

CAPITA



Canada Life
Investments

CF Canada Life Investments Fund

Annual Report and Financial Statements
For the period from 26 May 2012 to 15 August 2013

CF Canlife Asia Pacific Fund
CF Canlife Corporate Bond Fund
CF Canlife Global Bond Fund
CF Canlife Global Equity Fund
CF Canlife Global Equity Income Fund
CF Canlife Global Infrastructure Fund
CF Canlife Global Resource Fund
CF Canlife North American Fund
CF Canlife Total Return Fund
CF Canlife UK Equity and Bond Income Fund
CF Canlife UK Equity Income Fund

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INDEPENDENT AUDITOR

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MASTER FUND

Putnam Total Return Fund
 (Regulated by the Irish European Communities
 (Undertakings for Collective Investment in
 Transferable Securities) Regulations)

MANAGER OF THE MASTER FUND

Putnam Investments (Ireland) Limited

TRUSTEE OF THE MASTER FUND

State Street Custodial Services (Ireland) Limited

INVESTMENT ADVISOR OF THE MASTER FUND

The Putnam Advisory Company, LLC

AUDITOR OF THE MASTER FUND

PricewaterhouseCoopers

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ACD'S REPORT
FOR THE PERIOD ENDED 15 AUGUST 2013

AUTHORISED STATUS

CF Canada Life Investments Fund ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000941 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 13 April 2012. The Company has an unlimited duration.

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

On 18 September 2013 a new sub-fund, the CF Canlife Global High Yield Bond Fund was launched. Further details on this sub-fund are available in the latest scheme Prospectus.

For details of changes in each sub-fund see the Important Information section of that sub-fund.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canada Life Investments Fund
13 December 2013

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 Canada Life Investments Fund
13 December 2013

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

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 Canada Life Investments Fund
13 December 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CF CANADA LIFE INVESTMENTS FUND

We have audited the financial statements of CF Canada Life Investments Fund ('the Company') for the period ended 15 August 2013 which comprise the Aggregated Statement of Total Return, Aggregated Statement of Change in Net Assets Attributable to Shareholders, Aggregated Balance Sheet and the related notes 1 to 14, together with the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, the related notes and the Distribution Table for each sub-fund. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

As explained more fully in the ACD's responsibilities statement set out on page 14, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company and of its sub-funds as at 15 August 2013 and of the net revenue and the net capital gains on the scheme property of the Company and its sub-funds for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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

In our opinion:

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

ERNST & YOUNG LLP
Statutory Auditor
London
13 December 2013

AGGREGATED FINANCIAL STATEMENTS
AGGREGATED STATEMENT OF TOTAL RETURN
FOR THE PERIOD ENDED 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		152,658,398
Revenue	3	35,873,354	
Expenses	4	(6,515,746)	
Finance costs: Interest	6	<u>(35,813)</u>	
Net revenue before taxation		29,321,795	
Taxation	5	<u>(1,308,449)</u>	
Net revenue after taxation			<u>28,013,346</u>
Total return before distributions			180,671,744
Finance costs: Distributions	6		(31,132,582)
Change in net assets attributable to shareholders from investment activities			<u>149,539,162</u>

AGGREGATED STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE PERIOD ENDED 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			—
Transfer from CF Canlife Far East Unit Trust			101,339,961
Transfer from CF Canlife Bond Unit Trust			154,624,181
Transfer from CF Canlife International Growth Unit Trust			179,930,663
Transfer from CF Canlife North American Unit Trust			118,889,567
Transfer from CF Canlife Income Unit Trust			135,712,477
Transfer from CF Canlife High Income Unit Trust			60,642,262
Amounts receivable on issue of shares		225,090,843	
Amounts payable on cancellation of shares		<u>(122,108,862)</u>	
			102,981,981
Dilution levy charged	1(k)		244,019
Stamp duty reserve tax	1(g)		(20,797)
Change in net assets attributable to shareholders from investment activities			149,539,162
Retained distribution on Accumulation shares			24,987,948
Unclaimed distributions	1(h)		15,218
Closing net assets attributable to shareholders			<u>1,028,886,642</u>

	Notes	£	15.08.13 £
ASSETS			
Investment assets			1,020,400,846
Other assets			
Debtors	7	30,263,948	
Cash and bank balances	8	<u>13,150,320</u>	
Total other assets			43,414,268
Total assets			<u>1,063,815,114</u>
LIABILITIES			
Other liabilities			
Creditors	9	(22,444,770)	
Bank overdrafts	8	(10,416,383)	
Distribution payable on Income shares		<u>(2,067,319)</u>	
Total other liabilities			(34,928,472)
Total liabilities			<u>(34,928,472)</u>
Net assets attributable to shareholders			<u>1,028,886,642</u>

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS
AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

The principal accounting policies, which have been applied in the current period, 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 and preference shares are recognised when the securities are quoted ex-dividend.

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

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

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

Rebates of annual management charges (AMC rebates) from underlying investments are accounted for on an accruals basis and are recognised as revenue, or capital in line with the allocation between capital and revenue of the underlying investments.

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 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.

(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.

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

1. ACCOUNTING POLICIES (continued)

(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.

The CF Canlife Corporate Bond Fund and the CF Canlife Global Bond Fund have satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the period. All distributions made are therefore made as interest distributions, which will attract tax at 20% and will be accounted for on the shareholders' behalf to the HM Revenue & Customs.

For the purpose of calculating the distribution all expenses are deducted from the sub-funds in the following proportions:

	Capital %	Revenue %
CF Canlife Asia Pacific Fund	–	100
CF Canlife Corporate Bond Fund	100	–
CF Canlife Global Bond Fund	100	–
CF Canlife Global Equity Fund	–	100
CF Canlife Global Equity Income Fund	100	–
CF Canlife Global Infrastructure Fund	–	100
CF Canlife Global Resource Fund	–	100
CF Canlife North American Fund	–	100
CF Canlife Total Return Fund	–	100
CF Canlife UK Equity and Bond Income Fund	100	–
CF Canlife UK Equity Income Fund	100	–

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

1. ACCOUNTING POLICIES (continued)

(h) *Distribution policy (continued)*

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.

Where the values of structured products are quoted by multiple sources, the value is derived from closing prices on the last business day of the accounting period. Where a price can only be obtained from the issuer, the value is confirmed by an independent price provider by reference to the terms defined in the termsheet of the structured product.

(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.

For the CF Canlife Total Return Fund, the Putnam Total Return Fund operates a dilution policy and therefore transactions by the CF Canlife Total Return Fund may be subject to the application of dilution levy. However, to the extent that a transaction in units of the Putnam Total Return Fund is subject to a dilution levy on any dealing day, the ACD may, where necessary to prevent or reduce a dilutive impact on existing shareholders who are not dealing, impose a dilution levy on those shareholders making the corresponding purchase or sale orders in the CF Canlife Total Return Fund on that dealing day. The dilution policy applied by the Manager of the Putnam Total Return Fund is subject to change at the discretion of the Manager of that fund.

(l) *Set up costs*

Initial set up costs are written off as they are incurred.

	For the period from 26.05.12 to 15.08.13 £
2. NET CAPITAL GAINS	
The net capital gains during the period comprise:	
Non-derivative securities	155,864,858
Derivative contracts	(125,071)
Transaction charges	(165,704)
Currency losses	(2,915,685)
Net capital gains	<u>152,658,398</u>
3. REVENUE	
Non-taxable dividends	22,103,395
Taxable dividends	1,416,982
UK property income distributions	196,134
Unfranked interest	12,092,611
AMC rebates from underlying investments	29,289
Bank interest	34,943
Total revenue	<u>35,873,354</u>
4. EXPENSES	
Payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	5,446,622
Legal and professional fees	208,524
Printing costs	49,348
Registration fees	209,197
	<u>5,913,691</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	215,252
Safe custody and other bank charges	212,929
	<u>428,181</u>

	For the period from 26.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	184
Fees paid to auditor – audit	95,400
– tax services	34,364
Legal and professional fees	13,206
Postage and distribution costs	19,818
Set up costs	10,800
Derivative valuation fees	102
	<u>173,874</u>
Total expenses	<u>6,515,746</u>
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	–
Overseas tax	1,308,449
Current tax charge (note 5b)	<u>1,308,449</u>
Deferred tax – origination and reversal of timing differences	–
Total taxation	<u>1,308,449</u>
b) Factors affecting current tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%) for the reasons explained below.	
	For the period from 26.05.12 to 15.08.13 £
Net revenue before taxation	<u>29,321,795</u>
Corporation tax at 20%	<u>5,864,359</u>

	For the period from 26.05.12 to 15.08.13 £
5. TAXATION (continued)	
Effects of:	
Non-taxable dividends	(4,420,679)
Offshore income gains	235,422
Movement in revenue accruals	(72,075)
Expenses not deductible for tax purposes	2,169
Foreign tax expensed	(15,847)
Tax deductible interest distributions	(192,838)
Unutilised excess management expenses	(1,400,511)
Corporation tax charge	–
Overseas tax	1,308,449
Current tax charge (note 5a)	1,308,449

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:

	For the period from 26.05.12 to 15.08.13 £
First Interim	6,017,945
Second Interim	9,726,529
Final	13,780,361
Income tax withheld at source	2,065,225
	31,590,060
Add: Revenue deducted on cancellation of shares	742,129
Deduct: Revenue received on issue of shares	(1,199,607)
Net distributions for the period	31,132,582
Interest	35,813
Total finance costs	31,168,395

6. FINANCE COSTS (continued)

Distributions represented by:	
Net revenue after taxation	28,013,346
Allocations to capital:	
Expenses	1,299,881
Expenses, net of tax relief	1,780,840
Revenue deficit	21,089
	3,101,810
Equalisation on conversions [^]	20,593
Balance carried forward	(3,167)
Net distributions for the period	31,132,582

[^] 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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

15.08.13
£

7. DEBTORS

Amounts receivable for issue of shares	15,521,495
Sales awaiting settlement	5,952,171
Accrued revenue:	
Non-taxable dividends	1,499,878
Taxable dividends	323,999
Unfranked interest	6,625,378
AMC rebates from underlying investments	6,110
Bank interest	331
	8,455,696
Dilution levy	17,445
Taxation recoverable:	
Overseas withholding tax	105,856
Merger monies outstanding	211,285
Total debtors	30,263,948

	15.08.13 £
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	7,312,438
Revenue account	5,837,882
Total bank balances	<u>13,150,320</u>
Bank overdrafts:	
Capital account	(8,076,379)
Revenue account	(2,253,968)
Margin account	(86,036)
Total bank overdrafts	<u>(10,416,383)</u>
9. CREDITORS	
Amounts payable for cancellation of shares	258,183
Purchases awaiting settlement	20,770,706
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	204,084
Legal and professional fees	15,596
Printing costs	27,489
Registration fees	22,872
	270,041
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	7,912
Transaction charges	32,206
Safe custody and other bank charges	33,583
Interest payable	3,957
	77,658
Other expenses	140,619
Taxation payable:	
Income tax	925,187
Stamp duty reserve tax	2,376
	927,563
Total creditors	<u>22,444,770</u>

10. RELATED PARTY TRANSACTIONS

Management and legal and professional fees payable to Capita Financial Managers Limited ('the ACD'), registration fees payable to Capita Financial Administrators Limited and printing costs payable to Capita Sinclair Henderson Limited (both companies are associates of the ACD) are disclosed in note 4 and amounts due for the period 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 Statement of Change in Net Assets Attributable to Shareholders on page 19 and amounts due for the period are disclosed in notes 7 and 9.

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

	Held at 15.08.13
CF Canlife Asia Pacific 'B' Accumulation	229,552
CF Canlife Corporate Bond Fund 'B' Accumulation 'B' Income	5,780 3,989,352
CF Canlife Global Equity Fund 'B' Accumulation	121,094
CF Canlife Global Infrastructure Fund 'B' Accumulation	1,228
CF Canlife North American Fund 'B' Accumulation	370,555
CF Canlife Total Return Fund 'B' Accumulation	21,227
CF Canlife UK Equity and Bond Income Fund 'B' Accumulation 'B' Income	668,062 189,247
CF Canlife UK Equity Income Fund 'B' Accumulation 'B' Income	226 4,731,377

10. RELATED PARTY TRANSACTIONS (continued)

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management) had the following shareholdings in the Company:

	Held at 15.08.13
CF Canlife Asia Pacific	
'A' Accumulation	475,078
'B' Accumulation	2,092,054
'C' Accumulation	35,494
'G' Accumulation	9,516,282
CF Canlife Corporate Bond Fund	
'B' Accumulation	927,511
'B' Income	11,794,338
'C' Accumulation	172,981
'G' Accumulation	96,168,996
CF Canlife Global Bond Fund	
'B' Accumulation	12,804,526
'B' Income	13,073
'G' Accumulation	21,106,324
CF Canlife Global Equity Fund	
'A' Accumulation	285,007
'B' Accumulation	9,259
'C' Accumulation	43,504,644
CF Canlife Global Equity Income Fund	
'B' Accumulation	1,790,860
'G' Accumulation	15,010,699
CF Canlife Global Infrastructure Fund	
'A' Accumulation	963
'B' Accumulation	1,445,000
'C' Accumulation	17,697
'G' Accumulation	5,000,503
CF Canlife Global Resource Fund	
'A' Accumulation	959
'G' Accumulation	12,216,790
CF Canlife North American Fund	
'A' Accumulation	266,075
'B' Accumulation	2,020,000
'C' Accumulation	51,465
'G' Accumulation	17,742,243

**Held at
15.08.13**

10. RELATED PARTY TRANSACTIONS (continued)

CF Canlife Total Return Fund	
'C' Accumulation	534,017
'G' Accumulation	10,000,000
CF Canlife UK Equity and Bond Income Fund	
'A' Accumulation	402,380
'B' Accumulation	789,260
'B' Income	8,138,491
'G' Accumulation	7,104,676
CF Canlife UK Equity Income Fund	
'B' Accumulation	8,160
'B' Income	4,587,296
'G' Accumulation	11,072,689

A shareholder may be able to exercise significant influence over the financial and operating policies of a Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the funds:

	15.08.13
Canada Life Limited	
CF Canlife Asia Pacific	96.37%
CF Canlife Corporate Bond Fund	95.87%
CF Canlife Global Bond Fund	100.00%
CF Canlife Global Equity Fund	99.22%
CF Canlife Global Equity Income Fund	99.81%
CF Canlife Global Infrastructure Fund	99.02%
CF Canlife Global Resource Fund	99.94%
CF Canlife North American Fund	97.06%
CF Canlife Total Return Fund	99.56%
CF Canlife UK Equity and Bond Income Fund	93.51%
CF Canlife UK Equity Income Fund	71.94%
Capita Financial Managers Limited	
CF Canlife UK Equity Income Fund	21.73%

11. SHAREHOLDER FUNDS

The share class and annual management charge applicable to each sub-fund is as follows:

Sub-fund	'A' %	'B' %	'C' %	'G' %
CF Canlife Asia Pacific Fund	1.50	1.00	0.75	0.375
CF Canlife Corporate Bond Fund	–	0.75	0.50	0.375
CF Canlife Global Bond Fund	–	1.00	0.75	0.375
CF Canlife Global Equity Fund	1.50	1.00	0.75	0.375
CF Canlife Global Equity Income Fund	–	1.00	0.75	0.375
CF Canlife Global Infrastructure Fund	1.50	1.00	0.75	0.50
CF Canlife Global Resource Fund	1.50	1.00	0.75	0.50
CF Canlife North American Fund	1.50	1.00	0.75	0.375
CF Canlife Total Return Fund	1.20	0.70	0.45	0.20
CF Canlife UK Equity and Bond Income Fund	1.50	1.00	0.75	0.375
CF Canlife UK Equity Income Fund	1.50	1.00	0.75	0.375

12. CONTINGENT LIABILITIES AND COMMITMENTS

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

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

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

i. Credit risk

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

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Credit risk (continued)

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 Company 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. These risks are not actively managed.

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

iii. Foreign currency risk

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

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

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.

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.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

v. *Market price risk (continued)*

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

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

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

vii. *Derivatives*

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

14. PORTFOLIO TRANSACTION COSTS

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

CF CANLIFE ASIA PACIFIC FUND

ACD'S REPORT

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

As a result of a scheme of arrangement, effective on 26 May 2012 the CF Canlife Asia Pacific Fund ('the Fund') received the property of the CF Canlife Far East Unit Trust.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide shareholders with capital growth mainly from investment in shares quoted on markets in the Asia-Pacific region, excluding Japan.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Canlife Asia Pacific Fund

13 December 2013

INVESTMENT MANAGER'S REPORT

The past 15 months have witnessed a swing in investment sentiment for Asia Pacific from ultra bearish (negative) to ultra bullish (positive) and then back to bearish again. The bearish sentiment over the summer months coincided with the bottom of the market as investors were depressed by the uncertain outlook in the eurozone as well as developments in China.

Economic data in early October last year such as fixed asset investment growth, railway investment, electricity and cement production, land sales, property transactions, real estate investment, money supply, total social financing and retail sales all indicated the Chinese economy bottomed in the third quarter. A number of economists thus upgraded their GDP growth forecast for China for 2013.

This coincided with the conclusions of the 18th Party Congress, the election of China's new generation of leaders. Xi Jinping was elected the President, Party Secretary General of the Chinese Communist Party and the Chairman of the Central Military Commission, whereas Li Keqiang was elected the Premier. The number of Politburo Standing Committee members was reduced from nine to seven. Although the line-up appears conservative, the new party line calls for deepening political and economic reforms to build China into a moderately prosperous society by 2020, reiterating the path of 'socialism with Chinese characteristics'.

The new Chinese government wasted no time in pursuing numerous reforms, the most notable were financial reforms whereby interest rates were partially liberalised and the rampant off balance sheet lending in shadow banking was reined in. Other reforms that are being looked at and in the process of being carried out are Hukou reform (a change in the residential registration that could provide extra benefits to migrant workers), one child policy reform and a crackdown on corruption. Urbanisation has also been pushed hard by the new Premier Li Keqiang.

This bullish sentiment and resultant euphoria in the stock market at the end of last year spilled over into the beginning of this year. Many funds that have avoided Asia Pacific and especially China were scrambling to get back into the market. By February 2013 it was apparent that the expectations were too high. The subsequent tightening of monetary policy by the central bank and the new government's stance on tolerating lower growth in order to pursue reforms, coupled with the slowdown in economic activities, slower consumption and the chain effect due to the crackdown in corruption led economists to revise down GDP forecasts. As a result, investors started selling Chinese stocks again.

At the time, ASEAN (Association of Southeast Asian Nations) was a bright spot within the region. Private consumption and investment were main drivers of ASEAN economies. However, most ASEAN markets were driven to exuberance level by foreign fund inflows by the middle of the year. Valuations were massively overstretched. The subsequent talk of tapering in the US coupled with deteriorating fundamentals led to a huge sell down in these markets, too. This is further aggravated by foreign funds switching out of emerging markets into the developed markets of US, Europe and Japan.

The recent events in China with both President Xi Jinping and Premier Li Keqiang both publicly emphasising the importance of stability in economic growth amid continuous reforms and numerous small scale stimulus measures were well received by the market. This was further helped by a pickup in economic data. Hedge funds that had shorted the market aggressively were in a rush to cover their positions and many long funds that have sold out of China were rushing to increase weightings in China again.

The Fund has been active in its asset allocations over the period in question and overweight Hong Kong/China and ASEAN since the middle of last year. Chinese consumer stocks like Goodbaby International Holdings were bought. Goodbaby International Holdings is a maker of baby pushchairs and prams and is a play on the relaxation of the Chinese One Child policy.

CITIC Securities Company, a play on capital market development and trading volume and China Everbright International, a play on clean energy and environmental issue, were also bought.

Consumer stocks like CP All and Central Pattana in Thailand, and SM Prime and Universal Robina in the Philippines were bought to play the robust consumption story in both countries. These were then sold as the valuations were deemed too expensive and proceeds switched into stocks in Korea and Taiwan.

The Fund has been increasing its weightings in Hong Kong/China over the past couple of months, taking the view that all the bad news has been priced in and most other funds are very underweight in these markets. Hence there is more upside than downside potential.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

6 September 2013

CF CANLIFE ASIA PACIFIC FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	789.27	690.67	2.9339
2013*	927.73	779.98	4.1749

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	791.44	691.49	3.2859
2013*	932.14	784.06	8.3143

'B' (EUR) Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2012#	9.6960	8.5695	4.4875
2013*	10.9966	9.2230	9.4274

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	792.43	691.96	4.1920
2013*	934.17	785.96	10.0643

'C' (EUR) Accumulation shares

Calendar Year	Highest Price €	Lowest Price €	Distribution per share € (cents)
2012#	9.7083	8.5695	4.9316
2013*	11.0212	9.2455	11.7045

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	794.47	692.79	4.6813
2013*	938.04	789.49	13.4979

From 26 May 2012.

* To 15 August 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value per share
15.08.13	'A' Accumulation	3,884,139	475,328	817.15p
	'B' Accumulation	20,930,391	2,546,387	821.96p
	'B' (EUR) Accumulation	2,054	250	€9.6469
	'C' Accumulation	297,428	36,081	824.34p
	'C' (EUR) Accumulation	2,060	250	€9.6751
	'G' Accumulation	78,835,788	9,516,532	828.41p

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'G'
ACD's periodic charge	1.50	1.00	0.75	0.38
Other expenses	0.18	0.18	0.18	0.18
Ongoing charges figure	1.68	1.18	0.93	0.56

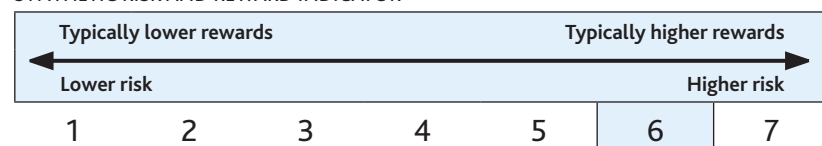
The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month period.

CF CANLIFE ASIA PACIFIC FUND

ACD's Report (continued)

Fund Information (continued)

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

Operational Risk: Emerging markets tend to be more susceptible to large short term swings than more established markets. There is also a greater risk of being unable to buy or sell securities or that other parties may default and not meet their obligations, causing loss to the Fund.

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife Asia Pacific Fund	16.26	19.23

* Launch date 26 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 57 to 59.

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	AUSTRALIA		
500,000	Amcor	3,132,207	3.01
90,350	Australia & New Zealand Banking Group	1,600,912	1.54
346,288	Brambles	1,859,970	1.79
50,000	CSL	1,855,971	1.79
40,500	DuluxGroup	106,402	0.10
55,000	National Australia Bank	1,010,830	0.97
228,232	QBE Insurance Group	2,275,857	2.19
30,000	Rio Tinto	1,075,401	1.04
170,000	Sonic Healthcare	1,438,129	1.38
20,000	Wesfarmers	481,653	0.46
	TOTAL AUSTRALIA	14,837,332	14.27
	CAMBODIA		
2,000,000	NagaCorp	1,147,199	1.10
	CHINA		
500,000	Anhui Conch Cement Company	1,100,366	1.06
2,000,000	China Communications Services Corporation	860,399	0.83
902,000	China Everbright International	534,583	0.51
900,000	China Life Insurance Company	567,404	0.55
1,500,000	China Longyuan Power Group Corporation	1,035,711	1.00
500,000	China Mengniu Dairy Company	1,286,868	1.24
250,000	China Mobile	1,742,764	1.68
500,000	China Overseas Land & Investment	1,027,837	0.99
1,500,000	China Railway Construction Corporation	984,734	0.95
750,000	China Shenhua Energy Company	1,554,189	1.50
1,000,000	China State Construction International Holdings	1,062,651	1.02
1,000,000	CITIC Securities Company	1,279,823	1.23
247,000	Dongjiang Environmental Company	577,362	0.55
300,000	ENN Energy Holdings	988,464	0.95
2,000,000	Goodbaby International Holdings	542,101	0.52
400,000	Great Wall Motor Company	1,276,507	1.23
4,000,000	Honghua Group	858,741	0.83
2,000,000	Industrial and Commercial Bank of China	875,319	0.84
1,000,000	Intime Retail Group Company	774,193	0.74
1,000,000	Longfor Properties	1,117,358	1.07
300,000	Shenzhou International Group	596,808	0.57
2,000,000	Sunac China Holdings	963,182	0.92
80,000	Tencent Holdings	2,442,936	2.35
5,000,000	Tiangong International Company	924,224	0.89

CF CANLIFE ASIA PACIFIC FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	CHINA (continued)		
2,500,000	Trigiant Group	536,713	0.52
3,671,000	Xiangyu Dredging Holdings	605,536	0.58
70,000	Youku Tudou ADRs	964,714	0.93
	TOTAL CHINA	27,081,487	26.05
	HONG KONG		
200,000	AMVIG Holdings	56,365	0.05
3,690,000	Beijing Development	691,253	0.66
3,662,500	Beijing Enterprises Water Group	1,001,830	0.96
1,000,000	Bonjour Holdings	125,164	0.12
662,000	CITIC Telecom International Holdings	119,075	0.11
2,509,000	Dorsett Hospitality International	380,587	0.37
3,000,000	Geely Automobile Holdings	920,080	0.88
374,000	Great Eagle Holdings	878,875	0.85
220,000	Hutchison Whampoa	1,672,224	1.61
2,000,000	KWG Property Holding	850,452	0.82
1,000,000	Li & Fung	973,129	0.94
250,000	Pacific Textile Holdings	194,585	0.19
3,000,000	Samson Holding	298,404	0.29
20,000,000	Shenzhen International Holdings	1,724,113	1.66
3,000,000	Shenzhen Investment	746,011	0.72
1,050,000	Techtronic Industries Company	1,566,622	1.51
1,000,000	Texhong Textile Group	1,208,537	1.16
	TOTAL HONG KONG	13,407,306	12.90
	INDONESIA		
20,000,000	Pakuwon Jati	456,258	0.44
1,100,000	Tower Bersama Infrastructure	413,715	0.40
	TOTAL INDONESIA	869,973	0.84
	MALAYSIA		
1,000,000	Dayang Enterprise Holdings	958,527	0.92
2,000,000	Dialog Group	1,107,197	1.06
2,250,000	IHH Healthcare	1,830,982	1.76
382,300	Padini Holdings	132,369	0.13
2,000,000	Perisai Pertoleum Teknologi	590,766	0.57
250,000	SapuraKencana Petroleum	185,837	0.18

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	MALAYSIA (continued)		
2,000,000	Silverlake Axis	766,679	0.74
1,027,300	Tune Ins Holdings	428,041	0.41
500,000	WCT Holdings	244,522	0.24
	TOTAL MALAYSIA	6,244,920	6.01
	PHILIPPINES		
1,500,000	Ayala Land	673,696	0.65
	SINGAPORE		
3,000,000	Fraser's Commercial Trust	1,861,215	1.79
380,000	Singapore Technologies Engineering	818,430	0.79
240,000	UOL Group	782,013	0.75
	TOTAL SINGAPORE	3,461,658	3.33
	SOUTH KOREA		
2,000	Able C&C Company	46,588	0.04
24,100	Celltrion	829,630	0.80
35,000	CJ CGV Company	1,006,056	0.97
30,000	Hankook Tire Company	987,983	0.95
11,000	Hyundai Glovis	1,224,365	1.18
10,000	Hyundai Home Shopping Network Corporation	946,674	0.91
3,500	Hyundai Mobis	533,149	0.51
200,000	INFRAWARE	1,904,822	1.83
12,200	LG Electronics	529,873	0.51
3,259	Samsung Electronics Company	2,428,901	2.34
40,000	Samsung Heavy Industries	869,792	0.84
20,000	Samsung Life Insurance Company	1,204,858	1.16
90,000	SK Hynix	1,502,629	1.44
	TOTAL SOUTH KOREA	14,015,320	13.48
	TAIWAN		
2,202,000	Cathay Financial Holding	1,957,240	1.88
87,430	Cathay Financial Holding <i>subscription shares</i>	10,218	0.01
658,000	Chailase Holding Company	960,893	0.93
360,683	Delta Electronics	1,051,881	1.01
380,000	Eclat Textile Company	2,081,981	2.00
1,000,000	Formosa Plastics Corporation	1,565,399	1.51
2,148,000	Fubon Financial Holding	1,881,605	1.81
310,000	Giant Manufacturing Company	1,405,964	1.35
53,281	HTC Corporation	179,951	0.17

CF CANLIFE ASIA PACIFIC FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	TAIWAN (continued)		
45,000	Largan Precision Company	1,037,345	1.00
3,000,000	Mega Financial Holding	1,479,624	1.42
3,000	Poya	9,553	0.01
85,000	St.Shine Optical	1,474,585	1.42
900,000	Taiwan Semiconductor Manufacturing Company	1,850,816	1.78
	TOTAL TAIWAN	16,947,055	16.30
	THAILAND		
500,000	Bangkok Dusit Medical Services	1,488,676	1.43
5,000,000	Quality Houses	332,642	0.32
	TOTAL THAILAND	1,821,318	1.75
	STRUCTURED PRODUCTS		
1,020,000	Morgan Stanley American Style Unitary Cash Settled Call Warrants linked to Dabur India	1,826,789	1.76
240,000	Morgan Stanley American Style Unitary Cash Settled Call Warrants linked to ITC	840,443	0.81
50,000	Morgan Stanley American Style Unitary Cash Settled Call Warrants linked to Maruti Suzuki India	726,435	0.70
	TOTAL STRUCTURED PRODUCTS	3,393,667	3.27
	Portfolio of investments	103,900,931	99.95
	Net other assets	50,929	0.05
	Net assets	103,951,860	100.00

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

Definition:

ADRs – American Depositary Receipts.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14) **£352,241,924**

Major purchases	Cost £
APA Group	5,290,739
CITIC Securities Company	4,839,059
Jiangxi Copper	4,578,376
Sands China	4,117,142
Telstra Corporation	3,805,231
Malayan Banking	3,796,831
Telekom Malaysia	3,676,786
Link	3,608,016
Longfor Properties	3,581,178
Cheung Kong Infrastructure Holdings	3,435,872
Techtronic Industries Company	3,391,700
Tencent Holdings	3,362,421
China State Construction International Holdings	3,147,728
Amcor	3,119,330
Tripod Technology	3,081,819
Tenaga Nasional	3,015,719
Far East Hospitality Trust	2,988,600
Ayala Land	2,977,021
Cathay Financial Holding	2,834,081
Metropolitan Bank & Trust	2,833,595

CF CANLIFE ASIA PACIFIC FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) £351,765,238

Major sales	Proceeds £
Telstra Corporation	6,566,827
APA Group	4,970,201
Jiangxi Copper	4,772,727
CITIC Securities Company	4,324,761
Sands China	4,318,294
China Everbright International	4,217,504
Link	3,959,296
Chailease Holding Company	3,773,238
Longfor Properties	3,770,131
Country Garden Holdings Company	3,741,420
Malayan Banking	3,687,403
Telekom Malaysia	3,477,869
Cheung Kong Infrastructure Holdings	3,464,548
Medy-Tox	3,316,814
Orion	3,209,713
Far East Hospitality Trust	3,158,163
AAC Technologies Holdings	3,112,940
Tenaga Nasional	3,038,135
BOC Hong Kong Holdings	3,005,298
Metropolitan Bank & Trust	2,947,446

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		18,390,004
Revenue	3	3,411,067	
Expenses	4	(903,885)	
Finance costs: Interest	6	(5,890)	
Net revenue before taxation		2,501,292	
Taxation	5	(284,963)	
Net revenue after taxation			2,216,329
Total return before distributions			20,606,333
Finance costs: Distributions	6		(2,216,383)
Change in net assets attributable to shareholders from investment activities			18,389,950

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			–
Transfer from CF Canlife Far East Unit Trust			101,339,961
Amounts receivable on issue of shares		12,989,360	
Amounts payable on cancellation of shares		(31,037,108)	
			(18,047,748)
Dilution levy charged	1(k)		73,627
Stamp duty reserve tax	1(g)		(352)
Change in net assets attributable to shareholders funds from investment activities			18,389,950
Retained distribution on Accumulation shares	6		2,196,422
Closing net assets attributable to shareholders			103,951,860

CF CANLIFE ASIA PACIFIC FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	15.08.13 £	£
ASSETS			
Investment assets		103,900,931	
Other assets			
Debtors	7	5,795,501	
Cash and bank balances	8	854,754	
Total other assets		6,650,255	
Total assets		110,551,186	
LIABILITIES			
Other liabilities			
Creditors	9	(3,518,474)	
Bank overdrafts	8	(3,080,852)	
Total other liabilities		(6,599,326)	
Total liabilities		(6,599,326)	
Net assets attributable to shareholders		103,951,860	

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

For the period
from 26.05.12
to 15.08.13
£

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	19,924,336
Derivative contracts	(121,872)
Transaction charges	(50,723)
Currency losses	(1,361,737)
Net capital gains	18,390,004

3. REVENUE

Non-taxable dividends	2,202,826
Taxable dividends	1,182,543
Bank interest	25,698
Total revenue	3,411,067

4. EXPENSES

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

ACD's periodic charge	709,278
Legal and professional fees	26,173
Printing costs	4,727
Registration fees	14,554
	754,732

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

Depositary's fees	28,260
Safe custody and other bank charges	104,950
	133,210

	For the period from 26.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	23
Fees paid to auditor – audit	9,000
– tax services	3,600
Legal and professional fees	300
Postage and distribution costs	1,568
Set up costs	1,350
Derivative valuation fees	102
	15,943
Total expenses	<u>903,885</u>
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	–
Overseas tax	284,963
Current tax charge (note 5b)	<u>284,963</u>
Deferred tax – origination and reversal of timing differences (note 5c)	–
Total taxation	<u>284,963</u>

b) Factors affecting current tax charge for the period
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%). The difference is explained below.

