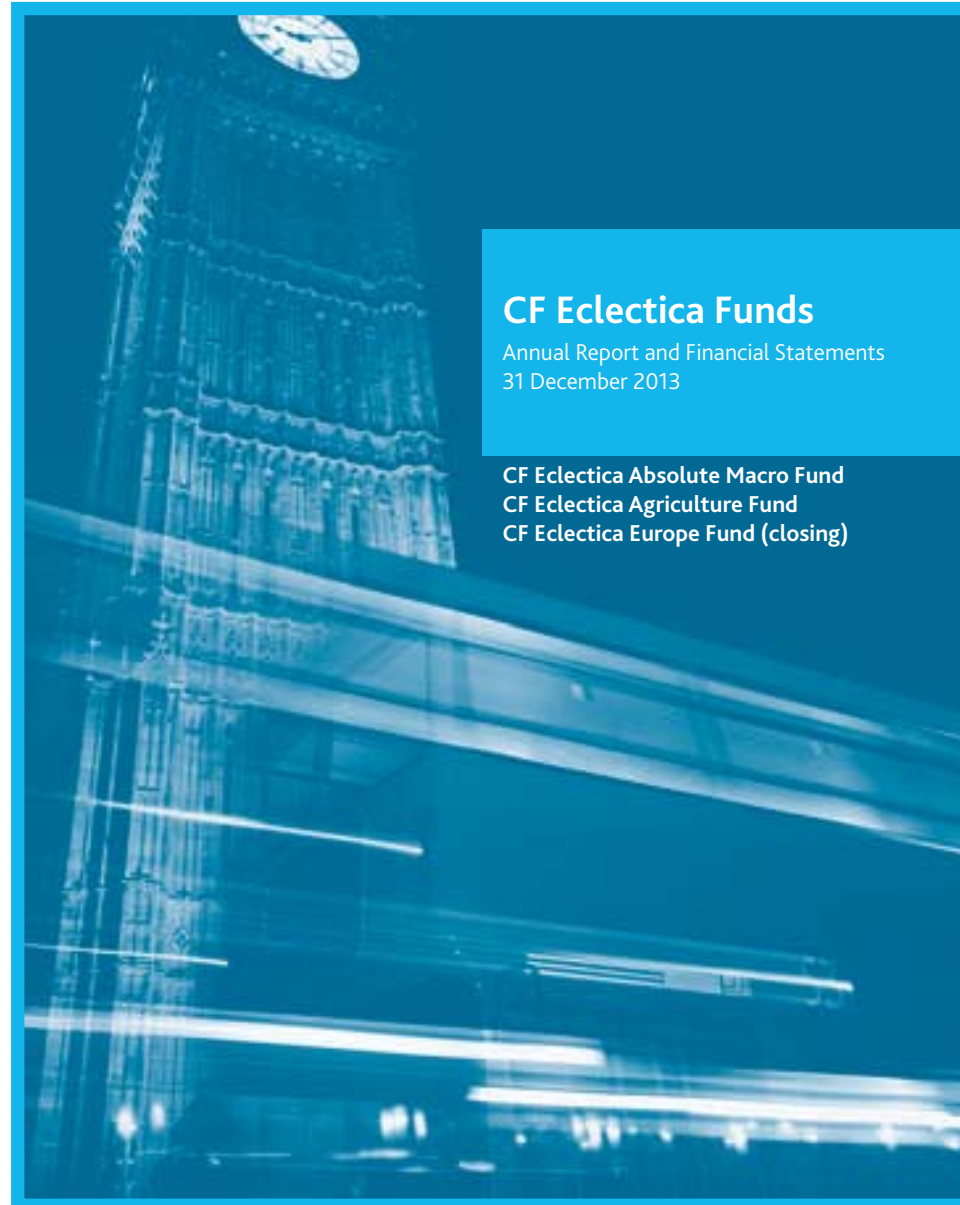


CAPITA



CF Eclectica Funds

Annual Report and Financial Statements
31 December 2013

CF Eclectica Absolute Macro Fund
CF Eclectica Agriculture Fund
CF Eclectica Europe Fund (closing)

AUTHORISED CORPORATE DIRECTOR ('ACD')
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INVESTMENT MANAGER

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ACD'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

AUTHORISED STATUS

CF Eclectica Funds ('the Company') is an open-ended investment company with variable capital incorporated in England and Wales under registration number IC000433 and authorised by the Financial Services Authority (note that the Financial Services Authority was replaced with the Financial Conduct Authority on 1 April 2013) with effect from 28 March 2006.

It is a 'UCITS Scheme' and the base currency of each Fund is sterling.

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

IMPORTANT INFORMATION

For the CF Eclectica Absolute Macro Fund ('the Fund') we have updated the Prospectus to comply with new Financial Conduct Authority rules requiring added disclosures for funds which indicate an intention, in either their name or objectives, to deliver positive returns in all market conditions. The added disclosures in the investment objectives and policy of the Fund are intended to make it clear to investors that although the Fund will be managed with the aim of delivering positive returns in all market conditions, these returns are not guaranteed.

On 14 July 2011 the Financial Conduct Authority ('FCA') approved the wind up of the CF Eclectica Europe Fund. The final valuation of the sub-fund was 26 August 2011 and the sub-fund will be wound up in accordance with COLL 7.3.

We have updated the Prospectus to comply with the new FCA rules introducing 'protected cells' for umbrella OEICs in the UK. The Company is an umbrella OEIC. Previously, each sub-fund of a UK umbrella OEIC effectively had its own pool of assets but could not be treated as a separate legal entity. As such, each of the sub-funds' assets were not legally ring-fenced and consequently it was possible that if the liabilities of another sub-fund within the same umbrella exceeded its assets, a creditor could pursue one or more other sub-funds in that umbrella to satisfy its debt. The effect of the new rules is to legally protect assets in each sub-fund from the creditors of other sub-funds and, as such, these changes are deemed to be in the investors' interest.

Full details of these changes can be found in the revised Prospectus dated 24 January 2014.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Eclectica Funds
23 April 2014

DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

N. BOYLING

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Eclectica Funds
23 April 2014

STATEMENT OF ACD'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The ACD is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (the 'COLL Sourcebook') requires the ACD to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the net revenue/expense and of the net capital gains/losses on the scheme property of the Company for that year. In preparing those financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements in accordance with the requirements of the IMA SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In relation to this requirement, the ACD has prepared the financial statements for CF Eclectica Europe Fund on a break up basis as the sub-fund is being wound up.

The ACD is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the financial statements comply with the COLL Sourcebook. The ACD is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the ACD is aware:

- there is no relevant audit information of which the Company's Auditor is unaware; and
- the ACD has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the Auditor is aware of that information.

STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of revenue that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL), as amended, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended (the 'OEIC Regulations'), the Company's Instrument of Incorporation and Prospectus, in relation to the pricing of, and dealings in, shares in the Company; the application of revenue of the Company; and the investment and borrowing powers applicable to the Company.

REPORT OF THE DEPOSITARY FOR THE YEAR ENDED 31 DECEMBER 2013

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the Authorised Corporate Director:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with COLL and, where applicable, the OEIC Regulations, the Instrument of Incorporation and the Prospectus of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

BNY MELLON TRUST & DEPOSITARY (UK) LIMITED
Depositary of CF Eclectica Funds
23 April 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CF ECLECTICA FUNDS

We have audited the financial statements of CF Eclectica Funds ('the Company') for the year ended 31 December 2013 which comprise the Aggregated Statement of Total Return, Aggregated Statement of Change in Net Assets Attributable to Shareholders, Aggregated Balance Sheet and the related notes 1 to 14, together with the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, the related notes and distribution tables for each sub-fund. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE AUTHORISED CORPORATE DIRECTOR (ACD) AND AUDITOR

As explained more fully in the ACD's responsibilities statement set out on page 6, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company and of its sub-funds as at 31 December 2013 and of the net expense and the net capital gains on the scheme property of the Company and its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

OPINION ON OTHER MATTERS PRESCRIBED BY THE RULES OF THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK OF THE FINANCIAL CONDUCT AUTHORITY

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation;
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- we have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

ERNST & YOUNG LLP
Statutory Auditor
London
23 April 2014

AGGREGATED FINANCIAL STATEMENTS

AGGREGATED STATEMENT OF TOTAL RETURN FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
Income:					
Net capital gains	2		5,632,264		2,490,335
Revenue	3	2,687,057		4,616,696	
Expenses	4	(3,777,342)		(3,483,878)	
Finance costs: Interest	6	(42,919)		(29,504)	
Net (expense)/revenue before taxation		(1,133,204)		1,103,314	
Taxation	5	(279,226)		(389,716)	
Net (expense)/revenue after taxation			(1,412,430)		713,598
Total return before distributions			4,219,834		3,203,933
Finance costs: Distributions	6		(59,865)		(725,884)
Change in net assets attributable to shareholders from investment activities			4,159,969		2,478,049

AGGREGATED STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
Opening net assets attributable to shareholders			254,975,610		168,534,496
Amounts receivable on issue of shares		72,892,910		139,625,540	
Amounts payable on cancellation of shares		(156,882,069)		(56,778,618)	
			(83,989,159)		82,846,922
Dilution levy charged	1(k)		5,188		13,913
Stamp duty reserve tax	1(g)		(36,896)		(17,070)
Change in net assets attributable to shareholders from investment activities			4,159,969		2,478,049
Retained distribution on Accumulation shares	6		38,776		1,112,652
Movement in surplus due from CF Eclectica Europe Fund to shareholders			9,112		6,648
Closing net assets attributable to shareholders			175,162,600		254,975,610

AGGREGATED BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
ASSETS					
Investment assets			162,283,966		226,666,134
Other assets					
Debtors	7	721,938		1,648,144	
Cash and bank balances	8	23,398,055		37,287,477	
Total other assets			24,119,993		38,935,621
Total assets			186,403,959		265,601,755
LIABILITIES					
Investment liabilities			(3,018,528)		(1,099,037)
Other liabilities					
Creditors	9	(1,396,790)		(2,216,551)	
Bank overdrafts	8	(6,826,041)		(7,310,557)	
Total other liabilities			(8,222,831)		(9,527,108)
Total liabilities			(11,241,359)		(10,626,145)
Net assets attributable to shareholders			175,162,600		254,975,610

1. ACCOUNTING POLICIES

The principal accounting policies, which have been applied in both the current and prior year, are set out below:

(a) *Basis of accounting*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association in October 2010.

The ACD has prepared the financial statements of the CF Eclectica Europe Fund on a break up basis as it is the intention to terminate the sub-fund.

(b) *Basis of aggregation*

The aggregated financial statements represent the sum of the relevant items from the financial statements of the individual sub-funds within the umbrella company.

(c) *Recognition of revenue*

Dividends on quoted equities and preference shares are recognised when the securities are quoted ex-dividend.

Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment in the scheme and does not form part of the distributable revenue.

Reportable income from funds with 'Reporting Fund' status for UK tax purposes is recognised when the information is made available by the Reporting Fund.

Revenue on debt securities is accounted for on an effective yield basis.

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

Revenue is recognised gross of any withholding taxes but excludes attributable tax credits.

(d) *Treatment of stock and special dividends*

The ordinary element of stock dividend received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. Amounts recognised as capital are deducted from the cost of the investment. The tax accounting treatment follows the treatment of the principal amount.

(e) *Treatment of expenses*

All expenses, except for those relating to the purchase and sale of investments and stamp duty reserve tax, are charged against revenue.

(f) *Allocation of revenue and expenses to multiple share classes and sub-funds*

Any revenue or expense not directly attributable to a particular share class or sub-fund will normally be allocated pro-rata to the net assets of the relevant share classes and sub-funds, unless a different allocation method is more appropriate.

1. ACCOUNTING POLICIES (continued)

(f) *Allocation of revenue and expenses to multiple share classes and sub-funds (continued)*
 All share classes are ranked pari passu and have no particular rights or terms attached, including rights on winding up.

(g) *Taxation*

Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

Offshore income gains, from funds without reporting status, are liable to corporation tax at 20% and any resulting charge is deducted from capital.

Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief and where this is the case the offset is reflected in the tax charge.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

Stamp duty reserve tax suffered on surrender of shares is deducted from capital.

(h) *Distribution policy*

Surplus revenue after taxation, as disclosed in the financial statements, after adjustment for items of a capital nature, is distributable to shareholders. Any deficit of revenue is deducted from capital.

Interim distributions may be made at the ACD's discretion. Final distributions are made in accordance with the COLL Sourcebook.

(i) *Basis of valuation of investments*

Quoted investments are valued at closing bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting period. Accrued interest on fixed interest securities is included in revenue.

Collective investment schemes are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the accounting period.

Open forward currency contracts are valued based on the difference between the contract value and the market value adjusted by the prevailing spot rate and swap curve on the last business day of the accounting period.

(j) *Exchange rates*

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the closing exchange rates ruling on that date.

