

CAPITA



CF Prudential Investment Funds (1)

Interim Unaudited Report and Financial Statements
30 April 2017

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

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CF PRUDENTIAL INVESTMENT FUNDS (1)

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2017

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.

IMPORTANT INFORMATION

With effect from 1 November 2016, the auditor of the Company changed from PricewaterhouseCoopers LLP to Ernst & Young LLP.

CROSS HOLDINGS

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

SECURITIES FINANCING TRANSACTIONS

The Company has the ability to utilise Securities Financing Transactions (being transactions such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions). No such transactions have been undertaken in the period covered by this report.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Prudential Investment Funds (1)

30 June 2017

CF PRUDENTIAL INVESTMENT FUNDS (1)
DIRECTOR'S STATEMENT
FOR THE HALF YEAR ENDED 30 APRIL 2017

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)
30 June 2017

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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
30 June 2017

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017 (the period in review), share classes 'R' Accumulation 2.86%¹, 'P' Accumulation 2.91%¹ and 'A' Accumulation 2.64%¹ produced positive returns ahead of the 2.28%¹ sector average for IA Mixed Investment 0-35% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

The AXA Framlington UK Select Opportunities Fund and Artemis Income Fund produced returns ahead of the FTSE All-Share Index from 1 November 2016 to 30 April 2017. The Threadneedle UK Fund was replaced by the Investec UK Alpha Fund.

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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.

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

Returns from the Threadneedle American Fund were ahead of the S&P 500 Index over the period in review.

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

Although positive in absolute terms, the performance of the Henderson European Selected Opportunities Fund lagged the benchmark index over the period in review.

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

The Schroder Tokyo Fund outperformed the benchmark between 1 November 2016 and 30 April 2017, albeit generating a small negative return.

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

The Fidelity Asia Fund produced a return ahead of the benchmark over the period in review. The Stewart Investors Asia Pacific Leaders Fund was removed from the portfolio.

UK AND GLOBAL BONDS

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

UK AND GLOBAL BONDS *(continued)*

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

All five underlying corporate bond funds produced positive returns during the period in review although only Royal London Corporate Bond Fund outperformed the benchmark.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio and Aviva Investors Property Trust recovered between 1 November 2016 and 30 April 2017 with both producing positive returns albeit behind the IPD Index.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

The M&G Global Emerging Markets Fund produced returns ahead of the benchmark.

POSITIONING

The key investment activity over was the addition of a number of small holdings across private equity, hedge funds and infrastructure. These were added to provide further diversification.

OUTLOOK

Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

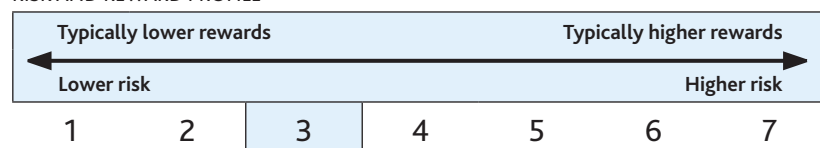
22 May 2017

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

RISK AND REWARD PROFILE



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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	130.33	122.73	120.93	118.61
Return before operating charges*	5.38	12.36	6.70	7.21
Operating charges	(1.34)	(2.79)	(2.74)	(2.65)
Return after operating charges	4.04	9.57	3.96	4.56
Distributions	–	(1.97)	(2.16)	(2.24)
Closing net asset value per share	134.37	130.33	122.73	120.93
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	3.10%	7.80%	3.27%	3.84%

Other information				
Closing net asset value (£'000)	683	603	2,020	3,080
Closing number of shares	508,018	462,457	1,645,494	2,546,645
Operating charges	2.05%	2.26%	2.17%	2.19%
Direct transaction costs	–	–	–	–

Prices				
Highest share price	134.69	133.87	129.67	124.78
Lowest share price	128.19	118.28	121.44	117.65

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	142.05	132.15	128.42	124.13
Return before operating charges*	5.86	13.34	7.10	7.38
Operating charges	(1.46)	(3.02)	(2.92)	(2.62)
Return after operating charges	4.40	10.32	4.18	4.76
Distributions	–	(2.11)	(2.27)	(2.34)
Retained distributions on accumulation shares	–	1.69	1.82	1.87
Closing net asset value per share	146.45	142.05	132.15	128.42
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.10%	7.81%	3.25%	3.83%
Other information				
Closing net asset value (£'000)	7,313	7,534	19,592	28,871
Closing number of shares	4,993,657	5,303,624	14,825,877	22,481,210
Operating charges	2.05%	2.26%	2.17%	2.19%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	146.76	144.14	137.62	130.58
Lowest share price	139.70	127.37	128.98	123.08

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	130.72	123.04	121.20	118.86
Return before operating charges*	5.40	12.55	6.76	7.27
Operating charges	(0.55)	(1.31)	(1.22)	(1.18)
Return after operating charges	4.85	11.24	5.54	6.09
Distributions	–	(3.56)	(3.70)	(3.75)
Closing net asset value per share	135.57	130.72	123.04	121.20
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.71%	9.14%	4.57%	5.12%
Other information				
Closing net asset value (£'000)	25,733	23,159	19,920	20,863
Closing number of shares	18,981,914	17,716,895	16,189,837	17,213,474
Operating charges	0.83%	1.04%	0.95%	0.97%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	135.87	135.45	130.38	126.11
Lowest share price	128.70	118.93	121.75	118.03

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (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	110.37	103.89	102.35	100.00
Return before operating charges*	4.56	10.59	5.67	6.34
Operating charges	(0.72)	(1.61)	(1.52)	(1.37)
Return after operating charges	3.84	8.98	4.15	4.97
Distributions	–	(2.50)	(2.61)	(2.62)
Closing net asset value per share	114.21	110.37	103.89	102.35
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.48%	8.64%	4.05%	4.97%
Other information				
Closing net asset value (£'000)	4,199	4,065	2,740	1,268
Closing number of shares	3,676,407	3,683,074	2,637,442	1,239,133
Operating charges	1.30%	1.51%	1.42%	1.40% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	114.54	114.11	109.77	106.11
Lowest share price	108.62	100.31	102.75	99.62

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (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	116.91	108.09	104.46	100.00
Return before operating charges*	4.82	11.01	5.74	6.37
Operating charges	(0.76)	(1.67)	(1.57)	(1.39)
Return after operating charges	4.06	9.34	4.17	4.98
Distributions	–	(2.59)	(2.67)	(2.63)
Retained distributions on accumulation shares	–	2.07	2.13	2.11
Closing net asset value per share	120.97	116.91	108.09	104.46
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.47%	8.64%	3.99%	4.98%
Other information				
Closing net asset value (£'000)	42,819	43,808	33,997	21,960
Closing number of shares	35,396,923	37,473,464	31,451,447	21,022,766
Operating charges	1.30%	1.51%	1.42%	1.40% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	121.30	118.70	112.05	106.11
Lowest share price	115.08	104.37	104.86	99.61

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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	128.36	118.93	115.13	110.82
Return before operating charges*	5.29	12.07	6.34	6.73
Operating charges	(1.00)	(2.14)	(2.02)	(1.88)
Return after operating charges	4.29	9.93	4.32	4.85
Distributions	–	(2.53)	(2.61)	(2.68)
Retained distributions on accumulation shares	–	2.03	2.09	2.14
Closing net asset value per share	132.65	128.36	118.93	115.13
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	3.34%	8.35%	3.75%	4.38%
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Other information

Closing net asset value (£'000)	5,997	5,639	4,493	7,761
Closing number of shares	4,520,643	4,393,306	3,778,163	6,741,368
Operating charges	1.55%	1.76%	1.67%	1.68%
Direct transaction costs	–	–	–	–

Prices

Highest share price	132.96	130.24	123.48	116.98
Lowest share price	126.29	114.77	115.63	109.94

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 0-30 Portfolio	2.64	8.73	15.23	32.84

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.

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)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 18.17% (31.10.16 – 18.86%)		
182,212	CONTINENTAL EUROPE – 3.36% (31.10.16 – 4.14%) Henderson European Selected Opportunities Fund	2,912	3.36
	TOTAL CONTINENTAL EUROPE	2,912	3.36
472,670	UNITED KINGDOM – 7.00% (31.10.16 – 6.16%) Artemis Income Fund	1,892	2.18
37,566	AXA Framlington UK Select Opportunities Fund	1,275	1.47
2,322,805	Investec UK Alpha Fund	2,911	3.35
	TOTAL UNITED KINGDOM	6,078	7.00
221,583	FAR EAST – 2.90% (31.10.16 – 2.90%) Fidelity Asia Fund	2,519	2.90
	TOTAL FAR EAST	2,519	2.90
327,594	JAPAN – 1.25% (31.10.16 – 1.30%) Schroder Tokyo Fund	1,082	1.25
	TOTAL JAPAN	1,082	1.25
912,023	UNITED STATES – 2.73% (31.10.16 – 3.05%) Threadneedle American Fund	2,369	2.73
	TOTAL UNITED STATES	2,369	2.73
280,171	EMERGING MARKETS – 0.93% (31.10.16 – 1.31%) M&G Global Emerging Markets Fund†	803	0.93
	TOTAL EMERGING MARKETS	803	0.93
	TOTAL EQUITY PORTFOLIOS	15,763	18.17
	EQUITY INVESTMENT INSTRUMENTS – 2.61% (31.10.16 – 1.89%)		
312,504	BBGI*	448	0.51
149,984	BioPharma Credit*	119	0.14
147,535	Blue Capital Global Reinsurance Fund*	114	0.13
179,459	CATCo Reinsurance Opportunities Fund*	178	0.20
159,837	DP Aircraft I*	128	0.15

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 2.61% (31.10.16 – 1.89%) (continued)		
47,496	HarbourVest Global Private Equity*	587	0.68
19,183	HgCapital Trust*	284	0.33
95,379	NB Distressed Debt Investment Fund*	68	0.08
140,106	NextEnergy Solar Fund*	159	0.18
166,252	Renewables Infrastructure*	180	0.21
	TOTAL EQUITY INVESTMENT INSTRUMENTS	2,265	2.61
	PROPERTY PORTFOLIOS – 8.68% (31.10.16 – 8.71%)		
2,302,025	Aviva Investors Property Trust	3,808	4.39
330,688	M&G Property Portfolio†	3,725	4.29
	TOTAL PROPERTY PORTFOLIOS	7,533	8.68
	BOND PORTFOLIOS – 68.49% (31.10.16 – 68.46%)		
4,784,369	Fidelity MoneyBuilder Income Fund	8,578	9.89
4,830,464	Invesco Perpetual Corporate Bond Fund	9,530	10.99
2,069,075	Kames High Yield Bond Fund	2,560	2.95
4,882,392	Kames Investment Grade Bond Fund	8,561	9.87
1,702,130	M&G Global High Yield Bond Fund†	2,184	2.52
42,737,472	M&G Short Dated Corporate Bond Fund†	11,086	12.78
7,051,769	M&G Strategic Corporate Bond Fund†	8,063	9.30
3,041	Merrill Lynch AQR Global Relative Value Fund	386	0.44
8,058,002	Royal London Corporate Bond Fund	8,461	9.75
	TOTAL BOND PORTFOLIOS	59,409	68.49
	Portfolio of investments	84,970	97.95
	Net other assets	1,774	2.05
	Net assets	86,744	100.00

The investments are collective investment schemes unless stated otherwise.

† Related party holding.

* Ordinary shares.

CF PRUDENTIAL DYNAMIC 0-30 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2017

Total purchases for the half year £'000 **10,694**

Purchases	Cost £'000
M&G Short Dated Corporate Bond Fund	6,800
Investec UK Alpha Fund	2,751
Merrill Lynch AQR Global Relative Value Fund	387
CATCo Reinsurance Opportunities Fund	183
DP Aircraft I	139
BioPharma Credit	120
Blue Capital Global Reinsurance Fund	118
NB Distressed Debt Investment Fund	45
HarbourVest Global Private Equity	33
Threadneedle UK Fund	25
NB Distressed Debt Investment Fund (extinct 23/02/17)	24
Renewables Infrastructure	23
M&G Global High Yield Bond Fund	15
M&G Strategic Corporate Bond Fund	11
BGI	10
NB Distressed Debt Investment Fund (extinct 07/12/16)	5
NextEnergy Solar Fund	5

Total sales for the half year £'000 **11,322**

Sales	Proceeds £'000
Baillie Gifford High Yield Bond Fund	2,246
M&G Global High Yield Bond Fund	2,080
Kames High Yield Bond Fund	2,000
Threadneedle UK Fund	1,898
Henderson European Selected Opportunities Fund	850
AXA Framlington UK Select Opportunities Fund	518
M&G Strategic Corporate Bond Fund	512
Threadneedle American Fund	428
M&G Short Dated Corporate Bond Fund	340
M&G Global Emerging Markets Fund	338
Renewables Infrastructure	66
HgCapital Trust	36
NextEnergy Solar Fund	8
NB Distressed Debt Investment Fund (extinct 23/02/17)	2

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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		1,796		722
Revenue	1,458		1,384	
Expenses	(321)		(340)	
Net revenue before taxation	1,137		1,044	
Taxation	(12)		2	
Net revenue after taxation		1,125		1,046
Total return before distributions		2,921		1,768
Distributions*		(2)		(226)
Change in net assets attributable to shareholders from investment activities		2,919		1,542

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		84,808		82,762
Amounts receivable on issue of shares	5,675		6,264	
Amounts payable on cancellation of shares	(6,658)		(8,487)	
		(983)		(2,223)
Dilution adjustment		–		24
Change in net assets attributable to shareholders from investment activities		2,919		1,542
Closing net assets attributable to shareholders		86,744		82,105

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

* 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 0-30 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	84,970	83,048
Current assets		
Debtors	290	2,895
Cash and bank balances	1,817	1,500
Total assets	<u>87,077</u>	<u>87,443</u>
LIABILITIES		
Provisions for liabilities	(6)	(6)
Creditors		
Distribution payable*	–	(975)
Other creditors	(327)	(1,654)
Total liabilities	<u>(333)</u>	<u>(2,635)</u>
Net assets attributable to shareholders	<u>86,744</u>	<u>84,808</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 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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
30 June 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017, share classes 'A' Accumulation 3.70%¹, 'R' Accumulation 3.92%¹ and 'P' Accumulation 4.09%¹ produced returns slightly ahead of the 3.57%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

The AXA Framlington UK Select Opportunities Fund and Artemis Income Fund produced returns ahead of the FTSE All-Share Index from 1 November 2016 to 30 April 2017. The Threadneedle UK Fund was replaced by the Investec UK Alpha Fund and the M&G Recovery Fund was sold.

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

NORTH AMERICA (continued)

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

Returns from the Threadneedle American Fund were ahead of the S&P 500 Index over the period in review. The Schroder US Mid Cap Fund lagged the benchmark.

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

Although positive in absolute terms, the performance of the Henderson European Selected Opportunities Fund lagged the benchmark index over the period in review. The Jupiter European Special Situations Fund finished ahead of benchmark.

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

The Schroder Tokyo Fund and Man GLG Japan CoreAlpha Fund outperformed the benchmark between 1 November 2016 and 30 April 2017 although the Schroder Tokyo Fund generated a small negative return.

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

The Fidelity Asia Fund produced a return ahead of the benchmark over the period in review. The Stewart Investors Asia Pacific Leaders Fund was replaced by the Investec Asia ex Japan Fund.

UK AND GLOBAL BONDS

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

All five underlying corporate bond funds produced positive returns during the period in review although only Royal London Corporate Bond Fund outperformed the benchmark.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio and Aviva Investors Property Trust recovered between 1 November 2016 and 30 April 2017 with both producing positive returns albeit behind the IPD Index.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

The M&G Global Emerging Markets Fund produced returns ahead of the benchmark.

POSITIONING

The key investment activity over was the addition of a number of small holdings across private equity, hedge funds and infrastructure. These were added to provide further diversification.

