

INTERIM REPORT AND FINANCIAL STATEMENTS

31 MARCH 2014

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*Authorised and regulated by the
Financial Conduct Authority No. 189302*

CITY FINANCIAL INVESTMENT FUND SERIES III INTERIM REPORT – 31 MARCH 2014

CityFinancial

CITY FINANCIAL INVESTMENT FUND SERIES III

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INDEPENDENT AUDITOR

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(to 16 October 2013)

Grant Thornton UK LLP
Chartered Accountants and Registered Auditor
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London EC2P 2YU
(from 16 October 2013)

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ACD'S REPORT FOR THE HALF YEAR ENDED 31 MARCH 2014

AUTHORISED STATUS

City Financial Investment Fund Series III ('the Company') is an umbrella fund and investment company with variable capital incorporated in England and Wales under registered number IC 000584 and authorised by the Financial Conduct Authority with effect from 8 October 2007. The Company has an unlimited duration.

The Company is a 'UCITS Scheme' and the base currency is Pounds Sterling.

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

IMPORTANT INFORMATION

With effect from 1 October 2013 the name of the City Financial Global Multi-Strategy Fund changed to City Financial Multi Asset Balanced Fund and the treatment of expenses in this fund changed from variable to fixed.

Ordinary operating expenses, as described in the Prospectus, incurred by the Fund may be paid out of the scheme property. However, to protect the shareholders from fluctuations in these expenses the ACD has agreed to fix the total amount of these expenses to be borne by each share class as set out below, subject to a minimum fee of GBP £40,000 per annum.

Fixed expenses will be calculated and accrued daily and deducted monthly, in arrears, from each share class. The ACD will bear any excess of the actual operating expenses of the Fund above the level of fixed expenses charged in accordance with the levels given. Conversely, the ACD will be entitled to retain any amount by which the levels of fixed expenses specified exceed the actual operating expenses incurred by the Company. In some instances, shareholders will receive less of the benefit than others from the ACD. The levels of fixed expenses to be borne by each share class will be reviewed in exceptional circumstances and, in any event, annually to ensure that they remain fair to shareholders.

A change in treatment of expenses from variable to fixed costs provides clarity and ensures consistency across the City Financial fund range. An annual expenses and fee review will be undertaken by the Product Governance Committee to ensure all investors are being treated fairly. City Financial would calculate and analyse the fixed expenses on an annual basis. Any change would be reviewed at that time and, depending on the materiality and likely permanence of any change may result in a reduction or increase. Any fee increase will be treated as a significant change, where investors will be given 60 days' notice.

On 1 October 2013 the Company received the assets of City Financial Multi Manager Income Fund in to City Financial Multi Asset Balanced Fund, a sub-fund of the Company.

On 1 October 2013 the following changes were made to the City Financial Multi Asset Balanced Fund:

- Two new share classes, 'R' Income and 'R' Accumulation, were launched, and
- The names of the 'C' Income and 'C' Accumulation share classes changed to 'I' Income and 'I' Accumulation respectively.

Effective 1 October 2013, the following changes took place in relation to the City Financial Multi Asset Balanced Fund for new investors from that date:

- Original investment minima for the 'I' share classes increased from £1,000 to £1,000,000, subsequent investment minima increased from £1,000 to £10,000 and minimum holdings increased from £1,000 to £1,000,000, and
- Original investment minima for the 'A' share classes increased from £1,000 to £10,000 and minimum holdings increased from £1,000 to £10,000.

On 16 October 2013, Grant Thornton UK LLP was appointed as the auditor for the Company.

On 8 November 2013, two new sub-funds, the City Financial Multi Asset Growth Fund and the City Financial Multi Asset Diversified Fund were launched.

As a result of a scheme of arrangement, effective on 9 November 2013:

- the City Financial Multi Asset Growth Fund has received the property of the City Financial Multi Manager Growth Fund, and
- the City Financial Multi Asset Diversified Fund has received the property of the City Financial Diversified Fund, a sub-fund of the City Financial Investment Fund Series II.

On 28 November 2013, two new share classes, 'IA' Income and 'IA' Accumulation were launched in the City Financial Multi Asset Growth Fund.

With effect from 9 January 2014, the Annual Management Charge for the 'R' share classes was reduced to 0.75% in the following sub-funds:

- City Financial Multi Asset Balanced Fund,
- City Financial Multi Asset Diversified Fund, and
- City Financial Multi Asset Growth Fund.

On 7 February 2014 a new sub-fund, the City Financial Multi Asset Dynamic Fund was launched.

As a result of a scheme of arrangement, effective on 8 February 2014:

- the City Financial UK Select Opportunities Fund merged into City Financial UK Opportunities Fund, a sub-fund of City Financial UK Equity ICVC, and
- the City Financial Multi Asset Dynamic Fund has received the property of the City Financial Dynamic Fund, a sub-fund of the City Financial Investment Fund Series II.

As a result of a scheme of arrangement, effective on 15 March 2014:

- City Financial Multi Asset Diversified Fund received the property of EFA OPM Diversified Target Return Fund, and
- City Financial Multi Asset Dynamic Fund received the property of EFA OPM Worldwide Opportunities Fund.

Full details of the changes can be found in the revised Prospectus dated 7 February 2014.

Approval for the City Financial UK Select Opportunities Fund to be terminated was granted by the Financial Conduct Authority on 2 January 2014.

DIRECTOR'S STATEMENT

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

R.C. HAIN

A.N. WILLIAMS

CITY FINANCIAL INVESTMENT COMPANY LIMITED
ACD of City Financial Investment Fund Series III
28 May 2014

AGGREGATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

AGGREGATED STATEMENT OF TOTAL RETURN
FOR THE HALF YEAR ENDED 31 MARCH 2014

	31.03.14	31.03.13*
	£	£
Income:		
Net capital gains	11,138,803	5,939,956
Revenue	1,961,452	979,645
Expenses	(1,226,754)	(656,838)
Finance costs: Interest	(23,868)	(1,375)
Net revenue before taxation	710,830	321,432
Taxation	(5,818)	(6)
Net revenue after taxation	705,012	321,426
Total return before distributions	11,843,815	6,261,382
Finance costs: Distributions	(94,654)	(329,564)
Change in net assets attributable to shareholders from investment activities	11,749,161	5,931,818

* Comparative data excludes City Financial Multi Asset Diversified Fund, City Financial Multi Asset Dynamic Fund and CF Multi Asset Growth Fund as this is the Funds' first reporting period.

AGGREGATED STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 31 MARCH 2014

	31.03.14	31.03.13*
£	£	£
Opening net assets attributable to shareholders	77,342,939	94,469,187
Transfer from City Financial MultiManager Income Fund	11,590,637	–
Transfer to City Financial UK Opportunities Fund	(68,744,533)	–
Transfer from City Financial Diversified Fund	46,438,357	–
Transfer from EFA OPM Diversified Target Return Fund	4,094,456	–
Transfer from City Financial Dynamic Fund	15,512,420	–
Transfer from EFP OPM Worldwide Opportunities Fund	7,526,029	–
Transfer from City Financial MultiManager Growth Fund	32,522,895	–
Amounts receivable on issue of shares	31,010,022	11,346,580
Amounts payable on cancellation of shares	(15,187,750)	(45,920,614)
	64,762,533	(34,574,034)
Dilution levy charged	–	141,130
Stamp duty reserve tax	(25,711)	(15,184)
Change in net assets attributable to shareholders from investment activities	11,749,161	5,931,818
Retained distribution on Accumulation shares	106,719	163,252
Surplus due to City Financial MultiManager Income Fund	(1,080)	–
Shortfall due from City Financial UK Opportunities Fund	3,552	–
Surplus due to City Financial Diversified Fund	(1,837)	–
Surplus due to City Financial Dynamic Fund	(880)	–
Closing net assets attributable to shareholders	153,935,396	66,116,169

The above statement shows the comparative closing net assets at 31 March 2013 whereas the current accounting period commenced 1 October 2013.

* Comparative data excludes City Financial Multi Asset Diversified Fund, City Financial Multi Asset Dynamic Fund and City Financial Multi Asset Growth Fund as this is the Funds' first reporting period.

AGGREGATED BALANCE SHEET
AS AT 31 MARCH 2014

	31.03.14	30.09.13*
£	£	£
ASSETS		
Investment assets	147,686,349	74,426,282
Other assets		
Debtors	3,933,859	557,849
Cash and bank balances	8,626,632	3,418,568
Total other assets	12,560,491	3,976,417
Total assets	160,246,840	78,402,699
LIABILITIES		
Investment liabilities	(152,162)	–
Other liabilities		
Creditors	(5,841,562)	(917,240)
Bank overdrafts	(317,458)	(127,772)
Distribution payable on Income shares	(262)	(14,748)
Total other liabilities	(6,159,282)	(1,059,760)
Total liabilities	(6,311,444)	(1,059,760)
Net assets attributable to shareholders	153,935,396	77,342,939

* Comparative data excludes City Financial Multi Asset Diversified Fund, City Financial Multi Asset Dynamic Fund and City Financial Multi Asset Growth Fund as this is the Funds' first reporting period.

1. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 September 2013 and are described in those annual financial statements except those detailed below.

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

The sub-fund, City Financial UK Select Opportunities Fund, is no longer a going concern following Financial Conduct Authority approval to terminate, granted on 2 January 2014. The sub-fund's financial statements have been prepared on a break up basis. No termination costs have been provided for at the half-year end, as they have been covered by revenue generated between the half-year end and the effective date of termination.

