

Ecclesiastical Investment Funds

ANNUAL REPORT AND AUDITED
FINANCIAL STATEMENTS



31 December 2013

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Management contact details

Authorised Corporate Director

The Authorised Corporate Director (ACD) is Ecclesiastical Investment Management Limited (EIM). The investments of Ecclesiastical Investment Funds (EIF) are managed by the ACD. The ACD has prepared financial statements that comply with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association in October 2010.

Constitution

EIF is an Open-Ended Investment Company (OEIC). It has variable capital and was incorporated with limited liability under the Open-Ended Investment Companies Regulations 2001 (OEIC Regulations) in Great Britain under registered number IC 00037. It is authorised and regulated by the Financial Conduct Authority. EIF is an 'umbrella' company and comprises six authorised investment securities sub-funds.

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Authorised and regulated by the Financial
Conduct Authority

Directors of Ecclesiastical Investment Management Limited

M Hews, BSc, FIA (Chairman)
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Ultimate Parent Company of the ACD

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Beaufort House, Brunswick Road,
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Depositary

BNY Mellon Trust and Depositary (UK)
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The Bank of New York Mellon Centre,
160 Queen Victoria Street,
London EC4V 4LA

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Conduct Authority

Registrar

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Auditor

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Report of the Authorised Corporate Director – Investment Environment

Global economic expansion was restrained by three main forces in 2013; a recession in the Eurozone, fiscal consolidation in the United States and a structural slowdown in many emerging markets. Despite these significant headwinds, equity bourses across developed economies delivered strong returns, outperforming emerging market assets and global bond indices, while investor sentiment remained underpinned by the ultra-accommodative economic stimulus deployed by the world's major central banks.

Since the 2008 crisis began, the intervention of central banks has been crucial with rapid cuts in interest rates and an unprecedented level of unconventional monetary stimulus supporting the performance of assets and global economies. However, with developed economies beginning to register a degree of optimism, central bankers are now attempting the equivalent of financial alchemy, bidding to retain credible low interest rates as the economic backdrop recovers. This flirtation with tighter liquidity led to a series of short risk-on, risk-off cycles in financial markets over the course of the year and exposed the vulnerability of emerging markets to a potential reduction in stimulus.

The UK

Over the course of 2013, the FTSE All-Share Index rose by 16.7%, with the 14.4% gain posted by the FTSE 100 Index significantly eclipsed by the 28.8% and 29.6% appreciation in the FTSE 250 Mid-Cap Index and FTSE Small Cap Index respectively.

The UK economy outperformed the majority of its European counterparts in 2013 as a surge in economic activity was driven primarily by domestic consumer spending, which despite ongoing real wage declines proved resilient. Consumption growth has been supported by improving credit conditions, low interest rates and a resurgent housing market while solid employment growth also offset some of the drag from weaker wages. Despite the swift upturn in economic data, the Bank of England (BoE) continued to reinforce its support for the domestic recovery, introducing forward guidance into the UK monetary policy toolkit in the period, which emphasised that interest rates would not be increased until the UK economy demonstrated a more established recovery.

The rally in the UK equity market was led by those sectors exposed to strong levels of consumer demand including leisure goods, travel and autos. Telecommunications also performed strongly as a resurgence in merger and acquisition activity across Europe boosted the share prices of many of the sectors incumbents. Laggard sectors included those that have traditionally been regarded as being defensive in nature, most notably tobacco, utilities and food retailing. The oil and gas, and mining sectors were also amongst the worst performers.

The FTSE Government All Stocks Index fell by 7.3% over the course of the year in capital terms, as investors began to price in the possibility of a near-term increase in base rates in an improving domestic economic backdrop. A combination of a reduction in the yield premium of corporate bonds over government bonds and the inherent yield pick-up led the former to outperform the latter as investors sought alternative sources of income in a low interest rate environment.

Europe

A period of economic stabilisation and relative financial calm led to increased capital flows into the region over the course of the year, lifting equities across continental Europe, with the FTSE World Europe (excluding UK) Index returning 21.0% in sterling terms. Investor optimism was supported by the continual efforts of the European Central Bank (ECB) to make monetary policy sound as accommodative as possible, with further cuts in the refinancing rate and forward guidance deployed to counter deflationary pressures and the still-fragile and disjointed nature of the regional economic recovery.

At a national level, market returns were strongest in Germany where domestic demand and manufacturing have remained resilient in the face of weaker levels of economic activity abroad. The equity market in Spain also performed strongly, supported by a significant improvement in the nation's external accounts and a stabilisation in labour market weakness.

The US

The Dow Jones Industrial Average Index rose by 24.0% over the year and the more broadly based S&P 500 Index gained 27.1% (both in sterling terms). The Federal Reserve's quantitative easing programme remained at the forefront of investors' concerns throughout the year, with the prospect of a reduction in the scale of monthly asset purchases prompting heightened volatility in the early-autumn. However, December's announcement that the US Central Bank will begin reducing the scale of its existing asset purchase programme (\$85 billion per month) by \$10 billion monthly from January onwards left US equities unscathed as policymakers strengthened their forward guidance, emphasising that benchmark interest rates will remain close to zero until domestic unemployment declines significantly below the threshold level of 6.5%. Equities were also boosted by a breakthrough in Congress as a bipartisan budget deal that set out spending levels for the next two years, signalling the end of the fiscal deadlock that led to a partial shutdown of the federal government earlier in the year.

Japan

Japan was one of the world's fastest growing economies in 2013 as Prime Minister Shinzo Abe's grand plan to reignite an ailing domestic economy appeared to gain traction. The shift to aggressive monetary easing has powered a substantial depreciation in the yen against the currencies of major trading partners, benefitting Japanese exporters by making their products more competitive in overseas markets and increasing the value of earnings repatriated from abroad. The corporate sector delivered strong profit growth throughout 2013 and additional expansionary fiscal measures led to notable improvements in the domestic economic backdrop, with economic activity strengthening and core inflation accelerating in the second half of the year. Accordingly, the Nikkei 225 Index rose by 56.7% over the year, but weakness in the yen decreased returns for sterling investors to 25.6%.

Asia (excluding Japan)

Aggressive monetary policy has boosted equity markets in western economies and Japan, but indices elsewhere in the Asia Pacific region have faced a number of headwinds. The most notable of these was the self-imposed slowdown in China, as policymakers attempted to move towards a more sustainable and balanced growth model driven by domestic consumption, while seeking to rein in excessive borrowing. Although Chinese economic growth continues to eclipse that of most other nations, the lower rate of expansion relative to previous years,

paired with weak global demand, has weighed upon those economies that are reliant on exports to generate revenues. Uncertainty over the pace of the Federal Reserve's reduction in asset purchases presented a further challenge, prompting heightened volatility across the region's financial markets over the year.

Equity market returns across the region were mixed as Malaysia delivered strong gains while all other major markets in South East Asia registered a loss, particularly in Thailand, where political tensions mounted following a controversial amnesty bill which led to mass protests in the nation's capital and subsequently the dissolution of parliament. Despite a modest rally in the second half of the year, the China H share Index was unable to recoup the losses registered in the opening six months, when the market suffered a setback following a sharp tightening in credit conditions.

Outlook

As we look ahead into the New Year, fundamentals should begin to play a more important role thus providing a compelling opportunity for stock pickers. Global economic growth is expected to strengthen as the Eurozone gradually recovers, US fiscal belt tightening fades, net global policy conditions remain highly accommodative and private sector deleveraging eases. Cumulatively, this should support corporate revenue growth and feed through to corporate profitability. However, the continued backdrop of macroeconomic and political uncertainty holds our enthusiasm in check. Central to our concerns is the slow altering in the monetary cycle as the US Federal Reserve and the People's Bank of China begin to take steps to withdraw their considerable levels of support. This may periodically have a major impact on market sentiment, generating turbulence in the prices of financial assets as the year progresses.

Investment Objective and Policies

Fund Name and Investment Objectives	Investment Policy
<p>Amity UK</p> <p>The Fund aims to achieve long-term capital appreciation and a reasonable level of income by investing principally in UK companies.</p>	<p>These Funds seek to invest in a portfolio of companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.</p> <p>These Funds seek to avoid investment in certain areas such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.</p>
<p>Amity European</p> <p>To achieve long-term capital growth with a reasonable level of income primarily through a diversified portfolio of European companies.</p>	
<p>Amity International</p> <p>To achieve long-term capital growth with a reasonable level of income primarily through a diversified portfolio of International companies.</p>	
<p>Amity Sterling Bond</p> <p>The Fund aims to provide an attractive level of income.</p>	<p>The Amity Sterling Bond Fund seeks to invest in a highly diversified portfolio of Government and good quality fixed interest securities issued by companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.</p> <p>The Fund seeks to avoid investment in certain areas such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.</p>
<p>Higher Income</p> <p>To provide an above average and growing level of income together with capital growth over the longer term.</p>	<p>The Manager will seek to achieve the investment objective by investing in a mix of equities, fixed interest securities and such other investments that the Manager considers suitable.</p>
<p>UK Equity Growth</p> <p>To achieve long-term capital growth with a reasonable level of income.</p>	<p>The UK Equity Growth Fund is designed to invest primarily in a range of UK incorporated and/or listed companies which the Manager believes offer good potential for long-term capital growth.</p>

	Risks
<p>These Funds are marketable to all retail investors.</p> <p>These Funds are managed in line with the requirements for inclusion in an ISA. The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Funds' objectives.</p> <p>The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Funds, although it may, subject to obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days notice to shareholders in the Funds, use derivatives in pursuit of their investment objectives in the future. If derivatives are used for the purpose of meeting the investment objectives of the Funds it is not intended that the use of derivatives would cause the Net Asset Value of the Funds to have higher volatility or otherwise cause the existing risk profiles of the Funds to change.</p>	<ul style="list-style-type: none"> ■ Most of the assets will be invested in the UK stock market so could be affected by any change in this market. ■ Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stock market and this could lead to greater volatility.
	<ul style="list-style-type: none"> ■ The investment's value may be affected by changes in exchange rates. ■ The entire market of European stocks and shares might decline thus affecting the prices and values of the assets. ■ Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stock market and this could lead to greater volatility.
	<ul style="list-style-type: none"> ■ The investment's value may be affected by changes in exchange rates. ■ The equity markets invested in might decline thus affecting the prices and values of the assets. ■ Some of the investments may be in emerging markets, which can be more volatile and carry risks associated with changes in their economies and political status. Also they may not offer the same level of investor protection as would apply in more developed jurisdictions. ■ Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stock market and this could lead to greater volatility.
	<ul style="list-style-type: none"> ■ The Fund holds a variety of different fixed interest securities including government and corporate bonds, preference shares and permanent interest bearing shares with a spread of durations. The Fund may invest in index or inflation linked bonds as well as conventional fixed interest instruments. Some of the bonds hold credit ratings however the Fund also invests in unrated bonds and other fixed interest instruments. ■ The investment's value may be affected by changes in inflation and interest rates. ■ An issuer of fixed interest stock may default, so causing a reduction in the capital value and income value of the Fund. ■ The annual management charge is taken from capital not income so the capital value of the Fund could be reduced over time. ■ Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stock market and this could lead to greater volatility.
	<ul style="list-style-type: none"> ■ Most of the assets will be invested in the UK stock market so could be affected by any change in this market. ■ The Fund holds Corporate and Government bonds of a spread of durations. The various bonds have a spread of different security ratings as the investment managers do not set minimum security standards for such bonds. ■ The annual management charge is taken from capital not income so the capital value of the Fund could be reduced over time. ■ An issuer of fixed interest stock may default, so causing a reduction in the capital and income value of the Fund. ■ The investment's value may be affected by changes in exchange rates and interest rates.
	<ul style="list-style-type: none"> ■ Most of the assets will be invested in the UK stock market so could be affected by any change in this market.

Amity UK Fund

Report of the Authorised Corporate Director

This review covers the year from 1 January 2013 to 31 December 2013.

- Over the course of the year under review the Amity UK Fund returned 27.2%*, outperforming the return on the FTSE All-Share Index of 20.8% and the IMA All Companies sector average return of 26.2%, both measured on a similar basis.
- The Manager's ethical screening process generally excludes mining and oil companies and weakness in these two large sectors to which the Fund has very little exposure helped its performance relative to the FTSE All Share Index. The Fund's above average exposure to small and medium sized companies also contributed to outperformance.
- From a sector allocation perspective, the Fund benefited from being overweight in general retailers, media and general industrials which performed strongly and from being underweight in mining, tobacco, beverages, banks and the oil & gas sectors which performed poorly. Underweight positions in aerospace & defence and automobiles & parts and overweight positions in food & drug retailers and utilities acted as a drag on performance.
- In respect of Fund activity, notable new holdings included Fenner (industrial engineering), Inland Homes (building), JRIC (real estate), HCP (real estate), Alent (electrical components) and Kier Group (construction). Additionally, esure (insurance), Royal Mail (logistic services) HellermanTyton (cable ties), Crest Nicholson (building), Digital Globe Services (software services), Bonmarche (retail) and Greencoat UK Wind (renewable energy) were added on their flotation. The positions in several holdings were augmented – GlaxoSmithKline (pharmaceuticals), Centrica (utilities), BT Group (telecoms), Aviva (insurance), Porvair (environmental services), Dignity (funeral homes), Sage (software services), Smiths Group (electrical equipment), and Vodafone (telecoms) - businesses with resilient business models and solid cash flows which are on attractive ratings. The position in Oxford Instruments, a long-term held and very successful investment, was reduced as its valuation appeared to fully reflect its medium-term prospects.

Prospects

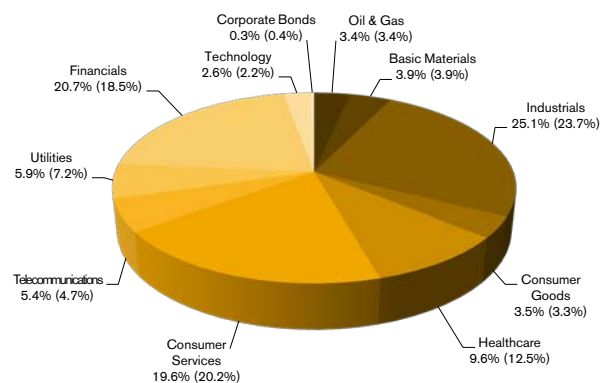
The strong rally in equities in 2013, well ahead of earnings, has pushed ratings higher, and returns in 2014 may prove to be relatively less rewarding. The global economy is still in early stages of a fragile recovery, although the UK looks set to outperform, and this should be to the benefit of smaller and mid-sized companies who have a disproportionate amount of their business here. The portfolio is constructed by selecting stocks on the basis of their individual merits and prospects, and in this regard the prospects for the Fund's investments remain encouraging. The Fund continues to maintain healthy cash balances, patiently seeking to invest in companies at attractive valuations in line with its long-term strategy.

* mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer.

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of five years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

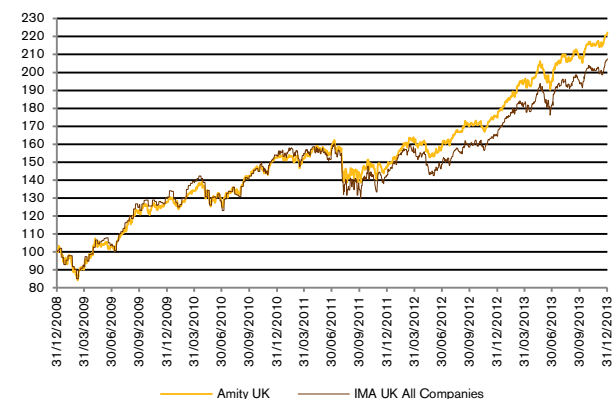
Asset allocation by sector at 31 December 2013

The figures in brackets show allocation at 31 December 2012



Figures exclude cash

Performance



Graph showing the return of the Amity UK Fund compared to IMA UK All Companies Sector Average from 31 December 2008 to 31 December 2013, mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Prices re-based to 100. Source: Morningstar.

Performance and ranking

	Amity UK Fund		IMA UK All Companies Sector Average	
	Total Return	Rank	Total Return	Number
31/12/12 – 31/12/13	27.2%	109	26.2%	261
31/12/11 – 31/12/12	18.4%	74	15.4%	279
31/12/10 – 31/12/11	-3.4%	45	-6.9%	295
31/12/09 – 31/12/10	19.4%	81	17.5%	296
31/12/08 – 31/12/09	27.6%	174	30.4%	306

Table showing % return and ranking of the Amity UK Fund against IMA UK All Companies Sector Average and total number of funds. Figures compared on a mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Source: Morningstar.

Major holdings

Top ten holdings		Percentage of total net assets at 31 December 2013
1	Vodafone	2.54%
2	Dunelm Group	2.45%
3	Dechra Pharmaceuticals	2.12%
4	Halma	2.03%
5	BT	2.00%
6	Prudential	1.97%
7	Oxford Instruments	1.93%
8	Next	1.84%
9	Smith (DS)	1.82%
10	GlaxoSmithKline	1.80%

Ongoing charges figure at 31 December 2013

Share Class A	Share Class B	Share Class C
1.61%	0.86%	1.36%

Ongoing charges figure at 31 December 2012

Share Class A	Share Class B	Share Class C
1.62%	0.87%	1.37%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Risk Reward Profile

Lower risk Higher risk

← Typically lower rewards Typically higher rewards →

1	2	3	4	5	6	7
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- The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the Share Class price have been historically.
- For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.
- As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.
- Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.
- The Share Class is in risk category 5 as its price has experienced significant rises and falls historically.

Share prices, Fund size and Income

	Share price range		Fund Size			Net income distribution/accumulation
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue	Pence per share
31 December 2013						
Share Class A	202.90	163.40	47,875,131	200.66	23,859,234	2.8066
Share Class B	203.10	162.50	31,340,956	199.66	15,697,212	4.2446
Share Class C	356.90	285.00	40,063,850	356.24	11,246,239	5.8589
31 December 2012						
Share Class A	163.10	138.80	39,242,884	160.07	24,515,933	2.5629
Share Class B	163.10	138.00	13,567,100	159.14	8,525,363	3.7696
Share Class C	281.70	237.40	34,024,476	279.25	12,184,080	5.1940
31 December 2011						
Share Class A	152.70	130.40	29,014,204	137.43	21,111,361	2.1839
Share Class B	152.20	130.20	9,572,978	136.57	7,009,586	3.3629
Share Class C	258.60	221.00	31,002,129	235.14	13,184,580	4.4652
31 December 2010						
Share Class A	146.00	119.30	27,177,774	143.89	18,887,465	2.3329
Share Class B	146.00	118.60	6,471,046	143.02	4,524,589	3.4253
Share Class C	243.10	196.30	34,125,006	241.77	14,114,580	4.5978
31 December 2009						
Share Class A	124.30	82.43	21,711,794	122.57	17,713,365	1.8699
Share Class B	124.00	81.92	2,793,589	121.70	2,295,436	2.7581
Share Class C	202.90	132.90	29,678,683	201.59	14,722,436	3.7065

Amity European Fund

Report of the Authorised Corporate Director

This review covers the year from 1 January 2013 to 31 December 2013.