OUTLOOK

Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

OUTLOOK (continued)

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

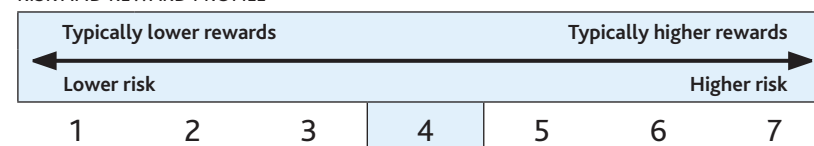
M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

22 May 2017

FUND INFORMATION

RISK AND REWARD PROFILE



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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	138.53	129.29	125.87	123.43
Return before operating charges*	6.25	13.84	7.88	6.94
Operating charges	(1.45)	(2.94)	(2.90)	(2.82)
Return after operating charges	4.80	10.90	4.98	4.12
Distributions	–	(1.66)	(1.56)	(1.68)
Closing net asset value per share	143.33	138.53	129.29	125.87
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.46%	8.43%	3.96%	3.34%
Other information				
Closing net asset value (£'000)	1,794	1,722	4,569	5,923
Closing number of shares	1,251,721	1,243,120	3,534,078	4,705,241
Operating charges	2.11%	2.26%	2.21%	2.24%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	143.83	141.74	137.09	130.59
Lowest share price	135.81	122.56	126.64	122.04

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	149.76	138.10	132.87	128.58
Return before operating charges*	6.75	14.81	8.30	7.22
Operating charges	(1.57)	(3.15)	(3.07)	(2.93)
Return after operating charges	5.18	11.66	5.23	4.29
Distributions	–	(1.78)	(1.64)	(1.75)
Retained distributions on accumulation shares	–	1.78	1.64	1.75
Closing net asset value per share	154.94	149.76	138.10	132.87
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.46%	8.44%	3.94%	3.34%
Other information				
Closing net asset value (£'000)	14,472	15,009	35,338	53,343
Closing number of shares	9,340,393	10,021,903	25,588,642	40,146,768
Operating charges	2.11%	2.26%	2.21%	2.24%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	155.46	151.40	144.78	136.03
Lowest share price	146.81	130.92	133.68	127.13

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

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

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	139.11	129.77	126.32	123.87
Return before operating charges*	6.12	13.71	7.62	6.66
Operating charges	(0.62)	(1.37)	(1.31)	(1.28)
Return after operating charges	5.50	12.34	6.31	5.38
Distributions	–	(3.00)	(2.86)	(2.93)
Closing net asset value per share	144.61	139.11	129.77	126.32
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.95%	9.51%	5.00%	4.34%
Other information				
Closing net asset value (£'000)	54,205	52,952	54,691	53,606
Closing number of shares	37,482,703	38,063,463	42,143,690	42,436,412
Operating charges	0.89%	1.04%	0.99%	1.01%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	145.11	143.65	138.17	132.16
Lowest share price	136.51	123.37	127.12	122.63

	30.04.17 (p/share)	31.10.16 (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	112.71	105.16	102.37	100.00
Return before operating charges*	5.03	11.19	6.25	5.76
Operating charges	(0.76)	(1.62)	(1.56)	(1.40)
Return after operating charges	4.27	9.57	4.69	4.36
Distributions	–	(2.02)	(1.90)	(1.99)
Closing net asset value per share	116.98	112.71	105.16	102.37
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.79%	9.10%	4.58%	4.36%
Other information				
Closing net asset value (£'000)	5,736	5,760	3,515	2,009
Closing number of shares	4,902,977	5,110,040	3,342,599	1,962,825
Operating charges	1.36%	1.51%	1.46%	1.43% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	117.48	116.10	111.74	106.77
Lowest share price	110.56	99.86	103.01	99.34

¹ From 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)

	30.04.17 (p/share)	31.10.16 (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	119.02	109.08	104.39	100.00
Return before operating charges*	5.29	11.62	6.29	5.80
Operating charges	(0.81)	(1.68)	(1.60)	(1.41)
Return after operating charges	4.48	9.94	4.69	4.39
Distributions	–	(2.09)	(1.94)	(2.00)
Retained distributions on accumulation shares	–	2.09	1.94	2.00
Closing net asset value per share	123.50	119.02	109.08	104.39
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.76%	9.11%	4.49%	4.39%
Other information				
Closing net asset value (£'000)	93,120	92,165	76,443	43,398
Closing number of shares	75,398,117	77,434,344	70,078,654	41,572,995
Operating charges	1.36%	1.51%	1.46%	1.43% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	124.02	120.42	113.87	106.77
Lowest share price	116.75	103.60	105.02	99.34

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	133.49	122.60	117.52	113.27
Return before operating charges*	5.96	13.09	7.18	6.25
Operating charges	(1.07)	(2.20)	(2.10)	(2.00)
Return after operating charges	4.89	10.89	5.08	4.25
Distributions	–	(2.09)	(1.93)	(2.01)
Retained distributions on accumulation shares	–	2.09	1.93	2.01
Closing net asset value per share	138.38	133.49	122.60	117.52
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.66%	8.88%	4.32%	3.75%
Other information				
Closing net asset value (£'000)	15,480	14,965	11,355	10,847
Closing number of shares	11,186,586	11,210,526	9,261,919	9,230,272
Operating charges	1.61%	1.76%	1.71%	1.73%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	138.88	134.99	128.15	120.25
Lowest share price	130.92	116.36	118.25	112.05

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 10-40 Portfolio	3.70	11.57	18.89	38.16

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.

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.

PORTFOLIO STATEMENT AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 28.55% (31.10.16 – 29.56%)		
271,749	CONTINENTAL EUROPE – 4.58% (31.10.16 – 5.34%)		
1,013,576	Henderson European Selected Opportunities Fund	4,343	2.35
	Jupiter European Special Situations Fund	4,115	2.23
	TOTAL CONTINENTAL EUROPE	8,458	4.58
	UNITED KINGDOM – 11.31% (31.10.16 – 10.78%)		
1,313,768	Artemis Income Fund	5,258	2.85
223,359	AXA Framlington UK Select Opportunities Fund	7,581	4.10
5,799,767	Investec UK Alpha Fund	7,269	3.93
243,544	M&G Recovery Fund†	789	0.43
	TOTAL UNITED KINGDOM	20,897	11.31
	FAR EAST – 4.85% (31.10.16 – 4.79%)		
391,122	Fidelity Asia Fund	4,447	2.41
1,692,887	Investec Asia Ex Japan Fund	4,505	2.44
	TOTAL FAR EAST	8,952	4.85
	JAPAN – 2.01% (31.10.16 – 2.69%)		
1,162,571	Man GLG Japan CoreAlpha Fund	1,782	0.96
589,631	Schroder Tokyo Fund	1,948	1.05
	TOTAL JAPAN	3,730	2.01
	UNITED STATES – 4.34% (31.10.16 – 4.53%)		
1,684,492	Schroder US Mid Cap Fund	2,296	1.24
2,204,397	Threadneedle American Fund	5,725	3.10
	TOTAL UNITED STATES	8,021	4.34
	EMERGING MARKETS – 1.46% (31.10.16 – 1.43%)		
942,947	M&G Global Emerging Markets Fund†	2,703	1.46
	TOTAL EMERGING MARKETS	2,703	1.46
	TOTAL EQUITY PORTFOLIOS	52,761	28.55

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 3.98% (31.10.16 – 2.85%)		
1,012,714	BBGI*	1,453	0.79
488,029	BioPharma Credit*	389	0.21
474,050	Blue Capital Global Reinsurance Fund*	367	0.20
580,321	CATCo Reinsurance Opportunities Fund*	574	0.31
516,785	DP Aircraft I*	413	0.22
154,551	HarbourVest Global Private Equity*	1,909	1.03
62,307	HgCapital Trust*	922	0.50
310,087	NB Distressed Debt Investment Fund*	219	0.12
452,928	NextEnergy Solar Fund*	515	0.28
537,704	Renewables Infrastructure*	583	0.32
	TOTAL EQUITY INVESTMENT INSTRUMENTS	7,344	3.98
	PROPERTY PORTFOLIOS – 12.10% (31.10.16 – 12.03%)		
5,329,679	Aviva Investors Property Trust	8,816	4.77
1,203,037	M&G Property Portfolio†	13,553	7.33
	TOTAL PROPERTY PORTFOLIOS	22,369	12.10
	BOND PORTFOLIOS – 54.79% (31.10.16 – 53.69%)		
7,691,985	Fidelity MoneyBuilder Income Fund	13,791	7.46
7,598,430	Invesco Perpetual Corporate Bond Fund	14,990	8.11
4,507,204	Kames High Yield Bond Fund	5,576	3.02
7,409,758	Kames Investment Grade Bond Fund	12,993	7.03
3,782,038	M&G Global High Yield Bond Fund†	4,853	2.63
75,199,389	M&G Short Dated Corporate Bond Fund†	19,507	10.56
13,224,431	M&G Strategic Corporate Bond Fund†	15,121	8.18
9,829	Merrill Lynch AQR Global Relative Value Fund	1,246	0.67
12,552,878	Royal London Corporate Bond Fund	13,181	7.13
	TOTAL BOND PORTFOLIOS	101,258	54.79
	Portfolio of investments	183,732	99.42
	Net other assets	1,075	0.58
	Net assets	184,807	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 2017

Total purchases for the half year £'000	31,406
Purchases	Cost £'000
M&G Short Dated Corporate Bond Fund	13,880
Investec UK Alpha Fund	6,861
Investec Asia Ex Japan Fund	4,261
Man GLG Japan CoreAlpha Fund	1,845
Merrill Lynch AQR Global Relative Value Fund	1,252
Fidelity MoneyBuilder Income Fund	907
CATCo Reinsurance Opportunities Fund	594
DP Aircraft I	449
BioPharma Credit	390
Blue Capital Global Reinsurance Fund	378
NB Distressed Debt Investment Fund	146
HarbourVest Global Private Equity	113
NB Distressed Debt Investment Fund (extinct 23/02/2017)	78
Renewables Infrastructure	72
Threadneedle UK Fund	70
M&G Global High Yield Bond Fund	32
BBGI	29
M&G Strategic Corporate Bond Fund	18
NB Distressed Debt Investment Fund (extinct 07/12/2016)	16
NextEnergy Solar Fund	15

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

CF PRUDENTIAL DYNAMIC 10-40 PORTFOLIO

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

For the half year ended 30 April 2017

Total sales for the half year £'000 **33,237**

Sales	Proceeds £'000
Kames High Yield Bond Fund	5,800
Threadneedle UK Fund	5,422
Baillie Gifford High Yield Bond Fund	4,509
M&G Global High Yield Bond Fund	3,280
Schroder Tokyo Fund	2,953
Stewart Investors Asia Pacific Leaders Fund	2,799
M&G Recovery Fund	2,108
Henderson European Selected Opportunities Fund	2,100
M&G Short Dated Corporate Bond Fund	1,500
Fidelity Asia Fund	1,470
Threadneedle American Fund	930
Renewables Infrastructure	215
HgCapital Trust	117
NextEnergy Solar Fund	28
NB Distressed Debt Investment (extinct 23/02/2017)	5
NB Distressed Debt Investment (extinct 07/12/2017)	1

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

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN

FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		5,029		1,250
Revenue	2,837		2,816	
Expenses	(681)		(709)	
Interest payable and similar charges	(1)		—	
Net revenue before taxation	2,155		2,107	
Taxation	(373)		(369)	
Net revenue after taxation		1,782		1,738
Total return before distributions		6,811		2,988
Distributions*		(33)		(32)
Change in net assets attributable to shareholders from investment activities		6,778		2,956

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		182,573		185,911
Amounts receivable on issue of shares	7,018		5,648	
Amounts payable on cancellation of shares	(11,562)		(16,363)	
		(4,544)		(10,715)
Dilution adjustment		—		18
Change in net assets attributable to shareholders from investment activities		6,778		2,956
Closing net assets attributable to shareholders		184,807		178,170

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

* 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 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	183,732	179,158
Current assets		
Debtors	851	7,313
Cash and bank balances	1,190	4,335
Total assets	<u>185,773</u>	<u>190,806</u>
LIABILITIES		
Provisions for liabilities	(22)	(23)
Creditors		
Distribution payable	–	(1,264)
Other creditors	(944)	(6,946)
Total liabilities	<u>(966)</u>	<u>(8,233)</u>
Net assets attributable to shareholders	<u>184,807</u>	<u>182,573</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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
30 June 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017, share classes 'R' Accumulation 4.00%¹, 'P' Accumulation 4.10%¹ and 'A' Accumulation 3.79%¹ produced positive returns ahead of the 3.57% sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

The AXA Framlington UK Select Opportunities Fund and Artemis Income Funds produced returns ahead of the FTSE All-Share Index from 1 November 2016 to 30 April 2017. The Threadneedle UK Fund was replaced by the Investec UK Alpha Fund and the M&G Recovery Fund was also sold.

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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 2017

NORTH AMERICA (continued)

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

Returns from the Threadneedle American Fund were ahead of the S&P 500 Index over the period in review. The Schroder US Mid Cap Fund lagged the benchmark.

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

Although positive in absolute terms, the performance of the Henderson European Selected Opportunities Fund lagged the benchmark index over the period in review. The Jupiter European Special Situations Fund finished ahead of benchmark.

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

The Schroder Tokyo Fund and Man GLG Japan Core Alpha Fund outperformed the benchmark between 1 November 2016 and 30 April 2017 although the Schroder Tokyo Fund generated a small negative return.

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

The Fidelity Asia Fund produced a return ahead of the benchmark over the period in review. The Stewart Investors Asia Pacific Leaders Fund was replaced by the Investec Asia ex Japan Fund.

UK AND GLOBAL BONDS

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

All three underlying corporate bond funds produced positive returns during the period in review but behind the benchmark.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio and Aviva Investors Property Trust recovered between 1 November 2016 and 30 April 2017 with both producing positive returns albeit behind the IPD Index.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

The M&G Global Emerging Markets Fund produced returns ahead of the benchmark but the Aberdeen Emerging Markets Fund underperformed.

POSITIONING

The key investment activity over was the addition of a number of small holdings across private equity, hedge funds and infrastructure. These were added to provide further diversification.

OUTLOOK

Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2017

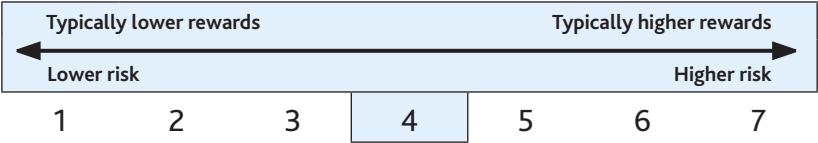
OUTLOOK (continued)

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
22 May 2017

FUND INFORMATION

RISK AND REWARD PROFILE



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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	145.57	134.20	129.94	127.96
Return before operating charges*	7.38	16.04	8.71	6.44
Operating charges	(1.62)	(3.12)	(3.07)	(2.94)
Return after operating charges	5.76	12.92	5.64	3.50
Distributions	–	(1.55)	(1.38)	(1.52)
Closing net asset value per share	151.33	145.57	134.20	129.94
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.96%	9.63%	4.34%	2.74%
Other information				
Closing net asset value (£'000)	4,029	4,203	6,733	7,388
Closing number of shares	2,662,573	2,887,058	5,016,795	5,685,755
Operating charges	2.23%	2.30%	2.26%	2.26%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	152.00	148.74	143.71	135.55
Lowest share price	142.42	125.60	130.43	125.85

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	155.87	142.18	136.26	132.64
Return before operating charges*	7.89	16.98	9.14	6.66
Operating charges	(1.73)	(3.29)	(3.22)	(3.04)
Return after operating charges	6.16	13.69	5.92	3.62
Distributions	–	(1.64)	(1.44)	(1.58)
Retained distributions on accumulation shares	–	1.64	1.44	1.58
Closing net asset value per share	162.03	155.87	142.18	136.26
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.95%	9.63%	4.34%	2.73%
Other information				
Closing net asset value (£'000)	17,170	17,277	44,867	67,601
Closing number of shares	10,597,090	11,084,492	31,556,180	49,609,893
Operating charges	2.23%	2.30%	2.26%	2.26%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	162.69	157.54	150.66	140.50
Lowest share price	152.50	133.07	136.78	130.46

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	146.10	134.61	130.32	128.33
Return before operating charges*	7.25	15.89	8.43	6.15
Operating charges	(0.74)	(1.48)	(1.41)	(1.35)
Return after operating charges	6.51	14.41	7.02	4.80
Distributions	–	(2.92)	(2.73)	(2.81)
Closing net asset value per share	152.61	146.10	134.61	130.32
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.46%	10.70%	5.39%	3.74%
Other information				
Closing net asset value (£'000)	84,172	82,545	83,423	84,001
Closing number of shares	55,155,522	56,499,465	61,973,907	64,455,739
Operating charges	1.01%	1.08%	1.04%	1.03%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	153.11	150.62	144.77	137.09
Lowest share price	143.08	126.34	131.15	126.55

	30.04.17 (p/share)	31.10.16 (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	114.20	105.24	102.02	100.00
Return before operating charges*	5.71	12.49	6.57	5.28
Operating charges	(0.84)	(1.66)	(1.61)	(1.44)
Return after operating charges	4.87	10.83	4.96	3.84
Distributions	–	(1.87)	(1.74)	(1.82)
Closing net asset value per share	119.07	114.20	105.24	102.02
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.26%	10.29%	4.86%	3.84%
Other information				
Closing net asset value (£'000)	6,668	6,784	4,320	2,360
Closing number of shares	5,600,148	5,940,687	4,105,497	2,313,243
Operating charges	1.48%	1.55%	1.51%	1.46% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	119.67	117.49	113.10	106.97
Lowest share price	111.79	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)

	30.04.17 (p/share)	31.10.16 (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	120.03	108.83	103.84	100.00
Return before operating charges*	6.01	12.92	6.63	5.28
Operating charges	(0.89)	(1.72)	(1.64)	(1.44)
Return after operating charges	5.12	11.20	4.99	3.84
Distributions	–	(1.92)	(1.76)	(1.82)
Retained distributions on accumulation shares	–	1.92	1.76	1.82
Closing net asset value per share	125.15	120.03	108.83	103.84
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	4.27%	10.29%	4.81%	3.84%
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Other information

Closing net asset value (£'000)	119,033	115,684	92,995	45,790
Closing number of shares	95,114,505	96,377,902	85,447,076	44,097,694
Operating charges	1.48%	1.55%	1.51%	1.46% ²
Direct transaction costs	–	–	–	–

Prices

Highest share price	125.75	121.48	115.07	106.97
Lowest share price	117.50	102.03	104.41	98.94

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	137.45	124.86	119.30	115.65
Return before operating charges*	6.91	14.89	7.76	5.70
Operating charges	(1.19)	(2.30)	(2.20)	(2.05)
Return after operating charges	5.72	12.59	5.56	3.65
Distributions	–	(1.95)	(1.76)	(1.85)
Retained distributions on accumulation shares	–	1.95	1.76	1.85
Closing net asset value per share	143.17	137.45	124.86	119.30
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	4.16%	10.08%	4.66%	3.16%
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Other information

Closing net asset value (£'000)	22,217	25,992	13,218	19,623
Closing number of shares	15,517,911	18,910,457	10,586,236	16,448,715
Operating charges	1.73%	1.80%	1.76%	1.75%
Direct transaction costs	–	–	–	–

Prices

Highest share price	143.75	138.98	132.17	122.93
Lowest share price	134.52	116.98	119.94	113.88

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 20-55 Portfolio	3.79	12.20	20.71	41.81

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.

