



CF RUFFER EQUITY & GENERAL FUND

CF RUFFER EUROPEAN FUND

CF RUFFER TOTAL RETURN FUND

CF RUFFER BAKER STEEL GOLD FUND

CF RUFFER PACIFIC FUND

CF RUFFER JAPANESE FUND

CF RUFFER INVESTMENT FUNDS

Annual report and financial statements

15 September 2013

CAPITA

AUTHORISED CORPORATE DIRECTOR ('ACD')
Capita Financial Managers Limited
Head Office:
Ibex House
42 – 47 Minories
London EC3N 1DX
Telephone: 0870 607 2555
Fax: 0870 607 2550
Email: enquiries@capitafinancial.com
(Authorised and regulated by the
Financial Conduct Authority)

DIRECTORS OF THE ACD
C. Addenbrooke
N. Boyling
C. Hayes
K.J. Midl
J.E. Millan

INVESTMENT MANAGER
Ruffer LLP
80 Victoria Street
London SW1E 5JL
(Authorised and regulated by the
Financial Conduct Authority)

SUB-ADVISER
Baker Steel Capital Managers LLP
86 Jermyn Street
London SW1 6JD
(Authorised and regulated by the
Financial Conduct Authority)

SUB-ADVISER
Ruffer (Asia) Limited
6th Floor
Alexandra House
18 Chater Road
Central
Hong Kong
(Regulated by the Securities and
Futures Commission of Hong Kong)

DEPOSITARY
BNY Mellon Trust & Depositary (UK) Limited
The Bank of New York Mellon Centre
160 Queen Victoria Street
London EC4V 4LA
(Authorised and regulated by the
Financial Conduct Authority)

REGISTRARS
Capita Financial Administrators Limited
Customer Service Centre:
2 The Boulevard
City West One Office Park
Gelder Road
Leeds LS12 6NT
Telephone: 0845 922 0044
Fax: 0113 224 6001
(Authorised and regulated by the
Financial Conduct Authority)

INDEPENDENT AUDITOR
Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

CONTENTS

ACD's Report	8
Authorised Status	8
Important Information	8
Director's Statement	9
Statement of ACD's Responsibilities in Relation to the Financial Statements	9
Statement of Depositary's Responsibilities	10
Report of the Depositary	10
Independent Auditor's Report to the Shareholders of CF Ruffer Investment Funds	11
AGGREGATED FINANCIAL STATEMENTS	
Aggregated Statement of Total Return	13
Aggregated Statement of Change in Net Assets Attributable to Shareholders	13
Aggregated Balance Sheet	14
Notes to the Aggregated Financial Statements	15

CF RUFFER EQUITY & GENERAL FUND

ACD's Report	27
Important Information	27
Investment Objective and Policy	27
Investment Manager's Report	28
Fund Information	30
Portfolio Statement	34
Summary of Material Portfolio Changes	38

FINANCIAL STATEMENTS

Statement of Total Return	40
Statement of Change in Net Assets Attributable to Shareholders	40
Balance Sheet	41
Notes to the Financial Statements	42
Distribution Table	50

CF RUFFER EUROPEAN FUND

ACD's Report	53
Important Information	53
Investment Objective and Policy	53
Investment Manager's Report	54
Fund Information	56
Portfolio Statement	59
Summary of Material Portfolio Changes	63

FINANCIAL STATEMENTS

Statement of Total Return	65
Statement of Change in Net Assets Attributable to Shareholders	65
Balance Sheet	66
Notes to the Financial Statements	67
Distribution Table	75

CF RUFFER TOTAL RETURN FUND

ACD's Report	76
Important Information	76
Investment Objective and Policy	76
Investment Manager's Report	77
Fund Information	79
Portfolio Statement	84
Summary of Material Portfolio Changes	90

FINANCIAL STATEMENTS

Statement of Total Return	92
Statement of Change in Net Assets Attributable to Shareholders	92
Balance Sheet	93
Notes to the Financial Statements	94
Distribution Table	103

CF RUFFER BAKER STEEL GOLD FUND

ACD's Report	106
Important Information	106
Investment Objective and Policy	106
Investment Manager's Report	107
Fund Information	109
Portfolio Statement	112
Summary of Material Portfolio Changes	116

FINANCIAL STATEMENTS

Statement of Total Return	118
Statement of Change in Net Assets Attributable to Shareholders	118
Balance Sheet	119
Notes to the Financial Statements	120

CF RUFFER PACIFIC FUND

ACD's Report	127
Important Information	127
Investment Objective and Policy	127
Investment Manager's Report	128
Fund Information	130
Portfolio Statement	133
Summary of Material Portfolio Changes	137

FINANCIAL STATEMENTS

Statement of Total Return	139
Statement of Change in Net Assets Attributable to Shareholders	139
Balance Sheet	140
Notes to the Financial Statements	141
Distribution Table	149

CF RUFFER JAPANESE FUND

ACD's Report	150
Important Information	150
Investment Objective and Policy	150
Investment Manager's Report	151
Fund Information	156
Portfolio Statement	159
Summary of Material Portfolio Changes	165

FINANCIAL STATEMENTS

Statement of Total Return	167
Statement of Change in Net Assets Attributable to Shareholders	167
Balance Sheet	168
Notes to the Financial Statements	169
Distribution Table	176
General Information	178

ACD'S REPORT FOR THE YEAR ENDED 15 SEPTEMBER 2013

AUTHORISED STATUS

CF Ruffer Investment Funds ('the Company') is an open-ended investment company ('OEIC') with variable capital incorporated in England and Wales under registered number IC000049 and authorised by the Financial Services Authority (note that the Financial Services Authority was replaced by the Financial Conduct Authority on 1 April 2013) with effect from 18 November 1999.

The Company is a 'UCITS Scheme' and the base currency is pounds sterling.

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

IMPORTANT INFORMATION

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

Additionally, the investment and borrowing powers of the Company have been amended to allow a sub-fund to now invest in, or dispose of, shares in another sub-fund in the Company, providing that the second sub-fund does not invest in any other sub-fund in the Company.

For details of other changes see the 'Important Information' section of the sub-funds.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Ruffer Investment Funds
15 January 2014

DIRECTOR'S STATEMENT

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

N. BOYLING

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Ruffer Investment Funds
15 January 2014

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

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

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

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

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

In so far as the ACD is aware:

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

STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

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

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

REPORT OF THE DEPOSITARY FOR THE YEAR ENDED 15 SEPTEMBER 2013

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

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

BNY MELLON TRUST & DEPOSITARY (UK) LIMITED
Depositary of CF Ruffer Investment Funds
15 January 2014

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CF RUFFER INVESTMENT FUNDS

We have audited the financial statements of CF Ruffer Investment Funds for the year ended 15 September 2013. These financial statements consist of the aggregated financial statements of the Company, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet and the related notes, and for each of the Company's sub-funds, the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Table. 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), including the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Management Association in October 2010.

This report is made solely to the Company's shareholders, as a body, in accordance with regulation 67(2) of the Open-Ended Investment Companies Regulations 2001, and with Rule 4.5.12 of the Collective Investment Schemes Sourcebook. 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 AUTHORISED CORPORATE DIRECTOR AND THE AUDITOR

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities set out on page 9, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Authorised Corporate Director; 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. 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 each of the sub-funds as at 15 September 2013 and of the net revenue and net capital gains on the scheme property of the Company and the net revenue and net capital gains/losses of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK

In our opinion:

- we have been given all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- the information given in the Authorised Corporate Director's Report (which comprises the information on the inside cover, the Authorised Status, the Important Information, the Investment Objectives and Policies, the Investment Manager's Reports, the Synthetic Risk and Reward Indicators, the Portfolio Statements and the Summaries of Material Portfolio Changes) is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Collective Investment Schemes Sourcebook requires us to report to you if in our opinion:

- proper accounting records for the Company or a sub-fund have not been kept, or
- the financial statements are not in agreement with the accounting records.

GRANT THORNTON UK LLP
 Statutory Auditor, Chartered Accountants
 London, United Kingdom
 15 January 2014

AGGREGATED FINANCIAL STATEMENTS

**AGGREGATED STATEMENT OF TOTAL RETURN
 FOR THE YEAR ENDED 15 SEPTEMBER 2013**

	Notes	£	15.09.13 £	£	15.09.12 £
Income:					
Net capital gains/(losses)	2		328,076,049		(59,954,271)
Revenue	3	78,689,594		85,792,933	
Expenses	4	(49,773,247)		(48,826,527)	
Finance costs: Interest	6	(8,952)		(12,142)	
Net revenue before taxation		28,907,395		36,954,264	
Taxation	5	(4,126,307)		(3,968,467)	
Net revenue after taxation			24,781,088		32,985,797
Total return before distributions			352,857,137		(26,968,474)
Finance costs: Distributions	6		(59,101,244)		(64,458,262)
Change in net assets attributable to shareholders from investment activities			293,755,893		(91,426,736)

**AGGREGATED STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
 FOR THE YEAR ENDED 15 SEPTEMBER 2013**

	Notes	£	15.09.13 £	£	15.09.12 £
Opening net assets attributable to shareholders			3,696,422,778		3,574,358,313
Amounts receivable on issue of shares		1,204,851,856		516,382,601	
Amounts payable on cancellation of shares		(1,139,672,983)		(350,151,328)	
			65,178,873		166,231,273
Dilution levy charged	1(k)		–		151,031
Stamp duty reserve tax	1(g)		(291,004)		(229,619)
Change in net assets attributable to shareholders from investment activities			293,755,893		(91,426,736)
Retained distribution on Accumulation shares			42,835,904		47,338,504
Unclaimed distributions	1(h)		3,091		12
Closing net assets attributable to shareholders			4,097,905,535		3,696,422,778

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		3,637,596,218		3,551,876,382	
Other assets					
Debtors	7	12,234,668		20,812,001	
Cash and bank balances	8	598,713,966		187,407,039	
Total other assets		610,948,634		208,219,040	
Total assets		<u>4,248,544,852</u>		<u>3,760,095,422</u>	
LIABILITIES					
Investment liabilities		(55,429)		(3,136,849)	
Other liabilities					
Creditors	9	(140,348,174)		(44,458,548)	
Bank overdrafts	8	(1,625,017)		(5,351,718)	
Distribution payable on Income shares		(8,610,697)		(10,725,529)	
Total other liabilities		(150,583,888)		(60,535,795)	
Total liabilities		<u>(150,639,317)</u>		<u>(63,672,644)</u>	
Net assets attributable to shareholders		<u>4,097,905,535</u>		<u>3,696,422,778</u>	

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS
 AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

(a) *Basis of accounting*

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

(b) *Basis of aggregation*

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

(c) *Recognition of revenue*

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

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

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

Revenue from unlisted or suspended equity investments is recognised when the dividend is declared.

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

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

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

(d) *Treatment of stock and special dividends*

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

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

(e) *Treatment of expenses*

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

The ACD rebate in relation to investments held in other funds managed by the ACD, or as an associate of the ACD is to eliminate double charging in the Fund.

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

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

1. ACCOUNTING POLICIES (continued)

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

All share classes are ranked pari passu and have no particular rights or terms attached, including rights on winding up.

(g) Taxation

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

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

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

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

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

(h) Distribution policy

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

In calculating the amount to be distributed the ACD's periodic charge for the CF Ruffer Total Return Fund is allocated to capital.

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

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

(i) Basis of valuation of investments

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

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

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

The market value of over the counter (OTC) derivatives is determined based on valuation pricing models which take into account relevant market inputs as well as the time values, liquidity and volatility factors underlying the positions.

1. ACCOUNTING POLICIES (continued)

(i) Basis of valuation of investments (continued)

Unlisted or suspended investments are valued by the ACD taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

(j) Exchange rates

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

(k) Dilution levy

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

	15.09.13 £	15.09.12 £
2. NET CAPITAL GAINS/(LOSSES)		
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	204,800,909	(18,106,867)
Derivative contracts	(8,398,236)	(81,090,935)
Forward currency contracts	119,035,624	33,489,866
Transaction charges	(25,047)	(21,176)
Currency gains	12,662,799	5,774,841
Net capital gains/(losses)	<u>328,076,049</u>	<u>(59,954,271)</u>
3. REVENUE		
Non-taxable dividends	58,448,794	54,003,525
Taxable dividends	3,027,948	2,685,270
UK property income distributions	59,356	117,233
Unfranked interest	16,608,382	28,752,687
Bank interest	543,256	230,522
Other interest	1,858	3,696
Total revenue	<u>78,689,594</u>	<u>85,792,933</u>

	15.09.13 £	15.09.12 £
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	48,939,103	48,309,304
Rebate of ACD's periodic charge*	(666,831)	(734,792)
Legal and professional fees	26,548	19,587
Printing costs	36,220	32,743
Registration fees	118,464	118,853
Tax service fees	750	–
	<u>48,454,254</u>	<u>47,745,695</u>
Payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	707,491	662,321
Safe custody and other bank charges	361,197	306,865
	<u>1,068,688</u>	<u>969,186</u>
Other expenses:		
FCA fee	366	372
Fees paid to auditor – audit	51,471	49,372
– tax services	13,200	9,000
Publication costs	17,914	19,337
Legal and professional fees	726	2,490
Portfolio monitoring fees	2,373	–
Postage and distribution costs	54,598	8,396
Bank charges	–	85
ADR safe custody fees	86,303	–
ISA fees	–	(85)
Derivative pricing fees	4,525	–
Other tax related services	18,829	22,679
	<u>250,305</u>	<u>111,646</u>
Total expenses	<u><u>49,773,247</u></u>	<u><u>48,826,527</u></u>

* The rebate is in relation to investments held in other Funds managed by the ACD, or an associate of the ACD. This is to eliminate double charging in the sub-funds.

	15.09.13 £	15.09.12 £
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas tax	4,126,307	3,968,467
	<u>4,126,307</u>	<u>3,968,467</u>
Current tax charge (note 5b)	4,126,307	3,968,467
Deferred tax – origination and reversal of timing differences	–	–
	<u>–</u>	<u>–</u>
Total taxation	<u><u>4,126,307</u></u>	<u><u>3,968,467</u></u>
b) Factors affecting current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%) for the reasons explained below.		
	15.09.13 £	15.09.12 £
Net revenue before taxation	<u>28,907,395</u>	<u>36,954,264</u>
Corporation tax at 20%	5,781,479	7,390,853
Effects of:		
Non-taxable dividends	(11,689,759)	(10,800,705)
Non-taxable RPI movement on UK index-linked gilts	(2,577,624)	(2,242,351)
Movement in revenue accruals	2,883	(22,440)
Foreign tax expensed	(52,295)	(50,149)
Unutilised excess management expenses	<u>8,535,316</u>	<u>5,724,792</u>
Corporation tax charge	–	–
Overseas tax	<u>4,126,307</u>	<u>3,968,467</u>
Current tax charge (note 5a)	<u><u>4,126,307</u></u>	<u><u>3,968,467</u></u>

6. FINANCE COSTS

Distributions

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

	15.09.13 £	15.09.12 £
Interim	25,483,236	27,811,284
Final	33,564,224	38,809,943
	<u>59,047,460</u>	<u>66,621,227</u>
Add: Revenue deducted on cancellation of shares	2,372,403	1,204,693
Deduct: Revenue received on issue of shares	<u>(2,318,619)</u>	<u>(3,367,658)</u>
Net distributions for the year	59,101,244	64,458,262
Interest	8,952	12,142
Total finance costs	<u>59,110,196</u>	<u>64,470,404</u>
Distributions represented by:		
Net revenue after taxation	24,781,088	32,985,797
Allocations to capital:		
ACD's periodic charge, net of tax relief	32,423,657	25,668,906
Revenue deficit	1,876,722	5,803,301
	<u>34,300,379</u>	<u>31,472,207</u>
Yield uplift on conversions*	19,873	–
Balance brought forward	598	856
Balance carried forward	(694)	(598)
Net distributions for the year	<u>59,101,244</u>	<u>64,458,262</u>

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

15.09.13
£

15.09.12
£

7. DEBTORS

Amounts receivable for issue of shares	4,048,353	6,205,749
Sales awaiting settlement	411,694	8,044,873
Accrued revenue:		
Non-taxable dividends	3,809,127	2,929,189
Taxable dividends	178,405	191,822
Unfranked interest	2,125,022	1,853,407
Bank interest	38,787	8,976
	<u>6,151,341</u>	<u>4,983,394</u>
Prepaid expenses	200	196
Taxation recoverable:		
Income tax	–	10,886
Overseas withholding tax	1,623,080	1,566,903
	<u>1,623,080</u>	<u>1,577,789</u>
Total debtors	<u>12,234,668</u>	<u>20,812,001</u>

8. CASH AND BANK BALANCES

Bank balances:		
Capital account	579,069,723	167,648,902
Revenue account	19,644,224	19,758,078
Margin account	19	59
Total bank balances	<u>598,713,966</u>	<u>187,407,039</u>
Bank overdrafts:		
Revenue account	(1,625,017)	(5,351,718)
Total bank overdrafts	<u>(1,625,017)</u>	<u>(5,351,718)</u>

9. CREDITORS

Amounts payable for cancellation of shares	103,956,706	4,732,514
Purchases awaiting settlement	29,728,048	33,264,838

	15.09.13 £	15.09.12 £
9. CREDITORS (continued)		
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	6,318,534	5,957,371
Legal and professional fees	4,706	3,450
Printing costs	17,569	17,331
Registration fees	25,310	24,406
	6,366,119	6,002,558
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	92,762	83,803
Transaction charges	6,039	26,929
Safe custody and other bank charges	69,352	268,964
Interest payable	167	–
	168,320	379,696
Other expenses	121,927	69,364
Stamp duty reserve tax	7,054	9,578
Total creditors	140,348,174	44,458,548

10. RELATED PARTY TRANSACTIONS

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

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Aggregated Statement of Change in Net Assets Attributable to Shareholders on page 13 and amounts due at the year end are disclosed in notes 7 and 9.

10. RELATED PARTY TRANSACTIONS (continued)

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

	Held at 15.09.13	Change in period	Held at 15.09.12
CF Ruffer Equity & General Fund			
'O' Income	105,644	11,687	93,957
'O' Accumulation	561,602	(224,266)	785,868
'I' Income	345,928	–	345,928
'I' Accumulation	10,552	(417)	10,969
'C' Accumulation	149,818	149,818	–
CF Ruffer European Fund			
'O' Accumulation	744,386	(1,541,121)	2,285,507
'I' Accumulation	6,862,036	1,446,019	5,416,017
'C' Accumulation	56,333	56,333	–
CF Ruffer Total Return Fund			
'O' Income	2,353,700	(493,515)	2,847,215
'O' Accumulation	7,251,420	(1,529,731)	8,781,151
'I' Income	1,171,008	379,562	791,446
'I' Accumulation	215,049	19,654	195,395
'S' Accumulation	10,370	(2,078)	12,448
'C' Income	179,772	179,772	–
'C' Accumulation	770,899	770,899	–
CF Ruffer Baker Steel Gold Fund			
'O' Accumulation	475,615	(21,705,819)	22,181,434
'I' Accumulation	39,893	–	39,893
'C' Accumulation	22,080,075	22,080,075	–
CF Ruffer Pacific Fund			
'O' Accumulation	149,213	(58,736)	207,949
'I' Accumulation	432,445	(322,176)	754,621
'C' Accumulation	70,877	70,877	–
CF Ruffer Japanese Fund			
'O' Accumulation	91,318	(686,170)	777,488
'I' Accumulation	33,447,227	121,827	33,325,400
'C' Accumulation	749,751	749,751	–

All other amounts paid to, or received from, the related parties, together with the outstanding balances are disclosed in the financial statements.

11. SHAREHOLDER FUNDS

	'O' %	'I' %	'S' %	'C' %
CF Ruffer Equity & General Fund				
Income shares	1.50	1.00	n/a	1.20
Accumulation shares	1.50	1.00	n/a	1.20
CF Ruffer European Fund				
Income Shares	1.50	1.00	n/a	1.20*
Accumulation shares	1.50	1.00	n/a	1.20
CF Ruffer Total Return Fund				
Income shares	1.50	1.00	1.00	1.20
Accumulation shares	1.50	1.00	1.00	1.20
CF Ruffer Baker Steel Gold Fund				
Accumulation shares	1.85	1.35	n/a	1.55
CF Ruffer Pacific Fund				
Accumulation shares	1.50	1.00	n/a	1.20
CF Ruffer Japanese Fund				
Accumulation shares	1.50	1.00	n/a	1.20

* Not currently available for investment.

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

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

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

i. Credit risk

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

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

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

ii. Interest rate risk

Interest rate risk is the risk that the value of the Company's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate securities and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

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

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

iii. Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value. Forward currency contracts are employed by the Investment Manager, where deemed appropriate, to mitigate the foreign exchange risk. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates.

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

iv. Liquidity risk

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

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iv. *Liquidity risk (continued)*

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

v. *Market price risk*

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

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

vi. *Fair value of financial assets and financial liabilities*

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

vii. *Derivatives*

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

14. PORTFOLIO TRANSACTION COSTS

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

15. SUBSEQUENT EVENTS

Disclosure is made in note 15 of the Notes to the Financial Statements of CF Ruffer Baker Steel Gold Fund.

CF RUFFER EQUITY & GENERAL FUND

ACD'S REPORT

FOR THE YEAR ENDED 15 SEPTEMBER 2013

IMPORTANT INFORMATION

On 13 September 2012 two new share classes, the 'C' Income and 'C' Accumulation were launched in the CF Ruffer Equity & General Fund ('the Fund'), with the first live valuation date being 19 September 2012.

From 4 November 2013 the price of the 'C' share classes will be published in the Financial Times. The prices of all shares are published on the website www.fundlistings.com. The prices of all shares may also be obtained by calling 0845 601 9610 during normal business hours.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide capital growth by investing in a diversified global portfolio of predominantly equities. The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted by the Regulations. There will be no particular emphasis on any geographical area or any industrial or economic sector.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Ruffer Equity & General Fund

15 January 2014

CF RUFFER EQUITY & GENERAL FUND

ACD's Report (continued)

INVESTMENT MANAGER'S REPORT

In the period under review the Fund's 'O' Accumulation shares' Net Asset Value rose by 18.7%¹, this compares with an increase of 17.7%² in the FTSE All-Share Index on a total return basis.

At Ruffer Equity & General ('REG') we aim to enhance our capital in a conservative way by investing in a combination of global equities and cash. Equities are currently more attractive than most of the fixed income universe which is trading in very expensive territory. Since late 2007 we have constructed a portfolio where the larger our holding, the higher its margin of safety i.e. the less likely we are to lose money, and vice versa the smaller positions are more risky. We love working with businesses, they are dynamic organisms able to adapt to macro challenges, in particular inflation.

Over time our equities involved sector 'bets'. We have invested in sectors of the market which were not popular. In 2007 we started investing in many 'staple' companies, in 2010 we allocated capital to pharmaceuticals and also bought Japanese exporters, in 2011 US banks and housebuilders, in 2012 airlines, late in the year private equity and in the summer of 2013 commodity related stocks.

During the last 12 months, and after 5-6 years of investment, we have been taking money out of the steady eddies/staples as their market prices have moved closer to our estimate of their business value. For this reason we have reduced our shareholdings in Johnson & Johnson, Wal-Mart Stores, Kraft (now also Mondelez International), Novartis and Merck & Co.

In addition, we recently reduced our position in Toyota Motor Corporation. We have doubled our money (in yen) since we started buying it during the summer of 2010 when the yen was much stronger and the company was going through the recall nightmare in the US. The stock has now approached our estimate of the business value and as the price of oil escalates, car manufacturers, however ingenious they are, may face more macro hurdles.

We have been allocating capital to capex related sectors. For example, International Business Machines Corporation (IBM) has become our largest position. Even though its margins look high, the investment thesis here involves mean reversion but it focuses on revenues. IT spending, as a percentage of GDP, has declined during the last few years. This is due to total capital spending growing more slowly and a decline in tech spending as a percentage of total capital spending. Our view is that for this bull market to be sustainable, sooner or later corporate confidence will have to be restored and total capital spending will revert to historical levels which will eventually benefit tech spending. The use and manipulation of data is becoming a key need for most businesses and they are likely to spend more capital in the next few years in IT consulting, services and data management. IBM is well positioned to grab a large share of the pie but the current share price discounts limited growth.

Furthermore, in the beginning of 2013 we started buying part of General Dynamics ('GD'). Due to the potential budget cuts, defence was out of favour and while GD seems to be just a defence business, it is not. GD manages a portfolio of distinct operating units, among others owning Gulfstream, the aviation jet business. GD is an investment case where we bought undervalued cash flows to be allocated by a new CEO who is shareholder friendly; we bought a portfolio of assets that trade at 'defence' low valuation but more than one third of profits come from Gulfstream, a growing global franchise.

¹ Source: Capita.

² Source: Thomson Reuters Datastream. The benchmark used by the Investment Manager is for comparison. No benchmark is required to be disclosed as per the Prospectus.

In addition to looking into undervalued sectors, our equity selection focuses on numerous special situations/restructurings where we often 'back' the management. Aegean Airlines, Sagentia Group, QinetiQ Group, Atea, Trex Company are a few examples where the management is a significant shareholder and has made a difference.

During the last 12 months REG's cash balance has fluctuated between 20% to 30% of the portfolio and is currently c26%. We view cash as protection and potential ammunition in falling markets. As markets have moved higher since the crisis, our cash reserves have also increased. Our history since late 2007 clearly shows that we enjoy buying stocks on sale and we find strong markets tougher. You should expect us to have enough cash to be able to participate/invest under the worst possible scenario – for example in early 2009 we had enough ammunition to deploy quickly as we were intensely buying stocks every day. In September 2013 our Sterling exposure is c68%, the USD being at 22%.

As the markets have been grinding higher, it should be expected that it is more difficult to find bargains. But equities are still interesting longer term, it just needs more work. We continue to be opportunistic, continuously scanning for new ideas while protecting our capital remains exciting. The analysts who support me, Sahil Gaba and Shaheen Zaman, have been exceptional – the three of us have plenty of potential new ideas to be looking into.

RUFFER LLP
Investment Manager
7 October 2013

CF RUFFER EQUITY & GENERAL FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'O' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	209.30	193.81	1.3174
2009	239.97	183.28	1.7793
2010	258.71	235.04	0.9080
2011	263.74	250.30	1.2816
2012	282.85	264.19	1.2348
2013*	329.77	283.54	0.1771

'O' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	221.07	203.37	1.3921
2009	255.02	193.60	1.4136
2010	275.24	250.07	0.9725
2011	282.67	267.03	1.3710
2012	304.52	283.14	1.3364
2013*	355.07	305.26	0.1763

'I' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	208.75	193.38	2.3086
2009	239.30	182.96	2.2857
2010	257.78	234.67	2.1710
2011	262.78	249.51	2.5587
2012	281.81	263.24	2.6292
2013*	329.32	282.54	1.8140

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	226.12	207.05	2.4769
2009	263.05	198.19	3.3080
2010	284.36	258.81	2.3363
2011	294.53	277.70	2.8479
2012	318.87	295.04	2.8752
2013*	373.22	319.70	2.1266

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	283.10	274.06	-
2013*	330.71	283.82	1.2860

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	304.79	295.08	-
2013*	356.16	305.56	1.3813

From 19 September 2012.