- Over the course of the year under review the Amity European Fund returned 31.5%* compared to the IMA Europe (excluding UK) sector average return of 26.1% whilst the FT World Europe ex UK index returned 21.0%.
- The Fund benefited from an overweight position in the food retailing sector which performed strongly and underweight positions in the food and beverage sectors which underperformed as investors moved away from defensives. The Fund's overweight position to the Utility sector had a positive impact despite the weak performance of the wider sector as utility companies like A2A, Gas Natural and Suez Environnement saw strong gains. The Fund benefited from having no holdings in mining companies and from the strong performance of material companies like Smurfit Kappa and DSM. On the negative side an underweight position to financials had a negative impact on performance as the banking and life assurance companies generated strong returns.
- The Fund made investments in both Pirelli and Michelin as they traded on attractive valuation ratios despite a cyclically depressed demand environment. The real estate sector continued to appear very cheap offering attractive yields and large discounts to NAV, so the Fund made purchases in Immofinanz, Fonciere des Regions and Beni Stabili. The Fund also added to holdings in the telecommunications sector as it was attractively valued and should benefit from a more benign regulatory environment and increased consolidation. Purchases included Orange, Telefonica and Telefonica Deutschland. The Fund took profits in Getinge, Svenska Cellulose and Swatch Group which had performed strongly and were trading on high multiples.

Prospects

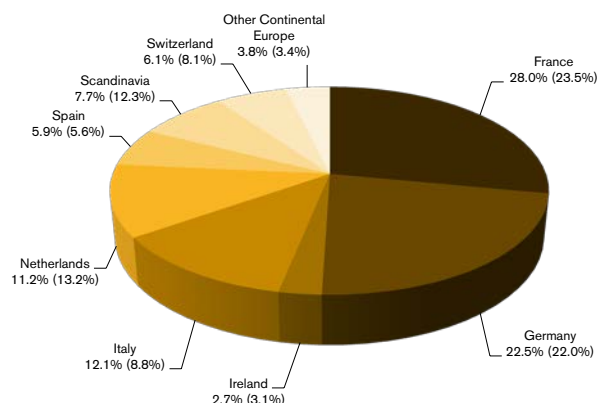
The European equity markets have risen sharply over the last year but still appear cheap compared to valuations in the US and on cyclically low earnings as the European economy has failed to show signs of sustainable recovery following the credit crisis. We remain wary that depressed economic conditions could persist for some time as the Eurozone is hobbled by conflicting policy priorities of its member states and a consequently dysfunctional European Central Bank. Even so the periphery economies have made substantial progress in reducing their trade and budget imbalances and as economic recovery gathers pace in the rest of the developed world the prospects for the continental European economies are improving. We continue to believe there is long-term value in the European equity markets especially as many companies trade on low multiples to cyclically depressed earnings. We continue to position the Fund to the more defensive areas of the market concentrating on companies with strong cashflows, high dividend yields and resilient income streams.

* mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer.

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of five years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

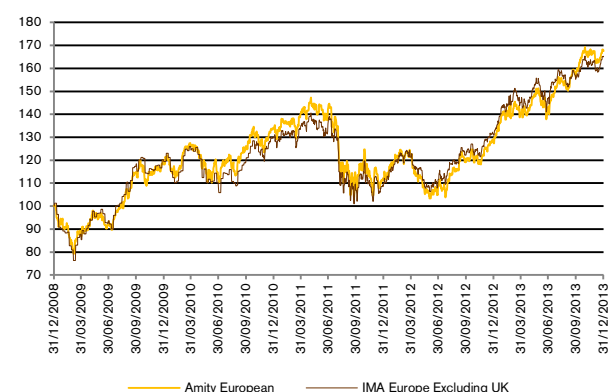
Asset allocation by sector at 31 December 2013

The figures in brackets show allocation at 31 December 2012



Figures exclude cash

Performance



Graph showing the return of the Amity European Fund compared to IMA Europe (excluding UK) Sector Average from 31 December 2008 to 31 December 2013, mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Prices rebased to 100. Source: Morningstar.

Performance and ranking

	Amity European Fund		IMA Europe (excluding UK) Sector Average	
	Total Return	Rank	Total Return	Number
31/12/12 – 31/12/13	31.5%	13	26.1%	99
31/12/11 – 31/12/12	13.4%	97	19.1%	105
31/12/10 – 31/12/11	-16.3%	61	-15.9%	108
31/12/09 – 31/12/10	13.6%	23	8.8%	111
31/12/08 – 31/12/09	18.2%	54	19.3%	103

Table showing % return and ranking of the Amity European Fund against IMA Europe (excluding UK) Sector Average and total number of funds. Figures compared on a mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Source: Morningstar.

Major holdings

Top ten holdings		Percentage of total net assets at 31 December 2013
1	Merck KGaA	2.81%
2	Sanofi-Aventis	2.71%
3	Smurfit Kappa	2.70%
4	Wolters Kluwer	2.69%
5	Roche	2.49%
6	Novartis	2.34%
7	Vivendi	2.33%
8	Ansaldo	2.33%
9	Carrefour	2.28%
10	Cie Generale des Etablissements Michelin 'B'	2.21%

Ongoing charges figure at 31 December 2013

Share Class A	Share Class B	Share Class C
1.66%	0.91%	1.41%

Ongoing charges figure at 31 December 2012

Share Class A	Share Class B	Share Class C
1.67%	0.92%	1.42%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Risk Reward Profile

Lower risk Higher risk

← Typically lower rewards Typically higher rewards →

1	2	3	4	5	6	7
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- The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the Share Class price have been historically.
- For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.
- As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.
- Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.
- The Share Class is in risk category 6 as its price has experienced very significant rises and falls historically.

Share prices, Fund size and Income

	Share price range		Fund Size			Net income distribution/accumulation
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue	Pence per share
31 December 2013						
Share Class A	203.10	156.60	12,300,539	198.94	6,182,976	2.9232
Share Class B	205.40	157.80	44,606,848	200.51	22,246,675	4.3700
Share Class C	226.70	173.10	753,398	223.99	336,352	3.7859
31 December 2012						
Share Class A	157.70	126.90	10,296,530	153.71	6,698,684	2.9180
Share Class B	157.60	142.70	30,854,302	154.85	19,925,129	4.0964
Share Class C	172.20	137.80	670,134	169.91	394,400	3.6114
31 December 2011						
Share Class A	185.50	130.20	9,974,925	138.17	7,219,324	3.3561
Share Class B	187.40	131.60	27,791,540	139.14	19,973,491	4.6308
Share Class C	195.60	138.30	621,069	149.26	416,100	3.9748
31 December 2010						
Share Class A	170.60	139.90	6,946,462	168.71	4,117,343	2.0948
Share Class B	172.60	141.10	32,921,071	169.99	19,366,186	3.3853
Share Class C	178.60	146.00	695,298	177.78	391,100	2.6968
31 December 2009						
Share Class A	154.40	102.50	3,502,311	150.63	2,325,058	1.8157
Share Class B	156.00	103.40	29,201,429	151.76	19,242,265	2.7406
Share Class C	159.00	104.60	543,101	156.11	347,900	2.2898

Amity International Fund

Report of the Authorised Corporate Director

This review covers the year from 1 January 2013 to 31 December 2013.

- Over the course of the year the Amity International Fund returned 15.8%*, underperforming the 21.7% return posted by the IMA Global sector and falling short of the 22.4% return of the FTSE World Index, both measured on a similar basis.
- Stock selection, the core of the Fund's investment approach, positively contributed to relative returns in 2013, yet it was not significant enough to offset the negative impact of geographic allocation. An overweight position in Asia Pacific (excluding Japan) proved to be the most significant detractor from relative returns over the course of the year. At a country level, overweight positions in Hong Kong and Singapore were leading detractors from relative returns as these areas were particularly sensitive to fears surrounding the prospect of a reduction in the Federal Reserve's economic stimulus. An underweight position in the rallying US equity market was also a hindrance on relative performance.
- At a sector level, an underweight position in oil and gas enhanced the positive impact of stock selection within the sector. Equipment service providers Ezion Holdings and Baker Hughes made significant contributions to performance as both delivered earnings growth and upgrades to forecasts. An overweight position in a buoyant European telecommunications sector also benefited the Fund's returns with Vodafone, Vivendi and BT all performing strongly. Conversely, holdings within financials proved to be a drag on relative performance. The Fund's exposures to banks within emerging markets such as Thailand and Brazil were particularly weak due to concerns that the reduction in US economic stimulus would lead to higher borrowing costs and reduce capital inflows into emerging market assets.
- In respect of Fund activity, new investments centred on those companies which boast resilient earnings streams, strong balance sheets and generate large and consistent cash flows. Subsequently, new positions were established in the Austria-based real-estate company Immofinanz and in Healthcare Property Investors (HCP Inc.), a US-listed real estate investment trust operating in a number of segments within the healthcare industry.
- Over the course of the year, the Fund also realised profit from the sale of its long-term positions in M1, Swatch Group and ITV, all of which had performed strongly during their tenure within the portfolio and future upside appeared to be more fully reflected in their respective share prices.

Prospects

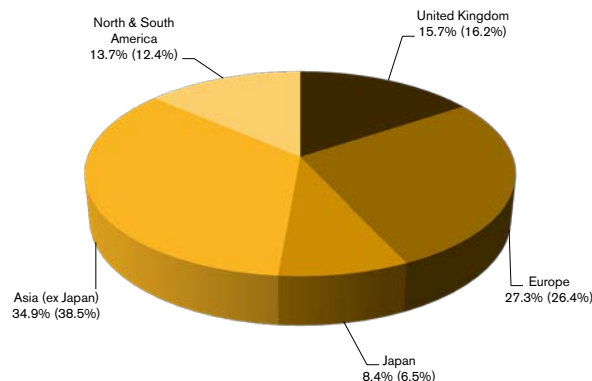
While the course of monetary policy will undoubtedly continue to occupy the thoughts of investors in the New Year, it is likely to remain accommodative and combined with continued momentum in the global economic recovery, should provide a supportive backdrop for equities in 2014. More specifically, we are now beginning to discern a more positive outlook for European economies and we continue to find investment opportunities amid a highly compelling valuation backdrop in Europe and Asia relative to the US, where corporate profit margins are close to peak levels and valuations appear to be pricing in great optimism at a time when growth is weak, politics remain fractious and monetary stimulus is gradually receding.

* mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer.

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of five years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

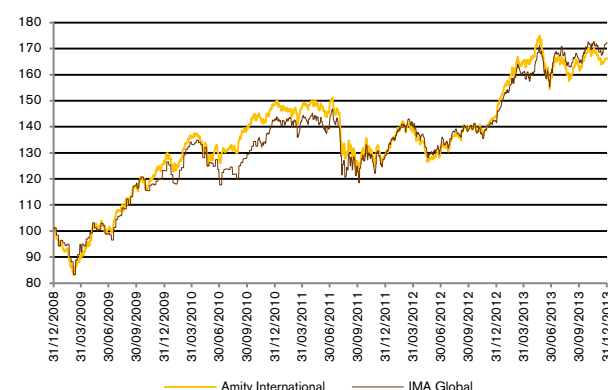
Asset allocation by sector at 31 December 2013

The figures in brackets show allocation at 31 December 2012



Figures exclude cash

Performance



Graph showing the return of the Amity International Fund compared to IMA Global Sector Average from 31 December 2008 to 31 December 2013, mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Prices re-based to 100. Source: Morningstar.

Performance and ranking

	Amity International Fund		IMA Global Sector Average	
	Total Return	Rank	Total Return	Number
31/12/12 – 31/12/13	15.8%	199	21.7%	239
31/12/11 – 31/12/12	10.9%	105	9.6%	234
31/12/10 – 31/12/11	-13.0%	166	-10.2%	218
31/12/09 – 31/12/10	18.1%	61	15.9%	212
31/12/08 – 31/12/09	26.0%	53	22.8%	184

Table showing % return and ranking of the Amity International Fund against IMA Global Sector Average and total number of funds. Figures compared on a mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Source: Morningstar.

Major holdings

Top ten holdings		Percentage of total net assets at 31 December 2013
1	Ezion Holdings	2.85%
2	GlaxoSmithKline	2.80%
3	Vodafone	2.48%
4	General Electric Class 'C'	2.19%
5	BYD Electronic International	1.82%
6	Minth	1.73%
7	Sumitomo Mitsui Financial	1.62%
8	Intel	1.59%
9	Sanofi-Aventis	1.52%
10	Luk Fook	1.48%

Ongoing charges figure at 31 December 2013

Share Class A	Share Class B	Share Class C
1.59%	0.84%	1.34%

Ongoing charges figure at 31 December 2012

Share Class A	Share Class B	Share Class C
1.58%	0.83%	1.33%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Risk Reward Profile

Lower risk Higher risk

← Typically lower rewards Typically higher rewards →

1	2	3	4	5	6	7
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- The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the Share Class price have been historically.
- For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.
- As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.
- Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.
- The Share Class is in risk category 5 as its price has experienced significant rises and falls historically.

Share prices, Fund size and Income

	Share price range		Fund Size			Net income distribution/accumulation
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue	Pence per share
31 December 2013						
Share Class A	222.20	186.40	138,681,552	207.69	66,773,865	2.8560
Share Class B	224.10	187.60	91,017,938	208.94	43,560,872	4.4464
Share Class C	231.00	193.60	999,575	219.26	455,890	3.5124
31 December 2012						
Share Class A	184.70	162.90	136,564,428	181.90	75,078,729	2.6610
Share Class B	186.60	164.30	60,885,669	182.97	33,276,326	4.0060
Share Class C	190.10	166.30	1,163,116	188.91	615,700	3.1863
31 December 2011						
Share Class A	197.30	157.50	123,610,812	166.27	74,345,378	3.2238
Share Class B	198.70	158.80	50,311,329	167.22	30,086,840	4.6012
Share Class C	198.40	158.50	954,703	169.66	562,700	3.6437
31 December 2010						
Share Class A	196.80	163.60	86,093,059	194.35	44,298,557	2.8530
Share Class B	198.80	164.70	49,321,678	196.01	25,162,885	4.1003
Share Class C	195.20	160.80	1,013,884	194.79	520,506	3.1479
31 December 2009						
Share Class A	170.40	112.70	19,276,414	167.14	11,532,949	2.4639
Share Class B	171.90	113.50	35,314,297	168.65	20,939,672	3.3116
Share Class C	166.40	108.80	708,049	164.74	429,808	2.6526

Amity Sterling Bond Fund

Report of the Authorised Corporate Director

This review covers the year from 1 January 2013 to 31 December 2013.

- Over the course of the year under review the Amity Sterling Bond Fund returned 2.7%* in line with the IMA Sterling Strategic Bond sector average, whilst the FTSE Government All Stocks Index returned -3.9%.
- Gilt yields finished the year at a high after the US Federal Reserve indicated it would begin 'tapering' its quantitative easing program and the UK economy showed signs of heading towards a sustainable recovery. The housing market has also been strong, benefiting from government incentives for home buying and unemployment has fallen more swiftly than previously expected. In this environment it is not surprising that gilt yields have risen far above the very low levels reached in the middle of the year. The upward movement in gilt yields translated into negative returns for the gilt market, although the impact on corporate bonds was less pronounced as they benefited from falling credit spreads.
- The Fund benefited from holding only a small quantity of gilts and keeping the duration of the portfolio relatively short. The high weighting to corporate bonds had a positive impact on performance as these benefited from a tightening in credit spreads. The preference share and Permanent Interest Bearing Share (PIBS) exposure also had a positive impact, as despite their long duration, they traded more on yield than on their spread over gilts and thus didn't fall in value like long dated gilts.
- The Fund suffered from its exposure to Co-Operative Bank and its well-publicised difficulties. The Fund held several different tranches of Co-Operative Bank paper including senior, subordinated and junior subordinated paper which fell sharply in value following its announcement of a black hole in its balance sheet. But by the end of the year the holdings had recovered much of the lost value as the final restructuring proposals proved more advantageous to bondholders than had previously been anticipated.
- The Fund continued to invest on an opportunistic basis taking advantage of a more active new issuance market. Many of the new investments were targeted toward the financial sector which offered a significant premium to non-financials for most of the year despite stronger balance sheets from financial deleveraging and improved financial market conditions.

Prospects

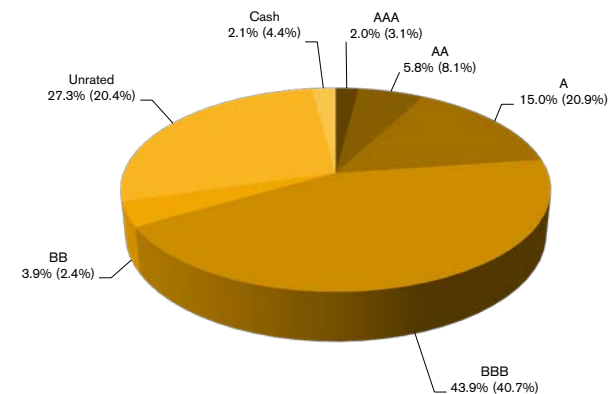
The Bank of England has stated that it would increase base rates before starting to withdraw quantitative easing and unemployment is now rapidly falling towards levels at which it would consider raising base rates. Whilst we do not expect an imminent rise in base rates as inflation remains low, real wages have been falling and household expenditure is likely to be very sensitive to rises in mortgage rates. But if growth continues to strengthen, we may begin to see the first increase in base rates by the end of the year. To some extent any modest increase in base rates may have already been priced in as the yield curve has become increasingly steep at the short end. High quality conventional corporate bond spreads have narrowed to the tightest levels experienced since the credit crisis and whilst we do believe that they can move in a bit further they are increasingly looking fully valued. We believe there will be opportunities to purchase good quality bonds on attractive yields but the overall outlook for the fixed interest markets has become more difficult over the last year.

* mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer.

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of five years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

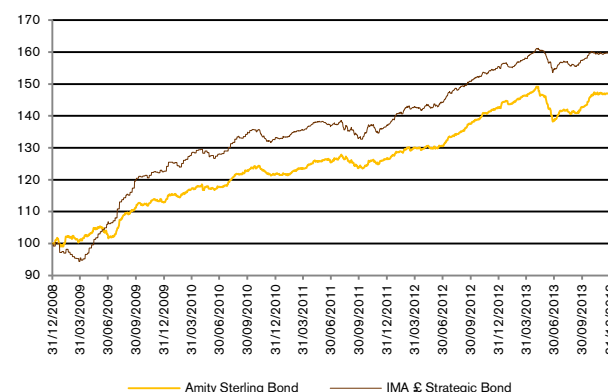
Asset allocation by sector at 31 December 2013

The figures in brackets show allocation at 31 December 2012



Figures exclude cash

Performance



Graph showing the return of the Amity Sterling Bond Fund compared to IMA £ Strategic Bond Sector Average from 31 December 2008 to 31 December 2013, mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Prices re-based to 100. Source: Morningstar.