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.

PORTFOLIO STATEMENT AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 40.01% (31.10.16 – 41.49%)		
687,687	CONTINENTAL EUROPE – 6.57% (31.10.16 – 7.53%)	10,989	4.34
1,391,001	Henderson European Selected Opportunities Fund	5,648	2.23
	Jupiter European Special Situations Fund		
	TOTAL CONTINENTAL EUROPE	16,637	6.57
	UNITED KINGDOM – 15.62% (31.10.16 – 15.12%)		
2,574,274	Artemis Income Fund	10,303	4.07
459,794	AXA Framlington UK Select Opportunities Fund	15,606	6.16
10,888,200	Investec UK Alpha Fund	13,646	5.39
	TOTAL UNITED KINGDOM	39,555	15.62
	FAR EAST – 6.20% (31.10.16 – 6.26%)		
679,489	Fidelity Asia Fund	7,726	3.05
2,996,548	Investec Asia Ex Japan Fund	7,975	3.15
	TOTAL FAR EAST	15,701	6.20
	JAPAN – 2.79% (31.10.16 – 3.55%)		
2,335,199	Man GLG Japan CoreAlpha Fund	3,580	1.42
1,052,740	Schroder Tokyo Fund	3,477	1.37
	TOTAL JAPAN	7,057	2.79
	UNITED STATES – 6.31% (31.10.16 – 6.54%)		
2,873,258	Schroder US Mid Cap Fund	3,917	1.55
4,643,589	Threadneedle American Fund	12,059	4.76
	TOTAL UNITED STATES	15,976	6.31
	EMERGING MARKETS – 2.52% (31.10.16 – 2.49%)		
368,988	Aberdeen Emerging Markets Equity Fund	2,548	1.01
1,346,189	M&G Global Emerging Markets Fund†	3,859	1.51
	TOTAL EMERGING MARKETS	6,407	2.52
	TOTAL EQUITY PORTFOLIOS	101,333	40.01

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 5.38% (31.10.16 – 3.79%)		
1,868,910	BBGI*	2,682	1.06
905,572	BioPharma Credit*	721	0.28
881,885	Blue Capital Global Reinsurance Fund*	682	0.27
1,070,536	CATCo Reinsurance Opportunities Fund*	1,059	0.42
953,483	DP Aircraft I*	763	0.30
286,185	HarbourVest Global Private Equity*	3,534	1.40
114,674	HgCapital Trust*	1,697	0.67
574,290	NB Distressed Debt Investment Fund*	406	0.16
879,131	NextEnergy Solar Fund*	1,000	0.39
995,546	Renewables Infrastructure*	1,080	0.43
	TOTAL EQUITY INVESTMENT INSTRUMENTS	13,624	5.38
	PROPERTY PORTFOLIOS – 14.87% (31.10.16 – 14.66%)		
7,067,030	Aviva Investors Property Trust	11,689	4.62
2,306,426	M&G Property Portfolio†	25,984	10.25
	TOTAL PROPERTY PORTFOLIOS	37,673	14.87
	BOND PORTFOLIOS – 39.64% (31.10.16 – 39.11%)		
12,795,863	Fidelity MoneyBuilder Income Fund	22,943	9.06
11,577,291	Invesco Perpetual Corporate Bond Fund	22,840	9.02
10,381,182	Kames High Yield Bond Fund	12,842	5.07
13,176,966	Kames Investment Grade Bond Fund	23,106	9.12
63,090,195	M&G Short Dated Corporate Bond Fund†	16,366	6.46
18,259	Merrill Lynch AQR Global Relative Value Fund	2,315	0.91
	TOTAL BOND PORTFOLIOS	100,412	39.64
	Portfolio of investments	253,042	99.90
	Net other assets	247	0.10
	Net assets	253,289	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 2017

Total purchases for the half year £'000 **41,427**

Purchases	Cost £'000
Investec UK Alpha Fund	12,901
M&G Short Dated Corporate Bond Fund	12,800
Investec Asia Ex Japan Fund	7,497
Merrill Lynch AQR Global Relative Value Fund	2,323
Fidelity Asia Fund	1,500
CATCo Reinsurance Opportunities Fund	1,095
DP Aircraft I	829
BioPharma Credit	724
Blue Capital Global Reinsurance Fund	704
NB Distressed Debt Investment Fund	271
HarbourVest Global Private Equity	236
NB Distressed Debt Investment Fund (extinct 23/02/17)	145
Renewables Infrastructure	137
Threadneedle UK Fund	103
BBGI	65
M&G Global High Yield Bond Fund	40
NB Distressed Debt Investment Fund (extinct 07/12/16)	30
NextEnergy Solar Fund	27

Total sales for the half year £'000 **48,671**

Sales	Proceeds £'000
M&G Global High Yield Bond Fund	11,101
Threadneedle UK Fund	7,954
Stewart Investors Asia Pacific Leaders Fund	7,521
M&G Recovery Fund	7,174
M&G Short Dated Corporate Bond Fund	3,000
Jupiter European Special Situations Fund	2,500
Fidelity Asia Fund	2,044
Threadneedle American Fund	1,774
Kames High Yield Bond Fund	1,684
Henderson European Selected Opportunities Fund	1,290
Schroder Tokyo Fund	1,000
Man GLG Japan CoreAlpha Fund	1,000
Renewables Infrastructure	391
HgCapital Trust	212
M&G Strategic Corporate Bond Fund	16
NB Distressed Debt Investment Fund (extinct 23/02/17)	9
NB Distressed Debt Investment Fund (extinct 07/12/16)	1

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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		8,596		1,699
Revenue	3,282		3,341	
Expenses	(929)		(927)	
Interest payable and similar charges	(1)		–	
Net revenue before taxation	2,352		2,414	
Taxation	(367)		(394)	
Net revenue after taxation		1,985		2,020
Total return before distributions		10,581		3,719
Distributions*		(59)		(44)
Change in net assets attributable to shareholders from investment activities		10,522		3,675

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		252,485		245,556
Amounts receivable on issue of shares	9,360		16,213	
Amounts payable on cancellation of shares	(19,078)		(21,416)	
		(9,718)		(5,203)
Dilution adjustment		–		76
Change in net assets attributable to shareholders from investment activities		10,522		3,675
Closing net assets attributable to shareholders		253,289		244,104

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

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

BALANCE SHEET
AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	253,042	250,090
Current assets		
Debtors	939	41,765
Cash and bank balances	317	3,104
Total assets	254,298	294,959
LIABILITIES		
Provisions for liabilities	–	(45)
Creditors		
Distribution payable	–	(1,803)
Other creditors	(1,009)	(40,626)
Total liabilities	(1,009)	(42,474)
Net assets attributable to shareholders	253,289	252,485

CF PRUDENTIAL DYNAMIC 20-55 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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

30 June 2017

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017, share classes 'A' Accumulation 4.32%¹ and 'R' Accumulation 4.53%¹ were slightly behind the 4.54%¹ sector average return for IA Mixed Investment 40-85% Shares. Share class 'P' Accumulation was ahead, returning 4.64%¹.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

The AXA Framlington UK Select Opportunities Fund, M&G Recovery and Artemis Income Funds produced returns ahead of the FTSE All-Share Index from 1 November 2016 to 30 April 2017. The Threadneedle UK Fund was replaced by the Investec UK Alpha Fund.

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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.

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

Returns from the Threadneedle American Fund were ahead of the S&P 500 Index over the period in review. The Schroder US Mid Cap Fund lagged the benchmark.

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

Although positive in absolute terms, the performance of the Henderson European Selected Opportunities Fund lagged the benchmark index over the period in review. The Jupiter European Special Situations Fund finished ahead of benchmark.

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

The Schroder Tokyo Fund and Man GLG Japan CoreAlpha Fund outperformed the benchmark between 1 November 2016 and 30 April 2017 although the Schroder Tokyo Fund generated a small negative return.

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

The Fidelity Asia Fund produced a return ahead of the benchmark over the period in review. The First State Asia Pacific Leaders Fund was replaced by the Investec Asia ex Japan Fund.

UK AND GLOBAL BONDS

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

UK AND GLOBAL BONDS *(continued)*

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

All three underlying corporate bond funds produced positive returns during the period in review but behind the benchmark.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio and Aviva Investors Property Trust recovered between 1 November 2016 and 30 April 2017 with both producing positive returns albeit behind the IPD Index.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

The M&G Global Emerging Markets Fund produced returns ahead of the benchmark but the Aberdeen Emerging Markets Equity Fund underperformed.

POSITIONING

The key investment activity over was the addition of a number of small holdings across private equity, hedge funds and infrastructure. These were added to provide further diversification.

OUTLOOK

Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

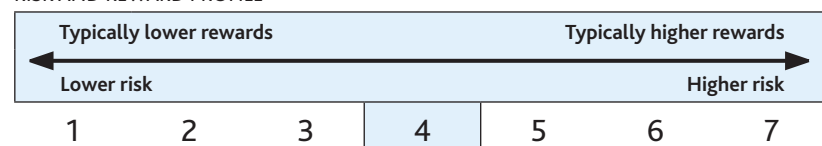
22 May 2017

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

RISK AND REWARD PROFILE



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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	155.54	141.40	135.42	132.12
Return before operating charges*	8.70	18.88	10.37	7.51
Operating charges	(1.77)	(3.33)	(3.33)	(3.20)
Return after operating charges	6.93	15.55	7.04	4.31
Distributions	–	(1.41)	(1.06)	(1.01)
Closing net asset value per share	162.47	155.54	141.40	135.42
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	4.46%	11.00%	5.20%	3.26%
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Other Information

Closing net asset value (£'000)	1,745	1,732	3,741	4,761
Closing number of shares	1,074,020	1,113,714	2,645,698	3,515,753
Operating charges	2.28%	2.33%	2.33%	2.39%
Direct transaction costs	–	–	–	–

Prices

Highest share price	163.76	158.67	153.07	141.49
Lowest share price	151.66	130.89	135.12	129.12

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	162.97	146.82	139.54	135.13
Return before operating charges*	9.12	19.60	10.71	7.69
Operating charges	(1.86)	(3.45)	(3.43)	(3.28)
Return after operating charges	7.26	16.15	7.28	4.41
Distributions	–	(1.46)	(1.09)	(1.00)
Retained distributions on accumulation shares	–	1.46	1.09	1.00
Closing net asset value per share	170.23	162.97	146.82	139.54
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.45%	11.00%	5.22%	3.26%
Other Information				
Closing net asset value (£'000)	28,435	28,649	55,711	73,461
Closing number of shares	16,703,819	17,579,578	37,944,258	52,646,722
Operating charges	2.28%	2.33%	2.33%	2.39%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	171.54	164.73	157.65	144.71
Lowest share price	158.90	135.92	139.24	132.09

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	156.06	141.78	135.74	132.35
Return before operating charges*	8.58	18.72	10.09	7.21
Operating charges	(0.83)	(1.60)	(1.58)	(1.56)
Return after operating charges	7.75	17.12	8.51	5.65
Distributions	–	(2.84)	(2.47)	(2.26)
Closing net asset value per share	163.81	156.06	141.78	135.74
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.97%	12.08%	6.27%	4.27%
Other Information				
Closing net asset value (£'000)	91,525	92,117	92,487	89,151
Closing number of shares	55,873,954	59,024,741	65,234,803	65,676,564
Operating charges	1.06%	1.11%	1.11%	1.16%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	164.92	160.61	154.06	142.92
Lowest share price	152.32	131.60	135.64	129.76

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

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

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (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	118.05	107.26	102.85	100.00
Return before operating charges*	6.53	14.25	7.57	5.77
Operating charges	(0.90)	(1.73)	(1.71)	(1.56)
Return after operating charges	5.63	12.52	5.86	4.21
Distributions	–	(1.73)	(1.45)	(1.36)
Closing net asset value per share	123.68	118.05	107.26	102.85
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.77%	11.67%	5.70%	4.21%
Other Information				
Closing net asset value (£'000)	5,614	5,384	3,528	1,277
Closing number of shares	4,538,659	4,560,767	3,289,126	1,241,533
Operating charges	1.53%	1.58%	1.58%	1.59% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	124.77	121.27	116.38	107.98
Lowest share price	115.18	99.45	102.68	98.22

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (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	122.97	110.10	104.21	100.00
Return before operating charges*	6.80	14.64	7.64	5.78
Operating charges	(0.94)	(1.77)	(1.75)	(1.57)
Return after operating charges	5.86	12.87	5.89	4.21
Distributions	–	(1.77)	(1.47)	(1.36)
Retained distributions on accumulation shares	–	1.77	1.47	1.36
Closing net asset value per share	128.83	122.97	110.10	104.21
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	4.77%	11.69%	5.65%	4.21%
Other information				
Closing net asset value (£'000)	113,052	111,535	80,887	43,685
Closing number of shares	87,754,699	90,703,292	73,464,533	41,920,152
Operating charges	1.53%	1.58%	1.58%	1.59% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	129.93	124.48	117.98	107.99
Lowest share price	119.97	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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	143.83	129.05	122.26	118.74
Return before operating charges*	7.98	17.19	9.15	5.77
Operating charges	(1.28)	(2.41)	(2.36)	(2.25)
Return after operating charges	6.70	14.78	6.79	3.52
Distributions	–	(1.81)	(1.47)	(1.37)
Retained distributions on accumulation shares	–	1.81	1.47	1.37
Closing net asset value per share	150.53	143.83	129.05	122.26
* after direct transaction costs of:	–	–	–	–

Performance

Return after charges	4.66%	11.45%	5.55%	2.96%
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Other Information

Closing net asset value (£'000)	12,543	11,664	9,961	13,771
Closing number of shares	8,332,654	8,110,069	7,718,599	11,264,097
Operating charges	1.78%	1.83%	1.83%	1.88%
Direct transaction costs	–	–	–	–

Prices

Highest share price	151.71	145.46	138.38	126.72
Lowest share price	140.29	119.60	122.06	115.40

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 40-80 Portfolio	4.32	15.79	25.21	48.16

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.

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 40-80 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 51.40% (31.10.16 – 53.63%)		
	CONTINENTAL EUROPE – 8.27% (31.10.16 – 9.42%)		
666,713	Henderson European Selected Opportunities Fund	10,654	4.21
2,529,881	Jupiter European Special Situations Fund	10,272	4.06
	TOTAL CONTINENTAL EUROPE	20,926	8.27
	UNITED KINGDOM – 20.50% (31.10.16 – 19.83%)		
3,089,345	Artemis Income Fund	12,365	4.89
387,216	AXA Framlington UK Select Opportunities Fund	13,142	5.20
10,587,801	Investec UK Alpha Fund	13,270	5.25
4,027,288	M&G Recovery Fund†	13,044	5.16
	TOTAL UNITED KINGDOM	51,821	20.50
	FAR EAST – 8.03% (31.10.16 – 8.83%)		
934,034	Fidelity Asia Fund	10,620	4.20
3,635,963	Investec Asia Ex Japan Fund	9,677	3.83
	TOTAL FAR EAST	20,297	8.03
	JAPAN – 3.74% (31.10.16 – 4.27%)		
3,204,466	Man GLG Japan CoreAlpha Fund	4,912	1.94
1,376,933	Schroder Tokyo Fund	4,548	1.80
	TOTAL JAPAN	9,460	3.74
	UNITED STATES – 7.98% (31.10.16 – 8.00%)		
4,554,033	Schroder US Mid Cap Fund	6,207	2.45
5,385,066	Threadneedle American Fund	13,985	5.53
	TOTAL UNITED STATES	20,192	7.98
	EMERGING MARKETS – 2.88% (31.10.16 – 3.28%)		
683,806	Aberdeen Emerging Markets Equity Fund	4,722	1.87
893,737	M&G Global Emerging Markets Fund†	2,562	1.01
	TOTAL EMERGING MARKETS	7,284	2.88
	TOTAL EQUITY PORTFOLIOS	129,980	51.40

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 6.63% (31.10.16 – 4.73%)		
2,310,104	BBCI*	3,315	1.31
1,116,451	BioPharma Credit*	889	0.35
1,093,355	Blue Capital Global Reinsurance Fund*	845	0.33
1,329,980	CATCo Reinsurance Opportunities Fund*	1,316	0.52
1,184,559	DP Aircraft I*	948	0.37
352,504	HarbourVest Global Private Equity*	4,353	1.72
142,157	HgCapital Trust*	2,104	0.83
707,757	NB Distressed Debt Investment Fund*	500	0.20
1,032,654	NextEnergy Solar Fund*	1,174	0.47
1,224,592	Renewables Infrastructure*	1,330	0.53
	TOTAL EQUITY INVESTMENT INSTRUMENTS	16,774	6.63
	PROPERTY PORTFOLIOS – 16.48% (31.10.16 – 16.33%)		
6,706,290	Aviva Investors Property Trust	11,093	4.39
2,715,007	M&G Property Portfolio†	30,587	12.09
	TOTAL PROPERTY PORTFOLIOS	41,680	16.48
	BOND PORTFOLIOS – 24.42% (31.10.16 – 23.95%)		
7,698,184	Fidelity MoneyBuilder Income Fund	13,803	5.46
6,965,324	Invesco Perpetual Corporate Bond Fund	13,741	5.43
7,613,964	Kames High Yield Bond Fund	9,419	3.72
7,927,693	Kames Investment Grade Bond Fund	13,902	5.50
31,149,895	M&G Short Dated Corporate Bond Fund†	8,080	3.19
22,408	Merrill Lynch AQR Global Relative Value Fund	2,841	1.12
	TOTAL BOND PORTFOLIOS	61,786	24.42
	Portfolio of investments	250,220	98.93
	Net other assets	2,694	1.07
	Net assets	252,914	100.00

The investments are collective investment schemes unless stated otherwise.