	For the period from 26.05.12 to 15.08.13 £
Net revenue before taxation	<u>2,501,292</u>
Corporation tax at 20%	500,258

	For the period from 26.05.12 to 15.08.13 £
5. TAXATION (continued)	
Effects of:	
Non-taxable dividends	(440,565)
Movement in revenue accruals	(59,826)
Expenses not deductible for tax purposes	270
Foreign tax expensed	(13,698)
Unutilised excess management expenses	<u>13,561</u>
Corporation tax charge	–
Overseas tax	284,963
Current tax charge (note 5a)	<u>284,963</u>

c) Deferred tax
At the period end there is a potential deferred tax asset of £789,187 in relation to surplus management expenses. Following the scheme of arrangement, a tax asset of £775,626 relating to excess management expenses was made available to the Fund from the CF Canlife Far East Unit Trust. 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 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:	
	For the period from 26.05.12 to 15.08.13 £
First Interim	632,349
Second Interim	465,257
Final	<u>1,098,816</u>
	2,196,422
Add: Revenue deducted on cancellation of shares	86,883
Deduct: Revenue received on issue of shares	<u>(66,922)</u>
Net distributions for the period	2,216,383
Interest	5,890
Total finance costs	<u>2,222,273</u>

6. FINANCE COSTS (continued)

15.08.13
£

Details of the distributions per share are set out in the table on pages 57 to 59.

	For the period from 26.05.12 to 15.08.13 £
Distributions represented by:	
Net revenue after taxation	2,216,329
Equalisation on conversions [^]	60
Balance carried forward	(6)
Net distributions for the period	<u>2,216,383</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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

15.08.13
£

7. DEBTORS

Amounts receivable for issue of shares	1,703,864
Sales awaiting settlement	3,802,858
Accrued revenue:	
Non-taxable dividends	25,725
Taxable dividends	262,950
Bank interest	104
	<u>288,779</u>
Total debtors	<u>5,795,501</u>

8. CASH AND BANK BALANCES

Bank balances:	
Capital account	3,088
Revenue account	851,666
Total bank balances	<u>854,754</u>
Bank overdrafts:	
Capital account	<u>(3,080,852)</u>

9. CREDITORS

Amounts payable for cancellation of shares	10,714
Purchases awaiting settlement	3,439,049

Accrued expenses:
Amounts payable to the ACD, associates
of the ACD and agents of either of them:
ACD's periodic charge
Legal and professional fees
Printing costs
Registration fees

22,782
1,750
2,499
1,506
28,537

Amounts payable to the Depositary, associates
of the Depositary and agents of either of them:
Depositary's fees
Transaction charges
Safe custody and other bank charges

927
10,579
15,091
26,597

Other expenses	13,524
Taxation payable:	
Stamp duty reserve tax	53
Total creditors	<u>3,518,474</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. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or unrecorded outstanding commitments.

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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

CF CANLIFE ASIA 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:

	15.08.13 £
Floating rate assets:	
Taiwan dollars	3,088
Pounds sterling	851,666
	854,754
Floating rate liabilities:	
US dollars	(44)
Pounds sterling	(3,080,808)
	(3,080,852)
Assets on which interest is not paid:	
Australian dollars	16,428,089
Hong Kong dollars	41,083,399
Indonesian rupiah	869,973
Malaysian ringgit	5,827,981
Philippine peso	673,696
Singapore dollars	5,253,989
South Korean won	14,016,273
Taiwan dollars	17,659,170
Thai baht	1,821,318
US dollars	4,358,381
Pounds sterling	1,704,163
	109,696,432
Liabilities on which interest is not paid:	
Hong Kong dollars	(3,439,049)
Pounds sterling	(79,425)
	(3,518,474)
Net assets	103,951,860

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.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.08.13 £
Currency:	
Australian dollars	16,428,089
Hong Kong dollars	37,644,350
Indonesian rupiah	869,973
Malaysian ringgit	5,827,981
Philippine peso	673,696
Singapore dollars	5,253,989
South Korean won	14,016,273
Taiwan dollars	17,662,258
Thai baht	1,821,318
US dollars	4,358,337
	104,556,264
Pounds sterling	(604,404)
Net assets	103,951,860

iii. Derivatives

The derivatives held by the Fund are not of a material nature.

	For the period from 26.05.12 to 15.08.13 £
14. PORTFOLIO TRANSACTION COSTS	
Analysis of total purchase costs	
Purchases in period before transaction costs	351,102,772
Transaction costs:	
Commissions	973,479
Stamp duty and other charges	165,673
	<u>1,139,152</u>
Gross purchases total	<u>352,241,924</u>
Analysis of total sale costs	
Gross sales before transaction costs	353,151,030
Transaction costs:	
Commissions	(923,310)
Other charges	(462,482)
	<u>(1,385,792)</u>
Total sales net of transaction costs	<u>351,765,238</u>

DISTRIBUTION TABLE
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

First Interim

Group 1 – Shares transferred from CF Canlife Far East Unit Trust

Group 2 – Shares purchased on or after 26 May 2012 and on or before 15 August 2012

'A' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	2.9339	–	2.9339
Group 2	1.0698	1.8641	2.9339

'B' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	3.2859	–	3.2859
Group 2	3.2859	0.0000	3.2859

'B' (EUR) Accumulation Shares (€ (cents))	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.4875	–	4.4875
Group 2	4.4875	0.0000	4.4875

'C' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.1920	–	4.1920
Group 2	4.1920	0.0000	4.1920

'C' (EUR) Accumulation Shares (€ (cents))	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.9316	–	4.9316
Group 2	4.9316	0.0000	4.9316

'G' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.6813	–	4.6813
Group 2	4.6813	0.0000	4.6813

CF CANLIFE ASIA PACIFIC FUND

Financial Statements (continued)

Distribution Table (continued)

Second Interim

Group 1 – Shares purchased prior to 16 August 2012

Group 2 – Shares purchased on or after 16 August 2012 and on or before 15 February 2013

'A' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	0.0000	–	0.0000
Group 2	0.0000	0.0000	0.0000

'B' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	1.5775	–	1.5775
Group 2	0.0000	1.5775	1.5775

'B' (EUR) Accumulation Shares (€ (cents))	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	1.6651	–	1.6651
Group 2	1.6651	0.0000	1.6651

'C' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.3120	–	2.3120
Group 2	2.3120	0.0000	2.3120

'C' (EUR) Accumulation Shares (€ (cents))	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.6837	–	2.6837
Group 2	2.6837	0.0000	2.6837

'G' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	3.9924	–	3.9924
Group 2	0.5310	3.4614	3.9924

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'A' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	4.1749	–	4.1749
Group 2	3.7065	0.4684	4.1749

'B' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	6.7368	–	6.7368
Group 2	0.1845	6.5523	6.7368

'B' (EUR) Accumulation Shares (€ (cents))	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	7.7623	–	7.7623
Group 2	7.7623	0.0000	7.7623

'C' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	7.7523	–	7.7523
Group 2	1.7482	6.0041	7.7523

'C' (EUR) Accumulation Shares (€ (cents))	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	9.0208	–	9.0208
Group 2	9.0208	0.0000	9.0208

'G' Accumulation Shares (pence)	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	9.5055	–	9.5055
Group 2	3.3821	6.1234	9.5055

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 CANLIFE CORPORATE BOND FUND
ACD'S REPORT
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

As a result of a scheme of arrangement, effective on 26 May 2012 the CF Canlife Corporate Bond Fund ('the Fund') received the property of the CF Canlife Bond Unit Trust.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

On 18 March 2013 two new share classes, 'C' Income shares and 'C' Accumulation shares were launched in the Fund.

Effective 18 September 2013, the regular savings plan in respect of class 'C' shares is no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to maximize returns and to provide shareholders with a half-yearly income mainly from investment in sterling-denominated fixed income securities.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife Corporate Bond Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

ECONOMY

There is now a growing consensus that the UK economy has turned the corner. Recent PMI surveys for Manufacturing, Construction & Services all point to growing confidence among businesses. Consumer confidence is also steadily improving, as indicated by rising house prices in the Nationwide and Halifax housing surveys, and by strong new car registrations. Overall, GDP is reported to have grown by 0.7% in the second quarter of the year, with stronger figures expected for the third quarter. In this, the UK is following the USA, where confidence has been returning for some time. The signs of recovery leave central bankers in those countries with the dilemma of when to start to reverse the loose monetary policies that have been followed since the Credit Crisis. While we expect policymakers to move cautiously, bond markets have been retreating from the low yield levels seen in recent years. Investors have also become more relaxed about the eurozone and less concerned to hold on to 'safe haven' assets.

STERLING CORPORATE BOND MARKET

Over the period 26 May 2012 to 15 August 2013 corporate bonds performed well, with the iBoxx Sterling Corporates Index seeing a total return of 11.1%*. In contrast, UK government bonds were weak, with the iBoxx Sterling Gilts Index seeing a total return of -3.4%* over the period. The additional yield over UK government bonds, or spread, on the iBoxx Sterling Corporates Index fell from 3.0%* to 1.6%* over the period. Corporate bonds performed particularly strongly in the second half of 2012, while the performance from the start of 2013 to 15 August 2013 has been more modest, with the iBoxx Sterling Corporate Index returning 1.1%* over this period as the iBoxx Sterling Gilts Index returned -3.1%*.

The main driver of the performance of corporate bonds has been central bank action. Persistently low interest rates, Quantitative Easing in the UK, US and Japan, Long Term Refinancing Operations in the eurozone, and the European Central Bank's announcement that outright purchases of peripheral sovereign bonds could be employed, all drove investors out of cash and government bonds and into riskier assets, including corporate bonds.

TRADING ACTIVITY

Going into the summer of 2012, a key theme was to sell some of our holdings in Spanish and Italian corporate bonds and replace them with financial bonds. This reduced our exposure to the risk of a eurozone meltdown while maintaining, and in some cases improving, the yield on the portfolio. In particular we added US banks, as we believe that they are further through the process of cleaning up their balance sheets than European banks and are now making new loans on good margins. We also added a number of insurance company bonds, where yields on offer were comparable to bank bonds but we view the businesses to be inherently more stable, with low risk asset portfolios and limited exposure to liquidity shocks. Another theme in our trading activity was to sell utilities exposed to falling European power prices, and to buy more stable regulated utilities in the UK, which we were able to do without sacrificing yield. We have also added to bonds issued by UK retailers in order to take advantage of the positive outlook for the UK economy.

STRATEGY & OUTLOOK

With the strong performance of corporate bonds over the period spreads on the iBoxx Corporate Index are now about 30bps lower than the 10 year average. Based on this measure corporate bonds do not look cheap; however it is worth noting that this 10 year period includes the global financial crisis where spreads were at historically high levels. Therefore we expect that corporate bonds will continue to outperform gilts as economic conditions improve. Given the recent

CF CANLIFE CORPORATE BOND FUND

ACD's Report (continued)

Investment Manager's Report (continued)

STRATEGY & OUTLOOK (continued)

performance, the potential for corporate bonds is more limited so returns over the next year are likely to be more modest. While we continue to prefer the long term economic prospects for the US and the UK versus the eurozone, we recognise that stability is returning to that area and we will look to invest there if suitable opportunities arise.

* Source: iBoxx.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

6 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'B' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	206.66	190.47	1.6386
2013*	212.48	198.01	6.9427

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	208.50	190.48	1.6578
2013*	218.22	203.38	7.0727

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	212.52	198.09	2.8400

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	218.26	203.46	2.8503

CF CANLIFE CORPORATE BOND FUND

ACD's Report (continued)

Fund Information (continued)

PERFORMANCE RECORD (continued)

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	208.86	190.51	1.6353
2013*	218.88	204.09	7.0814

From 26 May 2012.

From 18 March to 15 August 2013.

* To 15 August 2013.

NET ASSET VALUE

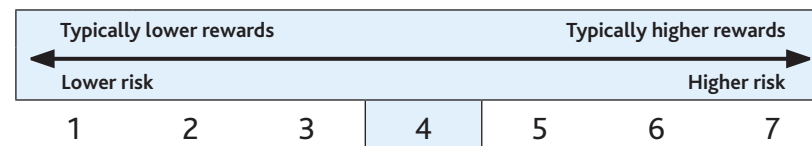
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'B' Income	32,406,360	16,459,914	196.88
	'B' Accumulation	1,966,424	956,037	205.68
	'C' Income	494	250	197.55
	'C' Accumulation	356,588	173,231	205.85
	'G' Accumulation	198,597,595	96,169,246	206.51

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %		
	'B'	'C'	'G'
ACD's periodic charge	0.75	0.50	0.38
Other expenses	0.06	0.06	0.06
Ongoing charges figure	0.81	0.56	0.44

The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month 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 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife Corporate Bond Fund	3.29	8.39

* Launch date 26 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 80 and 81.

CF CANLIFE CORPORATE BOND FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
DEBT SECURITIES			
GOVERNMENT BONDS			
£5,000,000	Treasury 4% 2022	5,577,750	2.39
£2,800,000	Treasury 4.5% 2019	3,206,879	1.38
£200,000	Treasury 4.75% 2038	238,552	0.10
TOTAL GOVERNMENT BONDS		9,023,181	3.87
CORPORATE BONDS			
£2,600,000	A.P. Moller-Maersk 4% 2025	2,426,840	1.04
£2,500,000	AA Bond Company 4.7201% 2018	2,549,500	1.09
£1,800,000	Affinity Water Programme Finance 4.5% 2036	1,771,720	0.76
£3,500,000	Amgen 4% 2029	3,218,670	1.38
£1,500,000	Anglian Water Group 6.875% 2023	1,890,821	0.81
£1,000,000	Anglian Water Services Financing 5.25% 2015	1,082,113	0.46
£2,000,000	Arqiva Financing 4.04% 2020	2,000,228	0.86
£639,000	ASIF II 6.375% 2020	765,269	0.33
£2,100,000	ASIF III Jersey 5% 2018	2,352,181	1.01
£1,000,000	Assicurazioni Generali 6.416% 2022	835,086	0.36
£3,000,000	AT&T 4.25% 2043	2,677,977	1.15
£2,500,000	AT&T 4.875% 2044	2,472,260	1.06
£500,000	AT&T 7% 2040	656,236	0.28
£2,500,000	Aviva 6.625% 2021	2,642,003	1.13
£2,000,000	AXA 7.125% 2020	2,312,082	0.99
£2,320,000	Bank of Ireland 5.75% 2013	2,333,131	1.00
£3,250,000	Barclays Bank 10% 2021	4,211,383	1.80
£2,200,000	BG Energy Capital 6.5% 2017	2,388,833	1.02
£2,500,000	BHP Billiton Finance 3.25% 2024	2,339,320	1.00
£2,000,000	BMW Finance 3.375% 2018	2,107,884	0.90
£1,000,000	BP Capital Markets 4% 2014	1,039,107	0.45
£1,000,000	BP Capital Markets 4.325% 2018	1,096,877	0.47
£485,000	British Land 5.264% 2035	466,341	0.20
£1,800,000	BUPA Finance 5% 2023	1,749,811	0.75
£1,000,000	Centrica 7% 2018	1,216,551	0.52
£2,000,000	Clydesdale Bank 4.625% 2026	2,132,210	0.91
£1,500,000	Coventry Building Society 4.625% 2018	1,661,330	0.71
£1,500,000	Credit Agricole 7.375% 2023	1,736,205	0.74
£1,061,000	Credit Suisse Group Finance US 7% 2020	1,202,103	0.51
£2,750,000	Dali Capital 4.79924% 2037	2,657,570	1.14
£1,000,000	Deutsche Telekom International Finance 4.875% 2014	1,040,353	0.45
£1,000,000	Deutsche Telekom International Finance 6.5% 2022	1,205,341	0.52
£2,000,000	Digital Stout Holding 4.25% 2025	1,887,070	0.81

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	CORPORATE BONDS <i>(continued)</i>		
£2,932,000	DWR Cymru Financing 6.015% 2028	3,435,281	1.47
£3,000,000	EDF 5.5% 2041	3,178,992	1.36
£1,300,000	EDF 6% 2026	1,317,063	0.56
£2,000,000	Enterprise Inns 6.5% 2018	2,015,000	0.86
£1,600,000	ENW Finance 6.125% 2021	1,865,445	0.80
£2,500,000	Fidelity International 6.75% 2020	2,748,660	1.18
£3,250,000	Gatwick Funding 5.25% 2024	3,511,840	1.50
£500,000	GDF Suez 5% 2060	512,064	0.22
£1,750,000	GE Capital UK 6.75% 2018	2,074,450	0.89
£2,500,000	General Electric Capital Corporation 6.5% 2017	2,605,720	1.12
£1,000,000	General Electrical Capital Corporation 5.25% 2028	1,079,917	0.46
£3,000,000	GlaxoSmithKline Capital 3.375% 2027	2,770,863	1.19
£750,000	GlaxoSmithKline Capital 4.25% 2045	713,417	0.31
£854,000	Greene King Finance 5.318% 2031	709,179	0.30
£1,400,000	Heathrow Funding 5.225% 2025	1,554,906	0.67
£2,000,000	High Speed Rail Finance 4.375% 2038	1,962,928	0.84
£1,750,000	Housing Finance Corporation 8.625% 2023	2,399,285	1.03
£508,530	Housing Securities 8.375% 2019	629,320	0.27
£4,000,000	HSBC Holdings 5.75% 2027	4,266,364	1.83
£2,000,000	Intu SGS Finance 4.625% 2028	1,972,708	0.85
£500,000	John Lewis 10.5% 2014	518,150	0.22
£500,000	John Lewis 6.125% 2025	571,560	0.24
£2,300,000	John Lewis 8.375% 2019	2,888,225	1.24
£3,050,000	JPMorgan Chase Bank 5.375% 2016	3,325,247	1.43
£2,000,000	Land Securities 5.292% 2013	2,013,801	0.86
£918,000	LBG Capital 15% 2019	1,317,605	0.56
£2,000,000	Legal & General Group 10% 2021	2,649,140	1.14
£2,000,000	Lloyds TSB Bank 6% 2029	2,407,712	1.03
£3,200,000	Merrill Lynch & Company 5.5% 2021	3,444,416	1.48
£2,800,000	Metropolitan Life Global Funding I 2.875% 2023	2,670,175	1.14
£3,000,000	Morrison (Wm.) Supermarkets 4.625% 2023	3,170,610	1.36
£750,000	National Grid Gas 6.375% 2020	897,342	0.38
£3,000,000	National Grid Gas 8.75% 2025	4,311,495	1.85
£2,000,000	National Westminster Bank 6.5% 2021	2,013,646	0.86
£3,000,000	Nationwide Building Society 5.769% 2026	2,689,860	1.15
£2,200,000	Next 5.875% 2016	2,453,913	1.05
£2,500,000	Northumbrian Water 6% 2017	2,897,710	1.24
£1,500,000	Orange 8% 2017	1,846,833	0.79
£2,250,000	PepsiCo 2.5% 2022	2,109,175	0.90
£1,500,000	Petrobras International Finance Company 6.25% 2026	1,555,699	0.67
£1,500,000	Pfizer 6.5% 2038	1,965,118	0.84

CF CANLIFE CORPORATE BOND FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	CORPORATE BONDS (continued)		
£2,500,000	QBE Insurance Group 6.125% 2015	2,714,145	1.16
£750,000	Royal Bank of Scotland 5.125% 2024	839,737	0.36
£1,500,000	Royal Bank of Scotland 7.5% 2024	1,875,007	0.80
£1,000,000	RWE Finance 5.625% 2023	1,135,961	0.49
£1,700,000	RWE Finance 6.125% 2039	1,974,507	0.85
£2,500,000	Santander Issuances 7.3% 2014	2,568,715	1.10
£1,450,000	Santander Issuances 9.625% 2018	1,694,252	0.73
£1,298,000	Scotland Gas Networks 4.75% 2017	1,411,729	0.61
£1,500,000	Scottish Widows 7% 2043	1,491,324	0.64
£900,000	Severn Trent Utilities Finance 3.625% 2026	860,434	0.37
£1,250,000	Severn Trent Utilities Finance 6% 2018	1,432,281	0.61
£3,200,000	Society of Lloyd's 6.875% 2025	3,427,261	1.47
£2,245,000	South East Water Finance 5.6577% 2019	2,515,576	1.08
£1,000,000	South Eastern Power Networks 6.375% 2031	1,212,962	0.52
£1,000,000	Southern Gas Networks 4.875% 2020	1,103,880	0.47
£500,000	Southern Water Services 6.64% 2026	611,889	0.26
£1,829,000	SSE 5.453% 2015	1,906,504	0.82
£2,000,000	Telefonica Emisiones 5.597% 2020	2,099,650	0.90
£2,000,000	Tesco 5.5% 2019	2,262,246	0.97
£1,000,000	Tesco 6.125% 2022	1,156,086	0.50
£1,000,000	Thames Water Utilities 4.9% 2015	1,067,646	0.46
£2,500,000	UNITE USAF II 3.374% 2023	2,397,217	1.03
£1,500,000	United Utilities Water 5.625% 2027	1,697,790	0.73
£2,500,000	United Utilities Water 6.125% 2015	2,765,507	1.19
£2,500,000	Vodafone Group 5.9% 2032	2,860,665	1.23
£2,500,000	Volkswagen Financial Services 2% 2015	2,536,037	1.09
£2,500,000	Wales & West Utilities 5.125% 2016	2,762,930	1.18
£2,500,000	Wal-Mart Stores 5.75% 2030	2,991,680	1.28
£2,500,000	Wells Fargo Bank 5.25% 2023	2,767,952	1.19
£2,000,000	Westfield Group 5.5% 2017	2,245,042	0.96
£1,500,000	Yorkshire Building Society 4.75% 2018	1,651,234	0.71
£1,063,000	Yorkshire Water Services 6.6011% 2031	1,326,868	0.57
£2,050,000	Yorkshire Water Services Finance 5.5% 2037	2,331,014	1.00
£2,299,000	Zurich Finance UK 6.625% 2022	2,533,774	1.09
	TOTAL CORPORATE BONDS	217,394,742	93.17
	TOTAL DEBT SECURITIES	226,417,923	97.04
	MONEY MARKETS		
5,000,000	BlackRock Institutional GBP Liquidity*	5,000,000	2.14

	Total Net Assets	
	Value £	15.08.13 %
Portfolio of investments	231,417,923	99.18
Net other assets	1,909,538	0.82
Net assets	233,327,461	100.00
The investments held have been valued in accordance with note 1(i) of the Notes to the Financial Statements and are fixed interest securities unless stated otherwise.		
* Collective investment scheme.		
Credit Quality		15.08.13 %
Investment grade		89.44
Unrated debt securities		7.04
Non-investment grade		0.56
Money market funds		2.14
Net other assets		0.82
		100.00

CF CANLIFE CORPORATE BOND FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14) £218,783,003

Major purchases	Cost £
Treasury 4% 2022	18,053,820
Treasury 4.5% 2019	9,281,210
Treasury 4.75% 2038	5,305,100
Treasury 5% 2025	4,216,433
A.P. Moller-Maersk 4% 2025	4,168,710
HSBC Holdings 5.75% 2027	4,165,080
European Investment Bank 2.5% 2022	3,975,120
DWR Cymru Financing 6.015% 2028	3,771,171
Amgen 4% 2029	3,442,626
JPMorgan Chase Bank 5.375% 2016	3,399,750
Society of Lloyd's 6.875% 2025	3,293,324
Vodafone Group 5.9% 2032	3,237,500
Merrill Lynch & Company 5.5% 2021	3,114,480
National Grid Gas 8.75% 2025	3,063,190
BHP Billiton Finance 3.25% 2024	2,997,900
AT&T 4.25% 2043	2,981,310
GlaxoSmithKline Capital 3.375% 2027	2,964,090
Wells Fargo Bank 5.25% 2023	2,893,965
Metropolitan Life Global Funding I 2.875% 2023	2,863,476
Morrison (Wm.) Supermarkets 4.625% 2023	2,786,580

In addition to above, purchases totalling £826,500,000 were made in short term investment funds during the period.

Total sales for the period (note 14) £145,970,421

Major sales	Proceeds £
Treasury 4% 2022	12,291,234
Treasury 4.5% 2019	5,897,126
Treasury 4.75% 2038	4,989,722
Treasury 5% 2025	4,156,074
HSBC Bank 5% 2018	4,111,960
European Investment Bank 2.5% 2022	4,005,080
BAA Funding 5.875% 2041	2,825,187
Iberdrola Finanzas 7.375% 2024	2,803,875
GDF Suez 7% 2028	2,792,410
Cooperatieve Centrale Raiffeisen-Boerenleenbank of Netherland 5.25% 2027	2,723,760
Barclays Bank 6.75% 2018	2,595,000
GE Capital UK 6.75% 2018	2,449,800
Treasury 6% 2028	2,449,125
Citigroup 6.25% 2019	2,443,280
Amgen 5.5% 2026	2,378,340
BG Energy Capital 5.125% 2017	2,320,940
Intesa Sanpaolo 5.25% 2022	2,236,025
France Telecom 5% 2016	2,129,361
Treasury 4.75% 2030	1,991,925
America Movil 4.375% 2041	1,987,420

In addition to above, sales totalling £821,500,000 were made in short term investment funds during the period.

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

CF CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		4,402,137
Revenue	3	9,991,471	
Expenses	4	(1,164,099)	
Finance costs: Interest	6	(5,259)	
Net revenue before taxation		8,822,113	
Taxation	5	—	
Net revenue after taxation		8,822,113	
Total return before distributions		13,224,250	
Finance costs: Distributions	6	(9,986,131)	
Change in net assets attributable to shareholders from investment activities		3,238,119	

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			—
Transfer from CF Canlife Bond Unit Trust		154,624,181	
Amounts receivable on issue of shares		87,056,104	
Amounts payable on cancellation of shares		(18,905,429)	
		68,150,675	
Dilution levy charged	1(k)	107,786	
Stamp duty reserve tax	1(g)	(2,901)	
Change in net assets attributable to shareholders from investment activities		3,238,119	
Retained distribution on Accumulation shares		7,207,363	
Unclaimed distributions	1(h)	2,238	
Closing net assets attributable to shareholders		233,327,461	

BALANCE SHEET
AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets		231,417,923	
Other assets			
Debtors	7	5,711,824	
Cash and bank balances	8	540,027	
Total other assets		6,251,851	
Total assets		237,669,774	
LIABILITIES			
Other liabilities			
Creditors	9	(3,533,648)	
Bank overdrafts	8	(253,695)	
Distribution payable on Income shares		(554,970)	
Total other liabilities		(4,342,313)	
Total liabilities		(4,342,313)	
Net assets attributable to shareholders		233,327,461	

CF CANLIFE CORPORATE BOND FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	4,405,381
Transaction charges	(3,244)
Net capital gains	<u>4,402,137</u>

3. REVENUE

Unfranked interest	9,989,931
Bank interest	1,540
Total revenue	<u>9,991,471</u>

4. EXPENSES

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

ACD's periodic charge	1,032,760
Legal and professional fees	18,256
Printing costs	4,519
Registration fees	29,500
	<u>1,085,035</u>

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

Depositary's fees	39,793
Safe custody and other bank charges	23,827
	<u>63,620</u>

For the period
from 26.05.12
to 15.08.13
£

4. EXPENSES (continued)

Other expenses:

FCA fee	23
Fees paid to auditor – audit	7,200
– tax services	3,600
Legal and professional fees	90
Postage and distribution costs	3,181
Set up costs	1,350
	<u>15,444</u>
Total expenses	<u>1,164,099</u>

5. TAXATION

a) Analysis of charge for the period

Corporation tax at 20% –

Current tax charge (note 5b) –

Deferred tax – origination and reversal
of timing differences (note 5c) –

Total taxation –

b) Factors affecting current tax charge for the period

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

For the period
from 26.05.12
to 15.08.13
£

Net revenue before taxation	<u>8,822,113</u>
Corporation tax at 20%	<u>1,764,423</u>

CF CANLIFE CORPORATE BOND FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £
5. TAXATION (continued)	
Effects of:	
Expenses not deductible for tax purposes	270
Tax deductible interest distributions	(151,225)
Utilised excess management expenses	(1,613,468)
Corporation tax charge	—
Current tax charge (note 5a)	—

c) Deferred tax

At the period end there is a potential deferred tax asset of nil in relation to surplus management expenses and nil in relation to excess interest distributions. Following the scheme of arrangement, a tax asset of £1,613,468 relating to excess management expenses was made available to the Fund from the CF Canlife Bond Unit Trust. This was fully utilised in the current period as shown in note 5b.