Expenses

Ordinary operating expenses, as described in the Prospectus, incurred by the Company, excludes transaction charges and may be paid out of the scheme property. However, for all sub-funds excluding City Financial UK Equity Income Fund, to protect the shareholders from fluctuations in these expenses the ACD has agreed to fix the total amount of these expenses to be borne by each share class as set out below.

	Fixed Expense (%)
Institutional share classes ('I' and 'IA' shares)	0.19
Retail share classes ('A', 'R' and 'RA' shares)	0.35

Fixed expenses will be calculated and accrued daily and deducted monthly, in arrears, from each share class. The ACD will bear any excess of the actual operating expenses of the Company above the level of fixed expenses charged in accordance with the levels given. Conversely, the ACD will be entitled to retain any amount by which the levels of fixed expenses specified exceed the actual operating expenses incurred by the Company. In some instances, shareholders will receive less of the benefit than others from the ACD. The levels of fixed expenses to be borne by each share class will be reviewed in exceptional circumstances and, in any event, annually to ensure that they remain fair to shareholders.

CITY FINANCIAL MULTI ASSET BALANCED FUND ACD'S REPORT FOR THE HALF YEAR ENDED 31 MARCH 2014

IMPORTANT INFORMATION

Refer to the 'Important Information' section on pages 4 to 7.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of City Financial Multi Asset Balanced Fund ('the Fund') is to achieve consistent long term returns from both capital and income by investing across a balanced global portfolio of assets.

The Investment Manager uses a global asset allocation framework to invest across a balanced range of asset classes, geographies, sectors and investment styles. The portfolio invests in a combination of specialist funds, ETFs, listed investment vehicles, individual securities and cash, and uses derivatives for hedging and investment purposes to both reduce market risk and enhance returns. As a consequence, the portfolio exhibits modest correlation to traditional asset classes. Positions are generally held with a three to five year time horizon. However, the management of the portfolio is active and the investment strategy is liquid and dynamic in order to adapt to changing market conditions.

INVESTMENT MANAGER'S REPORT

In the period¹ the Fund was 7.47% which outperformed the positive return of 3.23% for the sector average of the IMA Mixed Investments 20-60% Shares².

Unorthodox central bank policies remain a significant feature of the global landscape and this has created an environment in which equity and bond markets are pricing in two different effects. The former looks to be driven by globally improving growth conditions, whilst the latter has been driven by concerns over the path to normalisation of interest rates and, most importantly, policy uncertainty.

Janet Yellen was made Chair of the Federal Reserve ('the Fed') and continued to taper stimulus in the belief that the US recovery is sustainable. However, we, along with most investors, are concerned about the disruptive effects of tapering. The Federal Open Market Committee met in March and further surprised investors with quite a hawkish message on interest rates; this caused rather sensitive markets to sell off and resulted in a bearish flattening of the yield curve. It is evident to us that the path to normalisation has profound implications for nearly all asset prices.

In the UK, the Bank of England under Carney's stewardship has tried to move away from a strict forward guidance, as the markets remain sceptical and feel policy may be behind the curve. The UK recovery is showing signs of increased improvement, and it is likely rates will be pressured on the upside. These are important developments and should be closely watched.

European bond yields, especially periphery bonds, have remained stable at lower levels on the back of marked improvements of leading indicators of economic activity. Consequently, these areas have been very rewarding for those who have invested in periphery government bonds, smaller companies and bank stocks.

Abenomics shows signs of working in Japan, although we still await the very important structural reforms that were promised early in the year. Whilst we have seen the initial boost in the translation of earnings for Japanese companies and a huge uplift in the market, participants including ourselves are expressing some doubt over its ability to sustain this momentum. It has been surprising that these doubts have only manifested themselves recently in very poor equity performance.

CITY FINANCIAL MULTI ASSET BALANCED FUND

ACD's Report (continued)

Investment Manager's Report (continued)

March began with the incursion of Russian troops into Crimea, which raised fears of a further escalation into global tensions. By mid-month, Crimea had voted to secede from Ukraine and join Russia. Whilst the dispute rumbles on, diplomacy and economic sanctions are seen as central solutions, which have calmed markets.

Emerging market bonds and equities performed poorly in the period, as investors recognised that easy money had left many of these countries with current account, currency and inflation issues. There have been increasing outflows from Exchange Traded Funds focussed on the area, which are now reaching a crescendo near to the Lehman panic levels. However, we are beginning to see some stabilisation, and this may offer us an entry point to selective investments.

Most recently, we have become a little concerned about the elevated levels of speculative activity and high valuations in some equity and fixed interest markets, and we have used a number of strategies to protect the Fund.

FUND PORTFOLIO ACTIVITY

The equity allocation was actively managed in the reporting period, with increasing emphasis on mid to smaller sized companies, along with dividend strategies. Additionally, we actively used strategies to protect the portfolio, and this was of significant benefit in the January 2014 equity market correction.

We maintained our UK and European small cap exposure through River and Mercantile UK Equity Long Term Recovery fund, City Financial UK Opportunities fund and db x-trackers MSCI Europe Small Cap TRN Index UCITS ETF. We maintained our bias to dividend growth strategies, including Ardevora UK Income fund, Royal London UK Equity Income fund and Prusik Asian Equity Income fund.

After the Fed tapering debate gained traction, we sold our exposure to the SPDR S&P US Dividend Aristocrats UCITS ETF. Whilst we favour dividend growth, we feel that there will be increasing competition from higher bond yields and a growing emphasis on long-term earnings growth in the US. We switched to the Legg Mason ClearBridge US Aggressive Growth fund, which has been successfully managed by Evan Bauman and Richard Freeman over a long time period. The fund has a concentrated, highly active share portfolio, with large weightings in Healthcare, Technology and Consumer Discretionary stocks. The multi cap growth style is in line with our belief that, as economic growth gains traction, these types of stock will reward.

We bought the much despised assets of gold and gold shares at the start of January at very low levels, and took significant profits in late February. In the last month, we reinstated our gold holding after a correction in its price. Its contrarian appeal, combined with our view of market risk, valuation asymmetry and improving growth dynamics continue, to look attractive.

Legg Mason Japan Equity fund was sold, as the fund had produced some startlingly good short-term numbers, which gave us cause for some concern. Some of the stocks look very rich on valuation grounds. Additionally, they have very strong earnings growth expectations which, if not met, will fall quite dramatically. Given this bias and the higher volatility of this concentrated portfolio, we felt it was prudent to take some profits.

Third Point Offshore Investors fund, managed by Dan Loeb, produced excellent returns during the period. This is one of the largest portfolio holdings and made an important contribution to our returns.

We added significantly to NB Private Equity Partners, as some cheap stock became available. This portfolio is predominantly invested in US high quality equity co-investments and direct yielding investments. It is extremely well diversified by industry, vintage and type, and is mature and cash generative. The 4.15%³ yield is well funded, and there is the potential for distributions of capital.

Our interest rate exposure and cash levels have been actively managed to insulate the Fund from further falls. The threat of interest rate rises is evident, therefore we have kept our exposure to floating rates via Real Estate Credit Investments and Chenavari Capital Solutions whilst adding TwentyFour Income Fund and TwentyFour Select Monthly Income Fund. These funds pursue strategies very much in line with our thinking on European deleveraging. The manager aims to produce attractive risk-adjusted returns through income distributions from investment in a diversified portfolio of UK and European asset-backed securities. Additionally, we added to our credit risk via NB Distressed Debt Investment Fund, which focusses on US and European distressed debt.

At the start of 2014, we became concerned about the elevated levels of speculative activity and rich valuations in some equity markets. We have used a number of successful strategies to protect the Fund, but this has meant that we do not always fully participate in upside movements in equities.

OUTLOOK

The outlook for markets and economies is extremely complex as they try to price in the transition to a new environment. Central banks continue to pursue accommodative policies, but face subpar economic recoveries with few signs of inflation. Due to the ever-present disinflationary threats of the deleveraging cycle, policy should remain highly constructive. However, we believe it is now becoming clearer that we are on a path of marginal improvement, and leading economies will face tighter monetary conditions.

It is evident to us that US tapering continues to dominate the landscape and drive asset prices. We have reached a significant long term turning point for most areas of the bond markets. Volatility measures have picked up from very low levels as investors have now recognised the real risks.

We continue to feel a sense of unease over the length and duration of the upward moves in most developed equity markets without a significant correction. The US bull market had its five year anniversary on 6 March 2014.

It is our belief that January was only the 'warm-up act' for some further downside shocks.

We feel that the consensus may face a very different asset pricing environment than they expected, and we remain committed to protecting against significant potential corrections.

We believe that shocks can be expected but that corrections should be used to increase weighting to equities, as they should offer moderate rewards in 2014.

All data sourced from Morningstar GBP returns, unless stated otherwise.

¹ Data range: 01/10/2013 – 31/03/2014.

² The benchmark is used for comparison. No benchmark is required to be disclosed per the Prospectus.

³ Source: Bloomberg.

