relatively flat in the eurozone, the main developed economies are expected to continue to perform better than emerging markets as the private sector in the key economies is partly through a cycle of repaying debt which should allow for stronger domestic demand. If energy prices remain cheap relative to pre-2015 averages this is generally more favourable for developed economies.

Emerging market growth is expected to be subdued due to US monetary policy tightening, a moderate slowdown in China, weakness in commodity producers and the need for structural reforms.

Monetary policy divergence is set to continue, although it will remain very accommodative in the advanced economies. It is felt that any rate rises will be at a very gradual pace with the Fed expected to hike twice in the second half of 2016 and the Bank of England once. Fragile growth and concerns about deflationary pressures in the eurozone and Japan means monetary conditions are likely to remain easy for some time to come.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

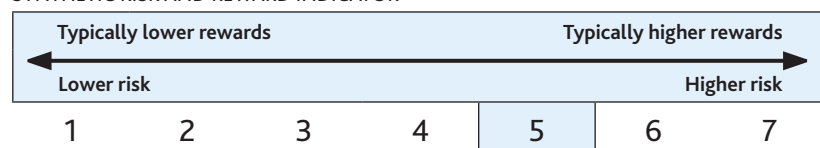
19 May 2016

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

Non-UCITS Retail Scheme (NURS): The Fund can be less diversified than UCITS schemes as it has higher investment limits for certain types of asset. It can also invest in assets which are not available to UCITS schemes. This can increase the potential rewards but can also increase risk.

As the Fund has less than 5 years' price history, this calculation incorporates the volatility of an appropriate benchmark index.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

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 can 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 are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

COMPARATIVE TABLES

Information for 30 April 2016 relates to the 6 month period ending 30 April 2016, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an *ex post* basis over the 12 month period ending 30 April 2016, expressed as a percentage of the average net asset value over the same period.

Where the Fund has significant investment in collective investment schemes, the operating charges take account of the ongoing charges incurred in the underlying schemes, calculated on a weighted basis against the Fund's average net assets over the 12 month period.

30.04.16
(p/share)

31.10.15¹
(p/share)

'A' Income shares

Change in net assets per share

Opening net asset value per share	101.00	100.00
Return before operating charges*	3.37	2.21
Operating charges	(0.78)	(0.41)
Return after operating charges	2.59	1.80
Distributions on income shares	–	(0.80)
Closing net asset value per share	103.59	101.00
* after direct transaction costs of:	–	–

Performance

Return after charges	2.56%	1.80%
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Other Information

Closing net asset value (£'000)	–	–
Closing number of shares	250	250
Operating charges	1.60% ²	1.59% ²
Direct transaction costs	–	–

Prices

Highest share price	104.88	102.23
Lowest share price	93.77	96.83

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)
Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'A' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	101.85	100.00
Return before operating charges*	3.65	2.26
Operating charges	(1.00)	(0.41)
Return after operating charges	2.65	1.85
Closing net asset value per share	104.50	101.85
Retained distributions on accumulation shares	–	0.84
* after direct transaction costs of:	–	–
Performance		
Return after charges	2.60%	1.85%
Other Information		
Closing net asset value (£'000)	–	–
Closing number of shares	250	250
Operating charges	1.60% ²	1.59% ²
Direct transaction costs	–	–
Prices		
Highest share price	105.89	102.24
Lowest share price	94.60	96.82

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'P' Income shares		
Change in net assets per share		
Opening net asset value per share	101.01	100.00
Return before operating charges*	3.37	2.05
Operating charges	(0.42)	(0.12)
Return after operating charges	2.95	1.93
Distributions on income shares	–	(0.92)
Closing net asset value per share	103.96	101.01
* after direct transaction costs of:	–	–
Performance		
Return after charges	2.92%	1.93%
Other Information		
Closing net asset value (£'000)	5,198	5,051
Closing number of shares	5,000,255	5,000,255
Operating charges	0.85% ²	0.84% ²
Direct transaction costs	–	–
Prices		
Highest share price	105.25	102.33
Lowest share price	93.97	96.87