Performance and ranking

	Amity Sterling Bond Fund		IMA £ Strategic Bond Sector Average	
	Total Return	Rank	Total Return	Number
31/12/12 – 31/12/13	2.7%	44	2.7%	72
31/12/11 – 31/12/12	12.6%	46	13.4%	77
31/12/10 – 31/12/11	4.2%	25	2.1%	70
31/12/09 – 31/12/10	7.9%	38	8.6%	64
31/12/08 – 31/12/09	12.9%	42	22.0%	62

Table showing % return and ranking of the Amity Sterling Bond Fund against IMA £ Strategic Bond Sector Average and total number of funds. Figures compared on a mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Source: Morningstar.

Major holdings

Top ten holdings		Percentage of total net assets at 31 December 2013
1	Nottingham Building Society 7.875% PIBS	2.89%
2	Aviva 8.75% Pref	2.70%
3	Premier Farnell 8.92% Conv. Pref	2.44%
4	Direct Line Insurance 9.25% FRN 27/04/2042	2.32%
5	Standard Life 6.546% Perp	2.30%
6	Henderson Group 7.25% 24/03/2016	2.29%
7	Coventry Building Society 12.125% PIBS	2.15%
8	London Stock Exchange 4.75% 02/11/2021	2.15%
9	Nationwide Building Society 6.25% PIBS	2.12%
10	Fidelity International 7.125% 13/02/2024	2.09%

Ongoing charges figure at 31 December 2013

Share Class A	Share Class B	Share Class C
1.39%	0.79%	N/A^

Ongoing charges figure at 31 December 2012

Share Class A	Share Class B	Share Class C
1.38%	0.78%	N/A^

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Risk Reward Profile

Lower risk Higher risk

←—————→

Typically lower rewards Typically higher rewards

1	2	3	4	5	6	7
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- The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the Share Class price have been historically.
- For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.
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- Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.
- The Share Class is in risk category 3 as its price has experienced moderate rises and falls historically.

Share prices, Fund size and Income

	Share price range		Fund Size			Net income distribution/accumulation
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue	Pence per share
31 December 2013						
Share Class A	110.60	101.50	37,257,841	104.21	35,751,715	4.6794
Share Class B	117.60	108.00	26,220,604	111.26	23,566,934	4.9681
Share Class C^	N/A	N/A	N/A	N/A	N/A	N/A
31 December 2012						
Share Class A	108.20	99.20	40,605,688	105.90	38,343,135	4.8509
Share Class B	114.80	104.70	12,683,736	112.35	11,289,840	5.1192
Share Class C^	N/A	N/A	N/A	N/A	N/A	N/A
31 December 2011						
Share Class A	103.10	98.17	26,967,350	98.03	27,508,413	4.9778
Share Class B	108.35	103.42	11,491,861	103.41	11,113,202	5.0266
Share Class C^	N/A	N/A	N/A	N/A	N/A	N/A
31 December 2010						
Share Class A	103.90	97.95	14,074,490	99.30	14,174,265	4.8393
Share Class B	108.82	102.22	11,498,677	104.53	11,000,000	4.8702
Share Class C^	N/A	N/A	N/A	N/A	N/A	N/A
31 December 2009						
Share Class A	99.81	90.15	5,312,065	96.34	5,513,606	5.0780
Share Class B	104.16	93.80	11,159,189	101.45	11,000,000	5.3374
Share Class C^	N/A	N/A	N/A	N/A	N/A	N/A

^ Share Class C is currently inactive.

Higher Income Fund

Report of the Authorised Corporate Director

This review covers the year from 1 January 2013 to 31 December 2013.

- Over the course of the year the Higher Income Fund returned 10.1%*, underperforming the 14.6% return in the IMA Mixed Investments (40-85%) sector average. Over the same period the FTSE All-Share Index registered a return of 20.8% and the FTSE Government All Stocks Index returned -3.9%, both measured on a similar basis.
- A primary contributor to underperformance of the Fund relative to the peer group, was its more balanced allocation between equities and fixed interest, as funds heavily biased to equity will have benefitted from the stronger returns posted by the asset class relative to fixed interest securities over the course of 2013.
- Within the Fund's equity portfolio, many of the most significant contributors came from the Telecommunications sector, as the share prices of holdings such as Vodafone, BT, Vivendi and Orange were all boosted by a resurgence in merger and acquisition activity across the sector. The Fund also benefitted from its investments in Financials, as 3i Group, Prudential and Sumitomo Mitsui all performed strongly. In contrast, the Fund's exposure to Asian markets detracted from both relative and absolute returns with investments in Hong Kong and Thailand causing the most significant drag on overall performance.
- With a preference for corporate bonds and preferred shares over Gilts, the Fund's fixed interest portfolio positively contributed to absolute return over the course of the year. However, gains were tapered by the Fund's exposure to the subordinated debt of the Co-Operative Bank, which was subject to a six-notch downgrade to Ba3 by the rating agency Moody's in May and subsequently the value of the Fund's holdings in both subordinated and junior subordinated tranches of Co-Operative paper fell sharply. However, by year-end much of the cost value had been recovered as final restructuring proposals proved more advantageous than previously anticipated.
- In respect of Fund activity, exposure to equities was increased with a preference for investments in overseas listings. Notable new positions were established in Intel Corp, Japan Residential Investment Company and Healthcare Property Investors (HCP Inc.), on the basis of resilient business models, attractive valuations and compelling dividend yields. The Fund's positions in Orange and Vivendi were also augmented as the competitive outlook for European telecom companies improved. Within the Fund's fixed interest portfolio, investments were made in longer dated corporate bonds and holdings in PIBS from Leeds Building Society and Coventry Building Society were added to.

Prospects

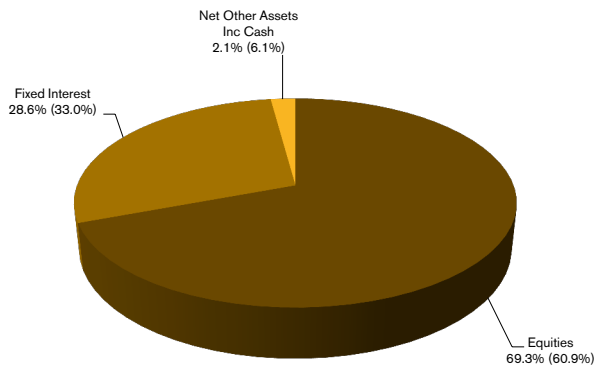
As in 2013, policy decisions from the Federal Reserve and other central banks are likely to be a key determinant of asset prices in the year ahead. While we expect global monetary policy to remain accommodative, the gradual withdrawal of the considerable support provided by the Federal Reserve may provoke periodic volatility across financial markets in the near-term. In light of this, the Fund remains positioned to take advantage of such turbulence and will continue to focus on the long-term approach of investing in those companies that boast resilient earnings streams, consistent cash flows and strong balance sheets. Concurrently, although the Fund's Asia portfolio delivered underwhelming performance this year, our long-term thesis remains intact, with the view that Asian economies still offer a significant growth advantage over western economies thanks to an increasingly wealthy middle class and rising intra-regional trade.

* mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer.

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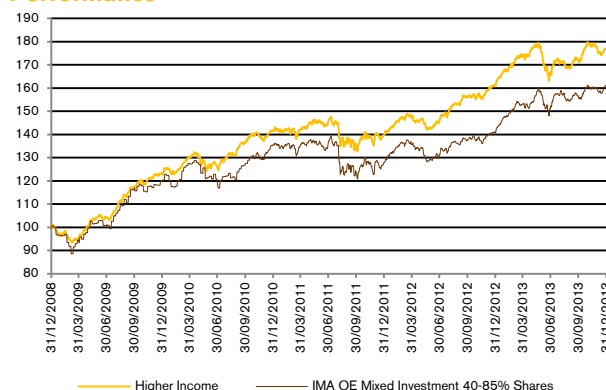
Asset allocation by sector at 31 December 2013

The figures in brackets show allocation at 31 December 2012



Figures exclude cash

Performance



Graph showing the return of the Higher Income Fund compared to IMA Mixed Investment 40-85% Shares Sector Average from 31 December 2008 to 31 December 2013, mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Prices re-based to 100. Source: Morningstar.

Performance and ranking*

	Higher Income Fund		IMA Mixed Investment 40-85% Shares Sector Average	
	Total Return	Rank	Total Return	Number
31/12/12 – 31/12/2013	10.1%	127	14.6%	140
	Higher Income Fund		IMA UK Equity & Bond Income Sector Average	
	Total Return	Rank	Total Return	Number
31/12/11 – 31/12/12	14.8%	6	12.3%	17
31/12/10 – 31/12/11	-1.1%	11	-1.2%	22
31/12/09 – 31/12/10	15.0%	3	12.2%	19
31/12/08 – 31/12/09	23.0%	2	19.3%	21

Table showing % return and ranking of the Higher Income Fund against IMA Mixed Investment 40-85% Shares Sector Average and IMA UK Equity & Bond Income Sector Average and total number of funds. Figures compared on a mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Source: Morningstar.

* On 1 January 2013, the Higher Income Fund transferred from the IMA UK Equity & Bond Income Sector to the IMA Mixed Investment 40-85% Shares Sector.

The Fund was managed in accordance with the new Sector requirements over the past 5 years, hence the performance graph compares the Fund to the new sector over that period.

Major holdings

Top ten holdings		Percentage of total net assets at 31 December 2013
1	GlaxoSmithKline	2.78%
2	Vodafone	2.56%
3	Royal Dutch Shell 'B'	1.95%
4	General Accident 8.875%	1.84%
5	BP	1.79%
6	Vivendi	1.63%
7	Greencoat UK Wind	1.53%
8	BT	1.47%
9	Scottish Southern Energy	1.47%
10	Luk Fook	1.47%

Ongoing charges figure at 31 December 2013

Share Class A	Share Class B	Share Class C
1.34%	0.84%	1.09%

Ongoing charges figure at 31 December 2012

Share Class A	Share Class B	Share Class C
1.33%	0.83%	1.08%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Risk Reward Profile

Lower risk Higher risk

←—————→

Typically lower rewards Typically higher rewards

1	2	3	4	5	6	7
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- As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.
- Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.
- The Share Class is in risk category 4 as its price has experienced moderate rises and falls historically.

Share prices, Fund size and Income

	Share price range		Fund Size			Net income distribution/accumulation
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue	Pence per share
31 December 2013						
Share Class A	132.00	119.50	161,590,039	124.19	130,117,147	5.4074
Share Class B	134.40	121.40	54,366,143	126.74	42,894,909	5.5041
Share Class C	286.40	258.20	16,470,090	280.88	5,863,841	11.7765
31 December 2012						
Share Class A	122.50	108.40	140,487,388	117.50	119,564,944	5.3874
Share Class B	124.40	109.70	22,690,034	119.39	19,005,296	5.4748
Share Class C	256.30	223.20	13,133,469	253.98	5,171,094	11.2199
31 December 2011						
Share Class A	118.00	105.60	108,604,602	107.26	101,256,254	5.2274
Share Class B	119.10	106.70	17,435,716	108.55	16,062,816	5.2950
Share Class C	233.70	210.20	10,392,814	221.00	4,702,594	10.3731
31 December 2010						
Share Class A	117.30	103.10	77,960,478	113.46	68,711,500	4.5364
Share Class B	118.20	103.60	17,612,187	114.52	15,378,794	4.6045
Share Class C	224.00	193.90	9,010,776	222.90	4,042,594	8.6809
31 December 2009						
Share Class A	106.10	81.53	42,072,173	102.80	40,927,969	3.7933
Share Class B	106.60	81.66	15,159,549	103.39	14,662,423	3.8714
Share Class C	194.90	147.10	7,021,025	193.52	3,627,994	7.0482

UK Equity Growth Fund

Report of the Authorised Corporate Director

This review covers the year from 1 January 2013 to 31 December 2013.

- Over the course of the year the UK Equity Growth Fund returned 43.0%*, substantially outperforming both the return on the FTSE All-Share Index of 20.8% and the IMA All Companies sector average return of 26.2%, both measured on a similar basis.
- As at 31 December 2013, 42.1% of the Fund was invested in FTSE 100 companies, 35.1% was invested in companies in the FTSE 250 Mid Cap Index, and 19.4% in other companies. Cash balances were 3.4%.
- The Fund enjoyed significant benefits from its holdings in companies with high operational gearing and improving trading conditions including Xaar (digital print heads), Howden Joinery (fitted kitchens), Ashtead Group (plant hire) and ITV (television broadcast and production). Software company, WANDisco, was the largest contributor however, a reflection of it developing an offering for the highly promising big data market. The most significant negative impacts on Fund performance were inflicted by Rio Tinto (mining), Unilever (food producers) and Royal Dutch Shell B (oil production) all of whom provided disappointing trading updates. At the smaller end of the scale, Anite (software services), Bango (payment services) and Volex (electrical connectors) also issued disappointing trading updates and their share prices suffered accordingly.
- In respect of sector allocation, the Fund benefitted by being underweight in the mining and oil sectors both of whom are significant constituents of the benchmark index and also performed poorly over the course of the year. The Fund also benefitted from its overweight positions in the automobiles, transport and leisure sectors, which performed strongly. The Fund was also a beneficiary of its long held overweight position in smaller and mid cap companies which significantly outperformed larger companies.
- In respect of Fund activity, notable new holdings included Shire (pharmaceuticals), Betfair (gaming), SuperGroup (retailing), and International Consolidated Airlines. Additionally, esure (insurance), HellermanTyton (cable ties) and Crest Nicholson (building) were added on their flotation. Disposals were effected in British American Tobacco (cigarettes), Morgan Advanced Materials (industrial materials), Centrica (utilities) and Babcock International (support services). The position in Oxford Instruments, a long-held and very successful investment, was reduced as its valuation appeared to fully reflect its medium-term prospects.

Prospects

The strong gains by equities in 2013, which were some way ahead of earnings growth, means that ratings are somewhat more demanding than a year ago and returns in 2014 may prove to be relatively less rewarding. Some economies still give cause for concern, although the UK looks set to outperform many others and this should be to the benefit of smaller and mid-sized companies who have a disproportionate amount of the business here. No matter the economic environment, the Fund will remain focussed on seeking out companies based on their known performance and medium-term prospects, whilst maintaining discipline in respect of valuations.

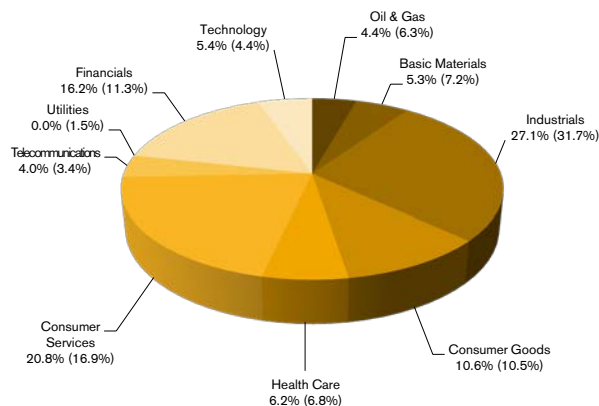
* mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer.

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of five years or more.

The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

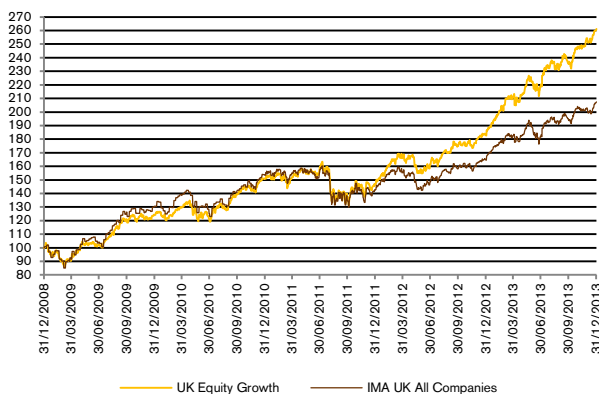
Asset allocation by sector at 31 December 2013

The figures in brackets show allocation at 31 December 2012



Figures exclude cash

Performance



Graph showing the return of the UK Equity Growth Fund compared to IMA UK All Companies Sector Average from 31 December 2008 to 31 December 2013, mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Prices re-based to 100. Source: Morningstar.

Performance and ranking

	UK Equity Growth Fund		IMA UK All Companies Sector Average	
	Total Return	Rank	Total Return	Number
31/12/12 – 31/12/13	43.0%	9	26.2%	261
31/12/11 – 31/12/12	24.2%	34	15.4%	279
31/12/10 – 31/12/11	-2.7%	34	-6.9%	295
31/12/09 – 31/12/10	21.4%	57	17.5%	296
31/12/08 – 31/12/09	24.2%	235	30.4%	306

Table showing % return and ranking of the UK Equity Growth Fund against IMA UK All Companies Sector Average and total number of funds. Figures compared on a mid-to-mid basis excluding initial charges with net income reinvested for a basic rate UK taxpayer. Source: Morningstar.

Major holdings

Top ten holdings		Percentage of total net assets at 31 December 2013
1	Rio Tinto	2.52%
2	GKN	2.40%
3	WANDisco	2.15%
4	Howden Joinery	2.12%
5	Ashtead	2.09%
6	Next	2.02%
7	International Consolidated Airlines	2.01%
8	Vodafone	2.00%
9	Prudential	1.99%
10	ITV	1.98%

Ongoing charges figure at 31 December 2013

Share Class A	Share Class B	Share Class C
1.59%	0.84%	1.34%

Ongoing charges figure at 31 December 2012

Share Class A	Share Class B	Share Class C
1.59%	0.84%	1.34%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Risk Reward Profile

Lower risk Higher risk

← Typically lower rewards Typically higher rewards →

1	2	3	4	5	6	7
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- The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the Share Class price have been historically.
- For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.
- As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.
- Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.
- The Share Class is in risk category 5 as its price has experienced significant rises and falls historically.