CITY FINANCIAL INVESTMENT COMPANY LIMITED

Authorised Corporate Director

28 May 2014

CITY FINANCIAL MULTI ASSET BALANCED FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'A' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	90.87	70.98	1.6259
2010	100.05	89.03	1.2544
2011	102.21	88.81	0.8354
2012	99.94	91.41	–
2013	113.60	99.78	1.0173
2014*	118.23	113.90	–

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2009	93.43	71.39	1.6681
2010	104.25	91.53	1.2975
2011	107.05	93.86	0.8805
2012	105.05	96.08	–
2013	120.43	104.89	1.0762
2014*	125.34	120.74	–

'I' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	104.39	99.90	–
2013	118.72	104.23	1.5560
2014*	123.79	119.04	–

'I' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2012#	104.39	99.90	–
2013	120.35	104.23	1.5640
2014*	125.50	120.67	–

'R' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	104.81	100.00	–
2014*	109.23	105.09	–

'R' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	104.81	100.00	–
2014*	109.26	105.09	–

From 28 August 2012.

From 1 October 2013.

* To 31 March 2014.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
30.09.11	'A' Income	4,870,314	5,389,744	90.36
	'A' Accumulation	58,415,577	61,501,641	94.98
30.09.12	'A' Income	4,622,171	4,709,192	98.15
	'A' Accumulation	59,501,872	57,673,391	103.17
	'I' Income	256	250	102.48
	'I' Accumulation	256	250	102.48
30.09.13	'A' Income	2,142,765	1,975,092	108.49
	'A' Accumulation	20,300,667	17,635,620	115.11
	'I' Income	283	250	113.33
	'I' Accumulation	287	250	114.86
30.09.14	'A' Income	4,984,273	4,259,677	117.01
	'A' Accumulation	26,733,211	21,551,161	124.05
	'I' Income	73,987	60,366	122.56
	'I' Accumulation	355,568	286,141	124.26
	'R' Income	45,779	42,330	108.15
	'R' Accumulation	2,731,071	2,524,539	108.18

CITY FINANCIAL MULTI ASSET BALANCED FUND

ACD's Report (continued)

Fund Information (continued)

ONGOING CHARGES FIGURE

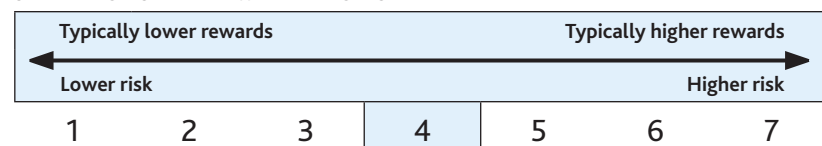
Expense Type	31.03.14			30.09.13	
	%			%	
	'A'	'I'	'R'	'A'	'I'
ACD's periodic charge	1.50	0.75	0.75	1.50	0.75
Fixed expenses	0.36	0.20	0.36	–	–
Other expenses	–	–	–	0.44	0.44
	1.86	0.95	1.11	1.94	1.19
Collective investment scheme costs	0.41	0.41	0.41	0.61	0.61
Ongoing charges figure	2.27	1.36	1.52	2.55	1.80

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

The OCF at 31 March 2014 is an estimate of the charges. An estimate is being used rather than an *ex-post* figure due to a change in the treatment of expenses from variable to fixed effective 1 October 2013 and also a reduction in the ACD's period charge of the 'R' share class from 1% to 0.75% effective 9 January 2014.

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

SYNTHETIC RISK AND REWARD INDICATOR



The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the share class have been historically.

For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower category.

The risk reward category shown is not guaranteed to remain unchanged and may shift over time.

The lowest risk category does not equal a risk free investment.

The share class is in risk category 4 as its prices have experienced moderate rises and falls historically.

DISTRIBUTIONS

There were no distributions made during the half year.

FUND PERFORMANCE TO 31 MARCH 2014 (%)

	6 months	1 year	3 years	5 years
City Financial Multi Asset Balanced Fund	7.47	9.58	18.38	69.98
IMA Mixed Investments 20-60% Shares sector*	3.23	3.87	17.04	57.90

* The benchmark is used for comparison. No benchmark is required to be disclosed per the Prospectus.

Source: Morningstar Direct to 31 March, mid to mid based on 'A' Accumulation shares which includes reinvested income.

CITY FINANCIAL MULTI ASSET BALANCED FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 31 MARCH 2014

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.03.14 %	30.09.13 %
	UNITED KINGDOM			
1,622,986	Ardevora UK Income*	2,304,478	6.59	
1,164,000	City Financial UK Opportunities*##	1,952,144	5.59	
506,350	PSource Structured Debt##	–	–	
1,186,800	Real Estate Credit Investments	1,756,464	5.03	
260,000	River and Mercantile UK Equity Long Term Recovery*	2,305,186	6.60	
235,000	Royal London UK Equity Income*	1,660,745	4.76	
32,500	Trust of Property Shares##	–	–	
	TOTAL UNITED KINGDOM	9,979,017	28.57	43.69
	CONTINENTAL EUROPE			
282,000	BlackRock European Dynamic*	1,095,570	3.14	
1,400,000	Chenavari Capital Solutions	1,452,500	4.16	
740,000	City Financial Credit Opportunities*##	745,328	2.13	
1,000,000	CVC Credit Partners European Opportunities	1,000,000	2.86	
42,900	db x-trackers MSCI Europe Small Cap TRN Index UCITS ETF*	1,044,186	2.99	
892,878	TwentyFour Income Fund	1,089,311	3.12	
	TOTAL CONTINENTAL EUROPE	6,426,895	18.40	5.99
	NORTH AMERICA			
6,600	Legg Mason ClearBridge US Aggressive Growth*	765,666	2.20	
216,175	NB Private Equity Partners	1,375,780	3.94	
	TOTAL NORTH AMERICA	2,141,446	6.14	9.59
	ASIA PACIFIC (EX JAPAN)			
9,270	Prusik Asian Equity Income 1C*	1,316,063	3.77	
4,800	Prusik Asian Equity Income 2X*	374,969	1.07	
	TOTAL ASIA PACIFIC (EX JAPAN)	1,691,032	4.84	7.91
	JAPAN			
1,013,000	Japan Residential Investment Company^	597,670	1.71	
380,000	City Financial Japanese Opportunities*##	362,634	1.04	
	TOTAL JAPAN	960,304	2.75	–

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.03.14 %	30.09.13 %
	GLOBAL			
350,000	Absolute Insight Credit*	729,365	2.09	
166,346	BH Credit Catalysts	2,199,094	6.30	
2,291,940	CATCo Reinsurance Opportunities Fund	1,409,144	4.03	
20,706	FRM Credit Alpha preference##	12,009	0.03	
1,300,000	JPMorgan Global Convertibles Income Fund	1,397,500	4.00	
1,000,000	NB Distressed Debt Investment Fund	1,020,000	2.92	
56,522	Polar Capital Healthcare Opportunities*	1,085,227	3.11	
216,500	Third Point Offshore Investors	2,193,389	6.28	
1,000,000	TwentyFour Select Monthly Income Fund	1,032,500	2.96	
	TOTAL GLOBAL	11,078,228	31.72	19.13
	ALTERNATIVES			
1,235,000	CQS Diversified	1,346,150	3.85	
	TOTAL ALTERNATIVES	1,346,150	3.85	6.89
	COMMODITIES			
8,000	Boost Gold 2X Leverage Daily ETP*	483,703	1.39	
35,000	International Oil & Gas Technology preference shares*	18,895	0.05	
	TOTAL COMMODITIES	502,598	1.44	–
	OPTIONS			
32	FTSE 100 Jun 14 Put 6,100	13,600	0.04	
201	FTSE 100 Jun 14 Put 6,300	149,745	0.43	
47	S&P 500 Emini Jun 14 Put 1,775	28,192	0.08	
150	US 10 Yr Note May 14 Call 134	104,033	0.30	
(150)	US 10 Yr Note May 14 Call 137	(33,740)	(0.10)	
	TOTAL OPTIONS	261,830	0.75	0.49

CITY FINANCIAL MULTI ASSET BALANCED FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.03.14 %	30.09.13 %
US\$(5,400,000)	FORWARD CURRENCY CONTRACTS Vs £3,252,081 (expiry 30.04.14)	12,349	0.04	–
	Portfolio of investments**	34,399,849	98.50	93.69
	Net other assets	524,040	1.50	6.31
	Net assets	34,923,889	100.00	100.00

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

* Collective investment scheme.

** Includes investment liabilities.

Related party holding.

Delisted security.

^ Quoted on the Alternative Investment Market (AIM).