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'P' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	101.95	100.00
Return before operating charges*	3.50	1.96
Operating charges	(0.42)	(0.01)
Return after operating charges	3.08	1.95
Closing net asset value per share	105.03	101.95
Retained distributions on accumulation shares	–	0.94
* after direct transaction costs of:	–	–
Performance		
Return after charges	3.02%	1.95%
Other Information		
Closing net asset value (£'000)	45	–
Closing number of shares	42,609	255
Operating charges	0.85% ²	0.84% ²
Direct transaction costs	–	–
Prices		
Highest share price	106.31	102.35
Lowest share price	94.91	96.88

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

	30.04.16 (p/share)	31.10.15 ¹ (p/share)
'R' Accumulation shares		
Change in net assets per share		
Opening net asset value per share	101.89	100.00
Return before operating charges*	3.43	2.04
Operating charges	(0.55)	(0.15)
Return after operating charges	2.88	1.89
Closing net asset value per share	104.77	101.89
Retained distributions on accumulation shares	–	0.90
* after direct transaction costs of:	–	–
Performance		
Return after charges	2.83%	1.89%
Other Information		
Closing net asset value (£'000)	472	126
Closing number of shares	450,290	123,731
Operating charges	1.10% ²	1.09% ²
Direct transaction costs	–	–
Prices		
Highest share price	106.07	102.30
Lowest share price	94.74	96.86

¹ From 9 September 2015.

² Estimated annualised figure due to share class being launched less than 1 year.

FUND PERFORMANCE

As the Fund has less than one calendar year's performance, there is insufficient data to provide a useful indication of past performance.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2016

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	EQUITY PORTFOLIOS – 69.45% (31.10.15 – 67.40%)		
	CONTINENTAL EUROPE – 10.72% (31.10.15 – 10.76%)		
274,786	Legal & General European Index	613	10.72
	UNITED KINGDOM – 23.98% (31.10.15 – 25.19%)		
999,550	Legal & General UK Index	1,370	23.98
	FAR EAST – 9.45% (31.10.15 – 9.97%)		
679,081	Legal & General Pacific Index	540	9.45
	JAPAN – 4.72% (31.10.15 – 5.37%)		
677,294	Legal & General Japan Index	270	4.72
	UNITED STATES – 10.55% (31.10.15 – 10.24%)		
207,786	Legal & General US Index	603	10.55
	EMERGING MARKETS – 3.59% (31.10.15 – 3.22%)		
491,274	Legal & General Global Emerging Markets Index	205	3.59
	EQUITY INVESTMENT INSTRUMENTS – 6.44% (31.10.15 – 2.65%)		
61,532	BBGI SICAV**	84	1.47
26,723	DP Aircraft I**	19	0.33
13,066	HarbourVest Global Private Equity**	121	2.12
8,461	HgCapital Trust**	99	1.73
13,086	NextEnergy Solar**	13	0.23
31,391	Renewables Infrastructure Group (The)**	32	0.56
	TOTAL EQUITY INVESTMENT INSTRUMENTS	368	6.44
	TOTAL EQUITY PORTFOLIOS	3,969	69.45
	PROPERTY PORTFOLIOS – 19.25% (31.10.15 – 19.41%)		
88,141	M&G Property Portfolio*	1,100	19.25

Holding	Portfolio of Investments	Value £'000	30.04.16 %
	BOND PORTFOLIOS – 9.15% (31.10.15 – 10.72%)		
100,347	M&G European Corporate Bond*	95	1.66
294	M&G European Loan*	25	0.44
6,803	M&G Global Convertibles*	13	0.23
69,591	M&G Global High Yield Bond*	81	1.42
287,937	M&G Strategic Corporate Bond*	309	5.40
	TOTAL BOND PORTFOLIOS	523	9.15
	Portfolio of investments	5,592	97.85
	Net other assets	123	2.15
	Net assets	5,715	100.00

The investments are collective investment schemes unless stated otherwise.

* Related party holding.