1. ACCOUNTING POLICIES (continued)

(k) Dilution levy

The ACD may require a dilution levy on the purchase and redemption of shares if, in its opinion, the existing shareholders (for purchases) or remaining shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the scheme property of a sub-fund is in continual decline; where a sub-fund is experiencing large levels of net purchases relative to its size; on 'large deals' (typically being a purchase or redemption of shares to a size exceeding 5% of the Net Asset Value of the relevant sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining shareholders require the imposition of a dilution levy.

	31.12.13 £	31.12.12 £
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	14,104,415	8,483,647
Derivative contracts	(8,291,171)	(5,784,312)
Forward currency contracts	921,892	1,188,564
Transaction charges	(59,336)	(51,564)
Currency losses	(1,043,536)	(1,346,000)
Net capital gains	<u>5,632,264</u>	<u>2,490,335</u>
3. REVENUE		
Non-taxable dividends	2,404,172	4,197,990
Taxable dividends	74,711	98,746
UK property income distributions	31,528	–
Unfranked interest	121,935	222,222
Bank interest	22,717	17,344
Margin interest	31,978	80,077
Other interest	16	317
Total revenue	<u>2,687,057</u>	<u>4,616,696</u>
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	3,524,190	3,211,686
Legal and professional fees	28,000	36,154
Printing and typesetting costs	13,273	14,194
Registration fees	8,861	12,243
	<u>3,574,324</u>	<u>3,274,277</u>

	31.12.13 £	31.12.12 £
4. EXPENSES (continued)		
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	87,547	88,544
Safe custody and other bank charges	61,744	71,443
	<u>149,291</u>	<u>159,987</u>
Other expenses:		
FCA fee	148	120
Fees paid to auditor – audit	20,400	19,200
– tax services	12,298	12,445
– other tax related services	6,806	–
Publication costs	13,761	13,836
Legal and professional fees	–	60
Postage and distribution costs	1,514	1,853
Wind up costs	(1,200)	2,100
	<u>53,727</u>	<u>49,614</u>
Total expenses	<u>3,777,342</u>	<u>3,483,878</u>
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas tax	279,226	389,716
Current tax charge (note 5b)	<u>279,226</u>	<u>389,716</u>
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	<u>279,226</u>	<u>389,716</u>
b) Factors affecting current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (31.12.12 : 20%) for the reasons explained below.		
	31.12.13 £	31.12.12 £
Net (expense)/revenue before taxation	<u>(1,133,204)</u>	<u>1,103,314</u>
Corporation tax at 20%	<u>(226,641)</u>	<u>220,663</u>

	31.12.13 £	31.12.12 £
5. TAXATION (continued)		
Effects of:		
Non-taxable dividends	(480,835)	(839,598)
Offshore income gains	4,537	–
Movement in revenue accruals	(521)	–
Expenses not deductible for tax purposes	(240)	420
Foreign tax expensed	(656)	(3,034)
Unutilised excess management expenses	704,356	621,549
Corporation tax charge	–	–
Overseas tax	279,226	389,716
Current tax charge (note 5a)	279,226	389,716
6. FINANCE COSTS		
Distributions		
The distributions take account of revenue received on the issue of shares and revenue deducted on cancellations of shares, and comprise:		
	31.12.13 £	31.12.12 £
Final	38,776	1,112,652
Add: Revenue deducted on cancellation of shares	25,806	119,001
Deduct: Revenue received on issue of shares	(4,717)	(505,769)
Net distributions for the year	59,865	725,884
Interest	42,919	29,504
Total finance costs	102,784	755,388

	31.12.13 £	31.12.12 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net (expense)/revenue after taxation	(1,412,430)	713,598
Allocations to capital:		
Revenue deficit	1,471,774	12,327
Yield uplift on conversions*	468	–
Balance brought forward	64	23
Balance carried forward	(11)	(64)
Net distributions for the year	59,865	725,884
* Where an investor converts to a class with a higher income yield, the investor will receive an equalisation as if they had held the new share class throughout the period from last distribution to the conversion date. The yield differential at the point of conversion is an equalisation, which will be offset by capital erosion for the converted investor.		
7. DEBTORS		
Amounts receivable for issue of shares	39,394	94,953
Sales awaiting settlement	491,249	1,072,162
Accrued revenue:		
Non-taxable dividends	96,472	247,280
Taxable dividends	2,216	–
UK property income distributions	974	–
Unfranked interest	–	62,099
Bank interest	1,268	3,790
	100,930	313,169
Prepaid expenses	3,541	3,548
Taxation recoverable:		
Income tax	4,202	–
Overseas withholding tax	82,622	164,312
	86,824	164,312
Total debtors	721,938	1,648,144

	31.12.13 £	31.12.12 £
8. CASH AND BANK BALANCES		
Bank balances:		
Capital account	114,498	24,504,353
Revenue account	10,825,612	959,013
Margin account	12,457,945	11,824,111
Total bank balances	<u>23,398,055</u>	<u>37,287,477</u>
Bank overdrafts:		
Capital account	(792,042)	(2,161,763)
Revenue account	(1,248,544)	(4,844)
Margin account	(4,785,455)	(5,143,950)
Total bank overdrafts	<u>(6,826,041)</u>	<u>(7,310,557)</u>
9. CREDITORS		
Amounts payable for cancellation of shares	340,986	205,322
Purchases awaiting settlement	512,413	1,563,113
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	449,099	317,214
Legal and professional fees	7,000	7,000
Printing and typesetting costs	8,150	7,678
Registration fees	—	2,573
	464,249	334,465
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	12,657	7,941
Transaction charges	9,029	18,674
Safe custody and other bank charges	8,846	25,959
Interest payable	234	557
	30,766	53,131
Other expenses	41,049	40,717
Taxation payable:		
Stamp duty reserve tax	503	3,867
Final surplus due from CF Eclectica Europe Fund to shareholders	6,824	15,936
Total creditors	<u>1,396,790</u>	<u>2,216,551</u>

10. RELATED PARTY TRANSACTIONS

Management and legal and professional fees payable to Capita Financial Managers Limited ('the ACD'), registration fees payable to Capita Financial Administrators Limited and printing and typesetting costs payable to Capita Sinclair Henderson Limited (both companies are associates of the ACD) are disclosed in note 4 and amounts due at the year end are disclosed in note 9.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Aggregated Statement of Change in Net Assets Attributable to Shareholders on page 10. The amounts outstanding at the year end in respect of these monies are shown in notes 7 and 9.

Capita Financial Managers Limited and its associates (including other authorised investment funds managed by Capita Financial Managers Limited) had the following shareholdings in the sub-funds:

	Held at 31.12.13	Held at 31.12.12
CF Eclectica Absolute Macro Fund		
Accumulation shares GBP	6,277,897	12,811,963
CF Eclectica Agriculture Fund		
Accumulation shares GBP	227,225	278,405

11. SHAREHOLDER FUNDS

The sub-funds each have two share classes in issue which are available as GBP, EUR or USD shares.

The annual management charges per share class are shown below:

'A' Accumulation	1.75%
'C' Accumulation	1.25%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Fund Information of each sub-fund.

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Disclosure is made in note 12 of the Notes to the Financial Statements of the sub-funds.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

In pursuing the investment objectives a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for hedging purposes.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

The main risks from the Company's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the funds. The ACD requires that the appointed investment manager to the fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the funds managed.

i. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis.

Certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its obligations. The Company only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. All bonds in which the sub-fund invests are investment grade listed bonds or government securities which are lower risk.

ii. Interest rate risk

Interest rate risk is the risk that the value of the Company's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate securities and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. These risks are not actively managed.

Investment in collective investment schemes exposes the Company to indirect interest rate risk to the extent that they invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

Numerical disclosure of the interest rate risk profile is made in note 13i of the Notes to the Financial Statements of the sub-funds.

iii. Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates. These risks are not actively managed.

Numerical disclosure of the foreign currency risk profile is made in note 13ii of the Notes to the Financial Statements of the sub-funds.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iv. Liquidity risk

The main liability of the Company is the cancellation of any shares that investors want to sell. Investments may have to be sold to fund such cancellations should insufficient cash be held at the bank to meet this obligation.

To reduce liquidity risk the Investment Manager will ensure that a substantial portion of the Company's assets consist of readily realisable securities.

All financial liabilities are payable in one year or less, or on demand.

v. Market price risk

Market price risk is the risk that the value of the Company's financial instruments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises primarily from uncertainty about the future prices of financial instruments that the Company holds.

Market price risk represents the potential loss the Company may suffer through holding market positions in the face of price movements. The Company's investment portfolio's are exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objectives and policies. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adherence to investment guidelines and avoidance of excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

vi. Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

vii. Derivatives

Disclosure is made in note 13iii of the Notes to the Financial Statements of the sub-funds.

14. PORTFOLIO TRANSACTION COSTS

Disclosure is made in note 14 of the Notes to the Financial Statements of the sub-funds.

CF ECLECTICA ABSOLUTE MACRO FUND
ACD'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

IMPORTANT INFORMATION

Refer also to the 'Important Information' section for the Company on page 5.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the CF Eclectica Absolute Macro Fund ('the Fund') is to generate positive and uncorrelated absolute returns in all market conditions over a 12 month period. Capital invested in the Fund is at risk and there is no guarantee that the investment objective will be achieved over the 12 month period in respect of any other time period.

The Fund aims to achieve its objectives by employing actively managed strategic asset allocation across all of the assets eligible for a UCITS scheme including global equity, bonds, foreign exchange and cash and other financial instruments. The Fund may also invest indirectly in commodities through the use of financial indices, in structured products, exchange traded funds, exchange traded notes and exchange traded commodities. The Fund may use contracts for differences for the purposes of shorting and it may use derivatives, forward transactions, hedging and other investment techniques (long and short positions) for investment and Efficient Portfolio Management (EPM) purposes. The Fund may also invest in collective investment schemes, deposits, money market instruments and other transferable securities and structured products. Both long and short forward currency positions other than in the base currency may be acquired for hedging and investment purposes. High portfolio turnover is expected to be a feature of the investment approach.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Eclectica Absolute Macro Fund
23 April 2014

INVESTMENT MANAGER'S REPORT

For the year ending 31 December 2013 the Fund returned 0.83%* (GBP A Shares).

Equity exposure returned 5.2%*. Early in the year the Fund benefitted from being long defensive, low-volatility equities in developed markets. As we entered the third quarter the Fund added short Emerging Markets ('EM') equity exposure, however, with markets range-trading over the quarter this proved a drag on performance. Over the final quarter, short EM exposure was cut and the Fund took advantage of low levels of volatility to increase long exposure via index options in the US, Europe and Japan.

Currency exposure returned 1.6%*. The Fund benefitted from short US dollar exposure in the first half of the year, primarily against the Australian dollar and EM currencies. Latterly, while still seeing opportunity in EM currencies, the Fund has preferred a less directional expression, taking long exposure to relatively robust EM currencies against those we deem more vulnerable.

These gains were pared back by losses in commodity (2.8%)* and fixed income (1.2%)* exposure. Losses on commodities were primarily owing to long gold exposure in the first quarter, which was sold. In fixed income the Fund remains long the front end of interest rate curves, primarily in Australia and Korea.

* Source: Eclectica Asset Management LLP internal systems.