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 31 MARCH 2014

Total purchases for the half year **£19,680,507**

Major purchases	Cost £
Boost Gold 2X Leverage Daily ETP	1,461,061
iShares Gold Producer UCITS ETF	1,454,885
Chenavari Capital Solutions	1,400,000
Third Point Offshore Investors	1,330,548
CVC Credit Partners European Opportunities	1,000,000
NB Distressed Debt Investment Fund	1,000,000
TwentyFour Select Monthly Income Fund	1,000,000
TwentyFour Income Fund	990,824
Gold Bullion Securities	943,592
Royal London UK Equity Income	836,649
City Financial Credit Opportunities	740,000
iShares MSCI Brazil UCITS ETF	710,442
Volta Finance	687,624
Japan Residential Investment Company	549,990
ETFS Daily Leveraged Copper	540,525
Boost WTI Oil 3x Short Daily ETP	526,343
River and Mercantile UK Equity Long Term Recovery	382,020
City Financial Japanese Opportunities	380,000
City Financial UK Opportunities	342,870
CQS Diversified	262,895

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

CITY FINANCIAL MULTI ASSET BALANCED FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the half year **£20,211,084**

Major sales	Proceeds £
City Financial Defensive Global Bond	1,880,708
Jupiter Strategic Bond	1,770,599
iShares Gold Producer UCITS ETF	1,645,415
Invesco Perpetual High Income	1,383,798
Treasury 1.75% 2022	1,170,138
Legg Mason Japan Equity 'X' Accumulation	1,049,613
Gold Bullion Securities	944,652
Boost Gold 2X Leverage Daily ETP	918,561
SPDR S&P US Dividend Aristocrats UCITS ETF	801,143
CF Lindsell Train UK Equity	782,179
iShares MSCI Brazil UCITS ETF	708,580
Volta Finance	670,412
Salar Fund	643,717
Boost WTI Oil 3x Short Daily ETP	587,535
Real Estate Credit Investments <i>preference shares</i>	543,970
NB Distressed Debt Investment Fund <i>extended life shares</i>	525,347
Polar Capital North American	465,939
ETFS Daily Leveraged Copper	457,697
River and Mercantile UK Equity Long Term Recovery	352,044
Japan Residential Investment Company	115,846

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

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN

FOR THE HALF YEAR ENDED 31 MARCH 2014

	31.03.14	31.03.13
	£	£
Income:		
Net capital gains	2,470,209	2,670,469
Revenue	565,438	670,323
Expenses	(321,019)	(400,427)
Finance costs: Interest	(7,637)	(1,375)
Net revenue before taxation	236,782	268,521
Taxation	(1)	(17)
Net revenue after taxation	236,781	268,504
Total return before distributions	2,706,990	2,938,973
Finance costs: Distributions	–	(270,891)
Change in net assets attributable to shareholders from investment activities	2,706,990	2,668,082

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE HALF YEAR ENDED 31 MARCH 2014

	31.03.14	31.03.13
	£	£
Opening net assets attributable to shareholders	22,444,002	64,124,555
Transfer from City Financial MultiManager Income Fund	11,590,637	–
Amounts receivable on issue of shares	6,068,344	87,297
Amounts payable on cancellation of shares	(7,879,913)	(42,345,296)
	9,779,068	(42,257,999)
Dilution levy charged	–	141,130
Stamp duty reserve tax	(5,091)	(26)
Change in net assets attributable to shareholders from investment activities	2,706,990	2,668,082
Retained distribution on Accumulation shares	–	100,140
Surplus due to City Financial MultiManager Income Fund	(1,080)	–
Closing net assets attributable to shareholders	34,923,889	24,775,882

The above statement shows the comparative closing net assets at 31 March 2013 whereas the current accounting period commenced 1 October 2013.

CITY FINANCIAL MULTI ASSET BALANCED FUND

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 31 MARCH 2014

	31.03.14	30.09.13
	£	£
ASSETS		
Investment assets	34,433,589	21,027,852
Other assets		
Debtors	255,840	26,003
Cash and bank balances	1,451,913	1,621,174
Total other assets	1,707,753	1,647,177
Total assets	36,141,342	22,675,029
LIABILITIES		
Investment liabilities	(33,740)	–
Other liabilities		
Creditors	(1,183,713)	(92,412)
Bank overdrafts	–	(127,772)
Distribution payable on		
Income shares	–	(10,843)
Total other liabilities	(1,183,713)	(231,027)
Total liabilities	(1,217,453)	(231,027)
Net assets attributable to shareholders	34,923,889	22,444,002

CITY FINANCIAL UK SELECT OPPORTUNITIES FUND

ACD'S REPORT

FOR THE HALF YEAR ENDED 31 MARCH 2014

IMPORTANT INFORMATION

Refer to the 'Important Information' section on pages 4 to 7.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the City Financial UK Select Opportunities Fund ('the Fund') is to provide investors with consistent long term total return predominantly through investment in a concentrated portfolio of UK listed companies. There will be no particular emphasis on any economic or industrial sector. From time to time the Fund may also invest in collective investment schemes, money market instruments and cash.

The Fund is in the course of being terminated and is no longer available for investment.

INVESTMENT MANAGER'S REPORT

In the period¹ to 8 February 2014, the Fund returned 8.96%. In comparison, the main UK market index returned 3.24%². Previously anticipated growth in company earnings has been limited and, in the near term, it seems that upside to share price-to-earnings ('PE') multiples may be limited.

Equity market buoyancy in 2013 saw share prices rally and the UK index is currently trading at a premium to historical ratings, with a PE ratio³ of 13.5 times, compared with 12.5 times in 2007. This appetite for risk is diminished as investors await further indications of significant growth.

Three sectors saw a significant drop in the period – these included industrial metals and mining, which needs little comment and has been on-going for some time. The mobile telecoms movement relates to the corporate restructuring with Vodafone and the disposal of Verizon in the period. The most notable movement, though, is the collapse in the food retail sector, which has effectively engaged in a price war in all but name, resulting in significant downgrades to earnings in the period.

The Fund has outperformed the benchmark by 5.72% over the period, primarily due to the contribution of a number of individual stocks, namely: FirstGroup and Entertainment One.

All data sourced from Morningstar GBP returns, unless stated otherwise.

¹ Data range: 01/10/2013 – 08/02/2014.

² The benchmark is used for comparison. No benchmark is required to be disclosed per the Prospectus.

³ Peel Hunt Economics & Strategy 31/03/2014, UK market index PE ratio, ex loss-makers: 12 months forward.

CITY FINANCIAL INVESTMENT COMPANY LIMITED

Authorised Corporate Director

28 May 2014

CITY FINANCIAL UK SELECT OPPORTUNITIES FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'A' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2011#	100.42	88.79	–
2012	121.36	96.52	0.3055
2013	160.68	121.42	0.4030
2014*	164.97	158.92	–

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2011#	100.41	88.78	–
2012	121.66	96.52	0.3099
2013	161.52	121.73	0.4189
2014*	165.83	159.75	–

'B' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2011#	100.49	88.82	–
2012	121.84	96.67	0.5595
2013	161.41	121.97	1.0281
2014*	165.77	159.71	0.1627

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2011#	100.48	88.82	–
2012	122.34	96.67	0.5600
2013	163.38	122.53	1.0679
2014*	167.78	161.65	0.1542

'C' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2011##	100.00	94.43	–
2012	125.17	98.73	0.9809
2013	167.71	125.44	1.4308
2014*	172.26	165.97	0.3188

From 1 September 2011.

From 5 December 2011.

* To the final valuation on 7 February 2014.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
30.09.11	'A' Income	16,991	18,324	92.73
	'A' Accumulation	250,393	270,070	92.71
	'B' Income	32,720	35,277	92.75
	'B' Accumulation	7,184,987	7,746,784	92.75
30.09.12	'A' Income	860,989	724,644	118.82
	'A' Accumulation	4,545,797	3,816,308	119.12
	'B' Income	742,458	622,912	119.19
	'B' Accumulation	18,104,255	15,119,223	119.74
	'C' Accumulation	6,091,133	4,972,393	122.50
30.09.13	'A' Income	976,310	658,400	148.29
	'A' Accumulation	6,489,729	4,353,646	149.06
	'B' Income	221,056	148,582	148.78
	'B' Accumulation	26,359,156	17,502,305	150.60
	'C' Accumulation	20,852,686	13,498,510	154.48
31.03.14*	'A' Income	–	–	–
	'A' Accumulation	–	–	–
	'B' Income	–	–	–
	'B' Accumulation	–	–	–
	'C' Accumulation	–	–	–

* On 8 February 2014 the City Financial UK Select Opportunities Fund merged into the City Financial UK Opportunities Fund, a sub-fund of City Financial UK Equity ICVC.

CITY FINANCIAL UK SELECT OPPORTUNITIES FUND

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

ONGOING CHARGES FIGURE

As the Fund is terminating no Ongoing Charges Figure is being reported.

SYNTHETIC RISK AND REWARD INDICATOR ('SRRI')

As the Fund is terminating no SRRI is being reported.

DISTRIBUTIONS

Share Class	Special 07.02.14 pence per share
'A' Income	–
'A' Accumulation	–
'B' Income	0.1627
'B' Accumulation	0.1542
'C' Accumulation	0.3188

FUND PERFORMANCE

As the Fund has no investors and nil assets at 31 March 2014, no performance figures are reported as of this date.

PORTFOLIO STATEMENT

As there were no investments held at the period end, no Portfolio Statement has been disclosed.