† Related party holdings.

* Ordinary shares.

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2017

Total purchases for the half year £'000 **39,878**

Purchases	Cost £'000
Investec UK Alpha Fund	12,501
Investec Asia Ex Japan Fund	10,306
M&G Short Dated Corporate Bond Fund	8,190
Merrill Lynch AQR Global Relative Value Fund	2,851
CATCo Reinsurance Opportunities Fund	1,360
DP Aircraft I	1,030
BioPharma Credit	893
Blue Capital Global Reinsurance Fund	873
Man GLG Japan CoreAlpha Fund	625
NB Distressed Debt Investment Fund	332
HarbourVest Global Private Equity	257
NB Distressed Debt Investment (extinct 23/02/17)	179
Threadneedle UK Fund	164
Renewables Infrastructure	160
BBGI	66
NB Distressed Debt Investment (extinct 07/12/16)	37
NextEnergy Solar Fund	34
M&G Global High Yield Bond Fund	20

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

Total sales for the half year £'000 **48,471**

Sales	Proceeds £'000
Threadneedle UK Fund	12,620
Stewart Investors Asia Pacific Leaders Fund	7,405
M&G Global High Yield Bond Fund	5,748
Henderson European Growth Fund	4,506
Fidelity Asia Fund	4,080
M&G Short Dated Corporate Bond Fund	2,600
Kames High Yield Bond Fund	2,430
Threadneedle American Fund	1,500
Investec Asia Ex Japan Fund	1,272
M&G Recovery Fund	1,268
AXA Framlington UK Select Opportunities Fund	1,200
Schroder Tokyo Fund	1,000
M&G Global Emerging Markets Fund	1,000
Man GLG Japan CoreAlpha Fund	1,000
Renewables Infrastructure	488
HgCapital Trust	268
NextEnergy Solar Fund	65
NB Distressed Debt Investment (extinct 23/02/17)	11
M&G Strategic Corporate Bond	8
NB Distressed Debt Investment (extinct 07/12/16)	2

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

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		9,958		1,584
Revenue	2,909		2,838	
Expenses	(913)		(925)	
Interest payable and similar charges	(2)		(1)	
Net revenue before taxation	1,994		1,912	
Taxation	(272)		(266)	
Net revenue after taxation		1,722		1,646
Total return before distributions		11,680		3,230
Distributions*		(40)		–
Change in net assets attributable to shareholders from investment activities		11,640		3,230

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		251,081		246,315
Amounts receivable on issue of shares	9,883		8,909	
Amounts payable on cancellation of shares	(19,690)		(14,118)	
		(9,807)		(5,209)
Dilution adjustment		–		43
Change in net assets attributable to shareholders from investment activities		11,640		3,230
Closing net assets attributable to shareholders		252,914		244,379

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

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

BALANCE SHEET
AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	250,220	247,669
Current assets		
Debtors	1,273	34,426
Cash and bank balances	2,864	2,646
Total assets	254,357	284,741
LIABILITIES		
Provisions for liabilities	(50)	(53)
Creditors		
Distribution payable	–	(1,770)
Other creditors	(1,393)	(31,837)
Total liabilities	(1,443)	(33,660)
Net assets attributable to shareholders	252,914	251,081

CF PRUDENTIAL DYNAMIC 40-80 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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

30 June 2017

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017, share classes 'A' Accumulation 5.30%¹, 'R' Accumulation 5.54%¹ and 'P' Accumulation 5.77%¹ were ahead of the IA Flexible Investment sector average of 4.30%¹.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

The AXA Framlington UK Select Opportunities Fund, M&G Recovery Fund and Artemis Income Fund produced returns ahead of the FTSE All-Share Index from 1 November 2016 to 30 April 2017. The Threadneedle UK Fund was replaced by the Investec UK Alpha Fund.

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

Returns from the Threadneedle American Fund were ahead of the S&P 500 Index over the period in review. The Schroder US Mid Cap Fund lagged the benchmark.

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

Although positive in absolute terms, the performance of the Henderson European Selected Opportunities Fund lagged the benchmark index over the period in review. The Jupiter European Special Situations finished ahead of benchmark.

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

The Schroder Tokyo Fund and Man GLG Japan CoreAlpha Fund outperformed the benchmark between 1 November 2016 and 30 April 2017 although the Schroder Tokyo Fund generated a small negative return.

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

The Fidelity Asia Fund produced a return ahead of the benchmark over the period in review. The Stewart Investors Asia Pacific Leaders Fund was replaced by the Investec Asia ex Japan Fund.

UK AND GLOBAL BONDS

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

UK AND GLOBAL BONDS *(continued)*

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

The Invesco Perpetual Corporate Bond Fund produced positive returns during the period in review but was behind the benchmark.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio and Aviva Property Investors Trust recovered between 1 November 2016 and 30 April 2017 with both producing positive returns albeit behind the IPD Index.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

The M&G Global Emerging Markets Fund produced returns ahead of the benchmark but the Aberdeen Emerging Markets Equity Fund underperformed.

POSITIONING

The key investment activity over was the addition of a number of holdings across private equity, hedge funds and infrastructure. These were added to provide further diversification.

OUTLOOK

Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

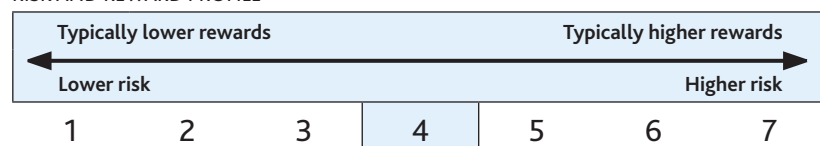
22 May 2017

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

RISK AND REWARD PROFILE



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.

During the period the indicator changed from 5 to 4. 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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	167.14	149.84	141.35	139.37
Return before operating charges*	10.35	21.92	12.73	5.94
Operating charges	(1.97)	(3.57)	(3.55)	(3.47)
Return after operating charges	8.38	18.35	9.18	2.47
Distributions	–	(1.05)	(0.69)	(0.49)
Closing net asset value per share	175.52	167.14	149.84	141.35
* after direct transaction costs of:	–	0.01	–	–

Performance

Return after charges	5.01%	12.25%	6.49%	1.77%
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Other Information

Closing net asset value (£'000)	261	398	872	1,477
Closing number of shares	148,977	238,426	581,674	1,045,309
Operating charges	2.35%	2.36%	2.39%	2.47%
Direct transaction costs	–	0.01%	–	–

Prices

Highest share price	177.43	170.45	162.88	148.44
Lowest share price	162.51	136.66	141.53	134.90

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

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

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	171.48	152.76	143.44	140.96
Return before operating charges*	10.64	22.36	12.92	5.99
Operating charges	(2.02)	(3.64)	(3.60)	(3.51)
Return after operating charges	8.62	18.72	9.32	2.48
Distributions	–	(1.07)	(0.70)	(0.47)
Retained distributions on accumulation shares	–	1.07	0.70	0.47
Closing net asset value per share	180.10	171.48	152.76	143.44
* after direct transaction costs of:	–	0.01	–	–
Performance				
Return after charges	5.03%	12.25%	6.50%	1.76%
Other Information				
Closing net asset value (£'000)	10,571	10,753	20,075	23,542
Closing number of shares	5,869,495	6,270,764	13,140,980	16,412,886
Operating charges	2.35%	2.36%	2.39%	2.47%
Direct transaction costs	–	0.01%	–	–
Prices				
Highest share price	182.07	173.82	165.27	150.11
Lowest share price	166.73	139.33	143.68	136.44

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	167.83	150.33	141.79	139.79
Return before operating charges*	10.29	21.83	12.45	5.67
Operating charges	(0.95)	(1.75)	(1.71)	(1.74)
Return after operating charges	9.34	20.08	10.74	3.93
Distributions	–	(2.58)	(2.20)	(1.93)
Closing net asset value per share	177.17	167.83	150.33	141.79
* after direct transaction costs of:	–	0.01	–	–
Performance				
Return after charges	5.57%	13.36%	7.57%	2.81%
Other Information				
Closing net asset value (£'000)	37,251	38,033	35,106	28,628
Closing number of shares	21,025,709	22,662,022	23,352,953	20,189,932
Operating charges	1.13%	1.14%	1.17%	1.23%
Direct transaction costs	–	0.01%	–	–
Prices				
Highest share price	178.82	172.61	164.13	150.15
Lowest share price	163.34	137.50	142.18	135.66

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

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

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (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	120.44	107.90	102.00	100.00
Return before operating charges*	7.45	15.73	8.81	4.64
Operating charges	(0.97)	(1.76)	(1.74)	(1.61)
Return after operating charges	6.48	13.97	7.07	3.03
Distributions	–	(1.43)	(1.17)	(1.03)
Closing net asset value per share	126.92	120.44	107.90	102.00
* after direct transaction costs of:	–	0.01	–	–
Performance				
Return after charges	5.38%	12.95%	6.93%	3.03%
Other Information				
Closing net asset value (£'000)	1,916	1,793	1,470	666
Closing number of shares	1,509,452	1,488,306	1,362,232	653,235
Operating charges	1.60%	1.61%	1.64%	1.64% ²
Direct transaction costs	–	0.01%	–	–
Prices				
Highest share price	128.40	123.73	117.86	107.70
Lowest share price	117.18	98.58	102.20	97.50

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (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	124.40	110.14	103.03	100.00
Return before operating charges*	7.68	16.07	8.87	4.64
Operating charges	(1.00)	(1.81)	(1.76)	(1.61)
Return after operating charges	6.68	14.26	7.11	3.03
Distributions	–	(1.46)	(1.18)	(1.03)
Retained distributions on accumulation shares	–	1.46	1.18	1.03
Closing net asset value per share	131.08	124.40	110.14	103.03
* after direct transaction costs of:	–	0.01	–	–
Performance				
Return after charges	5.37%	12.95%	6.90%	3.03%
Other Information				
Closing net asset value (£'000)	44,309	39,528	27,148	16,050
Closing number of shares	33,802,569	31,775,418	24,649,483	15,578,009
Operating charges	1.60%	1.61%	1.64%	1.64% ²
Direct transaction costs	–	0.01%	–	–
Prices				
Highest share price	132.57	126.26	119.01	107.71
Lowest share price	121.02	100.62	103.24	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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	149.69	132.80	124.31	121.62
Return before operating charges*	9.28	19.41	10.94	5.08
Operating charges	(1.39)	(2.52)	(2.45)	(2.39)
Return after operating charges	7.89	16.89	8.49	2.69
Distributions	–	(1.48)	(1.15)	(0.96)
Retained distributions on accumulation shares	–	1.48	1.15	0.96
Closing net asset value per share	157.58	149.69	132.80	124.31
* after direct transaction costs of:	–	0.01	–	–

Performance

Return after charges	5.27%	12.72%	6.83%	2.21%
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Other Information

Closing net asset value (£'000)	5,622	4,921	4,355	3,495
Closing number of shares	3,567,800	3,287,548	3,279,098	2,811,259
Operating charges	1.85%	1.86%	1.89%	1.95%
Direct transaction costs	–	0.01%	–	–

Prices

Highest share price	159.22	151.76	143.46	129.98
Lowest share price	145.61	121.27	124.55	117.85

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic 60-100 Portfolio	5.30	17.34	28.35	54.24

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.

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)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 64.10% (31.10.16 – 65.93%)		
	CONTINENTAL EUROPE – 10.27% (31.10.16 – 10.83%)		
1,083,478	Henderson European Growth Fund	2,437	2.44
332,115	Henderson European Selected Opportunities Fund	5,307	5.31
619,281	Jupiter European Special Situations Fund	2,514	2.52
	TOTAL CONTINENTAL EUROPE	10,258	10.27
	UNITED KINGDOM – 25.48% (31.10.16 – 24.69%)		
1,431,569	Artemis Income Fund	5,730	5.73
205,567	AXA Framlington UK Select Opportunities Fund	6,977	6.98
4,828,506	Investec UK Alpha Fund	6,052	6.06
2,071,929	M&G Recovery Fund†	6,711	6.71
	TOTAL UNITED KINGDOM	25,470	25.48
	FAR EAST – 10.44% (31.10.16 – 11.18%)		
459,442	Fidelity Asia Fund	5,224	5.23
1,957,978	Investec Asia Ex Japan Fund	5,211	5.21
	TOTAL FAR EAST	10,435	10.44
	JAPAN – 4.53% (31.10.16 – 5.53%)		
1,594,507	Man GLG Japan CoreAlpha Fund	2,444	2.45
629,324	Schroder Tokyo Fund	2,079	2.08
	TOTAL JAPAN	4,523	4.53
	UNITED STATES – 10.07% (31.10.16 – 9.78%)		
1,921,433	Schroder US Mid Cap Fund	2,619	2.62
2,865,757	Threadneedle American Fund	7,442	7.45
	TOTAL UNITED STATES	10,061	10.07
	EMERGING MARKETS – 3.31% (31.10.16 – 3.92%)		
367,678	Aberdeen Emerging Markets Equity Fund	2,539	2.54
268,210	M&G Global Emerging Markets Fund†	769	0.77
	TOTAL EMERGING MARKETS	3,308	3.31
	TOTAL EQUITY PORTFOLIOS	64,055	64.10

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 7.83% (31.10.16 – 5.74%)		
1,075,741	BBGI*	1,544	1.56
522,619	BioPharma Credit*	416	0.42
499,605	Blue Capital Global Reinsurance Fund*	386	0.39
606,168	CATCo Reinsurance Opportunities Fund*	600	0.60
539,890	DP Aircraft I*	432	0.43
164,873	HarbourVest Global Private Equity*	2,036	2.04
65,747	HgCapital Trust*	973	0.97
330,317	NB Distressed Debt Investment Fund*	234	0.23
503,279	NextEnergy Solar Fund*	572	0.57
574,243	Renewables Infrastructure*	623	0.62
	TOTAL EQUITY INVESTMENT INSTRUMENTS	7,816	7.83
	PROPERTY PORTFOLIOS – 17.19% (31.10.16 – 17.71%)		
2,491,374	Aviva Investors Property Trust	4,121	4.13
1,158,806	M&G Property Portfolio†	13,055	13.06
	TOTAL PROPERTY PORTFOLIOS	17,176	17.19
	BOND PORTFOLIOS – 9.80% (31.10.16 – 9.68%)		
3,073,487	Invesco Perpetual Corporate Bond Fund	6,063	6.07
1,358,170	Kames High Yield Bond Fund	1,680	1.68
2,752,312	M&G Short Dated Corporate Bond Fund†	714	0.71
10,595	Merrill Lynch AQR Global Relative Value Fund	1,343	1.34
	TOTAL BOND PORTFOLIOS	9,800	9.80
	Portfolio of investments	98,847	98.92
	Net other assets	1,083	1.08
	Net assets	99,930	100.00

The investments are collective investment schemes unless stated otherwise.

† Related party holding.

* Ordinary shares.