ECLECTICA ASSET MANAGEMENT LLP
Investment Manager
28 January 2014

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

GBP 'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	91.47	75.58	–
2010	92.98	87.04	0.2978
2011	102.40	89.10	0.5616
2012	106.78	97.24	–
2013	104.48	96.40	0.1281

GBP 'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	91.63	75.89	–
2010	93.87	87.84	0.7339
2011	103.87	90.18	0.8846
2012	108.77	98.88	0.3888
2013	106.87	98.89	0.6461

EUR 'A' Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2009	1.0028	0.8502	–
2010	1.1298	0.9912	0.0041
2011	1.1971	0.9986	0.0067
2012	1.3651	1.1640	–
2013	1.2364	1.1338	0.2053

EUR 'C' Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2009	1.0028	0.8502	–
2010	1.1314	0.9913	0.0042
2011	1.2135	1.0028	0.0102
2012	1.3877	1.1813	0.3603
2013	1.2620	1.1590	0.7675

USD 'A' Accumulation shares

Calendar Year	Highest Price US\$	Lowest Price US\$	Distribution per share US\$ (cents)
2009	1.4641	1.0757	–
2010	1.4845	1.2748	0.0055
2011	1.6347	1.4245	0.0088
2012	1.6708	1.5153	–
2013	1.6664	1.4964	0.2102

USD 'C' Accumulation shares

Calendar Year	Highest Price US\$	Lowest Price US\$	Distribution per share US\$ (cents)
2009	1.4641	1.0757	–
2010	1.4872	1.2749	0.0056
2011	1.6444	1.4285	0.0137
2012	1.6893	1.5262	0.5996
2013	1.6950	1.5185	0.9911

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

Fund Information (continued)

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value per share
31.12.11	'A' Accumulation GBP	31,899,071	31,892,332	100.02p
	'C' Accumulation GBP	34,885,964	34,335,682	101.60p
	'A' Accumulation EUR	1,448,601	1,451,145	€1.1950
	'C' Accumulation EUR	1,218,043	1,203,685	€1.2114
	'A' Accumulation USD	1,314,283	1,314,244	\$1.5541
	'C' Accumulation USD	1,163,923	1,155,734	\$1.5651
31.12.12	'A' Accumulation GBP	52,905,695	52,951,338	99.91p
	'C' Accumulation GBP	124,734,724	122,283,432	102.00p
	'A' Accumulation EUR	2,475,567	2,482,593	€1.2294
	'C' Accumulation EUR	3,454,965	3,400,886	€1.2525
	'A' Accumulation USD	2,553,152	2,556,038	\$1.6236
	'C' Accumulation USD	2,876,785	2,845,328	\$1.6435
31.12.13	'A' Accumulation GBP	31,651,478	31,369,809	100.90p
	'C' Accumulation GBP	91,027,459	87,925,518	103.53p
	'A' Accumulation EUR	1,959,450	1,946,045	€1.2103
	'C' Accumulation EUR	563,678	546,802	€1.2391
	'A' Accumulation USD	4,488,519	4,449,418	\$1.6708
	'C' Accumulation USD	2,536,630	2,471,949	\$1.6997

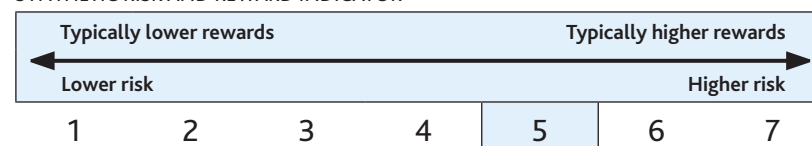
ONGOING CHARGES FIGURE

Expense Type	31.12.13		31.12.12	
	% 'A'	'C'	% 'A'	'C'
ACD's periodic charge	1.75	1.25	1.75	1.25
Other expenses	0.10	0.10	0.13	0.13
	1.85	1.35	1.88	1.38
Collective investment scheme costs	0.05	0.05	–	–
Ongoing charges figure	1.90	1.40	1.88	1.38

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Fund expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Fund's net assets at the balance sheet date.

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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.

Counterparty Risk: As the Fund may enter into derivative agreements there is a risk that other parties may fail to meet their obligations. This may cause the Fund to receive less than is due or receive nothing.

Financial Techniques Impact: The Fund invests in derivatives. A relatively small movement in the value of the derivative's underlying investment may have a much larger impact, positive or negative, on the value of the Fund than if the Fund were to hold the underlying investment itself.

FUND PERFORMANCE TO 31 DECEMBER 2013 (%)

	1 year	3 years	5 years
CF Eclectica Absolute Macro Fund – GBP	0.83	9.04	17.18
– EUR	-1.30	12.66	34.56
– USD	3.08	16.08	32.78

On 31 December 2009, the investment objective was changed for the Fund from long term capital growth to generating positive and uncorrelated absolute return over a 12 month period.

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

Details of the distributions per share for the year are shown in the Distribution Table on page 52.

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 31 DECEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	DEBT SECURITIES			
€7,000,000	German Treasury Bill 0% 26.02.14	5,823,254	4.40	
€3,000,000	German Treasury Bill 0% 30.04.14	2,494,847	1.89	
€18,000,000	German Treasury Bill 0% 23.07.14	14,962,387	11.32	
€5,000,000	German Treasury Bill 0% 27.08.14	4,154,335	3.14	
€10,000,000	German Treasury Bill 0% 24.09.14	8,306,665	6.28	
€10,000,000	German Treasury Bill 0% 29.10.14	8,305,003	6.28	
	TOTAL DEBT SECURITIES	44,046,491	33.31	46.13
	BOND FUND			
80,800	iShares Euro High Yield Corporate Bond UCITS ETF^	7,397,822	5.60	—
	UNITED KINGDOM			
57,970	AstraZeneca	2,072,138	1.57	
46,890	British American Tobacco	1,515,659	1.15	
131,950	GlaxoSmithKline	2,126,374	1.61	
31,570	Imperial Tobacco Group	737,791	0.56	
1,025,900	Lloyds Banking Group	806,870	0.61	
25,420	SABMiller	779,763	0.59	
	TOTAL UNITED KINGDOM	8,038,595	6.08	6.49
	CONTINENTAL EUROPE			
	FRANCE			
33,140	Sanofi	2,126,287	1.61	
	TOTAL FRANCE	2,126,287	1.61	1.09
	GERMANY			
9,070	Deutsche Euroshop	240,148	0.18	
33,930	Deutsche Wohnen	398,162	0.30	
18,690	GAGFAH	166,378	0.12	
19,320	KUKA	548,025	0.42	
33,240	Tag Immobilien	242,722	0.19	
	TOTAL GERMANY	1,595,435	1.21	2.95

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	BELGIUM	—	—	1.01
	NETHERLANDS			
7,400	Amsterdam Commodities	101,890	0.08	
	TOTAL NETHERLANDS	101,890	0.08	0.56
	DENMARK	—	—	0.43
	SWEDEN			
38,640	Swedish Match	750,461	0.57	0.43
	SWITZERLAND			
43,430	Novartis	2,097,797	1.58	
12,570	Roche Holding	2,125,729	1.61	
	TOTAL SWITZERLAND	4,223,526	3.19	1.65
	ITALY			
114,300	Prada	611,897	0.46	—
	TOTAL CONTINENTAL EUROPE	9,409,496	7.12	8.12
	ASIA PACIFIC			
	CHINA			
5,990	Baidu ADRs	643,209	0.49	
677,400	Chow Tai Fook Jewellery Group	608,710	0.46	
179,500	Great Wall Motor Company	596,832	0.45	
13,300	Qihoo 360 Technology Company ADRs	659,114	0.50	
127,600	Sands China	630,437	0.48	
16,600	Tencent Holdings	639,842	0.48	
390,000	Tingyi Cayman Islands Holdings Corporation	678,738	0.51	
86,000	Tsingtao Brewery Company	437,627	0.33	
480,000	Want Want China Holdings	417,872	0.32	
	TOTAL CHINA	5,312,381	4.02	1.47

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets 31.12.13 %	31.12.12 %
HONG KONG				
354,000	Haier Electronics Group Company	617,463	0.46	–
	INDONESIA	–	–	0.95
	MALAYSIA	–	–	0.15
JAPAN				
286,000	Daiwa Securities Group	1,723,414	1.30	
21,100	Digital Garage	331,261	0.25	
20,600	Dwango Company	320,926	0.24	
5,000	FANUC Corporation	552,041	0.42	
37,000	Japan Tobacco	724,777	0.55	
30,800	Kakaku.com	326,257	0.25	
53,000	Mitsubishi Estate Company	954,469	0.72	
44,000	Mitsui Fudosan Company	954,152	0.72	
364,900	Nomura Holdings	1,693,688	1.28	
36,400	Rakuten	327,029	0.25	
99,300	Shiseido Company	962,875	0.73	
11,600	SoftBank Corporation	612,381	0.46	
32,000	Sumitomo Realty & Development Company	959,552	0.73	
139,000	Tokyo Tatemono Company	930,227	0.70	
165,400	Tokyu Fudosan Holdings Corporation	938,730	0.71	
93,000	Yahoo Japan Corporation	311,992	0.24	
	TOTAL JAPAN	12,623,771	9.55	1.19
	TOTAL ASIA PACIFIC	18,553,615	14.03	3.76
NORTH AMERICA				
UNITED STATES				
10,400	3D Systems Corporation	583,213	0.44	
31,060	Altria Group	719,744	0.54	
13,900	American Express Company	761,359	0.58	
10,310	ANSYS	542,684	0.41	
10,000	Avis Budget Group	244,104	0.18	
24,530	Cognex Corporation	564,724	0.43	
11,300	Discover Financial Services	381,725	0.29	
17,400	Fidelity National Information Services	563,835	0.43	

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	UNITED STATES (continued)			
15,800	Fiserv	563,311	0.43	
14,900	Hertz Global Holdings	257,381	0.19	
24,000	Lorillard	734,378	0.55	
1,500	MasterCard	756,593	0.57	
14,030	Philip Morris International	737,984	0.56	
12,880	Proto Labs	553,535	0.42	
27,620	PTC	590,001	0.45	
24,580	Reynolds American	741,737	0.56	
5,600	Source Markets Consumer Discretionary S&P US Select Sector Source ETF ^	687,684	0.52	
4,300	Source Markets Consumer Staples S&P US Select Sector Source ETF ^	709,882	0.54	
1,850	Source Markets Energy S&P US Select Sector Source ETF ^	459,814	0.35	
7,300	Source Markets Financials S&P US Select Sector Source ETF ^	508,936	0.38	
5,700	Source Markets Health Care S&P US Select Sector Source ETF ^	801,385	0.61	
4,160	Source Markets Industrials S&P US Select Sector Source ETF ^	620,336	0.47	
3,670	Source Markets Materials S&P US Select Sector Source ETF ^	505,698	0.38	
14,110	Source Markets Technology S&P US Select Sector Source ETF ^	687,243	0.52	
7,200	Stratasys	585,560	0.44	
5,650	Visa	759,526	0.57	
30,600	Yum! Brands	1,396,922	1.06	
	TOTAL UNITED STATES	17,019,294	12.87	19.02
	CANADA	–	–	0.11
	TOTAL NORTH AMERICA	17,019,294	12.87	19.13

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	AFRICA			
	SOUTH AFRICA			
24,310	Aspen Pharmacare Holdings	376,577	0.29	
63,500	MTN Group	794,407	0.60	
80,260	Shoprite Holdings	753,731	0.57	
50,600	Vodacom Group	387,946	0.29	
	TOTAL SOUTH AFRICA	2,312,661	1.75	0.77
	COMMODITIES			
9,900	ETFS Brent 1mth^	423,493	0.32	
18,200	ETFS Copper^	380,975	0.29	
32,900	ETFS Nickel^	300,146	0.22	
22,900	ETFS WTI Crude Oil^	340,543	0.26	
108,800	ETFS Zinc^	436,018	0.33	
	TOTAL COMMODITIES	1,881,175	1.42	0.49
	FUTURES			
85	LIFFE 3 Month Euro Euribor Future 2014	(7,956)	(0.01)	
319	LIFFE 3 Month Euro Euribor Future 2016	(99,523)	(0.07)	
191	Eurex 3 Month Euribor Future 2015	20,561	0.02	
666	SFE 90 Day Australian Bank Accepted Bills Future 2014	(13,952)	(0.01)	
402	SFE 90 Day Australian Bank Accepted Bills Future 2015	1,954	-	
1,905	LIFFE 90 Day Sterling Future December 2014	(375,360)	(0.28)	
533	LIFFE 90 Day Sterling Future 2015	(206,537)	(0.16)	
94	CME 3 Month Eurodollar Future 2014	(2,838)	-	
139	LIFFE 90 Day Sterling Future March 2014	(1,737)	-	
(278)	SFE 10 Year Australian Bond Future 2014	(182,175)	(0.14)	
25	SFE 3 Year Australian Bond Future 2014	1,414	-	
(840)	TurkDEX ISE 30 Futures 2014	(23,015)	(0.02)	
6	Euronext CAC 40 Index Future 2014	1,073	-	

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	FUTURES (continued)			
248	Eurex Euro Stoxx Banks Index Future 2014	44,360	0.03	
16	Eurex Euro Stoxx 50 Future 2014	11,905	0.01	
22	SAFEX FTSE/JSE Top 40 Index Future 2014	16,547	0.01	
11	FTSE/MIB Index Future 2014	29,888	0.02	
9	LIFFE FTSE 100 Index Future 2014	677	-	
2	HKG Hang Seng Index Future January 2014	223	-	
4	HKG Hang Seng China Enterprises Index Future January 2014	(83)	-	
11	MEFF Madrid Ibex 35 Index Future 2014	40,702	0.03	
(726)	KFE 10 Year Treasury Bond Future 2014	(175,517)	(0.13)	
2,238	KFE 3 Year Treasury Bond Future 2014	142,453	0.11	
(46)	KFE KOSPI 200 Index Future 2014	(61,983)	(0.05)	
(71)	LIFFE Long Gilt Future 2014	85,910	0.07	
(300)	NYSE LIFFE US mini MSCI Emerging Markets Index Futures 2014	(225,536)	(0.17)	
16	CME E-Mini NASDAQ 100 Index Future 2014	25,339	0.02	
7	NYBOT NYF Mini Russell 2000 Index Future 2014	20,561	0.02	
7	Montreal Exchange S&P/TSX 60 Index Future 2014	14,966	0.01	
13	CME E-Mini S&P 500 Index Future 2014	28,629	0.02	
5	Tokyo Price Index Future 2014	17,808	0.01	
	TOTAL FUTURES	(871,242)	(0.66)	0.13
	OPTIONS			
1,794	Call DAX 9,700 21.03.14	1,376,119	1.04	
2,293	Call Euribor 99.625 C3 16.06.14	631,921	0.48	
2,293	Call Euribor 99.625 C3 17.03.14	524,613	0.40	