SUMMARY OF MATERIAL PORTFOLIO CHANGES FOR THE HALF YEAR ENDED 31 MARCH 2014

Total purchases for the half year **£46,245,725**

Major purchases	Cost £
Randgold Reserves	2,093,424
888 Holdings	1,763,732
BHP Billiton	1,630,240
Novae Group	1,500,307
Tullow Oil	1,487,104
GlaxoSmithKline	1,478,066
Vedanta Resources	1,468,639
FirstGroup	1,458,180
Sainsbury (J)	1,360,641
Royal Mail	1,315,721
Aggreko	1,265,766
Investec	1,255,969
Vectura Group	1,207,433
Balfour Beatty	1,201,293
BWIN Party Digital Entertainment	1,158,653
Cairn Energy	1,112,876
Pennon	1,075,386
Petrofac	1,008,997
Ultra Electronics Holdings	986,772
Dixons Retail	978,012

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

CITY FINANCIAL UK SELECT OPPORTUNITIES FUND

ACD's Report (continued)

Summary of Material Portfolio Changes (continued)

Total sales for the half year **£38,447,064**

Major sales	Proceeds £
Kentz Corporation	2,093,350
Aggreko	1,379,541
William Hill	1,369,543
Rio Tinto	1,215,510
Kier Group	1,202,182
Investec	1,157,190
BWIN Party Digital Entertainment	1,098,545
Hays	1,085,683
BT Group	1,031,884
Newriver Retail	1,011,180
GLOBO	995,245
Booker Group	980,338
Premier Foods	968,492
Dairy Crest Group	944,406
Melrose Industries	935,928
F&C Asset Management	931,069
Intermediate Capital Group	928,742
Consort Medical	919,006
Dixons Retail	901,528
Drax Group	890,746

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

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN

FOR THE HALF YEAR ENDED 31 MARCH 2014

	31.03.14	31.03.13
	£	£
Income:		
Net capital gains	5,187,277	3,269,487
Revenue	350,281	309,322
Expenses	(268,047)	(256,411)
Finance costs: Interest	—	—
Net revenue before taxation	82,234	52,911
Taxation	(5,817)	11
Net revenue after taxation	76,417	52,922
Total return before distributions	5,263,694	3,322,409
Finance costs: Distributions	(94,654)	(58,673)
Change in net assets attributable to shareholders from investment activities	5,169,040	3,263,736

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE HALF YEAR ENDED 31 MARCH 2014

	31.03.14	31.03.13
	£	£
Opening net assets attributable to shareholders	54,898,937	30,344,632
Transfer to City Financial UK Opportunities Fund	(68,744,533)	—
Amounts receivable on issue of shares	10,739,412	11,259,283
Amounts payable on cancellation of shares	(2,159,888)	(3,575,318)
	(60,165,009)	7,683,965
Stamp duty reserve tax	(13,239)	(15,158)
Change in net assets attributable to shareholders from investment activities	5,169,040	3,263,736
Retained distribution on Accumulation shares	106,719	63,112
Shortfall due from City Financial UK Opportunities Fund	3,552	—
Closing net assets attributable to shareholders	—	41,340,287

The above statement shows the comparative closing net assets at 31 March 2013 whereas the current accounting period commenced 1 October 2013.

CITY FINANCIAL UK SELECT OPPORTUNITIES FUND

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 31 MARCH 2014

	31.03.14	30.09.13
	£	£
ASSETS		
Investment assets	–	53,398,430
Other assets		
Debtors	13,366	531,846
Cash and bank balances	124,953	1,797,394
Total other assets	138,319	2,329,240
Total assets	138,319	55,727,670
LIABILITIES		
Other liabilities		
Creditors	(63,008)	(824,828)
Bank overdrafts	(75,049)	–
Distribution payable on Income shares	(262)	(3,905)
Total other liabilities	(138,319)	(828,733)
Total liabilities	(138,319)	(828,733)
Net assets attributable to shareholders	–	54,898,937

CITY FINANCIAL MULTI ASSET DIVERSIFIED FUND

ACD'S REPORT

FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

IMPORTANT INFORMATION

Refer to the 'Important Information' section on pages 4 to 7.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of City Financial Multi Asset Diversified Fund ('the Fund') is to achieve consistent long term returns from both capital and income by investing across a diversified global portfolio of assets.

The Investment Manager uses a global asset allocation framework to invest across a diversified range of asset classes, geographies, sectors and investment styles. The portfolio invests in a combination of specialist funds, ETFs, listed investment vehicles, individual securities and cash, and uses derivatives for hedging and investment purposes to both reduce market risk and enhance returns. As a consequence, the portfolio exhibits low correlation to traditional asset classes. Positions are generally held with a three to five year time horizon. However, the management of the portfolio is active and the investment strategy is liquid and dynamic in order to adapt to changing market conditions.

INVESTMENT MANAGER'S REPORT

In the period¹ the Fund was up 3.51% which outperformed the sector average of the IMA Mixed Investments 0-35% Shares which returned 0.98%².

A great deal has happened in the reporting period but, most notably, the 'tapering' of stimulus in the US has had profound implications for nearly all asset prices. This move, together with all of its intended and unintended consequences, has been the intense focus of investors' attention. This took a wide constituency of participants by surprise, altered their expectations and left prices highly sensitised.

Equities, bonds and currencies all suffered violent moves when tapering was first mooted by the Federal Reserve Chair, Ben Bernanke. Most notably, developed equity markets recovered from this shock and US equities rewarded with impressive performance in 2014. However, the implicit tightening in financial conditions has had a negative impact in many emerging markets. Many of these countries had already been suffering from the hangover effects of a previous credit boom, and countries with twin deficits (widening current account and trade deficits) particularly suffered, as investors could see the vicious cycle of rising rates to slow inflation trends. However, these also slowed economic growth and earnings against a competing backdrop of rising US Treasury yields.

There has been a 'noisy' but steady flow of improving economic data coming out of the US, Japan and Europe, leading many of these equity markets to recover from their losses mid-year. The UK and Europe offered most of the positive growth surprises, and it has been reflected in rising equity markets as well as bond yields in Spain, Italy, Ireland and Greece, reaching lows that we have not seen in quite some time.

We have seen the initial boost from Abenomics and a weakening in the yen in the translation of earnings for Japanese companies, and a huge uplift in the market. However, participants, including ourselves, are expressing some doubt over its ability to sustain this momentum.

FUND PORTFOLIO ACTIVITY

Towards the end of the period, the Fund's holdings in the US were changed to the Legg Mason ClearBridge US Aggressive Growth fund, which is biased towards technology and biotechnology stocks. A number of new funds were added to emphasise a bias towards stock specifics and

CITY FINANCIAL MULTI ASSET DIVERSIFIED FUND

ACD's Report (continued)

Investment Manager's Report (continued)

FUND PORTFOLIO ACTIVITY (continued)

income strategies in the UK; these included Ardevora UK Income fund and Royal London UK Equity Income fund. We added the db x-trackers MSCI Europe Small Cap TRN Index UCITS ETF to emphasis exposure to the domestic recovery that was beginning to unfold in Europe.

The substantial fixed income element of the Fund was realigned to reduce duration or interest rate risk. The fixed income holdings were changed to give exposure to asset-backed securities and performing distressed debt securities. We believe that these still offer significant upside and also offer protection against any potential rise in interest rates. Holdings that fit this description include Chenavari Capital Solutions and TwentyFour Income Fund.

Alternative or hedge-type strategies in credit and equity markets were significantly increased with the aim of reducing volatility. Additions included: Third Point Offshore Investors, BH Credit Catalysts and CQS Diversified. We also added to the exposure in private equity via the NB Private Equity Partners fund, as the fund was trading at a substantial discount with an attractive running yield.

At the start of 2014 the Fund bought the much despised assets of gold and gold shares. These were added at very low levels and we have already taken significant profits. This is a good example of our search for asymmetry in risk and reward.

OUTLOOK

The outlook for markets and economies is extremely complex as they try to price in the transition in environment. Central banks continue to pursue accommodative policies, but face subpar economic recoveries with few signs of inflation. Due to the ever-present disinflationary threats of the deleveraging cycle, policy should remain highly constructive. However, it is now becoming clearer that we are on a path of improvement, albeit relatively fragile, and leading economies will face tighter monetary conditions.

It is evident that US tapering continues to dominate the landscape and drive asset prices. We believe we have reached a significant long-term turning point for most areas of the bond markets. Volatility measures have picked up from very low levels, as investors have now recognised the real risks.

We continue to feel a sense of unease over the length and duration of the upward moves in most developed equity markets without a significant correction. The US bull market had its five year anniversary on 6 March 2014. This will make it one of the longest US equity advances in the last 80 years, and many such long duration bull markets end with large corrections. It is our belief that January was only the 'warm-up act' for some further downside shocks, and as a result we have reduced exposure to equities and are likely to increase exposure to sovereign bonds, on a tactical basis.

We feel that the consensus may face a very different asset pricing environment than they expected and we remain committed to protecting against significant potential corrections.

We believe that shocks can be expected, but corrections should be used to increase weighting to equities, as they should offer moderate rewards in 2014.

All data sourced from Morningstar GBP returns, unless stated otherwise.

¹ Data range: 8/11/2013 – 31/3/2014.

² The benchmark is used for comparison. No benchmark is required to be disclosed per the Prospectus.

CITY FINANCIAL INVESTMENT COMPANY LIMITED

Authorised Corporate Director

28 May 2014

FUND INFORMATION

PERFORMANCE RECORD

'A' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	114.09	113.05	–
2014*	117.93	114.31	–

'A' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	117.23	116.16	–
2014*	121.18	117.46	–

'I' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	115.70	114.56	–
2014*	119.79	115.93	–

'I' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	119.46	118.28	–
2014*	123.69	119.70	–

CITY FINANCIAL MULTI ASSET DIVERSIFIED FUND

ACD's Report (continued)

Fund Information (continued)

PERFORMANCE RECORD (continued)

'R' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013#	100.86	99.86	—
2014*	104.46	101.06	—

'R' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013#	100.86	99.86	—
2014*	104.44	101.06	—

From 8 November 2013.