* To 15 September 2013.

CF RUFFER EQUITY & GENERAL FUND

ACD's Report (continued)

Fund Information (continued)

NET ASSET VALUE

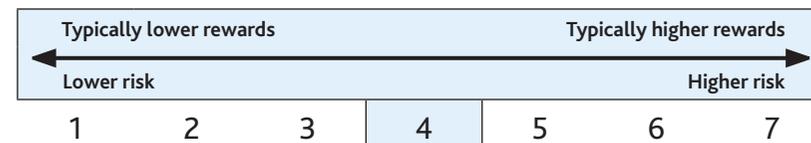
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.09.11	'O' Income	30,923,824	12,227,576	252.90
	'O' Accumulation	78,435,107	28,933,696	271.09
	'I' Income	3,586,059	1,425,432	251.58
	'I' Accumulation	14,136,412	5,011,989	282.05
15.09.12	'O' Income	31,977,164	11,513,684	277.73
	'O' Accumulation	94,195,781	31,503,136	299.00
	'I' Income	2,852,981	1,032,556	276.30
	'I' Accumulation	14,619,995	4,676,049	312.66
15.09.13	'O' Income	8,910,307	2,703,756	329.55
	'O' Accumulation	24,245,070	6,829,067	355.03
	'I' Income	4,832,083	1,473,757	327.88
	'I' Accumulation	43,553,837	11,670,454	373.20
	'C' Income	30,336,408	9,206,503	329.51
	'C' Accumulation	82,171,838	23,073,364	356.13

ONGOING CHARGES FIGURE

Expense Type	15.09.13 %			15.09.12 %	
	'O'	'I'	'C'	'O'	'I'
ACD's periodic charge	1.50	1.00	1.20	1.50	1.00
Other expenses	0.07	0.07	0.07	0.07	0.07
Ongoing charges figure	1.57	1.07	1.27	1.57	1.07

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

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

FUND PERFORMANCE TO 15 SEPTEMBER 2013 (%)

	1 year	3 years	5 years
CF Ruffer Equity & General Fund	19.78	38.25	61.74

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

The relevant price for this purpose was 355.07 pence per share being the Net Asset Value as at 10:00am on 11 September 2013, which differs from the figures reported in the Net Asset Value table.

Details of the distributions per share for the year are shown in the Distribution Table on pages 50 to 52.

CF RUFFER EQUITY & GENERAL FUND
ACD's Report (continued)
PORTFOLIO STATEMENT
AS AT 15 SEPTEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
DEBT SECURITIES				
£1,000,000	Key Technologies 7% Loan Note*	-	-	0.13
EQUITIES				
UNITED KINGDOM				
500,000	Advanced Computer Software Group^	412,500	0.21	
350,000	Alent	1,344,000	0.69	
800,000	BP	3,539,600	1.82	
332,000	Carclo	1,319,700	0.68	
260,000	Castings	1,157,000	0.60	
350,000	Chemring Group	1,112,300	0.57	
223,000	Games Workshop	1,705,950	0.88	
300,000	Gleeson (M.J.) Group	918,000	0.47	
416,100	Guinness Peat Group – GBP	116,508	0.06	
7,660,000	Guinness Peat Group – NZD	2,218,923	1.14	
1,425,000	Hornby	1,172,063	0.60	
545,454	Ilika^	120,000	0.06	
1,000,000	Impax Asset Management Group^	370,000	0.19	
465,000	Impax Environmental Markets	644,025	0.33	
25,000	Kennedy Ventures^	363	0.00	
51,946	LondonMetric Property	59,478	0.03	
250,000	LSL Property Services	1,193,750	0.62	
2,924,240	Miton Group	913,825	0.47	
1,281,240	QinetiQ Group	2,471,512	1.27	
114,400	Rank Group	173,888	0.09	
725,000	RM	594,500	0.31	
2,436,250	Sagentia Group^	3,459,475	1.78	
1,000,000	Tesco	3,719,500	1.92	
1,840,647	TVC Holdings	846,042	0.44	
763,802	Ubisense Group^	1,680,364	0.87	
950,000	Vodafone Group	2,014,000	1.04	
	TOTAL UNITED KINGDOM	33,277,266	17.14	17.42
CONTINENTAL EUROPE				
1,430,013	Aegean Airlines	4,816,189	2.48	
12,000	Alpha Trust Andromeda	187,835	0.10	
412,136	Atea	2,778,053	1.43	
327,637	Autohellas	629,766	0.32	
605,000	Colt Group	723,580	0.37	
352,000	Dolphin Group	227,555	0.12	
400,000	Glencore Xstrata	1,366,000	0.70	

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
CONTINENTAL EUROPE				
<i>(continued)</i>				
70,000	Groupe Bruxelles Lambert	3,683,166	1.90	
75,158	Loomis	1,022,387	0.53	
20,000	Münchener Rückversicherungs-Gesellschaft	2,421,068	1.25	
50,000	Novartis	2,394,152	1.23	
40,000	Oriflame Cosmetics	758,898	0.39	
21,035	Orpea	666,870	0.34	
15,000	Panalpina Welttransport Holding	1,431,426	0.74	
7,000	Rheinmetall	235,989	0.12	
53,314	RHJ International	173,320	0.09	
80,000	Saft Groupe	1,314,414	0.68	
80,000	Teva Pharmaceutical Industries	1,933,195	1.00	
26,878	YOC	53,910	0.03	
	TOTAL CONTINENTAL EUROPE	26,817,773	13.82	14.44
NORTH AMERICA				
57,000	Amdocs	1,329,979	0.69	
55,000	Avon Products	718,960	0.37	
138,403	Bancorp (The)	1,556,230	0.80	
90,000	Bank of New York Mellon Corporation (The)	1,764,721	0.91	
200,000	Callaway Golf Company	916,427	0.47	
70,000	Carefusion Corporation	1,640,367	0.85	
477,720	Cowen Group	1,020,720	0.53	
15,000	Era Group	249,685	0.13	
25,000	Facebook	698,193	0.36	
100,000	General Dynamics Corporation	5,491,630	2.83	
50,000	General Electric Company	749,403	0.39	
4,000	Google	2,239,032	1.15	
120,000	Imperial Oil	3,257,016	1.68	
90,000	International Business Machines Corporation	10,900,882	5.62	
45,000	Johnson & Johnson	2,511,225	1.29	
110,000	JPMorgan Chase & Co	3,646,800	1.88	
45,000	Loews Corporation	1,311,203	0.68	
5,000	Martin Marietta Materials	313,249	0.16	
37,500	Medtronic	1,265,917	0.65	
60,000	Merck & Co	1,807,643	0.93	
60,000	Mondelez International	1,192,742	0.61	
50,310	Navistar International Corporation	1,158,027	0.60	
54,637	nlyte Software 'A'*	68,494	0.04	

CF RUFFER EQUITY & GENERAL FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	NORTH AMERICA (continued)			
98,425	nlyte Software*	123,387	0.06	
25,000	Northern Trust Corporation	863,326	0.44	
40,000	Occidental Petroleum Corporation	2,255,646	1.16	
30,000	PepsiCo	1,518,723	0.78	
40,000	Republic Services	831,465	0.43	
100,000	SAIC	971,261	0.50	
15,000	SEACOR Holdings	832,537	0.43	
15,000	Sears Holdings Corporation	570,845	0.29	
18,000	Stryker Corporation	795,514	0.41	
643,307	Sycamore Networks	186,513	0.10	
120,000	Thomson Reuters Corporation	2,623,730	1.35	
42,800	Trex Company	1,258,699	0.65	
25,000	U.S Bancorp	585,373	0.30	
30,000	United Continental Holdings	608,661	0.31	
23,000	Wal-Mart Stores	1,077,955	0.56	
70,000	Yahoo!	1,290,940	0.67	
	TOTAL NORTH AMERICA	62,203,120	32.06	34.23
	JAPAN			
430,000	Daiei (The)	851,244	0.44	
250,000	Hitachi	1,004,095	0.52	
42,000	Toyota Industries Corporation	1,133,914	0.58	
45,000	Toyota Motor Corporation	1,790,240	0.92	
	TOTAL JAPAN	4,779,493	2.46	3.16
	ASIA PACIFIC (EX JAPAN)			
3,991,968	Fidelity China Special Situations	3,848,257	1.98	
7,000	Hirose Electric Company	614,703	0.32	
30,000	ICICI Bank	580,488	0.30	
5,000	Keyence Corporation	1,108,788	0.57	
50,000	Korea Electric Power Corporation	887,126	0.46	
21,000	SECOM Company	810,129	0.42	
	TOTAL ASIA PACIFIC (EX JAPAN)	7,849,491	4.05	5.54
	AUSTRALIA			
5,300,000	eServGlobal^	1,338,250	0.69	
3,598,250	RungePincockMinarco	1,089,976	0.56	
	TOTAL AUSTRALIA	2,428,226	1.25	1.05

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	ILLIQUID STRATEGIES			
1,245,000	Better Capital PCC 2009	1,892,400	0.98	
964,460	Ruffer Illiquid Strategies 2009#	1,383,873	0.71	
	TOTAL ILLIQUID STRATEGIES	3,276,273	1.69	2.05
	CURRENCY OPTIONS			
		–	–	0.46
	OPTIONS			
500	DAX Put 8,000 Oct 13	83,572	0.04	
376	FTSE 100 Put 6,350 Oct 13	112,799	0.06	
270	S&P 500 Put 1,610 Oct 13	127,632	0.07	
	TOTAL OPTIONS	324,003	0.17	0.09
	WARRANTS			
10,678	American International Group Call Warrants 19.01.21	128,344	0.07	0.20
	FORWARD CURRENCY CONTRACTS			
CAD\$(4,350,000)	Vs £2,697,514 (expiry 15.01.14)	50,555	0.02	
CHF(2,900,000)	Vs £2,010,566 (expiry 11.10.13)	51,419	0.02	
€(12,300,000)	Vs £10,588,332 (expiry 11.10.13)	306,405	0.16	
¥(1,050,000,000)	Vs £6,681,208 (expiry 16.12.13)	11,484	0.01	
US\$(30,800,000)	Vs £20,689,470 (expiry 11.10.13)	1,273,372	0.66	
	TOTAL FORWARD CURRENCY CONTRACTS	1,693,235	0.87	0.08
	Portfolio of investments	142,777,224	73.58	78.85
	Net other assets	51,272,319	26.42	21.15
	Net assets	194,049,543	100.00	100.00

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

* Unlisted security.

^ Quoted on the Alternative Investment Market (AIM).

Related party holding (see note 10).

CF RUFFER EQUITY & GENERAL FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 15 SEPTEMBER 2013

Total purchases for the year (note 14) £71,820,385

Major purchases	Cost £
International Business Machines Corporation	11,433,006
General Dynamics	4,488,005
General Electric	3,712,671
Imperial Oil	3,000,726
Oriflame Cosmetics SDRs	2,290,269
Occidental Petroleum	2,276,070
Guinness Peat Group – NZD	2,177,448
Cenovus Energy	2,118,506
TEVA Pharmaceutical Industries ADRs	2,080,353
BP	1,581,040
TVC Holdings	1,516,056
Berkshire Hathaway	1,470,764
Navistar International	1,459,734
Expeditors International Washington	1,405,843
Saft Groupe	1,290,151
Tesco	1,272,757
Alent	1,240,764
Glencore Xstrata	1,171,155
Hornby	1,101,933
Blackstone Group (The)	1,036,876

Total sales for the year (note 14) £72,205,999

Major sales	Proceeds £
Johnson & Johnson	8,508,410
Berkshire Hathaway	5,374,843
General Electric	3,162,438
Fidelity China Special Situations	2,705,760
Cenovus Energy	2,097,444
S&B Industrial Minerals	2,011,026
Toyota Motor Corporation	1,780,123
Expeditors International Washington	1,710,893
Cisco Systems	1,621,639
Vivendi	1,600,664
Blackstone Group LP	1,499,989
Oriflame Cosmetics SDRs	1,491,209
Kroger Company	1,474,873
Google	1,450,896
Roche Holding	1,301,067
LondonMetric Property	1,208,768
Dell	1,182,893
Celanese	1,180,485
Ericsson (L.M)	1,176,445
Carclo	1,168,185

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

CF RUFFER EQUITY & GENERAL FUND
 FINANCIAL STATEMENTS
 STATEMENT OF TOTAL RETURN
 FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
Income:					
Net capital gains	2	27,524,702		12,510,085	
Revenue	3	3,090,811		2,970,548	
Expenses	4	(2,146,817)		(2,004,302)	
Finance costs: Interest	6	(224)		(568)	
Net revenue before taxation		943,770		965,678	
Taxation	5	(260,725)		(219,803)	
Net revenue after taxation		683,045		745,875	
Total return before distributions		28,207,747		13,255,960	
Finance costs: Distributions	6	(684,174)		(745,881)	
Change in net assets attributable to shareholders from investment activities		27,523,573		12,510,079	

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
 FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Note	15.09.13		15.09.12	
		£	£	£	£
Opening net assets attributable to shareholders		143,645,921		127,081,402	
Amounts receivable on issue of shares		136,852,197		18,455,186	
Amounts payable on cancellation of shares		(114,509,328)		(14,940,829)	
		22,342,869		3,514,357	
Stamp duty reserve tax	1(g)	(34,032)		(17,249)	
Change in net assets attributable to shareholders from investment activities		27,523,573		12,510,079	
Retained distribution on Accumulation shares		571,212		557,332	
Closing net assets attributable to shareholders		194,049,543		143,645,921	

BALANCE SHEET
 AS AT 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		142,777,224		113,587,062	
Other assets					
Debtors	7	1,223,379		1,892,575	
Cash and bank balances	8	50,737,124		32,438,942	
Total other assets		51,960,503		34,331,517	
Total assets		194,737,727		147,918,579	
LIABILITIES					
Investment liabilities					
Other liabilities					
Creditors	9	(554,386)		(3,851,674)	
Bank overdrafts	8	-		(1,277)	
Distribution payable on Income shares		(133,798)		(92,386)	
Total other liabilities		(688,184)		(3,945,337)	
Total liabilities		(688,184)		(4,272,658)	
Net assets attributable to shareholders		194,049,543		143,645,921	

CF RUFFER EQUITY & GENERAL FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

	15.09.13 £	15.09.12 £
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	30,428,057	15,215,182
Derivative contracts	(3,957,434)	(4,314,277)
Forward currency contracts	1,234,011	1,350,677
Transaction charges	(2,201)	(6,056)
Currency (losses)/gains	(177,731)	264,559
Net capital gains	27,524,702	12,510,085
3. REVENUE		
Non-taxable dividends	2,882,005	2,792,707
Taxable dividends	68,258	73,348
UK property income distributions	14,250	31,433
Unfranked interest	(4,470)	4,470
Bank interest	130,759	68,572
Other interest	9	18
Total revenue	3,090,811	2,970,548
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	2,050,025	1,966,687
Rebate of ACD's periodic charge*	(14,687)	(57,275)
Legal and professional fees	6,012	3,973
Printing costs	4,997	6,102
Registration fees	6,301	5,783
	2,052,648	1,925,270
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	58,106	53,313
Safe custody and other bank charges	13,284	7,700
	71,390	61,013

* The rebate is in relation to investments held in other funds managed by the ACD, or an associate of the ACD. This is to eliminate double charging in the Fund.

4. EXPENSES (continued)

Other expenses:

	15.09.13 £	15.09.12 £
FCA fee	61	62
Fees paid to auditor – audit	9,461	8,788
– tax services	2,400	2,340
Publication costs	3,903	4,143
Postage and distribution costs	2,596	405
Bank charges	–	25
Derivative pricing fees	250	–
Other tax related services	4,108	2,256
	22,779	18,019
Total expenses	2,146,817	2,004,302

5. TAXATION

a) Analysis of charge for the year

	15.09.13 £	15.09.12 £
Corporation tax at 20%	–	–
Overseas tax	260,725	219,803
Current tax charge (note 5b)	260,725	219,803
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	260,725	219,803

b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%). The difference is explained below.

	15.09.13 £	15.09.12 £
Net revenue before taxation	943,770	965,678
Corporation tax at 20%	188,754	193,136
Effects of:		
Non-taxable dividends	(576,401)	(558,541)
Foreign tax expensed	–	(202)
Unutilised excess management expenses	387,647	365,607
Corporation tax charge	–	–

CF RUFFER EQUITY & GENERAL FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
5. TAXATION (continued)		
Overseas tax	260,725	219,803
Current tax charge (note 5a)	<u>260,725</u>	<u>219,803</u>

c) Deferred tax

At the year end there is a potential deferred tax asset of £1,465,968 (15.09.12 : £1,078,321) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior period.

6. FINANCE COSTS

Distributions

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

	15.09.13 £	15.09.12 £
Interim	88,255	334,016
Final	<u>631,481</u>	<u>398,040</u>
	719,736	732,056
Add: Revenue deducted on cancellation of shares	22,364	46,122
Deduct: Revenue received on issue of shares	<u>(57,926)</u>	<u>(32,297)</u>
Net distributions for the year	684,174	745,881
Interest	224	568
Total finance costs	<u>684,398</u>	<u>746,449</u>

Details of the distributions per share are set out in the table on pages 50 to 52.

	15.09.13 £	15.09.12 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	683,045	745,875
Yield uplift on conversions*	1,151	–
Balance brought forward	9	15
Balance carried forward	<u>(31)</u>	<u>(9)</u>
Net distributions for the year	<u>684,174</u>	<u>745,881</u>

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

	15.09.13 £	15.09.12 £
7. DEBTORS		
Amounts receivable for issue of shares	137,880	1,650,093
Sales awaiting settlement	22,585	–
Accrued revenue:		
Non-taxable dividends	904,553	134,515
Unfranked interest	–	4,679
Bank interest	<u>1,929</u>	<u>1,513</u>
	906,482	140,707
Prepaid expenses	–	33
Taxation recoverable:		
Income tax	–	2,919
Overseas withholding tax	<u>156,432</u>	<u>98,823</u>
	156,432	101,742
Total debtors	<u>1,223,379</u>	<u>1,892,575</u>
8. CASH AND BANK BALANCES		
Bank balances		
Capital accounts	50,107,235	32,018,380
Revenue accounts	629,889	420,562
Total bank balances	<u>50,737,124</u>	<u>32,438,942</u>

CF RUFFER EQUITY & GENERAL FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
8. CASH AND BANK BALANCES (continued)		
Bank overdrafts		
Revenue account	—	(1,277)
9. CREDITORS		
Amounts payable for cancellation of shares	43,408	25,000
Purchases awaiting settlement	191,184	3,536,137
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	287,524	252,318
Legal and professional fees	1,046	732
Printing costs	2,827	3,253
Registration fees	1,381	1,242
	292,778	257,545
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	7,729	6,805
Transaction charges	591	7,832
Safe custody and other bank charges	2,843	7,502
	11,163	22,139
Other expenses	15,255	10,481
Taxation payable:		
Stamp duty reserve tax	598	372
Total creditors	554,386	3,851,674
10. RELATED PARTY TRANSACTIONS		
Disclosure is made in note 10 of the Notes to the Aggregated Financial Statements.		
11. SHAREHOLDER FUNDS		
Disclosure is made in note 11 of the Notes to the Aggregated Financial Statements.		
12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
There are no contingent assets or liabilities or unrecorded outstanding commitments (15.09.12 : none).		

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.09.13 £	15.09.12 £
Floating rate assets:		
Euros	3	—
Japanese yen	56,451	69,920
US dollars	5	—
Pounds sterling	50,680,665	32,369,022
	50,737,124	32,438,942
Floating rate liabilities:		
Euros	—	(1,277)
Fixed rate assets:		
Pounds sterling	—	185,000
Assets on which interest is not paid:		
Australian dollars	1,089,976	1,046,925
Canadian dollars	3,264,480	—
Euros	15,962,735	11,518,118
Japanese yen	7,313,113	6,486,530
Norwegian krone	2,252,070	2,525,572
New Zealand dollars	3,005,608	—
Singapore dollars	—	694,811
South Korean won	887,126	684,668
Swedish krona	1,781,285	1,827,662
Swiss franc	3,865,975	3,536,898
US dollars	61,749,700	51,070,379
Pounds sterling	83,802,389	63,833,688
	184,974,457	143,225,251
Liabilities on which interest is not paid:		
Canadian dollars	(2,646,958)	—
Euros	(10,281,927)	(11,230,735)
Japanese yen	(6,669,725)	(5,830,912)
Norwegian krone	—	(697,709)
Swiss franc	(1,959,147)	(2,003,691)
US dollars	(19,416,098)	(10,793,221)
Pounds sterling	(688,183)	(1,645,727)
	(41,662,038)	(32,201,995)
Net assets	194,049,543	143,645,921

CF RUFFER EQUITY & GENERAL FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk (continued)

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

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

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.09.13 Gross £	15.09.13 Hedged £	15.09.13 Net £
Currency:			
Australian dollars	1,089,976	–	1,089,976
Canadian dollars	3,264,480	(2,646,958)	617,522
Euros	15,962,738	(10,281,927)	5,680,811
Japanese yen	7,369,564	(6,669,725)	699,839
Norwegian krone	2,252,070	–	2,252,070
New Zealand dollars	3,005,608	–	3,005,608
South Korean won	887,126	–	887,126
Swedish krona	1,781,285	–	1,781,285
Swiss franc	3,865,975	(1,959,147)	1,906,828
US dollars	61,749,705	(19,416,098)	42,333,607
	<u>101,228,527</u>	<u>(40,973,855)</u>	<u>60,254,672</u>
Pounds sterling	91,127,781	42,667,090	133,794,871
Net assets	<u>192,356,308</u>	<u>1,693,235</u>	<u>194,049,543</u>
	15.09.12 Gross £	15.09.12 Hedged £	15.09.12 Net £
Currency:			
Australian dollars	1,046,925	–	1,046,925
Euros	11,516,841	(11,230,735)	286,106
Japanese yen	6,556,450	(5,830,912)	725,538
Norwegian krone	1,827,863	–	1,827,863
Singapore dollars	694,811	–	694,811
South Korean won	684,668	–	684,668
Swedish krona	1,827,662	–	1,827,662
Swiss franc	3,536,898	(2,003,691)	1,533,207
US dollars	49,469,755	(9,192,597)	40,277,158
	<u>77,161,873</u>	<u>(28,257,935)</u>	<u>48,903,938</u>
Pounds sterling	66,363,968	28,378,015	94,741,983
Net assets	<u>143,525,841</u>	<u>120,080</u>	<u>143,645,921</u>

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk (continued)

The income and capital value of the Fund's investments are denominated in sterling and, therefore, the financial statements are not subject to the risk of currency movements.

iii. Derivatives

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

Put options on the DAX, S&P 500 and FTSE 100 Indices were employed by the Fund throughout the year to protect the Fund from the risk of a general decline in equity markets.

The intention in using the forward currency contracts is to reduce the risk profile of the Fund by managing the exposure of the Fund to foreign exchange risk and leave the Fund primarily exposed to the underlying market risk of overseas investments. Therefore where the value of overseas investments falls due to currency movements, the forward currency contracts generate a gain and vice versa.

Refer to note 2 for the impact of derivatives and forward currency contracts in the year and to the Portfolio Statement for the current position of derivatives and forward currency contracts held at the year end.

	15.09.13 £	15.09.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	71,669,760	72,996,238
Transaction costs:		
Commissions	91,378	96,360
Stamp duty and other charges	59,247	58,169
	<u>150,625</u>	<u>154,529</u>
Gross purchases total	<u>71,820,385</u>	<u>73,150,767</u>
Analysis of total sale costs		
Gross sales before transaction costs	72,298,773	89,766,189
Transaction costs:		
Commissions	(91,554)	(108,249)
Other charges	(1,220)	(1,491)
	<u>(92,774)</u>	<u>(109,740)</u>
Total sales net of transaction costs	<u>72,205,999</u>	<u>89,656,449</u>

CF RUFFER EQUITY & GENERAL FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE YEAR ENDED 15 SEPTEMBER 2013 – IN PENCE PER SHARE

Interim

Group 1 – Shares purchased prior to 16 September 2012

Group 2 – Shares purchased on or after 16 September 2012 and on or before 15 March 2013

'O' Income Shares	Net Revenue	Equalisation	Paid 15.05.13	Paid 15.05.12
Group 1	–	–	–	0.5547
Group 2	–	–	–	0.5547

'O' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	–	–	–	0.5946
Group 2	–	–	–	0.5946

'I' Income Shares	Net Revenue	Equalisation	Paid 15.05.13	Paid 15.05.12
Group 1	0.3854	–	0.3854	1.2655
Group 2	0.0290	0.3564	0.3854	1.2655

'I' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	0.4568	–	0.4568	1.3362
Group 2	0.3276	0.1292	0.4568	1.3362

'C' Income Shares	Net Revenue	Equalisation	Paid 15.05.13
Group 1	0.1134	–	0.1134
Group 2	0.1015	0.0119	0.1134

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13
Group 1	0.1211	–	0.1211
Group 2	0.1211	0.0000	0.1211

Final

Group 1 – Shares purchased prior to 16 March 2013

Group 2 – Shares purchased on or after 15 March 2013 and on or before 15 September 2013

'O' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid 15.11.12
Group 1	0.1771	–	0.1771	0.6801
Group 2	0.0000	0.1771	0.1771	0.6801

'O' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	0.1763	–	0.1763	0.7418
Group 2	0.0000	0.1763	0.1763	0.7418

'I' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid 15.11.12
Group 1	1.4286	–	1.4286	1.3637
Group 2	0.5971	0.8315	1.4286	1.3637

'I' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	1.6698	–	1.6698	1.5390
Group 2	0.2630	1.4068	1.6698	1.5390

'C' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid* 15.11.12
Group 1	1.1726	–	1.1726	0.0000
Group 2	0.3829	0.7897	1.1726	0.0000

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated* 15.11.12
Group 1	1.2602	–	1.2602	0.0000
Group 2	0.4349	0.8253	1.2602	0.0000

* These share classes were not eligible for distribution at 15 September 2012. The first accounting period date for the 'C' Income and Accumulation shares classes was 15 March 2013.

CF RUFFER EQUITY & GENERAL FUND

Financial Statements (continued)

Distribution Table (continued)

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

CF RUFFER EUROPEAN FUND

ACD'S REPORT

FOR THE YEAR ENDED 15 SEPTEMBER 2013

IMPORTANT INFORMATION

On 13 September 2012 a new share class, the 'C' Accumulation, was launched in the CF Ruffer European Fund ('the Fund'), with its first live valuation date being 19 September 2012.

From 4 November 2013 the price of the 'C' share class will be published in the Financial Times. The prices of all shares are published on the website www.fundlistings.com. The prices of all shares may also be obtained by calling 0845 601 9610 during normal business hours.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide capital growth by investing in a diversified pan-European portfolio of predominantly equities, though fixed income securities may be utilised if the Investment Manager believes they will assist in meeting the overall objective of the Fund. The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted by the Regulations. There will be no particular emphasis on any geographical area or any industrial or economic sector.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Ruffer European Fund

15 January 2014

INVESTMENT MANAGER'S REPORT

INVESTMENT REVIEW

During the period from 16 September 2012 to 15 September 2013, the Fund's 'O' Accumulation shares' Net Asset Value rose by 16.3%¹, from 377.08p¹ to 438.71p¹, while the STOXX Europe 600 Index rose 12.9%² in euro terms, equivalent to a 16.6%² rise on a comparable sterling-adjusted basis. At the start of the review period, the Fund had a 74.50% weighting in equities (of which 0.4% in equity index put options). Holdings of index-linked gilts totalled 12.0%, with 1.8% in gold and a balancing cash position of 11.7%. At the end of the review period the total commitment to equities had risen to 83.7% (of which 0.5% in equity index put options), holdings of index-linked gilts amounted to 10.6%, with 1.2% in gold, and a balancing net other assets position of 4.5%.