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:

	For the period from 26.05.12 to 15.08.13 £
First Interim	1,342,590
Second Interim	3,349,190
Final	3,933,910
Income tax withheld at source	1,996,729
	10,622,419
Add: Revenue deducted on cancellation of shares	90,776
Deduct: Revenue received on issue of shares	(727,064)
Net distributions for the period	9,986,131
Interest	5,259
Total finance costs	9,991,390

Details of the distributions per share are set out in the table on pages 80 and 81.

	For the period from 26.05.12 to 15.08.13 £
6. FINANCE COSTS (continued)	
Distributions represented by:	
Net revenue after taxation	8,822,113
Allocations to capital:	
Expenses	1,164,099
Equalisation on conversions [^]	(7)
Balance carried forward	(74)
Net distributions for the year	9,986,131

[^] 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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

15.08.13
£

7. DEBTORS

Amounts receivable for issue of shares	59,100
Accrued revenue:	
Unfranked interest	5,652,596
Bank interest	128
	5,652,724
Total debtors	5,711,824

8. CASH AND BANK BALANCES

Bank balances:	
Revenue account	540,027
Bank overdrafts:	
Capital account	(253,695)

9. CREDITORS

Amounts payable for cancellation of shares	19,098
Purchases awaiting settlement	2,562,000

CF CANLIFE CORPORATE BOND FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.08.13
	£
9. CREDITORS (continued)	
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	41,913
Legal and professional fees	1,469
Printing costs	2,499
Registration fees	3,201
	49,082
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	1,493
Transaction charges	360
Safe custody and other bank charges	4,607
	6,460
Other expenses	12,466
Taxation payable:	
Income tax	882,857
Stamp duty reserve tax	1,685
	884,542
Total creditors	<u>3,533,648</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. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or unrecorded outstanding commitments.

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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.08.13
	£
Floating rate assets:	
Pounds sterling	5,540,027
Floating rate liabilities:	
Pounds sterling	(253,695)
Fixed rate assets:	
Pounds sterling	226,417,923
Assets on which interest is not paid:	
Pounds sterling	5,711,824
Liabilities on which interest is not paid:	
Pounds sterling	(4,088,618)
Net assets	<u>233,327,461</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 collective investment schemes that pay UK interest distributions.

Fixed rate financial assets have a weighted average yield of 5.79% and a weighted average period for which revenue is fixed of 10.43 years.

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

ii. Foreign currency risk

The revenue 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 Fund held no derivatives during the current period.

14. PORTFOLIO TRANSACTION COSTS

Securities have been bought and sold at the dealt price with no further transaction costs added to purchases or deducted from sales.

CF CANLIFE CORPORATE BOND FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

First Interim

Group 1 – Shares transferred from CF Canlife Bond Unit Trust

Group 2 – Shares purchased on or after 26 May 2012 and on or before 15 August 2012

'B' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Paid 15.10.12
Group 1	2.0482	0.4096	1.6386	–	1.6386
Group 2	0.5103	0.1020	0.4083	1.2303	1.6386

'B' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	2.0722	0.4144	1.6578	–	1.6578
Group 2	0.1222	0.0244	0.0978	1.5600	1.6578

'G' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	2.0441	0.4088	1.6353	–	1.6353
Group 2	1.8227	0.3645	1.4582	0.1771	1.6353

Second Interim

Group 1 – Shares purchased prior to 16 August 2012

Group 2 – Shares purchased on or after 16 August 2012 and on or before 15 February 2013

'B' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Paid 15.04.13
Group 1	4.4638	0.8927	3.5711	–	3.5711
Group 2	3.2110	0.6422	2.5688	1.0023	3.5711

'B' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	4.5152	0.9030	3.6122	–	3.6122
Group 2	4.5152	0.9030	3.6122	0.0000	3.6122

'G' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	4.5092	0.9018	3.6074	–	3.6074
Group 2	2.2831	0.4566	1.8265	1.7809	3.6074

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'B' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Payable 15.10.13
Group 1	4.2145	0.8429	3.3716	–	3.3716
Group 2	2.4803	0.4960	1.9843	1.3873	3.3716

'B' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	4.3256	0.8651	3.4605	–	3.4605
Group 2	1.9537	0.3907	1.5630	1.8975	3.4605

'G' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	4.3425	0.8685	3.4740	–	3.4740
Group 2	1.9668	0.3933	1.5735	1.9005	3.4740

Group 1 – Shares purchased on 18 March 2013

Group 2 – Shares purchased on or after 19 March 2013 and on or before 15 August 2013

'C' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Payable 15.10.13
Group 1	3.5500	0.7100	2.8400	–	2.8400
Group 2	3.5500	0.7100	2.8400	0.0000	2.8400

'C' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	3.5628	0.7125	2.8503	–	2.8503
Group 2	0.7090	0.1418	0.5672	2.2831	2.8503

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 CANLIFE GLOBAL BOND FUND
ACD'S REPORT
FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

On 29 May 2012 the CF Canlife Global Bond Fund ('the Fund') was launched.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

Effective 18 September 2013, the regular savings plan in respect of class 'C' shares is no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to provide income with the potential for some long-term capital growth principally through investment in global fixed income securities. The Fund principally invests in investment grade securities which include government and corporate bonds.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife Global Bond Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

INVESTMENT REVIEW

The period started with investors turning to the safe haven of US Treasuries, German Bonds, UK Gilts and Japanese Government Bonds in a context of heightened European sovereign concerns and political tensions. This prompted a new shift in central bank policies towards more direct support for credit products. This took the form of two further rounds of Quantitative Easing ('QE') by the Fed to stimulate growth and employment, discretionary but potentially unlimited buying of bonds issued by European peripheral countries by the European Central Bank ('ECB'), and additional QE and the announcement of more aggressive monetary policies under the new Abe-leadership in Japan. These support measures resulted in yields reaching record lows during the second quarter of 2013.

The latter part of Q2 2013 was marked by signs of a pick-up in activity in developed economies. In the US, housing and labour markets improved at a faster pace than previously assumed. In Europe, consumer confidence and industrial indicators surprised on the upside and euro area Q2 GDP numbers reached their highest level since Q1 2011, breaking a streak of six consecutive quarters of negative growth. In Japan, the reforms started by the Abe government and the drastic monetary easing by the Bank of Japan are yet to benefit the real economy but are expected to support growth and inflation over the next two years.

These signs of an ongoing recovery prompted central banks to alter their policy guidance with the Fed signalling that it is prepared to modify the pace of its asset purchases (QE) to maintain appropriate policy accommodation as the outlook for employment and inflation changes. Investors interpreted this as a strong indication that the Fed's exit from its expansionary monetary policy is drawing closer, pushing US Treasury yields upwards. In Europe, the ECB attempted to contain the general rise in yields by giving advance guidance to keep rates 'at present or lower levels for an extended period of time'. However, the improving economic data and investors questioning the central banks' credibility towards forward guidance contributed to an increase in yields within the euro area.

TRADING ACTIVITY

The Fund continually increased exposure to corporate bonds, during the review period, adding holdings in diversified global issuers such as Japan Tobacco, The Procter & Gamble Company and General Electric Capital Corporation. The Fund benefited from the recovery in the Irish economy via its overweight positioning in selected domestic issuers (e.g. Utilities). Peripheral bonds with a short maturity were also bought on the back of supportive monetary policies from the ECB.

STRATEGY & OUTLOOK

The Fund's short position versus the index was beneficial as well as its holdings in corporate bonds, while the Japanese holdings suffered from the yen depreciation. Returns on its European assets benefited from the euro currency increase. While the improvements in the underlying macro data have provided some welcome relief on world markets, we still think higher growth rates will be needed to steady debt burdens in most developed economies and bring the euro area in a position of a sustained recovery. With unemployment rates at elevated levels, implementation of austerity measures carries high execution risk and has already triggered social unrest in the most affected countries. We keep a defensive stance on the back of rising uncertainties in front of us this year, such as the impact of actual Fed tapering, rising tensions in the Middle East and the direction of European politics after the German elections in September.

CF CANLIFE GLOBAL BOND FUND

ACD's Report (continued)

Investment Manager's Report (continued)

STRATEGY & OUTLOOK (continued)

We renewed our short position versus the index and continue to add to issuers that are supported by central bank policies or expected to benefit from a pick-up in the US economy.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

13 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'B' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	101.10	96.96	–
2013*	100.99	95.45	1.4275

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	101.16	97.15	–
2013*	101.86	96.27	1.5877

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	101.10	96.84	–
2013*	100.93	95.36	1.3280

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	101.10	96.84	–
2013*	101.55	95.93	1.3320

CF CANLIFE GLOBAL BOND FUND

ACD's Report (continued)

Fund Information (continued)

PERFORMANCE RECORD (continued)

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	101.27	97.49	—
2013*	102.35	96.91	1.5396

From 29 May 2012.

* To 15 August 2013.

NET ASSET VALUE

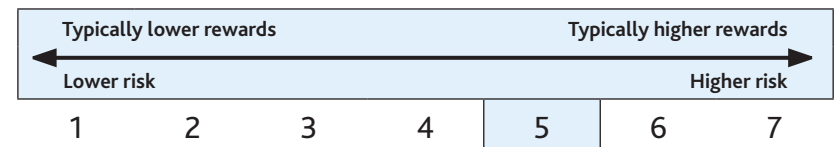
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'B' Income	12,702	13,323	95.34
	'B' Accumulation	12,412,083	12,804,776	96.93
	'C' Income	238	250	95.34
	'C' Accumulation	241	250	96.58
	'G' Accumulation	20,617,246	21,106,574	97.68

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %		
	'B'	'C'	'G'
ACD's periodic charge	1.00	0.75	0.38
Other expenses	0.23	0.23	0.23
Ongoing charges figure	1.23	0.98	0.61

The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month 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.

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife Global Bond Fund	-2.57	-2.93

* Launch date 29 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 102 and 103.

CF CANLIFE GLOBAL BOND FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	DEBT SECURITIES		
	GOVERNMENT BONDS		
US\$400,000	Agence Francaise de Développement 1.625% 2017	255,963	0.77
€500,000	Austria Government Bond 2.4% 2034	396,979	1.20
€1,000,000	Belgium Government Bond 1.25% 2018	845,526	2.56
€1,300,000	Bundesrepublik Deutschland 1.5% 2023	1,069,829	3.24
€250,000	Bundesrepublik Deutschland 2.5% 2021	229,613	0.69
€230,000	Bundesrepublik Deutschland 3.25% 2020	221,044	0.67
CA\$150,000	Canadian Government Bond 1.5% 2017	92,748	0.28
CA\$150,000	Canadian Government Bond 3.25% 2021	98,461	0.30
DKK900,000	Denmark Government Bond 3% 2021	113,182	0.34
€950,000	Ireland Government Bond 4.6 % 2016	870,315	2.63
€600,000	Ireland Government Bond 5.5 % 2017	568,667	1.72
¥65,000,000	Japan Government Bond 0.1% 2014	427,053	1.29
¥65,000,000	Japan Government Bond 0.2% 2017	427,274	1.29
¥170,000,000	Japan Government Bond 0.3% 2018	1,118,541	3.39
¥65,000,000	Japan Government Bond 0.4% 2016	430,414	1.30
¥120,000,000	Japan Government Bond 0.8% 2023 (10 Year issue)	792,767	2.40
¥101,000,000	Japan Government Bond 0.8% 2023 (20 Year issue)	667,185	2.02
¥65,000,000	Japan Government Bond 0.9% 2022	435,363	1.32
¥100,000,000	Japan Government Bond 1% 2020	679,744	2.06
¥60,000,000	Japan Government Bond 1.1% 2021	409,534	1.24
¥65,000,000	Japan Government Bond 1.4% 2019	453,594	1.37
¥65,000,000	Japan Government Bond 1.6% 2032	426,028	1.29
¥70,000,000	Japan Government Bond 1.7% 2033	461,628	1.40
¥30,000,000	Japan Government Bond 1.9% 2025	218,817	0.66
¥70,000,000	Japan Government Bond 2.1% 2029	506,507	1.53
€350,000	Mexico Government International Bond 2.75% 2023	285,835	0.87
€1,200,000	Netherlands Government 3.25% 2021	1,127,608	3.41
€310,000	Spain Government Bond 3.3% 2014	269,607	0.82
£270,000	Treasury 4.25% 2027	301,161	0.91
US\$1,900,000	US Treasury 0.375% 2015	1,222,419	3.70
US\$1,900,000	US Treasury 0.625% 2017	1,193,718	3.61
US\$600,000	US Treasury 1.25% 2020	366,087	1.11
US\$1,250,000	US Treasury 1.5% 2019	792,090	2.40
US\$1,200,000	US Treasury 1.625% 2022	709,290	2.15
US\$330,000	US Treasury 2.125% 2021	207,775	0.63
US\$100,000	US Treasury 2.375% 2014	65,971	0.20
US\$500,000	US Treasury 6% 2026	418,849	1.27
	TOTAL GOVERNMENT BONDS	19,177,186	58.04

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	CORPORATE BONDS		
€200,000	AZA 4.5% 2019	177,908	0.54
€300,000	Abbey National Treasury Services 2.625% 2020	256,110	0.78
€300,000	America Movil 3.259% 2023	254,753	0.77
£400,000	A.P. Moeller-Maersk 4% 2025	373,360	1.13
€250,000	Aviva 6.125 % 2023	222,731	0.67
€200,000	AXA 5.125% 2023	174,258	0.53
US\$600,000	BAT International Finance 1.125% 2016	385,101	1.17
€500,000	BBVA Senior Finance 3.75% 2018	435,123	1.32
US\$250,000	BBVA US Senior 4.664% 2015	165,923	0.50
US\$400,000	BMW US Capital 1.375% 2017	253,803	0.76
US\$190,000	BNP Paribas 2.375% 2017	122,596	0.37
€250,000	BNP Paribas 2.875% 2022	213,546	0.65
US\$300,000	British Sky Broadcasting Group 3.125% 2022	178,223	0.54
£200,000	BUPA Finance 5% 2023	194,423	0.59
US\$500,000	CNOOC Finance 2013 1.75% 2018	309,444	0.94
€550,000	DAA Finance 6.5872% 2018	544,098	1.65
US\$400,000	EADS Finance 2.7% 2023	233,345	0.71
£400,000	EDF 6% 2026	405,250	1.23
€400,000	EFSA 0.875% 2018	334,303	1.01
€300,000	ENI 3.25% 2023	258,587	0.78
¥55,000,000	European Investment Bank 1.9% 2026	393,705	1.19
€400,000	GDF Suez 4.75% 2021	352,417	1.07
US\$300,000	General Electric Capital Corporation 4.625% 2018	173,633	0.53
£200,000	General Electric Capital Corporation 6.5% 2017	208,458	0.63
€300,000	Iberdrola International 2.875% 2020	251,741	0.76
US\$400,000	Imperial Tobacco Finance 2.05% 2018	251,052	0.76
€300,000	Intesa Sanpaolo 4.375% 2019	263,823	0.80
US\$400,000	IPIC GMTN 1.75% 2015	257,120	0.78
US\$450,000	Japan Tobacco 2.1% 2018	288,074	0.87
US\$500,000	Kommunalbanken 0.375% 2015	320,982	0.97
US\$400,000	Kommuninvest I Sverige 0.5% 2016	254,523	0.77
US\$500,000	Landwirtschaftliche Rentenbank 1% 2018	312,176	0.94
US\$300,000	Metropolitan Life Global Funding 3% 2023	179,944	0.54
US\$400,000	Mitsubishi Corporation 2.875% 2018	259,871	0.79
AU\$170,000	Nederlandse Waterschapsbank 4% 2018	100,173	0.30
US\$400,000	Nordea Bank 1.625% 2018	248,326	0.75
£250,000	Nordea Bank 2.125% 2019	241,195	0.73
US\$400,000	Petrobras Global Finance 2% 2016	254,343	0.77
€200,000	Procter & Gamble Company (The) 2% 2022	165,939	0.50
€500,000	Snam 2.375% 2017	431,091	1.30
€200,000	Socram Banque 2.125% 2016	169,510	0.51
US\$250,000	Telefonica Emisiones 3.192% 2018	157,486	0.48
US\$300,000	Temasek Financial 4.3% 2019	208,846	0.63

CF CANLIFE GLOBAL BOND FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	CORPORATE BONDS (continued)		
€300,000	Vier Gas Transport 3.125% 2023	261,879	0.79
£300,000	Volkswagen Financial Services 1.25% 2016	296,820	0.90
€400,000	Volkswagen International Finance 1% 2016	340,286	1.03
US\$400,000	Wal-Mart Stores 2.55% 2023	235,959	0.71
US\$300,000	Westpac Banking Corporation 0.95% 2016	191,799	0.58
	TOTAL CORPORATE BONDS	12,564,056	38.02
	TOTAL DEBT SECURITIES	31,741,242	96.06
	Portfolio of investments	31,741,242	96.06
	Net other assets	1,301,268	3.94
	Net assets	33,042,510	100.00
The investments have been valued in accordance with note 1(i) of the Notes to the Aggregated Financial Statements and are fixed interest securities unless stated otherwise.			
	Credit Quality	15.08.13	%
	Investment grade securities	91.98	
	Non-rated securities	4.08	
	Net other assets	3.94	
		100.00	

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14)	£50,733,029
Major purchases	Cost £
US Treasury 0.375% 2015	1,228,553
US Treasury 0.625% 2017	1,202,525
Netherland Government 3.25% 2021	1,137,388
Japan Government Bond 0.3% 2018	1,118,962
Bundesrepublik Deutschland 1.5% 2023	1,081,659
US Treasury 1.25% 2020	999,843
US Treasury 0.75% 2018	998,517
Ireland Government Bond 4.6 % 2016	875,814
Belgium Government Bond 1.25% 2018	851,158
US Treasury 1.5% 2019	799,176
ESB Finance 4.375% 2019	797,816
A.P. Moeller-Maersk 4% 2025	794,040
Japan Government Bond 0.8% 2023 (10 Year issue)	792,712
Snam 2.375% 2017	761,517
Japan Government Bond 1% 2020	749,486
Bundesrepublik Deutschland 3.25% 2020	736,671
Bundesrepublik Deutschland 2.5% 2021	732,484
US Treasury 1.625% 2022	715,955
Japan Government Bond 0.8% 2023 (20 Year issue)	715,633
US Treasury 1.125% 2019	629,765

CF CANLIFE GLOBAL BOND FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) **£18,167,144**

Major sales	Proceeds £
US Treasury 0.75% 2018	987,379
ESB Finance 4.375% 2019	854,197
US Treasury 1.125% 2019	635,827
US Treasury 1.25% 2020	594,449
US Treasury 1.375% 2015	516,937
European Investment Bank 4.25% 2015	504,574
Bundesrepublik Deutschland 3.25% 2020	495,381
Danone 1.125% 2017	481,877
Caisse d'Amortissement de la Dette Sociale 3% 2016	481,758
Bundesrepublik Deutschland 2.5% 2021	481,296
US Treasury 2.375% 2014	478,598
KfW 3.625% 2020	475,343
France Government Bond 4.25% 2018	471,794
US Treasury 0.75% 2013	446,019
Netherlands Government Bond 2.5% 2033	438,296
Bundersrepublik Deutschland 3.75% 2015	436,110
UniCredit 3.375% 2018	416,441
Deutsche Boerse 2.375% 2022	402,012
A.P. Moeller-Maersk 4% 2025	399,020
US Treasury 2.625% 2018	357,158

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital losses	2		(805,880)
Revenue	3	342,866	
Expenses	4	(135,782)	
Finance costs: Interest	6	(367)	
Net revenue before taxation		206,717	
Taxation	5	—	
Net revenue after taxation			206,717
Total return before distributions			(599,163)
Finance costs: Distributions	6		(342,467)
Change in net assets attributable to shareholders from investment activities			(941,630)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

	Note	£	15.08.13 £
Opening net assets attributable to shareholders			—
Amounts receivable on issue of shares		33,573,819	
Amounts payable on cancellation of shares		(4,907)	
			33,568,912
Dilution levy charged	1(k)		25,009
Change in net assets attributable to shareholders from investment activities			(941,630)
Retained distribution on Accumulation shares			390,219
Closing net assets attributable to shareholders			33,042,510

CF CANLIFE GLOBAL BOND
Financial Statements (continued)
BALANCE SHEET
AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			31,741,242
Other assets			
Debtors	7	11,408,830	
Cash and bank balances	8	<u>735,476</u>	
Total other assets			12,144,306
Total assets			<u>43,885,548</u>
LIABILITIES			
Other liabilities			
Creditors	9	(10,842,933)	
Distribution payable on Income shares		<u>(105)</u>	
Total other liabilities			(10,843,038)
Total liabilities			<u>(10,843,038)</u>
Net assets attributable to shareholders			<u>33,042,510</u>

NOTES TO THE FINANCIAL STATEMENTS
AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

**For the period
from 29.05.12
to 15.08.13
£**

2. NET CAPITAL LOSSES

The net capital losses during the period comprise:

Non-derivative securities	(723,927)
Transaction charges	(4,018)
Currency losses	(77,935)
Net capital losses	<u>(805,880)</u>

3. REVENUE

Unfranked interest	341,946
Bank interest	920
Total revenue	<u>342,866</u>

4. EXPENSES

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

ACD's periodic charge	83,807
Legal and professional fees	21,784
Printing costs	4,248
Registration fees	2,481
	<u>112,320</u>

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

Depositary's fees	5,966
Safe custody and other bank charges	3,521
	<u>9,487</u>

CF CANLIFE GLOBAL BOND FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 29.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	23
Fees paid to auditor – audit	8,400
– tax services	3,600
Legal and professional fees	523
Postage and distribution costs	79
Set up costs	1,350
	13,975
Total expenses	135,782
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	–
Current tax charge (note 5b)	–
Deferred tax – origination and reversal of timing differences (note 5c)	–
Total taxation	–
b) Factors affecting current tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%). The difference is explained below.	
	For the period from 29.05.12 to 15.08.13 £
Net revenue before taxation	206,717
Corporation tax at 20%	41,343
Effects of:	
Expenses not deductible for tax purposes	270
Tax deductible interest distributions	(41,613)
Corporation tax charge	–
Current tax charge (note 5a)	–

	For the period from 29.05.12 to 15.08.13 £
5. TAXATION (continued)	
c) Deferred tax	
Deferred tax charge in the period (note 5a)	–
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:	
	For the period from 29.05.12 to 15.08.13 £
Interim	123,754
Final	266,676
Income tax withheld on distributions	68,496
	458,926
Add: Revenue deducted on cancellation of shares	28
Deduct: Revenue received on issue of shares	(116,487)
Net distributions for the period	342,467
Interest	367
Total finance costs	342,834
Details of the distributions per share are set out in the table on pages 102 and 103.	
	For the period from 29.05.12 to 15.08.13 £
Net revenue after taxation	206,717
Allocations to capital:	
Expenses	135,782
Balance carried forward	(32)
Net distributions for the period	342,467

CF CANLIFE GLOBAL BOND FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.08.13
	£
7. DEBTORS	
Amounts receivable for issue of shares	11,208,298
Accrued revenue:	
Unfranked interest	183,046
Bank interest	41
	183,087
Dilution levy	17,445
Total debtors	<u>11,408,830</u>
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	661,829
Revenue account	73,647
Total bank balances	<u>735,476</u>
9. CREDITORS	
Purchases awaiting settlement	10,779,359
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	3,754
Legal and professional fees	1,469
Printing costs	2,499
Registration fees	267
	7,989
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	268
Transaction charges	298
Safe custody and other bank charges	627
	1,193
Other expenses	12,062
Taxation payable:	
Income tax	42,330
Total creditors	<u>10,842,933</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. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or unrecorded outstanding commitments.

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 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:

	15.08.13
	£
Floating rate assets:	
Australian dollars	1,156
Canadian dollars	115
Euros	55,074
Japanese yen	5,792
US dollars	17,042
Pounds sterling	656,297
	735,476
Fixed rate assets:	
Australian dollars	100,173
Canadian dollars	191,209
Danish krone	113,182
Euros	10,993,126
Japanese yen	7,848,154
US dollars	10,474,731
Pounds sterling	2,020,667
	31,741,242

CF CANLIFE GLOBAL BOND FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

15.08.13

£

i. Interest rate risk (continued)

Assets on which interest is not paid:

Australian dollars	2,219
Canadian dollars	1,267
Danish krone	2,315
Euros	110,366
Japanese yen	11,536
US dollars	32,690
Pounds sterling	11,248,437
	11,408,830

Liabilities on which interest is not paid:

Euros	(3,947,739)
Japanese yen	(2,884,423)
US dollars	(3,947,197)
Pounds sterling	(63,679)
	(10,843,038)

Net assets

33,042,510

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

Fixed Rate Financial Assets		
Currency	Weighted average interest rate 15.08.13	Weighted average period for which rate is fixed 15.08.13
Australian dollars	4.00%	4 years
Canadian dollars	2.40%	6 years
Danish krone	3.00%	8 years
Euro	3.21%	7 years
Japanese yen	0.98%	9 years
US dollars	1.76%	5 years
Pounds sterling	4.16%	9 years

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

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

15.08.13

£

Currency:

Australian dollars	103,548
Canadian dollars	192,591
Danish krone	115,497
Euros	7,210,827
Japanese yen	4,981,059
US dollars	6,577,266
	19,180,788

Pounds sterling

13,861,722

Net assets

33,042,510

iii. Derivatives

The Fund held no derivatives during the current period.

14. PORTFOLIO TRANSACTION COSTS

Securities have been bought and sold at the dealt price with no further transaction costs added to purchases and sales during the period.

CF CANLIFE GLOBAL BOND FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

Interim

Group 1 – Shares purchased on 29 May 2012

Group 2 – Shares purchased on or after 30 May 2012 and on or before 15 February 2013

'B' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Paid 15.04.13
Group 1	0.8136	0.1627	0.6509	–	0.6509
Group 2	0.7136	0.1427	0.5709	0.0800	0.6509

'B' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	1.0035	0.2007	0.8028	–	0.8028
Group 2	0.8075	0.1615	0.6460	0.1568	0.8028

'C' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Paid 15.04.13
Group 1	0.7350	0.1470	0.5880	–	0.5880
Group 2	0.7350	0.1470	0.5880	0.0000	0.5880

'C' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	0.7350	0.1470	0.5880	–	0.5880
Group 2	0.7350	0.1470	0.5880	0.0000	0.5880

'G' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	0.9410	0.1882	0.7528	–	0.7528
Group 2	0.7998	0.1599	0.6399	0.1129	0.7528

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'B' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Payable 15.10.13
Group 1	0.9707	0.1941	0.7766	–	0.7766
Group 2	0.9707	0.1941	0.7766	0.0000	0.7766

'B' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.9811	0.1962	0.7849	–	0.7849
Group 2	0.0103	0.0020	0.0083	0.7766	0.7849

'C' Income Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Payable 15.10.13
Group 1	0.9250	0.1850	0.7400	–	0.7400
Group 2	0.9250	0.1850	0.7400	0.0000	0.7400

'C' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.9300	0.1860	0.7440	–	0.7440
Group 2	0.9300	0.1860	0.7440	0.0000	0.7440

'G' Accumulation Shares	Gross Revenue	Income Tax	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.9835	0.1967	0.7868	–	0.7868
Group 2	0.8128	0.1625	0.6503	0.1365	0.7868

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 CANLIFE GLOBAL EQUITY FUND
ACD'S REPORT
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

As a result of a scheme of arrangement, effective on 26 May 2012 the CF Canlife Global Equity Fund ('the Fund') received the property of the CF Canlife International Growth Unit Trust.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide shareholders with capital growth mainly from investment in shares globally.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife Global Equity Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

The review period was characterised by strong returns from global equity markets with the MSCI World Index up 31.8%^{*} in sterling. The Fund performed well with a gain of 30.7%^{*}, well ahead of the peer group median which returned 29.5%[#].

INVESTMENT REVIEW

The global economy continued to recover very slowly although data points toward the end of the review period looked much more encouraging. The US has remained in good shape although growth has been a little lower in recent quarters. Notably, housing is now in clear recovery and the employment markets are continuing to improve slowly. We see the US as continuing to exhibit solid growth in coming quarters. Europe is a different matter with a contraction still likely this calendar year. However, there is increasing evidence of data stabilising or lifting and our favoured Purchasing Managers Indexes now indicate that industrial activity is increasing. Whilst Europe is unlikely to see strong growth any time soon the fact that it is at last turning up is important in our view.

The Japanese economy is much improved with monetary and fiscal stimulus leading to much higher growth prospects after many years of sub-par growth. Asia is rather more mixed although China looks like it is close to stabilising under the new political regime.

Overall, we think the global economy is lifting and data will continue to improve over coming months.

STOCK MARKETS

Global equity markets performed very well during the review period with the MSCI World Index up 31.8%^{*} in sterling. Whilst the economy was not growing particularly quickly, policy by central banks continued to support asset prices which in turn helped stock markets to rise. The US has begun to talk about the gradual reduction in its policy of quantitative easing which led to some volatility in markets but overall we view the US economy as strong enough to withstand this. Elsewhere, monetary policy remains highly supportive most notably in Europe and Japan.