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2017

Total purchases for the half year £'000 **16,153**

Purchases	Cost £'000
Investec UK Alpha Fund	5,701
Investec Asia Ex Japan Fund	4,919
Merrill Lynch AQR Global Relative Value Fund	1,348
M&G Short Dated Corporate Bond Fund	1,190
CATCo Reinsurance Opportunities Fund	620
DP Aircraft I	469
Schroder Tokyo Fund	465
BioPharma Credit	418
Blue Capital Global Reinsurance Fund	399
NB Distressed Debt Investment Fund	157
HarbourVest Global Private Equity	148
Renewables Infrastructure	85
NB Distressed Debt Investment Fund (extinct 23/02/17)	82
Threadneedle UK Fund	74
BGGI	45
NB Distressed Debt Investment Fund (extinct 07/12/16)	17
NextEnergy Solar Fund	16

Total sales for the half year £'000 **16,665**

Sales	Proceeds £'000
Threadneedle UK Fund	5,714
Stewart Investors Asia Pacific Leaders Fund	3,761
Fidelity Asia Fund	1,663
Kames High Yield Bond Fund	1,655
Schroder Tokyo Fund	1,260
Henderson European Growth Fund	1,000
M&G Global Emerging Markets Fund	480
M&G Short Dated Corporate Bond Fund	480
M&G Recovery Fund	300
Renewables Infrastructure	226
HgCapital Trust	120
NB Distressed Debt Investment Fund (extinct 23/02/17)	5
NB Distressed Debt Investment Fund (extinct 07/12/16)	1

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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		4,541		328
Revenue	948		853	
Expenses	(348)		(339)	
Net revenue before taxation	600		514	
Taxation	(62)		(53)	
Net revenue after taxation		538		461
Total return before distributions		5,079		789
Distributions*		(2)		3
Change in net assets attributable to shareholders from investment activities		5,077		792

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		95,426		89,026
Amounts receivable on issue of shares	7,401		5,114	
Amounts payable on cancellation of shares	(7,974)		(4,449)	
		(573)		665
Dilution adjustment		–		39
Change in net assets attributable to shareholders from investment activities		5,077		792
Closing net assets attributable to shareholders		99,930		90,522

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

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

CF PRUDENTIAL DYNAMIC 60-100 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	98,847	94,531
Current assets		
Debtors	517	8,967
Cash and bank balances	1,122	210
Total assets	<u>100,486</u>	<u>103,708</u>
LIABILITIES		
Provisions for liabilities	(21)	(22)
Creditors		
Distribution payable	–	(608)
Other creditors	(535)	(7,652)
Total liabilities	<u>(556)</u>	<u>(8,282)</u>
Net assets attributable to shareholders	<u>99,930</u>	<u>95,426</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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
30 June 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017 (the period in review), share classes 'A' Accumulation 2.30%¹, 'R' Accumulation 2.63%¹ and 'P' Accumulation 2.81%¹ produced positive returns ahead of the 2.28¹ sector average for IA Mixed Investment 0-35% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK EQUITIES

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

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

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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 FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

NORTH AMERICA (continued)

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

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

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

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

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

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

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

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

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

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

INTERNATIONAL BONDS

Core government bonds (principally those issued by the UK, US and Germany) continued to come under pressure at the start of 2017. This was in response to ongoing fears of rising inflation, partly fuelled by the prospect of a strengthening US economy, and the potential effects of oil price increases in the UK and Europe. However, towards the end of the review period, there was a boost in demand for government bonds as global political risks rose. Returns from US and sterling-denominated government bonds were positive, while euro-denominated government bonds declined as concerns surrounding inflation and interest rate increases weighed on investor sentiment.

Political developments, and particularly those related to the US Presidency, have continued to underpin the performance of bonds, but global economic data is still holding up well, which in turn is helping to support most risk assets. Corporate bonds in US dollars, euro and sterling delivered positive returns over the quarter, with sterling corporates outperforming.

The M&G European Corporate Bond Fund and M&G Global Convertibles Fund both produced negative returns while the M&G European Loan Fund and M&G Global High Yield Bond Fund produced positive performance.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio recovered between 1 November 2016 and 30 April 2017, producing a positive return.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

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

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2017

POSITIONING

Aside from day to day portfolio management activities there were no significant changes to the underlying portfolios.

OUTLOOK

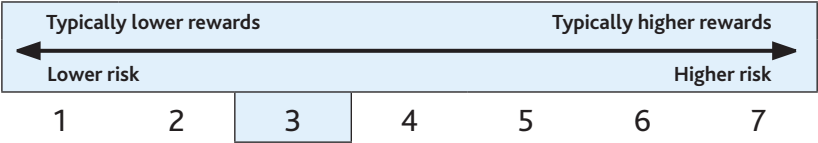
Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
22 May 2017

FUND INFORMATION

RISK AND REWARD PROFILE



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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally bring an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	134.77	122.49	123.74	123.57
Return before operating charges*	4.04	16.53	3.35	4.96
Operating charges	(1.06)	(1.96)	(1.96)	(2.05)
Return after operating charges	2.98	14.57	1.39	2.91
Distributions	–	(2.29)	(2.64)	(2.74)
Closing net asset value per share	137.75	134.77	122.49	123.74
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	2.21%	11.89%	1.12%	2.35%
Other information				
Closing net asset value (£'000)	307	310	1,907	3,025
Closing number of shares	222,901	230,163	1,556,959	2,444,379
Operating charges	1.60%	1.58%	1.56%	1.64%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	138.05	137.34	129.83	128.45
Lowest share price	131.68	119.61	121.90	121.94

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	162.81	145.99	144.99	142.27
Return before operating charges*	4.88	19.74	3.91	5.71
Operating charges	(1.28)	(2.37)	(2.30)	(2.36)
Return after operating charges	3.60	17.37	1.61	3.35
Distributions	–	(2.76)	(3.08)	(3.15)
Retained distributions on accumulation shares	–	2.21	2.47	2.52
Closing net asset value per share	166.41	162.81	145.99	144.99
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	2.21%	11.90%	1.11%	2.35%
Other Information				
Closing net asset value (£'000)	9,535	10,150	22,374	33,338
Closing number of shares	5,729,927	6,233,932	15,325,078	22,993,727
Operating charges	1.60%	1.58%	1.56%	1.64%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	166.68	163.70	152.08	147.87
Lowest share price	159.06	142.59	142.83	140.43

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

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

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	134.93	122.61	123.88	123.71
Return before operating charges*	4.07	16.70	3.34	4.99
Operating charges	(0.17)	(0.29)	(0.26)	(0.36)
Return after operating charges	3.90	16.41	3.08	4.63
Distributions	–	(4.09)	(4.35)	(4.46)
Closing net asset value per share	138.83	134.93	122.61	123.88
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	2.89%	13.38%	2.49%	3.74%
Other Information				
Closing net asset value (£'000)	178,838	176,753	187,326	202,083
Closing number of shares	128,819,765	130,997,628	152,781,499	163,127,405
Operating charges	0.25%	0.23%	0.21%	0.29%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	139.13	138.90	130.56	129.79
Lowest share price	132.01	120.10	123.25	122.20

	30.04.17 (p/share)	31.10.16 (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	109.43	99.45	100.47	100.00
Return before operating charges*	3.28	13.54	2.71	4.22
Operating charges	(0.46)	(0.86)	(0.83)	(0.84)
Return after operating charges	2.82	12.68	1.88	3.38
Distributions	–	(2.70)	(2.90)	(2.91)
Closing net asset value per share	112.25	109.43	99.45	100.47
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	2.58%	12.75%	1.87%	3.38%
Other Information				
Closing net asset value (£'000)	4,269	3,956	3,014	2,591
Closing number of shares	3,802,737	3,615,077	3,030,903	2,578,469
Operating charges	0.85%	0.83%	0.81%	0.86% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	112.62	112.31	105.67	104.77
Lowest share price	107.00	97.29	99.52	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)

	30.04.17 (p/share)	31.10.16 (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	116.81	104.11	102.84	100.00
Return before operating charges*	3.52	14.16	2.71	4.27
Operating charges	(0.49)	(0.90)	(0.85)	(0.84)
Return after operating charges	3.03	13.26	1.86	3.43
Distributions	–	(2.81)	(2.97)	(2.94)
Retained distributions on accumulation shares	–	2.25	2.38	2.35
Closing net asset value per share	119.84	116.81	104.11	102.84
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	2.59%	12.74%	1.81%	3.43%
Other Information				
Closing net asset value (£'000)	66,752	65,203	59,047	52,063
Closing number of shares	55,702,314	55,817,853	56,718,628	50,625,907
Operating charges	0.85%	0.83%	0.81%	0.86% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	120.19	117.52	108.08	104.78
Lowest share price	114.21	101.85	101.80	99.01

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	129.10	115.29	114.05	111.47
Return before operating charges*	3.87	15.67	3.08	4.47
Operating charges	(0.70)	(1.29)	(1.23)	(1.28)
Return after operating charges	3.17	14.38	1.85	3.19
Distributions	–	(2.81)	(3.02)	(3.05)
Retained distributions on accumulation shares	–	2.24	2.41	2.44
Closing net asset value per share	132.27	129.10	115.29	114.05
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	2.46%	12.47%	1.62%	2.86%
Other Information				
Closing net asset value (£'000)	16,611	14,931	12,462	8,644
Closing number of shares	12,557,999	11,565,725	10,809,455	7,579,396
Operating charges	1.10%	1.08%	1.06%	1.14%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	132.60	129.81	119.90	116.25
Lowest share price	126.18	112.73	112.75	110.06

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic Focused 0-30 Portfolio	2.30	10.89	15.33	31.12

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.

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.

PORTFOLIO STATEMENT AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 17.99% (31.10.16 – 18.63%)		
12,279,047	UNITED KINGDOM – 7.04% (31.10.16 – 7.62%) Legal & General UK Index Trust	19,462	7.04
	TOTAL UNITED KINGDOM	19,462	7.04
	CONTINENTAL EUROPE – 3.36% (31.10.16 – 3.13%)		
3,372,038	Legal & General European Index Trust	9,293	3.36
	TOTAL CONTINENTAL EUROPE	9,293	3.36
	FAR EAST – 2.61% (31.10.16 – 2.56%)		
7,019,882	Legal & General Pacific Index Trust	7,217	2.61
	TOTAL FAR EAST	7,217	2.61
	JAPAN – 1.24% (31.10.16 – 1.70%)		
6,945,287	Legal & General Japan Index Trust	3,423	1.24
	TOTAL JAPAN	3,423	1.24
	UNITED STATES – 3.08% (31.10.16 – 2.96%)		
2,279,088	Legal & General US Index Trust	8,503	3.08
	TOTAL UNITED STATES	8,503	3.08
	EMERGING MARKETS – 0.66% (31.10.16 – 0.66%)		
3,360,911	Legal & General Global Emerging Markets Index Fund	1,810	0.66
	TOTAL EMERGING MARKETS	1,810	0.66
	TOTAL EQUITY PORTFOLIOS	49,708	17.99
	EQUITY INVESTMENT INSTRUMENTS – 2.68% (31.10.16 – 3.09%)		
998,808	BBGI*	1,433	0.52
485,413	BioPharma Credit*	387	0.14
631,340	Blue Capital Global Reinsurance Fund*	488	0.18
519,557	CATCo Reinsurance Opportunities Fund*	514	0.18
511,548	DP Aircraft I*	409	0.15

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 2.68% (31.10.16 – 3.09%) (continued)		
153,569	HarbourVest Global Private Equity*	1,897	0.69
61,812	HgCapital Trust*	915	0.33
352,910	NB Distressed Debt Investment Fund*	250	0.09
465,419	NextEnergy Solar Fund*	529	0.19
535,619	Renewables Infrastructure*	581	0.21
	TOTAL EQUITY INVESTMENT INSTRUMENTS	7,403	2.68
	PROPERTY PORTFOLIOS – 8.74% (31.10.16 – 8.42%)		
2,143,035	M&G Property Portfolio†	24,143	8.74
	TOTAL PROPERTY PORTFOLIOS	24,143	8.74
	BOND PORTFOLIOS – 69.49% (31.10.16 – 70.53%)		
109,970,464	M&G Corporate Bond Fund†	45,979	16.64
21,428,996	M&G European Corporate Bond Fund†	22,683	8.21
91,354	M&G European Loan Fund†	8,034	2.91
2,370,579	M&G Global Convertibles Fund†	5,201	1.88
6,135,181	M&G Global High Yield Bond Fund†	7,872	2.85
65,021,254	M&G Short Dated Corporate Bond Fund†	16,866	6.10
73,563,275	M&G Strategic Corporate Bond Fund†	84,112	30.44
10,066	Merrill Lynch AQR Global Relative Value Fund	1,276	0.46
	TOTAL BOND PORTFOLIOS	192,023	69.49
	Portfolio of investments	273,277	98.90
	Net other assets	3,035	1.10
	Net assets	276,312	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 2017

Total purchases for the half year £'000 **5,785**

Purchases	Cost £'000
M&G European Corporate Bond Fund	1,398
M&G Short Dated Corporate Bond Fund	1,360
Merrill Lynch AQR Global Relative Value Fund	1,268
M&G Property Portfolio	1,000
BioPharma Credit	388
M&G Strategic Corporate Bond Fund	110
HarbourVest Global Private Equity	77
Renewables Infrastructure	73
M&G Global High Yield Bond Fund	40
BBSI	36
M&G Global Convertibles Fund	18
NextEnergy Solar Fund	17

Total sales for the half year £'000 **10,312**

Sales	Proceeds £'000
M&G Global High Yield Bond Fund	2,660
Legal & General UK Index Trust	2,315
M&G Strategic Corporate Bond Fund	1,625
Legal & General Japan Index Trust	1,100
M&G Short Dated Corporate Bond Fund	831
Blue Capital Global Reinsurance Fund	518
DP Aircraft I	385
CATCo Reinsurance Opportunities Fund	244
Renewables Infrastructure	222
NB Distressed Debt Investment (extinct 07/12/16)	141
NB Distressed Debt Investment Fund	134
HgCapital Trust	115
NB Distressed Debt Investment (extinct 23/02/17)	22

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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		3,428		7,851
Revenue	4,685		3,928	
Expenses	(552)		(574)	
Interest payable and similar charges	—		(1)	
Net revenue before taxation	4,133		3,353	
Taxation	(76)		(81)	
Net revenue after taxation		4,057		3,272
Total return before distributions		7,485		11,123
Distributions*		(21)		(730)
Change in net assets attributable to shareholders from investment activities		7,464		10,393

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		271,303		286,130
Amounts receivable on issue of shares	14,831		8,725	
Amounts payable on cancellation of shares	(17,286)		(28,234)	
		(2,455)		(19,509)
Dilution adjustment		—		155
Change in net assets attributable to shareholders from investment activities		7,464		10,393
Closing net assets attributable to shareholders		276,312		277,169

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

* 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 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	273,277	273,113
Current assets		
Debtors	1,717	18,287
Cash and bank balances	1,736	3,289
Total assets	276,730	294,689
LIABILITIES		
Provisions for liabilities	(39)	(40)
Creditors		
Distribution payable	—	(5,987)
Other creditors	(379)	(17,359)
Total liabilities	(418)	(23,386)
Net assets attributable to shareholders	276,312	271,303

CF PRUDENTIAL DYNAMIC FOCUSED 0-30 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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

30 June 2017

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017 (the period in review), share classes 'A' Accumulation 2.37%¹, 'R' Accumulation 2.45%¹ and 'P' Accumulation 2.56%¹ produced returns behind the 3.57%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK EQUITIES

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

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

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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.

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

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

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

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

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

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

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

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

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

UK BONDS (continued)

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

INTERNATIONAL BONDS

Core government bonds (principally those issued by the UK, US and Germany) continued to come under pressure at the start of 2017. This was in response to ongoing fears of rising inflation, partly fuelled by the prospect of a strengthening US economy, and the potential effects of oil price increases in the UK and Europe. However, towards the end of the review period, there was a boost in demand for government bonds as global political risks rose. Returns from US and sterling-denominated government bonds were positive, while euro-denominated government bonds declined as concerns surrounding inflation and interest rate increases weighed on investor sentiment.

Political developments, and particularly those related to the US presidency, have continued to underpin the performance of bonds, but global economic data is still holding up well, which in turn is helping to support most risk assets. Corporate bonds in US dollars, euro and sterling delivered positive returns over the quarter, with sterling corporates outperforming.

The M&G European Corporate Bond Fund and M&G Global Convertibles Fund both produced negative returns while the M&G Global High Yield Bond Fund produced positive performance.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio recovered between 1 November 2016 and 30 April 2017, producing a positive return.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

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

POSITIONING

Aside from day to day portfolio management activities there were no significant changes to the underlying portfolios.

OUTLOOK

Forward-looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

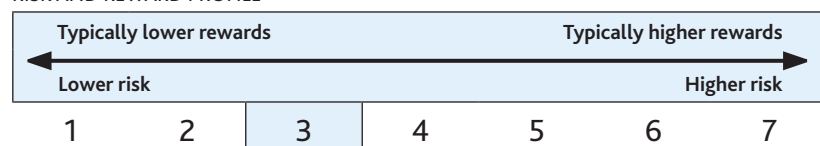
22 May 2017

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

RISK AND REWARD PROFILE



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.

During the period the indicator changed from 4 to 3. 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.

As this 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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'A' Income shares			
Change in net assets per share			
Opening net asset value per share	110.19	100.11	100.00
Return before operating charges*	3.92	13.03	0.75
Operating charges	(0.88)	(1.64)	(0.24)
Return after operating charges	3.04	11.39	0.51
Distributions	–	(1.31)	(0.40)
Closing net asset value per share	113.23	110.19	100.11
* after direct transaction costs of:	–	–	–

Performance

Return after charges	2.76%	11.38%	0.51%
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Other information

Closing net asset value (£'000)	–	–	–
Closing number of shares	250	250	250
Operating charges	1.61%	1.59%	1.56% ²
Direct transaction costs	–	–	–

Prices

Highest share price	113.81	112.34	100.73
Lowest share price	107.65	96.21	98.16

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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'A' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	112.38	100.62	100.00
Return before operating charges*	3.99	13.41	0.86
Operating charges	(0.89)	(1.65)	(0.24)
Return after operating charges	3.10	11.76	0.62
Distributions	–	(1.60)	(0.52)
Retained distributions on accumulation shares	–	1.60	0.52
Closing net asset value per share	115.48	112.38	100.62
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	2.76%	11.69%	0.62%
Other information			
Closing net asset value (£'000)	5	–	–
Closing number of shares	4,361	250	250
Operating charges	1.61%	1.59%	1.56% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	116.07	113.22	100.82
Lowest share price	109.82	96.89	98.17

¹ From 9 September 2015.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	110.26	100.11	100.00
Return before operating charges*	3.68	13.12	0.77
Operating charges	(0.47)	(0.87)	(0.12)
Return after operating charges	3.21	12.25	0.65
Distributions	–	(2.10)	(0.54)
Closing net asset value per share	113.47	110.26	100.11
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	2.91%	12.24%	0.65%
Other information			
Closing net asset value (£'000)	5,957	5,681	5,006
Closing number of shares	5,249,413	5,151,817	5,000,255
Operating charges	0.86%	0.84%	0.81% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	113.94	113.19	100.86
Lowest share price	107.75	96.50	98.21

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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	113.01	100.66	100.00
Return before operating charges*	3.78	13.24	0.76
Operating charges	(0.48)	(0.89)	(0.10)
Return after operating charges	3.30	12.35	0.66
Distributions	–	(2.12)	(0.55)
Retained distributions on accumulation shares	–	2.12	0.55
Closing net asset value per share	116.31	113.01	100.66
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	2.92%	12.27%	0.66%
Other information			
Closing net asset value (£'000)	3,768	648	3
Closing number of shares	3,239,913	573,785	3,092
Operating charges	0.86%	0.84%	0.81% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	116.78	113.84	100.88
Lowest share price	110.45	97.04	98.22

¹ From 9 September 2015.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'R' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	112.72	100.62	100.00
Return before operating charges*	3.79	13.25	0.76
Operating charges	(0.62)	(1.15)	(0.14)
Return after operating charges	3.17	12.10	0.62
Distributions	–	(1.91)	(0.52)
Retained distributions on accumulation shares	–	1.91	0.52
Closing net asset value per share	115.89	112.72	100.62
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	2.81%	12.03%	0.62%
Other information			
Closing net asset value (£'000)	8,468	5,912	750
Closing number of shares	7,306,956	5,244,239	745,172
Operating charges	1.11%	1.09%	1.06% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	116.38	113.56	100.84
Lowest share price	110.15	96.94	98.20

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)

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	Since launch*
CF Prudential Dynamic Focused 10-40 Portfolio	2.37	11.22	15.56

* The Fund launched on 9 September 2015.