CF ECLECTICA ABSOLUTE MACRO FUND
ACD's Report (continued)
Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	OPTIONS <i>(continued)</i>			
(4,586)	Call Euribor 99.750 C3 16.06.14	(429,229)	(0.32)	
(4,586)	Call Euribor 99.750 C3 17.03.14	(238,461)	(0.18)	
2,293	Call Euribor 99.875 C3 16.06.14	47,692	0.04	
2,293	Call Euribor 99.875 C3 17.03.14	11,923	0.01	
(52)	Call Nikkei 225 14,625 10.01.14	(501,835)	(0.38)	
98	Call Nikkei 225 16,000 14.03.14	455,994	0.34	
144	Call Nikkei 225 16,500 14.03.14	479,776	0.36	
108	Call Nikkei 225 16,750 14.03.14	291,588	0.22	
831	Call Nikkei 225 17,000 14.03.14	1,790,113	1.35	
1,862	Call S&P 500 1,900 22.03.14	1,798,752	1.36	
2,763	Call S&P 500 3,000 19.12.15	116,775	0.09	
	TOTAL OPTIONS	6,355,741	4.81	–
	FORWARD CURRENCY CONTRACTS			
BRL(42,897,292)	Vs US\$18,153,886 (expiry 29.01.14)	59,280	0.04	
CLP(5,476,558,220)	Vs US\$10,333,107 (expiry 29.01.14)	(34,651)	(0.03)	
€(1,286,000)	Vs PLN5,392,198 (expiry 29.01.14)	7,210	–	
INR(477,604,392)	Vs US\$7,272,461 (expiry 29.01.14)	(218,183)	(0.17)	
INR(84,126,440)	Vs US\$1,310,789 (expiry 29.01.14)	(24,413)	(0.02)	
KRW(6,213,593,000)	Vs £3,603,003 (expiry 29.01.14)	35,221	0.03	
MXN(17,136,924)	Vs US\$1,302,000 (expiry 29.01.14)	(2,110)	–	
PHP(113,369,140)	Vs US\$2,593,073 (expiry 29.01.14)	17,222	0.01	
RUB(61,689,240)	Vs €1,373,619 (expiry 29.01.14)	14,515	0.01	

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	FORWARD CURRENCY CONTRACTS <i>(continued)</i>			
THB(358,604,325)	Vs US\$11,121,484 (expiry 29.01.14)	126,108	0.10	
TRY(35,073,158)	Vs US\$16,992,869 (expiry 29.01.14)	458,773	0.35	
TWD(113,192,210)	Vs US\$3,826,000 (expiry 29.01.14)	17,510	0.01	
US\$(27,634,527)	Vs KRW29,342,414,950 (expiry 29.01.14)	160,348	0.12	
US\$(24,310,358)	Vs MXN318,071,636 (expiry 29.01.14)	(28,467)	(0.02)	
US\$(25,489,149)	Vs PLN78,949,716 (expiry 29.01.14)	380,853	0.29	
US\$(1,348,180)	Vs INR84,126,440 (expiry 29.01.14)	1,834	–	
US\$(1,334,475)	Vs MXN17,136,924 (expiry 29.01.14)	(17,501)	(0.01)	
ZAR(98,595,919)	Vs US\$9,529,424 (expiry 29.01.14)	91,636	0.07	
IDR(104,235,930,000)	Vs US\$8,496,000 (expiry 28.02.14)	33,205	0.02	
AUD(1,527,605)	Vs US\$1,353,000 (expiry 20.03.14)	(4,175)	–	
CA\$(2,205,000)	Vs US\$2,068,771 (expiry 20.03.14)	(1,613)	–	
CHF(6,047,000)	Vs £4,168,994 (expiry 20.03.14)	59,066	0.04	
€(81,008,600)	Vs £68,138,914 (expiry 20.03.14)	707,700	0.54	
€(987,660)	Vs HUF29,3730,000 (expiry 20.03.14)	(2,394)	–	
£(39,568)	Vs TRY104,000 (expiry 20.03.14)	(10,796)	(0.01)	
HKD(44,135,000)	Vs £3,480,458 (expiry 20.03.14)	41,657	0.03	
HUF(293,730,000)	Vs €979,426 (expiry 20.03.14)	(4,459)	–	
¥(2,230,505,000)	Vs £13,246,998 (expiry 20.03.14)	422,157	0.32	
¥(129,439,000)	Vs US\$1,257,911 (expiry 20.03.14)	15,654	0.01	
MXN(15,392,635)	Vs US\$1,168,943 (expiry 20.03.14)	507	–	
NOK(10,277,000)	Vs €1,223,452 (expiry 20.03.14)	(1,746)	–	

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	FORWARD CURRENCY CONTRACTS (continued)			
NZ\$(1,448,000)	Vs US\$1,163,040 (expiry 20.03.14)	(4,730)	–	
NZ\$(1,395,094)	Vs US\$1,131,700 (expiry 20.03.14)	(6,143)	–	
SEK(7,550,000)	Vs £703,998 (expiry 20.03.14)	(5,215)	–	
SEK(11,590,000)	Vs €1288,064 (expiry 20.03.14)	(16,533)	(0.01)	
SGD(3,138,845)	Vs US\$2,496,000 (expiry 20.03.14)	5,759	–	
TRY(3,083,000)	Vs €1,077,031 (expiry 20.03.14)	43,605	0.03	
US\$(31,880,600)	Vs £19,500,807 (expiry 20.03.14)	241,945	0.18	
US\$(1,586,000)	Vs €1,154,013 (expiry 20.03.14)	2,503	–	
US\$(1,146,000)	Vs NZ\$1,395,094 (expiry 20.03.14)	(2,496)	–	
US\$(1,177,000)	Vs MXN15,392,635 (expiry 20.03.14)	(5,374)	–	
ZAR(68,256,000)	Vs £3,977,089 (expiry 20.03.14)	83,658	0.06	
	TOTAL FORWARD CURRENCY CONTRACTS	2,636,927	1.99	0.40
	Portfolio of investments#	116,780,575	88.32	85.42
	Net other assets	15,446,639	11.68	14.58
	Net assets	132,227,214	100.00	100.00

The debt securities held are investment grade.

The investments have been valued in accordance with note 1(i) of the Notes to the Aggregated Financial Statements and are ordinary shares unless stated otherwise.

^ Collective investment scheme.

Includes derivative liabilities.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 31 DECEMBER 2013

Total purchases for the year (note 14) **£469,603,407**

Major purchases	Cost £
Ossiam ETF US Minimum Variance	35,555,356
ETFS Physical Gold	28,371,082
ETFS Agriculture	17,838,576
ETFS Brent 1mth	17,708,066
Source Physical Gold	16,785,708
British American Tobacco	10,378,981
iShares Euro High Yield Corporate Bond UCITS ETF	7,988,750
iShares FTSE 250 UCITS ETF	7,968,282
Japan Tobacco	6,903,554
MTN Group	6,601,483
Yum! Brands	6,302,948
iShares \$ Corporate Bond UCITS ETF	6,122,340
TransCanada Corporation	6,045,652
Enbridge	5,996,068
Source Markets Technology S&P US Select Sector Source ETF	5,790,954
Shoprite Holdings	5,702,602
Imperial Tobacco Group	5,636,690
SABMiller	5,606,827
US Airways Group	5,376,226
ETFS Daily Short Aluminium	5,276,752

The summary of material portfolio changes represents the 20 largest purchases during the year.

CF ECLECTICA ABSOLUTE MACRO FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the year (note 14) **£488,315,169**

Major sales	Proceeds £
Ossiam ETF US Minimum Variance	35,055,538
ETFS Physical Gold	29,355,803
ETFS Agriculture	18,004,631
ETFS Brent 1mth	16,807,830
Source Physical Gold	15,892,966
British American Tobacco	9,956,244
iShares FTSE 250 UCITS ETF	7,747,293
Japan Tobacco	6,847,572
iShares \$ Corporate Bond UCITS ETF	6,134,585
TransCanada Corporation	6,091,910
Enbridge	6,088,943
Yum! Brands	5,985,365
SABMiller	5,809,128
Imperial Tobacco Group	5,804,957
MTN Group	5,591,342
Source Markets Technology S&P US Select Sector Source ETF	5,515,628
Shoprite Holdings	5,311,554
US Airways Group	5,298,010
ETFS Daily Short Aluminium	5,057,531
Unibail-Rodamco	4,391,799

The summary of material portfolio changes represents the 20 largest sales during the year.

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	31.12.13 £	31.12.12 £
Income:				
Net capital gains/(losses)	2		1,126,291	(2,037,978)
Revenue	3	1,590,156		2,753,121
Expenses	4	(2,796,240)		(2,026,096)
Finance costs: Interest	6	(28,441)		(18,256)
Net (expense)/revenue before taxation		(1,234,525)		708,769
Taxation	5	(147,037)		(230,115)
Net (expense)/revenue after taxation			(1,381,562)	478,654
Total return before distributions			(255,271)	(1,559,324)
Finance costs: Distributions	6		–	(478,642)
Change in net assets attributable to shareholders from investment activities			(255,271)	(2,037,966)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	31.12.13 £	31.12.12 £
Opening net assets attributable to shareholders			189,000,888	71,929,885
Amounts receivable on issue of shares		67,828,992		135,037,321
Amounts payable on cancellation of shares		(124,312,408)		(16,818,948)
			(56,483,416)	118,218,373
Stamp duty reserve tax	1(g)		(34,987)	(13,265)
Change in net assets attributable to shareholders from investment activities			(255,271)	(2,037,966)
Retained distribution on Accumulation shares	6		–	903,861
Closing net assets attributable to shareholders			132,227,214	189,000,888

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
ASSETS					
Investment assets			119,717,311		162,541,418
Other assets					
Debtors	7	610,075		410,958	
Cash and bank balances	8	22,409,211		32,278,825	
Total other assets			23,019,286		32,689,783
Total assets			<u>142,736,597</u>		<u>195,231,201</u>
LIABILITIES					
Investment liabilities			(2,936,736)		(1,099,037)
Other liabilities					
Creditors	9	(1,160,893)		(1,339,135)	
Bank overdrafts	8	(6,411,754)		(3,792,141)	
Total other liabilities			(7,572,647)		(5,131,276)
Total liabilities			<u>(10,509,383)</u>		<u>(6,230,313)</u>
Net assets attributable to shareholders			<u>132,227,214</u>		<u>189,000,888</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2013

1. ACCOUNTING POLICIES

The Fund's Financial Statements have been prepared on the same basis as the Aggregated Financial Statements.

2. NET CAPITAL GAINS/(LOSSES)

The net capital gains/(losses) during the year comprise:

	31.12.13 £	31.12.12 £
Non-derivative securities	6,800,586	1,028,413
Derivative contracts	(5,440,127)	(3,005,353)
Forward currency contracts	680,086	1,188,564
Transaction charges	(50,355)	(41,337)
Currency losses	(863,899)	(1,208,265)
Net capital gains/(losses)	<u>1,126,291</u>	<u>(2,037,978)</u>

3. REVENUE

Non-taxable dividends	1,343,238	2,394,026
Taxable dividends	41,173	40,323
UK property income distributions	31,528	–
Unfranked interest	121,935	222,222
Bank interest	20,288	16,473
Margin interest	31,978	80,077
Other interest	16	–
Total revenue	<u>1,590,156</u>	<u>2,753,121</u>

4. EXPENSES

Payable to the ACD, associates of the ACD and agents of either of them:

ACD's periodic charge	2,658,792	1,900,372
Legal and professional fees	14,000	18,077
Printing and typesetting costs	5,551	5,432
Registration fees	4,037	3,187
	<u>2,682,380</u>	<u>1,927,068</u>

Payable to the Depositary, associates of the Depositary and agents of either of them:

Depositary's fees	61,143	50,184
Safe custody and other bank charges	39,562	35,830
	<u>100,705</u>	<u>86,014</u>

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	31.12.13 £	31.12.12 £
4. EXPENSES (continued)		
Other expenses:		
FCA fee	74	60
Fees paid to auditor – audit	8,100	8,100
– tax services	4,185	4,230
Legal and professional fees	–	60
Postage and distribution costs	796	564
	13,155	13,014
Total expenses	2,796,240	2,026,096

5. TAXATION

a) Analysis of charge for the year

Corporation tax at 20%	–	–
Overseas tax	147,037	230,115
Current tax charge (note 5b)	147,037	230,115
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	147,037	230,115

b) Factors affecting current tax charge for the year.