FUND ACTIVITY

We started with an overweight position in the US and Asia because of their better economic outlooks whilst being underweight Europe because of the ongoing crisis. The most notable change over the review period was to take a negative stance toward Asia because of growth uncertainties in China where the new leadership implemented a series of reforms that were likely to be a drag on activity in the short term. The offset to this was our increasing confidence in Europe stabilising which led to an increase in weightings late in the review period.

^{*} Source of data: Bloomberg.

[#] Source of data: Morningstar.

[^] The MSCI World Index is used by the Investment Manager for comparison. As per the Prospectus no benchmark is required to be disclosed.

CF CANLIFE GLOBAL EQUITY FUND

ACD's Report (continued)

Investment Manager's Report

OUTLOOK

We are optimistic about economic prospects and view data as likely to get much stronger in coming quarters. The US remains in a good position but there are increasing signs that Europe is stabilising and Japan is accelerating. There is some risk of central bank policy tightening but we think this will be gradual and data dependant. We continue to view this as a good environment for equities and are optimistic about market prospects.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

17 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	430.11	392.94	0.5627
2013*	527.03	430.82	1.9884

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	431.24	392.95	0.1322
2013*	530.03	432.01	4.3031

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	431.99	393.03	1.2400
2013*	531.64	432.81	5.6520

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	432.56	392.95	1.5045
2013*	533.71	433.43	7.2232

From 26 May 2012.

* To 15 August 2013.

CF CANLIFE GLOBAL EQUITY 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
15.08.13	'A' Accumulation	1,466,631	286,289	512.29
	'B' Accumulation	1,818,725	352,946	515.30
	'C' Accumulation	1,293	250	517.06
	'G' Accumulation	225,784,866	43,504,894	518.99

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'G'
ACD's periodic charge	1.50	1.00	0.75	0.38
Other expenses	0.07	0.07	0.07	0.07
Ongoing charges figure	1.57	1.07	0.82	0.45

The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month period.

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

Operational Risk: Emerging markets tend to be more susceptible to large short term swings than more established markets. There is also a greater risk of being unable to buy or sell securities or that other parties may default and not meet their obligations, causing loss to the Fund.

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife Global Equity Fund	23.96	30.73

* Launch date 26 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 126 and 127.

CF CANLIFE GLOBAL EQUITY FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	UNITED KINGDOM		
874,632	Aviva	3,536,137	1.54
586,467	BAE Systems	2,594,530	1.13
1,465,685	Barclays	4,166,210	1.82
2,027,100	Ladbroke's	3,796,758	1.66
5,552,763	Lloyds Banking Group	4,167,349	1.82
388,861	Pennon Group	2,576,204	1.12
241,886	Smiths Group	3,149,356	1.38
	TOTAL UNITED KINGDOM	23,986,544	10.47
	CONTINENTAL EUROPE		
	FRANCE		
348,702	AXA	5,272,233	2.30
65,772	BNP Paribas	2,792,853	1.22
104,395	Compagnie de Saint-Gobain	3,217,289	1.41
172,826	Eutelsat Communications	3,261,540	1.42
	TOTAL FRANCE	14,543,915	6.35
	GERMANY		
84,395	Deutsche Boerse	3,905,694	1.71
128,120	Metro	3,221,626	1.41
218,072	ThyssenKrupp	3,055,678	1.33
	TOTAL GERMANY	10,182,998	4.45
	ITALY		
365,802	Autogrill	3,751,581	1.64
	NETHERLANDS		
458,369	ING Groep	3,415,200	1.49
298,529	Koninklijke Ahold	3,141,746	1.37
111,076	Randstad Holding	3,478,537	1.52
	TOTAL NETHERLANDS	10,035,483	4.38
	SPAIN		
86,284	Bolsas y Mercados Espanoles	1,532,421	0.67
480,729	Mediaset España Comunicación	3,169,444	1.38
317,999	Telefonica	2,937,630	1.28
	TOTAL SPAIN	7,639,495	3.33

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	SWEDEN		
272,589	Volvo	2,605,256	1.14
	SWITZERLAND		
250,601	ABB	3,609,189	1.58
70,620	Garmin	1,737,703	0.76
38,029	Kuehne + Nagel International	3,122,981	1.36
31,825	Straumann Holding	3,261,405	1.42
272,082	UBS	3,566,751	1.56
	TOTAL SWITZERLAND	15,298,029	6.68
	COLLECTIVE INVESTMENT SCHEMES		
171,857	iShares MSCI Europe ex-UK UCITS ETF	3,513,616	1.53
	TOTAL CONTINENTAL EUROPE	67,570,373	29.50
	UNITED STATES		
175,915	Accretive Health	1,085,550	0.47
59,340	Air Methods Corporation	1,558,935	0.68
96,175	Alere	1,962,826	0.86
102,243	Amdocs	2,509,916	1.10
21,347	Apple	6,831,149	2.98
89,444	Autodesk	2,072,680	0.90
40,068	AutoNation	1,197,641	0.52
45,315	Badger Meter	1,370,495	0.60
103,027	Bank of New York Mellon Corporation (The)	2,014,587	0.88
93,714	Bloomin' Brands	1,450,564	0.63
87,297	Carnival Corporation	2,058,841	0.90
47,643	Charles River Laboratories International	1,428,653	0.62
165,444	Cisco Systems	2,603,384	1.14
96,000	Citigroup	3,137,892	1.37
62,831	Citrix Systems	2,930,536	1.28
32,271	Covance	1,689,790	0.74
108,828	ExamWorks Group	1,601,961	0.70
74,106	Expeditors International of Washington	1,897,792	0.83
17,803	Exxon Mobil Corporation	1,008,883	0.44
29,163	FedEx Corporation	2,025,315	0.88
531,064	Financial Select Sector SPDR*	6,847,841	2.99
89,834	FLIR Systems	1,858,244	0.81
203,259	Ford Motor Company	2,145,353	0.94
65,205	Global Payments	2,000,125	0.87
130,164	Goodyear Tire & Rubber Company (The)	1,575,495	0.69
40,495	Greenhill & Company	1,306,976	0.57

CF CANLIFE GLOBAL EQUITY FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	UNITED STATES (continued)		
45,081	Harley-Davidson	1,665,659	0.73
62,979	Heartland Payment Systems	1,550,090	0.68
244,229	Huntington Bancshares	1,329,709	0.58
17,877	IDEXX Laboratories	1,099,261	0.48
63,458	JPMorgan Chase & Company	2,172,926	0.95
65,171	Lazard	1,509,366	0.66
49,678	Liquidity Services	1,037,504	0.45
60,066	M.D.C. Holdings	1,168,351	0.51
42,468	MICROS Systems	1,335,712	0.58
69,210	Morgan Stanley	1,172,264	0.51
239,941	Mueller Water Products	1,156,756	0.50
49,375	NASDAX OMX Group	987,694	0.43
37,209	Natural Grocers by Vitamin Cottage	795,989	0.35
73,335	Navistar International Corporation	1,565,511	0.68
63,782	NeuStar	2,140,151	0.93
168,882	NVIDIA Corporation	1,641,387	0.72
31,710	Omnicom Group	1,236,648	0.54
129,209	Orient-Express Hotels	1,026,567	0.45
33,351	Regal-Beloit Corporation	1,410,408	0.62
62,903	Rent-A-Center	1,550,646	0.68
103,195	Ritchie Bros. Auctioneers	1,278,915	0.56
53,425	Robert Half International	1,294,335	0.56
51,015	Scotts Miracle-Gro Company (The)	1,755,379	0.77
62,229	SolarWinds	1,521,631	0.66
31,922	Starwood Hotels & Resorts Worldwide	1,337,869	0.58
49,587	Stepan Company	1,847,766	0.81
64,414	SunTrust Banks	1,423,515	0.62
30,568	Teradata Corporation	1,215,101	0.53
76,975	Ultra Petroleum Corporation	1,074,695	0.47
88,668	United States Steel Corporation	1,076,081	0.47
69,162	USG Corporation	1,074,534	0.47
172,185	Vantiv	3,063,637	1.34
131,506	VeriFone Systems	1,676,271	0.73
95,612	Western Union Company	1,117,946	0.49
	TOTAL UNITED STATES	106,481,698	46.48
	JAPAN		
128,260	Aeon Mall Company	2,196,075	0.96
112,600	Honda Motor Company	2,814,976	1.23
1,580,600	Mizuho Financial Group	2,149,681	0.94
717,000	Nippon Steel & Sumitomo Metal	1,427,392	0.62
1,071,000	Nippon Yusen Kabushiki Kaisha	2,089,910	0.91
424,900	Nomura Holdings	2,018,397	0.88

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	JAPAN (continued)		
149,800	SBI Holdings	1,018,670	0.44
408,000	Shimadzu Corporation	2,267,839	0.99
278,200	Sumitomo Electric Industries	2,495,005	1.09
552,000	Sumitomo Mitsui Trust Holdings	1,621,169	0.71
287,800	T&D Holdings	2,401,464	1.05
248,000	Yamaha Corporation	1,965,082	0.86
	TOTAL JAPAN	24,465,660	10.68
	FAR EAST (EX JAPAN)		
221,000	Hutchison Whampoa	1,679,825	0.73
14,708	iShares China Large Cap UCITS ETF*	997,496	0.44
34,911	iShares MSCI AC Far East ex-Japan UCITS ETF*	990,312	0.43
	TOTAL FAR EAST (EX JAPAN)	3,667,633	1.60
	EMERGING MARKETS		
188,229	BlackRock Latin American Investment Trust	862,089	0.38
	Portfolio of investments	227,033,997	99.11
	Net other assets	2,037,518	0.89
	Net assets	229,071,515	100.00

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

* Collective investment scheme.

Definition:

SPDR – Standard & Poor's Depositary Receipt.

CF CANLIFE GLOBAL EQUITY FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14) £506,330,197

Major purchases	Cost £
AXA	7,094,554
Compagnie de Saint-Gobain	6,226,424
Apple	6,179,019
BNP Paribas	5,447,541
Newmont Mining Corporation	4,940,702
Nomura Holdings	4,795,919
BAE Systems	4,772,909
Tesco	4,735,735
Barclays	4,562,512
BT Group	4,422,249
Vodafone Group	4,360,486
RSA Insurance Group	4,221,173
Aeon Mall Company	4,150,446
Ladbrokes	4,143,824
Citigroup	4,020,373
Sumitomo Mitsui Trust Holdings	3,867,181
Siemens	3,827,485
Mitsubishi Tanabe Pharma Corporation	3,760,930
Merck & Company	3,597,490
Eutelsat Communications	3,595,637

Total sales for the period (note 14) £502,159,669

Major sales	Proceeds £
Merck & Company	6,485,812
AT&T	5,982,328
Newmont Mining Corporation	5,754,710
Wal-Mart Stores	5,701,583
Siemens	5,405,449
BT Group	5,326,195
Roche Holding	5,130,345
Tesco	5,043,068
Vodafone Group	4,639,770
RSA Insurance Group	4,528,936
Sumitomo Mitsui Financial Group	4,262,325
Chevron Corporation	4,180,220
DNB	4,074,393
Publicis Groupe	4,037,433
Unilever	3,991,936
Walgreen Company	3,953,310
Fresenius	3,890,360
Mitsubishi Tanabe Pharma Corporation	3,843,121
BNP Paribas	3,825,950
Microsoft Corporation	3,785,043

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

CF CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		51,444,253
Revenue	3	5,493,845	
Expenses	4	(1,120,180)	
Finance costs: Interest	6	(8,073)	
Net revenue before taxation		4,365,592	
Taxation	5	(504,570)	
Net revenue after taxation			3,861,022
Total return before distributions			55,305,275
Finance costs: Distributions	6		(3,876,954)
Change in net assets attributable to shareholders from investment activities			51,428,321

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			–
Transfer from CF Canlife International Growth Unit Trust		179,930,663	
Amounts receivable on issue of shares		757,119	
Amounts payable on cancellation of shares		(6,893,969)	
			(6,136,850)
Stamp duty reserve tax	1(g)		(335)
Change in net assets attributable to shareholders from investment activities		51,428,321	
Retained distribution on Accumulation shares	6	3,849,716	
Closing net assets attributable to shareholders			229,071,515

BALANCE SHEET
AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			227,033,997
Other assets			
Debtors	7	2,095,182	
Cash and bank balances	8	1,968,040	
Total other assets			4,063,222
Total assets			231,097,219
LIABILITIES			
Other liabilities			
Creditors	9	(1,736,404)	
Bank overdrafts	8	(289,300)	
Total other liabilities			(2,025,704)
Total liabilities			(2,025,704)
Net assets attributable to shareholders			229,071,515

CF CANLIFE GLOBAL EQUITY FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	52,376,916
Derivative contracts	1,595
Transaction charges	(51,644)
Currency losses	(882,614)
Net capital gains	<u>51,444,253</u>

3. REVENUE

Non-taxable dividends	5,297,583
Taxable dividends	190,286
Unfranked interest	3,209
Bank interest	2,767
Total revenue	<u>5,493,845</u>

4. EXPENSES

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

ACD's periodic charge	979,514
Legal and professional fees	17,653
Printing costs	4,703
Registration fees	9,414
	<u>1,011,284</u>

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

Depositary's fees	41,603
Safe custody and other bank charges	47,725
	<u>89,328</u>

For the period
from 26.05.12
to 15.08.13
£

4. EXPENSES (continued)

Other expenses:

FCA fee	23
Fees paid to auditor – audit	9,000
– tax services	3,600
Legal and professional fees	4,264
Postage and distribution costs	1,331
Set up costs	1,350
	<u>19,568</u>
Total expenses	<u>1,120,180</u>

5. TAXATION

a) Analysis of charge for the period

Corporation tax at 20%	–
Overseas tax	504,570
Current tax charge (note 5b)	<u>504,570</u>

Deferred tax – origination and reversal of timing differences (note 5c)

	–
Total taxation	<u>504,570</u>

b) Factors affecting current tax charge for the period

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

For the period
from 26.05.12
to 15.08.13
£

Net revenue before taxation	<u>4,365,592</u>
Corporation tax at 20%	873,119

CF CANLIFE GLOBAL EQUITY FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £
5. TAXATION (continued)	
Effects of:	
Non-taxable dividends	(1,059,517)
Offshore income gains	107,507
Movement in revenue accruals	(11,989)
Expenses not deductible for tax purposes	270
Foreign tax expensed	(1,657)
Unutilised excess management expenses	92,267
Corporation tax charge	–
Overseas tax	504,570
Current tax charge (note 5a)	504,570
c) Deferred tax	
At the period end there is a potential deferred tax asset of £1,119,252 in relation to surplus management expenses. Following the scheme of arrangement, a tax asset of £1,026,985 relating to excess management expenses was made available to the Fund from the CF Canlife International Growth Trust. 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 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:	
	For the period from 26.05.12 to 15.08.13 £
First Interim	675,653
Second Interim	1,468,529
Final	1,705,534
	3,849,716
Add: Revenue deducted on cancellation of shares	28,762
Deduct: Revenue received on issue of shares	(1,524)
Net distributions for the period	3,876,954
Interest	8,073
Total finance costs	3,885,027

6. FINANCE COSTS (continued)

Details of the distributions per share are set out in the table on pages 126 and 127.

	For the period from 26.05.12 to 15.08.13 £
Distributions represented by:	
Net revenue after taxation	3,861,022
Equalisation on conversions [^]	18,934
Balance carried forward	(3,002)
Net distributions for the period	3,876,954

[^] 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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.

	15.08.13 £
7. DEBTORS	
Sales awaiting settlement	1,595,874
Accrued revenue:	
Non-taxable dividends	143,708
Taxable dividends	59,946
	203,654
Taxation recoverable:	
Overseas withholding tax	84,369
Due from CF Canlife International Growth Unit Trust	211,285
Total debtors	2,095,182
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	1,968,040
Bank overdrafts:	
Revenue account	(289,300)

CF CANLIFE GLOBAL EQUITY FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.08.13 £
9. CREDITORS	
Amounts payable for cancellation of shares	27,782
Purchases awaiting settlement	1,634,132
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	36,949
Legal and professional fees	1,188
Printing costs	2,499
Registration fees	987
	41,623
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	1,482
Transaction charges	7,920
Safe custody and other bank charges	7,086
Interest payable	3,114
	19,602
Other expenses	13,265
Total creditors	<u>1,736,404</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. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS

There are no material contingent assets, liabilities or unrecorded outstanding commitments.

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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.08.13 £
Floating rate assets:	
US dollars	1,391,611
Pounds sterling	576,429
	1,968,040
Floating rate liabilities:	
Pounds sterling	(289,300)
Assets on which interest is not paid:	
Australian dollars	59,946
Euros	47,814,917
Hong Kong dollars	1,679,825
Japanese yen	24,479,398
Swedish krona	2,605,256
Swiss franc	13,579,124
US dollars	109,248,420
Pounds sterling	29,662,293
	229,129,179
Liabilities on which interest is not paid:	
US dollars	(496)
Pounds sterling	(1,735,908)
	(1,736,404)
Net assets	<u>229,071,515</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.

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

CF CANLIFE GLOBAL EQUITY 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:

	15.08.13 £
Currency:	
Australian dollars	59,946
Euros	47,814,917
Hong Kong dollars	1,679,825
Japanese yen	24,479,398
Swedish krona	2,605,256
Swiss franc	13,579,124
US dollars	110,639,535
	<u>200,858,001</u>
Pounds sterling	28,213,514
Net assets	<u>229,071,515</u>

iii. Derivatives

The derivatives held by the Fund during the current period were not of a material nature.

For the period
from 26.05.12
to 15.08.13
£

14. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs	
Purchases in period before transaction costs	505,293,811
Transaction costs:	
Commissions	550,086
Stamp duty and other charges	486,300
	<u>1,036,386</u>
Gross purchases total	<u>506,330,197</u>
Analysis of total sale costs	
Gross sales before transaction costs	502,834,753
Transaction costs:	
Commissions	(571,311)
Other charges	(103,773)
	<u>(675,084)</u>
Total sales net of transaction costs	<u>502,159,669</u>

CF CANLIFE GLOBAL EQUITY FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

First Interim

Group 1 – Shares transferred from CF Canlife International Growth Unit Trust

Group 2 – Shares purchased on or after 26 May 2012 and on or before 15 August 2012

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	0.5627	–	0.5627
Group 2	0.2065	0.3562	0.5627

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	0.1322	–	0.1322
Group 2	0.0000	0.1322	0.1322

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	1.2400	–	1.2400
Group 2	1.2400	0.0000	1.2400

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	1.5045	–	1.5045
Group 2	1.4575	0.0470	1.5045

Second Interim

Group 1 – Shares purchased prior to 16 August 2012

Group 2 – Shares purchased on or after 16 August 2012 and on or before 15 February 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	0.8935	–	0.8935
Group 2	0.1996	0.6939	0.8935

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	1.9729	–	1.9729
Group 2	0.8454	1.1275	1.9729

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.7800	–	2.7800
Group 2	2.7800	0.0000	2.7800

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	3.3290	–	3.3290
Group 2	0.6682	2.6608	3.3290

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	1.0949	–	1.0949
Group 2	0.0000	1.0949	1.0949

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	2.3302	–	2.3302
Group 2	0.2545	2.0757	2.3302

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	2.8720	–	2.8720
Group 2	2.8720	0.0000	2.8720

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	3.8942	–	3.8942
Group 2	0.4497	3.4445	3.8942

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 CANLIFE GLOBAL EQUITY INCOME FUND
ACD'S REPORT
FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

On 29 May 2012 the CF Canlife Global Equity Income Fund ('the Fund') was launched.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

Effective 18 September 2013, the regular savings plan in respect of class 'C' shares is no longer available.

Effective 1 October 2013, the Investment Manager has appointed Setanta Asset Management Limited as Sub-Investment Manager.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to provide income with the potential for some long-term capital growth principally through investment in global shares. The Fund principally invests in shares on a global basis across a wide range of geographies, sectors and market capitalisations which the Investment Manager believes offer attractive dividend yields.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife Global Equity Income Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

ECONOMY

World economic growth was steady at around 2% during the past year. Emerging markets grew fastest. Within developed markets, the US and Japan led, while the UK and Europe were flat to weak.

Led by the US, the banking system greatly improved its capital strength. As the economic recovery broadened, employment improved and consumers started spending. This supported improved house prices and housing start volumes, and also better new auto volumes.

Inflation is stable. Together with better growth, this has led the US Federal Reserve to hint at easing its asset purchase program later this year. This is the first significant tightening of monetary policy, and sovereign bonds globally responded poorly.

EQUITIES

With improving conditions, economically sensitive stocks have seen good returns. Defensive stocks such as food producers, telecoms, tobacco and utilities have been poorer. Smaller and mid-sized companies have continued to outperform the mega-caps, continuing a trend of many years.

The Far East, however, has been weak, driven by liquidity flowing back to the US as growth there improves. China has been particularly poor due to sterner governance and environmental policy after leadership change. This has also affected the global mining companies, which have been notable among the cyclical sectors for their underperformance.

TRADING ACTIVITY

The Fund commenced at the end of May 2012 with a broad spread of mostly blue chip companies. As the global recovery started to lift Europe, and as the Far East started to struggle, the Fund tilted away from the US and the Far East, and towards Europe and the UK. We also reduced the average size of investee companies in this process.

Stocks added included Deutsche Boerse, the German exchange; DS Smith, a consumer goods packaging company with pan-European exposure; Legrand, a French electrical product specialist; Vesuvius, a global materials technology company; Delta Lloyd, a northern European insurance and financial services company. We also added a position in an exchange traded fund holding a spread of mid-sized European companies as a low-cost quick way to reflect our investment views. We sold pharmaceutical names including the giant US Pfizer; cut the Brazilian beverage producer AmBev; took profits in the German insurance company Munich Rueckversicherungs-Gesellschaft. We also cut the US utility Southern Company, and the French integrated oil company Total.

STRATEGY AND OUTLOOK

The slow but steady global recovery, led by the US, looks set to continue. We believe this will enable Europe in particular to return to positive growth, and are overweight this region and the UK, its nearest trading neighbour.

CANADA LIFE ASSET MANAGEMENT LIMITED
Investment Manager
24 September 2013

CF CANLIFE GLOBAL EQUITY INCOME FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'B' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	108.25	98.50	–
2013*	124.66	106.72	4.9029

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	108.37	98.50	–
2013*	127.18	106.85	4.9322

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	108.25	98.50	–
2013*	124.67	106.72	4.9080

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	108.25	98.50	–
2013*	127.02	106.72	4.9360

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	108.63	98.51	–
2013*	128.11	107.25	4.9409

From 29 May 2012.

* To 15 August 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'B' Income	9,930	8,430	117.79
	'B' Accumulation	2,229,461	1,813,165	122.96
	'C' Income	294	250	117.80
	'C' Accumulation	307	250	122.80
	'G' Accumulation	18,596,962	15,010,949	123.89

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %		
	'B'	'C'	'G'
ACD's periodic charge	1.00	0.75	0.38
Other expenses	0.26	0.26	0.26
Ongoing charges figure	1.26	1.01	0.64

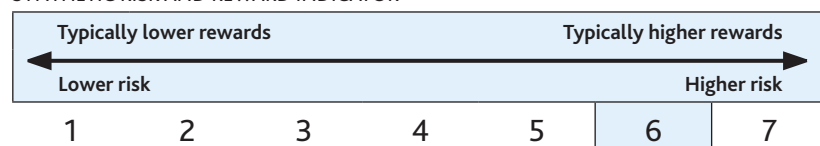
The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month period.

CF CANLIFE GLOBAL EQUITY INCOME FUND

ACD's Report (continued)

Fund Information (continued)

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife Global Equity Income Fund	16.27	24.02

* Launch date 29 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 147 and 148.

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
UNITED KINGDOM			
127,172	Centrica	487,832	2.34
149,571	DS Smith	380,060	1.82
32,345	GlaxoSmithKline	535,956	2.57
92,090	HSBC Holdings	654,668	3.14
215,270	Ladbrokes	403,201	1.94
223,684	Legal & General Group	443,118	2.13
67,590	Pennon Group	447,784	2.15
9,916	Rio Tinto	307,594	1.48
12,005	Royal Dutch Shell 'A'	244,298	1.17
84,292	Tesco	309,225	1.49
41,867	Vesuvius	190,495	0.91
TOTAL UNITED KINGDOM		4,404,231	21.14
CONTINENTAL EUROPE			
26,634	AXA	402,695	1.93
30,489	Delta Lloyd	395,924	1.90
8,356	Deutsche Boerse	386,705	1.86
45,991	DNB	489,778	2.35
18,907	Hennes & Mauritz	449,250	2.16
38,516	Indra Sistemas	380,576	1.83
35,599	iShares Euro STOXX Mid UCITS ETF*	1,178,683	5.66
15,656	Legrand	533,036	2.56
10,013	Novartis	470,021	2.25
3,082	Roche Holding	503,226	2.41
3,114	Siemens	221,248	1.06
31,597	Swedbank	491,310	2.36
TOTAL CONTINENTAL EUROPE		5,902,452	28.33
UNITED STATES			
844	Apple	270,084	1.30
9,121	AT&T	201,393	0.97
6,256	Chevron Corporation	483,448	2.32
31,264	Cisco Systems	491,962	2.36
12,741	ConocoPhillips	553,638	2.66
29,398	CSX Corporation	475,260	2.28
9,074	Emerson Electric Company	355,041	1.70
22,846	General Electric Company	352,303	1.69
9,325	Greenhill & Company	300,964	1.44
38,000	Intel Corporation	538,114	2.58
7,873	Johnson & Johnson	453,141	2.18

CF CANLIFE GLOBAL EQUITY INCOME FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	UNITED STATES (continued)		
14,163	JPMorgan Chase & Company	484,969	2.33
20,199	Microsoft Corporation	412,629	1.98
15,033	Molex	291,443	1.40
18,763	NASDAQ OMX Group (The)	375,334	1.80
12,175	Rayonier	433,252	2.08
28,310	SPDR S&P US Dividend Aristocrats UCITS ETF*	618,175	2.97
8,909	United Parcel Service	492,210	2.36
35,906	Western Union Company	419,832	2.01
10,927	Williams-Sonoma	408,368	1.96
	TOTAL UNITED STATES	8,411,560	40.37
	JAPAN		
16,900	Honda Motor Company	422,496	2.03
9,800	Nippon Telegraph & Telephone Corporation	329,025	1.58
93,000	Sapporo Holdings	232,193	1.11
13,100	Sumitomo Mitsui Financial Group	390,329	1.87
76,000	Sumitomo Mitsui Trust Holdings	223,204	1.07
	TOTAL JAPAN	1,597,247	7.66
	FAR EAST (EX JAPAN)		
472,000	Giordano International	327,078	1.57
350,000	Hutchison Port Holdings Trust	165,360	0.79
	TOTAL FAR EAST (EX JAPAN)	492,438	2.36
	Portfolio of investments	20,807,928	99.86
	Net other assets	29,026	0.14
	Net assets	20,836,954	100.00

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

* Collective investment scheme.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14) **£34,154,470**

Major purchases	Cost £
iShares Euro STOXX Mid UCITS ETF	1,517,485
iShares MSCI World UCITS ETF	770,789
M&T Bank Corporation	683,562
Wal-Mart Stores	653,239
SPDR S&P US Dividend Aristocrats UCITS ETF	637,914
Legal & General Group	625,917
JPMorgan Chase & Company	625,021
Johnson & Johnson	579,859
HSBC Holdings	547,992
Intel Corporation	545,557
General Electric Company	543,914
ConocoPhillips	542,930
Total	542,212
Microsoft Corporation	536,314
Chevron Corporation	523,063
AT&T	508,988
Royal Dutch Shell 'A'	508,877
Cisco Systems	502,506
Swedbank	492,586
Muenchener Rueckversicherungs-Gesellschaft	483,087

CF CANLIFE GLOBAL EQUITY INCOME FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) **£16,249,460**

Major sales	Proceeds £
iShares MSCI World UCITS ETF	787,747
M&T Bank Corporation	739,184
Wal-Mart Stores	688,471
Muenchener Rueckversicherungs-Gesellschaft	655,907
Total	583,186
British American Tobacco	508,119
Southern Company	471,901
BASF	446,236
RWE	427,533
Credit Suisse Group	422,574
Reynolds American	412,236
Cochlear	408,935
Walgreen Company	397,714
iShares Euro STOXX Mid UCITS ETF	395,557
Amlin	392,471
PepsiCo	377,035
Newmont Mining Corporation	375,290
Vodafone Group	374,217
Pfizer	360,601
Mitsubishi Tanabe Pharma Corporation	350,587

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		2,869,039
Revenue	3	832,392	
Expenses	4	(143,695)	
Finance costs: Interest	6	(1,051)	
Net revenue before taxation		687,646	
Taxation	5	(75,219)	
Net revenue after taxation			612,427
Total return before distributions			3,481,466
Finance costs: Distributions	6		(754,246)
Change in net assets attributable to shareholders from investment activities			<u>2,727,220</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			–
Amounts receivable on issue of shares		17,321,047	
Amounts payable on cancellation of shares		(54,306)	
			17,266,741
Dilution levy charged	1(k)		11,015
Stamp duty reserve tax	1(g)		(5)
Change in net assets attributable to shareholders from investment activities			2,727,220
Retained distribution on Accumulation shares			831,983
Closing net assets attributable to shareholders			<u>20,836,954</u>

CF CANLIFE GLOBAL EQUITY INCOME FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			20,807,928
Other assets			
Debtors	7	84,434	
Cash and bank balances	8	341,987	
Total other assets			426,421
Total assets			<u>21,234,349</u>
LIABILITIES			
Other liabilities			
Creditors	9	(23,727)	
Bank overdrafts	8	(373,431)	
Distribution payable on Income shares		(237)	
Total other liabilities			<u>(397,395)</u>
Total liabilities			<u>(397,395)</u>
Net assets attributable to shareholders			<u>20,836,954</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

**For the period
from 29.05.12
to 15.08.13
£**

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	2,902,971
Transaction charges	(10,923)
Currency losses	(23,009)
Net capital gains	<u>2,869,039</u>

3. REVENUE

Non-taxable dividends	810,726
Taxable dividends	21,349
Bank interest	317
Total revenue	<u>832,392</u>

4. EXPENSES

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

ACD's periodic charge	89,315
Legal and professional fees	21,784
Printing costs	4,248
Registration fees	2,452
	<u>117,799</u>

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

Depositary's fees	6,119
Safe custody and other bank charges	4,121
	<u>10,240</u>

CF CANLIFE GLOBAL EQUITY INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 29.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	23
Fees paid to auditor – audit	9,000
– tax services	3,600
Legal and professional fees	1,604
Postage and distribution costs	79
Set up costs	1,350
	15,656
Total expenses	143,695
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	–
Overseas tax	75,219
Current tax charge (note 5b)	75,219
Deferred tax – origination and reversal of timing differences (note 5c)	–
Total taxation	75,219
b) Factors affecting current tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%). The difference is explained below.	
	For the period from 29.05.12 to 15.08.13 £
Net revenue before taxation	687,646
Corporation tax at 20%	137,529

	For the period from 29.05.12 to 15.08.13 £
5. TAXATION (continued)	
Effects of:	
Non-taxable dividends	(162,145)
Expenses not deductible for tax purposes	270
Foreign tax expensed	(451)
Unutilised excess management expenses	24,797
Corporation tax charge	–
Overseas tax	75,219
Current tax charge (note 5a)	75,219
c) Deferred tax	
At the period end there is a potential deferred tax asset of £24,797 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 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:	
	For the period from 29.05.12 to 15.08.13 £
Interim	365,105
Final	467,126
	832,231
Add: Revenue deducted on cancellation of shares	693
Deduct: Revenue received on issue of shares	(78,678)
Net distributions for the period	754,246
Interest	1,051
Total finance costs	755,297

Details of the distributions per share are set out in the table on page 147 and 148.