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.

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.

PORTFOLIO STATEMENT AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 32.82% (31.10.16 – 32.63%)		
1,295,227	UNITED KINGDOM – 11.29% (31.10.16 – 10.88%) Legal & General UK Index Trust	2,053	11.29
	TOTAL UNITED KINGDOM	2,053	11.29
315,462	CONTINENTAL EUROPE – 4.77% (31.10.16 – 4.59%) Legal & General European Index Trust	869	4.77
	TOTAL CONTINENTAL EUROPE	869	4.77
780,455	FAR EAST – 4.41% (31.10.16 – 4.90%) Legal & General Pacific Index Trust	802	4.41
	TOTAL FAR EAST	802	4.41
798,731	JAPAN – 2.16% (31.10.16 – 2.40%) Legal & General Japan Index Trust	394	2.16
	TOTAL JAPAN	394	2.16
214,134	UNITED STATES – 4.39% (31.10.16 – 4.76%) Legal & General US Index Trust	799	4.39
	TOTAL UNITED STATES	799	4.39
590,356	EMERGING MARKETS – 1.75% (31.10.16 – 1.92%) Legal & General Global Emerging Markets Index Fund	318	1.75
	TOTAL EMERGING MARKETS	318	1.75
	EQUITY INVESTMENT INSTRUMENTS – 4.03% (31.10.16 – 3.18%)		
114,215	BBGI*	164	0.90
43,019	BioPharma Credit*	34	0.19
39,045	Blue Capital Global Reinsurance Fund*	30	0.16
46,998	CATco Reinsurance Opportunities Fund*	46	0.25
34,502	DP Aircraft I*	28	0.15
16,998	HarbourVest Global Private Equity*	210	1.15
5,333	HgCapital Trust*	79	0.43

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

ACD's Report (continued)

Portfolio Statement (continued)

As at 30 April 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 4.03% (31.10.16 – 3.18%) (continued)		
26,964	NB Distressed Debt Investment Fund*	19	0.10
56,221	NextEnergy Solar Fund*	64	0.35
58,976	Renewables Infrastructure*	64	0.35
	TOTAL EQUITY INVESTMENT INSTRUMENTS	738	4.03
	TOTAL EQUITY PORTFOLIOS	5,973	32.82
	PROPERTY PORTFOLIOS – 12.06% (31.10.16 – 9.48%)		
194,739	M&G Property Portfolio†	2,194	12.06
	TOTAL PROPERTY PORTFOLIOS	2,194	12.06
	BOND PORTFOLIOS – 53.04% (31.10.16 – 54.52%)		
3,700,760	M&G Corporate Bond Fund†	1,547	8.50
1,083,357	M&G European Corporate Bond Fund†	1,147	6.30
3,366	M&G European Loan Fund†	296	1.63
84,626	M&G Global Convertibles Fund†	186	1.02
462,291	M&G Global High Yield Bond Fund†	593	3.26
3,236,953	M&G Short Dated Corporate Bond Fund†	840	4.62
4,298,769	M&G Strategic Corporate Bond Fund†	4,915	27.01
1,008	Merrill Lynch AQR Global Relative Value Fund	128	0.70
	TOTAL BOND PORTFOLIOS	9,652	53.04
	Portfolio of investments	17,819	97.92
	Net other assets	379	2.08
	Net assets	18,198	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 2017

Total purchases for the half year £'000 **5,709**

Major purchases	Cost £'000
M&G Strategic Corporate Bond Fund	1,136
M&G Property Portfolio	1,009
M&G Corporate Bond Fund	856
Legal & General UK Index Trust	643
M&G European Corporate Bond Fund	371
M&G Short Dated Corporate Bond Fund	283
Legal & General European Index Trust	238
Legal & General US Index Trust	185
Legal & General Pacific Index Trust	183
M&G Global High Yield Bond Fund	151
Merrill Lynch AQR Global Relative Value Fund	127
Legal & General Japan Index Trust	109
HarbourVest Global Private Equity	94
Legal & General Global Emerging Markets Index Fund	81
BBGI	72
BioPharma Credit	34
Blue Capital Global Reinsurance Fund	31
NextEnergy Solar Fund	30
Renewables Infrastructure	21
NB Distressed Debt Investment Fund	13

Total sales for the half year £'000 **60**

Sales	Proceeds £'000
M&G Short Dated Corporate Bond Fund	60

The summary of material portfolio changes represents the 20 largest purchases and all of the 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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		291		245
Revenue	223		94	
Expenses	(63)		(33)	
Net revenue before taxation	160		61	
Taxation	(21)		(10)	
Net revenue after taxation		139		51
Total return before distributions		430		296
Distributions*		25		12
Change in net assets attributable to shareholders from investment activities		455		308

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		12,241		5,759
Amounts receivable on issue of shares	6,275		3,703	
Amounts payable on cancellation of shares	(773)		(37)	
		5,502		3,666
Dilution adjustment		–		28
Change in net assets attributable to shareholders from investment activities		455		308
Closing net assets attributable to shareholders		18,198		9,761

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

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

BALANCE SHEET
AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	17,819	11,829
Current assets		
Debtors	202	799
Cash and bank balances	409	500
Total assets	18,430	13,128
LIABILITIES		
Provisions for liabilities	(3)	(2)
Creditors		
Distribution payable	–	(108)
Other creditors	(229)	(777)
Total liabilities	(232)	(887)
Net assets attributable to shareholders	18,198	12,241

CF PRUDENTIAL DYNAMIC FOCUSED 10-40 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

2. SUBSEQUENT EVENTS

Since the Balance Sheet date of 30 April 2017, the Net Asset Value of the Fund has risen by 18%, primarily due to issue of shares and market movement.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD'S REPORT

FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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

30 June 2017

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

For the half year ended 30 April 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017 (the period in review), share classes 'A' Accumulation 3.21%, 'R' Accumulation 3.41%¹ and 'P' Accumulation 3.51%¹ produced returns behind the 3.57%¹ sector average for IA Mixed Investment 20-60% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK EQUITIES

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

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

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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.

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

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

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

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

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

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

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

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

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

The M&G Strategic Corporate Bond Fund produced a positive return over the period in review.

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

INTERNATIONAL BONDS

Core government bonds (principally those issued by the UK, US and Germany) continued to come under pressure at the start of 2017. This was in response to ongoing fears of rising inflation, partly fuelled by the prospect of a strengthening US economy, and the potential effects of oil price increases in the UK and Europe. However, towards the end of the review period, there was a boost in demand for government bonds as global political risks rose. Returns from US and sterling-denominated government bonds were positive, while euro-denominated government bonds declined as concerns surrounding inflation and interest rate increases weighed on investor sentiment.

Political developments, and particularly those related to the US Presidency, have continued to underpin the performance of bonds, but global economic data is still holding up well, which in turn is helping to support most risk assets. Corporate bonds in US dollars, euro and sterling delivered positive returns over the quarter, with sterling corporates outperforming.

The M&G European Corporate Bond Fund and M&G Global Convertibles Fund both produced negative returns while the M&G Global High Yield Bond Fund produced positive performance.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio recovered between 1 November 2016 and 30 April 2017, producing a positive return.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

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

POSITIONING

Aside from day to day portfolio management activities there were no significant changes to the underlying portfolios.

OUTLOOK

Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

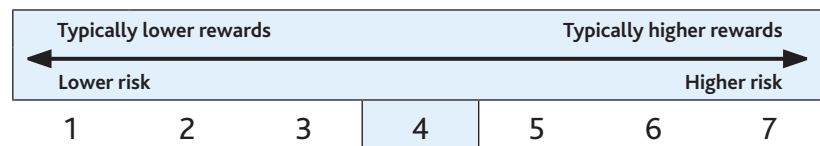
22 May 2017

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

FUND INFORMATION

RISK AND REWARD PROFILE



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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Income shares				
Change in net assets per share				
Opening net asset value per share	133.58	120.01	119.18	118.20
Return before operating charges*	5.43	17.05	5.37	5.02
Operating charges	(1.10)	(1.94)	(1.97)	(2.00)
Return after operating charges	4.33	15.11	3.40	3.02
Distributions	–	(1.54)	(2.57)	(2.04)
Closing net asset value per share	137.91	133.58	120.01	119.18
* after direct transaction costs of:	–	–	–	–

Performance				
Return after charges	3.24%	12.59%	2.85%	2.55%

Other information				
Closing net asset value (£'000)	297	301	1,066	2,987
Closing number of shares	215,272	225,489	888,074	2,505,892
Operating charges	1.65%	1.59%	1.59%	1.67%
Direct transaction costs	–	–	–	–

Prices				
Highest share price	138.95	136.28	130.22	124.05
Lowest share price	130.41	115.24	117.85	116.17

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'A' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	158.74	140.95	137.01	133.60
Return before operating charges*	6.45	20.09	6.19	5.67
Operating charges	(1.30)	(2.30)	(2.25)	(2.26)
Return after operating charges	5.15	17.79	3.94	3.41
Distributions	–	(2.14)	(3.00)	(2.30)
Retained distributions on accumulation shares	–	2.14	3.00	2.30
Closing net asset value per share	163.89	158.74	140.95	137.01
* after direct transaction costs of:	–	–	0.01	–
Performance				
Return after charges	3.24%	12.62%	2.88%	2.55%
Other information				
Closing net asset value (£'000)	11,312	11,285	15,039	19,004
Closing number of shares	6,902,281	7,109,287	10,669,696	13,870,846
Operating charges	1.65%	1.59%	1.59%	1.67%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	164.99	159.98	149.46	140.20
Lowest share price	154.98	135.26	135.52	131.30

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'C' Income shares				
Change in net assets per share				
Opening net asset value per share	133.22	119.91	119.16	118.16
Return before operating charges*	5.26	16.85	5.02	4.69
Operating charges	(0.20)	(0.30)	(0.30)	(0.35)
Return after operating charges	5.06	16.55	4.72	4.34
Distributions	–	(3.24)	(3.97)	(3.34)
Closing net asset value per share	138.28	133.22	119.91	119.16
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.80%	13.80%	3.96%	3.67%
Other information				
Closing net asset value (£'000)	68,404	63,776	59,226	55,438
Closing number of shares	49,467,791	47,871,491	49,393,175	46,525,762
Operating charges	0.30%	0.24%	0.24%	0.29%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	139.19	137.64	130.60	125.16
Lowest share price	130.19	115.50	118.99	116.47

CF PRUDENTIAL DYNAMIC FOCUSED 20-55 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES (continued)

	30.04.17 (p/share)	31.10.16 (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	112.69	101.44	100.89	100.00
Return before operating charges*	4.50	14.36	4.30	3.99
Operating charges	(0.50)	(0.88)	(0.89)	(0.80)
Return after operating charges	4.00	13.48	3.41	3.19
Distributions	–	(2.23)	(2.86)	(2.30)
Closing net asset value per share	116.69	112.69	101.44	100.89
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.55%	13.29%	3.38%	3.19%
Other information				
Closing net asset value (£'000)	3,756	3,595	2,950	3,641
Closing number of shares	3,218,899	3,190,657	2,907,923	3,608,354
Operating charges	0.90%	0.84%	0.84%	0.83% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	117.61	116.01	110.29	105.51
Lowest share price	110.07	97.70	100.23	98.45

¹ From 15 November 2013.

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

	30.04.17 (p/share)	31.10.16 (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	120.86	106.66	103.20	100.00
Return before operating charges*	4.83	15.12	4.36	4.01
Operating charges	(0.54)	(0.92)	(0.90)	(0.81)
Return after operating charges	4.29	14.20	3.46	3.20
Distributions	–	(2.34)	(2.92)	(2.30)
Retained distributions on accumulation shares	–	2.34	2.92	2.30
Closing net asset value per share	125.15	120.86	106.66	103.20
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.55%	13.31%	3.35%	3.20%
Other information				
Closing net asset value (£'000)	46,397	41,522	42,800	39,972
Closing number of shares	37,071,671	34,354,208	40,126,665	38,731,446
Operating charges	0.90%	0.84%	0.84%	0.83% ²
Direct transaction costs	–	–	–	–
Prices				
Highest share price	126.07	121.96	112.83	105.51
Lowest share price	118.06	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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 (p/share)	31.10.14 (p/share)
'R' Accumulation shares				
Change in net assets per share				
Opening net asset value per share	140.14	123.93	120.01	116.57
Return before operating charges*	5.63	17.61	5.25	4.78
Operating charges	(0.80)	(1.40)	(1.33)	(1.34)
Return after operating charges	4.83	16.21	3.92	3.44
Distributions	–	(2.49)	(3.16)	(2.48)
Retained distributions on accumulation shares	–	2.49	3.16	2.48
Closing net asset value per share	144.97	140.14	123.93	120.01
* after direct transaction costs of:	–	–	–	–
Performance				
Return after charges	3.45%	13.08%	3.27%	2.95%
Other information				
Closing net asset value (£'000)	15,419	13,119	8,507	2,132
Closing number of shares	10,635,961	9,361,120	6,864,399	1,776,685
Operating charges	1.15%	1.09%	1.09%	1.14%
Direct transaction costs	–	–	–	–
Prices				
Highest share price	145.95	141.30	131.13	122.74
Lowest share price	136.87	119.15	119.10	114.67

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	3 years	5 years
CF Prudential Dynamic Focused 20-55 Portfolio	3.21	14.02	21.66	41.52

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.