* To 31 March 2014.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
31.03.14	'A' Income	2,336,514	1,996,117	117.05
	'A' Accumulation	46,646,477	38,787,865	120.26
	'I' Income	14,369	12,078	118.97
	'I' Accumulation	9,040,581	7,360,565	122.82
	'R' Income	626	604	103.72
	'R' Accumulation	1,732,039	1,670,032	103.71

ONGOING CHARGES FIGURE

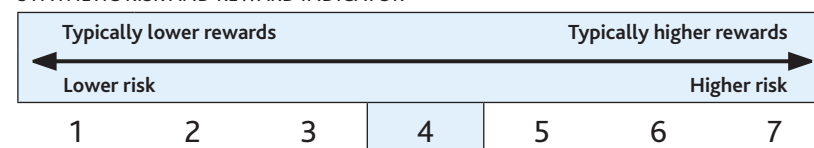
Expense Type	31.03.14 %		
	'A'	'I'	'R'
ACD's periodic charge	1.50	0.75	0.75
Fixed expenses	0.36	0.20	0.36
	1.86	0.95	1.11
Collective investment scheme costs	0.33	0.33	0.33
Ongoing charges figure	2.19	1.28	1.44

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

The OCF 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 8 November 2013 and also a reduction in the ACD's periodic charge of the 'R' share class from 1% to 0.75% effective 9 January 2014.

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

SYNTHETIC RISK AND REWARD INDICATOR



The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the share class have been historically.

For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.

The risk reward category shown is not guaranteed to remain unchanged and may shift over time.

The lowest risk category does not equal a risk free investment.

The share class is in risk category 4 as its price has experienced moderate rises and falls historically.

CITY FINANCIAL MULTI ASSET DIVERSIFIED FUND

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

DISTRIBUTIONS

There were no distributions made during the period.

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 31 MARCH 2014

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.03.14 %
	UNITED KINGDOM		
2,280,661	Ardevora UK Income*	3,238,311	5.42
2,330,000	M&G UK Inflation linked Corporate Bond*	2,663,889	4.45
71,000	PSource Structured Debt##	–	–
1,331,500	Real Estate Credit Investments	1,970,620	3.30
2,830,000	Real Estate Credit Investments <i>preference shares</i>	2,999,800	5.02
418,000	Royal London UK Equity Income*	2,954,006	4.94
1,488,780	SWIP Sterling Credit Advantage*	1,707,631	2.86
	TOTAL UNITED KINGDOM	15,534,257	25.99
	CONTINENTAL EUROPE		
280,000	BlackRock European Dynamic*	1,087,800	1.81
57,000	db x-trackers MSCI Europe Small Cap TRN Index UCITS ETF*	1,387,380	2.32
900,000	City Financial Credit Opportunitites*#	906,480	1.52
1,500,000	CVC Credit Partners European Opportunities	1,500,000	2.51
2,625,000	Chenavari Capital Solutions	2,723,437	4.56
5,275,202	Harbourvest Senior Loans Europe	1,846,321	3.09
1,411,474	TwentyFour Income Fund	1,721,998	2.88
	TOTAL CONTINENTAL EUROPE	11,173,416	18.69
	NORTH AMERICA		
8,450	Legg Mason ClearBridge US Aggressive Growth*	980,285	1.64
434,178	NB Private Equity Partners	2,763,194	4.62
	TOTAL NORTH AMERICA	3,743,479	6.26
	ASIA PACIFIC (EX JAPAN)		
13,165	Prusik Asian Equity Income 2X*	1,028,424	1.72
	JAPAN		
1,323,700	Japan Residential Investment Company^	780,983	1.31
	GLOBAL		
1,990,000	Absolute Insight Credit*	2,545,608	4.26
317,684	BH Credit Catalysts	4,199,782	7.03
4,177,351	CATCo Reinsurance Opportunities Fund	2,568,343	4.30
2,718,269	City Financial Defensive Global Bond*#	2,063,166	3.45
2,754	FRM Credit Alpha <i>preference</i> ###	1,597	–
1,125,000	GLG Strategic Bond*	1,495,125	2.50

CITY FINANCIAL MULTI ASSET DIVERSIFIED FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.03.14 %
	GLOBAL (continued)		
1,895,000	JPMorgan Global Convertibles Income Fund	2,037,125	3.41
45,000	Polar Capital Healthcare Opportunities*	864,000	1.45
307,000	Third Point Offshore Investors	3,110,257	5.20
2,700,000	TwentyFour Select Monthly Income Fund	2,787,750	4.66
	TOTAL GLOBAL	21,672,753	36.26
	ALTERNATIVES		
2,300,125	CQS Diversified	2,507,136	4.19
	COMMODITIES		
13,500	Boost Gold 2X Leverage Daily ETP *	816,249	1.37
	OPTIONS		
54	FTSE 100 Jun 14 Put 6,100	22,950	0.04
245	FTSE 100 Jun 14 Put 6,300	182,525	0.30
69	S&P 500 Emini Jun 14 Put 1,775	41,388	0.07
225	US 10 Yr Note May 14 Call 134	156,050	0.26
(225)	US 10 Yr Note May 14 Call 137	(50,611)	(0.08)
	TOTAL OPTIONS	352,302	0.59
	FORWARD CURRENCY CONTRACTS		
USD (\$3,000,000)	Vs £1,806,712 (expiry 30.04.14)	6,861	0.01
	Portfolio of investments**	57,615,860	96.39
	Net other assets	2,154,746	3.61
	Net assets	59,770,606	100.00

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

* Collective investment scheme.

** Includes investment liabilities.

Related party holding.

Delisted security.

^ Quoted on the Alternative Investment Market (AIM).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

Total purchases for the period		£16,356,750
Purchases	Cost £	
TwentyFour Select Monthly Income	2,500,000	
Boost Gold 2X Leverage Daily ETP	2,157,023	
iShares Gold Producer UCITS ETF	2,026,505	
CVC Credit Partners European Opportunities	1,500,000	
GLG Fixed Interest ICVC – Strategic Bond	1,494,000	
NB Private Equity Partners	1,075,462	
Legg Mason Japan Equity 'X' Accumulation	951,080	
City Financial Credit Opportunities	900,000	
Polar Capital Healthcare Opportunities	873,900	
CQS Diversified	686,530	
CATCo Reinsurance Opportunities Fund	529,872	
Legg Mason ClearBridge US Aggressive Growth	460,600	
City Financial Defensive Global Bond	379,050	
Chenavari Capital Solutions	311,562	
Harbourvest Senior Loans Europe	253,755	
Real Estate Credit Investments	167,727	
BH Credit Catalysts	53,428	
TwentyFour Income Fund	34,193	
FRM Credit Alpha preference	1,688	
Ardevora UK Income	375	

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

Total sales for the period		£7,322,961
Sales	Proceeds £	
iShares Gold Producer UCITS ETF	2,288,776	
Boost Gold 2X Leverage Daily ETP	1,244,502	
SPDR S&P UK Dividend Aristocrats ETF	1,182,022	
Legg Mason Japan Equity 'X' Accumulation	972,370	
SPDR S&P US Dividend Aristocrats ETF	342,484	
City Financial Defensive Global Bond	265,685	
Third Point Offshore Investors	245,176	
NB Private Equity Partners	222,817	
JPMorgan Global Convertibles Income	215,125	
Real Estate Credit Investments preference shares	211,682	
Japan Residential Investment Company	132,322	

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

CITY FINANCIAL MULTI ASSET DIVERSIFIED FUND
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

	£	31.03.14* £
Income:		
Net capital gains		1,332,796
Revenue	735,002	
Expenses	(354,124)	
Finance costs: Interest	(6,030)	
Net expense before taxation	374,848	
Taxation	—	
Net expense after taxation		374,848
Total return before distributions		1,707,644
Finance costs: Distributions		—
Change in net assets attributable to shareholders from investment activities		1,707,644

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

	£	31.03.14* £
Opening net assets attributable to shareholders		—
Transfer from City Financial Diversified Fund	46,438,357	
Transfer from EFA OPM Diversified Target Return Fund	4,094,456	
Amounts receivable on issue of shares	10,216,050	
Amounts payable on cancellation of shares	(2,679,851)	
		58,069,012
Stamp duty reserve tax		(4,213)
Change in net assets attributable to shareholders from investment activities		1,707,644
Surplus due to City Financial Diversified Fund		(1,837)
Closing net assets attributable to shareholders		59,770,606

* No comparative figures are presented for the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders as this is the Fund's first reporting period.

BALANCE SHEET
AS AT 31 MARCH 2014

	£	31.03.14* £
ASSETS		
Investment assets		57,666,471
Other assets		
Debtors	1,960,406	
Cash and bank balances	2,684,957	
Total other assets		4,645,363
Total assets		62,311,834
LIABILITIES		
Investment liabilities		(50,611)
Other liabilities		
Creditors	(2,424,592)	
Bank overdrafts	(66,025)	
Total other liabilities		(2,490,617)
Total liabilities		(2,541,228)
Net assets attributable to shareholders		59,770,606

* No comparative figures are presented for the Balance Sheet as this is the Fund's first reporting period.

CITY FINANCIAL MULTI ASSET DYNAMIC FUND
ACD'S REPORT
FOR THE PERIOD FROM 7 FEBRUARY 2014 TO 31 MARCH 2014

IMPORTANT INFORMATION

Refer to the 'Important Information' section on pages 4 to 7.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of City Financial Multi Asset Dynamic Fund ('the Fund') is to achieve consistent long term returns from capital growth by dynamically investing across a global portfolio of assets.