Share prices, Fund size and Income

	Share price range		Fund Size			Net income distribution/ accumulation
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue	Pence per share
31 December 2013						
Share Class A	222.30	159.10	38,601,369	221.05	17,463,020	1.3395
Share Class B	227.60	161.80	99,327,152	225.07	44,131,486	2.9366
Share Class C	297.60	211.50	17,131,237	296.78	5,772,419	2.5414
31 December 2012						
Share Class A	158.60	128.70	11,899,867	155.46	7,654,375	2.0255
Share Class B	162.20	130.80	63,989,902	158.11	40,471,284	3.2722
Share Class C	209.20	168.30	13,133,419	206.71	6,353,415	3.2393
31 December 2011						
Share Class A	142.20	114.40	7,827,060	126.94	6,165,820	1.5501
Share Class B	145.00	116.80	52,215,539	129.04	40,464,728	2.7552
Share Class C	184.60	148.60	11,195,672	166.01	6,743,915	2.6173
31 December 2010						
Share Class A	133.40	105.20	7,914,136	131.66	6,011,227	1.6321
Share Class B	136.40	107.20	54,150,383	133.82	40,464,728	2.7463
Share Class C	170.60	134.40	12,248,504	169.55	7,223,915	2.6746
31 December 2009						
Share Class A	111.70	77.30	6,795,703	109.82	6,188,284	1.4307
Share Class B	114.00	78.60	44,777,812	111.56	40,138,383	2.4095
Share Class C	140.30	96.02	10,523,474	138.94	7,573,915	2.3486

Authorised Status

The company is an open-ended investment company. It is an umbrella scheme with six sub-funds. Each sub-fund has investment powers equivalent to that of a UCITS scheme.

Certification of Accounts

On 21 December 2011, the Open Ended Investment Companies Regulations 2011 (as amended) ("the Regulations") were amended to introduce a Protected Cell Regime for OEICS. Under the Protected Cell Regime, each sub-fund represents a segregated portfolio of assets and accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-funds, and shall not be available for such purpose.

The Regulations allowed a transitional period for implementation of the Protected Cell Regime, until 20 December 2013. However, Ecclesiastical Investment Funds adopted the Protected Cell Regime on 31 December 2012.

Please note that shareholders are not liable for the debts of Ecclesiastical Investment Funds.

SJ Round, Director

M Hews, Director

For and on behalf of Ecclesiastical Investment Management Limited.
Authorised Corporate Director of Ecclesiastical Investment Funds.

21 March 2014

Statement of the Authorised Corporate Director's Responsibilities

The Authorised Corporate Director ("ACD") of Ecclesiastical Investment Funds ("Company") is responsible for preparing the Annual Report and the financial statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL") and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare financial statements for each annual accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) ("UK GAAP") and the Statement of Recommended Practice: "Financial Statements of Authorised Funds" ("SORP") issued by the Investment Management Association ("IMA") in October 2010; and
- give a true and fair view of the financial position of the Company and each of its sub-funds as at the end of that period and the net revenue and the net capital gains or losses on the property of the Company and each of its sub-funds for that period.

In preparing the 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 the applicable IMA SORP has been followed;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the applicable IMA SORP and UK GAAP. The ACD is also responsible for the system of internal controls, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with COLL 4.5.8BR, the Annual Report and the audited financial statements were approved by the board of directors of the Authorised Corporate Director of the Company and authorised for issue on 21 March 2014.

SJ Round, Director

M Hews, Director

For and on behalf of Ecclesiastical Investment Management Limited.
Authorised Corporate Director of Ecclesiastical Investment Funds.

21 March 2014

Statement of the 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, as amended ("COLL"), 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 the revenue of the Company; and the investment and borrowing powers and restrictions applicable to the Company.

Report of the Depositary to the Shareholders of the Company

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, 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.

For and on behalf of BNY Mellon Trust & Depositary (UK) Limited

21 March 2014

Portfolio Statement

AMITY UK FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UNITED KINGDOM 88.40% (83.29%)			
UK Corporate Bonds 0.28% (0.38%)			
£250,000	Barclays 14% 15/06/2019	332,125	0.28
	Total UK Corporate Bonds	332,125	0.28
UK Equities 88.12% (82.91%)			
1,300,000	Advanced Fluid Connections* (Suspended 27/03/2006)	-	-
140,000	Alent	493,920	0.41
30,000	AstraZeneca	1,080,900	0.91
4,687	AVEVA	101,239	0.08
248,000	Aviva	1,112,280	0.93
225,603	Barclays	618,265	0.52
65,000	Bellway	1,020,500	0.86
45,000	Berkeley Group	1,161,000	0.97
133,725	BG Group	1,745,780	1.46
239,805	Bonmarche	556,348	0.47
550,000	Booker	894,850	0.75
70,000	Bradford & Bingley*†	-	-
150,000	British Land	941,250	0.79
130,000	British Polythene	824,850	0.69
200,062	Brown (N)	1,055,327	0.88
630,000	BT	2,390,220	2.00
450,000	Cable & Wireless Communications	259,650	0.22
315,040	Camper & Nicholsons Marina Investments	28,354	0.02
315,000	Carillion	1,039,500	0.87
110,000	Catlin	640,750	0.54
570,000	Centrica	1,983,030	1.66
100,000	Crest Nicholson Holdings	365,200	0.31
75,000	Daily Mail & General Trust	707,625	0.59
364,650	Dechra Pharmaceuticals	2,527,025	2.12
225,000	Devro International	639,675	0.54
114,883	Digital Globe Services	275,719	0.23
104,524	Dignity	1,499,919	1.26
700,000	Dixons Retail	338,590	0.28
260,000	Dolphin Capital	101,400	0.09
315,000	Dunelm Group	2,923,200	2.45
375,000	Elementis	1,016,625	0.85
250,000	esure Group	613,750	0.51
115,000	Fenner	551,885	0.46
400,000	G4S plc	1,056,000	0.89
120,000	Galliford Try	1,392,000	1.17
115,000	Genus	1,485,800	1.25
133,000	GlaxoSmithKline	2,148,615	1.80
120,000	Great Portland Estates	715,200	0.60
1,125,000	Greencoat UK Wind	1,158,750	0.97
402,961	Halma	2,421,796	2.03
250,000	HellermannTyton Group	744,000	0.62
75,000	HSBC	497,250	0.42
100,000	Hyder Consulting	628,000	0.53
750,000	Impax Environmental Markets	1,110,000	0.93
170,000	Informa	954,550	0.80
1,194,444	Inland Homes	549,444	0.46
190,000	International Personal Finance	935,750	0.78
76,876	Invensys	389,761	0.33
375,000	ITM Power	146,250	0.12
93,322	Jardine Lloyd Thompson	952,818	0.80

Portfolio Statement

AMITY UK FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UK Equities (continued)			
935,000	John Laing Infrastructure	1,072,445	0.90
41,522	Johnson Matthey	1,354,863	1.14
99,125	Johnson Service Group	52,536	0.04
3,893,345	Johnston Press	622,935	0.52
61,252	Keller	703,173	0.59
24,968	Kier	455,167	0.38
350,000	Laird Group	973,350	0.82
35,546	Land Securities	341,597	0.29
950,000	Legal & General	2,119,450	1.78
820,511	Lloyds Banking Group	647,055	0.54
116,000	LSL Property Services	509,240	0.43
150,000	Marks & Spencer	673,350	0.56
306,421	Marshalls	536,237	0.45
200,000	Mears Group	947,500	0.79
96,000	Menzies (John)	684,480	0.57
200,000	MITIE	636,200	0.53
83,000	Morgan Sindall	623,745	0.52
590,078	Morrison (Wm) Supermarkets	1,566,657	1.31
320,000	National Express	885,760	0.74
92,000	National Grid	725,420	0.61
40,000	Next	2,200,000	1.84
218,250	Office2office	65,475	0.05
130,000	Oxford Instruments	2,306,200	1.93
115,000	Pearson	1,537,550	1.29
163,000	Pennon Group	1,077,430	0.90
590,000	Picton Property Income	325,975	0.27
133,190	Pinewood Shepperton	419,549	0.36
74,074	Plethora Solutions	9,259	0.01
160,000	Porvair	435,600	0.37
95,000	Provident Financial	1,534,250	1.29
175,000	Prudential	2,350,250	1.97
143,142	Reed Elsevier	1,282,552	1.08
520,000	Rentokil Initial	598,520	0.50
120,000	Rexam	632,400	0.53
4,700	Royal Bank of Scotland Group	15,985	0.01
224,924	Royal Mail	1,297,811	1.09
348,074	Sage Group	1,407,611	1.18
280,000	Sainsbury (J)	1,033,760	0.87
143,650	Sales Activation Solution*†	-	-
950,000	Scapa Group	1,064,000	0.89
67,000	Severn Trent	1,153,740	0.97
625,000	Shanks	678,125	0.57
393,511	SIG	831,095	0.70
235,000	Smith & Nephew	2,025,700	1.70
658,750	Smith (DS)	2,175,193	1.82
38,000	Smith (WH) Group	387,600	0.32
90,000	Smiths Group	1,334,700	1.12
25,920	Smiths News	60,199	0.05
65,000	Spectris	1,658,800	1.39
72,500	Scottish Southern Energy	988,900	0.83
165,000	St James's Place	1,180,575	0.99
95,000	Standard Chartered	1,292,475	1.08
165,750	Standard Life	594,214	0.50
65,000	Synectics	364,000	0.31
13,760	Tandem	9,632	0.01
425,768	Taylor Wimpey	476,434	0.40

Portfolio Statement

AMITY UK FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	UK Equities (continued)		
385,000	Tesco	1,296,488	1.09
2,433	Thompson Clive Investments*†	-	-
36,116	Travis Perkins	671,758	0.57
50,000	Trinity Mirror	101,875	0.09
107,500	United Utilities	727,238	0.61
1,275,000	Vodafone	3,035,138	2.54
255,000	Volex	297,713	0.25
36,774	Wolseley	1,254,361	1.05
	Total UK Equities	105,115,900	88.12
	BRAZIL 0.18% (0.32%)		
24,000	Petroleo Brasileiro ADR	211,752	0.18
	Total Brazil	211,752	0.18
	FRANCE 0.21% (0.23%)		
12,027	Mersen	251,255	0.21
	Total France	251,255	0.21
	GERMANY 0.08% (0.11%)		
20,000	Telefonica Deutschland	99,793	0.08
	Total Germany	99,793	0.08
	HONG KONG 0.26% (0.46%)		
380,000	China Shineway Pharmaceutical	314,033	0.26
	Total Hong Kong	314,033	0.26
	IRELAND 0.17% (0.19%)		
12,857	CRH	197,272	0.17
175,000	Veris* (Suspended 01/12/2009)†	-	-
	Total Ireland	197,272	0.17
	JAPAN 0.45% (0.00%)		
900,000	Japan Residential Investment	540,000	0.45
	Total Japan	540,000	0.45
	NETHERLANDS 1.33% (1.47%)		
20,000	Fugro	720,777	0.61
50,000	Wolters Kluwer	862,269	0.72
	Total Netherlands	1,583,046	1.33
	NORWAY 0.34% (0.44%)		
15,500	Yara International	402,143	0.34
	Total Norway	402,143	0.34
	PORTUGAL 0.00% (0.10%)		

Portfolio Statement

AMITY UK FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
450,000	SINGAPORE 0.13% (0.15%) Sound Global Total Singapore	150,587 150,587	0.13 0.13
24,157	SPAIN 0.20% (0.23%) Telefonica ADR Total Spain	237,817 237,817	0.20 0.20
20,000	SWEDEN 0.35% (0.96%) Getinge 'B' Total Sweden	414,517 414,517	0.35 0.35
15,000 27,000 25,000 30,339 22,590 9,562	UNITED STATES 1.77% (1.17%) Baker Hughes HCP Ocean Power Technologies Pfizer Titan International Zoetis 'A' Total United States	493,834 597,470 28,941 562,689 245,674 188,905 2,117,513	0.41 0.50 0.02 0.47 0.21 0.16 1.77
	Portfolio of Investments 93.87% (89.12%)	111,967,753	93.87
	Net other assets	7,312,184	6.13
	Total net assets	119,279,937	100.00

* Unapproved securities.

† Unlisted.

Unless otherwise stated, all investments are listed equities.

Comparative percentage holdings by market value at 31 December 2012 are shown in brackets.

Portfolio Statement

AMITY EUROPEAN FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
450,000	UNITED KINGDOM 0.00% (0.00%)		
	Advanced Fluid Connections* (Suspended 27/03/2006)	-	-
	Total United Kingdom	-	-
55,000	AUSTRIA 3.11% (2.07%)		
300,000	EVN	525,976	0.91
15,000	Immofinanz	837,466	1.45
	OMV	432,091	0.75
	Total Austria	1,795,533	3.11
25,000	BELGIUM 0.68% (1.21%)		
	Tessenderlo Chemie	393,472	0.68
	Total Belgium	393,472	0.68
80,000	FINLAND 4.19% (3.96%)		
150,000	Fortum	1,107,299	1.92
30,000	Nokia	725,979	1.26
	Vaisala 'A'	579,534	1.01
	Total Finland	2,412,812	4.19
30,000	FRANCE 27.70% (22.83%)		
50,000	Alstom	660,934	1.15
55,000	AXA	835,011	1.45
25,000	Carrefour	1,312,650	2.28
20,000	Cie de St-Gobain	827,832	1.44
23,723	Cie Generale des Etablissements Michelin 'B'	1,272,595	2.21
15,750	Environnement	449,194	0.78
15,000	Eurazeo	745,498	1.29
60,000	Fonciere des Regions	779,537	1.35
12,053	GDF Suez	848,452	1.47
50,000	Imerys	631,701	1.09
120,000	Mersen	1,044,544	1.81
24,500	Orange	890,900	1.54
14,000	Sanofi-Aventis	1,564,027	2.71
22,000	Schneider Electric	734,094	1.27
80,000	Societe Generale	773,079	1.34
40,000	Suez Environnement	869,260	1.51
85,000	Veolia Environnement	391,850	0.68
	Vivendi	1,343,112	2.33
	Total France	15,974,270	27.70
4,000	GERMANY 22.23% (21.34%)		
15,000	Allianz	434,131	0.75
40,000	Bayer	1,274,676	2.21
68,333	Carl Zeiss Meditec	807,336	1.40
40,000	Commerzbank	665,425	1.16
20,000	Deutsche Bank	1,155,240	2.00
50,000	Deutsche Post	442,870	0.77
55,000	Deutsche Telekom	518,526	0.90
40,500	Francotyp-Postalia	184,069	0.32
15,000	Indus Holdings	977,712	1.70
	Merck KGaA	1,622,372	2.81

Portfolio Statement

AMITY EUROPEAN FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	GERMANY (continued)		
36,000	Metro	1,057,394	1.83
18,000	Mologen	170,115	0.30
7,500	Munich Re	1,002,512	1.74
14,500	Siemens	1,200,930	2.08
15,000	Talanx	307,246	0.53
200,000	Telefonica Deutschland	997,934	1.73
	Total Germany	12,818,488	22.23
	IRELAND 2.70% (2.99%)		
105,000	Smurfit Kappa	1,558,201	2.70
	Total Ireland	1,558,201	2.70
	ITALY 11.96% (8.52%)		
1,500,000	A2A	1,061,814	1.84
205,714	Ansaldo	1,343,197	2.33
80,000	Atlantia	1,085,327	1.88
1,500,000	Beni Stabili	611,120	1.06
180,000	Enel	475,513	0.83
110,000	Pirelli	1,149,913	2.00
40,000	Prysmian	622,898	1.08
180,000	Terna	544,128	0.94
	Total Italy	6,893,910	11.96
	NETHERLANDS 11.02% (12.88%)		
60,000	CSM	769,050	1.33
12,000	Fugro	432,466	0.75
22,000	Koninklijke DSM	1,046,641	1.82
360,000	Koninklijke KPN	700,235	1.22
55,000	Philips Electronics	1,213,543	2.10
50,000	Reed Elsevier	642,332	1.11
90,000	Wolters Kluwer	1,552,084	2.69
	Total Netherlands	6,356,351	11.02
	NORWAY 1.71% (2.17%)		
38,000	Yara International	985,899	1.71
	Total Norway	985,899	1.71
	SPAIN 5.79% (5.48%)		
179,084	Banco Santander	968,246	1.68
25,000	Bolsas y Mercados Españoles	576,996	1.00
50,000	Gas Natural	777,165	1.35
90,000	Telefonica	882,785	1.53
13,239	Telefonica ADR	130,333	0.23
	Total Spain	3,335,525	5.79
	SWEDEN 1.67% (5.83%)		
130,000	Ericsson 'B'	960,785	1.67
	Total Sweden	960,785	1.67

Portfolio Statement

AMITY EUROPEAN FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	SWITZERLAND 6.05% (7.89%)		
28,000	Novartis	1,351,963	2.34
8,500	Roche	1,436,893	2.49
4,000	Zurich Financial Services	701,158	1.22
	Total Switzerland	3,490,014	6.05
	Portfolio of Investments 98.81% (97.17%)	56,975,260	98.81
	Net other assets	685,525	1.19
	Total net assets	57,660,785	100.00

* Unapproved securities.

† Unlisted.

Unless otherwise stated, all investments are listed equities.

Comparative percentage holdings by market value at 31 December 2012 are shown in brackets.