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (31.12.12 : 20%). The difference is explained below.

	31.12.13 £	31.12.12 £
Net (expense)/revenue before taxation	(1,234,525)	708,769
Corporation tax at 20%	(246,905)	141,754
Effects of:		
Non-taxable dividends	(268,648)	(478,805)
Offshore income gains	4,537	–
Foreign tax expensed	–	(1,281)
Unutilised excess management expenses	511,016	338,332
Corporation tax charge	–	–
Overseas tax	147,037	230,115
Current tax charge (note 5a)	147,037	230,115

5. TAXATION (continued)

c) Deferred tax

At the year end there is a potential deferred tax asset of £887,561 (31.12.12 : £376,545) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

6. FINANCE COSTS

Distributions

The Distributions take account of revenue received on the issue of shares and revenue deducted on cancellations of shares, and comprise:

	31.12.13 £	31.12.12 £
Final	–	903,861
	–	903,861
Add: Revenue deducted on cancellation of shares	–	70,090
Deduct: Revenue received on issue of shares	–	(495,309)
Net distributions for the year	–	478,642
Interest	28,441	18,256
Total finance costs	28,441	496,898

Details of the distributions per share are set out in the table on page 52.

	31.12.13 £	31.12.12 £
Distributions represented by:		
Net (expense)/revenue after taxation	(1,381,562)	478,654
Allocations to capital:		
Revenue deficit	1,381,534	–
Balance brought forward	28	16
Balance carried forward	–	(28)
Net distributions for the year	–	478,642

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	31.12.13 £	31.12.12 £
7. DEBTORS		
Amounts receivable for issue of shares	22,703	94,953
Sales awaiting settlement	491,249	–
Accrued revenue:		
Non-taxable dividends	55,179	190,426
UK property income distributions	974	–
Unfranked interest	–	62,099
Bank interest	1,231	3,790
	57,384	256,315
Prepaid expenses	19	15
Taxation recoverable:		
Income tax	4,202	–
Overseas withholding tax	34,518	59,675
	38,720	59,675
Total debtors	610,075	410,958
8. CASH AND BANK BALANCES		
Bank balances:		
Capital account	59,304	24,213,689
Revenue account	10,541,189	753,186
Margin account	11,808,718	7,311,950
Total bank balances	22,409,211	32,278,825
Bank overdrafts:		
Capital account	(771,696)	(1,967,644)
Revenue account	(1,244,768)	–
Margin account	(4,395,290)	(1,824,497)
Total bank overdrafts	(6,411,754)	(3,792,141)
9. CREDITORS		
Amounts payable for cancellation of shares	273,497	118,478
Purchases awaiting settlement	512,413	936,879

	31.12.13 £	31.12.12 £
9. CREDITORS (continued)		
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	332,833	228,738
Legal and professional fees	3,500	3,500
Printing and typesetting costs	2,943	2,631
Registration fees	–	946
	339,276	235,815
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	9,109	5,206
Transaction charges	7,015	13,887
Safe custody and other bank charges	4,860	12,487
Interest payable	210	81
	21,194	31,661
Other expenses	14,012	12,556
Taxation payable:		
Stamp duty reserve tax	501	3,746
Total creditors	1,160,893	1,339,135

10. RELATED PARTY TRANSACTIONS

Disclosure is made in note 10 of the Notes to the Aggregated Financial Statements.

11. SHAREHOLDER FUNDS

Disclosure is made in note 11 of the Notes to the Aggregated Financial Statements.

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or unrecorded outstanding commitments (31.12.12 : none).

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 13 of the Notes to the Aggregated Financial Statements. Disclosures specific to this sub-fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	31.12.13 £	31.12.12 £
Floating rate assets:		
Australian dollars	59,303	1,524,489
Canadian dollars	–	56,589
Euros	7,397,822	83,491,243
Japanese yen	–	480,077
Norwegian krone	–	155,921
South Korean won	3,912,963	1,895,730
Turkish lira	5,061	–
US dollars	–	770,019
Pounds sterling	18,431,884	27,362,311
	29,807,033	115,736,379
Floating rate liabilities:		
Australian dollars	(30,273)	(1,866,797)
Canadian dollars	(7,637)	–
Danish krone	–	(67,739)
Euros	(605,433)	(229,736)
Hong Kong dollars	(1,712,595)	(1,420,629)
Japanese yen	(1,127,580)	–
Mexican peso	(58,696)	–
New Zealand dollars	(25,182)	–
South African rand	(15,774)	–
Swiss franc	(20,678)	(106,394)
US dollars	(1,563,139)	(100,846)
Pounds sterling	(1,244,767)	–
	(6,411,754)	(3,792,141)
Fixed rate assets:		
Euros	44,046,491	–
US dollars	–	3,720,724
	44,046,491	3,720,724

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

	31.12.13 £	31.12.12 £
i. Interest rate risk (continued)		
Assets on which interest is not paid:		
Australian dollars	(192,760)	9,179,258
Canadian dollars	14,966	–
Danish krone	–	816,096
Euros	5,799,554	10,887,878
Hong Kong dollars	5,244,387	2,781,192
Indian rupee	–	1,788,601
Indonesian rupiah	–	1,937,351
Japanese yen	15,160,958	2,264,416
Malaysian ringgit	–	281,929
Mexican peso	14,632,316	9,793
Norwegian krone	8,662	–
Polish zloty	16,850,375	–
South African rand	4,315,481	2,451,358
South Korean won	13,185,290	–
Swedish krona	812,598	809,904
Swiss franc	4,236,528	3,152,890
Turkish lira	(23,015)	–
US dollars	21,990,755	42,651,994
Pounds sterling	122,817,035	150,973,203
	224,853,130	229,985,863

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

	31.12.13 £	31.12.12 £
<i>i. Interest rate risk (continued)</i>		
Liabilities on which interest is not paid:		
Australian dollars	(821,514)	(1,433,289)
Brazilian real	(10,903,378)	–
Canadian dollars	(1,251,344)	–
Chilean peso	(6,274,545)	–
Euros	(63,417,474)	(92,991,509)
Hong Kong dollars	(3,438,801)	(1,330,702)
Indian rupee	(4,632,412)	–
Indonesian rupiah	(5,098,358)	–
Japanese yen	(13,569,082)	(5,165,980)
New Zealand dollars	(715,954)	–
Norwegian krone	(1,020,142)	–
Philippine peso	(1,548,667)	–
Russian rouble	(1,128,469)	–
Singapore dollars	(1,502,058)	–
South African rand	(9,556,366)	(2,208,974)
South Korean won	–	(7,347,928)
Swedish krona	(1,797,925)	–
Swiss franc	(4,109,928)	(5,792,523)
Taiwan dollars	(2,292,912)	–
Thai baht	(6,589,868)	–
Turkish lira	(10,626,918)	–
US dollars	(9,123,091)	(39,976,776)
Pounds sterling	(648,480)	(402,256)
	(160,067,686)	(156,649,937)
Net assets	132,227,214	189,000,888

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents.

Fixed Rate Financial Assets				
Currency	Weighted average interest rate		Weighted average period for which rate is fixed	
	31.12.13	31.12.12	31.12.13	31.12.12
US dollars	–	9.04%	–	27 years
Euros	0%	–	0.1 years	–

There are no material amounts of non-interest bearing financial assets and liabilities other than equities and collective investment schemes, which do not have maturity dates.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	31.12.13 Gross £	31.12.13 Hedged £	31.12.13 Net £
Currency:			
Australian dollars	(163,730)	(821,514)	(985,244)
Brazilian real	–	(10,903,378)	(10,903,378)
Canadian dollars	7,329	(1,251,344)	(1,244,015)
Chilean peso	–	(6,274,545)	(6,274,545)
Euros	56,638,434	(63,417,474)	(6,779,041)
Hong Kong dollars	3,531,792	(3,438,801)	92,992
Indian rupee	–	(4,632,412)	(4,632,412)
Indonesian rupiah	–	(5,098,358)	(5,098,358)
Japanese yen	14,033,378	(13,569,082)	464,296
Mexican peso	(58,696)	14,632,316	14,573,620
New Zealand dollars	(25,182)	(715,954)	(741,136)
Norwegian krone	8,662	(1,020,142)	(1,011,480)
Philippine peso	–	(1,548,667)	(1,548,667)
Polish zloty	–	16,850,375	16,850,375
Russian rouble	–	(1,128,469)	(1,128,469)
Singapore dollars	–	(1,502,058)	(1,502,058)
South African rand	4,299,707	(9,556,366)	(5,256,659)
South Korean won	3,817,916	13,280,337	17,098,253
Swedish krona	812,598	(1,797,925)	(985,327)
Swiss franc	4,215,850	(4,109,928)	105,922
Taiwan dollars	–	(2,292,912)	(2,292,912)
Thai baht	–	(6,589,868)	(6,589,868)
Turkish lira	(17,954)	(10,626,918)	(10,644,872)
US dollars	19,915,203	(8,610,678)	11,304,525
	107,015,307	(114,143,765)	(7,128,458)
Pounds sterling	22,574,980	116,780,692	139,355,672
Net assets	129,590,287	2,636,927	132,227,214

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

	31.12.12 Gross £	31.12.12 Hedged £	31.12.12 Net £
<i>ii. Foreign currency risk (continued)</i>			
Currency:			
Australian dollars	(276,855)	7,680,516	7,403,661
Canadian dollars	56,589	–	56,589
Danish krone	748,357	–	748,357
Euros	94,048,038	(92,890,162)	1,157,876
Hong Kong dollars	1,360,563	(1,330,702)	29,861
Indian rupee	–	1,937,351	1,788,601
Indonesian rupiah	1,788,601	–	1,937,351
Japanese yen	2,742,971	(5,164,458)	(2,421,487)
Malaysian ringgit	281,929	–	165,714
Norwegian krone	165,714	–	281,929
South African rand	2,451,358	(2,208,974)	242,384
South Korean won	1,895,730	(7,347,928)	(5,452,198)
Swedish krona	809,904	–	809,904
Swiss franc	3,046,496	(5,792,523)	(2,746,027)
US dollars	40,752,382	(33,687,267)	7,065,115
	<u>149,871,777</u>	<u>(138,804,147)</u>	<u>11,067,630</u>
Pounds sterling	38,380,067	139,553,191	177,933,258
Net assets	<u>188,251,844</u>	<u>749,044</u>	<u>189,000,888</u>

iii. Derivatives

The ACD assesses the market risk of the Fund's investments on a daily basis, including any derivative exposure, using the Monte Carlo Value at Risk ('VaR') methodology against the regulatory limit of a monthly VaR limit of 20% (4.47% daily). A confidence interval of 99% and a time horizon of 1 day are used as standard. The window period utilised is a minimum of 4 years. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a day in all but a given percentage of circumstances (1% in this case). For example, based on 99% daily VaR of 5% one would expect to see a daily performance of less than -5% only in one out of a hundred trading days. For the year ended 31 December 2013 the highest and lowest VaR were 3.15% and 0.26% respectively, with an average VaR of 0.82%. It should be noted that VaR is only an indication of risk and actual price movements may prove to be less or more volatile than expected.

The Investment Manager may employ more sophisticated derivatives longer term in the pursuit of the investment objectives of the Fund and in accordance with its risk management policy. This means that the net asset value of the Fund may at times be highly volatile (in the absence of compensating investment techniques). However, it is the Investment Manager's intention that the Fund owing to its portfolio composition, or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments. The risk profile of the Fund may be higher than it would otherwise have been as a consequence of the use of derivatives as described above.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives (continued)

The Investment Manager may also employ derivatives for the purposes of hedging with the aim of reducing the risk profile of the Fund, or reducing costs, or generating additional capital or income, in accordance with Efficient Portfolio Management ('EPM').

To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to the Fund may be increased where the value of the derivative instrument and the value of the security or position which it is hedging are insufficiently correlated.

	31.12.13 £	31.12.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	468,758,039	571,110,191
Transaction costs:		
Commissions	546,979	453,752
Stamp duty and other charges	298,389	292,363
	<u>845,368</u>	<u>746,115</u>
Gross purchases total	<u>469,603,407</u>	<u>571,856,306</u>
Analysis of total sale costs		
Gross sales before transaction costs	488,880,499	469,519,279
Transaction costs:		
Commissions	(522,634)	(403,979)
Other charges	(42,696)	(40,478)
	<u>(565,330)</u>	<u>(444,457)</u>
Total sales net of transaction costs	<u>488,315,169</u>	<u>469,074,822</u>

CF ECLECTICA ABSOLUTE MACRO FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE YEAR ENDED 31 DECEMBER 2013 – PER SHARE

Interim

There were no interim distributions for current or prior year.