At the end of the review period, the Fund's currency exposure was as follows: Sterling 72%, Swiss francs 12%, Swedish krona 10%, Norwegian kroner 4%, 1% in Danish kroner and US dollars 1%. The Fund's euro equity holdings remain hedged back into sterling, given our concerns about the European sovereign debt crisis and the risk of euro weakness.

Our introductory paragraph highlighted an increasing commitment to equities as the overriding feature of the Fund's asset allocation strategy during the year under review; albeit with an underlay of index put options intended to hedge against the seemingly unavoidable flare-ups of the eurozone crisis. Changes in our index-linked and gold bullion weightings were relatively insignificant, leaving the Fund's cash position as the main swing factor.

One of our separately published monthly reports described our thoughts turning towards the Lernaean Hydra in Greek mythology, as the mythical beast appeared to be emerging as a new reality in the eurozone. European equity markets started the review period in an environment of nervous calm, but it subsequently seemed almost as if any attempt to 'chop the head off' one eurozone crisis spurred the growth of two new ones. Mario Monti cast himself in the guise of Herakles last summer, with his promise 'to do whatever it takes', but the first (calendar) quarter of 2013 saw new crisis 'heads' growing in Italy, Cyprus, and France. As we neared the end of the review period, the sense of crisis across our core European hunting ground began to dissipate, although those of a cynical disposition might say that it was merely swept under the carpet to smooth Germany's election runway. That said, we are now beginning to see positive signals from lead indicators within the eurozone, matched by their counterparts in the United States and China.

INVESTMENT OUTLOOK

The proverbial elephant in the investment room is, of course, the fact that developed economies continue to be supported by a tsunami of central bank money printing politely known as 'Quantitative Easing', albeit with growing question marks over the political commitment to sustain that support, above all in the United States. With an eye to the impact of its eventual withdrawal, we will continue to pursue the same strategy of opportunistic stock picking tempered by the use of index hedging when we feel this to be appropriate.

While it would be foolish to give a pre-emptive forecast of the net outcome of this strategy, we can at least reiterate our confidence that we see scope for material progress from a growing number of special situation equities within the Fund. Looking at our attribution analysis in the

¹ Source: *Capita*.

² Source: *Thomson Reuters Datastream*. The benchmark used by the Investment Manager is for comparison. No benchmark is required to be disclosed as per the Prospectus.

most recent year under review, we can highlight the extent to which innovative technologies and business models helped to create strong performance contributions from five out of six of the Fund's largest and implicitly highest-conviction holdings, but with a pleasingly long 'tail' of positive contributions from other names. Without the comfort and insurance provided by sporadic put option protection, there would have been occasions enough where we lacked the confidence to add new equity positions or top up existing high-conviction holdings that ultimately enhanced performance over the twelve months.

RUFFER LLP
Investment Manager
7 October 2013

CF RUFFER EUROPEAN FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'O' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	303.91	226.85	2.1576
2009	332.56	277.93	2.2635
2010	383.37	323.78	1.3407
2011	398.68	352.96	3.0705
2012	387.03	363.70	2.3187
2013**	443.51	389.38	0.7503

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	310.27	272.36	3.6765
2009	341.11	284.21	3.4593
2010	395.20	332.79	3.2559
2011	411.66	365.23	4.9794
2012	402.99	376.81	4.3320
2013**	463.28	405.46	3.2945

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012*	387.37	368.34	-
2013**	444.76	389.74	2.2280

* From 19 September 2012.

** To 15 September 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.09.11	'O' Accumulation	163,671,718	44,940,237	364.20
	'I' Accumulation	64,191,452	17,038,382	376.75
15.09.12	'O' Accumulation	164,114,272	43,522,880	377.08
	'I' Accumulation	75,423,790	19,238,334	392.05
15.09.13	'O' Accumulation	63,249,623	14,417,069	438.71
	'I' Accumulation	104,711,285	22,839,436	458.47
	'C' Accumulation	100,324,178	22,797,434	440.07

ONGOING CHARGES FIGURE

Expense Type	15.09.13 %			15.09.12 %	
	'O'	'I'	'C'	'O'	'I'
ACD's periodic charge	1.50	1.00	1.20	1.50	1.00
Other expenses	0.06	0.06	0.06	0.05	0.05
Ongoing charges figure	1.56	1.06	1.26	1.55	1.05

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

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

CF RUFFER EUROPEAN FUND

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 15 SEPTEMBER 2013 (%)

	1 year	3 years	5 years
CF Ruffer European Fund	18.02	26.19	51.95

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

The relevant price for this purpose was 442.18 pence per share being the Net Asset Value as at 10:00am on 11 September 2013, which differs from the figures reported in the Net Asset Value table.

Details of the distributions per share for the year are shown in the Distribution Table on page 75.

PORTFOLIO STATEMENT AS AT 15 SEPTEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	DEBT SECURITIES			
18,050,000	Treasury 1.25% index-linked 2017	25,942,994	9.67	
2,350,000	Treasury 0.125% index-linked 2019	2,492,983	0.93	
	TOTAL DEBT SECURITIES	28,435,977	10.60	11.95
	EQUITIES			
	CONTINENTAL EUROPE			
	AUSTRIA			
40,000	Schoeller-Bleckmann Oilfield Equipment	2,795,970	1.04	1.49
	DENMARK			
35,000	ALK-Abello	1,949,435	0.73	
164,000	Asetek	624,978	0.23	
	TOTAL DENMARK	2,574,413	0.96	0.59
	FINLAND			
2,200,000	Raisio	6,949,811	2.59	1.52
	FRANCE			
25,000	Eurofins Scientific	3,773,256	1.41	
62,532	Faiveley Transport	2,788,016	1.04	
215,000	Orpea	6,816,117	2.54	
30,000	Rubis	1,155,669	0.43	
75,000	Société BIC	5,513,216	2.05	
100,000	Vallourec	4,105,871	1.53	
	TOTAL FRANCE	24,152,145	9.00	8.06
	GERMANY			
570,723	Aurelius	10,373,926	3.87	
65,000	Axel Springer	2,075,354	0.77	
42,750	BayWa	1,320,285	0.49	
230,000	Deutsche Post	4,488,211	1.67	
100,000	Fresenius Medical Care & Company	4,063,667	1.51	
1,045,480	Heliocentris Energy Solutions	5,172,446	1.93	
864,709	MS Industrie	1,293,545	0.48	
65,000	SHW	1,738,560	0.65	
85,800	SNP Schneider-Neureither & Partner	1,006,730	0.38	

CF RUFFER EUROPEAN FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	GERMANY (continued)			
225,000	SUSS Microtec	1,353,859	0.50	
100,000	TAKKT	1,224,741	0.46	
155,000	Tom Tailor Holding	2,244,858	0.84	
97,753	YOC	196,065	0.07	
	TOTAL GERMANY	36,552,247	13.62	16.78
	ITALY			
1	Bioera	–	–	0.71
	NORWAY			
120,000	Kongsberg Gruppen	1,503,106	0.56	
400,000	Statoil	5,732,182	2.14	
	TOTAL NORWAY	7,235,288	2.70	4.29
	SPAIN			
454,545	Ebro Foods	6,248,867	2.33	2.03
	SWEDEN			
200,000	BioGaia	4,788,698	1.79	
100,000	Investment AB Kinnevik	2,227,368	0.83	
450,000	Karolinska Development	1,217,807	0.45	
625,000	Loomis	8,501,978	3.17	
70,000	Meda	495,088	0.18	
1,400,000	Opus Group	1,034,512	0.39	
310,000	Svenska Cellulosa	5,069,302	1.89	
	TOTAL SWEDEN	23,334,753	8.70	6.95
	SWITZERLAND			
50,000	Adecco	2,159,465	0.81	
13,715	Burckhardt Compression Holding	3,654,083	1.36	
15,000	Comet Holding	2,937,817	1.10	
80,000	DKSH Holding	3,906,284	1.46	
35,280	Emmi	6,254,512	2.33	
8,711	LEM Holding	3,632,792	1.35	
5,533	Schaffner Holding	835,915	0.31	
4,250	Sika	7,511,526	2.80	
	TOTAL SWITZERLAND	30,892,394	11.52	10.86
	TOTAL CONTINENTAL EUROPE	140,735,888	52.46	53.28

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	UNITED KINGDOM			
1,862,795	Advanced Computer Software Group^	1,536,806	0.57	
272,727,273	Avacta Group^	2,154,546	0.80	
1,884,700	Booker Group	2,525,498	0.94	
28,916,676	Byotrol^	1,735,001	0.65	
3,350,000	Carclo	13,316,250	4.96	
3,000,000	DataWind UK placing	450,000	0.17	
18,700,000	Earthport^	3,927,000	1.47	
6,125,000	EKF Diagnostics Holdings^	1,607,813	0.60	
17,747,300	Globo^	10,293,434	3.84	
4,310,000	Ilika^	948,200	0.35	
9,500,000	IP Group	13,015,000	4.85	
180,000	Jazztel	1,188,538	0.44	
4,000,000	Modern Water^	1,560,000	0.58	
545,932	nlyte Software*	684,391	0.26	
1,069,152	nlyte Software 'A'*	1,340,309	0.50	
7,600,000	Oxford Catalysts Group^	10,659,000	3.97	
150,000	Oxford Instruments	2,002,500	0.75	
1,087,210	PureCircle^	3,696,514	1.38	
1,960,000	Retroscreen Virology Group^	6,076,000	2.26	
500,000	Silence Therapeutics^	1,340,000	0.50	
2,500,000	Sphere Medical Holding^	850,000	0.32	
3,440,142	Tanfield Group^	765,432	0.29	
236,313	Ubisense Group^	519,889	0.19	
	TOTAL UNITED KINGDOM	82,192,121	30.64	21.63
	GOLD			
40,000	Gold Bullion Securities**	3,191,486	1.19	1.76
	OPTIONS			
2,400	DAX Put 7,950 Dec 13	1,218,473	0.45	0.38
	WARRANTS			
250,000	Sphere Medical Hld Series 1 Placee Warrant 17 July 2018	–	–	
250,000	Sphere Medical Hld Series 2 Placee Warrant 17 July 2018	–	–	
	TOTAL WARRANTS	–	–	–
	FORWARD CURRENCY CONTRACTS			
€(94,000,000)	Vs £79,055,120 (expiry 16.12.13)	372,065	0.14	(0.70)

CF RUFFER EUROPEAN FUND

ACD's Report (continued)

Portfolio Statement (continued)

	Value £	Total Net Assets	
		15.09.13 %	15.09.12 %
Portfolio of investments	256,146,010	95.48	88.30
Net other assets	12,139,076	4.52	11.70
Net assets	<u>268,285,086</u>	<u>100.00</u>	<u>100.00</u>

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

* Unlisted security.

** Collective investment scheme.

^ Quoted on the Alternative Investment Market (AIM).

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 15 SEPTEMBER 2013

Total purchases for the year (note 14)	£37,823,327
Major purchases	Cost £
Comet Holding	2,582,331
Aurelius	2,580,255
Treasury 0.125% index-linked 2019	2,501,550
Heliocentris Energy Solutions	2,313,849
Oxford Catalysts Group	2,028,328
Investment AB Kinnevik	2,015,940
Modern Water	2,000,000
Société BIC	1,885,647
Earthport	1,794,217
EKF Diagnostics Holdings	1,686,635
Globo	1,653,544
Avacta Group	1,500,000
Raisio	1,483,465
Advanced Computer Software Group	1,395,876
MS Industrie	1,386,665
DKSH Holding	1,218,180
Jazztel	1,027,482
Silence Therapeutics	1,000,000
Sphere Medical Holding	1,000,000
Asetek	674,139

CF RUFFER EUROPEAN FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the year (note 14) £37,980,090

Major sales	Proceeds £
Swisscom	5,193,935
Linde	3,667,478
Atlas Copco	3,100,756
Siemens	2,661,306
Fresenius Medical Care & Company	2,558,025
Treasury 2.5% index-linked 2013	2,545,427
Aixtron	2,443,085
KUKA	2,432,836
Adecco	2,085,977
Fred Olsen Energy	1,973,519
Naturex	1,609,760
Trevi Finanziaria	1,125,244
HMS Industrial Networks	1,034,279
Zumtobel	1,034,151
Schuler	966,786
K+S	879,974
Rubis	721,334
Tom Tailor Holding	650,806
TAKKT	362,593
PureCircle	329,964

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	15.09.13 £	15.09.12 £
Income:			
Net capital gains	2	37,376,958	5,956,925
Revenue	3	4,926,997	5,479,856
Expenses	4	(3,239,021)	(3,289,367)
Finance costs: Interest	6	(254)	(3,928)
Net revenue before taxation		1,687,722	2,186,561
Taxation	5	(346,264)	(275,014)
Net revenue after taxation		1,341,458	1,911,547
Total return before distributions		38,718,416	7,868,472
Finance costs: Distributions	6	(1,355,795)	(1,911,542)
Change in net assets attributable to shareholders from investment activities		37,362,621	5,956,930

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Note	15.09.13 £	15.09.12 £
Opening net assets attributable to shareholders		239,538,062	227,863,170
Amounts receivable on issue of shares		103,907,521	34,800,199
Amounts payable on cancellation of shares		(113,857,588)	(30,898,832)
		(9,950,067)	3,901,367
Stamp duty reserve tax	1(g)	(34,073)	(25,975)
Change in net assets attributable to shareholders from investment activities		37,362,621	5,956,930
Retained distribution on Accumulation shares		1,368,543	1,842,570
Closing net assets attributable to shareholders		268,285,086	239,538,062

CF RUFFER EUROPEAN FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		256,146,010		213,186,935	
Other assets					
Debtors	7	1,195,808		1,267,823	
Cash and bank balances	8	11,386,725		27,257,471	
Total other assets		12,582,533		28,525,294	
Total assets		<u>268,728,543</u>		<u>241,712,229</u>	
LIABILITIES					
Investment liabilities				(1,673,157)	
Other liabilities					
Creditors	9	(443,457)		(501,010)	
Total other liabilities		(443,457)		(501,010)	
Total liabilities		<u>(443,457)</u>		<u>(2,174,167)</u>	
Net assets attributable to shareholders		<u>268,285,086</u>		<u>239,538,062</u>	

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

	15.09.13	15.09.12
	£	£
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	41,898,257	20,604,076
Derivative contracts	(4,738,207)	(20,267,545)
Forward currency contracts	184,447	5,475,488
Transaction (charges)/credit	(2,474)	49
Currency gains	34,935	144,857
Net capital gains	<u>37,376,958</u>	<u>5,956,925</u>
3. REVENUE		
Non-taxable dividends	3,844,015	4,058,766
Taxable dividends	–	80,522
Unfranked interest	1,067,324	1,314,404
Bank interest	13,836	22,505
Other interest	1,822	3,659
Total revenue	<u>4,926,997</u>	<u>5,479,856</u>
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	3,092,418	3,157,092
Legal and professional fees	3,256	2,556
Printing costs	5,580	4,478
Registration fees	11,448	11,726
	3,112,702	3,175,852
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	68,829	66,411
Safe custody and other bank charges	25,381	17,609
	94,210	84,020

CF RUFFER EUROPEAN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
4. EXPENSES (continued)		
Other expenses:		
FCA fee	61	62
Fees paid to auditor – audit	10,496	7,722
– tax services	2,400	60
Publication costs	2,527	2,762
Postage and distribution costs	4,581	889
Derivative pricing fees	13	–
Other tax related services	12,031	18,000
	32,109	29,495
Total expenses	<u>3,239,021</u>	<u>3,289,367</u>
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas tax	346,264	275,014
Current tax charge (note 5b)	346,264	275,014
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	<u>346,264</u>	<u>275,014</u>
b) Factors affecting current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%). The difference is explained below.		
	15.09.13 £	15.09.12 £
Net revenue before taxation	1,687,722	2,186,561
Corporation tax at 20%	337,544	437,312
Effects of:		
Non-taxable dividends	(768,803)	(811,753)
Non-taxable RPI movement on UK index-linked gilts	(159,467)	(131,310)
Foreign tax expensed	–	(220)
Unutilised excess management expenses	590,726	505,971
Corporation tax charge	–	–

	15.09.13 £	15.09.12 £
5. TAXATION (continued)		
Overseas tax	346,264	275,014
Current tax charge (note 5a)	<u>346,264</u>	<u>275,014</u>
c) Deferred tax		
At the year end there is a potential deferred tax asset of £2,047,520 (15.09.12 : £1,456,794) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior period.		
6. FINANCE COSTS		
Distributions		
The distributions take account of revenue received on the issue of shares and revenue deducted on cancellations of shares, and comprise:		
	15.09.13 £	15.09.12 £
Interim	–	–
Final	1,368,543	1,842,570
	1,368,543	1,842,570
Add: Revenue deducted on cancellation of shares	26,705	108,693
Deduct: Revenue received on issue of shares	(39,453)	(39,721)
Net distributions for the year	1,355,795	1,911,542
Interest	254	3,928
Total finance costs	<u>1,356,049</u>	<u>1,915,470</u>

Details of the distributions per share are set out in the table on page 75.

CF RUFFER EUROPEAN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	1,341,458	1,911,547
Yield uplift on conversions*	14,328	–
Balance brought forward	51	46
Balance carried forward	(42)	(51)
Net distributions for the year	<u>1,355,795</u>	<u>1,911,542</u>
* Where an investor converts to a class with a higher income yield, the investor will receive an equalisation as if they had held the new class throughout the period from last distribution to conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.		
	15.09.13 £	15.09.12 £
7. DEBTORS		
Amounts receivable for issue of shares	129,850	345,450
Sales awaiting settlement	26,023	–
Accrued revenue:		
Non-taxable dividends	66,076	55,275
Unfranked interest	94,485	96,729
Bank interest	199	1,202
	160,760	153,206
Amounts prepaid to the ACD, associates of the ACD and agents of either of them:		
Prepaid expenses	–	33
Taxation recoverable:		
Overseas withholding tax	879,175	769,134
Total debtors	<u>1,195,808</u>	<u>1,267,823</u>
8. CASH AND BANK BALANCES		
Bank balances:		
Capital accounts	11,338,104	26,836,097
Revenue accounts	48,621	421,374
Total bank balances	<u>11,386,725</u>	<u>27,257,471</u>

	15.09.13 £	15.09.12 £
9. CREDITORS		
Amounts payable for cancellation of shares	–	47,498
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	401,855	405,300
Legal and professional fees	575	418
Printing costs	2,547	2,441
Registration fees	2,351	2,406
	407,328	410,565
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	8,879	8,458
Transaction charges	501	2,245
Safe custody and other bank charges	5,010	15,479
	14,390	26,182
Other expenses	21,469	16,265
Taxation payable:		
Stamp duty reserve tax	270	500
Total creditors	<u>443,457</u>	<u>501,010</u>

10. RELATED PARTY TRANSACTIONS

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

11. SHAREHOLDER FUNDS

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

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or unrecorded outstanding commitments (15.09.12 : none).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

CF RUFFER EUROPEAN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.09.13 £	15.09.12 £
Floating rate assets:		
Euros	843,624	803,890
Norwegian krone	3,687,504	3,770,800
Swedish krona	3,013,919	2,955,063
Swiss franc	38	–
Pounds sterling	32,277,617	48,361,565
	<u>39,822,702</u>	<u>55,891,318</u>
Assets on which interest is not paid:		
Danish krone	1,949,435	1,409,563
Euros	79,642,663	74,546,263
Norwegian krone	7,982,394	10,414,974
Swedish krona	23,334,755	16,644,052
Swiss franc	31,138,852	26,271,926
US dollars	3,191,486	4,220,881
Pounds sterling	160,299,311	123,338,274
	<u>307,538,896</u>	<u>256,845,933</u>
Liabilities on which interest is not paid:		
Euros	(78,633,055)	(72,698,179)
Pounds sterling	(443,457)	(501,010)
	<u>(79,076,512)</u>	<u>(73,199,189)</u>
Net assets	<u>268,285,086</u>	<u>239,538,062</u>

The floating rate financial assets and liabilities comprise bank balances and bank overdraft positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents and index-linked securities that earn interest at rates adjusted by the changes in the UK Retail Prices Index (RPI).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.09.13 Gross £	15.09.13 Hedged £	15.09.13 Net £
Currency:			
Danish krone	1,949,435	–	1,949,435
Euros	80,486,287	(78,633,055)	1,853,232
Norwegian krone	11,669,898	–	11,669,898
Swedish krona	26,348,674	–	26,348,674
Swiss franc	31,138,890	–	31,138,890
US dollars	3,191,486	–	3,191,486
	<u>154,784,670</u>	<u>(78,633,055)</u>	<u>76,151,615</u>
Pounds sterling	113,128,351	79,005,120	192,133,471
Net assets	<u>267,913,021</u>	<u>372,065</u>	<u>268,285,086</u>
	15.09.12 Gross £	15.09.12 Hedged £	15.09.12 Net £
Currency:			
Danish krone	1,409,563	–	1,409,563
Euros	75,350,153	(72,698,179)	2,651,974
Norwegian krone	14,185,774	–	14,185,774
Swedish krona	19,599,115	–	19,599,115
Swiss franc	26,271,926	–	26,271,926
US dollars	4,220,881	–	4,220,881
	<u>141,037,412</u>	<u>(72,698,179)</u>	<u>68,339,233</u>
Pounds sterling	100,173,807	71,025,022	171,198,829
Net assets	<u>241,211,219</u>	<u>(1,673,157)</u>	<u>239,538,062</u>

The income and capital value of the Fund's investments are denominated in sterling and, therefore, the financial statements are not subject to the risk of currency movements.

iii. Derivatives

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

Put options on the DAX Index were employed by the Fund throughout the year to protect the Fund from the risk of a general decline in equity markets.

CF RUFFER EUROPEAN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives (continued)

The intention in using the euro forward currency contracts is to reduce the risk profile of the Fund by managing the exposure of the Fund to euro foreign exchange risk and leave the Fund primarily exposed to the underlying market risk of overseas investments. Therefore where the value of overseas investments falls due to currency movements, the forward currency contracts generate a gain and vice versa.

Refer to note 2 for the impact of derivatives and forward currency contracts in the year, and to the Portfolio Statement for the current position of derivatives and forward currency contracts held at the year end.

	15.09.13 £	15.09.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	37,763,684	69,288,007
Transaction costs:		
Commissions	29,495	69,652
Stamp duty and other charges	30,148	37,140
	59,643	106,792
Gross purchases total	<u>37,823,327</u>	<u>69,394,799</u>
Analysis of total sale costs		
Gross sales before transaction costs	38,027,347	73,743,887
Transaction costs:		
Commissions	(47,257)	(70,706)
Other charges	-	(7)
	(47,257)	(70,713)
Total sales net of transaction costs	<u>37,980,090</u>	<u>73,673,174</u>

DISTRIBUTION TABLE

FOR THE YEAR ENDED 15 SEPTEMBER 2013 – IN PENCE PER SHARE

Interim

There were no Interim distributions.

Final

Group 1 – Shares purchased prior to 16 March 2013

Group 2 – Shares purchased on or after 16 March 2013 and on or before 15 September 2013

'O' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	0.7503	-	0.7503	2.3187
Group 2	0.0370	0.7133	0.7503	2.3187

'I' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	3.2945	-	3.2945	4.3320
Group 2	1.2383	2.0562	3.2945	4.3320

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated* 15.11.12
Group 1	2.2280	-	2.2280	0.0000
Group 2	0.7486	1.4794	2.2280	0.0000

* This share class was not eligible for distribution at 15 September 2012. The first accounting period date for the 'C' Accumulation share class was 15 March 2013.

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

CF RUFFER TOTAL RETURN FUND
ACD'S REPORT
FOR THE YEAR ENDED 15 SEPTEMBER 2013

IMPORTANT INFORMATION

On 13 September 2012 two new share classes, the 'C' Income and 'C' Accumulation, were launched in the CF Ruffer Total Return Fund ('the Fund'), with their first live valuation dates being 19 September 2012.

From 4 November 2013 the price of the 'C' share classes will be published in the Financial Times. The prices of all shares are published on the website www.fundlistings.com. The prices of all shares may also be obtained by calling 0845 601 9610 during normal business hours.

With effect from 1 August 2013, derivative and forward transactions may be used for investment purposes as well as Efficient Portfolio Management.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to achieve low volatility, positive returns from an actively managed portfolio of different asset classes, including equities, bonds and currencies. The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted by the Regulations. Pervading this objective is a fundamental philosophy of capital preservation.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of *CF Ruffer Total Return Fund*
15 January 2014

INVESTMENT MANAGER'S REPORT

In the period under review the Fund's 'O' Accumulation shares' Net Asset Value rose by 15.9%¹. By way of comparison the FTSE All-Share Index rose by 17.7%² and the FTSE All Stocks Index declined by 2.7%².

By the standards of the volatility and vicissitudes of the last few years the period under review has been positively benign. Eurozone stresses have been effectively neutered following European Central Bank President Draghi's rhetoric of July 2012, and even the partial seizure of Cypriot bank deposits at the end of March caused hardly a flutter. Elsewhere, the US economy continues its slow recovery, recent economic data in the UK has pointed to an element of healing, and even the eurozone is, mathematically at least, out of recession.

However, in a world where asset prices continue to draw a significant measure of their strength from central bank support the key change in this period has been the arrival of Japan at the money-printing party. The election of Prime Minister Abe last December on an explicit commitment to raise growth and inflation, and strong stimulatory action from the Bank of Japan led by new governor Kuroda have brought about a complete policy shift compared with the hesitations of recent years. Japanese equities in yen terms surged 60% in the period under review, fully justifying sticking with our significant positions through previous periods of dullness. With our Japanese banking and property stocks roughly doubling between November and May this part of the portfolio was a key contributor to performance through the last year. We have taken some profits and within the Japanese mix rotated to a degree away from these first movers, but our faith in Japan as a generator of future returns remains broadly undimmed. The portfolio has also benefited from some good single stock moves some of our western equities such as Invensys and ITV. There were also healthy gains in our 'nifty' equities such as Johnson & Johnson, but this is an area where we feel valuations have become unattractive and where we have therefore been taking profits. Such funds have been recycled into other less fashionable areas where we feel dividends are still high and sustainable, such as integrated oil companies and US Defence stocks.

The shape of the portfolio's protective assets, namely government inflation-linked bonds and gold has changed little, but here performance has been more variable. While UK inflation-linked bonds rallied strongly in January, when the ONS decided to leave the calculation of the UK RPI unchanged, all bonds have suffered more recently as investors began to consider the likelihood of reduced stimulation from the US Federal Reserve after chairman Bernanke's speech in May. We still feel the routemap to salvation entails negative real interest rates and the return of inflation, but one recent observation we would make is that Japan's stimulatory policy, by lowering the yen, has, paradoxically, in the first instance been a deflationary force, even if its longer term aim is, very explicitly, the restoration of an inflationary dynamic.