Portfolio Statement

AMITY INTERNATIONAL FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UNITED KINGDOM 15.47% (15.30%)			
400,000	Aviva	1,794,000	0.78
600,000	BT	2,276,400	0.99
500,000	Catlin	2,912,500	1.26
500,000	Centrica	1,739,500	0.75
350,000	Fenner	1,679,650	0.73
400,000	GlaxoSmithKline	6,462,000	2.80
150,000	Morrison (Wm) Supermarkets	398,250	0.17
300,000	National Grid	2,365,500	1.03
500,000	Resolution	1,763,000	0.76
2,000,000	RSA Insurance	1,846,000	0.80
403,750	Smith (DS)	1,333,182	0.58
150,000	Standard Chartered	2,040,750	0.88
1,000,000	Tesco	3,367,500	1.46
2,400,000	Vodafone	5,713,200	2.48
	Total United Kingdom	35,691,432	15.47
AUSTRIA 1.92% (0.97%)			
200,000	EVN	1,912,638	0.83
900,000	Immofinanz	2,512,398	1.09
	Total Austria	4,425,036	1.92
BELGIUM 0.31% (0.46%)			
45,000	Tessenderlo Chemie	708,250	0.31
	Total Belgium	708,250	0.31
BRAZIL 2.09% (2.52%)			
600,000	Banco Santander Brazil ADR	2,181,719	0.94
300,000	Petroleo Brasileiro ADR	2,646,899	1.15
	Total Brazil	4,828,618	2.09
FINLAND 1.72% (1.26%)			
200,000	Fortum	2,768,249	1.20
62,000	Vaisala 'A'	1,197,704	0.52
	Total Finland	3,965,953	1.72
FRANCE 6.72% (6.25%)			
65,000	Alstom	1,432,023	0.62
95,000	Carrefour	2,267,305	0.98
220,000	GDF Suez	3,110,992	1.35
18,995	Mersen	396,822	0.17
55,000	Sanofi-Aventis	3,511,081	1.52
20,000	Schneider Electric	1,048,705	0.46
30,000	Societe Generale	1,054,198	0.46
170,000	Vivendi	2,686,225	1.16
	Total France	15,507,351	6.72
GERMANY 6.92% (6.18%)			
110,000	Carl Zeiss Meditec	2,220,175	0.96
117,500	Indus Holdings	2,836,570	1.23
25,000	Merck KGaA	2,703,953	1.17

Portfolio Statement

AMITY INTERNATIONAL FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	GERMANY (continued)		
55,000	Metro	1,615,464	0.70
20,000	Munich Re	2,673,366	1.16
37,500	Siemens	3,105,853	1.35
39,500	Talanx	809,080	0.35
	Total Germany	15,964,461	6.92
	HONG KONG 11.46% (11.71%)		
12,000,000	BYD Electronic International	4,209,979	1.82
3,300,000	China Metal Recycling	180,094	0.08
2,250,000	China Shineway Pharmaceuticals	1,859,407	0.81
4,500,000	Comba Telecom	936,720	0.41
4,019,000	Dah Chong Hong	1,817,323	0.79
2,914,200	Dah Sing Banking	3,094,444	1.34
6,000,000	Fujikon	958,940	0.42
29,368,591	Hop Fung	801,378	0.35
10,242,000	Lerado	918,267	0.40
1,500,000	Luk Fook	3,420,608	1.48
3,200,000	Minth	3,991,684	1.73
1,700,000	Nine Dragons Paper Holdings	893,295	0.39
1,000,000	Peace Mark Holdings* (Suspended 25/08/2008)	-	-
17,000,000	Scud Group	642,801	0.28
3,250,000	TCL Multimedia	909,628	0.39
325,000	Tonly Electronics	142,652	0.06
8,227,000	Trinity	1,654,807	0.71
	Total Hong Kong	26,432,027	11.46
	ITALY 1.09% (0.99%)		
385,714	Ansaldo	2,518,496	1.09
	Total Italy	2,518,496	1.09
	JAPAN 8.26% (6.08%)		
140,000	Amada	746,454	0.32
3,000,000	Fidelity Japanese Values	2,160,000	0.94
4,100,000	Japan Residential Investment Company	2,460,000	1.07
1,160,887	JPMorgan Japanese Investment Trust	2,809,347	1.22
1,904,594	Schroder Japan Growth Fund	2,395,027	1.04
200,000	Sekisui Jushi	1,717,005	0.74
225,000	Sony Corporation	2,363,042	1.02
120,000	Sumitomo Mitsui Financial	3,738,028	1.62
50,000	TV Asahi	671,083	0.29
	Total Japan	19,059,986	8.26
	KOREA 0.85% (1.11%)		
2,500	Samsung Electronics	1,963,328	0.85
	Total Korea	1,963,328	0.85
	MALAYSIA 2.19% (2.32%)		
6,750,000	KNM Group	554,368	0.24
2,250,000	KNM Group Warrants	49,831	0.02
700,000	Malayan Banking	1,284,159	0.56
1,514,292	Pelikan International	173,275	0.08

Portfolio Statement

AMITY INTERNATIONAL FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	MALAYSIA (continued)		
503,000	Public Bank	1,799,103	0.78
562,500	Tenaga Nasional	1,181,406	0.51
	Total Malaysia	5,042,142	2.19
	NETHERLANDS 1.63% (1.47%)		
60,000	Fugro	2,162,330	0.94
125,000	Reed Elsevier	1,605,830	0.69
	Total Netherlands	3,768,160	1.63
	NORWAY 1.16% (0.99%)		
103,000	Yara International	2,672,306	1.16
	Total Norway	2,672,306	1.16
	PORTUGAL 0.00% (0.07%)		
	SINGAPORE 17.48% (18.82%)		
4,000,000	Boustead Singapore	3,222,077	1.40
1,500,000	Cache Logistics	795,958	0.35
3,000,000	Capita Commercial Trust	2,072,359	0.90
6,000,000	China Hongxing Sports	114,733	0.05
270,000	DBS Group	2,200,717	0.95
1,652,200	Eu Yan Sang International	687,160	0.30
6,200,000	Ezion Holdings	6,579,920	2.85
2,700,000	Goodpack	2,510,495	1.09
6,408,000	HI-P International	1,776,751	0.77
85,000	Jardine Matheson	2,687,402	1.16
3,000,000	Mapletree Industrial Trust	1,914,602	0.83
12,000,000	Midas Holdings	2,925,684	1.27
420,000	Oversea-Chinese Banking	2,047,979	0.89
750,000	Sembcorp Marine	1,584,745	0.69
700,000	SIA Engineering	1,683,224	0.73
1,000,000	Singapore Telecom	1,744,893	0.76
9,500,000	Sound Global	3,179,052	1.38
2,500,000	Vard Holdings	974,033	0.41
160,000	United Overseas Bank	1,624,615	0.70
	Total Singapore	40,326,399	17.48
	SPAIN 1.72% (1.33%)		
252,691	Banco Santander	1,366,214	0.59
200,000	Telefonica	1,961,744	0.85
64,701	Telefonica ADR	636,958	0.28
	Total Spain	3,964,916	1.72
	SWEDEN 1.12% (1.42%)		
350,000	Ericsson 'B'	2,586,730	1.12
	Total Sweden	2,586,730	1.12
	SWITZERLAND 2.67% (3.53%)		
27,000	Novartis	1,303,678	0.56

Portfolio Statement

AMITY INTERNATIONAL FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	SWITZERLAND (continued)		
12,000	Roche	2,028,555	0.88
25,000	Swiss Re	1,391,187	0.60
6,000	Syngenta	1,445,885	0.63
	Total Switzerland	6,169,305	2.67
	THAILAND 1.52% (2.03%)		
1,150,000	Kiatnakin Bank	788,077	0.34
1,300,000	Kiatnakin Bank Non-Voting Depository Receipts	890,869	0.39
6,000,000	Krung Thai Bank	1,821,292	0.79
	Total Thailand	3,500,238	1.52
	UNITED STATES 11.39% (9.20%)		
125,000	AT&T	2,658,763	1.15
100,000	Baker Hughes	3,292,226	1.43
300,000	General Electric Class 'C'	5,054,407	2.19
113,000	HCP	2,500,523	1.08
235,000	Intel	3,671,609	1.59
50,000	Johnson & Johnson	2,789,566	1.21
30,000	Monsanto	2,099,837	0.91
9,000	PepsiCo	451,170	0.20
113,772	Pfizer	2,110,098	0.91
13,700	Southern Company	339,519	0.15
20,000	Verizon Communications	594,245	0.26
35,858	Zoetis	708,403	0.31
	Total United States	26,270,366	11.39
	VIETNAM 1.00% (0.25%)		
3,000,000	Vietnam Holdings	2,303,228	1.00
	Total Vietnam	2,303,228	1.00
	Portfolio of Investments 98.69% (94.26%)	227,668,728	98.69
	Net other assets	3,030,337	1.31
	Total net assets	230,699,065	100.00

* Unapproved securities.

† Unlisted.

Unless otherwise stated, all investments are listed equities.

Comparative percentage holdings by market value at 31 December 2012 are shown in brackets.

Portfolio Statement

AMITY STERLING BOND FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	UNITED KINGDOM 92.55% (93.01%)		
	UK Corporate Bonds 77.27% (77.89%)		
£850,000	3i Group 5.75% 03/12/2032	857,168	1.35
£550,000	A2D Funding 4.75% 18/10/2022	572,550	0.90
£500,000	Abbey National 4.125% 14/09/2017	528,708	0.83
£400,000	Anglian Water 5.5% 10/10/2040	435,364	0.69
£740,000	Annington Repackaging No.1 5.3236% 10/01/2023	798,712	1.26
£700,000	Artesian Finance 3.625% 30/09/2032	1,282,869	2.02
£500,000	BAA 6.25% 10/09/2018	559,253	0.88
£151,000	Barclays 10% 21/05/2021	194,832	0.31
£625,000	Beazley 5.375% 25/09/2019	650,000	1.02
£600,000	Beazley Group 7.25% 17/10/2026	607,680	0.96
£400,000	Brit Insurance 6.625% 09/12/2030	379,420	0.60
£350,000	British Telecom 4.5% Index Linked 25/04/2025	625,236	0.98
£400,000	British Telecom 6.625% 23/06/2017	455,782	0.72
£900,000	BUPA 7.5% 04/07/2016	1,018,532	1.60
£1,250,000	BUPA Finance 5% 25/04/2023	1,231,960	1.94
£600,000	Catalyst Health 2.411% 30/09/2040	616,797	0.97
£1,200,000	Close Bros 6.5% 10/02/2017	1,289,856	2.03
£358,420	Co-Operative Bank 11.00% 20/12/2023	424,441	0.67
£590,800	Co-Operative Bank 11.00% 18/12/2025	700,098	1.10
£800,000	Coventry Building Society 12.125% PIBS	1,368,000	2.15
£1,200,000	Direct Line Insurance 9.25% FRN 27/04/2042	1,472,648	2.32
£400,000	E.ON 6.00% 30/10/2019	459,616	0.72
£1,200,000	Fidelity International 7.125% 13/02/2024	1,328,988	2.09
£650,000	General Electric Capital 6.25% 15/12/2017	746,318	1.18
£1,376,000	Henderson Group 7.25% 24/03/2016	1,451,033	2.29
£1,000,000	ICAP 5.50% 31/07/2018	1,062,000	1.67
£300,000	IFFIM 3.375% 15/05/2014	302,835	0.48
£500,000	John Lewis 10.50% 23/01/2014	502,065	0.79
£500,000	John Lewis 8.375% 08/04/2019	615,635	0.97
£1,400,000	Liverpool Victoria 6.5% 22/05/2043	1,315,790	2.07
£1,300,000	London Stock Exchange 4.75% 02/11/2021	1,364,350	2.15
£410,000	Manchester Building Society 6.75% PIBS	340,300	0.54
£113,000	Manchester Building Society 8% PIBS	106,220	0.17
£699,000	Marks & Spencer 5.625% 24/03/2014	702,914	1.11
£400,000	Marks & Spencer 6.125% 06/12/2021	438,944	0.69
£600,000	Meridian Hospital Index Linked 4.1875% 28/06/2028	640,600	1.01
£530,000	National Grid 4.1875% Index Linked 14/12/2022	1,029,456	1.62
£1,455,000	Nationwide Building Society 6.25% PIBS	1,347,912	2.12
£190,000	Nationwide Building Society 7.971% PIBS	197,283	0.31
£290,000	Newcastle Building Society 10.75% PIBS	345,100	0.54
£200,000	Next 5.375% 26/10/2021	218,239	0.34
£200,000	Next 5.875% 12/10/2016	220,728	0.35
£1,100,000	NGG Finance 5.625% 18/06/2073	1,108,286	1.75
£1,000,000	NIE Finance 6.375% 02/06/2026	1,146,076	1.81
£350,000	Northumbrian 6% 11/10/2017	397,241	0.63
£1,700,000	Nottingham Building Society 7.875% PIBS	1,836,000	2.89
£400,000	Pearson 7% 27/10/2014	417,200	0.66
£1,000,000	Pennon 3.3% Index Linked 13/07/2022	901,455	1.42
£659,000	Places For People 5% 27/12/2016	696,892	1.10
£380,000	Prudential 11.375% 29/05/2039	513,136	0.81
£500,000	Rabobank 5.556% Perp	511,884	0.81
£500,000	Reed Elsevier 7% 11/12/2017	584,725	0.92
£400,000	Rentokil Initial 5.75% 31/03/2016	429,009	0.68
£300,000	RL Finance Bonds 6.125% 30/11/2043	297,066	0.47
£1,000,000	RSA Insurance 8.5% Perp	1,030,867	1.62

Portfolio Statement

AMITY STERLING BOND FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UK Corporate Bonds (continued)			
£250,000	RSA Insurance 9.375% 20/05/2039	293,562	0.46
£500,000	Scottish Widows 7% 16/06/2043	545,608	0.86
£400,000	Smiths Group 7.25% 30/06/2016	442,276	0.70
£1,200,000	Society Of Lloyds 7.421% Perp	1,295,280	2.04
£1,000,000	Southern Water Services Finance 7.869% Variable Bond 31/03/2038	1,012,870	1.60
£1,336,000	Standard Life 6.546% Perp	1,457,910	2.30
£360,000	Tate & Lyle International Finance 6.75% 25/11/2019	418,305	0.66
£1,000,000	Telefonica Emisiones 5.597% 12/03/2020	1,066,332	1.68
£400,000	Tesco 5% 24/03/2023	415,966	0.65
£1,050,000	Tullett Prebon Group 7.04% 06/07/2016	1,113,063	1.75
£250,000	Vodafone 8.125% 26/11/2018	308,872	0.49
	Total UK Corporate Bonds	49,046,113	77.27
UK Corporate Preference Shares 12.21% (12.03%)			
1,350,000	Aviva 8.75%	1,714,500	2.70
575,000	Bristol Water 8.75%	845,250	1.33
250,000	General Accident 7.875%	276,250	0.44
800,000	General Accident 8.875%	980,000	1.55
300,000	Northern Electric 8.061%	420,000	0.66
100,000	Premier Farnell 8.92%	1,550,000	2.44
800,000	RSA Insurance 7.375%	824,000	1.30
900,000	Standard Chartered Bank 8.250%	1,138,500	1.79
	Total UK Corporate Preference Shares	7,748,500	12.21
UK Government Bonds 1.98% (3.09%)			
£1,000,000	UK Treasury 8.75% 25/08/2017	1,258,531	1.98
	Total UK Government Bonds	1,258,531	1.98
UK Equities 1.09% (0.00%)^			
184,916	Co-Operative Bank	693,435	1.09
	Total UK Equities	693,435	1.09
FRANCE 0.98% (0.00%)			
French Corporate Bonds 0.98% (0.00%)			
£600,000	Electricite De France 6% Perp	621,240	0.98
	Total French Corporate Bonds	621,240	0.98
GERMANY 1.07% (1.32%)			
German Corporate Bonds 1.07% (1.32%)			
£350,000	Bayer 5.625% 23/05/2018	396,022	0.62
£262,000	Siemens 6.125% 14/09/2066	283,493	0.45
	Total German Corporate Bonds	679,515	1.07
ITALY 0.83% (0.00%)			
Italian Corporate Bonds 0.83% (0.00%)			
£500,000	Enel F2V 7.75% 10/09/2075	526,875	0.83
	Total Italian Corporate Bonds	526,875	0.83

Portfolio Statement

AMITY STERLING BOND FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
£1,000,000	NETHERLANDS 1.60% (0.00%) Dutch Corporate Bonds 1.60% (0.00%) Telefonica Europe 6.75% Perp Total Dutch Corporate Bonds	1,017,550 1,017,550	1.60 1.60
£500,000	PORTUGAL 0.82% (0.92%) Portuguese Government Bonds 0.82% (0.92%) Republic of Portugal 9% 20/05/2016 Total Portuguese Government Bonds	523,870 523,870	0.82 0.82
	Portfolio of Investments 97.85% (95.25%)	62,115,629	97.85
	Net other assets	1,362,816	2.15
	Total net assets	63,478,445	100.00
Debt Security Allocation is as follows:			
			Percentage of Debt Securities %
	Debt Securities above investment grade		68.90
	Debt Securities below investment grade (sub BBB or unrated)		31.10
			100.00

* Unapproved securities.

† Unlisted.

^ Equity holding is due to a corporate action at year end. All stock has subsequently been sold.

Unless otherwise stated, all investments are listed equities.

Comparative percentage holdings by market value at 31 December 2012 are shown in brackets.

Portfolio Statement

HIGHER INCOME FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UNITED KINGDOM 65.04% (69.95%)			
UK Corporate Bonds 18.07% (22.53%)			
£1,400,000	A2D Funding 4.75% 18/10/2022	1,457,400	0.63
£600,000	Barclays 14% 15/06/2019	797,100	0.34
£300,000	British Telecom 4.5% Index Linked 25/04/2025	535,917	0.23
£50,000	Clerical Medical Finance 7.375% 29/11/2049	48,780	0.02
£1,800,000	Close Bros 6.5% 10/02/2017	1,934,784	0.83
£746,430	Co-Operative Bank 11% 20/12/2023	883,922	0.38
£1,688,000	Co-Operative Bank 11% 20/12/2025	2,000,280	0.86
£1,400,000	Coventry Building Society 12.125% PIBS	2,394,000	1.03
£1,750,000	Direct Line Insurance FRN 27/04/2042	2,147,612	0.92
£1,300,000	Electricite de France 6% Perp	1,346,020	0.58
£750,000	Fidelity International 6.75% 19/10/2020	833,807	0.36
£1,000,000	Henderson Group 7.25% 24/03/2016	1,054,530	0.45
£300,000	John Lewis 10.5% 23/01/2014	301,239	0.13
£345,000	Leeds & Holbeck Building Society 13.375% PIBS	558,900	0.24
£2,500,000	Liverpool Victoria 6.5% Index Linked 22/05/2043	2,349,625	1.01
£150,000	Lloyds Banking Group Capital 14.5% 30/01/2022	193,523	0.08
£700,000	Lloyds Banking Group Capital No.1 7.8673% 17/12/2019	736,750	0.32
£600,000	Marks & Spencer 5.625% 24/03/2014	603,360	0.26
£500,000	Marks & Spencer 6.125% 06/12/2021	548,680	0.24
£1,000,000	National Grid 4.1875% Index Linked 14/12/2022	1,942,370	0.84
£732,000	National Grid Electricity Transmission 2.983% 08/07/2018	1,209,110	0.52
£900,000	Nationwide Building Society 6% FRN PIBS	893,250	0.38
£2,175,000	Nationwide Building Society 6.25% PIBS	2,014,920	0.87
£1,200,000	Nationwide Building Society 7.25% 05/12/2049	1,200,000	0.52
£1,700,000	NIE Financial 6.375% 02/06/2026	1,948,329	0.84
£2,000,000	Nottingham Building Society 7.875% Perp	2,160,000	0.93
£1,600,000	Places For People 5% 27/12/2016	1,692,000	0.73
£500,000	Rabobank 5.556% Perp Call 2019	511,884	0.22
£1,000,000	Roche 5.375% 29/08/2023	1,149,985	0.49
£775,000	Skipton Building Society 12.875% PIBS	1,108,250	0.48
£1,000,000	Society of Lloyds 7.421% 31/12/2049	1,079,400	0.46
£1,000,000	Standard Chartered Bank 7.75% 03/04/2018	1,160,181	0.50
£1,300,000	Standard Life 6.546% Perp	1,418,625	0.61
£1,688,000	Tullett Prebon 7.04% 06/07/2016	1,789,381	0.77
	Total UK Corporate Bonds	42,003,914	18.07
UK Corporate Preference Shares 8.67% (9.39%)			
1,100,000	Aviva 8.375%	1,369,500	0.59
1,325,000	Aviva 8.75%	1,682,750	0.72
200,000	Bellway 9.5%	200,000	0.09
600,000	Bristol Water 8.75%	882,000	0.38
1,100,000	General Accident 7.875%	1,215,500	0.52
3,500,000	General Accident 8.875%	4,287,500	1.84
1,513,519	Northern Electric 8.061%	2,118,927	0.91
104,750	Premier Farnell 8.920%	1,623,625	0.70
2,945,000	RSA Insurance 7.375%	3,033,350	1.31
400,000	Standard Chartered 7.375%	452,000	0.19
2,600,000	Standard Chartered Bank 8.25%	3,289,000	1.42
	Total UK Corporate Preference Shares	20,154,152	8.67
UK Equities 38.30% (38.03%)			
700,000	3i Group	2,702,000	1.16
30,000	AstraZeneca	1,080,900	0.47