Final

Group 1 – Shares purchased prior to 1 July 2013

Group 2 – Shares purchased on or after 1 July 2013 and on or before 31 December 2013

'A' Accumulation GBP Shares	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	–	–	–	0.1281
Group 2	–	0.0000	–	0.1281

'C' Accumulation GBP Shares (pence)	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 29.02.13
Group 1	–	–	–	0.6461
Group 2	–	0.0000	–	0.6461

'A' Accumulation EUR Shares (€ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 29.02.13
Group 1	–	–	–	0.2053
Group 2	–	0.0000	–	0.2053

'C' Accumulation EUR Shares (€ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 29.02.13
Group 1	–	–	–	0.7675
Group 2	–	0.0000	–	0.7675

'A' Accumulation USD Shares (US\$ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 29.02.13
Group 1	–	–	–	0.2102
Group 2	–	0.0000	–	0.2102

'C' Accumulation USD Shares (US\$ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 29.02.13
Group 1	–	–	–	0.9911
Group 2	–	0.0000	–	0.9911

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes. Where there is no distribution at interim, the final distribution period is deemed to run for the whole year.

CF ECLECTICA AGRICULTURE FUND
ACD'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

IMPORTANT INFORMATION

Refer to the 'Important Information' section for the Company on page 5.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the CF Eclectica Agriculture Fund ('the Fund') is to achieve long-term capital growth through investment in a diversified portfolio of global quoted equity investments that are involved in, related to, concerned with or affected by agriculture and farming related issues.

The Fund may also invest in collective investment schemes and cash and near cash in the interests of achieving its objective of capital growth.

The Investment Manager may avail himself of those currency hedging and Efficient Portfolio Management (EPM) facilities available within the Regulations.

The benchmark for the Fund is currently the MSCI Daily TR Net World.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Eclectica Agriculture Fund
23 April 2014

INVESTMENT MANAGER'S REPORT

The Fund returned 6.1%* ('A' Accumulation GBP) in 2013 while the broader MSCI Daily Net World Index returned 24.2%***, the DaxAgri Index of agricultural equities returned just 1.9%*. The Fund therefore outperformed the DaxAgri Index by some 4.2%*. In addition to this higher absolute return, the Fund exhibited lower volatility than the DaxAgri Index (10.3%* vs. 11.7%*) and smaller maximum drawdowns (8.6%* vs. 15%*) over the period meaning that risk adjusted performance was also superior. Breaking down the returns into more detail, we were mostly bearish on the outlook for crop prices through 2013 as US production returned to normal after a drought in 2012, and so were positioned to own companies who benefit from higher volumes and lower prices of agricultural commodities. The Fund made money over the year from investing in midstream and downstream sectors and avoiding the more upstream-focused areas like fertiliser and machinery. As such, we made money in the sectors of agribusiness (+4.5%*), protein (+3.1%*) and food processing (+4.4%*), whilst avoiding the worst of the rout in potash stocks (fertiliser holdings cost 2.1%*). Palm oil stocks cost 0.7%* and equity index 4.3%*. Given last year's price falls, we think the risk/return profile of investing in grains is much better than it has been for almost two years now, but with no catalyst imminent ahead of the planting season in the Spring we remain mostly overweight in these more downstream focused shares.

* Source: Eclectica Asset Management LLP internal systems.

** Source: Bloomberg.

The benchmark is used by the Investment Manager for comparison. This is not the benchmark required to be disclosed per the Prospectus.

ECLECTICA ASSET MANAGEMENT LLP
Investment Manager
28 January 2014

CF ECLECTICA AGRICULTURE FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

GBP 'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	91.84	69.12	–
2010	115.42	80.10	–
2011	117.26	86.54	–
2012	100.30	92.40	–
2013	112.06	99.00	0.1172

GBP 'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	92.52	69.36	–
2010	116.87	80.91	–
2011	118.75	87.97	–
2012	102.20	94.23	0.1183
2013	114.74	101.26	0.6294
2014*	–	–	0.2574

EUR 'A' Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2009	1.0185	0.7670	–
2010	1.3459	0.9704	–
2011	1.4045	1.0102	–
2012	1.2455	1.1272	–
2013	1.3197	1.2080	0.1287

EUR 'C' Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2009	1.0249	0.7690	–
2010	1.3612	0.9791	–
2011	1.4208	1.0257	–
2012	1.2698	1.1460	0.1670
2013	1.3507	1.2381	0.7756
2014*	–	–	0.3458

USD 'A' Accumulation shares

Calendar Year	Highest Price US\$	Lowest Price US\$	Distribution per share US\$ (cents)
2009	1.4744	0.9648	–
2010	1.7846	1.2109	–
2011	1.8665	1.3282	–
2012	1.6115	1.4325	–
2013	1.7294	1.5935	0.2168

USD 'C' Accumulation shares

Calendar Year	Highest Price US\$	Lowest Price US\$	Distribution per share US\$ (cents)
2009	1.4762	0.9663	–
2010	1.7948	1.2148	–
2011	1.8778	1.3402	–
2012	1.6360	1.4504	0.3119
2013	1.7649	1.6220	1.0262
2014*	–	–	0.4573

* Distribution Payable on 28 February 2014.

CF ECLECTICA AGRICULTURE FUND

ACD's Report (continued)

Fund Information (continued)

NET ASSET VALUE

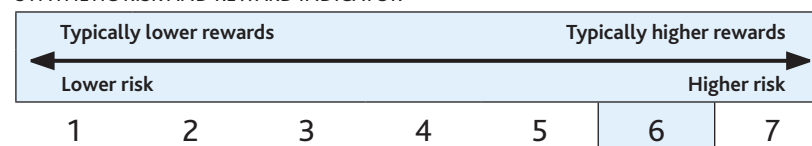
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value per share
31.12.11	'A' Accumulation GBP	58,968,293	62,850,474	93.82p
	'C' Accumulation GBP	18,665,020	19,547,212	95.49p
	'A' Accumulation EUR	3,522,384	3,750,120	€1.1245
	'C' Accumulation EUR	12,460,136	13,048,628	€1.1432
	'A' Accumulation USD	1,453,378	1,552,222	\$1.4551
	'C' Accumulation USD	1,535,400	1,623,123	\$1.4701
31.12.12	'A' Accumulation GBP	36,736,971	37,167,168	98.84p
	'C' Accumulation GBP	14,137,096	13,982,723	101.10p
	'A' Accumulation EUR	2,045,148	2,066,558	€1.2202
	'C' Accumulation EUR	9,254,919	9,153,429	€1.2466
	'A' Accumulation USD	1,307,369	1,325,346	\$1.6034
	'C' Accumulation USD	2,493,219	2,489,133	\$1.6282
31.12.13	'A' Accumulation GBP	24,962,005	23,829,767	104.75p
	'C' Accumulation GBP	9,079,940	8,431,911	107.69p
	'A' Accumulation EUR	1,380,713	1,316,471	€1.2606
	'C' Accumulation EUR	5,207,913	4,836,250	€1.2944
	'A' Accumulation USD	1,084,500	1,037,378	\$1.7315
	'C' Accumulation USD	1,220,315	1,143,851	\$1.7670

ONGOING CHARGES FIGURE

Expense Type	31.12.13 %		31.12.12 %	
	'A'	'C'	'A'	'C'
ACD's periodic charge	1.75	1.25	1.75	1.25
Other expenses	0.21	0.21	0.18	0.18
Ongoing charges figure	1.96	1.46	1.93	1.43

The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets during the accounting period.

SYNTHETIC RISK AND REWARD INDICATOR



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

The Fund has been classed as 6 because its volatility has been measured as above average to high.

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

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

Concentration Risk: The Fund is largely invested in companies which have exposure to agriculture. This may mean the Fund is more sensitive to price swings than other funds.

FUND PERFORMANCE TO 31 DECEMBER 2013 (%)

	1 year	3 years	5 years
CF Eclectica Agriculture Fund – GBP	6.11	-9.00	40.45
– EUR	3.88	-5.84	61.62
– USD	8.47	-3.09	58.73
MSCI Daily TR Net World – GBP	24.20	30.44	77.15
– EUR	21.24	34.34	103.74
– USD	26.68	38.60	101.35

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

Details of the distributions per share for the year are shown in the Distribution Table on page 77.

CF ECLECTICA AGRICULTURE FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 31 DECEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	EUROPE			
	GERMANY			
3,657	KWS Saat	757,881	1.77	2.08
	NETHERLANDS			
136,500	Amsterdam Commodities	1,879,460	4.38	
71,219	CNH Industrial	488,049	1.13	
14,490	Nutreco	433,381	1.01	
	TOTAL NETHERLANDS	2,800,890	6.52	3.98
	NORWAY			
4,580	Yara International	118,931	0.28	
	TOTAL NORWAY	118,931	0.28	3.96
	SWITZERLAND			
11,280	Nestlé	499,676	1.16	
2,710	Syngenta	653,309	1.52	
	TOTAL SWITZERLAND	1,152,985	2.68	8.57
	UNITED KINGDOM			
17,940	Genus	232,682	0.54	
	TOTAL UNITED KINGDOM	232,682	0.54	6.49
	TOTAL EUROPE	5,063,369	11.79	25.08
	NORTH AMERICA			
	BERMUDA			
25,200	Cosan	208,750	0.49	1.54
	CANADA			
12,420	Agrium	686,142	1.60	
46,220	Potash Corporation of Saskatchewan	919,790	2.14	
	TOTAL CANADA	1,605,932	3.74	4.06

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
	UNITED STATES			
22,970	AGCO Corporation	820,882	1.91	
12,860	Andersons (The)	692,126	1.61	
80,880	Archer Daniels Midland	2,119,349	4.94	
32,640	Bunge	1,618,146	3.77	
11,110	CF Industries Holdings	1,563,071	3.64	
54,600	Darling International	688,327	1.60	
23,580	Deere & Company	1,300,256	3.03	
28,800	FMC Corporation	1,311,968	3.06	
38,500	General Mills	1,160,165	2.70	
49,290	Green Plains Renewable Energy	576,745	1.34	
2,500	Hain Celestial Group (The)	137,026	0.32	
41,900	Hormel Foods	1,142,456	2.66	
10,610	Ingredion	438,683	1.02	
43,050	Kraft Foods Group	1,401,245	3.26	
11,240	Lindsay Corporation	560,419	1.31	
73,000	Mondelez International	1,555,414	3.62	
29,240	Monsanto Company	2,057,601	4.79	
41,590	Mosaic Company (The)	1,186,987	2.76	
33,100	Pilgrim's Pride Corporation	324,553	0.76	
16,700	Rentech Nitrogen Partners	177,359	0.41	
15,770	Sanderson Farms	688,687	1.60	
28,300	Scotts Miracle-Gro Company (The)	1,063,305	2.48	
9,050	Sensient Technologies	265,119	0.62	
38,400	Sysco Corporation	836,738	1.95	
23,360	Toro Company (The)	896,596	2.09	
25,000	Tractor Supply	1,171,012	2.73	
13,250	Tyson Foods	267,678	0.62	
31,800	Uralkali GDRs	509,181	1.19	
17,400	Yum! Brands	794,328	1.85	
47,900	Zoetis	945,125	2.20	
	TOTAL UNITED STATES	28,270,547	65.84	47.94
	TOTAL NORTH AMERICA	30,085,229	70.07	53.54
	SOUTH AMERICA			
	BRAZIL			
33,120	BRF ADRs	416,935	0.97	
106,500	JBS	238,754	0.56	
	TOTAL BRAZIL	655,689	1.53	1.17

CF ECLECTICA AGRICULTURE FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
7,680	CHILE			
	Sociedad Quimica y Minera de Chiles ADRs	119,912	0.28	1.99
	TOTAL SOUTH AMERICA	775,601	1.81	3.16
	ASIA PACIFIC			
	AUSTRALIA	–	–	3.25
	CHINA			
99,000	China Mengniu Dairy	282,533	0.66	
851,000	China Modern Dairy Holdings	277,654	0.65	
564,000	First Tractor Company	265,702	0.62	
408,000	Tingyi Cayman Islands Holding	710,064	1.65	
162,000	Tsingtao Brewery Company	824,366	1.92	
686,000	Want Want China Holdings	597,208	1.39	
	TOTAL CHINA	2,957,527	6.89	0.88
	INDONESIA	–	–	3.11
	JAPAN			
121,000	Iseki & Company	217,559	0.51	
178,000	Kubota Corporation	1,774,057	4.13	
	TOTAL JAPAN	1,991,616	4.64	1.88
566,766	MALAYSIA			
	IOI Corporation	490,118	1.14	
	IOI Properties Group	87,248	0.21	
138,300	Kuala Lumpur Kepong	632,081	1.47	
	TOTAL MALAYSIA	1,209,447	2.82	2.81
258,900	SINGAPORE			
	Wilmar International	422,242	0.98	3.21
	TOTAL ASIA PACIFIC	6,580,832	15.33	15.14

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.12.13 %	31.12.12 %
(31)	FUTURES			
	CME E-mini S&P 500 Index Future March 2014	(68,270)	(0.16)	
	HKG Hang Seng China Enterprises Index Future January 2014	(13,522)	(0.03)	
	TOTAL FUTURES	(81,792)	(0.19)	0.28
¥(321,613,2000)	FORWARD CURRENCY CONTRACTS			
	Vs £1,910,818 (expiry 20.03.14)	61,624	0.14	–
	Portfolio of investments#	42,484,863	98.95	97.20
	Net other assets	450,523	1.05	2.80
	Net assets	42,935,386	100.00	100.00

The investments have been valued in accordance with note 1(i) of the Notes to the Aggregated Financial Statements and are ordinary shares unless stated otherwise.