In terms of currency positions more generally through the early part of this period our Japanese equity holdings were entirely hedged back to sterling. In January we reduced the hedge slightly, and at the end of the period we had 4% exposure to the yen. Our eurozone equity holdings have been entirely hedged back to sterling throughout, such that the US dollar has been the only substantial overseas currency exposure, ending the period at 27%.

The one asset that has clung inseparably to its leper's bell through this period has been gold, with its spot price sporting a fall of over 25.8%². While we certainly broke the wrong way in holding mining equities alongside bullion, we have recently made sure that the gold shares that we own have sufficiently strong balance sheets to be around to benefit from any recovery in the gold price.

CF RUFFER TOTAL RETURN FUND

ACD's Report (continued)

Investment Manager's Report (continued)

Despite this apparently benign backdrop there are still manifold risks around and about; they have morphed rather than disappeared. The German election result is unlikely to produce a change in eurozone policy, whereby solidarity from the North will only be granted as a reward for austerity in the South. More pertinently for financial assets it seems incontrovertible that the vast central bank support measures have meant that some returns have been 'borrowed' from the future, and to that extent the biggest threat to financial assets is probably how central banks unwind their support without precipitating a new crisis. The sharp and highly correlated falls in bonds and equities after Mr Bernanke dared to mention the beginning of this process in May is strong testimony to that.

To that extent beady-eyed investors will notice us sporting a higher cash balance than usual; some call options on US interest rates protected us in the second quarter sell-off, but after they broadly tripled in value it seemed churlish not to pocket the profits. For 2013 to date we have indeed been net sellers of equities, and have not always rushed to reinvest the proceeds. We continue to dig for opportunities and it is good to know we have the firepower to use when such situations present themselves.

¹ Source: Capita.

² Source: Thomson Reuters Datastream. The benchmarks are used by the Investment Manager for comparison. No benchmarks are required to be disclosed as per the Prospectus.

RUFFER LLP
Investment Manager
7 October 2013

FUND INFORMATION

PERFORMANCE RECORD

'O' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	205.85	169.12	4.3249
2009	224.25	185.43	4.6289
2010	248.18	222.37	4.9487
2011	250.68	235.98	6.3284
2012	251.25	234.35	5.9620
2013*	273.43	243.63	5.1096

'O' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	257.01	211.19	5.3034
2009	286.53	231.56	5.8087
2010	323.78	284.13	6.3533
2011	329.46	310.87	8.3013
2012	336.60	318.06	8.0301
2013*	378.73	334.48	7.0479

'I' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	210.18	172.51	4.3981
2009	230.25	189.58	4.7595
2010	256.24	228.41	5.0455
2011	258.98	244.32	6.5248
2012	260.77	243.98	6.1851
2013*	285.51	253.89	5.3364

CF RUFFER TOTAL RETURN FUND

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

PERFORMANCE RECORD (continued)

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	262.88	215.79	5.4055
2009	294.62	237.05	5.8874
2010	334.53	292.30	6.4241
2011	341.04	322.00	8.6270
2012	349.56	330.59	8.3415
2013*	395.66	348.76	7.3640

'S' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	210.91	173.13	4.4165
2009	230.93	190.18	4.9080
2010	256.78	229.09	5.1259
2011	259.51	244.85	6.5386
2012	261.30	244.49	6.1868
2013*	286.09	254.42	5.3421

'S' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	263.39	216.21	5.4114
2009	295.24	237.52	6.0942
2010	335.35	292.88	6.6424
2011	341.90	322.80	8.6028
2012	350.42	331.40	8.3609
2013*	395.09	349.62	7.3669

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	243.72	234.46	-
2013*	274.06	243.85	5.0887

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	334.60	321.79	-
2013*	379.53	334.77	7.0434

From 19 September 2012.

* To 15 September 2013.

CF RUFFER TOTAL RETURN FUND

ACD's Report (continued)

Fund Information (continued)

NET ASSET VALUE

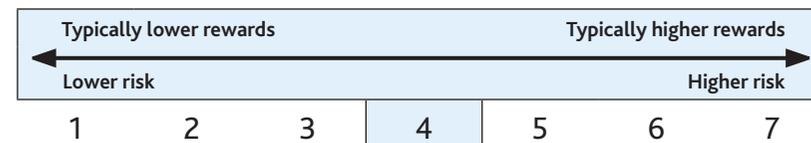
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.09.11	'O' Income	404,321,346	171,484,269	235.78
	'O' Accumulation	742,523,218	235,063,309	315.88
	'I' Income	265,054,110	108,580,820	244.11
	'I' Accumulation	750,955,212	229,487,055	327.23
	'S' Income	11,026,533	4,507,604	244.62
	'S' Accumulation	6,787,198	2,069,021	328.04
15.09.12	'O' Income	454,072,023	190,250,746	238.67
	'O' Accumulation	822,934,825	251,152,440	327.66
	'I' Income	307,370,905	123,765,676	248.35
	'I' Accumulation	923,240,054	270,630,799	341.14
	'S' Income	10,756,916	4,322,344	248.87
	'S' Accumulation	7,971,736	2,331,041	341.98
15.09.13	'O' Income	282,873,280	104,297,439	271.22
	'O' Accumulation	1,116,772,509	293,993,646	379.86
	'I' Income	396,375,707	152,840,910	259.34
	'I' Accumulation	740,478,707	203,974,579	363.02
	'S' Income	11,695,877	4,303,308	271.79
	'S' Accumulation	9,280,875	2,437,172	380.81
	'C' Income	107,115,047	41,166,799	260.20
	'C' Accumulation	154,658,666	42,470,047	364.16

ONGOING CHARGES FIGURE

Expense Type	15.09.13				15.09.12		
	%				%		
	'O'	'I'	'S'	'C'	'O'	'I'	'S'
ACD's periodic charge	1.50	1.00	1.00	1.20	1.50	1.00	1.00
Other expenses	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Ongoing charges figure	1.53	1.03	1.03	1.23	1.53	1.03	1.03

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

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

FUND PERFORMANCE TO 15 SEPTEMBER 2013 (%)

	1 year	3 years	5 years
CF Ruffer Total Return Fund	12.09	18.24	61.17

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

The relevant price for this purpose was 363.50 pence per share being the Net Asset Value as at 10:00am on 11 September 2013, which differs from the figures reported in the Net Asset Value table.

Details of the distributions per share for the year are shown in the Distribution Table on pages 103 to 105.

CF RUFFER TOTAL RETURN FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 SEPTEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	DEBT SECURITIES			
£47,707	South Staffordshire Water 4% perpetual	21,463	-	
£17,557,700	Treasury 0.25% index-linked 2052	18,674,194	0.66	
£45,778,000	Treasury 0.375% index-linked 2062	54,199,916	1.92	
£71,160,000	Treasury 0.5% index-linked 2050	93,497,480	3.32	
£109,343,800	Treasury 1.25% index-linked 2017	157,158,204	5.57	
£40,310,000	Treasury 1.25% index-linked 2055	76,548,569	2.72	
£77,000,000	Treasury 1.875% index-linked 2022	112,346,388	3.98	
\$185,404,700	US Treasury Inflation Protected Securities 0.125% 2016	126,500,137	4.49	
\$178,000,000	US Treasury Inflation Protected Securities 0.125% 2022	110,755,942	3.93	
\$73,742,000	US Treasury Inflation Protected Securities 0.75% 2042	39,137,634	1.39	
\$120,630,000	US Treasury Inflation Protected Securities 1.25% 2020	86,836,612	3.08	
\$51,682,000	US Treasury Inflation Protected Securities 2.125% 2041	39,564,995	1.40	
	TOTAL DEBT SECURITIES	915,241,534	32.46	35.42
	UNITED KINGDOM			
4,450,000	Advance Computer Software Group^	3,671,250	0.13	
6,765,350	Barratt Developments	22,373,012	0.79	
12,200,900	BP	53,982,882	1.91	
10,374,700	BT Group	35,834,214	1.27	
2,415,529	Carlo	9,601,728	0.34	
702,900	Crest Nicholson Holdings	2,359,635	0.08	
38,679,689	Eredene Capital^	4,834,961	0.17	
857,000	Games Workshop Group	6,556,050	0.23	
4,082,500	Geiger Counter	1,020,625	0.04	
2,512,109	Invensys	12,492,718	0.44	
18,452,557	ITV	33,823,537	1.20	
17,312,342	Laura Ashley Holdings	4,760,894	0.17	
146,271	LondonMetric Property	167,480	0.01	
4,137,000	Melrose Industries	12,688,179	0.45	
498,000	nlyte Software**	624,302	0.02	

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	UNITED KINGDOM (continued)			
276,446	nlyte Software 'A'**	346,558	0.01	
100,000	Northern Electric preference shares	132,500	0.01	
9,813	Oncimmune preference shares	325,635	0.01	
9,747,896	RAM Active Media^	243,697	0.01	
8,690,716	Real Estate Investors^	3,650,101	0.13	
2,195,000	Royal Dutch Shell 'B'	47,532,725	1.69	
121,000	Ruffer UK Medium and Smaller Companies#*	18,082,240	0.64	
100,000	SeaEnergy^	23,000	-	
800,000	ServicePower Technologies^	30,000	-	
6,500,000	Sherborne Investors	6,630,000	0.24	
7,830,600	Tesco	29,125,917	1.03	
11,908,900	Vodafone Group	25,246,868	0.90	
	TOTAL UNITED KINGDOM	336,160,708	11.92	12.52
	CONTINENTAL EUROPE			
637,666	Bolsas y Mercados Espanoles	11,787,912	0.42	
6,194,000	Colt Group	7,408,024	0.26	
75,000	Deutsche Annington Immobilien	1,184,627	0.04	
319,500	DKSH	15,600,722	0.55	
34,997	Georg Fischer	13,200,474	0.47	
257,883	GSW Immobilien	6,915,936	0.25	
355,000	LEG Immobilien	12,183,125	0.43	
808,000	Loomis	10,991,358	0.39	
950,000	Prime Office REIT	2,320,657	0.08	
7,723,023	Raven Russia	5,637,807	0.20	
5,647,698	Raven Russia preference shares	7,850,300	0.28	
4,598,983	TAG Immobilien	34,829,270	1.24	
370,000	Volkswagen AG preference shares	56,184,325	1.99	
	TOTAL CONTINENTAL EUROPE	186,094,537	6.60	8.97
	NORTH AMERICA			
2,890,000	Atmel Corporation	13,788,825	0.49	
611,000	Canadian Natural Resources	12,202,071	0.43	
1,666	Clean Diesel Technologies	1,649	-	
253,690	Coach	8,731,906	0.31	
451,000	General Dynamics Corporation	24,767,250	0.88	
200,000	Immunovaccine	36,587	-	
200,000	International Business Machines Corporation	24,224,182	0.86	
870,000	JPMorgan Chase & Co	28,842,873	1.02	

CF RUFFER TOTAL RETURN FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	NORTH AMERICA (continued)			
326,000	Lockheed Martin Corporation	26,150,330	0.93	
2,043,300	Microsoft Corporation	42,537,723	1.51	
827,000	Texas Instrument	20,995,610	0.74	
188,549	Value Creation**	–	–	
450,000	Viacom	23,331,075	0.83	
	TOTAL NORTH AMERICA	225,610,081	8.00	10.37
	JAPAN			
478,800	Benesse Holdings	10,663,321	0.38	
1,461,650	Daiei (The)	2,893,538	0.10	
36,573	Dai-ichi Life	34,065,743	1.21	
530,000	FamilyMart	13,804,487	0.49	
3,252,000	Hitachi	13,061,272	0.46	
795,000	Hoshizaki Electric Company	16,923,527	0.60	
771	Japan Real Estate Investment Corporation	5,601,329	0.20	
12,269,515	Japan Residential Investment Company^	8,281,923	0.29	
1,888,000	Kao Corporation	35,171,369	1.25	
5,783,000	Mitsubishi Electric Corporation	39,114,846	1.39	
1,608,000	Mitsubishi Estate Company	28,812,568	1.02	
11,999,400	Mitsubishi UFJ Financial Group	47,965,758	1.70	
94,000	Mitsui Fudosan	2,039,789	0.07	
36,700,000	Mizuho Financial Group	49,832,316	1.77	
260,000	Nihon Parkerizing Company	3,282,900	0.12	
123	Nippon Building	925,595	0.03	
419,000	Nippon Electric Glass Company	1,419,667	0.05	
4,500	NTT Data Corporation	10,079,023	0.36	
252,000	Paltac Corporation	2,155,369	0.08	
800,000	Pioneer Corporation	771,551	0.03	
1,835,800	Seven & i Holdings Company	41,991,546	1.49	
1,477,800	Sumitomo Mitsui Financial Group	44,539,004	1.58	
5,991,300	T&D Holdings	48,848,972	1.73	
1,602,000	Tokio Marine Holdings	33,695,917	1.19	
1,243	United Urban Investment Corporation	1,110,465	0.04	
1,183,000	Yamato Holdings	16,836,245	0.60	
	TOTAL JAPAN	513,888,040	18.23	15.42

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	ASIA PACIFIC (EX JAPAN)			
8,071,609	Commercial Bank Of Ceylon	4,354,561	0.15	
4,300,000	CT Holdings	2,672,292	0.09	
5,138,289	Hatton National Bank	3,555,683	0.13	
2,557,103	Hatton National Bank <i>non voting</i>	1,347,849	0.05	
1,000	Kenedix Realty Investment Corporation	2,652,208	0.09	
4,466,000	Weiss Korea Opportunity^	4,689,300	0.17	
	TOTAL ASIA PACIFIC (EX JAPAN)	19,271,893	0.68	2.23
	GLOBAL			
121,000	Ruffer Global Smaller Companies#*	14,783,780	0.53	0.49
	GOLD			
370,000	Centerra Gold	1,407,885	0.05	
408,045	Dynamic Baker Steel Alpha Gold*	14,713,417	0.52	
1,064,200	Gold Bullion Securities*	84,909,480	3.01	
3,380,000	Gold Fields ADRs	10,161,752	0.36	
718,000	Goldcorp	11,960,660	0.42	
5,871,430	Golden Prospect Precious Metals	2,348,572	0.08	
2,816,965	Golden Prospect Precious Metals <i>subscription</i>	28,170	–	
370,000	IAMGOLD Corporation	1,249,971	0.05	
3,431,000	Kinross Gold Corporation	11,214,154	0.40	
2,534,210	Newcrest Mining	17,744,730	0.63	
	TOTAL GOLD	155,738,791	5.52	8.89
	ILLIQUID STRATEGIES			
1,950,000	Annaly Capital Management	14,736,262	0.53	
10,390,000	Better Capital I	15,792,800	0.56	
317,488	Better Capital II	336,537	0.01	
7,707,535	Oakley Capital Investments^	11,792,529	0.42	
9,944,162	Ruffer Illiquid Strategies 2009#	14,268,560	0.51	
38,667,000	Ruffer Illiquid Strategies 2011#	42,906,527	1.52	
	TOTAL ILLIQUID STRATEGIES	99,833,215	3.55	3.47
	WARRANTS			
		–	–	0.22

CF RUFFER TOTAL RETURN FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	OPTIONS			
26,929,000,000	Barclays Put EUR/JPY 115 Feb 14	986,386	0.03	
168,000,000	Barclays Put EUR/USD 1.255 Mar 14	759,485	0.03	
209,000,000	Barclays Put EUR/USD 1.225 May 14	1,070,517	0.04	
418,000,000	Barclays Put EUR/USD 1.2325 May 14	2,295,240	0.08	
833,000,000	Morgan Stanley Put EUR/USD 1.25 Nov 13	744,588	0.03	
500,000,000	Morgan Stanley Call EUR/GBP 0.81 Feb 14	3,481,230	0.12	
41,400,000,000	Morgan Stanley Call EUR/JPY 115 Mar 14	1,587,008	0.06	
16,800,000,000	Morgan Stanley Put EUR/JPY 122 Mar 14	1,405,453	0.05	
104,000,000	Morgan Stanley Put EUR/GBP 0.777 Aug 14	779,578	0.03	
250,000,000	Morgan Stanley Put USD/CNY 6.3/6.8call Sep 14	945,420	0.03	
240,000,000	Normura Put EURGBP 0.82 Feb 14	2,413,894	0.09	
4,200,000,000	Normura Put EURJPY 119 Mar 14	253,204	0.01	
418,000,000	Normura Put EURGBP 0.79 May 14	2,761,417	0.10	
30,300,000,000	Normura Put JPY Swaption 1yr/10yr 1.41/2.16	1,178,749	0.04	
54,046,000,000	UBS Call EURJPY 120 Dec 13	1,137,512	0.04	
104,000,000	UBS Put EURUSD 1.2 Jun 14	406,062	0.01	
15,000	VIX Call 21 Nov 13	898,149	0.03	
	TOTAL OPTIONS	23,103,892	0.82	–
	FORWARD CURRENCY CONTRACTS			
€(147,000,000)	Vs £123,876,900 (expiry 16.12.13)	908,187	0.03	
¥(62,565,000,000)	Vs £416,385,625 (expiry 11.10.13)	19,285,632	0.69	
US(4,300,000)	Vs £2,779,717 (expiry 15.11.13)	68,296	–	
	TOTAL FORWARD CURRENCY CONTRACTS	20,262,115	0.72	0.31

	Value £	15.09.13 %	15.09.12 %
Portfolio of investments	2,509,988,586	89.03	98.31
Net other assets	309,262,082	10.97	1.69
Net assets	2,819,250,668	100.00	100.00

The investments are ordinary shares listed on a regulated market unless stated otherwise.

All debt securities are investment grade.

Related party (see note 10).

* Collective investment scheme.

** Unlisted security.

^ Quoted on the Alternative Investment Market (AIM).

Definition:

ADRs – American Depositary Receipts.

CF RUFFER TOTAL RETURN FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 15 SEPTEMBER 2013

Total purchases for the year (note 14) £1,205,314,143

Major purchases	Cost £
Treasury 1.875% index-linked 2022	120,056,131
Treasury 1.25% index-linked 2017	81,621,296
Gold Bullion Securities	62,787,612
Royal Dutch Shell 'B'	58,685,722
Volkswagen <i>preference shares</i>	52,675,200
US Treasury Inflation Protected Securities 0.75% 2042	47,270,381
US Treasury Inflation Protected Securities 2.125% 2041	44,743,962
Microsoft Corporation	42,768,933
Mizuho Financial	41,842,699
Mitsubishi Electric Corporation	38,930,935
JPMorgan Chase & Co	38,123,430
Seven & i holdings Company	33,778,936
Dai-ichi Life	31,837,634
International Business Machines Corporation	28,667,215
Tokio Marine	26,012,178
Hutchinson Whampoa	25,149,226
Lockheed Martin Corporation	20,572,815
General Dynamics Corporation	20,518,996
Treasury 0.25% index-linked 2052	18,882,242
Yamato Holdings	15,662,892

Total sales for the year (note 14) £1,407,886,059

Major sales	Proceeds £
Treasury 2.5% index-linked 2016	103,387,294
Johnson & Johnson	84,635,739
US Treasury Inflation Protected Securities 1.625% 2015	65,816,080
JPMorgan Chase & Co	63,180,367
Toyota Motor Corporation	61,213,041
Treasury 1.25% index-linked 2017	59,693,103
Thomson Reuters Corporation	46,213,966
Nippon Telegraph & Telephone Corporation	34,235,041
Sumitomo Mitsui Financial Group	33,420,374
Kroger	31,862,679
US Treasury Inflation Protected Securities 0.125% 2016	31,777,727
Novartis	31,204,426
Wal-Mart Stores	29,122,121
Hutchinson Whampoa	28,621,658
Swisscom	26,649,949
Mitsubishi UFJ Financial Group	25,132,346
Ericsson (L.M)	24,256,679
ITV	23,020,656
Fresenius Medical Care & Company	22,615,158
NTT docomo	22,611,440

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

CF RUFFER TOTAL RETURN FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
Income:					
Net capital gains		250,572,623		53,706,277	
Revenue	3	58,621,341		66,377,511	
Expenses	4	(33,640,569)		(30,213,259)	
Finance costs: Interest	6	(42)		(258)	
Net revenue before taxation		24,980,730		36,163,994	
Taxation	5	(2,687,515)		(2,644,844)	
Net revenue after taxation		22,293,215		33,519,150	
Total return before distributions		272,865,838		87,225,427	
Finance costs: Distributions	6	(54,715,976)		(59,188,231)	
Change in net assets attributable to shareholders from investment activities		218,149,862		28,037,196	

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
Opening net assets attributable to shareholders		2,526,346,459		2,180,667,617	
Amounts receivable on issue of shares		434,766,903		394,491,850	
Amounts payable on cancellation of shares		(398,350,448)		(118,936,989)	
		36,416,455		275,554,861	
Stamp duty reserve tax	1(g)	(212,976)		(173,531)	
Change in net assets attributable to shareholders from investment activities		218,149,862		28,037,196	
Retained distribution on Accumulation shares		38,547,777		42,260,304	
Unclaimed distributions	1(h)	3,091		12	
Closing net assets attributable to shareholders		2,819,250,668		2,526,346,459	

BALANCE SHEET
AS AT 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		2,509,988,586		2,484,673,593	
Other assets					
Debtors	7	8,427,544		7,991,084	
Cash and bank balances	8	440,244,241		76,389,035	
Total other assets		448,671,785		84,380,119	
Total assets		2,958,660,371		2,569,053,712	
LIABILITIES					
Investment liabilities					
Other liabilities					
Creditors	9	(130,932,804)		(30,985,228)	
Distribution payable on Income shares		(8,476,899)		(10,633,143)	
Total other liabilities		(139,409,703)		(41,618,371)	
Total liabilities		(139,409,703)		(42,707,253)	
Net assets attributable to shareholders		2,819,250,668		2,526,346,459	

CF RUFFER TOTAL RETURN FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

	15.09.13 £	15.09.12 £
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	184,117,055	68,052,164
Derivative contracts	(124,881)	(39,218,490)
Forward currency contracts	51,238,199	16,664,347
Transaction charges	(7,558)	(6,220)
Currency gains	15,349,808	8,214,476
Net capital gains	250,572,623	53,706,277
3. REVENUE		
Non-taxable dividends	40,062,572	36,764,436
Taxable dividends	2,662,043	2,290,315
UK property income distributions	45,106	85,800
Unfranked interest	15,545,528	27,166,118
Bank interest	306,065	70,823
Other interest	27	19
Total revenue	58,621,341	66,377,511
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	33,534,499	30,229,472
Rebate of ACD's periodic charge*	(624,056)	(640,440)
Legal and professional fees	7,512	5,390
Printing costs	10,407	8,224
Registration fees	89,291	87,630
Tax services fees	750	-
	33,018,403	29,690,276
Payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	366,440	325,542
Safe custody and other bank charges	193,585	175,919
	560,025	501,461

* The rebate is in relation to investments held in other funds managed by the ACD, or an associate of the ACD. This is to eliminate double charging in the Fund.

	15.09.13 £	15.09.12 £
4. EXPENSES (continued)		
Other expenses:		
FCA fee	61	62
Fees paid to auditor – audit	8,426	9,852
– tax services	2,400	60
Publication costs	3,903	4,143
Legal and professional fees	(110)	1,245
Portfolio monitoring fees	2,373	-
Postage and distribution costs	42,640	6,160
Derivative pricing fees	2,448	-
	62,141	21,522
Total expenses	33,640,569	30,213,259
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	2,687,515	2,644,844
Current tax charge (note 5b)	2,687,515	2,644,844
Deferred tax – origination and reversal of timing differences (note 5c)		
	-	-
Total taxation	2,687,515	2,644,844
b) Factors affecting current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%). The difference is explained below.		
	15.09.13 £	15.09.12 £
Net revenue before taxation	24,980,730	36,163,994
Corporation tax at 20%	4,996,146	7,232,799
Effects of:		
Non-taxable dividends	(8,012,514)	(7,352,887)
Non-taxable RPI movement on UK index-linked gilts	(2,418,157)	(2,111,041)
Movement in revenue accruals	-	(17,625)
Foreign tax expensed	(49,082)	(46,689)
Unutilised excess management expenses	5,483,607	2,295,443
Corporation tax charge	-	-

CF RUFFER TOTAL RETURN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
5. TAXATION (continued)		
Overseas tax	2,687,515	2,644,844
Current tax charge (note 5a)	<u>2,687,515</u>	<u>2,644,844</u>

c) Deferred tax

At the year end there is a potential deferred tax asset of £10,441,155 (15.09.12 : £4,957,548) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior period.

6. FINANCE COSTS

Distributions

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

	15.09.13 £	15.09.12 £
Interim	24,885,303	26,923,579
Final	<u>29,725,506</u>	<u>34,444,724</u>
	54,610,809	61,368,303
Add: Revenue deducted on cancellation of shares	2,131,742	959,423
Deduct: Revenue received on issue of shares	<u>(2,026,575)</u>	<u>(3,139,495)</u>
Net distributions for the year	54,715,976	59,188,231
Interest	42	258
Total finance costs	<u>54,716,018</u>	<u>59,188,489</u>

Details of the distributions per share are set out in the table on pages 103 to 105.

	15.09.13 £	15.09.12 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	22,293,215	33,519,150
Allocations to capital:		
ACD's periodic charge, net of tax relief	32,423,657	25,668,906
Yield uplift on conversions*	(730)	–
Balance brought forward	359	534
Balance carried forward	(525)	(359)
Net distributions for the year	<u>54,715,976</u>	<u>59,188,231</u>

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

	15.09.13 £	15.09.12 £
7. DEBTORS		
Amounts receivable for issue of shares	3,390,386	2,775,555
Sales awaiting settlement	–	775,085
Accrued revenue:		
Non-taxable dividends	2,225,470	1,814,820
Taxable dividends	169,431	169,431
Unfranked interest	2,030,537	1,751,999
Bank interest	31,211	4,199
	4,456,649	3,740,449
Prepaid expenses	200	33
Taxation recoverable:		
Income tax	–	7,967
Overseas withholding tax	580,309	691,995
	580,309	699,962
Total debtors	<u>8,427,544</u>	<u>7,991,084</u>

CF RUFFER TOTAL RETURN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
8. CASH AND BANK BALANCES		
Bank balance		
Capital accounts	423,638,331	59,896,314
Income accounts	16,605,891	16,492,662
Margin account	19	59
Total bank balances	<u>440,244,241</u>	<u>76,389,035</u>
9. CREDITORS		
Amounts payable for cancellation of shares	103,871,795	4,658,391
Purchases awaiting settlement	22,488,799	22,190,977
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	4,401,430	3,887,523
Legal and professional fees	1,360	1,046
Printing costs	4,419	4,101
Registration fees	19,178	18,494
	4,426,387	3,911,164
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	49,185	42,747
Transaction charges	1,387	6,634
Safe custody and other bank charges	38,750	152,574
	89,322	201,955
Other expenses	50,348	14,345
Taxation payable:		
Stamp duty reserve tax	6,153	8,396
Total creditors	<u>130,932,804</u>	<u>30,985,228</u>

10. RELATED PARTY TRANSACTIONS

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

11. SHAREHOLDER FUNDS

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

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent assets or liabilities or unrecorded outstanding commitments (15.09.12 : none).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.09.13 £	15.09.12 £
Floating rate assets:		
Japanese yen	1,344,849	–
Swedish krona	–	1,523
US dollars	402,795,339	454,999,663
Pounds sterling	951,324,124	516,064,799
	1,355,464,312	971,065,985
Fixed rate assets:		
Pounds sterling	21,463	23,372
Assets on which interest is not paid:		
Australian dollars	17,744,730	46,731,083
Canadian dollars	24,900,284	41,585,722
Euros	125,756,012	113,731,815
Hong Kong dollars	–	26,820,826
Japanese yen	515,322,800	388,784,947
Singapore dollars	–	417,235
South Korean won	–	10,817,755
Sri Lankan rupee	11,930,385	12,864,547
Swedish krona	10,991,358	29,757,411
Swiss franc	29,015,712	62,779,078
US dollars	358,874,764	410,925,062
Pounds sterling	1,031,409,679	882,998,060
	2,125,945,724	2,028,213,541
Liabilities on which interest is not paid:		
Euros	(127,510,197)	(97,224,482)
Japanese yen	(398,757,643)	(334,113,586)
US dollars	(2,711,421)	(22,123,479)
Pounds sterling	(133,201,570)	(19,494,892)
	(662,180,831)	(472,956,439)
Net assets	<u>2,819,250,668</u>	<u>2,526,346,459</u>

CF RUFFER TOTAL RETURN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk (continued)

The floating rate financial assets comprise bank balances which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents and index-linked securities that earn interest at rates adjusted by changes in the UK Retail Price Index or international equivalent.