Portfolio Statement

HIGHER INCOME FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UK Equities (continued)			
600,000	Aviva	2,691,000	1.16
115,789	Bodycote	769,997	0.33
850,000	BP	4,165,850	1.79
190,500	British Polythene	1,208,722	0.52
900,000	BT	3,414,600	1.47
200,000	Carillion	660,000	0.28
500,000	Catlin	2,912,500	1.25
500,000	Centrica	1,739,500	0.75
400,000	Clinton Cards* (Suspended 2012)	-	-
419,262	Co-Operative Bank	1,572,233	0.68
96,427	Co-Operative Bank (Rights)	361,601	0.16
110,000	Diageo	2,190,100	0.94
1,400,000	Dixons Retail	677,180	0.29
300,000	Fenner	1,439,700	0.62
400,000	GlaxoSmithKline	6,462,000	2.78
3,450,000	Greencoat UK Wind	3,553,500	1.53
250,000	Greene King	2,197,500	0.95
1,700,000	HICL Infrastructure	2,279,700	0.98
2,070,000	John Laing Infrastructure	2,374,290	1.02
240,000	Ladbrokes	428,640	0.19
75,000	Laird Group	208,575	0.09
125,000	Marks & Spencer	561,125	0.24
42,954	Menzies (John)	306,262	0.13
50,000	Morgan Sindall	375,750	0.16
409,000	National Grid	3,224,965	1.39
200,000	Prudential	2,686,000	1.16
450,000	Resolution	1,586,700	0.68
100,990	Rolls-Royce	1,287,623	0.55
8,685,140	Rolls-Royce Holdings Prf	8,685	-
200,000	Royal Dutch Shell 'B'	4,535,000	1.95
2,450,000	RSA Insurance	2,261,350	0.97
700,000	Sainsbury (J)	2,584,400	1.11
250,000	Scottish Southern Energy	3,410,000	1.47
100,000	Severn Trent	1,722,000	0.74
403,750	Smith (DS)	1,333,183	0.57
70,000	Smiths Group	1,038,100	0.45
130,000	Standard Chartered	1,768,650	0.76
110,500	Standard Life	396,143	0.17
1,250,000	Synthomer	3,200,000	1.38
1,000,000	Tesco	3,367,500	1.45
30,588	The Real Hotel Group*	-	-
80,000	Unilever	1,980,800	0.85
50,227	United Utilities	339,786	0.15
2,500,000	Vodafone	5,951,250	2.56
	Total UK Equities	89,015,360	38.30
BELGIUM 0.17% (0.29%)			
25,000	Tessenderlo Chemie	393,472	0.17
	Total Belgium	393,472	0.17
BRAZIL 1.64% (0.80%)			
500,000	Banco Santander Brazil ADR	1,818,099	0.79
225,000	Petroleo Brasileiro ADR	1,985,174	0.85
	Total Brazil	3,803,273	1.64

Portfolio Statement

HIGHER INCOME FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
200,000	FINLAND 1.19% (0.98%)		
	Fortum	2,768,249	1.19
	Total Finland	2,768,249	1.19
210,000	FRANCE 5.14% (4.00%)		
310,000	GDF Suez	2,969,583	1.28
45,000	Orange	2,301,492	0.99
240,000	Sanofi-Aventis	2,872,703	1.24
	Vivendi	3,792,317	1.63
	Total France	11,936,095	5.14
£1,100,000	GERMANY 1.97% (1.20%)		
	German Corporate Bonds 0.51% (0.68%)		
	Siemens 6.125% 14/09/2066	1,190,236	0.51
	Total German Corporate Bonds	1,190,236	0.51
16,000	German Equities 1.46% (0.52%)		
100,000	Deutsche Post	354,296	0.16
39,500	RWE	2,218,927	0.95
	Talanx	809,080	0.35
	Total German Equities	3,382,303	1.46
1,380,000	HONG KONG 4.41% (4.03%)		
3,299,600	China Citic Bank 'H'	451,871	0.19
300,000	China Metal Recycling	180,072	0.08
380,000	China Mobile	1,876,949	0.81
3,812,000	China Shineway Pharmaceutical	314,033	0.14
1,500,000	Dah Chong Hong Holdings	1,723,721	0.74
16,500,000	Luk Fook	3,420,608	1.47
8,227,000	Scud Group	623,896	0.27
	Trinity	1,654,807	0.71
	Total Hong Kong	10,245,957	4.41
£2,000,000	IRELAND 0.96% (1.23%)		
	Irish Corporate Bonds 0.96% (1.23%)		
	ESB Finance 6.5% 05/03/2020	2,240,684	0.96
	Total Irish Corporate Bonds	2,240,684	0.96
318,181	Irish Equities 0.00% (0.00%)		
	Waterford Wedgwood Uts* (Suspended 18/12/2008)	-	-
	Total Irish Equities	-	-
1,000,000	ITALY 1.30% (0.00%)		
	Terna Rete Elettrica Nazionale	3,022,934	1.30
	Total Italy	3,022,934	1.30
4,100,000	JAPAN 3.44% (2.13%)		
1,350,000	Japan Residential Investment	2,460,000	1.06
	Morant Wright Nippon Yield B	2,874,825	1.24

Portfolio Statement

HIGHER INCOME FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
85,000	JAPAN (continued)		
	Sumitomo Mitsui Financial	2,647,770	1.14
	Total Japan	7,982,595	3.44
503,000	MALAYSIA 0.77% (0.94%)		
	Public Bank	1,799,103	0.77
	Total Malaysia	1,799,103	0.77
98,000	NORWAY 1.09% (0.00%)		
	Yara International	2,542,582	1.09
	Total Norway	2,542,582	1.09
£750,000	PORTUGAL 0.34% (0.42%)		
	Portuguese Government Bonds 0.34% (0.42%)		
	Republic of Portugal 9% 20/05/2016	785,805	0.34
	Total Portuguese Government Bonds	785,805	0.34
2,500,000	SINGAPORE 4.50% (5.52%)		
2,500,000	Boustead Singapore	2,013,798	0.87
2,500,000	Capita Commercial Trust	1,726,966	0.74
2,500,000	China Hongxing Sports	47,805	0.03
5,331,000	China Merchants Holdings	2,357,363	1.01
2,650,000	Mapletree Industrial Trust	1,691,232	0.73
400,000	SIA Engineering	961,842	0.41
2,250,000	Suntec REIT	1,656,453	0.71
	Total Singapore	10,455,459	4.50
200,000	SPAIN 0.84% (0.48%)		
	Telefonica	1,961,744	0.84
	Total Spain	1,961,744	0.84
3,500	SWITZERLAND 0.25% (0.25%)		
	Roche	591,662	0.25
	Total Switzerland	591,662	0.25
2,500,000	THAILAND 1.15% (1.31%)		
3,125,000	Kiatnakin Bank Non-Voting Depositary Receipt	1,713,210	0.74
	Krung Thai Bank	948,590	0.41
	Total Thailand	2,661,800	1.15
110,000	UNITED STATES 3.68% (0.35%)		
113,000	AT&T	2,339,711	1.01
190,000	HCP	2,500,523	1.07
30,339	Intel	2,968,535	1.28
9,562	Pfizer	562,689	0.24
	Zoetis	188,905	0.08
	Total United States	8,560,363	3.68

Portfolio Statement

HIGHER INCOME FUND

At 31 December 2013

	Market Value £	Percentage of Total Net Assets %
Portfolio of Investments 97.88% (93.88%)	227,497,742	97.88
Net other assets	4,928,530	2.12
Total net assets	232,426,272	100.00

Debt Security Allocation is as follows:		Percentage of Debt Securities %
Debt Securities above investment grade		56.92
Debt Securities below investment grade (sub BBB or unrated)		43.08
		100.00

* Unapproved securities.

† Unlisted.

Unless otherwise stated, all investments are listed equities.

Comparative percentage holdings by market value at 31 December 2012 are shown in brackets.

Portfolio Statement

UK EQUITY GROWTH FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
UNITED KINGDOM 95.67% (97.70%)			
UK Corporate Bond 0.01% (0.03%)			
£150,000	British Energy Nuclear Power Notes 28/02/2019	22,500	0.01
	Total UK Corporate Bonds	22,500	0.01
UK Equities 95.66% (97.67%)			
10,900,000	1Spatial	1,035,500	0.67
325,000	Aberdeen Asset Management	1,585,674	1.02
1,300,000	Advanced Fluid Connections* (Suspended 27/03/2006)	-	-
425,000	Ashtead	3,247,000	2.09
135,541	Asian Plantations	264,305	0.17
490,000	Aviva	2,197,650	1.42
140,000	Avon Rubber	812,700	0.52
300,947	Bango	409,288	0.26
775,000	Barclays	2,123,888	1.37
400,000	BBA Aviation	1,286,800	0.83
160,000	Bellway	2,512,000	1.62
150,000	Betfair	1,626,000	1.05
85,000	BG Group	1,109,675	0.72
275,000	Bodycote	1,828,750	1.18
284,805	Bonmarche	660,748	0.43
1,175,000	Booker	1,911,725	1.23
555,000	BP	2,720,055	1.75
191,300	Brewin Dolphin	576,960	0.37
750,000	BT	2,845,500	1.84
125,000	Catlin	728,125	0.47
50,151	Clarkson	1,015,558	0.65
196,667	Crest Nicholson	718,228	0.46
125,000	Daily Mail & General Trust	1,179,375	0.76
765,000	Dart Group	1,876,163	1.21
173,328	Dechra Pharmaceuticals	1,201,163	0.77
180,000	Diploma	1,238,400	0.80
3,915,411	dotDigital Group	1,018,007	0.66
225,000	Dunelm Group	2,088,000	1.35
800,000	e2v technologies	1,210,000	0.78
425,000	Elementis	1,152,175	0.74
150,000	Essentra	1,255,500	0.81
425,000	esure	1,043,375	0.67
795,000	Filtronic	437,250	0.28
125,000	Galliford Try	1,450,000	0.94
457,407	GameAccount Network	622,074	0.40
1,000,000	GKN	3,714,000	2.40
145,000	GlaxoSmithKline	2,342,475	1.51
122,500	Gooch & Housego	864,238	0.56
190,000	Halma	1,141,900	0.74
391,717	HellermannTyton	1,165,750	0.75
975,000	Howden Joinery	3,286,725	2.12
145,000	Hunting	1,133,900	0.73
190,000	Informa	1,066,850	0.69
2,388,889	Inland Homes	1,098,889	0.71
775,000	International Consolidated Airlines	3,110,075	2.01
190,000	International Personal Finance	935,750	0.60
1,600,000	ITV	3,076,800	1.98
35,000	Johnson Matthey	1,142,050	0.74
4,110,149	Johnston Press	658,135	0.42
110,273	Keller	1,265,934	0.82

Portfolio Statement

UK EQUITY GROWTH FUND

At 31 December 2013

Holdings at 31 December 2013		Market Value £	Percentage of Total Net Assets %
	UK Equities (continued)		
1,350,000	Legal & General	3,011,850	1.94
275,000	Laird	764,775	0.49
3,900,000	Lloyds Banking Group	3,075,540	1.98
3,000,000	Lombard Risk Management	390,000	0.25
700,000	London Metric Property	963,900	0.62
90,000	London Stock Exchange	1,555,200	1.00
260,000	LSL Property Services	1,141,400	0.74
351,310	Marshalls	614,793	0.40
730,000	Melrose	2,231,610	1.44
450,000	Mitchells & Butlers	1,893,600	1.22
271,987	Mothercare	1,068,909	0.69
57,000	Next	3,135,000	2.02
100,000	Oxford Instruments	1,774,000	1.14
230,000	Prudential	3,088,900	1.99
600,000	Qinetiq	1,298,400	0.84
1,193,065	Quintain Estates	1,133,412	0.73
200,000	Reed Elsevier	1,792,000	1.16
275,000	Restaurant Group	1,636,250	1.06
115,000	Rio Tinto	3,908,275	2.52
180,000	Rolls-Royce	2,295,000	1.48
16,770,000	Rolls-Royce 'C'	16,770	0.01
75,000	Royal Dutch Shell 'B'	1,700,625	1.10
183,000	Sales Activation Solution*†	-	-
1,500,000	Scapa Group	1,680,000	1.08
7,625,000	Seeing Machines	491,093	0.32
100,000	Shire	2,847,000	1.84
875,000	Smith (DS)	2,889,250	1.86
160,000	Smith & Nephew	1,379,200	0.89
92,500	Spectris	2,360,600	1.52
415,000	Stock Spirits	1,158,888	0.75
194,052	Super Group	2,738,074	1.77
1,250,000	Thomas Cook	2,075,000	1.34
105,000	Travis Perkins	1,953,000	1.26
900,000	Trifast	710,999	0.46
82,500	Unilever	2,042,700	1.32
4,325,000	Vernalis	1,578,625	1.02
1,300,000	Vodafone	3,094,650	2.00
1,200,000	Walker Greenbank	2,040,000	1.32
272,632	WANdisco	3,339,742	2.15
165,000	WPP	2,273,700	1.47
196,606	Xaar	2,186,259	1.40
	Total Equities	148,320,071	95.66
	IRELAND 0.56% (0.47%)		
905,000	Datalex	873,753	0.56
175,000	Veris* (Suspended 01/12/2009)†	-	-
	Total Ireland	873,753	0.56
	SINGAPORE 0.00% (0.40%)		

Portfolio Statement

UK EQUITY GROWTH FUND

At 31 December 2013

	Market Value £	Percentage of Total Net Assets %
Portfolio of Investments 96.23% (98.57%)	149,216,324	96.23
Net other assets	5,843,434	3.77
Total net assets	155,059,758	100.00

* Unapproved securities.

† Unlisted.

Unless otherwise stated, all investments are listed equities.

Comparative percentage holdings by market value at 31 December 2012 are shown in brackets.

Independent Auditor's Report to the Shareholders of The Ecclesiastical Investment Funds

We have audited the financial statements of Ecclesiastical Investment Funds ("the company") for the year ended 31 December 2013 which comprise the Aggregated Statement of Total Return, the Aggregated Statement of Change in Net Assets Attributable to Shareholders, the Aggregated Balance Sheet, the related notes 1 to 16 and for each sub-fund: the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes, and the distribution tables. 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), the Statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by the Investment Management Association in October 2010, the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

This report is made solely to the company's shareholders, as a body, in accordance with Paragraph 4.5.12R 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Depositary, the Authorised Corporate Director (ACD) and the Auditor

As explained more fully in the Depositary's Responsibilities Statement and the ACD's Responsibilities Statement, the Depositary is responsible for safeguarding the property of the company and the ACD is responsible for the preparation of the financial statements. Our responsibility is to audit and express an opinion on the financial statements in accordance with the requirements of the Collective Investment Schemes Sourcebook, 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 the sub funds at 31 December 2013 and of the net revenue and the net capital gains on the property of the company and the sub funds for the year ended 31 December 2013; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice "Financial Statements of Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- proper accounting records for the company and the sub funds have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the Annual Report for the year ended 31 December 2013 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

Deloitte LLP
Chartered Accountants & Statutory Auditor
London
United Kingdom

21 March 2014

Statement of Total Return

For the year ended 31 December 2013

	Notes	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
		2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income															
Net capital gains/(losses)	4	22,842	11,869	12,544	4,229	28,147	16,847	(369)	4,118	11,730	15,584	39,909	16,177	114,803	68,824
Revenue	6	3,307	2,692	1,808	1,648	7,287	6,162	3,419	2,835	10,254	8,248	2,706	2,494	28,781	24,079
Expenses	7	(1,430)	(1,121)	(550)	(437)	(3,063)	(2,547)	(730)	(567)	(2,664)	(1,952)	(1,220)	(819)	(9,657)	(7,443)
Finance costs: Interest	9	(2)	-	-	-	(5)	(2)	-	-	-	-	-	-	(7)	(2)
Net revenue before taxation		1,875	1,571	1,258	1,211	4,219	3,613	2,689	2,268	7,590	6,296	1,486	1,675	19,117	16,634
Taxation	8	(16)	(15)	(163)	(174)	(432)	(305)	-	-	(327)	(338)	-	-	(938)	(832)
Net revenue after taxation for the year		1,859	1,556	1,095	1,037	3,787	3,308	2,689	2,268	7,263	5,958	1,486	1,675	18,179	15,802
Total return before distributions		24,701	13,425	13,639	5,266	31,934	20,155	2,320	6,386	18,993	21,542	41,395	17,852	132,982	84,626
Finance costs: Distributions/Accumulations Final and Interim	9	(1,859)	(1,556)	(1,095)	(1,037)	(3,787)	(3,308)	(3,340)	(2,775)	(9,257)	(7,418)	(1,486)	(1,675)	(20,824)	(17,769)
Change to net assets attributable to shareholders from investment activities		22,842	11,869	12,544	4,229	28,147	16,847	(1,020)	3,611	9,736	14,124	39,909	16,177	112,158	66,857

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2013

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders	86,834	69,589	41,821	38,388	198,613	174,877	53,289	38,459	176,311	136,433	89,023	71,238	645,891	528,984
Amounts receivable on creation of shares	24,466	13,137	7,465	2,820	62,072	52,844	36,197	18,284	101,839	47,948	40,268	3,782	272,307	138,815
Amounts payable on cancellation of shares	(15,529)	(8,414)	(4,183)	(3,631)	(58,151)	(45,974)	(24,988)	(7,065)	(56,139)	(22,771)	(14,289)	(2,383)	(173,279)	(90,238)
Change to net assets attributable to shareholders from investment activities (see page 42)	8,937	4,723	3,282	(811)	3,921	6,870	11,209	11,219	45,700	25,177	25,979	1,399	99,028	48,577
Retained distribution on accumulation shares	666	651	14	15	18	19	-	-	677	572	149	209	1,524	1,466
Dilution levy	-	-	-	-	-	-	-	-	2	-	-	-	2	-
Unclaimed distribution	1	2	-	-	-	-	-	-	-	5	-	-	1	7
Closing net assets attributable to shareholders	119,280	86,834	57,661	41,821	230,699	198,613	63,478	53,289	232,426	176,311	155,060	89,023	858,604	645,891

Balance Sheet

At 31 December 2013

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ASSETS														
Investment assets	111,968	77,384	56,975	40,637	227,669	187,213	62,116	50,759	227,498	165,516	149,216	87,750	835,442	609,259
Debtors	761	492	991	208	1,492	1,081	3,839	1,271	2,803	2,126	2,755	304	12,641	5,482
Cash at bank	7,964	9,645	1,871	1,667	4,845	12,787	1,099	2,409	9,621	14,511	6,330	2,206	31,730	43,225
Total other assets	8,725	10,137	2,862	1,875	6,337	13,868	4,938	3,680	12,424	16,637	9,085	2,510	44,371	48,707
Total assets	120,693	87,521	59,837	42,512	234,006	201,081	67,054	54,439	239,922	182,153	158,301	90,260	879,813	657,966
LIABILITIES														
Creditors	(504)	(85)	(1,479)	(49)	(993)	(420)	(2,818)	(439)	(802)	(517)	(2,292)	(256)	(8,888)	(1,766)
Overdraft balances at bank	-	-	-	-	-	-	-	(71)	-	-	-	-	-	(71)
Distribution payable on 'A' and 'B' shares	(909)	(602)	(697)	(642)	(2,314)	(2,048)	(758)	(640)	(6,694)	(5,325)	(949)	(981)	(12,321)	(10,238)
Total liabilities	(1,413)	(687)	(2,176)	(691)	(3,307)	(2,468)	(3,576)	(1,150)	(7,496)	(5,842)	(3,241)	(1,237)	(21,209)	(12,075)
Net assets attributable to shareholders	119,280	86,834	57,661	41,821	230,699	198,613	63,478	53,289	232,426	176,311	155,060	89,023	858,604	645,891

Notes to the Financial Statements

1. Accounting Policies

a. Basis of accounting

The Financial Statements have been prepared in accordance with the historical cost convention, 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 (IMA), in October 2010.