The Investment Manager uses a global asset allocation framework to dynamically invest across a range of asset classes, geographies, sectors and investment styles. The portfolio invests in a combination of specialist funds, ETFs, listed investment vehicles, individual securities and cash, and uses derivatives for hedging and investment purposes to both reduce market risk and enhance returns. As a consequence, the portfolio exhibits moderate correlation to traditional asset classes. Positions are generally held with a three to five year time horizon. However, the management of the portfolio is active and the investment strategy is liquid and dynamic in order to adapt to changing market conditions.

INVESTMENT MANAGER'S REPORT

In the period¹ the Fund was up 2.67% which outperformed the positive return of 2.09% for the sector average of the IMA Flexible Investments².

We had stated that too many observers remained too negative on the outlook for developed market economies. It has become evident that despite the nervousness of many who have dwelt on the negative effects of debt deleveraging, healing processes are gaining traction. More and more of the underlying fundamental data point to this conclusion, and our positive views are becoming more accepted.

Our main concern centres on the withdrawal of on-going measures which has been the major focus of investors' attention, and in our opinion will continue to be for the foreseeable future. The Federal Open Market Committee met in March under its new Chair, Janet Yellen and surprised markets with quite a hawkish message on interest rates; this disrupted the markets and resulted in a bearish flattening of the yield curve.

March started with the incursion of Russian troops into Crimea, which raised fears of a further escalation into global tensions. By mid-month, Crimea had voted to secede from Ukraine and join Russia. Whilst the dispute rumbles on, diplomacy and economic sanctions are seen as central solutions which have calmed markets.

Emerging market equities are stabilising and inflows have started in recent weeks. Countries that are promoting reform, such as India, are feeling the benefits of better bond and equity markets.

FUND PORTFOLIO ACTIVITY

The Fund reinstated our gold holding after a correction in the gold price. Its contrarian appeal, combined with our view of heightened market risk, valuation asymmetry and improving growth, continues to attract us.

We sold our holding in iShares MSCI Brazil UCITS ETF, which had been initiated as a small position, given the uncertainties surrounding emerging markets. Whilst the Brazilian market remains relatively cheap, the exposure had to be sold, as risk increased and prices fell beyond our tolerance level due to the situation in Crimea.

We bought Polar Capital Healthcare Opportunities fund, as the chance to buy on a correction became available. During the month, a number of biotech companies' share prices were hit hard and this had a knock on effect on the wider sector. The fund is managed by Powell and Mahoney and they have produced exceptional absolute and risk-adjusted returns over a long time frame.

Legg Mason Japan Equity Fund was sold as the fund had produced some startlingly good short-term numbers which gave us cause for some concern. Some of the stocks look very rich on valuation grounds. Additionally, they have very strong earnings growth expectations which, if not met, will fall quite dramatically. Given this bias and the higher volatility of this concentrated portfolio, we felt it was prudent to take some profits.

OUTLOOK

The outlook for markets and economies is extremely complex. Most central banks continue to pursue ultra-accommodative policies in the face of accelerating but subpar economic recoveries and little inflation. Due to the ever-present disinflationary threats of the deleveraging cycle, we believe that policy will remain highly constructive.

The synchronised global recovery should continue to gain traction over the year but, we believe that there will be much confusing data around this trend. Until we see markedly improved lending and a sustained pick-up in small business hiring, this recovery will remain vulnerable.

It is extremely evident that US tapering continues to dominate the landscape and drive asset prices. We believe we have reached a significant long-term turning point for most areas of the bond markets. Volatility measures have picked up from very low levels, as investors have now recognised real risks exist.

Investors are trying to price in the transition to an improving outlook and we expect to see further volatility and rotations.

We believe that shocks can be expected but that we should be able to generate moderate capital rewards in 2014.

All data sourced from Morningstar GBP returns, unless stated otherwise.

¹ Data range: 08/02/2014 – 31/03/2014.

² The benchmark is used for comparison. No benchmark is required to be disclosed per the Prospectus.

CITY FINANCIAL INVESTMENT COMPANY LIMITED
Authorised Corporate Director
28 May 2014

CITY FINANCIAL MULTI ASSET DYNAMIC FUND

ACD's Report (continued)

FUND INFORMATION

PERFORMANCE RECORD

'A' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	137.08	131.88	–

'A' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	142.13	136.73	–

'I' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	143.94	138.39	–

'I' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	147.30	141.62	–

'R' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	104.35	100.32	–

'R' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	104.35	100.32	–

'RA' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	104.35	100.32	–

'RA' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2014#	104.35	100.32	–

From 7 February 2014 to 31 March 2014.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
31.03.14	'A' Income	5,169,271	3,821,836	135.26
	'A' Accumulation	16,050,379	11,447,339	140.21
	'I' Income	32,840	23,114	142.08
	'I' Accumulation	2,055,521	1,413,637	145.41
	'R' Income	217,017	210,686	103.00
	'R' Accumulation	19,983	19,400	103.00
	'RA' Income	515	500	102.99
	'RA' Accumulation	515	500	102.99

CITY FINANCIAL MULTI ASSET DYNAMIC FUND

ACD's Report (continued)

Fund Information (continued)

ONGOING CHARGES FIGURE

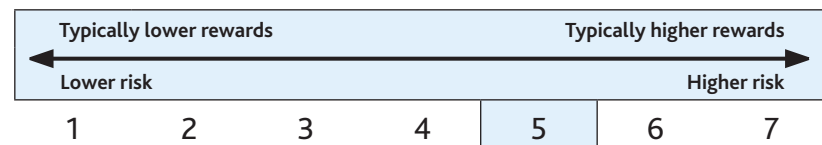
Expense Type	31.03.14			
	%			
	'A'	'I'	'R'	'RA'
ACD's periodic charge	1.50	0.75	0.75	1.00
Fixed fee	0.39	0.23	0.39	0.39
	1.89	0.98	1.14	1.39
Collective investment scheme costs	0.61	0.61	0.61	0.61
Ongoing charges figure	2.50	1.59	1.75	2.00

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

The OCF 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 7 February 2014.

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

SYNTHETIC RISK AND REWARD INDICATOR



The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the share class have been historically.

For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower category.

The risk reward category shown is not guaranteed to remain unchanged and may shift over time.

The lowest risk category does not equal a risk free investment.

The share class is in risk category 5 as its price has experienced significant rises and falls historically.

DISTRIBUTIONS

There were no distributions made during the period.

FUND PERFORMANCE

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

CITY FINANCIAL MULTI ASSET DYNAMIC FUND

ACD's Report (continued)

PORTFOLIO STATEMENT

AS AT 31 MARCH 2014

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.03.14 %
	UNITED KINGDOM		
4,300	Boost FTSE 250 2x Leverage Daily ETP	581,145	2.47
417,500	CF Lindsell Train UK Equity	833,998	3.54
980,000	City Financial UK Opportunities#	1,643,558	6.98
710,000	Franklin UK Smaller Companies	1,247,257	5.30
3,000	iShares Markit iBoxx £ Corporate Bond ex-Financials	339,270	1.44
842,000	Marlborough Nano-Cap Growth	899,962	3.82
242,000	River and Mercantile UK Equity Long Term Recovery	2,145,596	9.11
	TOTAL UNITED KINGDOM	7,690,786	32.66
	CONTINENTAL EUROPE		
435,333	BlackRock European Dynamic	1,691,269	7.19
82,250	db x-tracker MSCI Europe Small Cap TRN Index UCITS ETF	2,001,965	8.50
	TOTAL CONTINENTAL EUROPE	3,693,234	15.69
	NORTH AMERICA		
1,200,000	CF Miton US Opportunities	1,320,480	5.61
13,230	Legg Mason ClearBridge US Aggressive Growth	1,534,812	6.52
5,000	Source Consumer Discretionary S&P US Select Sector UCITS ETF	600,220	2.55
4,500	Source Industrials S&P US Select Sector	674,107	2.86
	TOTAL NORTH AMERICA	4,129,619	17.54
	ASIA PACIFIC (EX JAPAN)		
57,500	db x-trackers MSCI AC Asia Ex Japan Index UCITS ETF	1,162,665	4.94
	JAPAN		
510,000	City Financial Japanese Opportunities#	486,693	2.06
	GLOBAL		
699,567	CATCo Reinsurance Opportunities Fund*	430,112	1.83
35,200	Polor Capital Healthcare Opportunities	675,840	2.87
176,500	Third Point Offshore Investors*	1,788,144	7.59
	TOTAL GLOBAL	2,894,096	12.29

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.03.14 %
	EMERGING MARKETS		
2,000	Amundi MSCI India UCITS ETF	540,600	2.29
350,000	India Capital Growth Fund*^	126,000	0.54
153,800	Templeton Emerging Markets Investment Trust*	809,757	3.44
	TOTAL EMERGING MARKETS	1,476,357	6.27
	COMMODITIES		
8,750	Boost Gold 2x Leverage Daily ETP	529,050	2.25
33,000	International Oil & Gas Technology <i>preference shares*</i>	17,815	0.07
	TOTAL COMMODITIES	546,865	2.32
	FUTURES & OPTIONS		
4	DAX Index 2 Jun 14	(331)	–
14	FTSE 100 Jun 14 Put 6,100	5,950	0.02
141	FTSE 100 Jun 14 Put 6,300	105,045	0.45
90	S&P 500 Emini Jun 14 Put 1,775	53,985	0.23
150	US 10 Yr Note May 14 Call 134	104,033	0.44
(150)	US 10 Yr Note May 14 Call 137	(33,740)	(0.14)
	TOTAL FUTURES & OPTIONS	234,942	1.00
€(4,500,000)	FORWARD CURRENCY CONTRACTS Vs £2,710,068 (expiry 30.04.14)	10,291	0.05
	Portfolio of investments**	22,325,548	94.82
	Net other assets	1,220,493	5.18
	Net assets	23,546,041	100.00

The investments are collective investment schemes unless stated otherwise.