Fixed Rate Financial Assets				
Currency	Weighted average interest rate		Weighted average period for which rate is fixed	
	15.09.13	15.09.12	15.09.13	15.09.12
Pound sterling Perpetual Bonds	4.00%	4.00%	undated	undated

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

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.09.13 Gross £	15.09.13 Hedged £	15.09.13 Net £
Currency:			
Australian dollars	17,744,730	–	17,744,730
Canadian dollars	24,900,284	–	24,900,284
Euros	121,214,528	(122,968,713)	(1,754,185)
Japanese yen	515,001,000	(397,090,994)	117,910,006
Sri Lankan rupee	11,930,385	–	11,930,385
Swedish krona	10,991,358	–	10,991,358
Swiss franc	29,015,712	–	29,015,712
US dollars	761,670,103	(2,711,421)	758,958,682
	<u>1,492,468,100</u>	<u>(522,771,128)</u>	<u>969,696,972</u>
Pounds sterling	1,306,520,453	543,033,243	1,849,553,696
Net assets	<u>2,798,988,553</u>	<u>20,262,115</u>	<u>2,819,250,668</u>

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk (continued)

Currency:

	15.09.12 Gross £	15.09.12 Hedged £	15.09.12 Net £
Australian dollars	46,731,083	–	46,731,083
Canadian dollars	41,585,722	–	41,585,722
Euros	113,731,815	(97,224,482)	16,507,333
Hong Kong dollars	26,820,826	–	26,820,826
Japanese yen	388,784,947	(334,113,586)	54,671,361
Singapore dollars	417,235	–	417,235
South Korean won	10,817,755	–	10,817,755
Sri Lankan rupee	12,864,547	–	12,864,547
Swedish krona	29,758,934	–	29,758,934
Swiss franc	62,779,078	–	62,779,078
US dollars	843,801,246	–	843,801,246
	<u>1,578,093,188</u>	<u>(431,338,068)</u>	<u>1,146,755,120</u>
Pounds sterling	940,304,236	439,287,103	1,379,591,339
Net assets	<u>2,518,397,424</u>	<u>7,949,035</u>	<u>2,526,346,459</u>

The income and capital value of the Fund's investments are denominated in sterling and, therefore, the financial statements are not subject to the risk of currency movements.

iii. Derivatives

During the year the Fund employed a number of derivative strategies to provide protection against perceived risks to the value of assets held in the portfolio. These were;

Currency put options – Put options were taken out to protect the value of the portfolio against the effects of a weakening of relevant currencies.

Currency payer swaptions – These instruments are designed to protect the portfolio from the effects of a rise in interest rates.

Equity index put options – During the year the portfolio held put options on the FTSE, S&P 500 and DAX Indices to protect the Fund from the risk of a fall in the value of these equity markets.

VIX call option – Held for protection against an increase in equity market volatility.

USD/CNY call spread – This position protects the portfolio from the effects of the Chinese renminbi weakening against the US dollar.

The intention in using the forward currency contracts is to reduce the risk profile of the Fund by managing the exposure of the Fund to foreign exchange risk and leave the Fund primarily exposed to the underlying market risk of overseas investments. Therefore where the value of overseas investments falls due to currency movements, the forward currency contracts generate a gain and vice versa.

CF RUFFER TOTAL RETURN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives (continued)

The ACD assesses the market risk of the Fund's investments on a daily basis, including any derivative exposure, using the Monte Carlo Value at Risk ('VaR') methodology against the regulatory limit of a monthly VaR limit of 20% (4.47% daily). A confidence interval of 99% and a time horizon of 1 day are used as standard. The window period utilised is a minimum of 4 years. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a day in all but a given percentage of circumstances (1% in this case). For example, based on 99% daily VaR of 5% one would expect to see a daily performance of less than -5% only in one out of a hundred trading days. Since 8 July 2013 (being the date when VaR commenced being assessed on the Fund) the highest and lowest VaR were 2.04% and 0.95% respectively, with an average VaR of 1.23%. The VaR of the Fund at 13 September 2013 (being the last business day before year end) was 1.96%. It should be noted that VaR is only an indication of risk and actual price movements may prove to be less or more volatile than expected.

Refer to note 2 for the impact of derivatives and forward currency contracts in the year and to the Portfolio Statement for the current position of derivatives and forward currency contracts held at the year end.

	15.09.13 £	15.09.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	1,203,754,370	1,828,512,213
Transaction costs:		
Commissions	1,038,305	1,220,594
Stamp duty and other charges	521,468	428,387
	1,559,773	1,648,981
Gross purchases total	<u>1,205,314,143</u>	<u>1,830,161,194</u>
Analysis of total sale costs		
Gross sales before transaction costs	1,409,271,810	1,450,882,643
Transaction costs:		
Commissions	(1,272,646)	(894,444)
Other charges	(113,305)	(32,652)
	(1,385,751)	(927,096)
Total sales net of transaction costs	<u>1,407,886,059</u>	<u>1,449,955,547</u>

DISTRIBUTION TABLE

FOR THE YEAR ENDED 15 SEPTEMBER 2013 – IN PENCE PER SHARE

Interim

Group 1 – Shares purchased prior to 16 September 2012

Group 2 – Shares purchased on or after 16 September 2012 and on or before 15 March 2013

'O' Income Shares	Net Revenue	Equalisation	Paid 15.05.13	Paid 15.05.12
Group 1	2.3571	–	2.3571	2.6732
Group 2	0.9577	1.3994	2.3571	2.6732

'O' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	3.2356	–	3.2356	3.5797
Group 2	1.3961	1.8395	3.2356	3.5797

'I' Income Shares	Net Revenue	Equalisation	Paid 15.05.13	Paid 15.05.12
Group 1	2.4554	–	2.4554	2.7687
Group 2	0.8008	1.6546	2.4554	2.7687

'I' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	3.3724	–	3.3724	3.7130
Group 2	1.1230	2.2494	3.3724	3.7130

'S' Income Shares	Net Revenue	Equalisation	Paid 15.05.13	Paid 15.05.12
Group 1	2.4606	–	2.4606	2.7663
Group 2	0.4630	1.9976	2.4606	2.7663

'S' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	3.3805	–	3.3805	3.7215
Group 2	1.6240	1.7565	3.3805	3.7215

'C' Income Shares	Net Revenue	Equalisation	Paid 15.05.13
Group 1	2.3167	–	2.3167
Group 2	1.7460	0.5707	2.3167

CF RUFFER TOTAL RETURN FUND

Financial Statements (continued)

Distribution Table (continued)

Interim (continued)

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13
Group 1	3.1812	–	3.1812
Group 2	1.8220	1.3592	3.1812

Final

Group 1 – Shares purchased prior to 16 March 2013

Group 2 – Shares purchased on or after 16 March 2013 and on or before 15 September 2013

'O' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid 15.11.12
Group 1	2.7525	–	2.7525	3.2888
Group 2	1.0520	1.7005	2.7525	3.2888

'O' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	3.8123	–	3.8123	4.4504
Group 2	1.5158	2.2965	3.8123	4.4504

'I' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid 15.11.12
Group 1	2.8810	–	2.8810	3.4164
Group 2	1.1893	1.6917	2.8810	3.4164

'I' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	3.9916	–	3.9916	4.6285
Group 2	1.9506	2.0410	3.9916	4.6285

'S' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid 15.11.12
Group 1	2.8815	–	2.8815	3.4205
Group 2	1.1306	1.7509	2.8815	3.4205

'S' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	3.9864	–	3.9864	4.6394
Group 2	1.7622	2.2242	3.9864	4.6394

'C' Income Shares	Net Revenue	Equalisation	Payable 15.11.13	Paid* 15.11.12
Group 1	2.7720	–	2.7720	0.0000
Group 2	1.1676	1.6044	2.7720	0.0000

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated* 15.11.12
Group 1	3.8622	–	3.8622	0.0000
Group 2	2.5681	1.2941	3.8622	0.0000

* These share classes were not eligible for distribution as at 15 September 2012. The first accounting date for the 'C' Income and Accumulation share classes was 15 March 2013.

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

CF RUFFER BAKER STEEL GOLD FUND
ACD'S REPORT
FOR THE YEAR ENDED 15 SEPTEMBER 2013

IMPORTANT INFORMATION

On 13 September 2012 a new share class, the 'C' Accumulation, was launched in the CF Ruffer Baker Steel Gold Fund ('the Fund'), with its first live valuation date being 19 September 2012.

From 4 November 2013 the price of the 'C' share class will be published in the Financial Times. The prices of all shares are published on the website www.fundlistings.com. The prices of all shares may also be obtained by calling 0845 601 9610 during normal business hours.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to achieve capital growth over the long term by investing principally in gold and precious metal related companies within the mining industry. The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted by the Regulations.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Ruffer Baker Steel Gold Fund
15 January 2014

INVESTMENT MANAGER'S REPORT

INVESTMENT REVIEW

The Fund's 'O' Accumulation shares' Net Asset Value fell 55.10%¹, compared to the FTSE Gold Mines Total Return Index which fell 51.2%²; the Gold Spot Price fell 25.8%² (all data in sterling terms).

The gold bear market has driven gold equity prices lower over the past twelve months, with investor sentiment towards gold deteriorating to extreme levels during the period. The downturn in the gold equities sector has taken a toll on the Fund's performance although a recovery, and outperformance by the Fund in recent months, provides some encouraging evidence that the worst is over.

April 2013 saw the largest two day decline in the gold price in thirty years. The most visible cause of this was US inflation expectations which fell simultaneously with the gold price. Other factors included aggressive short calls by investment banks, a sell-off of ETF gold holdings, and the perceived political risk of forced selling of gold by indebted European states following Cyprus' sale of a portion of its gold. Since the sector's June low, evidence of the beginnings of a recovery can be seen, and the Fund has rebounded 13.5%¹ since the end of June. In addition, investor sentiment towards gold appears to have improved since the first half of 2013, strengthening our view that the sector's recovery is underway.

The industry response to the falling gold price has been immediate and positive with companies further scrutinising their cost base, cutting operating and sustaining costs where possible. There have been a number of mine closures but in most cases this will not impact output in the coming six to twelve months. However, cutting back too hard on ongoing development costs could have detrimental effects longer-term. For the Australian-based producers there has been some cost relief with an approximate 12.8% depreciation in local operating currency since this year's high in January 2013. A key element for producers has been impairment testing and potential asset write-downs, in particular at high profile companies where higher gold prices were previously used to justify large capital investment decisions. The Fund is focused on those companies that, in the first place, did not determine their mine plans on gold prices significantly above that of today (hence avoiding low grade, low margin asset development) and have both the operational and financial flexibility to adapt business plans to the prevailing gold price environment.

The Fund's drawdown during the year reflects the persistent decline in gold equity prices; importantly, there have been no individual positions which have resulted in disproportionate losses, moreover a number of core fund holdings have achieved significant milestones with the commissioning of new operations in the past year. Evolution Mining commissioned their Mt Carlton gold/silver mine in Australia, which adds a fifth producing asset to their portfolio, diversifying operational risk and lowering the cash cost profile of the company. G-Resources Group brought their Martabe mine in Indonesia up to full production ahead of forecast and have since increased production guidance for the first year of operations. This is one of the larger assets to be developed in the gold industry in the past twelve months and, with costs towards the bottom end of the cost curve, should be one of the most profitable. OceanaGold Corporation underwent a transformation in the past twelve months with the successful start up of its Didipio gold/copper mine in the Philippines. Previously a high cost producer based in New Zealand, the company acquired this development project in 2006, construction began in 2011 and it has this year achieved commercial production. The life of mine all in sustaining cost should be below

¹ Source: Capita.

² Source: Thomson Reuters Datastream. The benchmarks used by the Investment Manager are for comparison. No benchmark is required to be disclosed as per the Prospectus.

CF RUFFER BAKER STEEL GOLD FUND

ACD's Report (continued)

Investment Manager's Report (continued)

INVESTMENT REVIEW (continued)

US\$400/oz making this a compelling high cash generating asset despite the fall in the gold price. The focus of the investment team remains, as always, on identifying the best assets in the industry that when combined with competent management teams should generate attractive returns to shareholders.

During the year, the Investment Team carried out site visits to assets owned by several of the Fund's key holdings, including Evolution Mining's Mt Carlton mine, G-Resources Group's Martabe mine, Archipelago Resources' Toka Tindung mine in Indonesia, Metals Exploration's Runruno project mine and OceanaGold's Didipio both in the Philippines. The Team has also conducted due diligence on a number of potential opportunities and attended key industry conferences.

INVESTMENT OUTLOOK

The macroeconomic support for gold remains unchanged with a range of key drivers underpinning the gold price in the longer-term; including the over-indebtedness of developed nations' governments, monetary debasement causing long-term inflation risks, a supportive interest rate environment and ongoing central bank gold purchasing.

The US Federal Reserve's ('the Fed') decision to delay tapering of Quantitative Easing ('QE'), announced at the time of writing, demonstrates central banks' commitment to maintaining stimulus measures and suggests that investors' concerns over a sudden withdrawal of QE are unfounded. During the year, investors' reactions to the potential reduction of QE has caused gold to be heavily oversold, an outcome which appears incongruous with the Fed's monthly bond purchases remaining at US\$85 billion, its 2% inflation target, and lack of resolve to raise interest rates in the foreseeable future.

Evidence of improved investor sentiment towards gold since the sector's June lows, and the return of gold to contango following a period of backwardation, suggests that a turning point has been reached. The Fund is well positioned to continue to benefit from a rebound in the gold sector, and the investment team are reviewing a number of financing opportunities which may provide an additional boost for the portfolio in the coming months, in a similar manner to the 2008 and 2009 recovery.

The Fund has continued to play an active role in engaging with gold producers, and has developed the ideas outlined in 'Defining a New Identity and Restoring the Appeal of Gold Shares', an article released in November 2012. Key objectives include increasing accountability for poor returns, cash cost inflation and dividends in order to improve shareholder returns, and introducing gold reporting alongside US dollar reporting to more effectively communicate to investors the potential returns.

BAKER STEEL CAPITAL MANAGERS LLP

Sub-Adviser for Ruffer LLP, Investment Manager

7 October 2013

FUND INFORMATION

PERFORMANCE RECORD

'O' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	211.59	76.25	–
2009	250.33	117.59	–
2010	376.99	219.24	–
2011	365.44	253.87	–
2012	293.71	200.52	–
2013*	216.86	91.48	–

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	215.67	77.97	–
2009	257.26	120.35	–
2010	389.51	225.49	–
2011	377.61	263.67	–
2012	305.30	208.64	–
2013*	226.44	95.75	–

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	237.63	206.76	–
2013*	217.06	91.70	–

From 19 September 2012.

* To 15 September 2013.

CF RUFFER BAKER STEEL GOLD FUND

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

NET ASSET VALUE

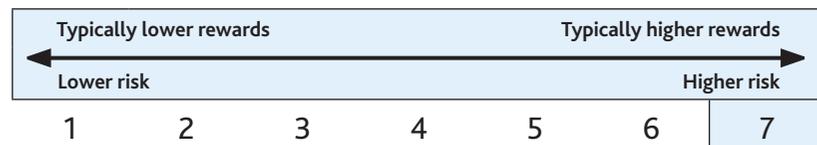
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.09.11	'O' Accumulation	601,665,615	188,370,034	319.41
	'I' Accumulation	16,484,353	4,977,357	331.19
15.09.12	'O' Accumulation	328,396,959	142,149,277	231.02
	'I' Accumulation	8,050,185	3,343,272	240.79
15.09.13	'O' Accumulation	8,830,978	8,506,272	103.82
	'I' Accumulation	14,917,572	13,709,845	108.81
	'C' Accumulation	137,100,630	131,649,113	104.14

ONGOING CHARGES FIGURE

Expense Type	15.09.13 %			15.09.12 %	
	'O'	'I'	'C'	'O'	'I'
ACD's periodic charge	1.85	1.35	1.55	1.85	1.35
Other expenses	0.09	0.09	0.09	0.04	0.04
Ongoing charges figure	1.94	1.44	1.64	1.89	1.39

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

SYNTHETIC RISK AND REWARD INDICATOR



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

The Fund has been classed as 7 because its volatility has been measured as high.

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

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

DISTRIBUTIONS

There were no distributions in the year.

FUND PERFORMANCE TO 15 SEPTEMBER 2013 (%)

	1 year	3 years	5 years
CF Ruffer Baker Steel Gold Fund	(50.94)	(64.41)	(3.43)

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

The relevant price for this purpose was 110.80 pence per share being the Net Asset Value as at 10:00am on 11 September 2013, which differs from the figures reported in the Net Asset Value table.

CF RUFFER BAKER STEEL GOLD FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 SEPTEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	AFRICA			
799,000	AngloGold Ashanti ADRs	6,340,245	3.94	
4,067,000	Aureus Mining [^]	1,545,460	0.96	
15,914,000	Endeavour Mining Corporation	6,792,950	4.22	
2,360,000	Harmony Gold Mining ADRs	5,414,357	3.37	
25,248,427	Mwana Africa [^]	388,826	0.24	
2,598,250	New Dawn Mining Corporation	285,190	0.18	
1,656,000	Papillon Resources	993,619	0.62	
3,993,250	PMI Gold Corporation	791,391	0.49	
890,000	Sarama Resources	141,106	0.09	
	TOTAL AFRICA	22,693,144	14.11	16.71
	AUSTRALIA			
4,496,009	Apex Minerals*	–	–	
666,000	Archipelago Metals**	86,643	0.05	
2,798,146	Auzex Explorations**	407,505	0.25	
12,770,319	Bullabulling Gold	483,546	0.30	
9,220,000	Bullabulling Gold CDIs [^]	345,750	0.21	
16,245,000	Evolution Mining	7,617,946	4.74	
32,741,000	Gold One International	3,814,558	2.37	
44,325,407	Highlands Pacific	1,781,657	1.11	
55,123,978	Indochine Mining	2,408,375	1.50	
3,552,000	Kingsgate Consolidated	3,507,236	2.18	
4,345,262	Lachlan Star	658,130	0.41	
5,939,916	OceanaGold Corporation <i>Australia Listing</i>	5,916,961	3.68	
2,075,000	Quay Magnesium*	–	–	
73,813,000	Red 5	4,299,869	2.67	
13,666,000	Resolute Mining	5,532,845	3.44	
13,381,388	Silver Lake Resources	5,885,325	3.66	
12,653,667	SolGold [^]	1,100,869	0.68	
20,994,000	St Barbara	7,337,849	4.57	
64,724,395	Straits Resources	527,860	0.33	
3,506,470	Unity Mining	155,241	0.10	
	TOTAL AUSTRALIA	51,868,165	32.25	39.04
	BRAZIL			
849,000	Yamana Gold	5,612,004	3.49	–

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	CANADA			
8,171,079	Aura Minerals	448,439	0.28	
429,921	Aura Minerals <i>placing</i>	23,595	0.01	
280,000	Barrick Gold Corporation	3,127,197	1.94	
7,027,000	Brigus Gold Corporation	2,485,301	1.55	
1,441,000	Centerra Gold	5,483,143	3.41	
2,881,000	Claude Resources	439,202	0.27	
819,000	Dundee Precious Metals	2,936,583	1.83	
7,604,000	Goldgroup Mining	533,238	0.33	
1,239,500	GoldQuest Mining Corporation	226,751	0.14	
527,000	Kirkland Lake Gold	1,163,323	0.73	
10,803,000	Lake Shore Gold Corporation	2,700,905	1.68	
6,867,500	Mandalay Resources Corporation	3,308,314	2.06	
4,630,500	Northern Star Mining Corporation*	–	–	
1,241,000	OceanaGold Corporation <i>Toronto Listing</i>	1,225,936	0.76	
2,584,200	Platinum Group Metals	1,749,162	1.09	
6,000,000	REBgold Corporation	256,112	0.16	
504,000	Richmont Mines	454,855	0.28	
8,551,000	Romarco Minerals	2,268,231	1.41	
3,483,100	Santacruz Silver Mining	2,591,235	1.61	
1,169,000	Timmins Gold Corporation	1,340,150	0.83	
3,627,000	Torex Gold Resources	3,295,451	2.05	
	TOTAL CANADA	36,057,123	22.42	25.53
	CHINA			
46,600,000	China Polymetallic Mining	3,143,902	1.96	1.63
	HONG KONG			
391,258,080	Grand T G Gold Holdings*	–	–	0.33
	INDIA			
5,503,000	Kolar Gold [^]	220,120	0.14	0.13
	INDONESIA			
22,573,900	Archipelago Resources	10,609,733	6.60	
323,226,000	G-Resources Group	5,753,808	3.57	
129,290,400	G-Resources Group <i>rights</i>	620,045	0.39	
	TOTAL INDONESIA	16,983,586	10.56	5.48

CF RUFFER BAKER STEEL GOLD FUND
ACD's Report (continued)
Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
5,691,950	KYRGYZ REPUBLIC Chaarat Gold Holdings [^]	768,413	0.47	0.42
5,222,000	MALAYSIA Peninsular Gold [^]	744,135	0.46	0.26
452,160	MEXICO Excellon Resources	485,273	0.30	
226,000	Fresnillo	2,705,220	1.68	
	TOTAL MEXICO	3,190,493	1.98	2.34
4,541,446	NETHERLANDS Nordgold <i>GDR</i>	4,579,812	2.85	–
3,561,000	PERU Minera IRL [^]	498,540	0.31	0.73
136,663,025	PHILIPPINES Metals Exploration [^]	7,858,124	4.89	
26,683,760	Metals Exploration <i>placing</i>	1,534,315	0.95	
	TOTAL PHILIPPINES	9,392,439	5.84	2.73
	SWEDEN	–	–	0.36
2,100,000	TURKEY Chesser Resources	140,682	0.08	–
6,080,000	UNITED KINGDOM Baker Steel Resources Trust [#]	3,283,200	2.04	1.69
88,000	UNITED STATES OF AMERICA Tahoe Resources	984,154	0.61	–

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
615,648	WARRANTS Brigus Gold Corporation. 19/11/14	16,894	0.01	
1,370,000	Great Basin Gold 28/03/14 ^{**}	–	–	
104,885	Kinross Gold Corporation 17/09/14	4,477	–	
445,000	Sarama Resources 16/10/14	–	–	
292,000	Torex Gold Resources 23/10/13	890	–	
	TOTAL WARRANTS	22,261	0.01	0.13
AUD(6,420,285)	FORWARD CURRENCY CONTRACTS Vs £3,787,779 (expiry 22.10.13)	(55,429)	(0.03)	–
	Portfolio of investments ^{##}	160,126,744	99.55	97.51
	Net other assets	722,436	0.45	2.49
	Net assets	160,849,180	100.00	100.00

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

[#] Related party holding (see note 10).

* Suspended security.

** Delisted security.

[^] Quoted on the Alternative Investment Market (AIM).

^{##} Includes investment liabilities.

Definitions:

ADRs – American Depositary Receipts.

CDIs – CREST Depositary Interests.

GDR – Global Depositary Receipt.

CF RUFFER BAKER STEEL GOLD FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 15 SEPTEMBER 2013

Total purchases for the year (note 14) £132,636,115

Major purchases	Cost £
Barrick Gold Corporation	11,176,142
Goldcorp	10,265,799
Endeavour Mining Corporation	10,091,052
Newmont Mining	8,138,596
Yamana Gold	7,890,005
St Barbara	7,365,346
Morgan Stanley Put Warrants 21/12/12	6,176,503
AngloGold Ashanti ADRs	5,837,052
Centerra Gold	5,720,060
Avion Gold Corporation	4,623,659
Metals Exploration <i>placing</i>	4,583,078
Silver Lake Resources	4,381,747
G-Resources Group	4,264,887
Red 5	3,940,686
Evolution Mining	3,714,723
Dundee Precious Metals	2,368,737
Platinum Group Metals	2,353,674
Fresnillo	2,112,440
OceanaGold Corporation <i>Toronto Listing</i>	1,879,168
Coeur D'Alene Mine Corporation	1,772,055

Total sales for the year (note 14) £127,894,863

Major sales	Proceeds £
La Mancha Resources	19,175,668
OceanaGold Corporation <i>Australia Listing</i>	10,873,986
AuRico Gold	10,125,450
Morgan Stanley Put Warrants 21/12/12	9,865,607
Goldcorp	9,145,402
St Barbara	7,720,202
Barrick Gold Corporation	7,478,547
Newmont Mining	7,019,787
Timmins Gold Corporation	4,909,571
Argonaut Gold	4,771,909
Evolution Mining	4,026,965
Banro Corporation <i>CAD Listing</i>	3,687,111
Torex Gold Resources	3,545,694
Resolute Mining	3,285,032
Northern Star Resources	2,990,055
AngloGold Ashanti ADRs	2,633,945
Centerra Gold	2,626,677
Gryphon Minerals	2,411,238
Coeur D'Alene Mine Corporation	1,766,355
St Andrew Goldfields	1,319,772

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

CF RUFFER BAKER STEEL GOLD FUND
 FINANCIAL STATEMENTS
 STATEMENT OF TOTAL RETURN
 FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
Income:					
Net capital losses	2	(179,291,467)		(137,361,632)	
Revenue	3	2,430,311		2,016,092	
Expenses	4	(4,099,977)		(7,667,285)	
Finance costs: Interest	6	(3,927)		(6,593)	
Net expense before taxation		(1,673,593)		(5,657,786)	
Taxation	5	(169,622)		(145,515)	
Net expense after taxation		(1,843,215)		(5,803,301)	
Total return before distributions		(181,134,682)		(143,164,933)	
Finance costs: Distributions	6	-		-	
Change in net assets attributable to shareholders from investment activities		(181,134,682)		(143,164,933)	

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
 FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
Opening net assets attributable to shareholders		336,447,144		618,149,968	
Amounts receivable on issue of shares		334,174,655		24,715,286	
Amounts payable on cancellation of shares		(328,629,454)		(163,391,998)	
		5,545,201		(138,676,712)	
Dilution levy charged	1(k)	-		151,031	
Stamp duty reserve tax	1(g)	(8,483)		(12,210)	
Change in net assets attributable to shareholders from investment activities		(181,134,682)		(143,164,933)	
Closing net assets attributable to shareholders		160,849,180		336,447,144	

BALANCE SHEET
 AS AT 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		160,182,173		328,054,656	
Other assets					
Debtors	7	658,494		6,834,254	
Cash and bank balances	8	8,022,221		15,095,943	
Total other assets		8,680,715		21,930,197	
Total assets		168,862,888		349,984,853	
LIABILITIES					
Investment liabilities		(55,429)		-	
Other liabilities					
Creditors	9	(6,333,262)		(8,187,268)	
Bank overdrafts	8	(1,625,017)		(5,350,441)	
Total other liabilities		(7,958,279)		(13,537,709)	
Total liabilities		(8,013,708)		(13,537,709)	
Net assets attributable to shareholders		160,849,180		336,447,144	

CF RUFFER BAKER STEEL GOLD FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

	15.09.13 £	15.09.12 £
2. NET CAPITAL LOSSES		
The net capital losses during the year comprise:		
Non-derivative securities	(179,244,798)	(125,873,044)
Derivative contracts	449,143	(9,311,878)
Forward currency contracts	(81,640)	–
Transaction charges	(5,205)	(4,981)
Currency losses	(408,967)	(2,171,729)
Net capital losses	<u>(179,291,467)</u>	<u>(137,361,632)</u>
3. REVENUE		
Non-taxable dividends	2,417,681	1,744,278
Unfranked interest	–	267,695
Bank interest	12,630	4,119
Total revenue	<u>2,430,311</u>	<u>2,016,092</u>
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	3,916,586	7,553,764
Rebate of ACD's periodic charge*	(28,088)	(37,077)
Legal and professional fees	3,256	2,556
Printing costs	5,152	4,558
Registration fees	6,923	6,319
	<u>3,903,829</u>	<u>7,530,120</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	68,167	87,772
Safe custody and other bank charges	26,039	36,496
	<u>94,206</u>	<u>124,268</u>

* The rebate is in relation to investments held in other funds managed by the ACD, or an associate of the ACD. This is to eliminate double charging in the Fund.