The ACD is confident that the Company will continue in operation for the foreseeable future. The Company has adequate financial resources and its assets consist of securities which are readily realisable. As such, the financial statements have been prepared on the going concern basis.

b. Valuation of investments

All investments are valued at their fair value as at 10:00 am on 31 December 2013, being the last business day of the financial year. The fair value of non-derivative securities is bid price, excluding any accrued interest. Unquoted investments are shown at the Manager's valuation.

c. Foreign exchange

The values of assets and liabilities denominated in foreign currencies have been converted into sterling at the exchange rate prevailing at 10:00am on 31 December 2013. Any exchange differences arising on translation of investments and capital assets and liabilities other than investments are included in "Net capital gains". Any exchange differences arising on translation of other assets or liabilities are included in net revenue.

d. Revenue

UK dividend revenue is disclosed net of any related tax credit. Overseas dividends are disclosed gross of any foreign tax suffered. Bank and other interest receivable is included on an accruals basis. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Company. Revenue from interest bearing securities is accounted for on an effective yield basis, irrespective of the level of discount or premium, and is calculated with reference to the purchase price of the securities. Revenue is allocated to the share classes of each sub-fund based on the proportion of assets held by each share class. Underwriting commission is taken to revenue and is recognised when the issues take place, except where the sub-fund is required to take up all or some of the shares underwritten, in which case an appropriate proportion of the commission is deducted from the cost of these shares.

e. Expenses

All expenses, other than those relating to the purchase and sale of investments and Stamp Duty Reserve Tax (SDRT) are charged against revenue, with the exception of Amity Sterling Bond Fund where management expenses have been charged against capital since inception and the Higher Income Fund since 2003. Expenses relating to each sub-fund are allocated to the share classes based on the proportion of assets held

within each share class.

f. Taxation

The sub-funds are liable to Corporation Tax applied at a rate of 20.0% on taxable revenue after the deduction of allowable expenses. Deferred tax is provided for by the liability method on all short-term timing differences. UK dividend revenue is disclosed net of any related tax credit. Overseas dividends continue to be disclosed gross of any foreign tax suffered, the tax element being shown separately in the taxation note.

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.

g. Deferred taxation

The charge for deferred tax is based on the net revenue for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse based on tax rates and laws that have been enacted or substantively enacted. 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. Deferred tax liabilities are not discounted.

2. Distribution Policies

a. Revenue distribution to corporate shareholders

A shareholder liable to UK Corporation Tax receives the dividend distribution and associated tax credit as franked investment income to the extent that the gross revenue from which the distribution is made is franked investment income. The shares of class 'A' and 'B' are income shares, while the shares of class 'C' are accumulation shares.

The holders of accumulation shares must add the revenue accumulated (excluding equalisation) to the cost of such shares for capital gains tax purposes.

b. Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. Being capital it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

c. Treatment of stock and special dividends

The ordinary element of stocks received in lieu of cash dividends, which form part of the distribution, is recognised as revenue of the sub-fund based on the market value of the investments on the day they are quoted ex-dividend. Any enhancement above the cash dividend is treated as a capital gain on the investment. Special dividends are recorded as

Notes to the Financial Statements

revenue or capital depending on the underlying substance of the transaction.

d. Treatment of interest from debt securities

Interest from debt securities which forms part of the distribution, is recognised as revenue using an effective yield basis, irrespective of the level of discount or premium.

e. Treatment of management expenses

The ACD's annual management fee is charged within the net revenue of the sub-funds. In respect of the Amity Sterling Bond Fund and the Higher Income Fund, the annual management charge is taken from capital not revenue so the capital value of the Fund could be reduced over time.

f. Unclaimed distribution

Distributions which have remained unclaimed by shareholders for more than six years are credited to the capital property of the Fund.

g. Fund's distribution

Each sub-fund's distribution is determined based on the individual authorised fund's net revenue after taxation.

3. Risk Management Policies

The main risks arising from the Company's financial instruments are market price, foreign currency, interest rate, liquidity and credit risks. The ACD reviews policies for managing each of these risks. These policies have remained unchanged since the beginning of the period to which these financial statements relate.

The ACD regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. Individual fund managers have responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

The ACD does not use derivative instruments to hedge the investment portfolio against market risk, because in its opinion the cost of such a process would result in an unacceptable reduction in the potential for capital growth. No derivatives were held during the year under review.

- **Market risk** – arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.
- **Currency risk** - the revenue and capital value of the Company's investments can be affected by foreign currency translation movements as some of the Company's assets and income are denominated in currencies other than sterling which is the Company's functional currency.

The ACD has identified three principal areas where foreign currency risk could impact on the Company. These are movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movement during the period between commencement of the investment transaction and the date when settlement of the investment occurs, and finally movements in exchange rates

affecting income received by the Company. The Company converts all receipts of revenue, received in currency, into sterling on the day of receipt.

At the year end date a portion of the net monetary assets of the Company was denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movement.

- **Interest rate risk** - the Company invests in both fixed rate and floating rate securities. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise the income potential of the Company also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Company). A decline in interest rates will in general have the opposite effect.

- **Liquidity risk** – the Company's assets comprise mainly readily realisable securities, which can be sold. The main liability of the Company is the redemption of any shares that investors wish to sell.
- **Credit risk** – certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Company has fulfilled its responsibilities.
- **Credit rating risk** – The current fixed interest portfolio consists of a range of fixed interest instruments including government securities, preference shares, permanent interest bearing shares, overseas bonds and corporate loans and bonds. Limits are imposed on the credit ratings of the corporate bond portfolio and exposures regularly monitored.

The Company only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time. These limits are reviewed regularly.

Notes to the Financial Statements

For the year ended 31 December 2013

4. Net capital gains/(losses)

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non-derivative securities	22,884	11,892	12,533	4,222	28,517	17,166	(170)	4,206	12,129	15,770	39,915	16,180	115,808	69,436
Currency (losses) /gains	(40)	(21)	14	9	(366)	(315)	(198)	(87)	(395)	(182)	-	-	(985)	(596)
Security transaction fees	(2)	(2)	(3)	(2)	(4)	(4)	(1)	(1)	(4)	(4)	(6)	(3)	(20)	(16)
Net capital gains/(losses)	22,842	11,869	12,544	4,229	28,147	16,847	(369)	4,118	11,730	15,584	39,909	16,177	114,803	68,824

5. Purchases, sales and transaction costs

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Analysis of total purchase costs:														
Purchases in period before transaction costs	13,744	7,960	9,298	4,089	30,879	41,355	17,759	13,648	69,144	54,116	58,748	20,742	199,572	141,910
Commissions	49	40	26	9	74	141	6	9	146	147	361	131	662	477
Gross purchase total	13,793	8,000	9,324	4,098	30,953	41,496	17,765	13,657	69,290	54,263	59,109	20,873	200,234	142,387
Analysis of total sale proceeds:														
Gross sales before transaction costs	2,095	2,345	5,530	4,880	19,060	35,736	6,054	4,078	19,346	35,241	37,408	18,069	89,493	100,349
Commissions	(2)	(4)	(11)	(10)	(45)	(51)	-	-	(8)	(18)	(86)	(42)	(152)	(125)
Total sales net of transaction costs	2,093	2,341	5,519	4,870	19,015	35,685	6,054	4,078	19,338	35,223	37,322	18,027	89,341	100,224

Notes to the Financial Statements

For the year ended 31 December 2013

6. Revenue

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Franked UK dividends	2,876	2,341	-	-	1,536	1,328	512	329	4,306	3,594	2,589	2,353	11,819	9,945
Overseas dividends	310	236	1,805	1,646	5,741	4,761	-	-	2,972	1,883	85	97	10,913	8,623
PID revenue	61	55	-	-	-	-	-	-	-	-	24	37	85	92
Interest on fixed interest stocks	35	35	-	-	-	229	3,089	2,487	3,043	2,876	-	-	6,167	5,627
Amortisation of discount/premium	-	-	-	-	-	(201)	(184)	15	(100)	(128)	-	-	(284)	(314)
Bank interest	25	25	3	2	10	45	2	4	33	23	8	7	81	106
Total revenue	3,307	2,692	1,808	1,648	7,287	6,162	3,419	2,835	10,254	8,248	2,706	2,494	28,781	24,079

Notes to the Financial Statements

For the year ended 31 December 2013

7. Expenses

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director:														
ACD's charge	1,319	1,023	472	373	2,875	2,395	651	506	2,493	1,825	1,127	745	8,937	6,867
Payable to the Depositary or associates of the Depositary:														
Depositary fee	43	35	24	19	74	63	28	22	70	51	46	35	285	225
Safe custody fee	37	27	40	30	96	73	38	25	70	41	28	18	309	214
	80	62	64	49	170	136	66	47	140	92	74	53	594	439
Other expenses:														
Registration fee	22	27	5	6	6	7	4	5	22	26	10	12	69	83
Audit fee	9	9	9	9	12	9	9	9	9	9	9	9	57	54
	31	36	14	15	18	16	13	14	31	35	19	21	126	137
Total expenses	1,430	1,121	550	437	3,063	2,547	730	567	2,664	1,952	1,220	819	9,657	7,443

Notes to the Financial Statements

For the year ended 31 December 2013

8. Taxation

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
a. Analysis of charge in year:														
Corporation tax	-	-	-	-	-	-	-	-	119	216	-	-	119	216
Double taxation relief	-	-	-	-	-	-	-	-	-	(4)	-	-	-	(4)
Overseas withholding tax	16	15	163	174	432	305	-	-	208	126	-	-	819	620
Total current tax (note b.)	16	15	163	174	432	305	-	-	327	338	-	-	938	832
Total taxation	16	15	163	174	432	305	-	-	327	338	-	-	938	832

The tax amounts assessed for the current and prior periods are lower than the amounts resulting from applying the standard rate of corporation tax in the UK for an Open Ended Investment Company (20%). The differences are explained in table b on the next page.

Notes to the Financial Statements

For the year ended 31 December 2013

8. Taxation – continued

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
b. Factors affecting taxation charge for the year:														
Net revenue before taxation	1,875	1,571	1,258	1,211	4,219	3,613	2,689	2,268	7,590	6,296	1,486	1,675	19,117	16,634
Return on ordinary activities multiplied by the standard rate of Corporation Tax of 20% (2012 - 20%)	375	314	252	242	844	723	538	454	1,518	1,259	297	335	3,824	3,327
Effects of:														
Franked investment revenue	(577)	(471)	-	-	(308)	(266)	(102)	(66)	(862)	(719)	(521)	(460)	(2,370)	(1,982)
Interest distributions	-	-	-	-	-	-	(436)	(491)	-	-	-	-	(436)	(491)
Overseas withholding tax	16	15	163	174	432	305	-	-	208	126	-	-	819	620
Taxation payable in different periods	-	1	(5)	-	(18)	(4)	-	-	(3)	2	-	-	(26)	(1)
Double taxation relief	-	-	-	-	-	-	-	-	-	(4)	-	-	-	(4)
Excess management expenses	264	201	109	87	553	489	-	103	-	-	241	159	1,167	1,039
DTR expensed	-	-	-	-	-	(1)	-	-	-	-	-	-	-	(1)
Non taxable overseas dividends	(62)	(45)	(356)	(329)	(1,071)	(941)	-	-	(534)	(326)	(17)	(34)	(2,040)	(1,675)
Total current tax (note a.)	16	15	163	174	432	305	-	-	327	338	-	-	938	832

c. Deferred tax

There are no deferred tax provisions for the current or prior year.

Notes to the Financial Statements

For the year ended 31 December 2013

8. Taxation – continued

d. The Amity UK Fund has not recognised a deferred tax asset of £1,454,301 (2012: £1,190,682) arising as a result of having unutilised management expenses. The UK Equity Growth Fund has not recognised a deferred tax asset of £1,190,964 (2012: £950,440) arising as a result of having unutilised management expenses. The Amity Sterling Bond Fund has not recognised a deferred tax asset of £25,187 (2012: £25,187) arising as a result of having excess non trade loan deficits. Amity European has not recognised a deferred tax asset of £309,908 (2012: £200,702) arising as a result of having unutilised management expenses and Amity International has not recognised a deferred tax asset of £1,623,602 (2012: £1,072,282) arising as a result of having unutilised management expenses. These are not expected to be utilised in the foreseeable future unless the nature of the Funds' revenue or capital gains/(losses) changes. The Higher Income Fund has no deferred tax assets (2012: £nil).

9. Finance costs

Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on cancellation of shares, and comprise:

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interims														
Share Class A (Distribution)	248	230	82	72	840	754	1,406	1,225	2,054	1,712	85	54	4,715	4,047
Share Class B (Distribution)	132	91	347	299	658	524	561	421	496	270	410	437	2,604	2,042
Share Class C (Accumulation)	210	237	6	6	8	6	-	-	157	142	49	54	430	445
Income tax withheld	-	-	-	-	-	-	479	252	-	-	-	-	479	252
Net interim distributions/accumulations for the periods	590	558	435	377	1,506	1,284	2,446	1,898	2,707	2,124	544	545	8,228	6,786
Final														
Share Class A (Distribution)	431	383	103	125	1,139	1,247	446	488	5,019	4,588	94	94	7,232	6,925
Share Class B (Distribution)	478	219	594	517	1,175	801	313	152	1,675	737	855	887	5,090	3,313
Share Class C (Accumulation)	456	413	8	9	10	13	-	-	520	430	100	155	1,094	1,020
Income tax withheld	-	-	-	-	-	-	189	303	-	-	-	-	189	303
Net final distributions/accumulations for the period	1,365	1,015	705	651	2,324	2,061	948	943	7,214	5,755	1,049	1,136	13,605	11,561
Total net distributions/accumulations for the year	1,955	1,573	1,140	1,028	3,830	3,345	3,394	2,841	9,921	7,879	1,593	1,681	21,833	18,347

Notes to the Financial Statements

For the year ended 31 December 2013

9. Finance costs - continued

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total net distributions/accumulations for the year	1,955	1,573	1,140	1,028	3,830	3,345	3,394	2,840	9,921	7,879	1,593	1,681	21,833	18,347
Revenue deducted on shares cancelled	88	56	39	39	380	266	146	42	1,056	392	39	14	1,748	809
Revenue received on shares created	(184)	(73)	(84)	(30)	(423)	(303)	(200)	(108)	(1,720)	(853)	(146)	(20)	(2,757)	(1,387)
Total finance costs:														
Distributions/accumulations	1,859	1,556	1,095	1,037	3,787	3,308	3,340	2,774	9,257	7,418	1,486	1,675	20,824	17,769
Interest	2	-	-	-	5	2	-	-	-	-	-	-	7	2
Total finance cost	1,861	1,556	1,095	1,037	3,792	3,310	3,340	2,774	9,257	7,418	1,486	1,675	20,831	17,771
Reconciliation between net revenue and distributions														
Net revenue after taxation	1,859	1,556	1,095	1,037	3,787	3,308	2,689	2,268	7,263	5,958	1,486	1,675	18,179	15,802
Add: ACD's fee charged to capital (net of tax relief)	-	-	-	-	-	-	651	506	1,994	1,460	-	-	2,645	1,967
Finance costs:														
Distributions/accumulations	1,859	1,556	1,095	1,037	3,787	3,308	3,340	2,774	9,257	7,418	1,486	1,675	20,824	17,769

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At 31 December 2013

10. Debtors

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Amounts receivable for creation of shares	419	224	346	27	844	450	209	232	772	501	2,520	69	5,110	1,503
Accrued revenue	331	235	23	-	441	340	1,345	1,039	1,943	1,569	233	226	4,316	3,409
Overseas tax recoverable	11	14	125	181	207	240	-	-	88	56	-	-	431	491
PID income tax recoverable	-	19	-	-	-	-	-	-	-	-	2	9	2	28
Currency deals awaiting settlement	-	-	497	-	-	51	-	-	-	-	-	-	497	51
Sales awaiting settlement	-	-	-	-	-	-	2,285	-	-	-	-	-	2,285	-
	761	492	991	208	1,492	1,081	3,839	1,271	2,803	2,126	2,755	304	12,641	5,482

11. Creditors

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Amounts payable for cancellation of shares	359	65	273	34	718	345	99	127	454	373	2,149	82	4,052	1,026
Accrued expense	145	20	64	15	275	24	70	14	256	21	143	14	953	108
Income tax payable	-	-	-	-	-	-	357	298	-	-	-	-	357	298
Currency deals awaiting settlement	-	-	500	-	-	51	-	-	-	-	-	-	500	51
Corporation tax	-	-	-	-	-	-	-	-	92	123	-	-	92	123
Purchases awaiting settlement	-	-	642	-	-	-	2,292	-	-	-	-	160	3,169	160
	504	85	1,479	49	993	420	2,818	439	802	517	2,527	256	9,123	1,766

Notes to the Financial Statements

12. Contingent liabilities and outstanding commitments

There were no contingent liabilities at the year end date (2012: £nil).

13. Related parties

Ecclesiastical Investment Management Limited, together with BNY Mellon Trust and Depositary (UK) Limited are regarded as controlling parties by virtue of having the ability to act in concert in respect of the operations of the Company.

Ecclesiastical Investment Management Limited, acts as principal on all the transactions of shares in the Company. The aggregate monies received through creations and liquidations are disclosed in the statement of change in net assets attributable to shareholders and amounts due to/from Ecclesiastical Investment Management Limited in respect of share transactions at the year end are disclosed in notes 10 and 11.