CF CANLIFE GLOBAL EQUITY INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 29.05.12 to 15.08.13 £
6. FINANCE COSTS (continued)	
Distributions represented by:	
Net revenue after taxation	612,427
Allocations to capital:	
Expenses, net of tax relief	141,829
Balance carried forward	(10)
Net distributions for the period	<u>754,246</u>
	15.08.13
	£
7. DEBTORS	
Accrued revenue:	
Non-taxable dividends	<u>66,678</u>
Bank interest	17
	66,695
Taxation recoverable:	
Overseas withholding tax	17,739
Total debtors	<u>84,434</u>
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	202,326
Revenue account	139,661
Total bank balances	<u>341,987</u>
Bank overdrafts:	
Capital account	<u>(373,431)</u>

	15.08.13 £
9. CREDITORS	
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	<u>3,857</u>
Legal and professional fees	1,469
Printing costs	2,499
Registration fees	312
	8,137
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	<u>259</u>
Transaction charges	1,826
Safe custody and other bank charges	729
Interest payable	114
	2,928
Other expenses	12,662
Total creditors	<u>23,727</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. CONTINGENT LIABILITIES AND COMMITMENTS	
There are no contingent liabilities or unrecorded outstanding commitments.	
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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.	

CF CANLIFE GLOBAL EQUITY INCOME 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:

	15.08.13
	£
Floating rate assets:	
US dollars	202,326
Pounds sterling	139,661
	341,987
Floating rate liabilities:	
Pounds sterling	(373,431)
Assets on which interest is not paid:	
Euros	2,587,459
Hong Kong dollars	327,078
Japanese yen	1,598,686
Norwegian krone	491,194
Singapore dollars	5,425
Swedish krona	940,560
Swiss franc	979,531
US dollars	8,599,276
Pounds sterling	5,363,153
	20,892,362
Liabilities on which interest is not paid:	
US dollars	(115)
Pounds sterling	(23,849)
	(23,964)
Net assets	<u>20,836,954</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.

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:

	15.08.13
	£
Currency:	
Euros	2,587,459
Hong Kong dollars	327,078
Japanese yen	1,598,686
Norwegian krone	491,194
Singapore dollars	5,425
Swedish krona	940,560
Swiss franc	979,531
US dollars	8,801,487
	15,731,420
Pounds sterling	5,105,534
Net assets	<u>20,836,954</u>

iii. Derivatives

The Fund held no derivatives during the current period.

CF CANLIFE GLOBAL EQUITY INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 29.05.12 to 15.08.13 £
14. PORTFOLIO TRANSACTION COSTS	
Analysis of total purchase costs	
Purchases in period before transaction costs	34,099,682
Transaction costs:	
Commissions	23,418
Stamp duty and other charges	31,370
	54,788
Gross purchases total	34,154,470
Analysis of total sale costs	
Gross sales before transaction costs	16,268,858
Transaction costs:	
Commissions	(18,769)
Other charges	(629)
	(19,398)
Total sales net of transaction costs	16,249,460

DISTRIBUTION TABLE

FOR THE PERIOD FROM 29 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

Interim

Group 1 – Shares purchased on 29 May 2012

Group 2 – Shares purchased on or after 30 May 2012 and on or before 15 February 2013

'B' Income Shares	Net Revenue	Equalisation	Paid 15.04.13
Group 1	2.1680	–	2.1680
Group 2	2.1680	0.0000	2.1680

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.1714	–	2.1714
Group 2	1.4086	0.7628	2.1714

'C' Income Shares	Net Revenue	Equalisation	Paid 15.04.13
Group 1	2.1680	–	2.1680
Group 2	2.1680	0.0000	2.1680

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.1680	–	2.1680
Group 2	2.1680	0.0000	2.1680

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.1641	–	2.1641
Group 2	1.7352	0.4289	2.1641

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'B' Income Shares	Net Revenue	Equalisation	Payable 15.10.13
Group 1	2.7349	–	2.7349
Group 2	0.1833	2.5516	2.7349

CF CANLIFE GLOBAL EQUITY INCOME FUND

Financial Statements (continued)

Distribution Table (continued)

Final (continued)

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	2.7608	–	2.7608
Group 2	1.9548	0.8060	2.7608

'C' Income Shares	Net Revenue	Equalisation	Payable 15.10.13
Group 1	2.7400	–	2.7400
Group 2	2.7400	0.0000	2.7400

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	2.7680	–	2.7680
Group 2	2.7680	0.0000	2.7680

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	2.7768	–	2.7768
Group 2	2.7768	0.0000	2.7768

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 CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

IMPORTANT INFORMATION

On 15 January 2013 the CF Canlife Global Infrastructure Fund ('the Fund') was launched.

From 28 March 2013 the Investment Management Association (IMA) Sector for the Fund was changed from the Unclassified Sector to the Specialist Sector.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to achieve long-term capital growth primarily through investment in shares of infrastructure companies around the globe.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Canlife Global Infrastructure Fund

13 December 2013

INVESTMENT MANAGER'S REPORT

MARKET HIGHLIGHTS

World stock markets were lifted by continuing signs of an improving US economy and the European Central Bank's efforts to support a eurozone recovery. Developed markets outperformed emerging market economies where stocks and currencies fell as investors moved capital to the US. Infrastructure underperformed world stock markets due to concerns over rising interest rates. The strongest performers in the Standard & Poor's Global Infrastructure Index were Switzerland, France, New Zealand and the UK. The weakest were Russia, the Netherlands, Chile and Germany. The industrials sector posted the strongest return, followed by energy and utilities.

FUND HIGHLIGHTS

The Fund returned 3.52%* during the seven-months ended 15 August 2013, underperforming the global infrastructure index return of 7.17%*. All returns are on a total return basis in Canadian dollar terms. The Fund underperformed the index mainly because of overweight positions and stocks in China, Brazil and Canada. Stocks in the industrials sector and exposure to the materials sector were also bad for performance. Stocks in France and the UK, an underweight position in Germany and an overweight position in Switzerland were good for performance, as was exposure to the information technology sector.

OUTLOOK

Signs are that the world economy is strengthening and consumer confidence is getting better. The August release of manufacturing surveys shows growth in the US, China and Europe. Infrastructure has underperformed world stock markets because of concern over the possible impact on the economy of rising interest rates. Rising rates are generally accompanied by improving fundamentals, and better fundamentals benefit the performance of infrastructure companies. An improving world economy, favourable valuations and sound earnings growth are expected to provide positive returns to infrastructure equity investors for calendar year 2013.

* Source of data: GLC Asset Management Group. The Standard & Poor's Global Infrastructure Index is used by the Investment Manager for comparison. As per the Prospectus no benchmark is required to be disclosed.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

6 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	109.44	96.79	0.8459

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	109.54	96.93	1.2667

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	109.48	96.91	1.3411

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	109.73	97.15	1.3844

* From 15 January to 15 August 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'A' Accumulation	1,247	1,213	102.79
	'B' Accumulation	1,525,676	1,479,553	103.12
	'C' Accumulation	47,881	46,434	103.12
	'G' Accumulation	5,171,678	5,000,753	103.42

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD's Report (continued)

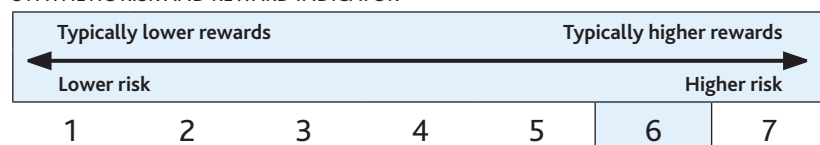
Fund Information (continued)

ONGOING CHARGES FIGURE

Expense Type	15.08.13			
	%			
	'A'	'B'	'C'	'C'
ACD's periodic charge	1.50	1.00	0.75	0.50
Other expenses	0.66	0.66	0.66	0.66
Ongoing charges figure	2.16	1.66	1.41	1.16

The Ongoing Charges Figure shown here is an estimate of the charges. An estimate is being used rather than an *ex post* figure due to the Fund only being launched on 15 January 2013.

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

Concentrated Fund Risk: The Fund is intentionally focused on infrastructure related stocks. The Fund may therefore be subject to larger than normal swings in its value.

FUND PERFORMANCE

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

Details of the distributions per share for the period are shown in the Distribution Table on page 169.

PORTFOLIO STATEMENT AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	UNITED KINGDOM		
54,899	BBA Aviation	161,842	2.40
51,930	Centrica	199,204	2.95
15,497	National Grid	114,600	1.70
6,365	SSE	98,403	1.46
	TOTAL UNITED KINGDOM	574,049	8.51
	CONTINENTAL EUROPE		
	FRANCE		
3,259	Aéroports de Paris	215,754	3.20
4,671	EDF	86,757	1.29
25,789	Groupe Eurotunnel	129,080	1.91
	TOTAL FRANCE	431,591	6.40
	GERMANY		
2,626	Fraport	112,223	1.66
9,139	Hamburger Hafen und Logistik	133,507	1.98
	TOTAL GERMANY	245,730	3.64
	ITALY		
23,389	Ansaldo STS	143,644	2.13
3,115	Atlantia	37,970	0.56
28,412	Società Iniziative Autostradali e Servizi	170,379	2.53
	TOTAL ITALY	351,993	5.22
	NETHERLANDS		
4,914	Koninklijke Vopak	174,757	2.59
	SPAIN		
14,565	Abertis Infraestructuras	169,474	2.51
16,493	Iberdrola	58,865	0.87
	TOTAL SPAIN	228,339	3.38
	SWITZERLAND		
208	Flughafen Zuerich	71,815	1.07
	TOTAL CONTINENTAL EUROPE	1,504,225	22.30

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	NORTH AMERICA		
	CANADA		
10,743	Aecon Group	86,362	1.28
1,193	Canadian National Railway Company	74,589	1.11
7,359	Enbridge	198,001	2.93
5,042	Finning International	68,410	1.01
1,599	Pembina Pipeline Corporation	32,344	0.48
3,401	Russel Metals	57,279	0.85
3,630	ShawCor	97,872	1.45
2,956	SNC-Lavalin Group	73,878	1.10
6,182	TransCanada Corporation	178,316	2.64
5,106	Westshore Terminals Investment Corporation	91,038	1.35
	TOTAL CANADA	958,089	14.20
	UNITED STATES		
2,674	Atlas Pipeline Partners	62,222	0.92
7,948	Cisco Systems	125,068	1.85
2,647	Fluor Corporation	112,196	1.66
3,282	Freeport-McMoRan Copper & Gold	67,341	1.00
5,418	Golar LNG	132,760	1.97
2,437	NextEra Energy	130,020	1.93
2,677	Public Service Enterprise Group	56,614	0.84
2,946	SemGroup Corporation	101,047	1.50
9,918	Ship Finance International	102,323	1.52
3,244	Southern Company (The)	89,436	1.33
3,324	Spectra Energy Corporation	72,262	1.07
1,504	Union Pacific Corporation	151,483	2.24
7,961	Williams Companies (The)	180,898	2.68
	TOTAL UNITED STATES	1,383,670	20.51
	TOTAL NORTH AMERICA	2,341,759	34.71
	LATIN AMERICA		
	BRAZIL		
19,453	Cia Energetica de Minas Gerais <i>preference shares ADRs</i>	106,662	1.58
13,736	Cia de Saneamento Basico do Estado de Sao Paulo <i>ADRs</i>	79,907	1.19
10,074	Ultrapar Participacoes <i>ADRs</i>	146,024	2.16
	TOTAL BRAZIL	332,593	4.93

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	CHILE		
2,211	Empresa Nacional de Electricidad <i>ADRs</i>	58,910	0.87
6,687	Energis <i>ADRs</i>	68,431	1.01
	TOTAL CHILE	127,341	1.88
	MEXICO		
19,005	Grupo Aeroportuario del Sureste	148,418	2.20
	TOTAL LATIN AMERICA	608,352	9.01
	JAPAN		
34,000	Kamigumi Company	182,061	2.70
27,000	Sumitomo Warehouse Company (The)	99,697	1.48
	TOTAL JAPAN	281,758	4.18
	FAR EAST (EX JAPAN)		
	HONG KONG		
378,000	Beijing Capital International Airport Company	158,229	2.35
84,000	China Merchants Holdings International Company	167,106	2.48
106,000	China Resources Power Holdings Company	165,886	2.46
76,000	COSCO Pacific	71,186	1.05
	TOTAL HONG KONG	562,407	8.34
	SINGAPORE		
129,766	Hutchison Port Holdings Trust	61,309	0.91
107,000	SATS	170,006	2.52
69,000	SIA Engineering Company	166,011	2.46
	TOTAL SINGAPORE	397,326	5.89
	TOTAL FAR EAST (EX JAPAN)	959,733	14.23
	AUSTRALIA		
62,238	Qube Holdings	63,588	0.94
33,304	Transurban Group	133,772	1.99
	TOTAL AUSTRALIA	197,360	2.93

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
93,180	NEW ZEALAND		
	Auckland International Airport	154,140	2.28
	Portfolio of investments	6,621,376	98.15
	Net other assets	125,106	1.85
	Net assets	6,746,482	100.00

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

Definition:

ADRs – American Depositary Receipts.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

Total purchases for the period (note 14) **£8,567,806**

Major purchases	Cost £
Koninklijke Vopak	212,481
Enbridge	206,296
TransCanada Corporation	206,109
Abertis Infraestructuras	205,850
Transurban Group	205,345
China Merchants Holdings International Company	200,976
Flughafen Zuerich	193,326
COSCO Pacific	188,762
Kamigumi Company	186,380
Beijing Capital International Airport Company	184,962
Williams Companies (The)	184,880
SATS	183,239
Atlantia	180,019
Centrica	179,207
China Resources Power Holdings Company	175,920
BBA Aviation	172,641
Westshore Terminals Investment Corporation	169,195
Società Iniziative Autostradali e Servizi	168,581
National Grid	165,919
SIA Engineering Company	165,549

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) **£2,061,512**

Major sales	Proceeds £
Companhia Paranaense de Energia-Copel ADRs	170,325
Flughafen Zuerich	158,639
Atlantia	149,974
Exelon Corporation	132,884
Spectra Energy Corporation	117,425
Kinder Morgan	105,315
Zhejiang Expressway Company	93,459
Jiangsu Expressway Company	92,887
COSCO Pacific	92,702
Enel	78,848
Transurban Group	73,629
Westshore Terminals Investment Corporation	72,083
GDF Suez	70,766
Iberdrola	64,813
Abertis Infraestructuras	60,056
BBA Aviation	55,665
Bird Construction	54,789
National Grid	53,959
CPFL Energia ADRs	53,174
Labrador Iron Ore Royalty Corporation	40,866

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		69,099
Revenue	3	154,135	
Expenses	4	(53,911)	
Finance costs: Interest	6	(99)	
Net revenue before taxation		100,125	
Taxation	5	(11,896)	
Net revenue after taxation			88,229
Total return before distributions			157,328
Finance costs: Distributions	6		(88,271)
Change in net assets attributable to shareholders from investment activities			69,057

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			–
Amounts receivable on issue of shares		6,667,087	
Amounts payable on cancellation of shares		(79,769)	
			6,587,318
Dilution levy charged	1(k)		1,502
Change in net assets attributable to shareholders from investment activities			69,057
Retained distribution on Accumulation shares	6		88,605
Closing net assets attributable to shareholders			6,746,482

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			6,621,376
Other assets			
Debtors	7	29,977	
Cash and bank balances	8	158,658	
Total other assets			188,635
Total assets			<u>6,810,011</u>
LIABILITIES			
Other liabilities			
Creditors	9	(63,529)	
Total other liabilities			(63,529)
Total liabilities			<u>(63,529)</u>
Net assets attributable to shareholders			<u>6,746,482</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

**For the period
from 15.01.13
to 15.08.13
£**

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	134,716
Derivative contracts	95
Transaction charges	(6,039)
Currency losses	(59,673)
Net capital gains	<u>69,099</u>

3. REVENUE

Non-taxable dividends	133,107
Taxable dividends	21,023
Bank interest	5
Total revenue	<u>154,135</u>

4. EXPENSES

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

ACD's periodic charge	22,499
Legal and professional fees	11,568
Printing costs	4,058
Registration fees	1,237
	<u>39,362</u>

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

Depositary's fees	1,128
Safe custody and other bank charges	1,727
	<u>2,855</u>

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 15.01.13 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
Fees paid to auditor – audit	9,000
– tax services	1,800
Legal and professional fees	890
Postage and distribution costs	4
	11,694
Total expenses	53,911
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	–
Overseas tax	11,896
Current tax charge (note 5b)	11,896
Deferred tax – origination and reversal of timing differences (note 5c)	–
Total taxation	11,896
b) Factors affecting current tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%). The difference is explained below.	
	For the period from 15.01.13 to 15.08.13 £
Net revenue before taxation	100,125
Corporation tax at 20%	20,025
Effects of:	
Non-taxable dividends	(26,621)
Movement in revenue accruals	(260)
Expenses not deductible for tax purposes	9
Foreign tax expensed	(25)
Unutilised excess management expenses	6,872
Corporation tax charge	–

	For the period from 15.01.13 to 15.08.13 £
5. TAXATION (continued)	
Overseas tax	11,896
Current tax charge (note 5a)	11,896
c) Deferred tax	
At the period end there is a potential deferred tax asset of £6,872 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 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:	
	For the period from 15.01.13 to 15.08.13 £
Final	88,605
Add: Revenue deducted on cancellation of shares	867
Deduct: Revenue received on issue of shares	(1,201)
Net distributions for the period	88,271
Interest	99
Total finance costs	88,370
Details of the distributions per share are set out in the table on page 169.	

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 15.01.13 to 15.08.13 £
6. FINANCE COSTS (continued)	
Distributions represented by:	
Net revenue after taxation	88,229
Allocations to capital:	
Expenses, net of tax relief	46
Balance carried forward	(4)
Net distributions for the period	<u>88,271</u>
	15.08.13 £
7. DEBTORS	
Amounts receivable for issue of shares	7,439
Accrued revenue:	
Non-taxable dividends	17,901
Taxable dividends	1,103
	19,004
Taxation recoverable:	
Overseas withholding tax	3,534
Total debtors	<u>29,977</u>
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	74,529
Revenue account	84,129
Total bank balances	<u>158,658</u>
9. CREDITORS	
Amounts payable for cancellation of shares	45,000
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	1,749
Legal and professional fees	1,188
Printing costs	2,499
Registration fees	267
	<u>5,703</u>

	15.08.13 £
9. CREDITORS (continued)	
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	85
Transaction charges	1,472
Safe custody and other bank charges	467
	<u>2,024</u>
Other expenses	10,802
Total creditors	<u>63,529</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. CONTINGENT LIABILITIES AND COMMITMENTS	
There are no contingent liabilities or unrecorded outstanding commitments.	
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 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:	
	15.08.13 £
Floating rate assets:	
Australian dollars	3,835
Canadian dollars	230
Chinese yuan	2,444
Euros	67
US dollars	861
Pounds sterling	151,221
	<u>158,658</u>

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

15.08.13

£

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk (continued)

Assets on which interest is not paid:

Australian dollars	197,360
Canadian dollars	959,911
Euros	1,435,043
Hong Kong dollars	564,418
Japanese yen	281,758
Mexican peso	148,418
New Zealand dollars	154,140
Singapore dollars	342,314
Swiss franc	72,717
US dollars	1,908,413
Pounds sterling	586,861
	6,651,353

Liabilities on which interest is not paid:

Pounds sterling	(63,529)
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Net assets	6,746,482
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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:

15.08.13

£

Currency:	
Australian dollars	201,195
Canadian dollars	960,141
Chinese yuan	2,444
Euros	1,435,110
Hong Kong dollars	564,418
Japanese yen	281,758
Mexican peso	148,418
New Zealand dollars	154,140
Singapore dollars	342,314
Swiss franc	72,717
US dollars	1,909,274
	6,071,929

Pounds sterling	674,553
-----------------	---------

Net assets	6,746,482
------------	-----------

iii. Derivatives

The derivatives held by the Fund during the current period were not of a material nature.

CF CANLIFE GLOBAL INFRASTRUCTURE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

For the period
from 15.01.13
to 15.08.13
£

14. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs

Purchases in period before transaction costs	8,548,814
Transaction costs:	
Commissions	13,849
Stamp duty and other charges	5,143
	18,992
Gross purchases total	<u>8,567,806</u>

Analysis of total sale costs

Gross sales before transaction costs	2,065,513
Transaction costs:	
Commissions	(3,639)
Other charges	(362)
	(4,001)
Total sales net of transaction costs	<u>2,061,512</u>

DISTRIBUTION TABLE

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013 – IN PENCE PER SHARE

Interim

There were no interim distributions during the current period.

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.8459	–	0.8459
Group 2	0.8459	0.0000	0.8459

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	1.2667	–	1.2667
Group 2	1.2421	0.0246	1.2667

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	1.3411	–	1.3411
Group 2	0.8768	0.4643	1.3411

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	1.3844	–	1.3844
Group 2	0.5996	0.7848	1.3844

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 CANLIFE GLOBAL RESOURCE FUND
ACD'S REPORT
FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

IMPORTANT INFORMATION

On 15 January 2013 the CF Canlife Global Resource Fund ('the Fund') was launched.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to provide capital growth primarily through investing in shares of companies around the globe exposed to the resources sectors, which may include energy.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for investment purposes and for the purposes of Efficient Portfolio Management.

INVESTMENT AND BORROWING POWERS

At 15 August 2013 the Fund held a CMX Gold Call Option which is not a permitted derivative under COLL 5.2.20. The position was closed in the following accounting period at no financial detriment to the Fund.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife Global Resource Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

INVESTMENT REVIEW

World stock markets exhibited a wider than normal disparity between regions and sectors during the period, as investors were challenged to balance continued world fiscal drag, slow global growth, improving economic indicators in the US, and the US Federal Reserve's ('the Fed') announcement of its aim to phase out Quantitative Easing ('QE'). Markets continued to rotate between risk-off and risk-on periods, with the latter taking hold since June, leading to better results of cyclical sectors as economic improvements in the US appear to be spreading throughout the world.

Within the broader natural resource space, the dichotomy between energy and mining sectors was the most noteworthy element, with material sectors holding back the broader sector returns while energy stocks fared much better.

China did not stage a re-acceleration which put pressure on performance of the materials sector, especially base metals and bulk commodities. The potash market was shaken when its largest supplier made a surprise announcement that it would leave BPC – the export marketing organisation – which led to lots of doubt about the future prices of potash. Gold stocks as a group shed more than a third of their value over the period as the price of gold took a dive on the Fed's announcement to scale back the pace of 'money printing' before having a partial recovery at the end of the time period.

On the other hand, the energy sector edged higher during the time period, with US companies showing relative strength as monthly oil production went up to its highest level since 1991. With the Fund's approach of investing in companies that can grow the amount they produce rather than lever on price, the energy sector continues to have companies to invest in. Crude oil prices are still strong in the face of seasonal increases in world consumption, unexpected supply disruptions and geopolitical problems.

ACTIVITY

Over the period, the Fund invested the cash balance into world resource stocks. The current positioning reflects the view that the long term trend should favour the energy sector, over the materials sector. The Fund is centered on North America where strong growth in oil and gas volumes may continue, with spillover benefits to other sectors, such as chemicals and engineering and construction companies. However, the Fund is still committed to its diversification by sector and offering the broadest way to invest in the world natural resources sector. With several basic materials stocks trading at the low end of their range, and a better outlook for China and the world over the next 6 months, key base metals stock with volume growth stay in the top 10 (e.g. Rio Tinto and First Quantum Minerals).

The performance of the Fund over the time period reflects the positive effect of overweighting the energy sector. Strong stock selection in US energy also boosted performance, with the largest contribution coming from oil and gas drilling, exploration and production, and energy service companies. Some of the strongest performers were Ocean Rig UDW, Pioneer Natural Resources Company, and Halliburton. On the other hand, owning gold stocks, fertilizers, and diversified metals and mining detracted from performance. Detour Gold Corp, Potash Corp of Saskatchewan, and Barrick Gold were the largest drag on returns.

At the end of the period the Fund was fully invested, with an overweight position in energy. On a regional basis the Fund is overweight North America, and underweight Europe and the Asia Pacific Rim.

CF CANLIFE GLOBAL RESOURCE FUND

ACD's Report (continued)

Investment Manager's Report (continued)

OUTLOOK

The portfolio managers note that, while world economic activity remains weak, there are signs of things slowly getting better. They expect the burden of fiscal austerity to lessen over the next 12 months as the world moves past the point of maximum fiscal austerity. While the portfolio managers are pessimistic on a quick turnaround in Europe, as the region continues to suffer from austerity fatigue and restructuring of banks is not complete, some signs of things getting better in China may allow for better performance from basic materials going forward. Electricity and consumption, key economic indicators, have continued to strengthen over the previous months giving the portfolio managers confidence in not only a possible soft landing in China but a slow increase in economic activity.

Portfolio managers continue to believe that the biggest story in natural resources remains the energy sector, where they think that the consensus oil price expectations reflect a generally poor outlook. The overly bullish view of global supply production growth is supported by recent US trends but the portfolio managers continue to see more multi-year wealth creation from growth and prices than the market may be counting on.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

10 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	106.38	93.78	—

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	106.48	93.94	0.0259

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	106.48	93.95	—

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	106.60	94.06	0.1054

* From 15 January to 15 August 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'A' Accumulation	6,204	6,056	102.45
	'B' Accumulation	2,293	2,232	102.73
	'C' Accumulation	257	250	102.77
	'G' Accumulation	12,595,140	12,217,040	103.09

CF CANLIFE GLOBAL RESOURCE FUND

ACD's Report (continued)

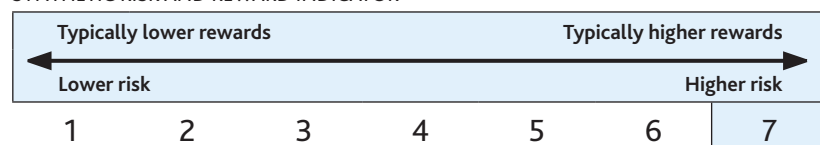
Fund Information (continued)

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'C'
ACD's periodic charge	1.50	1.00	0.75	0.50
Other expenses	0.58	0.58	0.58	0.58
Ongoing charges figure	2.08	1.58	1.33	1.08

The Ongoing Charges Figure shown here is an estimate of the charges. An estimate is being used rather than an *ex post* figure due to the Fund only being launched on 15 January 2013.

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.

Emerging Market Risk: Emerging markets may be less liquid and transparent, volatile and subject to less oversight.

Concentrated Fund Risk: The Fund is intentionally focused on energy and resource related stocks. The Fund may therefore be subject to larger than normal swings in its value.

Smaller Companies: Investment in smaller companies can be higher risk than investment in well established bluechip companies. Funds investing in smaller companies can be subject to more volatility due to the limited marketability of underlying assets.

FUND PERFORMANCE

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

Details of the distributions per share for the period are shown in the Distribution Table on page 189.

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
4,000	UNITED KINGDOM		
19,000	Fresnillo	44,960	0.35
	Rio Tinto	589,380	4.68
	TOTAL UNITED KINGDOM	634,340	5.03
2,500	CONTINENTAL EUROPE		
60,000	Eni SpA	36,798	0.29
2,000	Ocean Rig UDW	683,039	5.42
	Transocean	60,848	0.48
	TOTAL CONTINENTAL EUROPE	780,685	6.19
	NORTH AMERICA		
131,600	CANADA		
1,000	Advantage Oil & Gas	311,488	2.47
4,000	Agrium	55,917	0.44
6,000	Barrick Gold Corporation	50,743	0.40
20,000	Canadian Natural Resources	116,669	0.93
50,000	CanElson Drilling	75,419	0.60
100,000	Capstone Mining Corporation	69,269	0.55
15,000	Caracal Energy	400,000	3.17
40,000	Cenovus Energy	272,198	2.16
100,000	Detour Gold Corporation	285,026	2.26
40,000	Essential Energy Services	155,311	1.23
20,000	First Quantum Minerals	471,151	3.74
45,000	Goldcorp	399,956	3.17
25,000	Kodiak Oil & Gas Corporation	280,871	2.23
32,000	Osisko Mining Corporation	80,296	0.64
40,000	Potash Corporation of Saskatchewan	640,847	5.09
6,000	Santonia Energy	37,772	0.30
29,700	Secure Energy Services	50,992	0.41
7,100	SEMAFO	41,514	0.33
38,800	Silver Wheaton Corporation	122,489	0.97
25,000	Southern Pacific Resource Corporation	11,088	0.09
50,000	TORC Oil & Gas	24,539	0.19
65,000	TORC Oil & Gas IDRs	47,525	0.38
30,000	Venturion Oil	52,495	0.42
75,000	Western Energy Services Corporation	148,912	1.18
20,000	Western Forest Products	70,822	0.56
	Yamana Gold	146,613	1.16
	TOTAL CANADA	4,419,922	35.07

CF CANLIFE GLOBAL RESOURCE FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	UNITED STATES		
5,000	Anadarko Petroleum Corporation	286,689	2.27
1,500	Axiall Corporation	41,393	0.33
7,000	Berry Plastics Group	102,771	0.82
10,000	Boise	57,595	0.46
12,000	Cameron International Corporation	435,433	3.45
1,500	Celanese Corporation	47,535	0.38
8,670	Comstock Resources	87,943	0.70
2,000	Concho Resources	120,255	0.95
11,000	Denbury Resources	122,820	0.97
10,000	Freeport-McMoRan Copper & Gold	205,182	1.63
12,000	Halliburton	360,071	2.86
8,200	HD Supply Holdings	120,072	0.95
30,000	Hercules Offshore	133,445	1.06
15,000	KBR	296,684	2.35
3,500	Marathon Oil Corporation	77,956	0.62
1,500	Mosaic Company (The)	42,647	0.34
8,500	Noble Corporation	213,197	1.69
2,000	Noble Energy	80,993	0.64
8,500	Occidental Petroleum Corporation	475,296	3.77
30,000	Pacific Drilling	189,947	1.51
1,000	Reliance Steel & Aluminium	44,597	0.35
3,500	Royal Gold	138,588	1.10
1,000	Schlumberger	52,703	0.42
4,000	SM Energy	173,659	1.38
3,000	Steel Dynamics	31,086	0.25
8,000	Whiting Petroleum Corporation	256,811	2.04
15,000	Williams Companies (The)	340,845	2.70
25,000	WPX Energy	296,652	2.35
	TOTAL UNITED STATES	4,832,865	38.34
	TOTAL NORTH AMERICA	9,252,787	73.41
	SOUTH AFRICA		
12,000	AngloGold Ashanti ADRs	116,321	0.92
6,000	Randgold Resources ADRs	305,767	2.43
3,700	Sibanye Gold ADRs	9,067	0.07
	TOTAL SOUTH AFRICA	431,155	3.42
	AUSTRALIA		
30,000	Perseus Mining	11,928	0.10

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	ASIA		
25,000	First Resources	21,752	0.17
5,000	Zhaikunai GDRs	39,371	0.31
	TOTAL ASIA	61,123	0.48
	OPTIONS		
12	CMX Gold Call 1300p 12 Feb 2014	81,147	0.65
	Portfolio of investments	11,253,165	89.28
	Net other assets	1,350,729	10.72
	Net assets	12,603,894	100.00

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

Definitions:

ADRs – American Depositary Receipts.