4. EXPENSES (continued)

Other expenses:

	15.09.13 £	15.09.12 £
FCA fee	61	62
Fees paid to auditor – audit	6,896	7,567
– tax services	1,800	1,980
Publication costs	2,527	2,762
Postage and distribution costs	2,541	526
ADR safe custody fees	86,303	–
Derivative pricing fees	1,814	–
	<u>101,942</u>	<u>12,897</u>
Total expenses	<u>4,099,977</u>	<u>7,667,285</u>

5. TAXATION

a) Analysis of charge for the year

	15.09.13 £	15.09.12 £
Corporation tax at 20%	–	–
Overseas tax	169,622	145,515
Current tax charge (note 5b)	<u>169,622</u>	<u>145,515</u>
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	<u>169,622</u>	<u>145,515</u>

b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%). The difference is explained below.

	15.09.13 £	15.09.12 £
Net expense before taxation	<u>(1,673,593)</u>	<u>(5,657,786)</u>
Corporation tax at 20%	(334,719)	(1,131,557)
Effects of:		
Non-taxable dividends	(483,536)	(348,856)
Unutilised excess management expenses	818,255	1,480,413
Corporation tax charge	–	–
Overseas tax	169,622	145,515
Current tax charge (note 5a)	<u>169,622</u>	<u>145,515</u>

CF RUFFER BAKER STEEL GOLD FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

5. TAXATION (continued)

c) Deferred tax

At the year end there is a potential deferred tax asset of £7,424,586 (15.09.12 : £6,606,331) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior period.

6. FINANCE COSTS

Distributions

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

	15.09.13 £	15.09.12 £
Distributions	–	–
Interest	3,927	6,593
Total finance costs	<u>3,927</u>	<u>6,593</u>
Distributions represented by:		
Net expense after taxation	(1,843,215)	(5,803,301)
Allocations to Capital:		
Revenue deficit	1,843,215	5,803,301
Net distributions for the year	<u>–</u>	<u>–</u>
7. DEBTORS		
Amounts receivable for issue of shares	72,802	110,935
Sales awaiting settlement	363,086	6,394,531
Accrued revenue:		
Non-taxable dividends	215,004	321,435
Bank interest	438	369
	215,442	321,804
Prepaid expenses	–	33
Taxation recoverable:		
Overseas withholding tax	7,164	6,951
Total debtors	<u>658,494</u>	<u>6,834,254</u>

15.09.13
£

15.09.12
£

8. CASH AND BANK BALANCES

Bank balances
Capital accounts

8,022,221 15,095,943

Bank overdrafts
Revenue account

(1,625,017) (5,350,441)

9. CREDITORS

Amounts payable for cancellation of shares

15,204 –

Purchases awaiting settlement

5,960,135 7,398,731

Accrued expenses:

Amounts payable to the ACD, associates of the ACD and agents of either of them:

ACD's periodic charge	329,875	730,701
Legal and professional fees	575	418
Printing costs	2,579	2,441
Registration fees	1,381	1,398
	<u>334,410</u>	<u>734,958</u>

Amounts payable to the Depositary, associates of the Depositary and agents of either of them:

Depositary's fees	7,433	9,525
Transaction charges	1,176	4,876
Safe custody and other bank charges	3,429	29,388
	<u>12,038</u>	<u>43,789</u>

Other expenses

11,444 9,519

Taxation payable:

Stamp duty reserve tax

31 271

Total creditors

6,333,262 8,187,268

10. RELATED PARTY TRANSACTIONS

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

11. SHAREHOLDER FUNDS

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

CF RUFFER BAKER STEEL GOLD FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent assets or liabilities or unrecorded outstanding commitments (15.09.12 : none).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.09.13 £	15.09.12 £
Floating rate assets:		
Australian dollars	–	139,527
US dollars	18,317	101,752
Pounds sterling	8,003,904	14,854,664
	8,022,221	15,095,943
Floating rate liabilities:		
Australian dollars	–	(7,528)
Pounds sterling	(1,625,017)	(5,342,913)
	(1,625,017)	(5,350,441)
Assets on which interest is not paid:		
Australian dollars	51,563,837	136,272,868
Canadian dollars	48,407,340	116,165,374
Hong Kong dollars	9,517,754	11,399,189
South African rand	–	6,951
Swedish krona	–	1,201,083
US dollars	19,476,276	27,826,292
Pounds sterling	31,875,460	42,017,153
	160,840,667	334,888,910
Liabilities on which interest is not paid:		
Australian dollars	(3,930,038)	(3,177,308)
Canadian dollars	–	(1,178,386)
Hong Kong dollars	–	(157,037)
Pounds sterling	(2,458,653)	(3,674,537)
	(6,388,691)	(8,187,268)
Net assets	160,849,180	336,447,144

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.09.13 Gross £	15.09.13 Hedged £	15.09.13 Net £
Currency:			
Australian dollars	51,477,007	(3,843,208)	47,633,799
Canadian dollars	48,407,340	–	48,407,340
Hong Kong dollars	9,517,754	–	9,517,754
US dollars	19,494,593	–	19,494,593
	128,896,694	(3,843,208)	125,053,486
Pounds sterling	32,007,915	3,787,779	35,795,694
Net assets	160,904,609	(55,429)	160,849,180

	15.09.12 Gross £	15.09.12 Hedged £	15.09.12 Net £
Currency:			
Australian dollars	133,227,559	–	133,227,559
Canadian dollars	114,986,988	–	114,986,988
Hong Kong dollars	11,242,152	–	11,242,152
South African rand	6,951	–	6,951
Swedish krona	1,201,083	–	1,201,083
US dollars	27,928,044	–	27,928,044
	288,592,777	–	288,592,777
Pounds sterling	47,854,367	–	47,854,367
Net assets	336,447,144	–	336,447,144

iii. Derivatives

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

During the year the Fund has used warrants on the price of gold as a way of reducing this generic risk in the portfolio. The value of these investments may fluctuate significantly. By holding this type of investment there is a risk of capital depreciation in relation to certain assets; there is also the potential for capital appreciation of such assets. When warrants were out of the money at expiry the cost of protection is recognised as part of the net derivatives loss in note 2.

CF RUFFER BAKER STEEL GOLD FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives (continued)

The intention in using the forward currency contracts is to reduce the risk profile of the Fund by managing the exposure of the Fund to foreign exchange risk and leave the Fund primarily exposed to the underlying market risk of overseas investments. Therefore where the value of overseas investments falls due to currency movements, the forward currency contracts generate a gain and vice versa.

Refer to note 2 for the impact of derivatives and forward currency contracts in the year, and to the Portfolio Statement for the current position of derivatives and forward currency contracts held at year end.

	15.09.13 £	15.09.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	132,403,508	171,789,161
Transaction costs:		
Commissions	205,316	329,499
Stamp duty and other charges	27,291	50,395
	232,607	379,894
Gross purchases total	<u>132,636,115</u>	<u>172,169,055</u>
Analysis of total sale costs		
Gross sales before transaction costs	128,069,045	284,658,311
Transaction costs:		
Commissions	(167,934)	(416,618)
Other charges	(6,248)	(2,058)
	(174,182)	(418,676)
Total sales net of transaction costs	<u>127,894,863</u>	<u>284,239,635</u>

15. SUBSEQUENT EVENTS

Since the Balance Sheet date of 15 September 2013, the price of shares in CF Ruffer Baker Steel Gold has fallen 18%. This is due to the continual decline in the Gold market.

CF RUFFER PACIFIC FUND

ACD'S REPORT

FOR THE YEAR ENDED 15 SEPTEMBER 2013

IMPORTANT INFORMATION

On 13 September 2012 a new share class, the 'C' Accumulation, was launched in the CF Ruffer Pacific Fund ('the Fund'), with its first live valuation date being 19 September 2012.

From 4 November 2013 the price of the 'C' share class will be published in the Financial Times. The prices of all shares are published on the website www.fundlistings.com. The prices of all shares may also be obtained by calling 0845 601 9610 during normal business hours.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to deliver consistent positive returns by investing in a diversified portfolio of predominantly Asia Pacific equities. The Fund may also invest in fixed income securities, collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted in the stated investment and borrowing powers of the Company, with the proportion of the Fund invested in each asset class varying over time in line with changes in the Investment Manager's view about their relative attraction and subject to the limitations on investments contained in the Prospectus.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Ruffer Pacific Fund

15 January 2014

INVESTMENT MANAGER'S REPORT

INVESTMENT REVIEW

The Fund's 'O' Accumulation shares' Net Asset Value rose 16.9%¹ over the year to 15 September 2013, compared to a 16.5%² rise in the MSCI AC Asia Pacific Index, adjusted for sterling.

The main shift in Fund strategy over the past year has been a big increase in our China weighting (now effectively about 35%). We have exited some of the undervalued cyclicals and the power companies (which were bought in anticipation of a falling coal price) and have purchased, instead, companies exposed to sectors that are seeing rapid growth, even in a more sluggish economic environment. Both domestic and outbound tourism, for example, are seeing very rapid growth, and we have invested in a Chinese airport and a domestic hotel chain. We also have exposure to two of Asia's low cost airlines. An increase in Chinese visitors is part of the reason for these investments, but low cost airlines are connecting many Asian towns and cities that have never had a direct transport link before, let alone one that made the journey fast, comfortable and affordable. We have invested in the internet search provider, Baidu, and we have kept our investment in China Mobile, which has added 70 million new 3G subscribers this year, as affordable smartphones have finally hit the Chinese market. We have three environmental plays, including Beijing Enterprises Water Group and two solar companies, as the collapse in solar panel prices has made solar an affordable option for consumers in China.

We have also increased our Japan weighting, to just under 15% and we have reoriented the Japanese weighting to increase our exposure to companies that will benefit from the weak yen, predominantly exporters, with niche products that have a high global market share. After good gains in some of our Thai, Philippine and Singapore stocks, we have taken profits, and we have no exposure at the moment to India or Indonesia. This has stood the Fund in reasonably good stead during the very weak second quarter of 2013, when there was a huge exodus of funds from emerging markets following Bernanke's remarks about tapering.

Gold exposure is less than 5%, partly due to the weakness of gold stocks.

From September 2012 onwards, we have hedged our Japanese yen exposure, which has prevented significant currency-related losses, (the yen has fallen against sterling by 20% over the past twelve months) and have maintained our Australian dollar hedge (down 9% against sterling over the period). The rest of our currency exposure has not been hedged, and the Asian currencies we are exposed to have not moved much against the pound over the period, despite the emerging markets 'crisis' in mid 2013.

INVESTMENT OUTLOOK

A year ago, we wrote about our cautious optimism about China and our expectation that although growth would slow, there would be neither a big stimulus package, nor an economic implosion. This scenario still seems to be playing out, but despite the fact that the economy is weaker, we have found many sectors of the economy that still look very exciting – travel at home and abroad, internet and media, environment, health, education and financial services. In addition, although the crackdown on corruption in China has had a very marked impact on high end retail, particularly watches, moutai and other expensive spirits, we still think the outlook for middle and low end consumption in China is very positive.

¹ Source: Capita.

² Source: Thomson Reuters Datastream. The benchmark used by the Investment Manager is for comparison. No benchmark is required to be disclosed as per the Prospectus.

Another theme in the portfolio is increasing productivity, in both manufacturing and services. For many years, Chinese firms did not have to devote a great deal of attention to the cost or quality of the labour force. For many exporters, wages were so low that they constituted only a few percent of cost of goods sold. However, weaker export demand, rising wages and fewer migrant workers, have begun to take their toll, and manufacturing companies are starting to try to improve productivity, through a combination of factory automation and improved factory process. We still believe China is competitive. It has increased its share of US imports (according to highly reliable US trade data) again this year, and its scale, supply chain and scope to improve productivity, will mean it is likely to remain competitive. Nonetheless, manufacturing companies are seeing some pressure on margins, and we have seen many companies over the past few months that are either supplying machinery or equipment that will help this process, or are focusing on making their manufacturing operations more efficient.

For a few years, the Chinese retail market was growing so rapidly (driven by rising wages, but also, in some cases, goods appearing in Chinese shops for the first time), that all that Chinese retailers needed to do was to open as many new stores as possible. Needless to say, it got out of hand and inventory problems have surfaced all over the place. What is fascinating is to see how companies are responding to this – staff training, inventory control, better merchandising, improved store layout, more focus on brand, design and product – all things that will make them better, stronger companies in the future.

As mentioned above, we are not invested in India or Indonesia at the moment, for cyclical reasons. Indonesia has had unusually low interest rates for the past few years, which has resulted in very strong growth in credit (albeit from a low level), including foreign debt. We do not think it is anything like as bad as pre the 1997 Asia Crisis, but inflation has picked up strongly, and interest rates are going up again. This will inevitably lead to slower growth. Other ASEAN countries are also seeing a slowdown in growth, but look healthy. In India, slower growth, high inflation, and big fiscal and current account deficits are an unappealing background, and on top of that, the market does not look especially cheap.

Over the next twelve months, we are expecting more of the same – continued periodic jitters about over-indebted eurozone countries, fears about emerging markets (albeit more Eastern European and Latin American than Asian ones), and no doubt a few other nasty surprises. We expect the yen to remain weak, economic growth generally to be sluggish, but good strong growth in certain segments in China and the rest of Asia. For now the portfolio is fairly fully invested, but we may look to raise cash or buy some put options if the markets continue to strengthen.

RUFFER (ASIA) LIMITED

Sub-Adviser for Ruffer LLP, Investment Manager

7 October 2013

CF RUFFER PACIFIC FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'O' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008	163.06	114.88	1.3982
2009	190.47	140.04	2.5964
2010	235.44	186.02	0.7742
2011	234.04	191.28	1.0049
2012	216.94	187.07	1.3279
2013*	255.75	219.24	0.4559

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2010#	236.15	204.05	0.6097
2011	234.77	192.83	2.1305
2012	219.91	188.96	2.3430
2013*	259.79	222.25	2.3275

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012##	217.20	197.38	-
2013*	256.38	219.51	1.8433

From 16 June 2010.

From 19 September 2012.

* To 15 September 2013.

NET ASSET VALUE

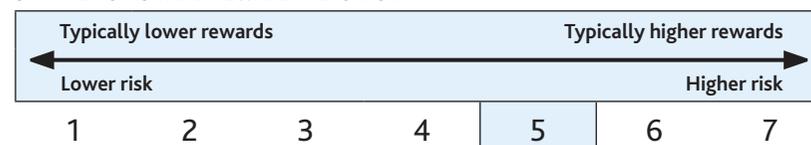
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.09.11	'O' Accumulation	86,767,732	42,738,969	203.02
	'I' Accumulation	67,450,185	33,001,956	204.38
15.09.12	'O' Accumulation	83,418,220	41,677,110	200.15
	'I' Accumulation	71,821,108	35,464,635	202.51
15.09.13	'O' Accumulation	6,294,516	2,690,492	233.95
	'I' Accumulation	87,635,248	36,811,700	238.06
	'C' Accumulation	70,387,261	29,979,074	234.79

ONGOING CHARGES FIGURE

Expense Type	15.09.13 %			15.09.12 %	
	'O'	'I'	'C'	'O'	'I'
ACD's periodic charge	1.50	1.00	1.20	1.50	1.00
Other expenses	0.09	0.09	0.09	0.09	0.09
Ongoing charges figure	1.59	1.09	1.29	1.59	1.09

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

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

CF RUFFER PACIFIC FUND

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE TO 15 SEPTEMBER 2013 (%)

	1 year	3 years	5 years
CF Ruffer Pacific Fund	19.57	8.33	63.78

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

The relevant price for this purpose was 236.00 pence per share being the Net Asset Value as at 10:00am on 11 September 2013, which differs from the figures reported in the Net Asset Value table.

Details of the distributions per share for the year are shown in the Distribution Table on page 149.

PORTFOLIO STATEMENT AS AT 15 SEPTEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	AUSTRALIA/NEW ZEALAND			
2,000,000	Elders	116,507	0.07	
3,240,000	Fairfax Media	1,085,263	0.66	
1,086,876	G8 Education	1,981,740	1.21	
2,000,000	Paladin Energy	658,265	0.40	
	TOTAL AUSTRALIA & NEW ZEALAND	3,841,775	2.34	3.42
	CHINA/HONG KONG			
2,600,000	Anta Sports Products	2,018,281	1.23	
45,000	Baidu ADRs	4,043,939	2.46	
12,600,000	Bank of China	3,615,349	2.20	
15,000,000	Beijing Enterprises Water Group	3,901,631	2.37	
2,242,971	Chaoda Modern Agriculture	70,192	0.04	
275,000	China Lodging Group	3,357,344	2.04	
159,420,000	China LotSynergy Holdings	1,464,287	0.89	
620,000	China Mobile	4,409,656	2.68	
6,000,000	China Modern Dairy Holdings	1,311,923	0.80	
20,000,000	China Precious Metal Resources Holdings	1,771,991	1.08	
3,000,000	China Singyes Solar Technologies Holdings	1,884,975	1.15	
2,700,000	CITIC Securities	3,678,262	2.24	
4,500,000	Esprit Holdings	4,418,597	2.69	
12,000,000	GCL – Poly Energy Holdings	2,077,618	1.27	
5,164,000	Hainan Meilan International Airport Company	3,215,288	1.96	
6,000,000	Hopewell Highway Infrastructure	1,835,587	1.12	
400,000	Hutchison Whampoa	3,022,138	1.84	
4,995,000	PICC Property and Casualty	4,490,509	2.73	
55,000,000	REXlot Holdings	2,324,722	1.42	
1,650,000	Techtronic Industries	2,599,218	1.58	
8,100,000	Yuexiu Real Estate Investment Trust	2,574,345	1.56	
	TOTAL CHINA/HONG KONG	58,085,852	35.35	22.46
	JAPAN			
120,000	Hitachi Chemical Company	1,282,958	0.78	
300,000	Jamco Corporation	2,326,075	1.41	
100,000	Mabuchi Motor Company	3,216,912	1.96	
235,000	Mitsubishi Electric Corporation	1,589,485	0.97	
24,300	Nakanishi	2,022,886	1.23	

CF RUFFER PACIFIC FUND
ACD's Report (continued)
Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	<i>JAPAN (continued)</i>			
20,000	Shimano	1,101,491	0.67	
330,000	Shima Seiki Manufacturing	4,505,961	2.74	
488,000	Toshiba Plant Systems & Services Corporation	5,136,857	3.13	
	TOTAL JAPAN	21,182,625	12.89	12.88
	<i>MALAYSIA</i>			
4,000,000	AirAsia Berhad	1,954,060	1.19	
2,000,000	Tenaga Nasional	3,444,509	2.10	
	TOTAL MALAYSIA	5,398,569	3.29	1.76
	<i>PHILIPPINES</i>			
3,750,000	Cebu Air	2,828,824	1.72	
17,000,000	GMA Holdings	2,076,267	1.26	
12,600,700	Phoenix Petroleum Philippines	916,137	0.56	
1,000,000	San Miguel Corporation	1,041,726	0.64	
	TOTAL PHILIPPINES	6,862,954	4.18	5.39
	<i>SINGAPORE</i>			
2,500,000	M1	4,070,646	2.48	
1,900,000	SATS	2,876,755	1.75	
750,000	Sembcorp Industries	1,861,576	1.13	
	TOTAL SINGAPORE	8,808,977	5.36	11.73
	<i>SOUTH KOREA</i>			
300,000	Korea Electric Power Corporation	5,322,757	3.23	5.80
	<i>SRI LANKA</i>			
2,912,056	Cargills (Ceylon)	1,954,070	1.19	
4,452,505	Commercial Bank of Ceylon	2,402,087	1.46	
2,000,000	CT Holdings	1,242,926	0.76	
44,314,300	Dialog Axiata	1,689,553	1.03	
2,628,518	Hatton National Bank	1,818,928	1.11	
1,011,115	Hatton National Bank <i>non-voting</i>	532,959	0.32	
3,566,666	Keells (John) Holdings	3,552,602	2.16	

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	<i>SRI LANKA (continued)</i>			
3,000,000	National Development Bank	2,043,108	1.24	
10,000,000	People's Leasing & Finance	648,152	0.40	
950,000	Sampath Bank	794,582	0.48	
	TOTAL SRI LANKA	16,678,967	10.15	10.61
	<i>THAILAND</i>			
25,000,000	Erawan Group (The)	2,195,891	1.34	
6,000,000	L.P.N Development	2,457,024	1.49	
400,000	Siam Cement	3,418,468	2.08	
	TOTAL THAILAND	8,071,383	4.91	8.88
	<i>UNITED STATES</i>			
865,000	Renn Universal Growth Investment Trust	2,015,450	1.23	
1,982,000	Samsonite International	3,520,141	2.14	
	TOTAL UNITED STATES	5,535,591	3.37	1.26
	<i>GOLD</i>			
1,333,975	Alacer Gold Corporation	2,253,554	1.37	
2,500,000	Evolution Mining	1,172,352	0.71	
610,400	Goldminindex Resources	8,889	0.01	
1,019,651	Kingsgate Consolidate	1,006,801	0.61	
271,779	Newcrest Mining	1,903,017	1.16	
	TOTAL GOLD	6,344,613	3.86	5.63
	<i>FORWARD CURRENCY CONTRACTS</i>			
AUD(20,000,000)	Vs £11,753,505 (expiry 15.11.13)	144,264	0.09	
¥(3,200,000,000)	Vs £21,145,002 (expiry 15.11.13)	825,930	0.50	
	TOTAL FORWARD CURRENCY CONTRACTS	970,194	0.59	0.22

CF RUFFER PACIFIC FUND

ACD's Report (continued)

Portfolio Statement (continued)

	Value £	Total Net Assets	
		15.09.13 %	15.09.12 %
Portfolio of investments	147,104,257	89.52	90.04
Net other assets	17,212,768	10.48	9.96
Net assets	<u>164,317,025</u>	<u>100.00</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(i) of the Notes to the Aggregate Financial Statements and are ordinary shares listed on a regulated market unless stated otherwise.