Definitions:

ADRs – American Depositary Receipts.

GDRs – Global Depositary Receipts.

Includes derivative liabilities.

CF ECLECTICA AGRICULTURE FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 31 DECEMBER 2013

Total purchases for the year (note 14) £56,542,483

Major purchases	Cost £
Sysco Corporation	3,484,879
CF Industries Holdings	2,880,626
Syngenta	2,605,637
Potash Corporation of Saskatchewan	2,300,535
Kubota Corporation	2,120,261
Agrium	1,971,571
Kraft Foods Group	1,821,863
Monsanto Company	1,787,379
Deere & Company	1,738,843
Mosaic Company (The)	1,376,595
General Mills	1,326,007
FMC Corporation	1,278,171
Lindsay Corporation	1,259,682
Hormel Foods	1,256,038
Ingredion	1,242,213
Sociedad Quimica y Minera de Chiles ADRs	1,168,633
Bunge	1,167,726
Hillshire Brands	1,044,488
BRF ADRs	1,033,980
Archer Daniels Midland	1,014,526

The summary of material portfolio changes represents the 20 largest purchases during the year.

Total sales for the year (note 14) £85,280,873

Major sales	Proceeds £
Nestlé	4,438,004
CF Industries Holdings	3,938,878
General Mills	3,543,281
Syngenta	3,539,946
Potash Corporation of Saskatchewan	3,220,811
Kellogg Company	3,101,777
Mondelez International	2,876,985
Unilever	2,662,314
Wilmar International	2,615,720
Archer Daniels Midland	2,480,083
Sysco Corporation	2,453,854
Ingredion	2,357,802
Deere & Company	2,256,189
GrainCorp	2,236,943
Kraft Foods Group	2,101,313
Kubota Corporation	2,078,710
Monsanto Company	2,065,627
Mosaic Company (The)	2,061,786
Sociedad Quimica y Minera de Chiles ADRs	2,011,406
Yara International	1,792,475

The summary of material portfolio changes represents the 20 largest sales during the year.

CF ECLECTICA AGRICULTURE FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
Income:					
Net capital gains	2		4,505,972		4,522,634
Revenue	3	1,096,946		1,863,400	
Expenses	4	(972,922)		(1,446,600)	
Finance costs: Interest	6	(14,478)		(11,248)	
Net revenue before taxation		109,546		405,552	
Taxation	5	(131,301)		(158,281)	
Net (expense)/revenue after taxation			(21,755)		247,271
Total return before distributions			4,484,217		4,769,905
Finance costs: Distributions	6		(59,865)		(247,242)
Change in net assets attributable to shareholders from investment activities			4,424,352		4,522,663

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
Opening net assets attributable to shareholders			65,974,722		96,604,611
Amounts receivable on issue of shares		5,063,918		4,588,219	
Amounts payable on cancellation of shares		(32,569,661)		(39,959,670)	
			(27,505,743)		(35,371,451)
Dilution levy charged	1(k)		5,188		13,913
Stamp duty reserve tax	1(g)		(1,909)		(3,805)
Change in net assets attributable to shareholders from investment activities			4,424,352		4,522,663
Retained distribution on Accumulation shares	6		38,776		208,791
Closing net assets attributable to shareholders			42,935,386		65,974,722

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
ASSETS					
Investment assets			42,566,655		64,124,716
Other assets					
Debtors	7	100,853		1,215,334	
Cash and bank balances	8	973,514		4,990,924	
Total other assets			1,074,367		6,206,258
Total assets			43,641,022		70,330,974
LIABILITIES					
Investment liabilities			(81,792)		–
Other liabilities					
Creditors	9	(213,333)		(842,680)	
Bank overdrafts	8	(410,511)		(3,513,572)	
Total other liabilities			(623,844)		(4,356,252)
Total liabilities			(705,636)		(4,356,252)
Net assets attributable to shareholders			42,935,386		65,974,722

CF ECLECTICA AGRICULTURE FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2013

1. ACCOUNTING POLICIES

The Fund's Financial Statements have been prepared on the same basis as the Aggregated Financial Statements.

	31.12.13 £	31.12.12 £
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	7,303,829	7,448,742
Derivative contracts	(2,851,044)	(2,778,959)
Forward currency contracts	241,806	–
Transaction charges	(8,981)	(9,416)
Currency losses	(179,638)	(137,733)
Net capital gains	<u>4,505,972</u>	<u>4,522,634</u>
3. REVENUE		
Non-taxable dividends	1,060,996	1,804,120
Taxable dividends	33,538	58,423
Bank interest	2,412	857
Total revenue	<u>1,096,946</u>	<u>1,863,400</u>
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	865,398	1,311,314
Legal and professional fees	14,000	18,077
Printing and typesetting costs	5,542	5,690
Registration fees	4,824	9,056
	<u>889,764</u>	<u>1,344,137</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	26,404	38,360
Safe custody and other bank charges	22,182	35,595
	<u>48,586</u>	<u>73,955</u>

4. EXPENSES (continued)

Other expenses:

	31.12.13 £	31.12.12 £
FCA fee	74	60
Fees paid to auditor – audit	8,100	8,100
– tax services	5,113	5,215
– other tax related services	6,806	–
Publication costs	13,761	13,836
Postage and distribution costs	718	1,297
	<u>34,572</u>	<u>28,508</u>
Total expenses	<u>972,922</u>	<u>1,446,600</u>

5. TAXATION

a) Analysis of charge for the year

	31.12.13 £	31.12.12 £
Corporation tax at 20%	–	–
Overseas tax	131,301	158,281
Current tax charge (note 5b)	<u>131,301</u>	<u>158,281</u>
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	<u>131,301</u>	<u>158,281</u>

b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (31.12.12 : 20%). The difference is explained below.

	31.12.13 £	31.12.12 £
Net revenue before taxation	<u>109,546</u>	<u>405,552</u>
Corporation tax at 20%	21,909	81,110
Effects of:		
Non-taxable dividends	(212,199)	(360,824)
Movement in revenue accruals	(521)	–
Foreign tax expensed	(656)	(1,753)
Unutilised excess management expenses	<u>191,467</u>	<u>281,467</u>
Corporation tax charge	<u>–</u>	<u>–</u>

CF ECLECTICA AGRICULTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	31.12.13 £	31.12.12 £
5. TAXATION (continued)		
Overseas tax	131,301	158,281
Current tax charge (note 5a)	<u>131,301</u>	<u>158,281</u>

c) Deferred tax

At the year end there is a potential deferred tax asset of £1,595,100 (31.12.12 : £1,403,633) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

6. FINANCE COSTS

Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on cancellations of shares, and comprise:

	31.12.13 £	31.12.12 £
Final	38,776	208,791
Add: Revenue deducted on cancellation of shares	25,806	48,911
Deduct: Revenue received on issue of shares	<u>(4,717)</u>	<u>(10,460)</u>
Net distributions for the year	59,865	247,242
Interest	<u>14,478</u>	<u>11,248</u>
Total finance costs	<u>74,343</u>	<u>258,490</u>

Details of the distributions per share are set out in the table on page 77.

	31.12.13 £	31.12.12 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net (expense)/revenue after taxation	(21,755)	247,271
Allocations to Capital:		
Revenue deficit	81,127	–
Yield uplift on conversions*	468	–
Balance brought forward	36	7
Balance carried forward	<u>(11)</u>	<u>(36)</u>
Net distributions for the year	<u>59,865</u>	<u>247,242</u>

* Where an investor converts to a class with a higher income yield, the investor will receive an equalisation as if they had held the new share class throughout the period from the last distribution to conversion date. The yield differential at the point of conversion is an equalisation, which will be offset by capital erosion for the converted investor.

	31.12.13 £	31.12.12 £
7. DEBTORS		
Amounts receivable for issue of shares	16,691	–
Sales awaiting settlement	–	1,072,162
Accrued revenue:		
Non-taxable dividends	41,293	56,854
Taxable dividends	2,216	–
Bank interest	<u>37</u>	<u>–</u>
	43,546	56,854
Prepaid expenses	3,522	3,533
Taxation recoverable:		
Overseas withholding tax	37,094	82,785
Total debtors	<u>100,853</u>	<u>1,215,334</u>
8. CASH AND BANK BALANCES		
Bank balances:		
Capital account	39,864	272,936
Revenue account	284,423	205,827
Margin account	649,227	4,512,161
Total bank balances	<u>973,514</u>	<u>4,990,924</u>

CF ECLECTICA AGRICULTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	31.12.13 £	31.12.12 £
8. CASH AND BANK BALANCES (continued)		
Bank overdrafts:		
Capital account	(20,346)	(194,119)
Revenue account	–	–
Margin account	(390,165)	(3,319,453)
Total bank overdrafts	<u>(410,511)</u>	<u>(3,513,572)</u>
9. CREDITORS		
Amounts payable for cancellation of shares	67,489	86,844
Purchases awaiting settlement	–	626,234
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	116,266	88,476
Legal and professional fees	3,500	3,500
Printing and typesetting costs	2,967	2,747
Registration fees	–	1,627
	122,733	96,350
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	3,548	2,735
Transaction charges	2,014	4,787
Safe custody and other bank charges	3,986	13,472
Interest payable	24	476
	9,572	21,470
Other expenses	13,537	11,661
Taxation payable:		
Stamp duty reserve tax	2	121
Total creditors	<u>213,333</u>	<u>842,680</u>

10. SHAREHOLDER FUNDS

Disclosure is made in note 10 of the Notes to the Aggregated Financial Statements.

11. SHAREHOLDER FUNDS

Disclosure is made in note 11 of the Notes to the Aggregated Financial Statements.

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or unrecorded outstanding commitments (31.12.12 : none).

At the time of the accounts being prepared, CF Eclectica Agriculture Fund has made claims under the principle established in Denkvit International BV, Denkvit France SAR v Ministre de l'Economie des Finances et de l'Industrie and confirmed in subsequent decisions of the European Court of Justice. At present, the outcome of these claims remains uncertain and, therefore, potential receipt of these claims has not been recognised. We will continue to monitor progress made in the future.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 13 of the Notes to the Aggregated Financial Statements. Disclosures specific to this sub-fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	31.12.13 £	31.12.12 £
Floating rate assets:		
Brazilian real	23	27
Euros	–	233,580
Taiwan dollars	28,497	29,785
US dollars	11,344	296,705
Pounds sterling	933,650	4,430,827
	973,514	4,990,924
Floating rate liabilities:		
Euros	(31,765)	(3,319,453)
Hong Kong dollars	(65,705)	–
US dollars	(313,041)	–
Pounds sterling	–	(194,119)
	(410,511)	(3,513,572)

CF ECLECTICA AGRICULTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

	31.12.13 £	31.12.12 £
<i>i. Interest rate risk (continued)</i>		
Assets on which interest is not paid:		
Australian dollars	–	2,146,140
Brazilian real	238,754	–
Euros	3,071,761	4,135,539
Hong Kong dollars	2,944,005	580,439
Indonesian rupiah	–	785,470
Japanese yen	1,991,617	1,240,468
Malaysian ringgit	1,209,447	1,851,999
Norwegian krone	125,766	2,623,558
Polish zloty	–	293,233
Singapore dollars	422,242	3,385,008
Swiss franc	1,181,285	5,687,188
US dollars	31,086,283	38,840,112
Pounds sterling	2,163,750	3,770,896
	44,434,910	65,340,050
Liabilities on which interest is not paid:		
Euros	(24)	–
Japanese yen	(1,849,194)	–
US dollars	–	(626,234)
Pounds sterling	(213,309)	(216,446)
	(2,062,527)	(842,680)
Net assets	42,935,386	65,974,722

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to UK LIBOR or its international equivalents.