Amounts paid to Ecclesiastical Investment Management Limited in respect of the ACD's periodic charges are disclosed in note 7. £808,702 was due at the year end (2012: £nil).

Amounts paid to BNY Mellon Trust and Depositary (UK) Limited in respect of depositary services and safe custody charges are disclosed in note 7. Charges of £79,624 were due at the year end (2012: £39,243).

Cash balances on deposit with BNY Mellon Trust and Depositary (UK) Limited are disclosed in the balance sheet together with interest due. Interest receivable is disclosed within accrued revenue in note 10. None was due at the year end (2012: £nil).

Neither Ecclesiastical Investment Management Limited nor BNY Mellon Trust and Depositary (UK) Limited entered into any other transactions with the Company during the year under review.

As at 31 December 2013, fellow Group companies of the ultimate parent company, Allchurches Trust Limited owned:

Amity UK

Share class	2013		2012	
	No of shares	% of shares in issue	No of shares	% of shares in issue
A	10,000	-	10,000	-
B	3,552,258	23%	3,552,258	42%
C	-	-	-	-

Amity European

Share class	2013		2012	
	No of shares	% of shares in issue	No of shares	% of shares in issue
A	-	-	-	-
B	19,242,265	86%	19,242,265	97%
C	-	-	-	-

Amity International

Share class	2013		2012	
	No of shares	% of shares in issue	No of shares	% of shares in issue
A	-	-	-	-
B	20,773,269	48%	20,773,269	62%
C	-	-	-	-

Amity Sterling Bond

Share class	2013		2012	
	No of shares	% of shares in issue	No of shares	% of shares in issue
A	-	-	-	-
B	7,819,974	33%	6,819,974	60%
C	-	-	-	-

Higher Income

Share class	2013		2012	
	No of shares	% of shares in issue	No of shares	% of shares in issue
A	-	-	-	-
B	6,716,586	16%	6,716,586	35%
C	-	-	-	-

UK Equity Growth

Share class	2013		2012	
	No of shares	% of shares in issue	No of shares	% of shares in issue
A	-	-	-	-
B	40,392,078	92%	40,392,078	100%
C	-	-	-	-

14. Financial instruments

In pursuing its investment objectives set out on pages 3 and 4 the Company may hold a number of financial instruments, these comprise:

- equity and non-equity shares, fixed income securities, and floating rate securities. These are held in accordance with the Company's investment objectives and policies;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- shareholders' funds which represent investors' monies which are invested on their behalf; and
- short term borrowings used to finance investment activity.

Notes to the Financial Statements

At 31 December 2013

15. Risks of financial instruments

Currency exposures:

A proportion of the net assets of the Company are denominated in currencies other than Sterling, with the effect that the balance sheet and the total return can be affected by currency movements.

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Australian dollar	-	-	-	-	1	1	-	-	-	-	-	-	1	1
Euro	2,139	1,737	51,635	34,277	46,702	37,219	-	-	23,793	11,101	874	418	125,143	84,752
Hong Kong dollar	644	733	-	-	30,962	23,515	-	-	10,415	7,061	-	-	42,021	31,309
Japanese yen	-	-	-	-	16,971	5,994	-	-	2,648	1,896	-	-	19,619	7,890
Korean won	-	-	-	-	2,366	2,205	-	-	-	-	-	-	2,366	2,205
Malaysian ringgit	-	-	-	-	13,570	5,039	-	-	1,987	1,862	-	-	15,557	6,901
Norwegian krone	406	383	1,007	1,502	2,394	6,723	-	-	2,562	-	-	-	6,369	8,608
Singapore dollar	151	131	-	-	28,524	36,593	-	-	10,463	9,789	-	-	39,138	46,513
Sterling	112,511	81,108	179	(113)	40,932	37,413	63,478	53,289	164,932	139,830	154,186	88,605	536,218	400,132
Swedish krona	853	836	1,094	2,694	953	2,983	-	-	-	-	-	-	2,900	6,513
Swiss franc	-	-	3,614	3,351	9,016	7,080	-	-	596	442	-	-	13,226	10,873
Thai baht	-	-	-	-	3,769	4,025	-	-	2,662	2,305	-	-	6,431	6,330
US dollar	2,576	1,906	132	110	34,539	29,823	-	-	12,368	2,025	-	-	49,615	33,864
Net Assets	119,280	86,834	57,661	41,821	230,699	198,613	63,478	53,289	232,426	176,311	155,060	89,023	858,604	645,891
Sterling														
Monetary exposures	7,186	9,298	1,367	551	2,759	2,696	1,099	2,338	8,981	14,277	6,330	2,204	27,722	31,364
Non monetary exposures	105,325	71,810	(1,188)	(664)	38,173	34,717	62,379	50,951	155,951	125,553	147,856	86,401	508,496	368,768
Total	112,511	81,108	179	(113)	40,932	37,413	63,478	53,289	164,932	139,830	154,186	88,605	536,218	400,132

The split of currency exposures into monetary and non-monetary exposures is shown only for Sterling, as this is the only currency which has material monetary exposure.

Notes to the Financial Statements

At 31 December 2013

15. Risks of financial instruments - continued

Interest rate risk profile of financial assets and liabilities:

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed rate financial assets	332	-	-	-	-	-	51,791	40,861	28,854	48,460	-	-	80,645	89,321
Floating rate	7,964	9,630	1,871	1,667	4,845	12,783	2,982	5,830	26,988	24,311	6,353	2,236	51,335	56,457
Nil interest bearing securities	110,984	77,204	55,790	40,154	225,854	185,830	8,705	6,598	176,584	103,540	148,707	86,787	726,624	500,113
Net Assets	119,280	86,834	57,661	41,821	230,699	198,613	63,478	53,289	232,426	176,311	155,060	89,023	858,604	645,891

The split of the interest rate risk profile by currency is not shown above, as in the ACD's opinion, this does not enhance the users understanding of the financial statements.

The floating rate financial assets and liabilities comprise currency bank balances and overdrafts that bear interest. The Sterling floating interest rates are determined by LIBOR, other currencies are determined by the relevant authority.

None of the liabilities of the Funds carry any interest.

Weight average of fixed interest rates:

	Amity UK		Amity European		Amity International		Amity Sterling Bond		Higher Income		UK Equity Growth	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	%	%	%	%	%	%	%	%	%	%	%	%
Sterling	10.42	10.41	-	-	-	-	4.74	4.30	5.19	5.24	-	-
Weight average period for financial asset with fixed interest rates:												
Sterling	36.02	37.02	-	-	-	-	17.89	13.62	19.88	18.29	-	-

Notes to the Financial Statements

At 31 December 2012

16. Shareholders' Funds

The company currently has three share classes; Class A Income (Retail), Class B Income (Institutional) and Class C Accumulation (Institutional). The annual management charge as a percentage of net assets of each share class is as follows:

Investment Fund	Class	
Amity UK Fund	A	1.50%
	B	0.75%
	C	1.25%
Amity European Fund	A	1.50%
	B	0.75%
	C	1.25%
Amity International Fund	A	1.50%
	B	0.75%
	C	1.25%
Amity Sterling Bond	A	1.25%
	B	0.65%
Higher Income Fund	A	1.25%
	B	0.75%
	C	1.00%
UK Equity Growth Fund	A	1.50%
	B	0.75%
	C	1.25%

The net asset values of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables in pages 5 to 16. The distributions per share class are given in the distribution tables on pages 59 to 65. All classes have the same rights on winding up.

Distribution/Accumulation Statements

Amity UK Fund

Share Class A

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.1111	0.1111	1.0000	-	1.0000	1.0000
2	0.7823	0.0782	0.7041	0.2959	1.0000	1.0000

Share Class A

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	2.0073	0.2007	1.8066	-	1.8066	1.5629
2	0.6177	0.0618	0.5559	1.2507	1.8066	1.5629

Share Class B

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.3333	0.1333	1.2000	-	1.2000	1.2000
2	0.9697	0.0970	0.8727	0.3273	1.2000	1.2000

Share Class B

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	3.3829	0.3383	3.0446	-	3.0446	2.5696
2	0.7526	0.0753	0.6773	2.3673	3.0446	2.5696

Share Class C

Interim accumulation (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Paid	2012 Paid
1	2.0000	0.2000	1.8000	-	1.8000	1.8000
2	1.7469	0.1747	1.5722	0.2278	1.8000	1.8000

Share Class C

Final accumulation (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Payable	2012 Paid
1	4.5099	0.4510	4.0589	-	4.0589	3.3940
2	0.9476	0.0948	0.8528	3.2061	4.0589	3.3940

A shareholder liable to UK Corporation Tax receives the distribution and associated tax credit as franked investment income to the extent that the gross income from which the distribution is made is itself franked investment income. Where the gross income from which the distribution is made is not wholly franked investment income, part of the distribution is received by the shareholder as an annual payment from the Scheme from which income tax at the lower rate has been deducted.

Of the distribution:

- i) 100% of the final income distribution is received as franked investment income; and
- ii) 0.00% of the final income distribution is received as an annual payment from which income tax at the lower rate has been deducted. The gross amount of this portion of total income distribution is liable to UK Corporation Tax. It is not franked investment income.

Distribution/Accumulation Statements

Amity European Fund

Share Class A

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.3889	0.1389	1.2500	-	1.2500	1.0500
2	1.0047	0.1004	0.9042	0.3458	1.2500	1.0500

Share Class A

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	1.8591	0.1859	1.6732	-	1.6732	1.8680
2	-	-	-	1.6732	1.6732	1.8680

Share Class B

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.8889	0.1889	1.7000	-	1.7000	1.5000
2	0.8804	0.0880	0.7924	0.9076	1.7000	1.5000

Share Class B

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	2.9667	0.2967	2.6700	-	2.6700	2.5964
2	0.0054	0.0005	0.0049	2.6651	2.6700	2.5964

Share Class C

Interim accumulation (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Paid	2012 Paid
1	1.6667	0.1667	1.5000	-	1.5000	1.3000
2	1.6270	0.1627	1.4643	0.0357	1.5000	1.3000

Share Class C

Final accumulation (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Payable	2012 Paid
1	2.5399	0.2540	2.2859	-	2.2859	2.3114
2	-	-	-	2.2859	2.2859	2.3114

A shareholder liable to UK Corporation Tax receives the distribution and associated tax credit as franked investment income to the extent that the gross income from which the distribution is made is itself franked investment income. Where the gross income from which the distribution is made is not wholly franked investment income, part of the distribution is received by the shareholder as an annual payment from the Scheme from which income tax at the lower rate has been deducted.

Of the distribution:

- i) 100% of the final income distribution is received as franked investment income; and
- ii) 0.00% of the final income distribution is received as an annual payment from which income tax at the lower rate has been deducted. The gross amount of this portion of total income distribution is liable to UK Corporation Tax. It is not franked investment income.

Distribution/Accumulation Statements

Amity International Fund

Share Class A

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.2778	0.1278	1.1500	-	1.1500	1.0000
2	0.7828	0.0783	0.7045	0.4455	1.1500	1.0000

Share Class A

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	1.8956	0.1896	1.7060	-	1.7060	1.6610
2	0.3699	0.0370	0.3329	1.3731	1.7060	1.6610

Share Class B

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.9444	0.1944	1.7500	-	1.7500	1.6000
2	1.0011	0.1001	0.9010	0.8490	1.7500	1.6000

Share Class B

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	2.9960	0.2996	2.6964	-	2.6964	2.4060
2	0.6640	0.0664	0.5976	2.0988	2.6964	2.4060

Share Class C

Interim accumulation (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Paid	2012 Paid
1	1.3889	0.1389	1.2500	-	1.2500	1.1000
2	1.0472	0.1047	0.9425	0.3075	1.2500	1.1000

Share Class C

Final accumulation (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Payable	2011 Paid
1	2.5138	0.2514	2.2624	-	2.2624	2.0863
2	0.6458	0.0646	0.5812	1.6812	2.2624	2.0863

A shareholder liable to UK Corporation Tax receives the distribution and associated tax credit as franked investment income to the extent that the gross income from which the distribution is made is itself franked investment income. Where the gross income from which the distribution is made is not wholly franked investment income, part of the distribution is received by the shareholder as an annual payment from the Scheme from which income tax at the lower rate has been deducted.

Of the distribution:

- i) 100% of the final income distribution is received as franked investment income; and
- ii) 0.00% of the final income distribution is received as an annual payment from which income tax at the lower rate has been deducted. The gross amount of this portion of total income distribution is liable to UK Corporation Tax. It is not franked investment income.

Distribution/Accumulation Statements

Amity Sterling Bond Fund

Share Class A

First quarter distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.3238	0.2648	1.0590	-	1.0590	1.1188
2	0.4585	0.0917	0.3668	0.6922	1.0590	1.1188

Share Class A

Second quarter distribution (pence per share)

Group 1: Shares purchased prior to 1 April 2013

Group 2: Shares purchased on or after 1 April 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.5091	0.3018	1.2073	-	1.2073	1.2293
2	0.8240	0.1648	0.6592	0.5481	1.2073	1.2293

Share Class A

Third quarter distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.4578	0.2916	1.1662	-	1.1662	1.2289
2	0.7515	0.1503	0.6012	0.5650	1.1662	1.2289

Share Class A

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 October 2013

Group 2: Shares purchased on or after 1 October 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	1.5586	0.3117	1.2469	-	1.2469	1.2739
2	0.8271	0.1654	0.6617	0.5852	1.2469	1.2739

Share Class B

First quarter distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.4018	0.2804	1.1214	-	1.1214	1.1677
2	0.4418	0.0884	0.3534	0.7680	1.1214	1.1677

Share Class B

Second quarter distribution (pence per share)

Group 1: Shares purchased prior to 1 April 2013

Group 2: Shares purchased on or after 1 April 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.6004	0.3201	1.2803	-	1.2803	1.3118
2	1.0908	0.2182	0.8726	0.4077	1.2803	1.3118

Share Class B

Third quarter distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.5501	0.3100	1.2401	-	1.2401	1.2969
2	0.7798	0.1560	0.6238	0.6163	1.2401	1.2969

Distribution/Accumulation Statements

Amity Sterling Bond Fund

Share Class B

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 October 2013

Group 2: Shares purchased on or after 1 October 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	1.6579	0.3316	1.3263	-	1.3263	1.3428
2	0.7810	0.1562	0.6248	0.7015	1.3263	1.3428

A shareholder liable to UK Corporation Tax receives the distribution and associated tax credit as franked investment income to the extent that the gross income from which the distribution is made is itself franked investment income. Where the gross income from which the distribution is made is not wholly franked investment income, part of the distribution is received by the shareholder as an annual payment from the Scheme from which income tax at the lower rate has been deducted.

Of the distribution:

- i) 0.00% of the final income distribution is received as franked investment income; and
- ii) 100.00% of the final income distribution is received as an annual payment from which income tax at the lower rate has been deducted. The gross amount of this portion of total income distribution is liable to UK Corporation Tax. It is not franked investment income.

Distribution/Accumulation Statements

Higher Income Fund

Share Class A

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.7222	0.1722	1.5500	-	1.5500	1.5500
2	0.8779	0.0878	0.7901	0.7599	1.5500	1.5500

Share Class A

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	4.2860	0.4286	3.8574	-	3.8574	3.8374
2	1.4802	0.1480	1.3322	2.5252	3.8574	3.8374

Share Class B

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.7778	0.1778	1.6000	-	1.6000	1.6000
2	0.6802	0.0680	0.6122	0.9878	1.6000	1.6000

Share Class B

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	4.3379	0.4338	3.9041	-	3.9041	3.8748
2	1.0630	0.1063	0.9567	2.9474	3.9401	3.8748

Share Class C

Interim accumulation (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Paid	2012 Paid
1	3.2222	0.3222	2.9000	-	2.9000	2.9000
2	1.8031	0.1803	1.6228	1.2772	2.9000	2.9000

Share Class C

Final accumulation (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Payable	2012 Paid
1	9.8628	0.9863	8.8765	-	8.8765	8.3199
2	3.2207	0.3221	2.8986	5.9779	8.8765	8.3199

A shareholder liable to UK Corporation Tax receives the distribution and associated tax credit as franked investment income to the extent that the gross income from which the distribution is made is itself franked investment income. Where the gross income from which the distribution is made is not wholly franked investment income, part of the distribution is received by the shareholder as an annual payment from the Scheme from which income tax at the lower rate has been deducted.

Of the distribution:

- i) 93.05% of the final income distribution is received as franked investment income; and
- ii) 6.95% of the final income distribution is received as an annual payment from which income tax at the lower rate has been deducted. The gross amount of this portion of total income distribution is liable to UK Corporation Tax. It is not franked investment income.

Distribution/Accumulation Statements

UK Equity Growth Fund

Share Class A

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	0.8889	0.0889	0.8000	-	0.8000	0.8000
2	0.2527	0.0253	0.2274	0.5726	0.8000	0.8000

Share Class A

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	0.5994	0.0599	0.5395	-	0.5395	1.2255
2	0.0864	0.0086	0.0778	0.4617	0.5395	1.2255

Share Class B

Interim distribution (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Paid	2012 Paid
1	1.1111	0.1111	1.0000	-	1.0000	1.0800
2	0.7359	0.0736	0.6623	0.3377	1.0000	1.0800

Share Class B

Final distribution (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Distribution Payable	2012 Paid
1	2.1518	0.2152	1.9366	-	1.9366	2.1922
2	0.4173	0.0417	0.3756	1.5610	1.9366	2.1922

Share Class C

Interim accumulation (pence per share)

Group 1: Shares purchased prior to 1 January 2013

Group 2: Shares purchased on or after 1 January 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Paid	2012 Paid
1	0.8889	0.0889	0.8000	-	0.8000	0.8000
2	0.3519	0.0352	0.3167	0.4833	0.8000	0.8000

Share Class C

Final accumulation (pence per share)

Group 1: Shares purchased prior to 1 July 2013

Group 2: Shares purchased on or after 1 July 2013

Group	Gross Income	Tax Credit	Net Income	Equalisation	2013 Accumulation Payable	2012 Paid
1	1.9349	0.1935	1.7414	-	1.7414	2.4393
2	0.1953	0.0195	0.1758	1.5656	1.7414	2.4393

A shareholder liable to UK Corporation Tax receives the distribution and associated tax credit as franked investment income to the extent that the gross income from which the distribution is made is itself franked investment income. Where the gross income from which the distribution is made is not wholly franked investment income, part of the distribution is received by the shareholder as an annual payment from the Scheme from which income tax at the lower rate has been deducted.

Of the distribution:

- i) 100% of the final income distribution is received as franked investment income; and
- ii) 0.00% of the final income distribution is received as an annual payment from which income tax at the lower rate has been deducted. The gross amount of this portion of total income distribution is liable to UK Corporation Tax. It is not franked investment income.

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