Definition:

ADRs – American Depositary Receipts.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 15 SEPTEMBER 2013

Total purchases for the year (note 14)	£75,456,564
Major purchases	Cost £
Shima Seiki Manufacturing	4,805,763
Tokyo Steel Manufacturing Company	3,365,089
Bank of China	3,267,611
Samsonite International	2,989,718
China Lodging Group	2,939,885
Mabuchi Motor Company	2,804,064
Hainan Meilan International Airport Company	2,757,910
Hutchison Whampoa	2,375,878
AirAsia Berhad	2,317,829
China Precious Metal Resources Holdings	2,299,054
Beijing Enterprises Water Group	2,275,343
BOC Hong Kong Holdings	2,268,249
Alacer Gold Corporation	2,220,657
China Singyes Solar Technologies Holdings	2,166,586
Yuexiu Real Estate Investment Trust	2,140,109
GCL – Poly Energy Holdings	1,989,929
Sembcorp Industries	1,976,972
Hopewell Highway Infrastructure	1,931,618
Stella International Holdings	1,913,420
Jamco Corporation	1,877,354

CF RUFFER PACIFIC FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the year (note 14) £90,326,214

Major sales	Proceeds £
Ezion Holdings	7,468,928
Thai Beverage	7,139,856
Huaneng Power International	5,650,073
Overseas Union Enterprises	5,096,916
Huadian Power International	5,041,228
Universal Robina Corporation	4,833,091
Kolao Holdings	4,182,479
DBS Group Holdings	3,230,943
Tokyo Steel Manufacturing Company	3,229,989
Seven Bank	3,191,197
Bangkok Bank	3,109,753
Sugi Holdings	3,031,500
L.P.N Development	3,024,971
Keihin Corporation	3,011,025
Zoomlion Heavy Industry Science and Technology Development	2,611,166
Xinyi Glass Holdings	2,499,031
Petron Corporation	2,209,007
Industrea	2,199,983
BOC Hong Kong Holdings	2,018,428
Hang Seng Bank	2,002,144

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	£	15.09.13 £	15.09.12 £
Income:				
Net capital gains/(losses)	2		25,472,754	(3,245,693)
Revenue	3	3,827,598		3,733,909
Expenses	4	(2,074,090)		(2,043,866)
Finance costs: Interest	6	(4,394)		(585)
Net revenue before taxation		1,749,114		1,689,458
Taxation	5	(254,832)		(319,041)
Net revenue after taxation			1,494,282	1,370,417
Total return before distributions			26,967,036	(1,875,276)
Finance costs: Distributions	6		(1,496,082)	(1,370,403)
Change in net assets attributable to shareholders from investment activities			25,470,954	(3,245,679)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	£	15.09.13 £	15.09.12 £
Opening net assets attributable to shareholders			155,239,328	154,217,917
Amounts receivable on issue of shares		11,816,162		11,966,784
Amounts payable on cancellation of shares		(29,630,021)		(9,077,534)
			(17,813,859)	2,889,250
Stamp duty reserve tax	1(g)		(1,151)	(642)
Change in net assets attributable to shareholders from investment activities			25,470,954	(3,245,679)
Retained distribution on Accumulation shares	6		1,421,753	1,378,482
Closing net assets attributable to shareholders			164,317,025	155,239,328

CF RUFFER PACIFIC FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		147,104,257		139,827,133	
Other assets					
Debtors	7	259,699		2,041,507	
Cash and bank balances	8	18,316,037		13,839,729	
Total other assets		18,575,736		15,881,236	
Total assets		<u>165,679,993</u>		<u>155,708,369</u>	
LIABILITIES					
Investment liabilities				(47,489)	
Other liabilities					
Creditors	9	(1,362,968)		(421,552)	
Total other liabilities		(1,362,968)		(421,552)	
Total liabilities		<u>(1,362,968)</u>		<u>(469,041)</u>	
Net assets attributable to shareholders		<u>164,317,025</u>		<u>155,239,328</u>	

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

	15.09.13	15.09.12
	£	£
2. NET CAPITAL GAINS/(LOSSES)		
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	20,967,496	(868,406)
Derivative contracts	689,317	(1,483,009)
Forward currency contracts	4,630,948	(991,589)
Transaction charges	(4,926)	(2,035)
Currency (losses)/gains	(810,081)	99,346
Net capital gains/(losses)	<u>25,472,754</u>	<u>(3,245,693)</u>
3. REVENUE		
Non-taxable dividends	3,733,356	3,693,823
Taxable dividends	87,145	–
Bank interest	7,097	40,086
Total revenue	<u>3,827,598</u>	<u>3,733,909</u>
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,922,874	1,914,246
Legal and professional fees	3,256	2,556
Printing costs	4,833	4,142
Registration fees	2,560	5,691
	1,933,523	1,926,635
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	59,037	56,328
Safe custody and other bank charges	64,394	44,605
	123,431	100,933

	15.09.13 £	15.09.12 £
4. EXPENSES (continued)		
Other expenses:		
FCA fee	61	62
Fees paid to auditor – audit	8,096	7,721
– tax services	1,800	1,800
Publication costs	2,527	2,763
Legal and professional fees	836	1,245
Postage and distribution costs	1,126	224
Bank charges	–	60
Other tax related services	2,690	2,423
	17,136	16,298
Total expenses	<u>2,074,090</u>	<u>2,043,866</u>
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas tax	254,832	319,041
Current tax charge (note 5b)	254,832	319,041
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	<u>254,832</u>	<u>319,041</u>
b) Factors affecting current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%). The difference is explained below.		
	15.09.13 £	15.09.12 £
Net revenue before taxation	1,749,114	1,689,458
Corporation tax at 20%	349,823	337,892
Effects of:		
Non-taxable dividends	(746,672)	(738,765)
Unutilised excess management expenses	396,849	400,873
Corporation tax charge	–	–

	15.09.13 £	15.09.12 £
5. TAXATION (continued)		
Overseas tax	254,832	319,041
Current tax charge (note 5a)	<u>254,832</u>	<u>319,041</u>
c) Deferred tax		
At the year end there is a potential deferred tax asset of £1,306,130 (15.09.12 : £909,281) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior period.		
6. FINANCE COSTS		
Distributions		
The distributions take account of revenue received on the issue of shares and revenue deducted on cancellations of shares, and comprise:		
	15.09.13 £	15.09.12 £
Interim	7,637	158,990
Final	1,414,116	1,219,492
	1,421,753	1,378,482
Add: Revenue deducted on cancellation of shares	104,428	21,927
Deduct: Revenue received on issue of shares	(30,099)	(30,006)
Net distributions for the year	1,496,082	1,370,403
Interest	4,394	585
Total finance costs	<u>1,500,476</u>	<u>1,370,988</u>

Details of the distributions per share are set out in the table on page 149.

CF RUFFER PACIFIC FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	1,494,282	1,370,417
Yield uplift on conversions*	1,778	–
Balance brought forward	55	41
Balance carried forward	(33)	(55)
Net distributions for the year	<u>1,496,082</u>	<u>1,370,403</u>

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

	15.09.13 £	15.09.12 £
7. DEBTORS		
Amounts receivable for issue of shares	16,938	726,696
Sales awaiting settlement	–	875,257
Accrued revenue:		
Non-taxable dividends	242,662	439,153
Bank interest	99	369
	242,761	439,522
Prepaid expenses	–	32
Total debtors	<u>259,699</u>	<u>2,041,507</u>
8. CASH AND BANK BALANCES		
Bank balances:		
Capital accounts	16,871,272	12,621,421
Revenue accounts	1,444,765	1,218,308
Total bank balances	<u>18,316,037</u>	<u>13,839,729</u>

	15.09.13 £	15.09.12 £
9. CREDITORS		
Purchases awaiting settlement	1,087,930	119,997
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	240,518	238,362
Legal and professional fees	575	418
Printing costs	2,438	2,441
Registration fees	555	503
	244,086	241,724
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	7,448	7,073
Transaction charges	1,015	3,072
Safe custody and other bank charges	10,135	40,874
Interest payable	167	–
	18,765	51,019
Other expenses	12,185	8,773
Taxation payable:		
Stamp duty reserve tax	2	39
Total creditors	<u>1,362,968</u>	<u>421,552</u>

10. RELATED PARTY TRANSACTIONS

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

11. SHAREHOLDER FUNDS

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

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent assets or liabilities or unrecorded outstanding commitments (15.09.12 : none).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

CF RUFFER PACIFIC FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.09.13 £	15.09.12 £
Floating rate assets:		
Australian dollars	929,553	1,152,560
Hong Kong dollars	2,016,547	–
Japanese yen	29,077	367,400
Malaysian ringgit	–	56,590
Philippine peso	–	166,804
Singapore dollars	12,622,428	9,744,821
Sri Lankan rupee	87,288	–
US dollars	3,043	2,973
Pounds sterling	2,628,101	2,348,581
	<u>18,316,037</u>	<u>13,839,729</u>
Assets on which interest is not paid:		
Australian dollars	10,217,730	14,126,699
Chinese yuan	1,835,587	–
Hong Kong dollars	52,580,531	33,307,188
Japanese yen	21,182,624	20,006,267
Malaysian ringgit	5,398,569	2,735,733
Philippine peso	6,862,954	9,287,616
Singapore dollars	8,808,978	22,105,684
South Korean won	5,322,757	8,997,701
Sri Lankan rupee	16,678,966	16,484,459
Thai baht	8,071,382	9,971,948
US dollars	7,401,284	1,779,714
Pounds sterling	34,930,907	35,629,363
	<u>179,292,269</u>	<u>174,432,372</u>
Liabilities on which interest is not paid:		
Australian dollars	(11,609,241)	(12,921,727)
Japanese yen	(21,407,002)	(19,689,493)
Sri Lankan rupee	–	(119,997)
US dollars	(1,559)	–
Pounds sterling	(273,479)	(301,555)
	<u>(33,291,281)</u>	<u>(33,032,773)</u>
Net assets	<u>164,317,025</u>	<u>155,239,328</u>

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

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.09.13 Gross £	15.09.13 Hedged £	15.09.13 Net £
Currency:			
Australian dollars	11,147,283	(11,609,241)	(461,958)
Chinese yuan	1,835,587	–	1,835,587
Hong Kong dollars	54,597,078	–	54,597,078
Japanese yen	20,123,771	(20,319,072)	(195,301)
Malaysian ringgit	5,398,569	–	5,398,569
Philippine peso	6,862,954	–	6,862,954
Singapore dollars	21,431,406	–	21,431,406
South Korean won	5,322,757	–	5,322,757
Sri Lankan rupee	16,766,254	–	16,766,254
Thai baht	8,071,382	–	8,071,382
US dollars	7,402,768	–	7,402,768
	<u>158,959,809</u>	<u>(31,928,313)</u>	<u>127,031,496</u>
Pounds sterling	4,387,022	32,898,507	37,285,529
Net assets	<u>163,346,831</u>	<u>970,194</u>	<u>164,317,025</u>
	15.09.12 Gross £	15.09.12 Hedged £	15.09.12 Net £
Currency:			
Australian dollars	15,279,259	(12,921,727)	2,357,532
Hong Kong dollars	33,307,188	–	33,307,188
Japanese yen	20,373,667	(19,689,494)	684,173
Malaysian ringgit	2,792,323	–	2,792,323
Philippine peso	9,454,420	–	9,454,420
Singapore dollars	31,850,505	–	31,850,505
South Korean won	8,997,701	–	8,997,701
Sri Lanka rupee	16,364,462	–	16,364,462
Thai baht	9,971,948	–	9,971,948
US dollars	1,782,687	–	1,782,687
	<u>150,174,160</u>	<u>(32,611,221)</u>	<u>117,562,939</u>
Pounds sterling	4,728,762	32,947,627	37,676,389
Net assets	<u>154,902,922</u>	<u>336,406</u>	<u>155,239,328</u>

CF RUFFER PACIFIC FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives

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

The intention in using the Australian dollar and Japanese yen forward currency contracts is to reduce the risk profile of the Fund by managing the exposure of the Fund to foreign exchange risk and leave the Fund primarily exposed to the underlying market risk of overseas investments. Therefore where the value of overseas investments falls due to currency movements, the forward currency contracts generate a gain and vice versa.

Refer to note 2 for the impact of derivatives and forward currency contracts in the year and to the Portfolio Statement for the current position of derivatives and forward currency contracts held at the year end.

	15.09.13 £	15.09.12 £
14. PORTFOLIO TRANSACTION COSTS		
Analysis of total purchase costs		
Purchases in year before transaction costs	75,244,847	50,561,474
Transaction costs:		
Commissions	164,726	102,638
Stamp duty and other charges	46,991	23,201
	211,717	125,839
Gross purchases total	<u>75,456,564</u>	<u>50,687,313</u>
Analysis of total sale costs		
Gross sales before transaction costs	90,608,894	24,851,974
Transaction costs:		
Commissions	(180,654)	(54,034)
Other charges	(102,026)	(19,694)
	(282,680)	(73,728)
Total sales net of transaction costs	<u>90,326,214</u>	<u>24,778,246</u>

DISTRIBUTION TABLE

FOR THE YEAR ENDED 15 SEPTEMBER 2013 – IN PENCE PER SHARE

Interim

There were no interim distributions for 'O' Accumulation shares and 'C' Accumulation shares during the current or prior period.

Group 1 – Shares purchased prior to 16 September 2012

Group 2 – Shares purchased on or after 16 September 2012 and on or before 15 March 2013

'I' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	0.0205	–	0.0205	0.4649
Group 2	0.0000	0.0205	0.0205	0.4649

Final

Group 1 – Shares purchased prior to 16 March 2013

Group 2 – Shares purchased on or after 16 March 2013 and on or before 15 September 2013

'O' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	0.4559	–	0.4559	1.3279
Group 2	0.4179	0.0380	0.4559	1.3279

'I' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	2.3070	–	2.3070	1.8781
Group 2	1.0770	1.2300	2.3070	1.8781

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated* 15.11.12
Group 1	1.8433	–	1.8433	0.0000
Group 2	1.0903	0.7530	1.8433	0.0000

* This share class was not eligible for distribution at 15 September 2012. The first accounting date for 'C' Accumulation shares was 15 March 2013.

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

CF RUFFER JAPANESE FUND
ACD'S REPORT
FOR THE YEAR ENDED 15 SEPTEMBER 2013

IMPORTANT INFORMATION

On 13 September 2012 a new share class, the 'C' Accumulation, was launched in the CF Ruffer Japanese Fund ('the Fund') with its first live valuation date being 19 September 2012.

From 4 November 2013 the price of the 'C' share class will be published in the Financial Times. The prices of all shares are published on the website www.fundlistings.com. The prices of all shares may also be obtained by calling 0845 601 9610 during normal business hours.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide capital growth by investing in a portfolio of predominantly Japanese equities, though Japanese fixed income securities and fixed income securities and equities from other geographical areas may be utilised if the Investment Manager believes they will assist in meeting the overall objective of the Fund. The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted by the Regulations. There will be no particular emphasis on any industrial or economic sector.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Ruffer Japanese Fund
15 January 2014

INVESTMENT MANAGER'S REPORT

During the period from 16 September 2012 to 15 September 2013, the Net Asset Value of the Fund's 'O' Accumulation shares increased by 52.0%¹ from 99.71¹ pence to 151.53¹ pence. During the same period under consideration, the TOPIX Index on a sterling-adjusted basis rose by 26.4%² while the TOPIX Index in Japanese yen rose by 56.6%². As of the close of 15 September 2013, the Fund was 82.5% invested in equities and its cash position was 17.5%. We continued to hedge approximately 80% of the Fund's yen exposure during the period under consideration. The most recent level of the currency hedge was about 100%.

The risk-off mode, which returned to the Japanese equity market in the middle of August 2012, continued at the beginning of September 2012 on the back of growing fears of a global economic slowdown. However, the equity market started rebounding strongly from the second week of the month as the European Central Bank increased the level of clarity over its possible purchases of sovereign debt from southern European countries. In addition, more favourable Japanese domestic core machinery orders in July increased expectations of a capex recovery. Japanese equity prices climbed even higher after the US Federal Reserve ('the Fed') embarked on its third programme of Quantitative Easing ('QE') on 13 September and the Bank of Japan ('BoJ') announced its decision to expand the size of its Asset Purchase Programme from JPY70 trillion to JPY80 trillion on 19 September. However, the end of the month saw profit-taking pressure as the yen started appreciating against major currencies and political tension between Japan and China led to anti-Japan demonstrations in many Chinese cities and the closure of some Japanese companies' plants and shops in China.

Japanese equities trended downward in the first part of October due to concerns regarding the slowing global economy and weakening corporate earnings. Against this backdrop, the BoJ held its regular Monetary Policy Meeting ('MPM') on 4-5 October and decided to leave policy unchanged. This led to a rebound in the yen and a sell-off in Japanese equities, especially export related stocks. Japanese equities weakened further when the IMF lowered its growth forecast for China on 8 October. However, shares staged a recovery around the middle of October on the back of improving sentiment towards the US economy and the European sovereign debt crisis. The rebound was further strengthened by the weakening yen in anticipation of further monetary easing by the BoJ, which delivered what the market had expected on 30 October. The BoJ decided to expand its Asset Purchase Programme by JPY11 trillion to JPY91 trillion and to establish a 'Stimulating Bank Lending Facility'. The BoJ also issued a joint statement with the government entitled 'Measures Aimed at Overcoming Deflation'. The BoJ eased its monetary policy for two months in a row but Japanese equities came under profit taking pressure as the new measures were within elevated market expectations.

Prime Minister ('PM') Noda's decision on 14 November to dissolve the Lower House and call a general election, scheduled for 16 December, led to a depreciation of the Japanese yen and a rebound in Japanese equities. Comments by the Liberal Democratic Party (LDP)'s new leader, Mr Shinzo Abe, further fuelled the risk-on mode as he proposed: 1) 'unlimited' monetary easing with an inflation target of 2-3%; 2) a large and aggressive stimulus budget; 3) the BoJ to underwrite all the government construction bonds.

¹ Source: Capita.

² Source: Thomson Reuters Datastream. The benchmarks used by the Investment Manager are for comparison. No benchmarks are required to be disclosed as per the Prospectus.

CF RUFFER JAPANESE FUND

ACD's Report (continued)

Investment Manager's Report (continued)

The calendar year 2012 ended on a positive note for the first time in many years, on the back of the LDP's landslide victory in the Lower House election on 16 December. This was in stark contrast to 2011, when both the TOPIX and Nikkei 225 Indices finished at their lowest year-end closing levels since 1982. In 2011, Japan suffered from the Great Tohoku Earthquake of magnitude 9.0 and the subsequent 40 metre high tsunami, the disaster at the Fukushima nuclear power station and the associated rolling blackouts that crippled industries over the summer months, the Thai floods and related supply chain issues, the sovereign debt crisis in Europe, a slowing Chinese economic growth rate, and the excessive appreciation of the yen against major currencies that suffocated many Japanese exporters. The combination of these extremely adverse conditions together with low company valuations made us even more bullish on Japanese equities at the beginning of 2012. We continued to focus on financials, property and currency sensitive stocks which had been hard hit. As a result of our regular visits to Japan and continual engagement with companies, we believed that many Japanese companies were doing much better than their share prices were implying. We continued to experience a very bumpy road until the summer, but Japanese equities started rebounding in June sensing possible political change. The LDP's decisive victory on 16 December, winning more than two thirds of the Lower House together with its coalition partner New Komei Party, further fuelled the risk-on mode towards the year end.

Japanese equities continued to go up during January thanks to improving external factors in the US, Europe and China, as well as rising hope for a complete monetary policy regime change at the BoJ. PM Abe presented his economic policy, 'Abenomics', as the 'Three Arrows':

The First Arrow: To put pressure on the BoJ to set an annual inflation target of 2% and to launch unprecedented aggressive monetary easing to achieve it.

The Second Arrow: To plan an aggressive deficit-financed supplementary budget and to launch new public works.

The Third Arrow: To draw up a comprehensive structural reform programme and to enact it in order to stimulate private investment and revitalise the Japanese economy.

The BoJ held its regular MPM on 21 and 22 January and made the following key decisions: 1) to adopt a 2% inflation target; 2) to start open-ended asset purchases from January 2014. In addition, the BoJ issued a joint statement with the government expressing their common goal to overcome deflation. The BoJ's decisions were largely in line with market expectations. As a result, the yen started to appreciate against major currencies and Japanese equities began to slide due to profit-taking. However, some senior Japanese government officials stepped in to halt the moves in the currency and equity markets by making strong statements that they were determined to pursue economic policies to overcome deflation. Their verbal interventions caused the yen to fall and Japanese share prices to rise. PM Abe's advisors seemed to think that it was vitally important to keep the yen weak and share prices high in order to decisively win the Upper House election scheduled for July. Many LDP top officials were aware that they had not been given a real mandate to run the country despite winning more than two thirds of the Lower House seats jointly with the New Komei Party. They publicly stated that they had not 'won' the election but that the Democratic Party of Japan had simply been defeated by its own failures. Therefore, they were now focusing on reviving the economy and overcoming deflation as key issues to win a real mandate at the Upper House elections, thus eliminating the split Diet.

The TOPIX Index in yen terms delivered a positive return in February. During the month there were setbacks and rebounds due to some negative external factors and positive internal ones. The yen rebounded and appreciated against major currencies in the second half of the month

while the 10 year Japanese Government Bond ('JGB') yield fell further from 0.740% to 0.665%. The government handed the BoJ governor and deputy governor nominees to the Diet on 27 February. As widely expected, Mr Haruhiko Kuroda was nominated as governor while

Professor Kikuo Iwata and Mr Hiroshi Nakaso were nominated as deputy governors. Japanese equities continued their strong performance during March as the three nominees for the BoJ governor and two deputy governor positions, made by PM Abe, were endorsed by the Lower House on 14 March and by the Upper House on 15 March. This led to rising expectations for a complete monetary policy regime change at the BoJ and anticipation that the new leadership would launch much more aggressive monetary easing policies at the April 3-4 meeting or at the April 26 meeting.

The TOPIX Index continued to move up strongly in April. The BoJ, under the new governor Mr Kuroda, completed its MPM on 4 April and surprised the Japanese equity market in a positive way. The BoJ announced the introduction of 'quantitative and qualitative' monetary easing policies in order to achieve an annual inflation rate of 2% in two years. The Japanese yen fell sharply against major currencies and Japanese equity prices rose rapidly as, prior to the MPM, an increasing number of market participants had started to doubt Mr Kuroda's ability to deliver aggressive policies at his first MPM. The BoJ's new set of measures represented a dramatic change as opposed to the gradual change under the leadership of the previous governor, Mr Masaaki Shirakawa. The BoJ changed its policy target from the unsecured overnight call rate to the monetary base, aiming to increase it from JPY135 trillion as of 31 March 2013 to JPY200 trillion by the end of 2013 and to JPY270 trillion by the end of 2014. This is about 55% of Japan's nominal GDP.

Japanese companies seemed to be increasingly optimistic about the future of the domestic economy yet remained cautious due to their experience over the last 20 years. On the other hand, Japanese institutional investors remained sceptical regarding the effectiveness of Abenomics and stuck to their old investment strategy, that is, to sell domestic equities and to buy JGBs. Japanese companies started announcing their results around the end of April for the financial year which ended 31 March 2013 together with their guidance for the new financial year. Generally speaking, the results were in line or better than guidance due to depreciation of the Japanese yen and the strong performance of both Japanese equities and JGBs. However, their guidance, based on rather conservative assumptions, appeared cautious. For example, a large number of exporters were using foreign exchange rate assumptions of 90 yen to 1 US dollar and 120 yen to 1 euro for the current financial year while the spot rates were 99 yen and 130 yen respectively.

May looked set to be another strong month for Japanese equities as foreign investors with underweight positions seemed likely to continue to increase their exposure to the market. However, previous gains sharply reversed following Ben Bernanke's speech on 22 May. His comments on a possible exit from the central bank's QE programme destabilised the JGB market, which in turn negatively affected Japanese equities. The TOPIX Index in Japanese yen subsequently fell 11.9% by the end of the month from its year high of 1,289.77 recorded during the morning trading session on 23 May. The Fund had been reducing its exposure to financials and property related stocks in April and May, and increasing its cash position. Although this action mitigated the impact, the Fund could still not entirely avoid the effect of the sharp sell-off. Without pause, the Japanese equity market had risen strongly since last autumn, so a correction had been long over due.

CF RUFFER JAPANESE FUND

ACD's Report (continued)

Investment Manager's Report (continued)

We spent two weeks in Japan in the second half of May to investigate the Three Arrows of Abenomics. We met officials of the government, ministries and the BoJ, business leaders and academics. While there were some reasons why we should remain sceptical about the possible success of Abenomics, we uncovered further positive signs increasing our optimism regarding the future of the Japanese economy. PM Abe's economics team seemed to consist of very talented and pragmatic advisers and this impression was shared by many business leaders.

The TOPIX Index fell sharply during the first week of June but managed to rebound to finish the month flat. The timing of potential tapering of the Fed's quantitative easing programme remained the focus of financial markets during the first week of June. Japanese equity prices continued to fall sharply with the TOPIX Index losing 6.9% in this first week and the US dollar/Japanese yen exchange rate moving through the JPY100 mark. PM Abe's 5 June speech on the Third Arrow Growth Strategy was short on detail and the BoJ's MPM on 10-11 June offered nothing new. The Japanese yen appreciated against major currencies and Japanese equity prices continued to move up and down with increased volatility. However, after the sharp and rapid correction, Japanese equity prices started rebounding around the middle of the month, while the currency started edging down. The second half of June saw a strong performance of Japanese equities, although they were dragged down at points over concerns related to China's shadow banking system. The Fund reduced its exposure to financials and property related stocks in April and May as they had gone up sharply since last autumn. However, we decided to increase these names at the beginning of the month following their 25-35% correction. We also increased the Fund's exposure to a broad range of existing stocks as the cash position fell from 18.0% to 9.6%.

The TOPIX Index continued to rebound until 23 July rising by 7.8% on the back of the positive reading of the BoJ's Tankan survey for June, released on 1 July. In addition, the market rose in anticipation that the coalition government of the LDP and New Komei Party would win a comfortable majority at the Upper House election scheduled on 21 July. However, the gain was given up by the end of the month with the TOPIX Index falling by 7.4% from the month's peak, as the election results did not offer any positive surprises and the first quarter results announcement season kicked off with a rather uninspiring tone. During the month of July, the Fund reduced its exposure to some cyclical and special situation stocks as well as some small-cap stocks which had gone up very strongly over the last nine months or so, raising the Fund's cash position from 9.6% to 11.8%. Although the Upper House election results were in line with expectation, the issue of the divided or twisted Diet was finally solved for the first time in many years. This created a stable government which might last for three or more years without a national election and would make it easier for PM Abe to launch far reaching structural reforms.

The June Tankan survey underlined the recovery in sentiment. The business conditions Diffusion Index for large manufacturers turned positive at +4 for the first time in 21 months. This could be a prelude to higher corporate capital expenditure going forward. The April to June quarter results announcement season started with a weak tone at the end of the month but was followed by stronger than expected results by many companies, including mega banks and exporters. Mitsubishi UFJ Financial Group [8306 JP], Mizuho Financial Group [8411 JP] and Sumitomo Mitsui Financial Group [8316 JP] announced very strong results for the quarter on the back of lower than expected credit costs and brisk trading gains. Net interest income from global operations offset sluggish domestic net interest income as their overseas banking revenues continued to expand with growing lending balances. On the other hand, while their domestic lending margins continued to fall, there are some signs that the domestic lending volume has started picking up albeit slowly. Going forward, we would like to see moderately rising credit costs as it is likely to be a sign that banks have started taking more risks to expand their lending books, especially now that the long process of deleveraging appears to be over in Japan.

Both the TOPIX Index and the Nikkei 225 Index continued to fall for the fourth consecutive month in August. Japanese equities started the month strongly in response to better-than-expected macro economic indicators in major countries as well as the strong performance of US equities. However, Japanese equities were sold off in the second half of August as the USD/JPY exchange rate moved from around 100 to below 96 driven by increasing geopolitical risk in the Middle East surrounding Syria as well as other factors. Japanese equities continued to exhibit a strong correlation with the USD/JPY exchange rate, rising in response to yen depreciation and falling in response to yen appreciation. Many market participants increasingly adopted a wait-and-see stance this time ahead of many important events in September including the International Olympic Committee's decision regarding the host city for the 2020 Summer Olympic Games, the announcement of the revision of the preliminary GDP figures for the April to June quarter of 2013 and the upcoming Federal Open Market Committee meeting in the US. Speculation that the Fed would taper QE and concern that the US and European countries might launch military intervention against Syria contributed to the shift from risk-on to risk-off mode. During the month of August, the Fund continued to reduce its exposure to some cyclical and special situation stocks as well as some small-cap stocks which had gone up very strongly over the last nine months or so, raising the Fund's cash position from 11.8% to 15.4%.

The first half of September saw a strong rebound in Japanese equities as the geopolitical risks in the Middle East receded and the IOC chose Tokyo as the host city for the 2020 Summer Olympic Games on 7 September. Japan's Cabinet Office also revised up the GDP growth figure for the April to June quarter from 2.6% to 3.8%, exceeding market forecasts.

We continue to believe that the most important positive factor for the Japanese economy and stock prices is the completion of deleveraging in the corporate sector as well as the completion of price adjustment in the property sector. Japanese companies have been engaged in deleveraging over the last 15 years or so as the total lending balance of Japanese banks decreased from over JPY500 trillion in 1996 to less than JPY400 trillion in 2011 – a reduction of some JPY125 trillion in 15 years, which is about 1.7% per year of Japan's GDP. In the meantime Japan's GDP has remained almost unchanged over the same period thanks to government spending. At a time of deleveraging, spending by the government as 'spender of last resort' was required. On the other hand, some of the major Japanese banks announced in spring 2012 that they were starting to pay corporation tax, the first time in nearly 20 years. This implies that the Japanese corporate sector is approaching the completion of its de-leveraging which had been accompanied by deflation. Therefore, the end of this process may signal the end of deflation. It took the Japanese corporate sector nearly 20 years to sort out its mess, and despite deleveraging, Japan continued to be the biggest creditor country in the world. The mega banks now have cleaner balance sheets and stronger capital bases, while a long term price adjustment process seems to have been completed in many areas including the property sector. If banks feel that downside risks to collateral, normally property assets, are limited, they may be encouraged to lend more, and this may lead to a virtuous circle which can slowly and steadily influence the very long term credit cycle.