There are no material amounts of non-interest bearing financial assets and liabilities other than equities, which do not have maturity dates.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	31.12.13 Gross £	31.12.13 Hedged £	31.12.13 Net £
Currency:			
Brazilian real	238,777	–	238,777
Euros	3,039,972	–	3,039,972
Hong Kong dollars	2,878,300	–	2,878,300
Japanese yen	1,991,617	(1,849,194)	142,423
Malaysian ringgit	1,209,447	–	1,209,447
Norwegian krone	125,766	–	125,766
Singapore dollars	422,242	–	422,242
Swiss franc	1,181,285	–	1,181,285
Taiwan dollars	28,497	–	28,497
US dollars	30,784,586	–	30,784,586
	41,900,489	(1,849,194)	40,051,295
Pounds sterling	973,273	1,910,818	2,884,091
Net assets	42,873,762	61,624	42,935,386

	31.12.12 Gross £	31.12.12 Hedged £	31.12.12 Net £
Currency:			
Australian dollars	2,146,140	–	2,146,140
Brazilian real	27	–	27
Euros	1,049,666	–	1,049,666
Hong Kong dollars	580,439	–	580,439
Indonesian rupiah	785,470	–	785,470
Japanese yen	1,240,468	–	1,240,468
Malaysian ringgit	1,851,999	–	1,851,999
Norwegian krone	2,623,558	–	2,623,558
Polish zloty	293,233	–	293,233
Singapore dollars	3,385,008	–	3,385,008
Swiss franc	5,687,188	–	5,687,188
Taiwan dollars	29,785	–	29,785
US dollars	38,510,583	–	38,510,583
	58,183,564	–	58,183,564
Pounds sterling	7,791,158	–	7,791,158
Net assets	65,974,722	–	65,974,722

CF ECLECTICA AGRICULTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives

The derivatives held by the Fund during the current and prior year were for EPM purposes and were not of a material nature.

	31.12.13 £	31.12.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	56,472,569	149,962,369
Transaction costs:		
Commissions	60,975	183,395
Stamp duty and other charges	8,939	48,768
	69,914	232,163
Gross purchases total	56,542,483	150,194,532
Analysis of total sale costs		
Gross sales before transaction costs	85,388,710	187,699,147
Transaction costs:		
Commissions	(102,643)	(252,472)
Other charges	(5,194)	(14,763)
	(107,837)	(267,235)
Total sales net of transaction costs	85,280,873	187,431,912

DISTRIBUTION TABLE

FOR THE YEAR ENDED 31 DECEMBER 2013 – PER SHARE

Interim

There were no interim distributions for the current or prior year.

Final

Group 1 – Shares purchased prior to 1 July 2013

Group 2 – Shares purchased on or after 1 July 2013 and on or before 31 December 2013

'A' Accumulation GBP Shares (pence)	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	–	–	–	0.1172
Group 2	–	0.0000	–	0.1172

'C' Accumulation GBP Shares (pence)	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	0.2574	–	0.2574	0.6294
Group 2	0.0000	0.2574	0.2574	0.6294

'A' Accumulation EUR Shares (€ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	–	–	–	0.1287
Group 2	–	0.0000	–	0.1287

'C' Accumulation EUR Shares (€ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	0.3458	–	0.3458	0.7756
Group 2	0.0000	0.3458	0.3458	0.7756

'A' Accumulation USD Shares (US\$ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	–	–	–	0.2168
Group 2	–	0.0000	–	0.2168

'C' Accumulation USD Shares (US\$ (cents))	Net Revenue	Equalisation	Allocation 28.02.14	Allocated 28.02.13
Group 1	0.4573	–	0.4573	1.0262
Group 2	0.0000	0.4573	0.4573	1.0262

CF ECLECTICA AGRICULTURE FUND

Financial Statements (continued)

Distribution Table (continued)

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes. Where there is no distribution at interim, the final distribution period is deemed to run for the whole year.

CF ECLECTICA EUROPE FUND

ACD'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

IMPORTANT INFORMATION

On 14 July 2011 the Financial Conduct Authority approved the wind up of the CF Eclectica Europe Fund ('the Fund'). The final valuation of the Fund was 26 August 2011 and the sub-fund will be wound up in accordance with COLL 7.3.

Refer also to the 'Important Information' section for the Company on page 5.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Eclectica Europe Fund

23 April 2014

CF ECLECTICA EUROPE FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

GBP 'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	100.83	83.50	0.2176
2010	116.33	99.20	1.1112
2011*	119.63	100.94	–

GBP 'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	109.62	83.82	0.3992
2010	117.75	100.11	0.9248
2011*	121.29	102.59	0.3013

EUR 'A' Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2009	0.8401	0.6445	0.0017
2010	0.9466	0.8087	0.0091
2011*	0.9547	0.8064	–

EUR 'C' Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2009	1.2136	0.9286	0.0045
2010	1.3781	1.1747	0.0110
2011*	1.3902	1.1786	0.0027

USD 'A' Accumulation shares

Calendar Year	Highest Price US\$	Lowest Price US\$	Distribution per share US\$ (cents)
2009	1.7428	1.1945	0.0040
2010	1.8348	1.4113	0.0197
2011*	1.9699	1.6502	–

USD 'C' Accumulation shares

Calendar Year	Highest Price US\$	Lowest Price US\$	Distribution per share US\$ (cents)
2009	1.7430	1.1946	0.0040
2010	1.8362	1.4118	0.0137
2011*	1.9724	1.6530	0.0036

* Final valuation 26 August 2011.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value per share
31.12.11	'A' Accumulation GBP	–	–	–
	'C' Accumulation GBP	–	–	–
	'A' Accumulation EUR	–	–	–
	'C' Accumulation EUR	–	–	–
	'A' Accumulation USD	–	–	–
	'C' Accumulation USD	–	–	–
31.12.12	'A' Accumulation GBP	–	–	–
	'C' Accumulation GBP	–	–	–
	'A' Accumulation EUR	–	–	–
	'C' Accumulation EUR	–	–	–
	'A' Accumulation USD	–	–	–
	'C' Accumulation USD	–	–	–
31.12.13	'A' Accumulation GBP	–	–	–
	'C' Accumulation GBP	–	–	–
	'A' Accumulation EUR	–	–	–
	'C' Accumulation EUR	–	–	–
	'A' Accumulation USD	–	–	–
	'C' Accumulation USD	–	–	–

CF ECLECTICA EUROPE FUND

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

ONGOING CHARGES FIGURE

As the Fund has nil net assets, the Ongoing Charges Figure is nil.

SYNTHETIC RISK AND REWARD INDICATOR

As the Fund has no investors and a nil net asset value, no synthetic risk and reward indicator is reported.

FUND PERFORMANCE

As the Fund has no investors and a nil net asset value, no performance figures are reported.

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 31 DECEMBER 2013

		31.12.13	31.12.12
	Notes	£	£
Income:			
Net capital gains	2	1	5,679
Revenue	3	(45)	175
Expenses	4	(8,180)	(11,182)
Finance costs: Interest	6	—	—
Net expense before taxation		(8,225)	(11,007)
Taxation	5	(888)	(1,320)
Net expense after taxation		(9,113)	(12,327)
Total return before distributions		(9,112)	(6,648)
Finance costs: Distributions	6	—	—
Change in net assets attributable to shareholders from investment activities		(9,112)	(6,648)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2013

	31.12.13	31.12.12
	£	£
Opening net assets attributable to shareholders	—	—
Change in net assets attributable to shareholders from investment activities	(9,112)	(6,648)
Movement in surplus due to shareholders	9,112	6,648
Closing net assets attributable to shareholders	—	—

CF ECLECTICA EUROPE FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	£	31.12.13 £	£	31.12.12 £
ASSETS					
Other assets					
Debtors	7	11,010		21,852	
Cash and bank balances	8	15,330		17,728	
Total other assets			26,340		39,580
Total assets			26,340		39,580
LIABILITIES					
Other liabilities					
Creditors	9	(22,564)		(34,736)	
Bank overdrafts	8	(3,776)		(4,844)	
Total other liabilities			(26,340)		(39,580)
Total liabilities			(26,340)		(39,580)
Net assets attributable to shareholders			–		–

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2013

1. ACCOUNTING POLICIES

The Fund's Financial Statements have been prepared on the same basis as the Aggregated Financial Statements.

	31.12.13 £	31.12.12 £
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	–	6,492
Transaction charges	–	(811)
Currency gains/(losses)	1	(2)
Net capital gains	1	5,679
3. REVENUE		
Non-taxable dividends	(62)	(156)
Bank interest	17	14
Other interest	–	317
Total revenue	(45)	175
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
Typesetting costs	2,180	3,072
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Safe custody and other bank charges	–	18
Other expenses:		
Fees paid to auditor – audit	4,200	3,000
– tax services	3,000	3,000
Postage and distribution costs	–	(8)
Wind up cost	(1,200)	2,100
	6,000	8,092
Total expenses	8,180	11,182

CF ECLECTICA EUROPE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	31.12.13 £	31.12.12 £
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas tax	888	1,320
Current tax charge (note 5b)	888	1,320
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	888	1,320

b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (31.12.12 : 20%). The difference is explained below.

	31.12.13 £	31.12.12 £
Net expense before taxation	(8,225)	(11,007)
Corporation tax at 20%	(1,645)	(2,201)
Effects of:		
Non-taxable dividends	12	31
Expenses not deductible for tax purposes	(240)	420
Unutilised excess management expenses	1,873	1,750
Corporation tax charge	–	–
Overseas tax	888	1,320
Current tax charge (note 5a)	888	1,320

c) Deferred tax

At the year end there is a potential deferred tax asset of £25,966 (31.12.12 : £24,093) in relation to surplus management expenses available for double tax relief. As a result of the redemption of all shares in issue on 26 August 2011, the Fund will not generate any future taxable profits, and as such no surplus expenses will be utilised.

	31.12.13 £	31.12.12 £
6. FINANCE COSTS		
Distributions	–	–
Interest	–	–
Total finance costs	–	–
Distributions represented by:		
Net expense after taxation	(9,113)	(12,327)
Allocations to capital:		
Revenue deficit	9,113	12,327
Net distributions for the year	–	–
7. DEBTORS		
Taxation recoverable:		
Overseas withholding tax	11,010	21,852
Total debtors	11,010	21,852
8. CASH AND BANK BALANCES		
Bank balances:		
Capital account	15,330	17,728
Bank overdrafts:		
Revenue account	(3,776)	(4,844)
9. CREDITORS		
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Typesetting costs	2,240	2,300
Other expenses	13,500	16,500
Final surplus due to shareholders	6,824	15,936
Total creditors	22,564	34,736

10. RELATED PARTY TRANSACTIONS

Disclosure is made in note 10 of the Notes to the Aggregated Financial Statements.

CF ECLECTICA EUROPE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

11. SHAREHOLDER FUNDS

Disclosure is made in note 11 of the Notes to the Aggregated Financial Statements.

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or unrecorded outstanding commitments (31.12.12 : none).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 13 of the Notes to the Aggregated Financial Statements. Disclosures specific to this sub-fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	31.12.13 £	31.12.12 £
Floating rate assets:		
Euros	52	51
Pounds sterling	15,278	17,677
	15,330	17,728
Floating rate liabilities:		
Pounds sterling	(3,776)	(4,844)
Assets on which interest is not paid:		
Euros	1,083	8,136
Norwegian krone	9,927	11,042
Swiss franc	–	2,674
	11,010	21,852
Liabilities on which interest is not paid:		
Pounds sterling	(22,564)	(34,736)
Net assets	–	–

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents.

There are no material amounts of non-interest bearing financial assets and liabilities.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	31.12.13 £	31.12.12 £
Currency:		
Euros	1,135	8,187
Norwegian krone	9,927	11,042
Swiss franc	–	2,674
	11,062	21,903
Pounds sterling	(11,062)	(21,903)
Net assets	–	–

iii. Derivatives

The Fund held no derivatives during the current and prior year.

14. PORTFOLIO TRANSACTION COSTS

There were no purchases and sales during the current and prior year.

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-funds or class, a revised prospectus will be prepared setting out the relevant details of each sub-fund or class within the sub-fund.

The sub-funds are operated separately and the assets of each sub-fund are managed in accordance with the investment objective and policy applicable to that sub-fund. The sub-funds which are currently established are:

CF Eclectica Absolute Macro Fund
CF Eclectica Agriculture Fund
CF Eclectica Europe Fund (in termination)

CF Eclectica Europe Fund is in the course of being terminated and is therefore no longer available for investment.

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

CLASSES OF SHARES

The Company can issue Income and Accumulation shares. Holders of Income shares are entitled to be paid the revenue attributable to such shares in respect of each annual or interim accounting period, as applicable for the relevant sub-fund.

Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

VALUATION POINT

The valuation point of the Company is 12.00 noon 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. Instructions to buy or sell shares may be either in writing to: 2 The Boulevard, City West One Office Park, Gelderd Road, Leeds LS12 6NT or by telephone on 0845 608 0941. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

PRICES

The most recent prices of shares of CF Eclectica Agriculture Fund are published in the *Financial Times* under the heading Eclectica Asset Management and prices for all sub-funds are also available on the website of the Investment Management Association at www.fundlistings.com under the heading Capita Financial Managers, or by calling 0845 608 0941 during the ACD's normal business hours or can be found on our website, www.capitafinancial.com, by following the link 'Fund Information'.

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 our website, www.capitafinancial.com, by following the link 'Fund Information'.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

DATA PROTECTION ACT

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

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.