** Ordinary shares.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2016

Total purchases for the half year £'000 **704**

Purchases	Cost £'000
HarbourVest Global Private Equity	118
M&G Strategic Corporate Bond	107
Legal & General UK Index	92
M&G Property Portfolio	79
BBGI SICAV	54
Legal & General US Index	42
Legal & General European Index	41
M&G Short Dated Corporate Bond	40
Renewables Infrastructure Group (The)	30
Legal & General Global Emerging Markets Index	26
Legal & General Japan Index	26
Legal & General Pacific Index	25
M&G Global High Yield Bond	13
DP Aircraft 'I'	11

Total sales for the half year £'000 **289**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond	145
M&G Strategic Corporate Bond	65
Legal & General Pacific Index	40
Legal & General Japan Index	39

The summary of material portfolio changes represents all of the purchases and sales during the half year.

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16* £'000
Income:		
Net capital gains		153
Revenue	32	
Expenses	(20)	
Net revenue before taxation	12	
Taxation	(1)	
Net revenue after taxation		11
Total return before distributions		164
Distributions		–
Change in net assets attributable to shareholders from investment activities		164

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2016

	£'000	30.04.16* £'000
Opening net assets attributable to shareholders		5,177
Amounts receivable on issue of shares	386	
Amounts payable on cancellation of shares	(16)	
		370
Dilution adjustment		4
Change in net assets attributable to shareholders from investment activities		164
Closing net assets attributable to shareholders		5,715

* No comparative figures are presented for the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders as this is the Fund's first interim reporting period; the Fund launched 9 September 2015.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2016

	30.04.16 £'000	31.10.15 £'000
ASSETS		
Fixed assets		
Investments	5,592	5,049
Current assets		
Debtors	41	53
Cash and bank balances	89	127
Total assets	<u>5,722</u>	<u>5,229</u>
LIABILITIES		
Creditors		
Bank overdrafts	–	(1)
Distribution payable	–	(46)
Other creditors	(7)	(5)
Total liabilities	<u>(7)</u>	<u>(52)</u>
Net assets attributable to shareholders	<u>5,715</u>	<u>5,177</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2016

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2015 and are described in those annual financial statements.

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 Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Association ('IA') in May 2014. Previously, the requirements of the SORP issued by the IA in October 2010 were applied. Adoption of the new SORP has resulted in presentational changes to the Statement of Change in Net Assets Attributable to Shareholders, whereby the dilution adjustment previously included in 'Amounts receivable on issue of shares' and 'Amounts payable on cancellation of shares', is now disclosed under a separate heading.

2. SUBSEQUENT EVENTS

Since the Balance Sheet date of 30 April 2016, the Net Asset Value of the Fund has risen by 38%, primarily due to issue of shares.

GENERAL INFORMATION

STRUCTURE OF THE COMPANY

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority and the agreement of the Depositary. On the introduction of any new sub-fund or class, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. The sub-funds which are currently available are:

CF Prudential Dynamic 0-30 Portfolio
CF Prudential Dynamic 10-40 Portfolio
CF Prudential Dynamic 20-55 Portfolio
CF Prudential Dynamic 40-80 Portfolio
CF Prudential Dynamic 60-100 Portfolio
CF Prudential Dynamic Focused 0-30 Portfolio
CF Prudential Dynamic Focused 10-40 Portfolio
CF Prudential Dynamic Focused 20-55 Portfolio
CF Prudential Dynamic Focused 40-80 Portfolio
CF Prudential Dynamic Focused 60-100 Portfolio

In the future there may be other sub-funds of the Company.

VALUATION POINT

The valuation point of each sub-fund is 12.00 noon (London time) on each business day. 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 8.30am and 5.30pm (London time) and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell shares may be either in writing to: 2 The Boulevard, City West One Office Park, Gelderd Road, Leeds LS12 6NT or by telephone on 0344 335 8936.

PRICES

The prices of all shares are published on the website of the ACD: www.capitafinancial.com. The prices of shares may also be obtained by calling 0344 335 8936 during the ACD's normal business hours.

OTHER INFORMATION

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

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 ACT

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.