RUFFER LLP
Investment Manager
7 October 2013

CF RUFFER JAPANESE FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'O' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009#	105.53	96.54	–
2010	112.86	94.13	0.0393
2011	112.84	95.23	0.0775
2012	110.78	93.86	0.1566
2013*	158.23	110.12	–

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009#	105.66	96.76	–
2010	113.88	95.24	0.9044
2011	113.97	96.44	0.5935
2012	113.01	95.50	0.6657
2013*	161.73	112.33	0.3952

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012##	110.93	97.48	–
2013*	158.64	110.27	0.1495

From 14 May 2009.

From 19 September 2012.

* To 15 September 2013.

NET ASSET VALUE

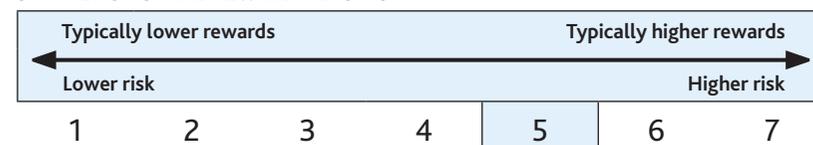
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.09.11	'O' Accumulation	113,679,359	118,124,064	96.24
	'I' Accumulation	152,698,880	156,634,022	97.49
15.09.12	'O' Accumulation	128,681,773	129,052,745	99.71
	'I' Accumulation	166,524,091	164,027,204	101.52
15.09.13	'O' Accumulation	6,149,735	4,058,514	151.53
	'I' Accumulation	283,582,905	182,771,677	155.16
	'C' Accumulation	201,421,393	132,432,139	152.09

ONGOING CHARGES FIGURE

Expense Type	15.09.13 %			15.09.12 %	
	'O'	'I'	'C'	'O'	'I'
ACD's periodic charge	1.50	1.00	1.20	1.50	1.00
Other expenses	0.04	0.04	0.04	0.04	0.04
Ongoing charges figure	1.54	1.04	1.24	1.54	1.04

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

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

CF RUFFER JAPANESE FUND

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

FUND PERFORMANCE TO 15 SEPTEMBER 2013 (%)

	1 year	3 years	Since launch*
CF Ruffer Japanese Fund	54.96	52.87	52.26

* Launch date 14 May 2009.

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

The relevant price for this purpose was 152.26 pence per share being the Net Asset Value as at 10:00am on 11 September 2013, which differs from the figures reported in the Net Asset Value table.

Details of the distributions per share for the year are shown in the Distribution Table on pages 176 and 177.

PORTFOLIO STATEMENT AS AT 15 SEPTEMBER 2013

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	OIL & GAS			
1,541	<i>OIL & GAS PRODUCERS</i> INPEX Corporation	4,448,824	0.91	2.32
	BASIC MATERIALS			
77,000	<i>CHEMICALS</i> Nihon Parkerizing Company	972,243	0.20	0.41
2,011,000	<i>INDUSTRIAL METALS & MINING</i> Nippon Steel Sumitomo Metal	4,197,969	0.85	0.18
	TOTAL BASIC MATERIALS	5,170,212	1.05	0.59
	INDUSTRIALS			
473,500	<i>CONSTRUCTION & MATERIALS</i> Penta-Ocean Construction	847,228	0.17	
64,200	Sho-Bond Holdings	1,875,840	0.38	
		2,723,068	0.55	1.02
653,000	<i>GENERAL INDUSTRIALS</i> Toshiba Corporation	1,678,029	0.35	-
1,511,000	<i>ELECTRONIC & ELECTRICAL EQUIPMENT</i> Fujitsu	3,480,185	0.71	
170,000	Hamamatsu Photonics	3,915,496	0.80	
2,837,000	Hitachi	11,394,474	2.32	
29,400	Keyence Corporation	6,519,672	1.33	
146,500	Murata Manufacturing Company	6,404,542	1.30	
71,000	Nidec Corporation	3,432,769	0.70	
264,000	Nippon Electric Glass Company	894,492	0.18	
		36,041,630	7.34	9.13

CF RUFFER JAPANESE FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	<i>INDUSTRIAL ENGINEERING</i>			
41,700	FANUC Corporation	4,394,778	0.89	
85,900	Fuji Seal International	1,551,715	0.32	
81,300	Harmonic Drive Systems	1,015,705	0.21	
236,400	Hoshizaki Electric Company	5,032,354	1.02	
352,000	Makino Milling Machine	1,422,700	0.29	
990,000	Mitsubishi Electronic Corporation	6,696,126	1.36	
1,113,000	Mitsubishi Heavy Industries	4,103,009	0.84	
424,700	Nabtesco Corporation	6,052,339	1.23	
332,900	OSG Corporation	3,584,486	0.73	
33,300	SMC Corporation	4,851,179	0.99	
3,675,800	Sojitz Corporation	4,454,680	0.91	
406,000	Toshiba Plant Systems & Services Corporation	4,273,696	0.87	
		<u>47,432,767</u>	<u>9.66</u>	<u>11.01</u>
	<i>INDUSTRIAL TRANSPORTATION</i>			
1,977,000	Nippon Yusen Kabushiki Kaisha	3,938,833	0.80	
494,100	Yamato Holdings	7,031,943	1.43	
		<u>10,970,776</u>	<u>2.23</u>	<u>-</u>
	<i>SUPPORT SERVICES</i>			
77,800	Meitec Corporation	1,332,336	0.27	
492,100	Mitsui & Co	4,480,603	0.91	
170,400	SECOM	6,573,617	1.34	
		<u>12,386,556</u>	<u>2.52</u>	<u>3.45</u>
	TOTAL INDUSTRIALS	<u>111,232,826</u>	<u>22.65</u>	<u>24.61</u>
	<i>CONSUMER GOODS</i>			
	<i>AUTOMOBILES & PARTS</i>			
74,100	Denso Corporation	2,205,069	0.45	
6,035,000	Mazda Motor Corporation	16,427,285	3.34	
356,400	Toyota Motor Corporation	14,178,702	2.89	
		<u>32,811,056</u>	<u>6.68</u>	<u>4.38</u>

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	<i>LEISURE GOODS</i>			
46,500	Funai Electric Company	294,452	0.06	
392,900	Panasonic Corporation	2,293,512	0.47	
771,300	Pioneer Corporation	743,872	0.15	
532,700	Sony Corporation	7,074,295	1.44	
		<u>10,406,131</u>	<u>2.12</u>	<u>3.45</u>
	<i>PERSONAL GOODS</i>			
519,600	Kao Corporation	9,679,578	1.97	
61,500	Paltac Corporation	526,013	0.11	
		<u>10,205,591</u>	<u>2.08</u>	<u>3.38</u>
	TOTAL CONSUMER GOODS	<u>53,422,778</u>	<u>10.88</u>	<u>11.21</u>
	<i>HEALTH CARE</i>			
	<i>EQUIPMENT & SERVICES</i>			
712	Message Co	1,255,903	0.26	
312,300	Nihon Kohden Corporation	7,965,798	1.62	
146,400	Sysmex Corporation	5,722,068	1.16	
		<u>14,943,769</u>	<u>3.04</u>	<u>3.64</u>
	<i>PHARMACEUTICALS & BIOTECHNOLOGY</i>			
156,300	Miraca Holdings	4,343,745	0.88	
72,300	RaQualia Pharma	343,140	0.07	
		<u>4,686,885</u>	<u>0.95</u>	<u>1.18</u>
	TOTAL HEALTH CARE	<u>19,630,654</u>	<u>3.99</u>	<u>4.82</u>
	<i>CONSUMER SERVICES</i>			
	<i>FOOD & DRUG RETAILERS</i>			
238,600	FamilyMart	6,214,624	1.27	0.87
	<i>GENERAL RETAILERS</i>			
272,300	Benesse Holdings	6,064,374	1.23	
3,386,500	Daiei (The)	6,704,045	1.36	
88,700	Don Quijote	3,027,869	0.62	
48,700	Otsuka Kagu	3,667,844	0.75	

CF RUFFER JAPANESE FUND
ACD's Report (continued)
Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
<i>GENERAL RETAILERS</i>				
<i>(continued)</i>				
994,300	Rakuten	8,352,888	1.70	
189,800	Seven & i Holdings Company	4,341,429	0.88	
54,400	Shimachu	803,896	0.17	
149,080	Yamada Denki	2,756,387	0.56	
		<u>35,718,732</u>	<u>7.27</u>	<u>8.17</u>
<i>MEDIA</i>				
5,016	M3	8,045,737	1.64	2.12
<i>TRAVEL & LEISURE</i>				
181,200	Doutor Nichires Holdings	1,933,817	0.39	
67,700	East Japan Railway Company	3,595,385	0.73	
		<u>5,529,202</u>	<u>1.12</u>	<u>0.92</u>
TOTAL CONSUMER SERVICES		<u>55,508,295</u>	<u>11.30</u>	<u>12.08</u>
<i>UTILITIES</i>				
<i>ELECTRICITY</i>				
688,100	Hokkaido Electric Power Company	5,894,087	1.20	
339,400	Kyushu Electric Power Company	3,040,729	0.62	
251,900	Shikoku Electric Power Company	2,632,407	0.54	
		<u>11,567,223</u>	<u>2.36</u>	<u>-</u>
<i>FINANCIALS</i>				
<i>BANKS</i>				
1,835,700	Mitsubishi UFJ Financial Group	7,337,929	1.49	
5,737,000	Mizuho Financial Group	7,789,864	1.59	
1,195,900	Resona Holdings	3,695,346	0.75	
280,500	Sumitomo Mitsui Financial Group	8,453,912	1.72	
		<u>27,277,051</u>	<u>5.55</u>	<u>7.26</u>

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
<i>LIFE INSURANCE</i>				
9,597	Dai-ichi Life Insurance Company	8,939,079	1.82	
204,000	Lifenet Insurance Company	921,598	0.19	
1,514,100	T & D Holdings	12,344,938	2.51	
262,300	Tokio Marine Holdings	5,517,128	1.12	
		<u>27,722,743</u>	<u>5.64</u>	<u>5.83</u>
<i>REAL ESTATE INVESTMENT & SERVICES</i>				
472	Japan Real Estate Investment Corporation	3,429,089	0.70	
862	Kenedix Realty Investment Corporation	2,286,203	0.47	
345,000	Mitsubishi Estate Company	6,181,801	1.26	
299,000	Mitsui Fodosan	6,488,264	1.32	
112	Nippon Accommodations	473,286	0.10	
212	Nippon Buildings	1,595,335	0.32	
407,700	Nomura Real Estate Holdings	6,464,548	1.32	
12,522	NTT Urban Development Corporation	10,495,611	2.13	
1,935	United Urban Investment Corporation	1,728,681	0.35	
		<u>39,142,818</u>	<u>7.97</u>	<u>7.44</u>
<i>REAL ESTATE INVESTMENT TRUSTS</i>				
534	Nippon Prologis REIT	3,103,616	0.63	-
<i>FINANCIAL SERVICES</i>				
91,890	ACOM	1,801,598	0.37	
1,598,000	Daiwa Securities Group	9,145,649	1.86	
72,600	GCA Sawian Group	387,864	0.08	
2,298,200	Mitsubishi UFJ Lease & Finance	7,349,361	1.50	
1,087,300	Nomura Holdings	5,263,870	1.07	
1,471,500	Orix Corporation	14,173,048	2.89	
		<u>38,121,390</u>	<u>7.77</u>	<u>8.68</u>
TOTAL FINANCIALS		<u>135,367,618</u>	<u>27.56</u>	<u>29.21</u>

CF RUFFER JAPANESE FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			15.09.13 %	15.09.12 %
	TECHNOLOGY			
	SOFTWARE & COMPUTER SERVICES			
966,000	Asahi Net	2,549,774	0.52	
2,802	NTT Data Corporation	6,275,872	1.28	
		<u>8,825,646</u>	<u>1.80</u>	<u>3.09</u>
	TECHNOLOGY HARDWARE & EQUIPMENT	–	–	1.97
	TOTAL TECHNOLOGY	<u>8,825,646</u>	<u>1.80</u>	<u>5.06</u>
	FORWARD CURRENCY CONTRACTS			
JPY(61,627,000,000)	Vs £407,537,462 (expiry 15.11.13)	<u>16,223,892</u>	<u>3.30</u>	<u>2.42</u>
	Portfolio of investments	421,397,968	85.80	92.32
	Net other assets	69,756,065	14.20	7.68
	Net assets	<u>491,154,033</u>	<u>100.00</u>	<u>100.00</u>

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

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE YEAR ENDED 15 SEPTEMBER 2013

Total purchases for the year (note 14)	£109,706,423
Major purchases	Cost £
NTT Urban Development Corporation	5,576,589
Yamato Holdings	5,071,276
Tokio Marine Holdings	5,015,864
Hokkaido Electric Power Company	4,135,826
Sumitomo Mitsui Financial Group	4,030,306
Nippon Steel Sumitomo Metal	4,007,554
Mitsubishi Heavy Industries	4,004,063
Fujitsu	3,996,381
FamilyMart	3,995,703
Yamada Denki	3,976,721
Kobe Steel	3,022,836
Nippon Yusen Kabushiki Kaisha	3,022,682
East Japan Railway Company	3,008,595
Nippon Prologis REIT	3,003,612
Japan Real Estate Investment Corporation	2,501,471
Shikoku Electric Power Company	2,082,000
Kyushu Electric Power Company	2,053,012
Marubeni Corporation	2,033,437
Denso Corporation	2,028,562
NTT docomo	2,016,195

CF RUFFER JAPANESE FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the year (note 14) £76,547,203

Major sales	Proceeds £
Aeon Credit Service	6,584,333
ACOM	5,081,951
Softbank	5,035,335
NTT Urban Development Corporation	4,433,399
Mitsui Fodosan	4,170,285
Amada	4,120,448
Kobe Steel	3,893,397
Yamaha Corporation	3,713,891
Ricoh Company	3,073,154
Sumitomo Mitsui Financial Group	2,866,928
Aozara Bank	2,286,495
NTT docomo	2,189,701
Canon	2,143,612
INPEX Corporation	2,130,104
BML	2,122,546
Marubeni Corporation	2,019,857
Accordia Golf	1,948,443
Nippon Prologis REIT	1,871,309
Otsuka kagu	1,316,170
Taihei Dengyo Kaisha	1,301,434

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	£	15.09.13 £	15.09.12 £
Income:				
Net capital gains	2		166,420,479	8,479,767
Revenue	3	5,792,536		5,215,017
Expenses	4	(4,572,773)		(3,608,448)
Finance costs: Interest	6	(111)		(210)
Net revenue before taxation		1,219,652		1,606,359
Taxation	5	(407,349)		(364,250)
Net revenue after taxation			812,303	1,242,109
Total return before distributions			167,232,782	9,721,876
Finance costs: Distributions	6		(849,217)	(1,242,205)
Change in net assets attributable to shareholders from investment activities			166,383,565	8,479,671

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE YEAR ENDED 15 SEPTEMBER 2013

	Notes	£	15.09.13 £	15.09.12 £
Opening net assets attributable to shareholders			295,205,864	266,378,239
Amounts receivable on issue of shares		183,334,418		31,953,296
Amounts payable on cancellation of shares		(154,696,144)		(12,905,146)
			28,638,274	19,048,150
Stamp duty reserve tax	1(g)		(289)	(12)
Change in net assets attributable to shareholders from investment activities			166,383,565	8,479,671
Retained distribution on Accumulation shares	6		926,619	1,299,816
Closing net assets attributable to shareholders			491,154,033	295,205,864

CF RUFFER JAPANESE FUND
Financial Statements (continued)
 BALANCE SHEET
 AS AT 15 SEPTEMBER 2013

	Notes	15.09.13		15.09.12	
		£	£	£	£
ASSETS					
Investment assets		421,397,968		272,547,003	
Other assets					
Debtors	7	469,744		784,758	
Cash and bank balances	8	<u>70,007,618</u>		<u>22,385,919</u>	
Total other assets		70,477,362		23,170,677	
Total assets		<u>491,875,330</u>		<u>295,717,680</u>	
LIABILITIES					
Other liabilities					
Creditors	9	<u>(721,297)</u>		<u>(511,816)</u>	
Total other liabilities		(721,297)		(511,816)	
Total liabilities		<u>(721,297)</u>		<u>(511,816)</u>	
Net assets attributable to shareholders		<u>491,154,033</u>		<u>295,205,864</u>	

NOTES TO THE FINANCIAL STATEMENTS
 AS AT 15 SEPTEMBER 2013

1. ACCOUNTING POLICIES

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

	15.09.13	15.09.12
	£	£
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	106,634,842	4,763,161
Derivative contracts	(716,174)	(6,495,736)
Forward currency contracts	61,829,659	10,990,943
Transaction charges	(2,683)	(1,933)
Currency losses	<u>(1,325,165)</u>	<u>(776,668)</u>
Net capital gains	<u>166,420,479</u>	<u>8,479,767</u>
3. REVENUE		
Non-taxable dividends	5,509,165	4,949,515
Taxable dividends	210,502	241,085
Bank interest	72,869	24,417
Total revenue	<u>5,792,536</u>	<u>5,215,017</u>
4. EXPENSES		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	4,422,701	3,488,043
Legal and professional fees	3,256	2,556
Printing costs	5,251	5,239
Registration fees	1,941	1,704
	<u>4,433,149</u>	<u>3,497,542</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	86,912	72,955
Safe custody and other bank charges	38,514	24,536
	<u>125,426</u>	<u>97,491</u>

CF RUFFER JAPANESE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
4. EXPENSES (continued)		
Other expenses:		
FCA fee	61	62
Fees paid to auditor – audit	8,096	7,722
– tax services	2,400	2,760
Publication costs	2,527	2,764
Postage and distribution costs	1,114	192
ISA fees	–	(85)
	14,198	13,415
Total expenses	<u>4,572,773</u>	<u>3,608,448</u>
5. TAXATION		
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas tax	407,349	364,250
Current tax charge (note 5b)	407,349	364,250
Deferred tax – origination and reversal of timing differences (note 5c)	–	–
Total taxation	<u>407,349</u>	<u>364,250</u>
b) Factors affecting current tax charge for the year		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.09.12 : 20%). The difference is explained below.		
	15.09.13 £	15.09.12 £
Net revenue before taxation	1,219,652	1,606,359
Corporation tax at 20%	243,931	321,271
Effects of:		
Non-taxable dividends	(1,101,833)	(989,903)
Movement in revenue accruals	2,883	(4,815)
Foreign tax expensed	(3,213)	(3,038)
Unutilised excess management expenses	858,232	676,485
Corporation tax charge	–	–
Overseas tax	407,349	364,250
Current tax charge (note 5a)	<u>407,349</u>	<u>364,250</u>

5. TAXATION (continued)

c) Deferred tax

At the year end there is a potential deferred tax asset of £2,462,111 (15.09.12 : £1,603,879) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

6. FINANCE COSTS

Distributions

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

	15.09.13 £	15.09.12 £
Interim	502,041	394,699
Final	424,578	905,117
	<u>926,619</u>	<u>1,299,816</u>
Add: Revenue deducted on cancellation of shares	87,164	68,528
Deduct: Revenue received on issue of shares	(164,566)	(126,139)
Net distributions for the year	<u>849,217</u>	<u>1,242,205</u>
Interest	111	210
Total finance costs	<u>849,328</u>	<u>1,242,415</u>

Details of the distributions per share are set out in the table on pages 176 and 177.

	15.09.13 £	15.09.12 £
Distributions represented by:		
Net revenue after taxation	812,303	1,242,109
Allocations to capital:		
Revenue deficit	33,507	–
Yield uplift on conversions*	3,346	–
Balance brought forward	124	220
Balance carried forward	(63)	(124)
Net distributions for the year	<u>849,217</u>	<u>1,242,205</u>

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

CF RUFFER JAPANESE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.09.13 £	15.09.12 £
7. DEBTORS		
Amounts receivable for issue of shares	300,497	597,020
Accrued revenue:		
Non-taxable dividends	155,362	163,991
Taxable dividends	8,974	22,391
Bank interest	4,911	1,324
	169,247	187,706
Prepaid expenses	–	32
Total debtors	469,744	784,758
8. CASH AND BANK BALANCES		
Bank balances:		
Capital accounts	69,092,560	21,180,747
Revenue accounts	915,058	1,205,172
Total bank balances	70,007,618	22,385,919
9. CREDITORS		
Amounts payable for cancellation of shares	26,299	1,625
Purchases awaiting settlement	–	18,996
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	657,332	443,167
Legal and professional fees	575	418
Printing costs	2,759	2,654
Registration fees	464	363
	661,130	446,602
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	12,088	9,195
Transaction charges	1,369	2,270
Safe custody and other bank charges	9,185	23,147
	22,642	34,612
Other expenses	11,226	9,981
Total creditors	721,297	511,816

10. RELATED PARTY TRANSACTIONS

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

11. SHAREHOLDER FUNDS

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

12. COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent assets or liabilities or unrecorded outstanding commitments (15.09.12 : none).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.09.13 £	15.09.12 £
Floating rate assets:		
Pounds sterling	70,007,618	22,385,919
Assets on which interest is not paid:		
Japanese yen	405,338,412	265,570,994
US dollars	–	2,439
Pounds sterling	407,842,870	216,169,967
	813,181,282	481,743,400
Liabilities on which interest is not paid:		
Japanese yen	(391,313,570)	(208,430,635)
Pounds sterling	(721,297)	(492,820)
	(392,034,867)	(208,923,455)
Net assets	491,154,033	295,205,864

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

CF RUFFER JAPANESE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.09.13 Gross £	15.09.13 Hedged £	15.09.13 Net £
Currency			
Japanese yen	405,338,412	(391,313,570)	14,024,842
US Dollars	–	–	–
	<u>405,338,412</u>	<u>(391,313,570)</u>	<u>14,024,842</u>
Pounds sterling	69,591,729	407,537,462	477,129,191
Net assets	<u>474,930,141</u>	<u>16,223,892</u>	<u>491,154,033</u>
	15.09.12 Gross £	15.09.12 Hedged £	15.09.12 Net £
Currency:			
Japanese yen	265,551,998	(208,411,639)	57,140,359
US dollars	2,439	–	2,439
	<u>265,554,437</u>	<u>(208,411,639)</u>	<u>57,142,798</u>
Pounds sterling	22,491,476	215,571,590	238,063,066
Net assets	<u>288,045,913</u>	<u>7,159,951</u>	<u>295,205,864</u>

iii. Derivatives

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

Put options in the Nikkei Index were employed by the Fund to protect the Portfolio from the risk of a general decline in equity markets.

During the year the Fund has used warrants on indices; when they were out of the money at expiry the cost of protection is recognised as part of the net derivatives loss in note 2. The Nikkei options held during the year were designed to reduce the generic equity market risk in the portfolio.

The intention in using the yen forward currency contracts is to reduce the risk profile of the Fund by managing the exposure of the Fund to foreign exchange risk and leave the Fund primarily exposed to the underlying market risk of overseas investments. Therefore where the value of overseas investments falls due to currency movements, the forward currency contracts generate a gain and vice versa.

Refer to note 2 for the impact of derivatives and forward currency contracts in the year. Refer to the Portfolio Statement for the impact of derivatives and forward currency contracts held at the year end.

14. PORTFOLIO TRANSACTION COSTS

	15.09.13 £	15.09.12 £
Analysis of total purchase costs		
Purchases in year before transaction costs	109,555,502	96,279,616
Transaction costs:		
Commissions	146,584	138,069
Stamp duty and other charges	4,337	–
	<u>150,921</u>	<u>138,069</u>
Gross purchases total	<u>109,706,423</u>	<u>96,417,685</u>
Analysis of total sale costs		
Gross sales before transaction costs	76,645,085	74,263,295
Transaction costs:		
Commissions	(97,877)	(105,202)
Other charges	(5)	–
	<u>(97,882)</u>	<u>(105,202)</u>
Total sales net of transaction costs	<u>76,547,203</u>	<u>74,158,093</u>

CF RUFFER JAPANESE FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE YEAR ENDED 15 SEPTEMBER 2013 – IN PENCE PER SHARE

Interim

Group 1 – Shares purchased prior to 16 September 2012

Group 2 – Shares purchased on or after 16 September 2012 and on or before 15 March 2013

'O' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	–	–	–	–
Group 2	–	–	–	–

'I' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	0.1971	–	0.1971	0.2371
Group 2	0.0000	0.1971	0.1971	0.2371

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.05.13	Allocated 15.05.12
Group 1	0.1023	–	0.1023	–
Group 2	0.0735	0.0288	0.1023	–

Final

Group 1 – Shares purchased prior to 16 March 2013

Group 2 – Shares purchased on or after 16 March 2013 and on or before 15 September 2013

'O' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	–	–	–	0.1566
Group 2	–	–	–	0.1566

'I' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated 15.11.12
Group 1	0.1981	–	0.1981	0.4286
Group 2	0.0000	0.1981	0.1981	0.4286

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.11.13	Allocated* 15.11.12
Group 1	0.0472	–	0.0472	0.0000
Group 2	0.0000	0.0472	0.0472	0.0000

* This share class was not eligible for distribution at 15 September 2012. The first accounting date for the 'C' Accumulation shares was 15 March 2013.

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

GENERAL INFORMATION

Head Office: Ibex House, 42 – 47 Minories, London EC3N 1DX.

Address for Service: The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base Currency: The base currency of the Company is pounds sterling. Each sub-fund and class is designated in pounds sterling.

Share Capital: The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the net asset values of each of the sub-funds.

STRUCTURE OF THE COMPANY

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

The Company is a UCITS scheme.

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

CF Ruffer Equity & General Fund
CF Ruffer European Fund
CF Ruffer Total Return Fund
CF Ruffer Baker Steel Gold Fund
CF Ruffer Pacific Fund
CF Ruffer Japanese Fund

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

CLASSES OF SHARES

The Company can issue different classes of shares in respect of any sub-fund.

Holders of Income shares are entitled to be paid the income attributable to such shares, in respect of each annual or interim accounting period.

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

Where a sub-fund has more than one class, each class may attract different charges and expenses and so monies may be deducted from the classes in unequal proportions. In these circumstances, the proportional interest of the classes within a sub-fund will be adjusted accordingly.

The Instrument of Incorporation does not provide for bearer shares and consequently none will be issued.

VALUATION POINT

The valuation point of each sub-fund is 10.00am on each Wednesday where this is a business day and the last business day of each month. Valuations may be made at other times under the terms contained within the Prospectus.

BUYING AND SELLING SHARES

The ACD will accept orders to deal in the shares on normal business days between 8.30am and 5.30pm and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell shares may be either in writing to: 2 The Boulevard, City West One Office Park, Gelderd Road, Leeds LS12 6NT or by telephone on 0845 922 0044. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

PRICES

The most recent prices of shares are published in the *Financial Times*, under the heading Ruffer LLP, and are also available on the website of the Investment Management Association at www.fundlistings.com, under the heading CF Ruffer Investment Management Limited, or on the ACD's website at www.capitafinancial.com, or by calling 0845 601 9610 during the ACD's normal business hours.

OTHER INFORMATION

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

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

DATA PROTECTION ACT

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

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