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 20-55 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 38.69% (31.10.16 – 41.64%)		
	CONTINENTAL EUROPE – 6.68% (31.10.16 – 6.86%)		
3,528,127	Legal & General European Index Trust	9,724	6.68
	TOTAL CONTINENTAL EUROPE	9,724	6.68
	UNITED KINGDOM – 15.00% (31.10.16 – 15.28%)		
13,777,226	Legal & General UK Index Trust	21,837	15.00
	TOTAL UNITED KINGDOM	21,837	15.00
	FAR EAST – 6.30% (31.10.16 – 6.61%)		
8,921,262	Legal & General Pacific Index Trust	9,171	6.30
	TOTAL FAR EAST	9,171	6.30
	JAPAN – 2.56% (31.10.16 – 3.28%)		
7,554,139	Legal & General Japan Index Trust	3,723	2.56
	TOTAL JAPAN	3,723	2.56
	UNITED STATES – 5.84% (31.10.16 – 6.92%)		
2,278,337	Legal & General US Index Trust	8,500	5.84
	TOTAL UNITED STATES	8,500	5.84
	EMERGING MARKETS – 2.31% (31.10.16 – 2.69%)		
6,248,700	Legal & General Global Emerging Markets Index Fund	3,364	2.31
	TOTAL EMERGING MARKETS	3,364	2.31
	TOTAL EQUITY PORTFOLIOS	56,319	38.69
	EQUITY INVESTMENT INSTRUMENTS – 5.16% (31.10.16 – 5.20%)		
1,072,873	BBGI*	1,540	1.06
507,795	BioPharma Credit*	404	0.28
546,860	Blue Capital Global Reinsurance Fund*	423	0.29
507,954	CATCo Reinsurance Opportunities Fund*	502	0.34
499,454	DP Aircraft I*	399	0.27
160,452	HarbourVest Global Private Equity*	1,982	1.36
59,704	HgCapital Trust*	884	0.61

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 5.16% (31.10.16 – 5.20%) (continued)		
356,463	NB Distressed Debt Investment Fund*	252	0.17
468,078	NextEnergy Solar Fund*	532	0.36
558,568	Renewables Infrastructure*	606	0.42
	TOTAL EQUITY INVESTMENT INSTRUMENTS	7,524	5.16
	PROPERTY PORTFOLIOS – 14.77% (31.10.16 – 13.69%)		
1,908,777	M&G Property Portfolio†	21,504	14.77
	TOTAL PROPERTY PORTFOLIOS	21,504	14.77
	BOND PORTFOLIOS – 39.54% (31.10.16 – 39.50%)		
5,881,566	M&G European Corporate Bond Fund†	6,226	4.28
26,867	M&G European Loan Fund†	2,363	1.62
492,885	M&G Global Convertibles Fund†	1,081	0.74
4,105,664	M&G Global High Yield Bond Fund†	5,268	3.62
20,801,153	M&G Short Dated Corporate Bond Fund†	5,396	3.71
31,457,083	M&G Strategic Corporate Bond Fund†	35,968	24.71
9,863	Merrill Lynch AQR Global Relative Value Fund	1,251	0.86
	TOTAL BOND PORTFOLIOS	57,553	39.54
	Portfolio of investments	142,900	98.16
	Net other assets	2,685	1.84
	Net assets	145,585	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 2017

Total purchases for the half year £'000 **9,964**

Purchases	Cost £'000
M&G Property Portfolio	2,934
Merrill Lynch AQR Global Relative Value Fund	1,243
M&G Strategic Corporate Bond Fund	1,141
M&G Short Dated Corporate Bond Fund	900
Legal & General UK Index Trust	847
M&G European Corporate Bond Fund	710
Legal & General European Index Trust	434
Legal & General Global Emerging Markets Index Fund	434
BioPharma Credit	406
HarbourVest Global Private Equity	305
Blue Capital Global Reinsurance Fund	181
BBSI	152
Renewables Infrastructure	101
NB Distressed Debt Investment Fund	59
NB Distressed Debt Investment Fund (extinct 23/02/17)	53
NextEnergy Solar Fund	23
M&G Global High Yield Bond Fund	21
NB Distressed Debt Investment Fund (extinct 07/12/16)	16
M&G Global Convertibles Fund	4

Total sales for the half year £'000 **4,636**

Sales	Proceeds £'000
Legal & General US Index Trust	1,220
Legal & General European Index Trust	700
Legal & General Global Emerging Markets Index Fund	665
Legal & General Japan Index Trust	577
Legal & General UK Index Trust	550
DP Aircraft I	442
CATCo Reinsurance Opportunities Fund	210
Renewables Infrastructure	166
HgCapital Trust	86
NB Distressed Debt Investment Fund (extinct 23/02/17)	11
NB Distressed Debt Investment Fund (extinct 07/12/16)	9

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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		3,450		3,488
Revenue	2,095		1,243	
Expenses	(387)		(371)	
Net revenue before taxation	1,708		872	
Taxation	(206)		(154)	
Net revenue after taxation		1,502		718
Total return before distributions		4,952		4,206
Distributions*		29		6
Change in net assets attributable to shareholders from investment activities		4,981		4,212

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		133,598		129,588
Amounts receivable on issue of shares	18,224		13,306	
Amounts payable on cancellation of shares	(11,218)		(17,700)	
		7,006		(4,394)
Dilution adjustment		–		90
Change in net assets attributable to shareholders from investment activities		4,981		4,212
Closing net assets attributable to shareholders		145,585		129,496

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

* 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 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	142,900	133,641
Current assets		
Debtors	1,482	5,741
Cash and bank balances	1,912	1,384
Total assets	<u>146,294</u>	<u>140,766</u>
LIABILITIES		
Provisions for liabilities	(35)	(32)
Creditors		
Distribution payable	–	(1,626)
Other creditors	(674)	(5,510)
Total liabilities	<u>(709)</u>	<u>(7,168)</u>
Net assets attributable to shareholders	<u>145,585</u>	<u>133,598</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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
30 June 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017 (the period in review), share classes 'A' Accumulation 3.44%¹, 'R' Accumulation 3.64%¹ and 'P' Accumulation 3.74%¹ were behind the 4.54%¹ sector average for IA Mixed Investment 40-85% Shares.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK EQUITIES

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

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

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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 2017

NORTH AMERICA (continued)

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

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

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream Prime Minister defeated a populist challenger, was also greeted with relief by investors.

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

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

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

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

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

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

The M&G Strategic Corporate Bond Fund produced a positive return over the period in review.

INTERNATIONAL BONDS

Core government bonds (principally those issued by the UK, US and Germany) continued to come under pressure at the start of 2017. This was in response to ongoing fears of rising inflation, partly fuelled by the prospect of a strengthening US economy, and the potential effects of oil price increases in the UK and Europe. However, towards the end of the review period, there was a boost in demand for government bonds as global political risks rose. Returns from US and sterling-denominated government bonds were positive, while euro-denominated government bonds declined as concerns surrounding inflation and interest rate increases weighed on investor sentiment.

Political developments, and particularly those related to the US Presidency, have continued to underpin the performance of bonds, but global economic data is still holding up well, which in turn is helping to support most risk assets. Corporate bonds in US dollars, euro and sterling delivered positive returns over the quarter, with sterling corporates outperforming.

The M&G European Corporate Bond Fund and M&G Global Convertibles Fund both produced negative returns while the M&G Global High Yield Bond Fund produced positive performance.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio recovered between 1 November 2016 and 30 April 2017, producing a positive return.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

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

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2017

POSITIONING

Aside from day to day portfolio management activities there were no significant changes to the underlying portfolios.

OUTLOOK

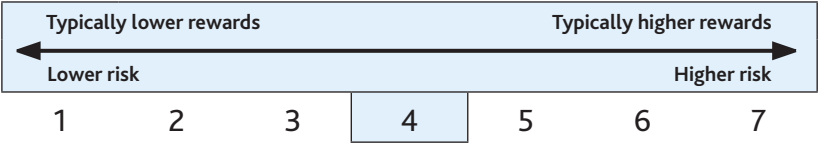
Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while the Organization of Petroleum Exporting Countries failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
22 May 2017

FUND INFORMATION

RISK AND REWARD PROFILE



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 this 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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'A' Income shares			
Change in net assets per share			
Opening net asset value per share	112.55	100.65	100.00
Return before operating charges*	5.05	14.88	1.54
Operating charges	(0.91)	(1.64)	(0.22)
Return after operating charges	4.14	13.24	1.32
Distributions	–	(1.34)	(0.67)
Closing net asset value per share	116.69	112.55	100.65
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	3.68%	13.15%	1.32%
Other information			
Closing net asset value (£'000)	4	–	–
Closing number of shares	3,656	250	250
Operating charges	1.65%	1.59%	1.58% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	118.14	117.52	101.62
Lowest share price	109.40	101.85	97.32

¹ From 9 September 2015.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'A' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	114.82	101.32	100.00
Return before operating charges*	5.18	15.16	1.56
Operating charges	(0.94)	(1.66)	(0.24)
Return after operating charges	4.24	13.50	1.32
Distributions	–	(1.44)	(0.69)
Retained distributions on accumulation shares	–	1.44	0.69
Closing net asset value per share	119.06	114.82	101.32
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	3.69%	13.32%	1.32%
Other information			
Closing net asset value (£'000)	–	–	–
Closing number of shares	250	250	250
Operating charges	1.65%	1.59%	1.58% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	120.54	115.92	101.62
Lowest share price	111.61	95.11	97.31

¹ From 9 September 2015.

² 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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	112.68	100.65	100.00
Return before operating charges*	5.05	14.97	1.55
Operating charges	(0.51)	(0.87)	(0.12)
Return after operating charges	4.54	14.10	1.43
Distributions	–	(2.07)	(0.78)
Closing net asset value per share	117.22	112.68	100.65
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.03%	14.01%	1.43%
Other information			
Closing net asset value (£'000)	6,063	5,756	5,033
Closing number of shares	5,172,092	5,108,021	5,000,255
Operating charges	0.90%	0.84%	0.83% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	118.57	115.82	101.73
Lowest share price	109.60	94.60	97.37

¹ From 9 September 2015.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	115.69	101.45	100.00
Return before operating charges*	5.19	15.15	1.57
Operating charges	(0.52)	(0.91)	(0.12)
Return after operating charges	4.67	14.24	1.45
Distributions	–	(2.10)	(0.80)
Retained distributions on accumulation shares	–	2.10	0.80
Closing net asset value per share	120.36	115.69	101.45
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.04%	14.04%	1.45%
Other information			
Closing net asset value (£'000)	6,971	2,673	4
Closing number of shares	5,792,524	2,310,195	3,874
Operating charges	0.90%	0.84%	0.83% ²
Direct transaction costs	–	–	–
Prices			
Highest share price	121.71	116.75	101.75
Lowest share price	112.52	95.36	97.39

¹ From 9 September 2015.

² 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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'R' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	115.39	101.39	100.00
Return before operating charges*	5.21	15.16	1.54
Operating charges	(0.66)	(1.16)	(0.15)
Return after operating charges	4.55	14.00	1.39
Distributions	–	(1.86)	(0.76)
Retained distributions on accumulation shares	–	1.86	0.76
Closing net asset value per share	119.94	115.39	101.39
* after direct transaction costs of:	–	–	–

Performance

Return after charges	3.94%	13.81%	1.39%
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Other information

Closing net asset value (£'000)	2,859	1,709	254
Closing number of shares	2,383,408	1,481,209	250,416
Operating charges	1.15%	1.09%	1.08% ²
Direct transaction costs	–	–	–

Prices

Highest share price	121.32	116.47	101.70
Lowest share price	112.21	95.25	97.36

¹ From 9 September 2015.

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

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	Since launch*
CF Prudential Dynamic Focused 40-80 Portfolio	3.44	14.74	19.52

* The Fund launched on 9 September 2015.

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.

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)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 51.36% (31.10.16 – 54.17%)		
500,699	CONTINENTAL EUROPE – 8.68% (31.10.16 – 8.92%) Legal & General European Index Trust	1,380	8.68
	TOTAL CONTINENTAL EUROPE	1,380	8.68
2,000,686	UNITED KINGDOM – 19.95% (31.10.16 – 20.77%) Legal & General UK Index Trust	3,171	19.95
	TOTAL UNITED KINGDOM	3,171	19.95
1,249,765	FAR EAST – 8.08% (31.10.16 – 8.31%) Legal & General Pacific Index Trust	1,285	8.08
	TOTAL FAR EAST	1,285	8.08
1,178,215	JAPAN – 3.65% (31.10.16 – 4.22%) Legal & General Japan Index Trust	581	3.65
	TOTAL JAPAN	581	3.65
338,954	UNITED STATES – 7.96% (31.10.16 – 8.87%) Legal & General US Index Trust	1,265	7.96
	TOTAL UNITED STATES	1,265	7.96
898,832	EMERGING MARKETS – 3.04% (31.10.16 – 3.08%) Legal & General Global Emerging Markets Index Fund	484	3.04
	TOTAL EMERGING MARKETS	484	3.04
	TOTAL EQUITY PORTFOLIOS	8,166	51.36
	EQUITY INVESTMENT INSTRUMENTS – 6.63% (31.10.16 – 5.34%)		
164,047	BBGI*	235	1.48
62,057	BioPharma Credit*	49	0.31
53,960	Blue Capital Global Reinsurance Fund*	42	0.26
64,152	CATco Reinsurance Opportunities Fund*	63	0.40
47,615	DP Aircraft I*	38	0.24
24,413	HarbourVest Global Private Equity*	302	1.90
7,659	HgCapital Trust*	113	0.71

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 6.63% (31.10.16 – 5.34%) (continued)		
38,598	NB Distressed Debt Investment Fund*	27	0.17
80,712	NextEnergy Solar Fund*	92	0.58
84,665	Renewables Infrastructure*	92	0.58
	TOTAL EQUITY INVESTMENT INSTRUMENTS	1,053	6.63
	PROPERTY PORTFOLIOS – 16.25% (31.10.16 – 12.50%)		
229,253	M&G Property Portfolio†	2,583	16.25
	TOTAL PROPERTY PORTFOLIOS	2,583	16.25
	BOND PORTFOLIOS – 23.37% (31.10.16 – 24.89%)		
334,376	M&G Corporate Bond Fund†	140	0.88
391,506	M&G European Corporate Bond Fund†	414	2.60
1,517	M&G European Loan Fund†	133	0.84
38,456	M&G Global Convertibles Fund†	84	0.53
228,865	M&G Global High Yield Bond Fund†	294	1.85
874,102	M&G Short Dated Corporate Bond Fund†	227	1.43
1,948,029	M&G Strategic Corporate Bond Fund†	2,227	14.01
1,544	Merrill Lynch AQR Global Relative Value Fund	196	1.23
	TOTAL BOND PORTFOLIOS	3,715	23.37
	Portfolio of investments	15,517	97.61
	Net other assets	380	2.39
	Net assets	15,897	100.00

The investments are collective investment schemes unless stated otherwise.

† Related party holding.

* Ordinary shares.

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
FOR THE HALF YEAR ENDED 30 APRIL 2017

Total purchases for the half year £'000 **7,210**

Major purchases **Cost**
£'000

Lloyds Bank	1,700
M&G Property Portfolio	1,289
Legal & General UK Index Trust	952
M&G Strategic Corporate Bond Fund	820
Legal & General Pacific Index Trust	408
Legal & General European Index Trust	373
Legal & General US Index Trust	318
Legal & General Japan Index Trust	226
Merrill Lynch AQR Global Relative Value Fund	195
M&G Short Dated Corporate Bond Fund	170
Legal & General Global Emerging Markets Index Fund	170
HarbourVest Global Private Equity	139
BBGI	106
M&G European Corporate Bond Fund	96
NextEnergy Solar Fund	51
BioPharma Credit	49
Blue Capital Global Reinsurance Fund	43
Renewables Infrastructure	26
HgCapital Trust	21
NB Distressed Debt Investment Fund (extinct 23/02/17)	19

Total sales for the half year £'000 **1,896**

Sales **Proceeds**
£'000

Lloyds Bank	1,700
M&G European Corporate Bond Fund	85
M&G Short Dated Corporate Bond Fund	60
Legal & General Japan Index Trust	50
NB Distressed Debt Investment (extinct 23/02/17)	1

The summary of material portfolio changes represents the 20 largest purchases and all of the sales during the half year.

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		363		200
Revenue	179		56	
Expenses	(50)		(25)	
Net revenue before taxation	129		31	
Taxation	(9)		(4)	
Net revenue after taxation		120		27
Total return before distributions		483		227
Distributions*		15		4
Change in net assets attributable to shareholders from investment activities		498		231

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		10,138		5,291
Amounts receivable on issue of shares	5,462		1,830	
Amounts payable on cancellation of shares	(201)		(113)	
		5,261		1,717
Dilution adjustment		–		19
Change in net assets attributable to shareholders from investment activities		498		231
Closing net assets attributable to shareholders		15,897		7,258

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

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

CF PRUDENTIAL DYNAMIC FOCUSED 40-80 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	15,517	9,824
Current assets		
Debtors	375	285
Cash and bank balances	385	453
Total assets	<u>16,277</u>	<u>10,562</u>
LIABILITIES		
Provisions for liabilities	(4)	(2)
Creditors		
Distribution payable	–	(106)
Other creditors	(376)	(316)
Total liabilities	<u>(380)</u>	<u>(424)</u>
Net assets attributable to shareholders	<u>15,897</u>	<u>10,138</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

2. SUBSEQUENT EVENTS

Since the Balance Sheet date of 30 April 2017, the Net Asset Value of the Fund has risen by 17%, primarily due to issue of shares and market movement.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO
ACD'S REPORT
FOR THE HALF YEAR ENDED 30 APRIL 2017

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 11.

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
30 June 2017

PORTFOLIO MANAGER'S REPORT

Between 1 November 2016 and 30 April 2017 (the period in review), share classes 'A' Accumulation 4.99%¹, 'R' Accumulation 5.14%¹ and 'P' Accumulation 5.24%¹ were ahead of the 4.30%¹ sector average for IA Flexible Investment.

ECONOMIC OVERVIEW

Data appears to signal that economic activity is picking up around the world, with many forecasts for growth being revised upwards. This has been accompanied by a rise in inflation, with the pace of price increases at the highest level for many years. Although investors still seem hopeful that President Donald Trump will introduce policies designed to further boost the United States ('US') economy, the defeat of his healthcare reforms introduced uncertainty over the plans.

Despite the lack of clarity about future policy developments in the US, the country's central bank decided to raise the official interest rate by another 0.25%, citing the strength of the economy, with two more upward moves expected in 2017. What is more, other central banks may soon consider interest rate increases of their own.

MARKET OVERVIEW

While political events, such as the United Kingdom's first steps on the road to Brexit, approaching elections in Europe and President Trump's attempts to meet campaign promises dominated headlines, economic data continued to improve. Investors were encouraged by higher company profits and some significant takeover activity, prompting several major stockmarket indices to hit all-time highs, notably in the US and UK. For much of the period in review, sentiment was supported by hopes that President Trump would introduce policies designed to stimulate growth, such as lower taxes, even though the prospect of such moves faded later. Although stronger economic growth weighed on several bond markets, the pace of the increase in bond yields decelerated from the end of 2016.

UK EQUITIES

At the end of March, the UK government signed Article 50, beginning the two-year process of leaving the European Union ('EU'). The prospect of protracted negotiations weighed on the pound, which boosted the value of the many multinational companies represented in the FTSE 100 Index, pushing the index to record highs. At the same time, the apparent resilience of the UK economy, despite the result of the Brexit vote, encouraged strength in the more domestically oriented companies of the FTSE 250 Index, which also hit record highs and outperformed the FTSE 100 Index. Shares in smaller companies rallied as well.