GDRs – Global Depositary Receipts.

IDRs – Indonesian Depositary Receipts.

CF CANLIFE GLOBAL RESOURCE FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

Total purchases for the period (note 14) **£16,536,174**

Major purchases	Cost £
Potash Corporation of Saskatchewan	750,752
Occidental Petroleum Corporation	648,467
Cameron International Corporation	627,463
Rio Tinto	602,186
First Quantum Minerals	576,256
Ocean Rig UDW	574,331
Pioneer Natural Resources Company	507,436
Barrick Gold Corporation	471,291
Detour Gold Corporation	437,370
Goldcorp	423,252
Randgold Resources ADRs	407,826
Advantage Oil & Gas	390,875
Halliburton	366,469
Whiting Petroleum Corporation	330,707
Williams Companies (The)	325,300
Cenovus Energy	318,890
Anadarko Petroleum Corporation	310,003
Griffiths Energy International	303,403
KBR	298,890
Schlumberger	278,316

Total sales for the period (note 14) **£5,744,767**

Major sales	Proceeds £
Pioneer Natural Resources Company	616,524
Barrick Gold Corporation	358,256
Valero Energy Corporation	288,582
Schlumberger	250,313
Occidental Petroleum Corporation	238,829
Marathon Petroleum Corporation	221,798
Oil States International	217,511
Gulfport Energy Corporation	209,691
Cameron International Corporation	202,673
Ensco	182,931
National Oilwell Varco	178,487
Tidewater	149,839
QEP Resources	146,726
Cabot Oil & Gas Corporation	145,225
Berry Plastics Group	116,941
Laredo Petroleum Holdings	112,625
Crown Holdings	109,598
Suncor Energy	102,629
BG Group	95,920
First Quantum Minerals	81,946

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

CF CANLIFE GLOBAL RESOURCE FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		309,568
Revenue	3	85,199	
Expenses	4	(65,072)	
Finance costs: Interest	6	(65)	
Net revenue before taxation		20,062	
Taxation	5	(9,337)	
Net revenue after taxation			10,725
Total return before distributions			320,293
Finance costs: Distributions	6		(10,732)
Change in net assets attributable to shareholders from investment activities			309,561

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

	Note	15.08.13 £
Opening net assets attributable to shareholders		–
Amounts receivable on issue of shares		12,281,456
Change in net assets attributable to shareholders from investment activities		309,561
Retained distribution on Accumulation shares	6	12,877
Closing net assets attributable to shareholders		12,603,894

BALANCE SHEET
AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			11,253,165
Other assets			
Debtors	7	2,285,987	
Cash and bank balances	8	203,613	
Total other assets			2,489,600
Total assets			13,742,765
LIABILITIES			
Other liabilities			
Creditors	9	(1,052,835)	
Bank overdrafts	8	(86,036)	
Total other liabilities			(1,138,871)
Total liabilities			(1,138,871)
Net assets attributable to shareholders			12,603,894

CF CANLIFE GLOBAL RESOURCE FUND

Financial Statements (continued)

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	380,618
Derivative contracts	(4,889)
Transaction charges	(16,533)
Currency losses	(49,628)
Net capital gains	<u>309,568</u>

3. REVENUE

Non-taxable dividends	83,369
Taxable dividends	1,781
Bank interest	49
Total revenue	<u>85,199</u>

4. EXPENSES

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

ACD's periodic charge	29,461
Legal and professional fees	11,568
Printing costs	4,058
Registration fees	1,168
	<u>46,255</u>

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

Depositary's fees	1,766
Safe custody and other bank charges	981
	<u>2,747</u>

For the period
from 15.01.13
to 15.08.13
£

4. EXPENSES (continued)

Other expenses:

Fees paid to auditor – audit	9,000
– tax services	1,800
Legal and professional fees	5,265
Postage and distribution costs	5
	<u>16,070</u>
Total expenses	<u>65,072</u>

5. TAXATION

a) Analysis of charge for the period

Corporation tax at 20%	–
Overseas tax	9,337
Current tax charge (note 5b)	<u>9,337</u>

Deferred tax – origination and reversal of timing differences (note 5c)

	–
Total taxation	<u>9,337</u>

b) Factors affecting current tax charge for the period

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

Net revenue before taxation	<u>20,062</u>
Corporation tax at 20%	4,013
Effects of:	
Non-taxable dividends	(16,674)
Foreign tax expensed	(16)
Unutilised excess management expenses	<u>12,677</u>
Corporation tax charge	–

For the period
from 15.01.13
to 15.08.13
£

For the period
from 15.01.13
to 15.08.13
£

CF CANLIFE GLOBAL RESOURCE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 15.01.13 to 15.08.13 £
5. TAXATION (continued)	
Overseas tax	9,337
Current tax charge (note 5a)	<u>9,337</u>
c) Deferred tax	
At the period end there is a potential deferred tax asset of £12,677 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 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:	
	For the period from 15.01.13 to 15.08.13 £
Final	12,877
Deduct: Revenue received on issue of shares	<u>(2,145)</u>
Net distributions for the period	10,732
Interest	<u>65</u>
Total finance costs	<u>10,797</u>
Details of the distributions per share are set out in the table on page 189.	

	For the period from 15.01.13 to 15.08.13 £
6. FINANCE COSTS (continued)	
Distributions represented by:	
Net revenue after taxation	10,725
Allocations to capital:	
Revenue deficit – 'A' Accumulation	13
– 'C' Accumulation	1
Balance carried forward	<u>(7)</u>
Net distributions for the period	<u>10,732</u>
	15.08.13 £
7. DEBTORS	
Amounts receivable for issue of shares	2,275,000
Accrued revenue:	
Non-taxable dividends	10,773
Taxation recoverable:	
Overseas withholding tax	214
Total debtors	<u>2,285,987</u>
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	194,560
Revenue account	9,053
Total bank balances	<u>203,613</u>
Bank overdrafts:	
Margin account	<u>(86,036)</u>

CF CANLIFE GLOBAL RESOURCE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.08.13 £
9. CREDITORS	
Purchases awaiting settlement	1,031,296
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	2,102
Legal and professional fees	1,188
Printing costs	2,499
Registration fees	260
	6,049
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	126
Transaction charges	4,377
Safe custody and other bank charges	185
	4,688
Other expenses	10,802
Total creditors	<u>1,052,835</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. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or unrecorded outstanding commitments.

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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Interest rate risk

The table below shows the direct interest rate risk profile:

	15.08.13 £
Floating rate assets:	
Canadian dollars	3,183
US dollars	87,725
Pounds sterling	112,705
	203,613
Floating rate liabilities:	
US dollars	(86,036)
Assets on which interest is not paid:	
Canadian dollars	3,054,215
Euro	37,012
Singapore dollars	21,752
US dollars	7,106,520
Pounds sterling	3,319,653
	13,539,152
Liabilities on which interest is not paid:	
Pounds sterling	(1,052,835)
Net assets	<u>12,603,894</u>

The floating rate financial assets comprise bank balances and bank overdraft positions 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.

ii. Foreign currency risk

The table below shows the direct foreign currency risk profile:

	15.08.13 £
Currency:	
Canadian dollars	3,057,398
Euro	37,012
Singapore dollars	21,752
US dollars	7,108,209
	10,224,371
Pounds sterling	2,379,523
Net assets	<u>12,603,894</u>

CF CANLIFE GLOBAL RESOURCE FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Derivatives

The derivatives held by the Fund are not of a material nature.

	For the period from 15.01.13 to 15.08.13 £
14. PORTFOLIO TRANSACTION COSTS	
Analysis of total purchase costs	
Purchases in period before transaction costs	16,502,637
Transaction costs:	
Commissions	30,068
Stamp duty and other charges	3,469
	33,537
Gross purchases total	16,536,174
Analysis of total sale costs	
Gross sales before transaction costs	5,752,373
Transaction costs:	
Commissions	(7,448)
Other charges	(158)
	(7,606)
Total sales net of transaction costs	5,744,767

DISTRIBUTION TABLE

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013 – IN PENCE PER SHARE

Interim

There were no interim distributions during the current period.

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.13
Group 1	0.0000	–	0.0000
Group 2	0.0000	0.0000	0.0000

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.0259	–	0.0259
Group 2	0.0259	0.0000	0.0259

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.0000	–	0.0000
Group 2	0.0000	0.0000	0.0000

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.1054	–	0.1054
Group 2	0.0039	0.1015	0.1054

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 CANLIFE NORTH AMERICAN FUND
ACD'S REPORT
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

As a result of a scheme of arrangement, effective on 26 May 2012 the CF Canlife North American Fund ('the Fund') received the property of the CF Canlife North America Unit Trust.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to provide capital growth mainly from investment in shares quoted on North American markets.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife North American Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

The review period once again saw strong returns in equity markets as the global economy stabilised and monetary policy remained loose in most regions. The MSCI North America Index returned 28.5%* in US dollars and 28.9%* once translated into sterling. The Fund performed well against its peer group with a return of 29.3%* versus the median fund return of 29.85%#.

INVESTMENT REVIEW

It was a very strong year for the US equity market with the market rising solidly for the majority of the review period. However, it started slowly as politicians argued about budgets leading to fears of enforced spending cuts. This took the market a little lower but despite the fact that spending cuts were subsequently triggered the market bottomed out in mid November and rallied strongly from there.

In some respects the economy appears to have dipped, probably as a result of uncertainty caused by Government policy. As measured by Gross Domestic Product, economic growth dipped to just 0.1%* (quarter on quarter, seasonally adjusted, annualised) in Q4 2012 and 1.1%* in Q1 2013. It has since recovered to a 2.5%* rate in Q2 2013.

It seems to us that the key remains in employment and housing which are both in good shape. Job creation measured by the Non Farms Payrolls series suggests about 150/200,000 jobs are being created every month which, although lower than prior recoveries, is still acceptable. The more sensitive weekly measure of Initial Jobless Claims is at new cycle lows also indicating a robust jobs market.

The housing market is in clear recovery now with a marked improvement in most data points. After a low point of 478,000 (annualised) starts in April 2009 this series has improved consistently to record a recent high of 1,005,000 in March 2013. Whilst this is well below the peak of over 2million it is well on the way to recovery. Recent data has softened a little in this area as fears about higher mortgage rates has raised concerns about the sustainability of this trend. But, affordability remains extremely high and we see this as a short term adjustment rather than a sign that it is all over.

The Federal Reserve ('the Fed') has indicated that it is likely to slow its monthly purchases of bonds as long as the economy continued to improve in a sign that quantitative easing may draw to a close. This is key for markets because it has led to weakness in the past. However, the Fed is being guarded in its message and very keen to say that it will only happen with an ongoing economic recovery. As such it is trying to manage the expectations of the market to prevent a sudden reaction to any such move. Our view is that this validates the fact the economy is in better shape and in turn is not necessarily a bad thing for markets.

STOCK MARKET

The stock market performed very well during the review period with a gain of 20.9%* in US dollars and 22.2%* once translated into sterling. Given a stable macroeconomic background and strong markets, sectors performed largely as should be expected with the more defensive sectors lagging. Best performer was financials with a gain of 36.4%* (US dollars, capital return only) followed by consumer discretionary at 33.1%*. At the other end of the spectrum worst performer was communication which was unchanged over the period and utilities rose by just 2.7%*.

CF CANLIFE NORTH AMERICAN FUND

ACD's Report (continued)

Investment Manager's Report (continued)

FUND ACTIVITY

At the start of the review period we had a broadly balanced stance with overweight positions in healthcare and IT whilst underweight consumer discretionary and energy. In recent months we have become much more optimistic about economic prospects and consequently adopted an overt pro-cyclical stance. At the end of the review period we had overweight positions in financials, consumer discretionary and industrials. Technology is our biggest overweight although this remains for stock specific reasons rather than a sector call. Biggest underweights are energy because of a negative view on the underlying commodity and consumer staples because of their defensive nature and generally high valuations. One notable change is the purchase of a large position in Apple after holding no shares for some time. After it fell sharply we viewed valuations as cheap and the company has a large amount of cash on its balance sheet. In combination we find these attributes attractive and warranted of investment, in our view.

OUTLOOK

Long term, we are positive on the US because of low energy prices caused by the shale gas boom, reindustrialisation and ongoing recovery in the housing market. Shorter term, economic releases are clearly improving but this is offset to some degree by the likelihood of Fed tapering. It must follow that the Fed will only reduce its monthly purchases if the economy is strong enough to do so. We view this as a positive environment for stocks and remain generally optimistic about prospects for US equity markets.

* Source of data: Bloomberg.

Source of data: Morningstar.

^ The Investment Manager uses the MSCI North American Index for comparison. As per the Prospectus no benchmark is required to be disclosed.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

17 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	585.55	545.14	0.4399
2013*	733.85	575.28	0.6568

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	586.90	545.28	0.6226
2013*	738.53	577.19	2.4629

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	587.19	545.27	1.2240
2013*	740.42	577.76	4.5796

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	588.17	545.24	1.7292
2013*	744.25	579.19	6.8769

From 26 May 2012.

* To 15 August 2013.

CF CANLIFE NORTH AMERICAN FUND

ACD's Report (continued)

Fund Information (continued)

NET ASSET VALUE

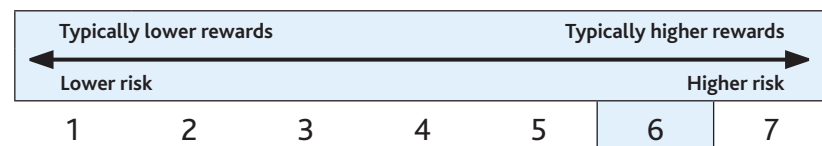
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'A' Accumulation	1,872,927	266,325	703.25
	'B' Accumulation	18,601,621	2,627,782	707.88
	'C' Accumulation	371,862	52,386	709.85
	'G' Accumulation	126,596,480	17,742,493	713.52

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'G'
ACD's periodic charge	1.50	1.00	0.75	0.38
Other expenses	0.07	0.07	0.07	0.07
Ongoing charges figure	1.57	1.07	0.82	0.45

The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month period.

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife North American Fund	24.13	29.30

* Launch date 26 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 210 and 211.

CF CANLIFE NORTH AMERICAN FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	AUTOMOBILES & PARTS		
273,951	Ford Motor Company	2,891,491	1.96
176,999	Goodyear Tire & Rubber Company (The)	2,142,383	1.46
61,036	Harley-Davidson	2,255,167	1.53
	TOTAL AUTOMOBILES & PARTS	7,289,041	4.95
	BASIC MATERIALS		
65,785	Stepan Company	2,451,354	1.66
117,337	United States Steel Corporation	1,424,010	0.97
	TOTAL BASIC MATERIALS	3,875,364	2.63
	COMMUNICATIONS		
40,837	Omnicom Group	1,592,589	1.08
	CONSUMER DISCRETIONARY		
52,425	AutoNation	1,566,994	1.06
126,882	Bloomin' Brands	1,963,959	1.33
111,952	Carnival Corporation	2,640,313	1.79
175,485	Orient-Express Hotels	1,394,229	0.95
85,554	Rent-A-Center	2,109,024	1.43
69,582	Scotts Miracle-Gro Company (The)	2,394,253	1.62
44,143	Starwood Hotels & Resorts Worldwide	1,850,058	1.26
	TOTAL CONSUMER DISCRETIONARY	13,918,830	9.44
	ENERGY		
23,886	Exxon Mobil Corporation	1,353,602	0.92
101,824	Ultra Petroleum Corporation	1,421,627	0.96
	TOTAL ENERGY	2,775,229	1.88
	FINANCIALS		
163,365	Bank of America Corporation	1,503,758	1.02
140,214	Bank of New York Mellon Corporation (The)	2,741,741	1.86
127,025	Citigroup	4,151,988	2.82
677,555	Financial Select Sector SPDR*	8,736,779	5.93
54,781	Greenhill & Company	1,768,056	1.20
332,123	Huntington Bancshares	1,808,249	1.23
82,818	JPMorgan Chase & Company	2,835,850	1.92
73,553	Lazard	1,703,494	1.15
93,281	Morgan Stanley	1,579,973	1.07

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	FINANCIALS (continued)		
67,195	NASDAQ OMX Group (The)	1,344,165	0.91
85,251	SunTrust Banks	1,884,001	1.28
130,123	Western Union Company	1,521,467	1.03
	TOTAL FINANCIALS	31,579,521	21.42
	HEALTH		
248,211	Accretive Health	1,531,680	1.04
80,322	Air Methods Corporation	2,110,158	1.43
125,903	Alere	2,569,542	1.74
63,027	Charles River Laboratories International	1,889,967	1.28
41,560	Covance	2,176,185	1.48
177,813	ExamWorks Group	2,617,429	1.78
24,323	IDEXX Laboratories	1,495,627	1.01
51,180	Natural Grocers by Vitamin Cottage	1,094,862	0.74
	TOTAL HEALTH	15,485,450	10.50
	HOME BUILDERS		
81,700	MDC Holdings	1,589,157	1.08
	INDUSTRIALS		
76,927	Badger Meter	2,326,560	1.58
100,790	Expeditors International of Washington	2,581,147	1.75
39,554	FedEx Corporation	2,746,951	1.86
325,366	Mueller Water Products	1,568,590	1.06
99,264	Navistar International Corporation	2,119,027	1.44
54,280	Regal-Beloit Corporation	2,295,491	1.56
139,966	Ritchie Bros. Auctioneers	1,734,624	1.17
68,803	Robert Half International	1,666,899	1.13
93,620	USG Corporation	1,454,525	0.99
	TOTAL INDUSTRIALS	18,493,814	12.54
	TECHNOLOGY		
131,672	Amdocs	3,232,354	2.19
26,633	Apple	8,522,697	5.78
75,559	Autodesk	1,750,924	1.19
225,027	Cisco Systems	3,540,967	2.40
85,478	Citrix Systems	3,986,828	2.70
116,880	FLIR Systems	2,417,698	1.64
96,050	Garmin	2,363,443	1.60
83,660	Global Payments	2,566,222	1.74

CF CANLIFE NORTH AMERICAN FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	TECHNOLOGY (continued)		
82,446	Heartland Payment Systems	2,029,228	1.38
64,695	Liquidity Services	1,351,127	0.92
57,450	MICROS Systems	1,806,929	1.22
85,536	NeuStar	2,870,089	1.95
228,601	NVIDIA Corporation	2,221,804	1.51
84,236	Solarwinds	2,059,748	1.40
41,051	Teradata Corporation	1,631,808	1.11
225,389	Vantiv	4,010,280	2.72
177,669	VeriFone Systems	2,264,698	1.53
	TOTAL TECHNOLOGY	48,626,844	32.98
	Portfolio of investments	145,225,839	98.50
	Net other assets	2,217,051	1.50
	Net assets	147,442,890	100.00

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

* Collective investment scheme.

Definition:

SPDR – Standard & Poor's Depositary Receipt.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14) £226,635,968

Major purchases	Cost £
Apple	7,531,662
Newmont Mining Corporation	7,062,497
Citigroup	5,520,714
Merck & Company	4,932,445
Wal-Mart Stores	4,699,157
Citrix Systems	4,523,335
Western Union Company	4,196,988
Navistar International Corporation	4,123,321
JPMorgan Chase & Company	3,915,378
AT&T	3,658,287
SPDR S&P 500	3,639,647
Harley-Davidson	3,577,895
Southern	3,550,066
NVIDIA Corporation	3,444,516
MICROS Systems	3,388,882
Vantiv	3,319,136
VeriFone Systems	3,314,990
Bank of America Corporation	3,094,307
Ford Motor Company	2,791,261
TiVo	2,652,751

In addition to the above, purchases totalling £362,500,000 were made in short term investment funds during the period.

CF CANLIFE NORTH AMERICAN FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) £221,001,915

Major sales	Proceeds £
Merck & Company	8,676,771
Newmont Mining Corporation	8,038,856
AT&T	7,685,819
Wal-Mart Stores	7,606,340
Walgreen Company	4,893,123
Chevron Corporation	4,852,421
SPDR S&P 500	4,718,978
Microsoft Corporation	4,557,490
PepsiCo	4,461,462
General Electric Company	4,442,278
eBay	4,076,412
Johnson & Johnson	3,920,161
Intel Corporation	3,913,855
Baxter International	3,809,705
Target Corporation	3,676,044
Pfizer	3,613,521
Southern	3,450,674
TiVo	3,353,488
JM Smucker Company (The)	3,301,368
Exelon Corporation	3,286,210

In addition to the above, sales totalling £362,500,000 were made in short term investment funds during the period.

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		31,466,649
Revenue	3	2,948,845	
Expenses	4	(861,028)	
Finance costs: Interest	6	(4,371)	
Net revenue before taxation		2,083,446	
Taxation	5	(422,464)	
Net revenue after taxation			1,660,982
Total return before distributions			33,127,631
Finance costs: Distributions	6		(1,669,293)
Change in net assets attributable to shareholders from investment activities			<u>31,458,338</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			–
Transfer from CF Canlife North America Unit Trust			118,889,567
Amounts receivable on issue of shares		22,758,530	
Amounts payable on cancellation of shares		(27,315,063)	
			(4,556,533)
Dilution levy charged	1(k)		25,080
Change in net assets attributable to shareholders from investment activities			31,458,338
Retained distribution on Accumulation shares	6		1,626,438
Closing net assets attributable to shareholders			<u>147,442,890</u>

CF CANLIFE NORTH AMERICAN FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	15.08.13 £	£
ASSETS			
Investment assets		145,225,839	
Other assets			
Debtors	7	78,357	
Cash and bank balances	8	<u>4,153,888</u>	
Total other assets			4,232,245
Total assets			<u>149,458,084</u>
LIABILITIES			
Other liabilities			
Creditors	9	(65,956)	
Bank overdrafts	8	<u>(1,949,238)</u>	
Total other liabilities			(2,015,194)
Total liabilities			<u>(2,015,194)</u>
Net assets attributable to shareholders			<u>147,442,890</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

**For the period
from 26.05.12
to 15.08.13
£**

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	31,938,988
Transaction charges	(9,248)
Currency losses	(463,091)
Net capital gains	<u>31,466,649</u>

3. REVENUE

Non-taxable dividends	2,938,965
Unfranked interest	7,616
Bank interest	2,264
Total revenue	<u>2,948,845</u>

4. EXPENSES

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

ACD's periodic charge	754,181
Legal and professional fees	17,653
Printing costs	4,447
Registration fees	25,910
	<u>802,191</u>

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

Depositary's fees	31,724
Safe custody and other bank charges	12,383
	<u>44,107</u>

CF CANLIFE NORTH AMERICAN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	23
Fees paid to auditor – audit	7,200
– tax services	3,600
Legal and professional fees	90
Postage and distribution costs	2,467
Set up costs	1,350
	14,730
Total expenses	<u>861,028</u>
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	–
Overseas tax	422,464
Current tax charge (note 5b)	<u>422,464</u>
Deferred tax – origination and reversal of timing differences (note 5c)	–
Total taxation	<u>422,464</u>
b) Factors affecting current tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%). The difference is explained below.	
	For the period from 26.05.12 to 15.08.13 £
Net revenue before taxation	<u>2,083,446</u>
Corporation tax at 20%	416,689
Effects of:	
Non-taxable dividends	(587,793)
Offshore income gains	127,915
Expenses not deductible for tax purposes	270
Unutilised excess management expenses	<u>42,919</u>
Corporation tax charge	–

	For the period from 26.05.12 to 15.08.13 £
5. TAXATION (continued)	
Overseas tax	422,464
Current tax charge (note 5a)	<u>422,464</u>
c) Deferred tax	
At the period end there is a potential deferred tax asset of £1,070,588 in relation to surplus management expenses. Following the scheme of arrangement, a tax asset of £1,027,669 relating to excess management expenses was made available to the Fund from the CF Canlife North American Unit Trust. 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 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:	
	For the period from 26.05.12 to 15.08.13 £
First Interim	351,041
Second Interim	753,608
Final	<u>521,789</u>
	1,626,438
Add: Revenue deducted on cancellation of shares	84,523
Deduct: Revenue received on issue of shares	<u>(41,668)</u>
Net distributions for the year	1,669,293
Interest	<u>4,371</u>
Total finance costs	<u>1,673,664</u>

Details of the distributions per share are set out in the table on pages 210 and 211.

CF CANLIFE NORTH AMERICAN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £	15.08.13 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	1,660,982	
Allocations to capital:		
Revenue deficit – 'A' Accumulation	5,952	
Equalisation on conversions^	2,371	
Balance carried forward	(12)	
Net distributions for the year	<u>1,669,293</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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.		
	15.08.13	
	£	
7. DEBTORS		
Amounts receivable for issue of shares	29,681	
Accrued revenue:		
Non-taxable dividends	48,651	
Bank interest	25	
	<u>48,676</u>	
Total debtors	<u>78,357</u>	
8. CASH AND BANK BALANCES		
Bank balances:		
Capital account	<u>4,153,888</u>	
Bank overdrafts:		
Revenue account	<u>(1,949,238)</u>	

9. CREDITORS		
Amounts payable for cancellation of shares		12,098
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge		29,293
Legal and professional fees		1,187
Printing costs		2,499
Registration fees		2,947
		<u>35,926</u>
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees		1,161
Transaction charges		2,364
Safe custody and other bank charges		2,257
		<u>5,782</u>
Other expenses		12,150
Total creditors		<u>65,956</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. CONTINGENT LIABILITIES AND COMMITMENTS		
There are no contingent liabilities or unrecorded outstanding commitments.		
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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.		

CF CANLIFE NORTH AMERICAN 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:

	15.08.13 £
Floating rate assets:	
US dollars	2,422,279
Pounds sterling	1,731,609
	4,153,888
Floating rate liabilities:	
Pounds sterling	(1,949,238)
Assets on which interest is not paid:	
US dollars	145,274,491
Pounds sterling	29,705
	145,304,196
Liabilities on which interest is not paid:	
Pounds sterling	(65,956)
Net assets	147,442,890

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:

	15.08.13 £
Currency:	
US dollars	147,696,770
Pounds sterling	(253,880)
Net assets	147,442,890

iii. Derivatives

The Fund held no derivatives during the current period.

For the period
from 26.05.12
to 15.08.13
£

14. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs	
Purchases in period before transaction costs	226,344,928
Transaction costs:	
Commissions	291,040
Gross purchases total	226,635,968
Analysis of total sale costs	
Gross sales before transaction costs	221,286,436
Transaction costs:	
Commissions	(279,852)
Other charges	(4,669)
	(284,521)
Total sales net of transaction costs	221,001,915

CF CANLIFE NORTH AMERICAN FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

First Interim

Group 1 – Shares transferred from CF Canlife North America Unit Trust

Group 2 – Shares purchased on or after 26 May 2012 and on or before 15 August 2012

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	0.4399	–	0.4399
Group 2	0.2127	0.2272	0.4399

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	0.6226	–	0.6226
Group 2	0.3803	0.2423	0.6226

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	1.2240	–	1.2240
Group 2	1.2240	0.0000	1.2240

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	1.7292	–	1.7292
Group 2	1.6880	0.0412	1.7292

Second Interim

Group 1 – Shares purchased prior to 16 August 2012

Group 2 – Shares purchased on or after 16 August 2012 and on or before 15 February 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	0.6568	–	0.6568
Group 2	0.3712	0.2856	0.6568

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.1203	–	2.1203
Group 2	1.3313	0.7890	2.1203

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	2.8680	–	2.8680
Group 2	2.8680	0.0000	2.8680

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	3.9918	–	3.9918
Group 2	2.6395	1.3523	3.9918

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	0.0000	–	0.0000
Group 2	0.0000	0.0000	0.0000

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	0.3426	–	0.3426
Group 2	0.0000	0.3426	0.3426

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	1.7116	–	1.7116
Group 2	0.0000	1.7116	1.7116

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	2.8851	–	2.8851
Group 2	0.7854	2.0997	2.8851

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 CANLIFE TOTAL RETURN FUND
ACD'S REPORT
FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

IMPORTANT INFORMATION

On 15 January 2013 the CF Canlife Total Return Fund ('the Fund') was launched.

From 24 April 2013, the Investment Management Association (IMA) Sector for the Fund was changed from the Unclassified Sector to the Specialist Sector.

Effective 19 August 2013, the dealing and settlement cycle in the Fund has been changed to align with the other sub-funds. Instructions to buy or redeem shares received by 12.00 on a business day are now processed at the share price based on the NAV at 12.00 on the same day. Settlement is due within four business days of the valuation point, provided all required documentation has been received.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to provide positive total return, both relative and absolute, throughout varying market conditions by permanently investing not less than 85% of its assets in units of the Putnam Total Return Fund.

While it is envisaged that the Fund will normally be fully invested in the Putnam Total Return Fund, the Fund may also hold up to 15% of its assets in cash or near cash.

INFORMATION REGARDING PUTNAM TOTAL RETURN FUND

The below is a summary description only of Putnam Total Return Fund (the 'Putnam Master Fund') in which the Fund invests not less than 85% of its assets. For further information in relation to the Putnam Master Fund, shareholders should refer to the Prospectus of the Putnam Master Fund which is available on request (free of charge) from the ACD.

The Putnam Master Fund is a sub-fund of Putnam World Trust, which is an umbrella unit trust and a UCITS scheme established and organised under the laws of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and is authorised by the Central Bank of Ireland.

The Manager of the Putnam Master Fund is Putnam Investments (Ireland) Limited. The Trustee of the Putnam Master Fund is State Street Custodial Services (Ireland) Limited. The Manager has delegated performance of the investment management function in relation to the Master Fund to the investment advisor, The Putnam Advisory Company, LLC (hereinafter the 'Investment Advisor').

The Putnam Master Fund has been authorised by the Central Bank of Ireland as a master UCITS within the meaning of the relevant provisions of the UCITS Directive. It must therefore at all times have at least one feeder UCITS among its unitholders and it must not itself become a feeder UCITS or invest in a feeder UCITS.

INVESTMENT OBJECTIVE AND POLICY OF THE PUTNAM MASTER FUND

The Putnam Master Fund's investment objective is to provide positive total return, both relative and absolute, throughout varying market conditions.

The Putnam Master Fund will seek to achieve this objective by investing its net assets in a diversified multi-asset class portfolio. The portfolio allocation will draw upon various sources to drive the risk/return target of the Putnam Master Fund, including exposure to equities (e.g. U.S., non-U.S., emerging markets, large cap and small cap), fixed income (e.g. U.S., non-U.S., high yield and emerging markets), currencies and alternative asset classes (e.g. REITs or other real estate instruments, treasury inflation protected securities ('TIPS')). The portfolio will also use various overlay techniques (e.g. global asset tactical allocation, currency and index options) in an attempt to add incremental return to the total portfolio. The portfolio allocation will be dynamic, and may change in response to changing investment opportunities.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Canlife Total Return Fund

13 December 2013

CF CANLIFE TOTAL RETURN FUND

ACD's Report (continued)

INVESTMENT MANAGER'S REPORT

INVESTMENT REVIEW

The Fund invests in the Putnam Total Return Fund (the 'Master Fund') through a master-feeder structure. The Fund must invest at least 85% in value of its assets in the Master Fund and throughout the review period it was wholly invested in the Master Fund. The below investment review relates to the Master Fund.

Stock markets posted strong returns for the period, with most of the gains taking place during the first quarter of 2013. Equities across all markets continued strong performance, though small cap stocks noticeably outperformed their large cap counterparts and closed at record highs in the month of July. They retreated a bit in the first half of August. Emerging markets noticeably trailed the developed world for the period.

The period began with a flourish in stocks, which soared more than 10% in the first quarter on a mix of fundamentals and optimism. While the past three years had started with rallies, the 2013 version seemed more meaningful because both the Dow Jones Industrial Average and the S&P 500 Index set new records above levels they had last reached before the 2008 crisis. Small caps also rose, and Japan's stock market surged as well.

While Europe did not keep pace, its more modest gains overcame the turmoil of the deadlocked Italian elections and the tortuous road to a banking sector rescue in Cyprus. The first quarter also marked a continuation of the rally in spread sectors of the bond markets – sectors that trade at a yield premium to US Treasuries.

Equities lost some momentum in the second quarter after pulling back sharply late in the period following a Federal Reserve ('the Fed') policy meeting that signalled a possible cutback in the central bank's bond-buying program.

Stocks declined in Europe, Japan, and emerging markets. Within fixed income, a sell-off occurred in spread sectors, which had been buoyed by the massive liquidity created by the Fed's purchases, with emerging-market bonds, in particular, losing ground.

The US dollar remains strong relative to other G7 nations and continues to be significantly stronger than emerging country currencies. This divergence speaks to the economic strength in the United States. Inflation proxies continue their weakness year to date although there was some improvement during the period, led by a bounce back in energy.

FUND ACTIVITY

The portfolio remains neutral on equities, believing current prices to be in line with fair value. The team is mindful of several headline risks that could increase volatility later in the year including the debt ceiling debate, German elections, and rising oil prices due to unrest in the Middle East. The team has a negative outlook for interest rates and commodities, though a tactical long interest rates trade did pay off during the period.

Within commodities, the portfolio has a tilt towards the energy sector.

High yield credit remains an overweight in the portfolio. Spreads are around historic averages but the team has a strong preference for credit exposure over interest rates.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

17 September 2013

CF CANLIFE TOTAL RETURN FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	104.65	94.27	—

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	104.68	94.40	—

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	104.80	94.54	—

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013*	104.84	94.61	—

* From 15 January to 15 August 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'A' Accumulation	246	250	98.44
	'B' Accumulation	21,195	21,477	98.69
	'C' Accumulation	552,394	558,726	98.87
	'G' Accumulation	9,897,387	10,000,250	98.97

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'G'
ACD's periodic charge	1.20	0.70	0.45	0.20
Other expenses	0.32	0.32	0.32	0.32
	1.52	1.02	0.77	0.52
Putnam Fund (Master Fund) ACD's periodic charge*	0.30	0.30	0.30	0.30
Putnam Fund (Master Fund) other expenses**	0.30	0.30	0.30	0.30
Ongoing charges figure	2.12	1.62	1.37	1.12

The Ongoing Charges Figure shown here is an estimate of the charges. An estimate is being used rather than the *ex post* figure due to the Fund only being launched on 15 January 2013.

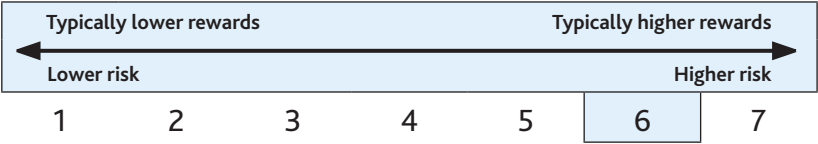
* The annual management charge for Class 'S' shares in the Putnam Total Return Fund is 0.8%. However, as part of the Master-Feeder agreement 0.5% of this fee is currently rebated to the Fund.

** As part of the Master-Feeder agreement, the other expenses of the Putnam Total Return Fund are capped at 0.3%.

CF CANLIFE TOTAL RETURN FUND

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

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

Liquidity Risk: The lack of an active market for some investments in the Master Fund means they may be more difficult to buy and sell and their prices may also be subject to large short term swings.

Emerging Market Risk: Emerging markets may be less liquid and transparent, volatile and subject to less oversight.

Derivatives Risk: Derivatives are complex instruments which may result in gains or losses that are greater than the original amount invested.

FUND PERFORMANCE

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

PORTFOLIO STATEMENT
AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
3,081,054	GLOBAL Putnam Total Return 'S' class	10,444,774	99.75
	Portfolio of investments	10,444,774	99.75
	Net other assets	26,448	0.25
	Net assets	10,471,222	100.00

The investment held is the Master Fund. It has been valued in accordance with note 1(i) of the Notes to the Aggregated Financial Statements and is a collective investment scheme.

CF CANLIFE TOTAL RETURN FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

Total purchases for the period (note 14) £10,520,000

Purchases	Cost £
-----------	-----------

Putnam Total Return 'S' class	10,520,000
-------------------------------	------------

The summary of material portfolio changes shows the only purchase. No sales were made during the period.

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital losses	2		(98,525)
Revenue	3	29,294	
Expenses	4	(44,390)	
Finance costs: Interest	6	(27)	
Net expense before taxation		(15,123)	
Taxation	5	—	
Net expense after taxation			(15,123)
Total return before distributions			(113,648)
Finance costs: Distributions	6		—
Change in net assets attributable to shareholders from investment activities			(113,648)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 15 JANUARY 2013 TO 15 AUGUST 2013

	£	15.08.13 £
Opening net assets attributable to shareholders		—
Amounts receivable on issue of shares	10,587,273	
Amounts payable on cancellation of shares	(2,403)	
		10,584,870
Change in net assets attributable to shareholders from investment activities		(113,648)
Closing net assets attributable to shareholders		10,471,222

CF CANLIFE TOTAL RETURN FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			10,444,774
Other assets			
Debtors	7	6,110	
Cash and bank balances	8	54,178	
Total other assets			60,288
Total assets			<u>10,505,062</u>
LIABILITIES			
Other liabilities			
Creditors	9	(18,410)	
Bank overdrafts	8	(15,430)	
Total other liabilities			(33,840)
Total liabilities			<u>(33,840)</u>
Net assets attributable to shareholders			<u>10,471,222</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

2. NET CAPITAL LOSSES

The net capital losses during the period comprise:

Non-derivative securities	(98,405)
Transaction charges	(120)
Net capital losses	<u>(98,525)</u>

3. REVENUE

AMC rebates from underlying investments	29,289
Bank interest	5
Total revenue	<u>29,294</u>

4. EXPENSES

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

ACD's periodic charge	11,992
Legal and professional fees	11,568
Printing costs	4,248
Registration fees	1,228
	<u>29,036</u>

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

Depositary's fees	1,773
Safe custody and other bank charges	376
	<u>2,149</u>

Other expenses:

Fees paid to auditor – audit	11,400
– tax services	1,800
Postage and distribution costs	5
	<u>13,205</u>

Total expenses	<u>44,390</u>
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CF CANLIFE TOTAL RETURN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 15.01.13 to 15.08.13 £
5. TAXATION	
a) Analysis of charge for the period	
Corporation tax at 20%	—
Current tax charge (note 5b)	—
Deferred tax – origination and reversal of timing differences (note 5c)	—
Total taxation	—
b) Factors affecting current tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%). The difference is explained below.	
	For the period from 15.01.13 to 15.08.13 £
Net expense before taxation	(15,123)
Corporation tax at 20%	(3,025)
Effects of:	
Unutilised excess management expenses	3,025
Corporation tax charge	—
Current tax charge (note 5a)	—
c) Deferred tax	
At the period end there is a potential deferred tax asset of £3,025 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 period.	

	For the period from 15.01.13 to 15.08.13 £
6. FINANCE COSTS	
Distributions	—
Interest	27
Total finance costs	27
Distributions represented by:	
Net expense after taxation	(15,123)
Allocations to capital:	
Revenue deficit – 'A' Accumulation	2
– 'B' Accumulation	33
– 'C' Accumulation	205
– 'G' Accumulation	14,883
Net distributions for the period	—
	15.08.13 £
7. DEBTORS	
Accrued revenue:	
AMC rebates from underlying investments	6,110
Total debtors	6,110
8. CASH AND BANK BALANCES	
Bank balances:	
Capital account	54,178
Bank overdrafts:	
Revenue account	(15,430)
9. CREDITORS	
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	929
Legal and professional fees	1,188
Printing costs	2,499
Registration fees	238
	4,854

CF CANLIFE TOTAL RETURN FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	15.08.13 £
9. CREDITORS (continued)	
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	130
Transaction charges	70
Safe custody and other bank charges	154
	354
Other expenses	13,202
Total creditors	<u>18,410</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. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or unrecorded outstanding commitments.

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 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:

	15.08.13 £
Floating rate assets:	
Pounds sterling	54,178
Floating rate liabilities:	
Pounds sterling	(15,430)
Assets on which interest is not paid:	
Pounds sterling	10,450,884

	15.08.13 £
13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)	
i. Interest rate risk (continued)	
Liabilities on which interest is not paid:	
Pounds sterling	(18,410)
Net assets	<u>10,471,222</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.

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

ii. Foreign currency risk

Although the net assets of the Fund are denominated in sterling, the Fund's investment in the Putnam Total Return Fund (Master Fund) has currency exposure from its underlying investments with the effect that the balance sheet and total return can be affected by currency movements.

iii. Derivatives

The Fund held no derivatives during the period.

The derivatives used by the Putnam Total Return Fund may include futures, swaps, including credit default swaps, options, forward contracts and contracts for difference and they may be used for hedging and for investment purposes, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Irish UCITS regulations. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland.

14. PORTFOLIO TRANSACTION COSTS

Securities have been bought at the dealt price with no further transaction costs added to purchases.

No sales were made during the period.

CF CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT
FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

As a result of a scheme of arrangement, effective on 26 May 2012 the CF Canlife UK Equity and Bond Income Fund ('the Fund') received the property of the CF Canlife Income Unit Trust.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to secure an above average income consistent with moderate long-term capital growth. The Fund aims to achieve this objective by investing mainly in a mixture of UK equities and fixed income securities.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Canlife UK Equity and Bond Income Fund
13 December 2013

INVESTMENT MANAGER'S REPORT

ECONOMY

Economic growth in the UK in 2012 was nearly flat with forecasts suggesting an improvement to 1% this year and 1.7% next year. Although this is weak by historic standards, economic indicators for the UK point to increased optimism and continued recovery. The US continues to be the developed region with strongest growth, although the focus is now on Europe to start improving.

UK employment is improving, however, slow economic growth means any recovery has a long way to go. If the predicted recovery fails to materialise, equity valuations are stretched. We remain concerned that western governments are in a fragile fiscal position. Debt compared to gross domestic product is high across Europe and the US.

EQUITY MARKETS

Companies are in a much better position to deal with possible market turmoil. Cyclical sectors performed well, buoyed by improving market data.

Improving credit conditions have lifted financial stocks. Easing borrowing terms and government initiatives have also helped house prices and therefore the home builders.

Defensive sectors continue to disappoint, particularly oil and gas and tobacco. Mining companies were notable among the cyclical sectors for their underperformance as they struggled with historic over-investment.

TRADING

We added to the US construction materials supplier Wolseley in order to benefit from the improving US housing market. We bought the paper and packaging company DS Smith which has improving fundamentals and European exposure. We reduced oil and gas names including Royal Dutch Shell 'B', BP and BG Group and switched the proceeds into cyclical mid-sized companies. We reduced our exposure to real estate as rising interest rates could hamper asset values. After avoiding the sector since prior to the credit crisis, we returned to the pub sector via a stake in Marston's. Following strong performance from William Hill, we switched into the higher yielding Ladbrokes to keep exposure to high street betting, and also to the fast-growing online gambling space.

Within the fixed income portfolio we recycled a number of low yielding bonds into cheaper bonds, while keeping the average maturity relatively low. We sold issues by the Bank of Scotland, the utility Wales and West, and Motability Operations Group. New holdings include issues by the AA, the Society of Lloyds, the asset manager Fidelity, and pub chain Mitchells & Butlers.

OUTLOOK AND STRATEGY

Equity markets continue to outperform their underlying earnings growth, and are therefore less cheap than a year ago. Dividend yields still look more attractive than sovereign debt yields, however, this gap has narrowed. We seek to hold companies with strong market positions, and also those with restructuring potential.

CANADA LIFE ASSET MANAGEMENT LIMITED
Investment Manager
24 September 2013

CF CANLIFE UK EQUITY AND BOND INCOME FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	1,234.33	1,089.75	13.7703
2013*	1,412.51	1,239.43	53.3607

'B' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	206.16	183.62	2.3160
2013*	232.70	207.04	8.8350

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	1,237.62	1,089.82	13.6835
2013*	1,419.10	1,242.85	53.5612

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	206.47	183.63	2.3000
2013*	233.54	207.35	8.9200

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	1,239.83	1,089.86	13.7440
2013*	1,422.90	1,245.12	53.6160

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	1,242.35	1,089.92	13.7558
2013*	1,428.09	1,247.75	53.8382

From 26 May 2012.

* To 15 August 2013.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'A' Accumulation	5,500,952	402,630	1,366.25
	'B' Income	18,756,811	8,531,876	219.84
	'B' Accumulation	21,108,718	1,536,050	1,374.22
	'C' Income	552	250	220.83
	'C' Accumulation	3,447	250	1,378.63
	'G' Accumulation	98,399,056	7,104,926	1,384.94

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'G'
ACD's periodic charge	1.50	1.00	0.75	0.38
Other expenses	0.07	0.07	0.07	0.07
Ongoing charges figure	1.57	1.07	0.82	0.45

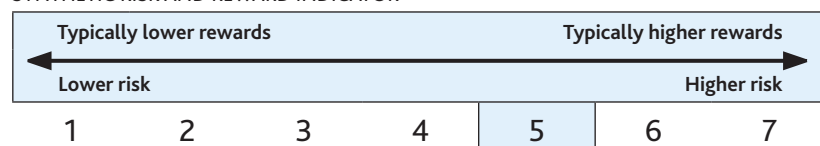
The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month period.

CF CANLIFE UK EQUITY AND BOND INCOME FUND

ACD's Report (continued)

Fund Information (continued)

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.

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife UK Equity and Bond Income Fund	14.38	25.48

* Launch date 26 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 250 to 252.

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets Value £	15.08.13 %
	DEBT SECURITIES		
	CORPORATE BONDS		
£1,200,000	AA Bond Company 4.7201% 2018	1,223,760	0.85
£1,400,000	Aviva 6.625% 2021	1,479,521	1.03
£1,000,000	AXA 7.125% 2020	1,156,041	0.80
£1,200,000	Bank of Ireland 5.75% 2013	1,206,792	0.84
£1,300,000	BG Energy Capital 6.5% 2017	1,411,583	0.98
£1,300,000	EDF 6% 2026	1,317,062	0.92
£1,000,000	Edinburgh Investment Trust 11.5% 2014	1,086,400	0.76
£1,900,000	Enterprise Inns 6.5% 2018	1,914,250	1.33
£1,400,000	Fidelity International 7.125% 2024	1,520,081	1.06
£1,400,000	General Electric Capital Corporation 6.5% 2017	1,459,203	1.01
£500,000	Heathrow Funding 6.75% 2026	623,035	0.43
£1,500,000	LBG Capital 9.334% 2020	1,663,500	1.16
£2,600,000	Mitchells & Butlers Finance 5.574% 2030	1,706,078	1.19
£1,600,000	Nationwide Building Society 5.769% 2026	1,434,592	1.00
£1,500,000	Petrobras International Finance Company 6.25% 2026	1,555,699	1.08
£1,400,000	RWE 7% 2019	1,478,313	1.03
£1,350,000	Society of Lloyd's 6.875% 2025	1,445,876	1.00
£1,850,000	South Eastern Power Networks 6.375% 2031	2,243,980	1.56
£1,800,000	Southern Gas Networks 4.875% 2020	1,986,984	1.38
£1,200,000	Telefonica Emisiones 5.375% 2018	1,276,636	0.89
	TOTAL CORPORATE BONDS	29,189,386	20.30
	PREFERENCE SHARES		
2,000,000	Balfour Beatty 10.75% 2020	2,330,000	1.62
	TOTAL DEBT SECURITIES	31,519,386	21.92
	OIL & GAS		
	OIL & GAS PRODUCERS		
514,565	BP	2,270,261	1.58
224,509	Royal Dutch Shell 'B'	4,771,939	3.32
		7,042,200	4.90
	BASIC MATERIALS		
	CHEMICALS		
73,599	Johnson Matthey	2,054,884	1.43

CF CANLIFE UK EQUITY AND BOND INCOME FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>MINING</i>		
77,111	BHP Billiton	1,522,942	1.06
50,149	Rio Tinto	1,555,622	1.08
		<u>3,078,564</u>	<u>2.14</u>
	TOTAL BASIC MATERIALS	<u>5,133,448</u>	<u>3.57</u>
	<i>INDUSTRIALS</i>		
	<i>AEROSPACE & DEFENCE</i>		
460,437	BAE Systems	<u>2,036,973</u>	<u>1.42</u>
	<i>GENERAL INDUSTRIALS</i>		
922,289	DS Smith	2,343,537	1.63
162,164	Smiths Group	2,111,375	1.47
450,198	Vesuvius	2,048,401	1.42
		<u>6,503,313</u>	<u>4.52</u>
	<i>INDUSTRIAL ENGINEERING</i>		
177,209	IMI	<u>2,511,052</u>	<u>1.75</u>
	<i>INDUSTRIAL TRANSPORTATION</i>		
86,360	BBA Aviation	<u>254,589</u>	<u>0.18</u>
	<i>SUPPORT SERVICES</i>		
69,412	Berendsen	590,696	0.41
692,190	Electrocomponents	1,815,614	1.26
130,519	Experian	1,568,839	1.09
332,077	G4S	819,898	0.57
68,346	Wolseley	2,148,798	1.50
		<u>6,943,845</u>	<u>4.83</u>
	TOTAL INDUSTRIALS	<u>18,249,772</u>	<u>12.70</u>
	<i>CONSUMER GOODS</i>		
	<i>AUTOMOBILES & PARTS</i>		
895,763	GKN	<u>3,042,011</u>	<u>2.12</u>

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>FOOD PRODUCERS</i>		
83,068	Unilever	<u>2,132,356</u>	<u>1.48</u>
	<i>HOUSEHOLD GOODS & HOME CONSTRUCTION</i>		
51,119	Reckitt Benckiser Group	<u>2,292,687</u>	<u>1.60</u>
	<i>TOBACCO</i>		
83,659	British American Tobacco	<u>2,852,772</u>	<u>1.98</u>
	TOTAL CONSUMER GOODS	<u>10,319,826</u>	<u>7.18</u>
	<i>HEALTHCARE</i>		
	<i>PHARMACEUTICALS & BIOTECHNOLOGY</i>		
115,092	AstraZeneca	3,673,161	2.56
377,522	GlaxoSmithKline	6,255,540	4.35
		<u>9,928,701</u>	<u>6.91</u>
	<i>CONSUMER SERVICES</i>		
	<i>FOOD & DRUG RETAILERS</i>		
334,474	Sainsbury (J)	1,285,049	0.89
707,881	Tesco	2,596,861	1.81
		<u>3,881,910</u>	<u>2.70</u>
	<i>GENERAL RETAILERS</i>		
450,980	Kingfisher	1,725,450	1.20
36,001	Next	1,732,368	1.20
		<u>3,457,818</u>	<u>2.40</u>
	<i>MEDIA</i>		
203,252	British Sky Broadcasting Group	1,686,991	1.17
286,152	Informa	1,462,237	1.02
253,220	WPP	2,957,610	2.06
		<u>6,106,838</u>	<u>4.25</u>

CF CANLIFE UK EQUITY AND BOND INCOME FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>TRAVEL & LEISURE</i>		
291,851	Compass Group	2,486,571	1.73
1,082,524	Ladbrokes	2,027,567	1.41
1,395,357	Marston's	2,132,105	1.48
216,765	Restaurant Group	1,128,262	0.79
		<u>7,774,505</u>	<u>5.41</u>
	TOTAL CONSUMER SERVICES	<u>21,221,071</u>	<u>14.76</u>
	<i>TELECOMMUNICATIONS</i>		
	<i>FIXED LINE TELECOMMUNICATIONS</i>		
1,016,504	BT Group	<u>3,308,721</u>	<u>2.30</u>
	<i>MOBILE TELECOMMUNICATIONS</i>		
2,073,346	Vodafone Group	<u>3,997,411</u>	<u>2.78</u>
	TOTAL TELECOMMUNICATIONS	<u>7,306,132</u>	<u>5.08</u>
	<i>UTILITIES</i>		
	<i>ELECTRICITY</i>		
197,356	SSE	<u>3,051,124</u>	<u>2.12</u>
	<i>GAS, WATER & MULTIUTILITIES</i>		
238,405	Centrica	914,521	0.64
345,139	Penon Group	2,286,546	1.59
132,948	Severn Trent	2,277,399	1.58
		<u>5,478,466</u>	<u>3.81</u>
	TOTAL UTILITIES	<u>8,529,590</u>	<u>5.93</u>
	<i>FINANCIALS</i>		
	<i>BANKS</i>		
845,064	HSBC Holdings	<u>6,007,560</u>	<u>4.18</u>
	<i>NON-LIFE INSURANCE</i>		
187,759	Amlin	721,182	0.50
1,397,485	RSA Insurance Group	1,681,175	1.17
		<u>2,402,357</u>	<u>1.67</u>

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>LIFE INSURANCE</i>		
1,650,182	Legal & General Group	3,269,010	2.27
250,758	Prudential	2,981,513	2.07
603,106	Standard Life	2,107,855	1.47
		<u>8,358,378</u>	<u>5.81</u>
	<i>REAL ESTATE INVESTMENT & SERVICES</i>		
636,689	Raven Russia	<u>440,907</u>	<u>0.31</u>
	<i>REAL ESTATE INVESTMENT TRUSTS</i>		
192,495	British Land Company	<u>1,098,184</u>	<u>0.76</u>
	<i>FINANCIAL SERVICES</i>		
235,635	IG Group Holdings	1,291,280	0.90
616,685	Intermediate Capital Group	2,748,565	1.91
		<u>4,039,845</u>	<u>2.81</u>
	<i>EQUITY INVESTMENT INSTRUMENTS</i>		
15,673	W&G Investments**	<u>15,673</u>	<u>0.01</u>
	<i>NON-EQUITY INVESTMENT INSTRUMENTS</i>		
165,767	iShares FTSE 250 UCITS ETF*	<u>2,395,333</u>	<u>1.67</u>
	TOTAL FINANCIALS	<u>24,758,237</u>	<u>17.22</u>
	Portfolio of investments	144,008,363	100.17
	Net other liabilities	(238,827)	(0.17)
	Net assets	<u>143,769,536</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 unless stated otherwise.

* Collective investment scheme.

** Suspended from AIM.

CF CANLIFE UK EQUITY AND BOND INCOME FUND

ACD's Report (continued)

Portfolio Statement (continued)

Credit Quality	15.08.13
	%
Investment grade securities	16.20
Non-investment grade securities	1.16
Non-rated securities	2.94
Other investments	79.87
Net other liabilities	(0.17)
Total	100.00

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14)	£77,280,975
Major purchases	Cost £
British American Tobacco	3,998,644
SSE	3,294,482
WPP	2,901,666
iShares FTSE 250 UCITS ETF	2,785,751
GKN	2,430,620
Severn Trent	2,408,916
Rio Tinto	2,342,196
Standard Life	2,322,698
Intermediate Capital Group	2,300,390
Ladbroke's	2,222,479
DS Smith	2,176,695
Treasury 5% 2025	2,081,033
Marston's	1,982,103
Vesuvius	1,873,676
Mitchells & Butlers Finance 5.574% 2030	1,757,131
Pennon Group	1,735,735
Petrobras International Finance Company 6.25% 2026	1,692,750
Fidelity International 7.125% 2024	1,544,080
Tesco	1,542,549
Aviva 6.625% 2021	1,528,002

CF CANLIFE UK EQUITY AND BOND INCOME FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) £93,701,391

Major sales	Proceeds £
BP	5,211,486
Vodafone Group	4,264,883
Diageo	4,144,271
Royal Dutch Shell 'B'	3,753,331
Reed Elsevier	2,936,304
Centrica	2,908,891
BHP Billiton	2,833,823
National Grid	2,326,580
United Utilities	2,268,720
Prudential	2,241,725
HSBC Holdings	2,163,404
BG Group	2,127,244
Schroders	2,087,732
Treasury 5% 2025	2,058,930
Motability Operations Group 6.625% 2019	2,024,316
GlaxoSmithKline	1,787,311
Iberdrola Finanzas 7.375% 2024	1,784,275
Abbey National Treasury Services 5.125% 2021	1,772,175
Marks & Spencer Group	1,723,217
Bank of Scotland 4.875% 2016	1,709,235

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		27,797,165
Revenue	3	8,289,175	
Expenses	4	(1,184,929)	
Finance costs: Interest	6	(9,912)	
Net revenue before taxation		7,094,334	
Taxation	5	—	
Net revenue after taxation			7,094,334
Total return before distributions			34,891,499
Finance costs: Distributions	6		(7,907,576)
Change in net assets attributable to shareholders from investment activities			26,983,923

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			—
Transfer from CF Canlife Income Unit Trust			135,712,477
Amounts receivable on issue of shares		2,577,171	
Amounts payable on cancellation of shares		(28,108,650)	
			(25,531,479)
Stamp duty reserve tax	1(g)		(8,340)
Change in net assets attributable to shareholders funds from investment activities			26,983,923
Retained distribution on Accumulation shares			6,611,467
Unclaimed distributions	1(h)		1,488
Closing net assets attributable to shareholders			143,769,536

CF CANLIFE UK EQUITY AND BOND INCOME FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			144,008,363
Other assets			
Debtors	7	2,173,888	
Cash and bank balances	8	<u>2,478,149</u>	
Total other assets			4,652,037
Total assets			<u>148,660,400</u>
LIABILITIES			
Other liabilities			
Creditors	9	(1,376,931)	
Bank overdrafts	8	(3,045,067)	
Distribution payable on Income shares		<u>(468,866)</u>	
Total other liabilities			(4,890,864)
Total liabilities			<u>(4,890,864)</u>
Net assets attributable to shareholders			<u>143,769,536</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

**For the period
from 26.05.12
to 15.08.13
£**

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	27,802,415
Transaction charges	(7,252)
Currency gains	2,002
Net capital gains	<u>27,797,165</u>

3. REVENUE

Non-taxable dividends	6,424,711
UK property income distributions	119,060
Unfranked interest	1,744,731
Bank interest	673
Total revenue	<u>8,289,175</u>

4. EXPENSES

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

ACD's periodic charge	1,061,925
Legal and professional fees	26,173
Printing costs	4,833
Registration fees	33,337
	<u>1,126,268</u>

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

Depositary's fees	34,391
Safe custody and other bank charges	9,013
	<u>43,404</u>

CF CANLIFE UK EQUITY AND BOND INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	23
Fees paid to auditor – audit	7,200
– tax services	3,764
Legal and professional fees	90
Postage and distribution costs	2,830
Set up costs	1,350
	15,257
Total expenses	1,184,929

5. TAXATION

a) Analysis of charge for the period

Corporation tax at 20%	–
Current tax charge (note 5b)	–

Deferred tax – origination and reversal of timing differences (note 5c)

	–
Total taxation	–

b) Factors affecting current tax charge for the period

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

	For the period from 26.05.12 to 15.08.13 £
Net revenue before taxation	7,094,334
Corporation tax at 20%	1,418,867
Effects of:	
Non-taxable dividends	(1,284,942)
Expenses not deductible for tax purposes	270
Utilised excess management expenses	(134,195)
Corporation tax charge	–
Current tax charge (note 5a)	–

5. TAXATION (continued)

c) Deferred tax

At the period end there is a potential deferred tax asset of £2,263,719 in relation to surplus management expenses. Following the scheme of arrangement, a tax asset of £2,397,914 relating to excess management expenses was made available to the Fund from the CF Canlife Income Unit Trust. 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:

	For the period from 26.05.12 to 15.08.13 £
First Interim	1,697,677
Second Interim	2,414,535
Final	3,514,324
	7,626,536
Add: Revenue deducted on cancellation of shares	311,733
Deduct: Revenue received on issue of shares	(30,693)
Net distributions for the period	7,907,576
Interest	9,912
Total finance costs	7,917,488

Details of the distributions per share are set out in the table on pages 250 to 252.