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

NORTH AMERICA

The expectation that President Trump would introduce policies designed to stimulate economic activity, such as cutting taxes and regulation while increasing infrastructure spending, enabled stockmarket indices in the US to hit successive record highs. However, doubts began to build over the President's ability to deliver on his pledges, especially as he was forced to abandon his attempts to reform healthcare.

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.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

Portfolio Manager's Report (continued)

For the half year ended 30 April 2017

NORTH AMERICA (continued)

The Federal Reserve raised interest rates by another 0.25% in March, but signalled that further increases will only be gradual.

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

EUROPE

Although there was plenty of uncertainty surrounding financial markets in Europe, mainly due to political events, continued strength in the economy led investors to drive share prices higher. For example, the Spanish economy is recovering strongly from the recession it experienced after the eurozone debt crisis, with the growth reflected in a double-digit increase in the country's stockmarket so far during 2017. The European Central Bank now feels confident enough to reduce the scale of its asset-purchase programme, introduced to support the economy. The election result in the Netherlands, where the mainstream prime minister defeated a populist challenger, was also greeted with relief by investors.

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

JAPAN

Japanese shares lagged most of the world's stockmarkets, particularly in local terms, despite a sustained recovery in the country's economic outlook. When viewed in sterling terms, however, the returns were higher, due to the increase in the value of the yen relative to the pound. It was the strength of the Japanese currency that dampened the overall performance of share prices, since the Japanese stockmarket and economy remain dominated by exporters. The yen was boosted by its perceived 'safe haven' status when it looked as though President Trump may be thwarted in his plans to introduce pro-growth policies to stimulate the US economy.

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

ASIA EX JAPAN

Company shares in the Asia Pacific region were among the best performers during the first quarter of 2017, helped by a decline in the US dollar against most other currencies. The apparent stability of the economy in China, a major trading partner of most countries in the region, was another supportive factor. The Indian stockmarket was a particularly strong performer after election success for the ruling party, and the prospect of tax reform enabled the rupee to strengthen further.

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

During the first few months of 2017, UK government bonds (gilts) delivered positive returns following losses in late 2016 and at the beginning of 2017. This initial weakness was in response to a pick-up in inflation expectations resulting from higher import costs in the aftermath of the sharp drop in sterling since the referendum on EU membership. However, as political concerns intensified, demand for gilts began to rise as British Prime Minister Theresa May triggered Article 50, beginning the process of the UK leaving the EU.

Credit spreads on UK corporate bonds were little changed overall, the decline in government bond yields meant that these assets also posted positive returns over the period in review.

The M&G Strategic Corporate Bond Fund produced a positive return over the period in review.

INTERNATIONAL BONDS

Core government bonds (principally those issued by the UK, US and Germany) continued to come under pressure at the start of 2017. This was in response to ongoing fears of rising inflation, partly fuelled by the prospect of a strengthening US economy, and the potential effects of oil price increases in the UK and Europe. However, towards the end of the review period, there was a boost in demand for government bonds as global political risks rose. Returns from US and sterling-denominated government bonds were positive, while euro-denominated government bonds declined as concerns surrounding inflation and interest rate increases weighed on investor sentiment.

Political developments, and particularly those related to the US presidency, have continued to underpin the performance of bonds, but global economic data is still holding up well, which in turn is helping to support most risk assets. Corporate bonds in US dollars, euro and sterling delivered positive returns over the quarter, with sterling corporates outperforming.

The M&G European Corporate Bond Fund and M&G Global Convertibles Fund both produced negative returns while the M&G Global High Yield Bond Fund produced positive performance.

UK PROPERTY

UK commercial property has enjoyed a solid start to 2017, which follows on from the recovery seen in the fourth quarter of 2016. Total returns from the asset class are being propelled by both growth in capital values and stable rental income. The overall resilience of UK commercial property is encouraging, and is due in part to increased purchasing by overseas investors following the decline in sterling.

The industrial sector continues to see both the strongest capital and rental value growth. Demand is being driven by retailers for smaller warehouses close to towns, while larger 'sheds' are required for regional and national distribution. Within the industrial and office sectors, rental value growth is strongest in the South East. Conversely, rental values in the 'Rest of UK High Street' sector are falling.

The performance of the M&G Property Portfolio recovered between 1 November 2016 and 30 April 2017, producing a positive return.

EMERGING MARKETS

The US dollar losing ground to most other currencies was also helpful for company shares in many emerging markets so far during 2017. The stockmarket in Argentina enjoyed a remarkable rally, up more than 30% in sterling terms, helped by the economic reforms introduced by a president seen as more business-friendly than the previous incumbent. Similarly, Mexico has experienced a good recovery from the lows which followed the US election as it looked as though President Trump may not be as bad for the country as feared. On the other hand, a decline in the oil price weighed on the Russian stockmarket, which relies heavily on natural resources.

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

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)
Portfolio Manager's Report (continued)
For the half year ended 30 April 2017

POSITIONING

Aside from day to day portfolio management activities there were no significant changes to the underlying portfolios.

OUTLOOK

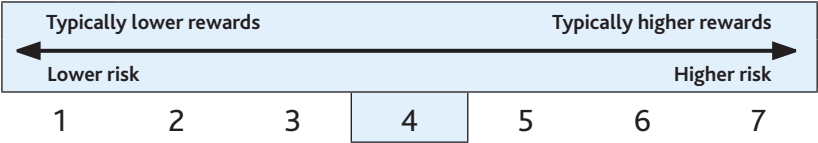
Forward looking survey data is, in general, signalling solid global growth for coming months. Consumer and business confidence appears to remain strong, labour markets are continuing to improve, monetary policy remains accommodative in many advanced economies and fiscal policy is no longer a drag on economic growth. Barring any unexpected shocks, China's economy is expected to only marginally slow on an annual basis. The expectation is therefore that global economic growth may accelerate over the rest of 2017.

There are some caveats. Buoyant consumer and business confidence in the US did not translate in to strong first quarter growth although forward-looking indicators are posting a rosier picture. China's growth in the first quarter of 2017 was at the cost of a further increase in debt, while Organization of Petroleum Exporting Countries' failure to drive up oil prices by restricting supply had meant that conditions have remained more difficult than previously expected for energy producers.

M&G INVESTMENT MANAGEMENT LIMITED
Portfolio Manager
22 May 2017

FUND INFORMATION

RISK AND REWARD PROFILE



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.

During the half year the indicator changed from 5 to 4. The Fund has been classed as 4 because the 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 this 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.

Currency Risk: As the Fund invests indirectly in overseas securities, exchange rates movements may, when not hedged, cause the value of your investment to increase or decrease.

Credit Risk: Fixed interest securities are affected by trends in interest rates and inflation. If interest rates go up the value of capital may fall and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security is also affected by its credit rating. Fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.capitafinancial.com, by following the link 'Fund Information'.

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

ACD's Report (continued)

Fund Information (continued)

COMPARATIVE TABLES

Information for 30 April 2017 relates to the 6 month period ending 30 April 2017, 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 2017, 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 as the expense value of such holdings at the period end weighted against the net asset value of the share class at that date.

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'A' Income shares			
Change in net assets per share			
Opening net asset value per share	114.90	101.00	100.00
Return before operating charges*	6.37	16.66	2.21
Operating charges	(1.02)	(1.71)	(0.41)
Return after operating charges	5.35	14.95	1.80
Distributions	–	(1.05)	(0.80)
Closing net asset value per share	120.25	114.90	101.00
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.66%	14.80%	1.80%
Other Information			
Closing net asset value (£'000)	–	–	–
Closing number of shares	250	250	250
Operating charges	1.66%	1.64%	1.59% ²
Direct transaction costs	0.01%	–	–
Prices			
Highest share price	122.16	117.35	102.23
Lowest share price	111.98	93.77	96.83

¹ From 9 September 2015.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'A' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	117.03	101.85	100.00
Return before operating charges*	6.45	16.90	2.26
Operating charges	(1.00)	(1.72)	(0.41)
Return after operating charges	5.45	15.18	1.85
Distributions	–	(1.30)	(0.84)
Retained distributions on accumulation shares	–	1.30	0.84
Closing net asset value per share	122.48	117.03	101.85
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.66%	14.90%	1.85%
Other Information			
Closing net asset value (£'000)	2	–	–
Closing number of shares	1,309	250	250
Operating charges	1.66%	1.64%	1.59% ²
Direct transaction costs	0.01%	–	–
Prices			
Highest share price	124.56	118.52	102.24
Lowest share price	114.13	94.60	96.82

¹ From 9 September 2015.

² 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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'P' Income shares			
Change in net assets per share			
Opening net asset value per share	114.98	101.01	100.00
Return before operating charges*	6.20	16.81	2.05
Operating charges	(0.52)	(0.93)	(0.12)
Return after operating charges	5.68	15.88	1.93
Distributions	–	(1.91)	(0.92)
Closing net asset value per share	120.66	114.98	101.01
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.94%	15.72%	1.93%
Other Information			
Closing net asset value (£'000)	6,251	5,754	5,051
Closing number of shares	5,180,747	5,003,210	5,000,255
Operating charges	0.91%	0.89%	0.84% ²
Direct transaction costs	0.01%	–	–
Prices			
Highest share price	122.56	118.23	102.33
Lowest share price	112.13	93.97	96.87

¹ From 9 September 2015.

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

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'P' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	118.10	101.95	100.00
Return before operating charges*	6.37	17.14	1.96
Operating charges	(0.54)	(0.99)	(0.01)
Return after operating charges	5.83	16.15	1.95
Distributions	–	(2.01)	(0.94)
Retained distributions on accumulation shares	–	2.01	0.94
Closing net asset value per share	123.93	118.10	101.95
* after direct transaction costs of:	–	–	–
Performance			
Return after charges	4.94%	15.84%	1.95%
Other Information			
Closing net asset value (£'000)	4,943	493	–
Closing number of shares	3,988,739	417,726	255
Operating charges	0.91%	0.89%	0.84% ²
Direct transaction costs	0.01%	–	–
Prices			
Highest share price	125.82	119.42	102.35
Lowest share price	115.17	94.91	96.88

¹ From 9 September 2015.

² 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)

	30.04.17 (p/share)	31.10.16 (p/share)	31.10.15 ¹ (p/share)
'R' Accumulation shares			
Change in net assets per share			
Opening net asset value per share	117.69	101.89	100.00
Return before operating charges*	6.38	17.01	2.04
Operating charges	(0.68)	(1.21)	(0.15)
Return after operating charges	5.70	15.80	1.89
Distributions	–	(1.72)	(0.90)
Retained distributions on accumulation shares	–	1.72	0.90
Closing net asset value per share	123.39	117.69	101.89
* after direct transaction costs of:	–	–	–

Performance

Return after charges	4.84%	15.51%	1.89%
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Other Information

Closing net asset value (£'000)	1,352	688	126
Closing number of shares	1,095,906	584,531	123,731
Operating charges	1.16%	1.14%	1.09% ²
Direct transaction costs	0.01%	–	–

Prices

Highest share price	125.31	119.03	102.30
Lowest share price	114.75	94.74	96.86

¹ From 9 September 2015.

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

FUND PERFORMANCE TO 30 APRIL 2017 (%)

	6 months	1 year	Since launch*
CF Prudential Dynamic Focused 60-100 Portfolio	4.99	19.22	23.09

* The Fund launched on 9 September 2015.

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.

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 60-100 PORTFOLIO

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 30 APRIL 2017

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY PORTFOLIOS – 71.61% (31.10.16 – 68.72%)		
485,779	CONTINENTAL EUROPE – 10.67% (31.10.16 – 9.34%) Legal & General European Index Trust	1,339	10.67
	TOTAL CONTINENTAL EUROPE	1,339	10.67
1,960,403	UNITED KINGDOM – 24.76% (31.10.16 – 25.12%) Legal & General UK Index Trust	3,107	24.76
	TOTAL UNITED KINGDOM	3,107	24.76
1,243,312	FAR EAST – 10.18% (31.10.16 – 9.66%) Legal & General Pacific Index Trust	1,278	10.18
	TOTAL FAR EAST	1,278	10.18
1,112,091	JAPAN – 4.37% (31.10.16 – 4.35%) Legal & General Japan Index Trust	548	4.37
	TOTAL JAPAN	548	4.37
340,115	UNITED STATES – 10.11% (31.10.16 – 10.05%) Legal & General US Index Trust	1,269	10.11
	TOTAL UNITED STATES	1,269	10.11
879,783	EMERGING MARKETS – 3.78% (31.10.16 – 3.17%) Legal & General Global Emerging Markets Index Fund	474	3.78
	TOTAL EMERGING MARKETS	474	3.78
	EQUITY INVESTMENT INSTRUMENTS – 7.74% (31.10.16 – 7.03%)		
132,036	BBGI*	224	1.79
53,337	BioPharma Credit*	42	0.33
44,365	Blue Capital Global Reinsurance Fund*	34	0.27
54,705	CATCo Reinsurance Opportunities Fund*	54	0.43
33,905	DP Aircraft I*	27	0.22
17,190	HarbourVest Global Private Equity*	286	2.28
5,290	HgCapital Trust*	108	0.86

Holding	Portfolio of Investments	Value £'000	30.04.17 %
	EQUITY INVESTMENT INSTRUMENTS – 7.74% (31.10.16 – 7.03%) (continued)		
32,954	NB Distressed Debt Investment Fund*	23	0.18
39,130	NextEnergy Solar Fund*	87	0.69
61,910	Renewables Infrastructure*	87	0.69
	TOTAL EQUITY INVESTMENT INSTRUMENTS	972	7.74
	TOTAL EQUITY PORTFOLIOS	8,987	71.61
	PROPERTY PORTFOLIOS – 17.99% (31.10.16 – 20.26%)		
189,233	M&G Property Portfolio†	2,258	17.99
	TOTAL PROPERTY PORTFOLIOS	2,258	17.99
	BOND PORTFOLIOS – 9.44% (31.10.16 – 10.10%)		
158,339	M&G Corporate Bond Fund†	66	0.53
92,847	M&G European Corporate Bond Fund†	98	0.78
305	M&G European Loan Fund†	27	0.22
6,803	M&G Global Convertibles Fund†	15	0.12
87,689	M&G Global High Yield Bond Fund†	113	0.90
84,349	M&G Short Dated Corporate Bond Fund†	22	0.18
587,498	M&G Strategic Corporate Bond Fund†	672	5.36
1,330	Merrill Lynch AQR Global Relative Value Fund	169	1.35
	TOTAL BOND PORTFOLIOS	1,182	9.44
	Portfolio of investments	12,427	99.04
	Net other assets	121	0.96
	Net assets	12,548	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 2017

Total purchases for the half year £'000 **5,525**

Purchases	Cost £'000
Legal & General UK Index Trust	1,268
M&G Property Portfolio	1,013
Legal & General European Index Trust	590
Legal & General Pacific Index Trust	580
Legal & General US Index Trust	561
M&G Strategic Corporate Bond Fund	300
Legal & General Japan Index Trust	255
Legal & General Global Emerging Markets Index Fund	249
Merrill Lynch AQR Global Relative Value Fund	168
HarbourVest Global Private Equity	148
B&G	117
M&G Short Dated Corporate Bond Fund	62
NextEnergy Solar Fund	48
BioPharma Credit	43
Blue Capital Global Reinsurance Fund	35
Renewables Infrastructure	34
HgCapital Trust	29
NB Distressed Debt Investment Fund	17
NB Distressed Debt Investment Fund (extinct 23/02/17)	7
NB Distressed Debt Investment Fund (extinct 07/12/16)	1

Total sales for the half year £'000 **280**

Sales	Proceeds £'000
M&G Property Portfolio	180
M&G Short Dated Corporate Bond Fund	61
Legal & General US Index Trust	28
CATCo Reinsurance Opportunities Fund	11

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 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Income:				
Net capital gains		317		153
Revenue	118		32	
Expenses	(35)		(20)	
Net revenue before taxation	83		12	
Taxation	(3)		(1)	
Net revenue after taxation		80		11
Total return before distributions		397		164
Distributions*		11		–
Change in net assets attributable to shareholders from investment activities		408		164

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 30 APRIL 2017

	£'000	30.04.17 £'000	£'000	30.04.16 £'000
Opening net assets attributable to shareholders		6,935		5,177
Amounts receivable on issue of shares	5,512		386	
Amounts payable on cancellation of shares	(307)		(16)	
		5,205		370
Dilution adjustment		–		4
Change in net assets attributable to shareholders from investment activities		408		164
Closing net assets attributable to shareholders		12,548		5,715

The above statements show the comparative closing net assets at 30 April 2016 whereas the current accounting period commenced 1 November 2016.

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

CF PRUDENTIAL DYNAMIC FOCUSED 60-100 PORTFOLIO

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 30 APRIL 2017

	30.04.17 £'000	31.10.16 £'000
ASSETS		
Fixed assets		
Investments	12,427	6,871
Current assets		
Debtors	366	114
Cash and bank balances	285	159
Total assets	<u>13,078</u>	<u>7,144</u>
LIABILITIES		
Provisions for liabilities	(3)	(2)
Creditors		
Distribution payable	–	(95)
Other creditors	(527)	(112)
Total liabilities	<u>(530)</u>	<u>(209)</u>
Net assets attributable to shareholders	<u>12,548</u>	<u>6,935</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

AS AT 30 APRIL 2017

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2016 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 for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

2. SUBSEQUENT EVENTS

Since the Balance Sheet date of 30 April 2017, the Net Asset Value of the Fund has risen by 16%, primarily due to issue of shares and market movement.

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: PO Box 384, Darlington DL1 9RZ 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 Exchange Tower, 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.