CF CANLIFE UK EQUITY AND BOND INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £	15.08.13 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	7,094,334	
Allocations to capital:		
Expenses, net of tax relief	814,019	
Equalisation on conversions [^]	(764)	
Balance carried forward	(13)	
Net distributions for the period	<u>7,907,576</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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.		
	15.08.13 £	
7. DEBTORS		
Amounts receivable for issue of shares	232,129	
Sales awaiting settlement	491,133	
Accrued revenue:		
Non-taxable dividends	660,890	
Unfranked interest	789,736	
	<u>1,450,626</u>	
Total debtors	<u>2,173,888</u>	
8. CASH AND BANK BALANCES		
Bank balances:		
Revenue account	<u>2,478,149</u>	
Bank overdrafts:		
Capital account	<u>(3,045,067)</u>	

9. CREDITORS		
Amounts payable for cancellation of shares		28,031
Purchases awaiting settlement		1,287,002
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge		35,571
Legal and professional fees		1,750
Printing costs		2,499
Registration fees		3,560
		<u>43,380</u>
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees		1,140
Transaction charges		1,870
Safe custody and other bank charges		1,580
Interest payable		729
		<u>5,319</u>
Other expenses		12,565
Taxation payable:		
Stamp duty reserve tax		634
Total creditors		<u>1,376,931</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. CONTINGENT LIABILITIES AND COMMITMENTS		
There are no contingent liabilities or unrecorded outstanding commitments.		

CF CANLIFE UK EQUITY AND BOND INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 13 of the Notes to the Aggregated Financial Statements. Disclosures specific to this 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:

	15.08.13
	£
Floating rate assets:	
Pounds sterling	2,478,149
Floating rate liabilities:	
Pounds sterling	(3,045,067)
Fixed rate assets:	
Pounds sterling	29,189,386
Assets on which interest is not paid:	
US dollars	73,981
Pounds sterling	116,918,884
	116,992,865
Liabilities on which interest is not paid:	
Pounds sterling	(1,845,797)
Net assets	<u>143,769,536</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.

Fixed rate financial assets have a weighted average yield of 6.56% and a weighted average period for which revenue is fixed of 8.3 years.

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:

	15.08.13
	£
Currency:	
US dollars	73,981
Pounds sterling	143,695,555
Net assets	<u>143,769,536</u>

iii. Derivatives

The Fund held no derivatives during the current period.

**For the period
from 26.05.12
to 15.08.13
£**

14. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs	
Purchases in period before transaction costs	76,957,405
Transaction costs:	
Commissions	74,958
Stamp duty and other charges	248,612
	323,570
Gross purchases total	<u>77,280,975</u>
Analysis of total sale costs	
Gross sales before transaction costs	93,770,015
Transaction costs:	
Commissions	(68,201)
Other charges	(423)
	(68,624)
Total sales net of transaction costs	<u>93,701,391</u>

CF CANLIFE UK EQUITY AND BOND INCOME FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

First Interim

Group 1 – Shares transferred from CF Canlife Income Unit Trust

Group 2 – Shares purchased on or after 26 May 2012 and on or before 15 August 2012

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	13.7703	–	13.7703
Group 2	7.5759	6.1944	13.7703

'B' Income Shares	Net Revenue	Equalisation	Paid 15.10.12
Group 1	2.3160	–	2.3160
Group 2	1.2595	1.0565	2.3160

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	13.6835	–	13.6835
Group 2	8.3559	5.3276	13.6835

'C' Income Shares	Net Revenue	Equalisation	Paid 15.10.12
Group 1	2.3000	–	2.3000
Group 2	2.3000	0.0000	2.3000

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	13.7440	–	13.7440
Group 2	13.7440	0.0000	13.7440

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	13.7558	–	13.7558
Group 2	12.6278	1.1280	13.7558

Second Interim

Group 1 – Shares purchased prior to 16 August 2012

Group 2 – Shares purchased on or after 16 August 2012 and on or before 15 February 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	20.0044	–	20.0044
Group 2	8.6547	11.3497	20.0044

'B' Income Shares	Net Revenue	Equalisation	Paid 15.04.13
Group 1	3.3397	–	3.3397
Group 2	2.1371	1.2026	3.3397

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	20.0471	–	20.0471
Group 2	5.1048	14.9423	20.0471

'C' Income Shares	Net Revenue	Equalisation	Paid 15.04.13
Group 1	3.2920	–	3.2920
Group 2	3.2920	0.0000	3.2920

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	20.0000	–	20.0000
Group 2	20.0000	0.0000	20.0000

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	20.1112	–	20.1112
Group 2	14.5802	5.5310	20.1112

CF CANLIFE UK EQUITY AND BOND INCOME FUND

Financial Statements (continued)

Distribution Table (continued)

Final

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	33.3563	–	33.3563
Group 2	5.1521	28.2042	33.3563

'B' Income Shares	Net Revenue	Equalisation	Payable 15.10.13
Group 1	5.4953	–	5.4953
Group 2	3.7801	1.7152	5.4953

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	33.5141	–	33.5141
Group 2	16.5385	16.9756	33.5141

'C' Income Shares	Net Revenue	Equalisation	Payable 15.10.13
Group 1	5.6280	–	5.6280
Group 2	5.6280	0.0000	5.6280

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	33.6160	–	33.6160
Group 2	33.6160	0.0000	33.6160

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	33.7270	–	33.7270
Group 2	2.8645	30.8625	33.7270

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 CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

IMPORTANT INFORMATION

As a result of a scheme of arrangement, effective on 26 May 2012 the CF Canlife UK Equity Income Fund ('the Fund') received the property of the CF Canlife High Income Unit Trust.

Effective 15 January 2013, the following changes took place in relation to the 'G' Accumulation shares for new investors from that date:

- The investment minima increased from £20,000,000 to £50,000,000.

On 18 March 2013 a new share class, 'A' Accumulation shares was launched in the Fund.

Effective 18 September 2013, the following changes took place:

- The investment minima (lump sum & holding) increased from £500 to £1,000,000 for new investors in 'A' Accumulation shares; and
- The regular savings plans in respect of class 'A' and class 'C' shares are no longer available.

Further details are available in the latest scheme Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide shareholders with a half-yearly income and some capital growth mainly from investment in UK equities, providing an above-average yield.

The Fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.

CAPITA FINANCIAL MANAGERS LIMITED

ACD of CF Canlife UK Equity Income Fund

13 December 2013

INVESTMENT MANAGER'S REPORT

ECONOMY

Economic growth in the UK in 2012 was nearly flat with forecasts suggesting an improvement to 1% this year and 1.7% next year. Although this is weak by historic standards, economic indicators for the UK point to increased optimism and continued recovery. The US continues to be the developed region with strongest growth, although the focus is now on Europe to start improving.

UK employment is improving, however, slow economic growth means any recovery has a long way to go. If the predicted recovery fails to materialise equity valuations are stretched. We remain concerned that western governments are in a fragile fiscal position. Debt compared to gross domestic product is high across Europe and the US.

EQUITY MARKETS

Companies are in a much better position to deal with possible market turmoil. Cyclical sectors have performed well, buoyed by improving market data.

Improving credit conditions have helped financial sectors. Easing borrowing terms and government initiatives have also helped house prices and therefore the home builders.

Defensive sectors continue to disappoint, particularly oil and gas and tobacco. Mining companies have been notable among the cyclical sectors for their underperformance as they struggle with historic over-investment.

TRADING

We added to the US construction materials supplier Wolseley in order to benefit from the improving US housing market. We bought the paper and packaging company DS Smith which has improving fundamentals and European exposure. We reduced oil and gas names including Royal Dutch Shell 'B', BP and BG and switched the proceeds into cyclical mid-sized companies. We reduced our exposure to real estate as rising interest rates could hamper asset values. After avoiding the sector since prior to the credit crisis, we returned to the pub sector via a stake in Marston's. Following strong performance from William Hill, we switched into the higher yielding Ladbrokes to keep exposure to high street betting, and also to the fast-growing online gambling space.

OUTLOOK AND STRATEGY

Equity markets continue to outperform their underlying earnings growth, and are therefore less cheap than a year ago. Dividend yields still look more attractive than sovereign debt yields, however, this gap has narrowed. We seek to hold companies with strong market positions, and also those with restructuring potential.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

24 September 2013

FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	423.56	380.92	9.0043

'B' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	358.14	316.27	4.2511
2013*	413.13	359.99	15.2885

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	362.14	316.28	4.2720
2013*	423.82	364.01	15.5991

'C' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	358.69	316.30	4.2400
2013*	414.30	360.56	15.3029

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	363.05	316.30	4.2400
2013*	425.63	364.94	15.6360

CF CANLIFE UK EQUITY INCOME FUND

ACD's Report (continued)

Fund Information (continued)

PERFORMANCE RECORD (continued)

'G' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	363.86	316.32	4.2268
2013*	427.08	365.78	15.7001

From 26 May 2012.

From 19 March to 15 August 2013.

* To 15 August 2013.

NET ASSET VALUE

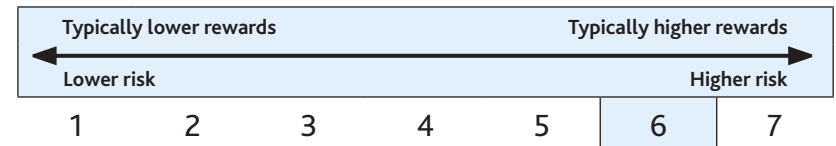
Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
15.08.13	'A' Accumulation	6,286	1,535	409.55
	'B' Income	41,682,862	10,683,253	390.17
	'B' Accumulation	69,920	17,041	410.30
	'C' Income	16,456	4,204	391.48
	'C' Accumulation	1,031	250	412.40
	'G' Accumulation	45,845,763	11,072,939	414.03

ONGOING CHARGES FIGURE

Expense Type	15.08.13 %			
	'A'	'B'	'C'	'G'
ACD's periodic charge	1.50	1.00	0.75	0.38
Other expenses	0.17	0.17	0.17	0.17
Ongoing charges figure	1.67	1.17	0.92	0.55

The Ongoing Charges Figure represents the total operating expenses of the Fund expressed as a percentage of the average net assets over a 12 month period.

SYNTHETIC RISK AND REWARD INDICATOR



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

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

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

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

FUND PERFORMANCE TO 15 AUGUST 2013 (%)

	1 year	Since launch*
CF Canlife UK Equity Income Fund	16.80	29.46

* Launch date 26 May 2012.

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

Details of the distributions per share for the period are shown in the Distribution Table on pages 274 to 276.

CF CANLIFE UK EQUITY INCOME FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 15 AUGUST 2013

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	OIL & GAS		
	<i>OIL & GAS PRODUCERS</i>		
402,645	BP	1,776,470	2.03
178,450	Royal Dutch Shell 'B'	3,792,954	4.33
		<u>5,569,424</u>	<u>6.36</u>
	BASIC MATERIALS		
	<i>CHEMICALS</i>		
56,822	Johnson Matthey	1,586,470	1.81
	<i>MINING</i>		
70,737	BHP Billiton	1,397,056	1.59
39,490	Rio Tinto	1,224,980	1.40
		<u>2,622,036</u>	<u>2.99</u>
	TOTAL BASIC MATERIALS	<u>4,208,506</u>	<u>4.80</u>
	INDUSTRIALS		
	<i>AEROSPACE & DEFENCE</i>		
354,762	BAE Systems	1,569,467	1.79
	<i>GENERAL INDUSTRIALS</i>		
727,323	DS Smith	1,848,128	2.11
125,770	Smiths Group	1,637,525	1.87
350,089	Vesuvius	1,592,905	1.81
		<u>5,078,558</u>	<u>5.79</u>
	<i>INDUSTRIAL ENGINEERING</i>		
131,230	IMI	1,859,529	2.12
	<i>INDUSTRIAL TRANSPORTATION</i>		
67,580	BBA Aviation	199,226	0.23

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>SUPPORT SERVICES</i>		
54,318	Berendsen	462,246	0.53
504,068	Electrocomponents	1,322,170	1.51
98,378	Experian	1,182,504	1.35
300,386	G4S	741,653	0.85
54,458	Wolseley	1,712,160	1.95
		<u>5,420,733</u>	<u>6.19</u>
	TOTAL INDUSTRIALS	<u>14,127,513</u>	<u>16.12</u>
	CONSUMER GOODS		
	<i>AUTOMOBILES & PARTS</i>		
669,938	GKN	2,275,109	2.59
	<i>FOOD PRODUCERS</i>		
65,765	Unilever	1,688,188	1.93
	<i>HOUSEHOLD GOODS & HOME CONSTRUCTION</i>		
39,882	Reckitt Benckiser Group	1,788,708	2.04
	<i>TOBACCO</i>		
65,995	British American Tobacco	2,250,429	2.57
	TOTAL CONSUMER GOODS	<u>8,002,434</u>	<u>9.13</u>
	HEALTH CARE		
	<i>PHARMACEUTICALS & BIOTECHNOLOGY</i>		
94,619	AstraZeneca	3,019,765	3.45
302,793	GlaxoSmithKline	5,017,280	5.72
		<u>8,037,045</u>	<u>9.17</u>
	CONSUMER SERVICES		
	<i>FOOD & DRUG RETAILERS</i>		
261,083	Sainsbury (J)	1,003,081	1.15
559,993	Tesco	2,054,334	2.34
		<u>3,057,415</u>	<u>3.49</u>

CF CANLIFE UK EQUITY INCOME FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>GENERAL RETAILERS</i>		
337,033	Kingfisher	1,289,489	1.47
27,451	Next	1,320,942	1.51
		<u>2,610,431</u>	<u>2.98</u>
	<i>MEDIA</i>		
174,952	British Sky Broadcasting Group	1,452,102	1.66
213,581	Informa	1,091,399	1.24
190,386	WPP	2,223,708	2.54
		<u>4,767,209</u>	<u>5.44</u>
	<i>TRAVEL & LEISURE</i>		
232,122	Compass Group	1,977,679	2.26
841,670	Ladbrokes	1,576,448	1.80
1,010,078	Marston's	1,543,399	1.76
165,373	Restaurant Group	860,767	0.98
		<u>5,958,293</u>	<u>6.80</u>
	TOTAL CONSUMER SERVICES	<u>16,393,348</u>	<u>18.71</u>
	TELECOMMUNICATIONS		
	<i>FIXED LINE TELECOMMUNICATIONS</i>		
791,646	BT Group	<u>2,576,808</u>	<u>2.94</u>
	<i>MOBILE TELECOMMUNICATIONS</i>		
1,614,261	Vodafone Group	<u>3,112,295</u>	<u>3.55</u>
	TOTAL TELECOMMUNICATIONS	<u>5,689,103</u>	<u>6.49</u>
	UTILITIES		
	<i>ELECTRICITY</i>		
153,848	SSE	<u>2,378,490</u>	<u>2.72</u>

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
	<i>GAS, WATER & MULTIUTILITIES</i>		
208,366	Centrica	799,292	0.91
278,279	Pennon Group	1,843,599	2.10
103,555	Severn Trent	1,773,897	2.03
		<u>4,416,788</u>	<u>5.04</u>
	TOTAL UTILITIES	<u>6,795,278</u>	<u>7.76</u>
	FINANCIALS		
	<i>BANKS</i>		
681,179	HSBC Holdings	<u>4,842,501</u>	<u>5.53</u>
	<i>NON-LIFE INSURANCE</i>		
134,773	Amlin	517,663	0.59
1,068,610	RSA Insurance Group	1,285,538	1.47
		<u>1,803,201</u>	<u>2.06</u>
	<i>LIFE INSURANCE</i>		
1,285,497	Legal & General Group	2,546,569	2.91
193,774	Prudential	2,303,973	2.63
468,878	Standard Life	1,638,729	1.87
		<u>6,489,271</u>	<u>7.41</u>
	<i>REAL ESTATE INVESTMENT & SERVICES</i>		
329,970	Raven Russia	<u>228,504</u>	<u>0.26</u>
	<i>REAL ESTATE INVESTMENT TRUSTS</i>		
149,709	British Land Company	<u>854,090</u>	<u>0.97</u>
	<i>FINANCIAL SERVICES</i>		
177,729	IG Group Holdings	973,955	1.11
477,380	Intermediate Capital Group	2,127,683	2.43
		<u>3,101,638</u>	<u>3.54</u>

CF CANLIFE UK EQUITY INCOME FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	15.08.13 %
EQUITY INVESTMENT INSTRUMENTS			
12,288	W&G Investments**	12,288	0.01
NON-EQUITY INVESTMENT INSTRUMENTS			
123,956	iShares FTSE 250 UCITS ETF*	1,791,164	2.04
	TOTAL FINANCIALS	19,122,657	21.82
	Portfolio of investments	87,945,308	100.36
	Net other liabilities	(322,990)	(0.36)
	Net assets	87,622,318	100.00

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

* Collective investment scheme.

** Suspended from AIM.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

Total purchases for the period (note 14) **£53,231,401**

Major purchases	Cost £
British American Tobacco	2,636,274
SSE	2,393,994
WPP	2,199,187
iShares FTSE 250 UCITS ETF	2,177,769
Severn Trent	1,882,720
Standard Life	1,805,712
DS Smith	1,795,924
GKN	1,792,432
Ladbroke's	1,774,402
Intermediate Capital Group	1,687,823
Marston's	1,523,232
Pennon Group	1,506,359
Rio Tinto	1,464,915
Vesuvius	1,458,005
HSBC Holdings	1,256,974
GlaxoSmithKline	1,247,544
iShares FTSE 100 UCITS ETF	1,206,722
BAE Systems	1,154,740
Tesco	1,099,879
Kingfisher	1,039,907

In addition to the above, purchases totalling £235,500,000 were made in short term investment funds during the period.

CF CANLIFE UK EQUITY INCOME FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the period (note 14) £39,491,957

Major sales	Proceeds £
BP	3,158,466
Diageo	2,536,251
Vodafone Group	2,375,374
Reed Elsevier	1,742,865
Centrica	1,703,923
Royal Dutch Shell 'B'	1,657,802
National Grid	1,595,809
BG Group	1,402,068
United Utilities Group	1,235,012
iShares FTSE 100 UCITS ETF	1,226,160
Schroders	1,115,655
BHP Billiton	1,110,147
Hammerson	1,058,962
Prudential	1,049,859
Marks and Spencer Group	967,320
BAE Systems	923,559
British Land Company	891,767
Severn Trent	876,905
William Hill	864,653
Fresnillo	759,763

In addition to the above, sales totalling £235,500,000 were made in short term investment funds during the period.

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

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Income:			
Net capital gains	2		16,814,889
Revenue	3	4,295,065	
Expenses	4	(838,775)	
Finance costs: Interest	6	(699)	
Net revenue before taxation		3,455,591	
Taxation	5	—	
Net revenue after taxation			3,455,591
Total return before distributions			20,270,480
Finance costs: Distributions	6		(4,280,529)
Change in net assets attributable to shareholders from investment activities			15,989,951

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013

	Notes	£	15.08.13 £
Opening net assets attributable to shareholders			—
Transfer from CF Canlife High Income Unit Trust			60,642,262
Amounts receivable on issue of shares		18,521,877	
Amounts payable on cancellation of shares		(9,707,258)	
			8,814,619
Stamp duty reserve tax	1(g)		(8,864)
Change in net assets attributable to shareholders funds from investment activities			15,989,951
Retained distribution on Accumulation shares			2,172,858
Unclaimed distributions	1(h)		11,492
Closing net assets attributable to shareholders			87,622,318

CF CANLIFE UK EQUITY INCOME FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 15 AUGUST 2013

	Notes	£	15.08.13 £
ASSETS			
Investment assets			87,945,308
Other assets			
Debtors	7	593,858	
Cash and bank balances	8	<u>1,661,550</u>	
Total other assets			2,255,408
Total assets			<u>90,200,716</u>
LIABILITIES			
Other liabilities			
Creditors	9	(211,923)	
Bank overdrafts	8	(1,323,334)	
Distribution payable on Income shares		<u>(1,043,141)</u>	
Total other liabilities			(2,578,398)
Total liabilities			<u>(2,578,398)</u>
Net assets attributable to shareholders			<u>87,622,318</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 15 AUGUST 2013

1. ACCOUNTING POLICIES

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

**For the period
from 26.05.12
to 15.08.13
£**

2. NET CAPITAL GAINS

The net capital gains during the period comprise:

Non-derivative securities	16,820,849
Transaction charges	(5,960)
Net capital gains	<u>16,814,889</u>

3. REVENUE

Non-taxable dividends	4,212,108
UK property income distributions	77,074
Unfranked interest	5,178
Bank interest	705
Total revenue	<u>4,295,065</u>

4. EXPENSES

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

ACD's periodic charge	671,890
Legal and professional fees	24,344
Printing costs	5,259
Registration fees	87,916
	<u>789,409</u>

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

Depositary's fees	22,729
Safe custody and other bank charges	4,305
	<u>27,034</u>

CF CANLIFE UK EQUITY INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £
4. EXPENSES (continued)	
Other expenses:	
FCA fee	23
Fees paid to auditor – audit	9,000
– tax services	3,600
Legal and professional fees	90
Postage and distribution costs	8,269
Set up costs	1,350
	22,332
Total expenses	838,775

5. TAXATION

a) Analysis of charge for the year	
Corporation tax at 20%	–
Current tax charge (note 5b)	–
Deferred tax – origination and reversal of timing differences (note 5c)	–
Total taxation	–

b) Factors affecting current tax charge for the period

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

	For the period from 26.05.12 to 15.08.13 £
Net revenue before taxation	3,455,591
Corporation tax at 20%	691,118
Effects of:	
Non-taxable dividends	(842,422)
Expenses not deductible for tax purposes	270
Unutilised excess management expenses	151,034
Corporation tax charge	–
Current tax charge (note 5a)	–

5. TAXATION (continued)

c) Deferred tax

At the period end there is a potential deferred tax asset of £1,623,639 in relation to surplus management expenses. Following the scheme of arrangement, a tax asset of £1,472,605 relating to excess management expenses was made available to the Fund from the CF Canlife High Income Unit Trust. 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 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:

	For the period from 26.05.12 to 15.08.13 £
First Interim	829,776
Second Interim	1,275,410
Final	2,170,704
	4,275,890
Add: Revenue deducted on cancellation of shares	137,864
Deduct: Revenue received on issue of shares	(133,225)
Net distributions for the period	4,280,529
Interest	699
Total finance costs	4,281,228

Details of the distributions per share are set out in the tables on pages 274 to 276.

CF CANLIFE UK EQUITY INCOME FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

	For the period from 26.05.12 to 15.08.13 £	15.08.13 £
6. FINANCE COSTS (continued)		
Distributions represented by:		
Net revenue after taxation	3,455,591	
Allocations to capital:		
Expenses, net of tax relief	824,946	
Equalisation on conversions [^]	(1)	
Balance carried forward	(7)	
Net distributions for the period	<u>4,280,529</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 the last distribution to the conversion date. The yield differential at the point of conversion is an equalisation which will be offset by capital erosion for the converted investor.		
	15.08.13 £	
7. DEBTORS		
Amounts receivable for issue of shares	5,984	
Sales awaiting settlement	62,306	
Accrued revenue:		
Non-taxable dividends	525,552	
Bank interest	16	
	<u>525,568</u>	
Total debtors	<u>593,858</u>	
8. CASH AND BANK BALANCES		
Bank balances:		
Revenue account	<u>1,661,550</u>	
Bank overdrafts:		
Capital account	<u>(1,323,334)</u>	

9. CREDITORS		
Amounts payable for cancellation of shares		115,460
Purchases awaiting settlement		37,868
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge		25,185
Legal and professional fees		1,750
Printing costs		2,499
Registration fees		9,327
		<u>38,761</u>
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees		841
Transaction charges		1,070
Safe custody and other bank charges		800
		<u>2,711</u>
Other expenses		17,119
Taxation payable:		
Stamp duty reserve tax		4
Total creditors		<u>211,923</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. CONTINGENT LIABILITIES AND COMMITMENTS		
There are no contingent liabilities or unrecorded outstanding commitments.		
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 Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk, and derivatives.		

CF CANLIFE UK EQUITY INCOME 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:

	15.08.13 £
Floating rate assets:	
Pounds sterling	1,661,550
Floating rate liabilities:	
Pounds sterling	(1,323,334)
Assets on which interest is not paid:	
US dollars	54,739
Pounds sterling	88,484,427
	88,539,166
Liabilities on which interest is not paid:	
Pounds sterling	(1,255,064)
Net assets	87,622,318

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:

	15.08.13 £
Currency:	
US dollars	54,739
Pounds sterling	87,567,579
Net assets	87,622,318

iii. Derivatives

The Fund held no derivatives during the current period.

For the period
from 26.05.12
to 15.08.13
£

14. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs	
Purchases in period before transaction costs	52,943,189
Transaction costs:	
Commissions	55,987
Stamp duty and other charges	232,225
	288,212
Gross purchases total	53,231,401
Analysis of total sale costs	
Gross sales before transaction costs	39,530,383
Transaction costs:	
Commissions	(38,282)
Other charges	(144)
	(38,426)
Total sales net of transaction costs	39,491,957

CF CANLIFE UK EQUITY INCOME FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE PERIOD FROM 26 MAY 2012 TO 15 AUGUST 2013 – IN PENCE PER SHARE

First Interim

Group 1 – Shares transferred from CF Canlife High Income Unit Trust

Group 2 – Shares purchased on or after 26 May 2012 and on or before 15 August 2012

'B' Income Shares	Net Revenue	Equalisation	Paid 15.10.12
Group 1	4.2511	–	4.2511
Group 2	2.2662	1.9849	4.2511

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.2720	–	4.2720
Group 2	4.2720	0.0000	4.2720

'C' Income Shares	Net Revenue	Equalisation	Paid 15.10.12
Group 1	4.2400	–	4.2400
Group 2	4.2400	0.0000	4.2400

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.2400	–	4.2400
Group 2	4.2400	0.0000	4.2400

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.10.12
Group 1	4.2268	–	4.2268
Group 2	3.7830	0.4438	4.2268

Second Interim

Group 1 – Shares purchased prior to 16 August 2012

Group 2 – Shares purchased on or after 16 August 2012 and on or before 15 February 2013

'B' Income Shares	Net Revenue	Equalisation	Paid 15.04.13
Group 1	5.5281	–	5.5281
Group 2	3.5185	2.0096	5.5281

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	5.5412	–	5.5412
Group 2	2.8396	2.7016	5.5412

'C' Income Shares	Net Revenue	Equalisation	Paid 15.04.13
Group 1	5.4840	–	5.4840
Group 2	5.4840	0.0000	5.4840

'C' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	5.5400	–	5.5400
Group 2	5.5400	0.0000	5.5400

'G' Accumulation Shares	Net Revenue	Equalisation	Allocated 15.04.13
Group 1	5.5340	–	5.5340
Group 2	3.0064	2.5276	5.5340

Final

Group 1 – Shares purchased on 18 March 2013

Group 2 – Shares purchased on or after 19 March 2013 and on or before 15 August 2013

'A' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	9.0043	–	9.0043
Group 2	7.5163	1.4880	9.0043

Group 1 – Shares purchased prior to 16 February 2013

Group 2 – Shares purchased on or after 16 February 2013 and on or before 15 August 2013

'B' Income Shares	Net Revenue	Equalisation	Payable 15.10.13
Group 1	9.7604	–	9.7604
Group 2	6.8118	2.9486	9.7604

CF CANLIFE UK EQUITY INCOME FUND

Financial Statements (continued)

Distribution Table (continued)

Final (continued)

'B' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	10.0579	–	10.0579
Group 2	3.4864	6.5715	10.0579

'C' Income Shares	Net Revenue	Equalisation	Payable 15.10.13
Group 1	9.8189	–	9.8189
Group 2	0.7214	9.0975	9.8189

'C' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	10.0960	–	10.0960
Group 2	10.0960	0.0000	10.0960

'G' Accumulation Shares	Net Revenue	Equalisation	Allocation 15.10.13
Group 1	10.1661	–	10.1661
Group 2	6.6890	3.4771	10.1661

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

SHARE CAPITAL

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

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 of share, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class of share.

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 Canlife Asia Pacific Fund
 CF Canlife Corporate Bond Fund
 CF Canlife Global Bond Fund
 CF Canlife Global Equity Fund
 CF Canlife Global Equity Income Fund
 CF Canlife Global Infrastructure Fund
 CF Canlife Global Resource Fund
 CF Canlife North American Fund
 CF Canlife Total Return Fund (Feeder Fund)
 CF Canlife UK Equity and Bond Income Fund
 CF Canlife UK Equity Income Fund
 CF Canlife Global High Yield Bond Fund (launched 18 September 2013)

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

VALUATION POINT

The valuation point of the Company is 12.00am on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

BUYING AND SELLING SHARES

The ACD will accept orders to deal in the shares on normal business days between 8.30am and 5.30pm 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.

The ACD may, in relation to redemption requests of shares in CF Canlife Global Infrastructure Fund, CF Canlife Global Resources Fund, CF Canlife Global High Yield Bond Fund or CF Canlife Total Return Fund only, defer redemptions at a valuation point to the next valuation point where the requested redemptions exceed 10% of the sub-fund's value. Redemption requests of shares in the CF Canlife Total Return Fund and the CF Canlife Global High Yield Bond Fund may also be deferred in further circumstances.

PRICES

The prices of all shares are available on the Investment Management Association's website at www.fundlistings.com under the heading of CF Canada Life Investments, and on our website, at www.capitafinancial.com, by following the link 'Fund Information'. The price of shares may also be obtained by calling 0845 608 1488 during normal business hours.

OTHER INFORMATION

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

Shareholders in the CF Canlife Total Return Fund and the CF Canlife Global High Yield Bond Fund may obtain further information on request regarding the Putnam Master Fund from the ACD, including copies of: the Master-Feeder Agreement, the Putnam Master Fund's Prospectus, and the Putnam Master Fund's most recent Report and Accounts.

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.