* Closed ended investment company.

** Includes investment liabilities.

Related party holding.

^ Quoted on the Alternative Investment Market (AIM).

CITY FINANCIAL MULTI ASSET DYNAMIC FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES

FOR THE PERIOD FROM 7 FEBRUARY 2014 TO 31 MARCH 2014

Total purchases for the period **£5,922,548**

Purchases	Cost £
Goldman Sachs Sterling Liquid Reserves	715,780
Polar Capital Healthcare Opportunities	683,584
Source Industrials S&P US Select Sector	678,755
Source Consumer Discretionary S&P US Sector UCITS ETF	604,275
Boost FTSE 250 2x Leverage Daily ETP	589,373
Boost Gold 2x Leverage Daily ETP	583,688
Boost WTI Oil 3x Short Daily	475,719
iShares MSCI Brazil UCITS EFT	465,289
ETFS Daily Leveraged Copper	399,841
iShares Markit iBoxx £ Corporate Bond ex-Financials	343,285
Third Point Offshore Investors	253,699
India Capital Growth Fund	129,260

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

Total sales for the period **£4,868,457**

Sales	Proceeds £
Goldman Sachs Sterling Liquid Reserves	715,780
Legg Mason Japan Equity Fund	621,998
Boost FTSE 250 2x Leverage Daily ETP	561,275
Boost WTI Oil 3x Short Daily	538,574
Source Financial S&P US Select Sector UCITS ETF	497,683
CF Miton US Opportunities	496,683
iShares MSCI Brazil UCITS EFT	456,180
iShares Fold Producers UCITS ETF	411,129
ETFS Daily Leveraged Copper	330,480
City Financial Japanese Opportunities	238,675

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

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 7 FEBRUARY 2014 TO 31 MARCH 2014

	£	31.03.14* £
Income:		
Net capital gains		438,924
Revenue	9,012	
Expenses	(44,772)	
Finance costs: Interest	(180)	
Net expense before taxation	(35,940)	
Taxation	—	
Net expense after taxation	(35,940)	
Total return before distributions		402,984
Finance costs: Distributions		—
Change in net assets attributable to shareholders from investment activities		402,984

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS FOR THE PERIOD FROM 7 FEBRUARY 2014 TO 31 MARCH 2014

	£	31.03.14* £
Opening net assets attributable to shareholders		—
Transfer from City Financial Dynamic Fund	15,512,420	
Transfer from EFA OPM Worldwide Opportunities Fund	7,526,029	
Amounts receivable on issue of shares	530,834	
Amounts payable on cancellation of shares	(424,714)	
	23,144,569	
Stamp duty reserve tax	(632)	
Change in net assets attributable to shareholders from investment activities	402,984	
Surplus due to City Financial Dynamic Fund	(880)	
Closing net assets attributable to shareholders		23,546,041

* No comparative figures are presented for the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders as this is the Fund's first reporting period.

CITY FINANCIAL MULTI ASSET DYNAMIC FUND

Interim Financial Statements (unaudited) (continued)

BALANCE SHEET

AS AT 31 MARCH 2014

	£	31.03.14* £
ASSETS		
Investment assets		22,359,619
Other assets		
Debtors	673,698	
Cash and bank balances	<u>2,053,831</u>	
Total other assets		<u>2,727,529</u>
Total assets		<u>25,087,148</u>
LIABILITIES		
Investment liabilities		(34,071)
Other liabilities		
Creditors	(1,423,303)	
Bank overdrafts	<u>(83,733)</u>	
Total other liabilities		<u>(1,507,036)</u>
Total liabilities		<u>(1,541,107)</u>
Net assets attributable to shareholders		<u>23,546,041</u>

* No comparative figures are presented for the Balance Sheet as this is the Fund's first reporting period.

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD'S REPORT

FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

IMPORTANT INFORMATION

Refer to the 'Important Information' section on page 4.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of City Financial Multi Asset Growth Fund ('the Fund') is to achieve consistent long term capital growth by investing across a global portfolio of assets.

The Investment Manager uses a global asset allocation framework to invest across a wide range of asset classes, geographies, sectors and investment styles. The portfolio aims to generate sustainable capital growth by investing in a combination of specialist funds, ETFs, listed investment vehicles, individual securities and cash, and uses derivatives for hedging and investment purposes to both reduce market risk and enhance returns. As a consequence, the portfolio exhibits moderate correlation to traditional asset classes. Positions are generally held with a three to five year time horizon. However, the management of the portfolio is active and the investment strategy is liquid and dynamic in order to adapt to changing market conditions.

INVESTMENT MANAGER'S REPORT

In the period¹ the Fund was up 5.69% which outperformed the positive return of 1.06% for the sector average of the IMA Mixed Investments 40-85% Shares².

Unorthodox central bank policies remain a significant feature of the global landscape and this has created an environment in which equity and bond markets are pricing in two different effects. The former looks to be driven by globally improving growth conditions, whilst the latter has been driven by concerns over the path to normalisation of interest rates and, most importantly, policy uncertainty.

Janet Yellen was made Chair of the Federal Reserve ('the Fed') and continued to taper stimulus in the belief that the US recovery is sustainable. However, we, along with most investors, are concerned about the disruptive effects of tapering. The Federal Open Market Committee met in March and further surprised investors with quite a hawkish message on interest rates; this caused rather sensitive markets to sell off and resulted in a bearish flattening of the yield curve. It is evident to us that the path to normalisation has profound implications for nearly all asset prices.

In the UK, the Bank of England under Carney's stewardship has tried to move away from a strict forward guidance, as the markets remain sceptical and feel policy may be behind the curve. The UK recovery is showing signs of increased improvement and it is likely rates will be pressured on the upside. These are important developments and should be closely watched.

European bond yields, especially periphery bonds, have remained stable at lower levels on the back of marked improvements of leading indicators of economic activity. Consequently, these areas have been very rewarding for those who have invested in periphery government bonds, smaller companies and bank stocks.

Abenomics shows signs of working in Japan, although we still await the very important structural reforms that were promised early in the year. Whilst we have seen the initial boost in the translation of earnings for Japanese companies and a huge uplift in the market, participants including ourselves are expressing some doubt over its ability to sustain this momentum. It has been surprising that these doubts have only manifested themselves recently in very poor equity performance.

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD's Report (continued)

Investment Manager's Report (continued)

March began with the incursion of Russian troops into Crimea, which raised fears of a further escalation into global tensions. By mid-month, Crimea had voted to secede from Ukraine and join Russia. Whilst the dispute rumbles on, diplomacy and economic sanctions are seen as central solutions, which have calmed markets.

Emerging market bonds and equities performed poorly in the period, as investors recognised that easy money had left many of these countries with current account, currency and inflation issues. There have been increasing outflows from Exchange Traded Funds focussed on the area, which are now reaching a crescendo near to the Lehman panic levels. However, we are beginning to see some stabilisation, and this may offer us an entry point to selective investments.

Most recently, we have become a little concerned about the elevated levels of speculative activity and high valuations in some equity and fixed interest markets, and we have used a number of strategies to protect the Fund.

FUND PORTFOLIO ACTIVITY

The equity allocation was actively managed in the reporting period, with increasing emphasis on mid to smaller sized companies. Additionally, we actively used strategies to protect the portfolio, and this was of significant benefit in the January 2014 equity market correction.

We maintained our UK and European small cap exposure through River and Mercantile UK Long Term Recovery fund, Franklin UK Smaller Companies fund, City Financial UK Opportunities fund and db x-trackers MSCI Europe Small Cap TRN Index UCITS ETF. We tactically bought and sold Boost FTSE 250 2x Leverage Daily ETP to increase or decrease our exposure to UK mid cap stocks.

After the Fed tapering debate gained traction, we sold our exposure to the SPDR US S&P Dividend Aristocrats UCITS ETF. Whilst we favour dividend growth, we feel that there will be increasing competition from higher bond yields and a growing emphasis on long-term earnings growth in the US.

We switched to the Legg Mason ClearBridge US Aggressive Growth fund, which has been successfully managed by Evan Bauman and Richard Freeman over a long time period. The fund has a concentrated, highly active share portfolio, with large weightings in Healthcare, Technology and Consumer Discretionary stocks. The multi cap growth style is in line with our belief that, as economic growth gains traction, these types of stock will reward.

Late in 2013, we bought the Boost WTI Oil 3x Leverage Daily ETP, a levered play on the price of oil. After a good rally in the price of oil, which we felt reflected improved economic growth prospects and a tightening spread between WTI and Brent oil, we took substantial profits.

At the start of 2014, the Fund bought the much despised assets of gold and gold shares. These were added at very low levels, and we took significant profits. In the last month, we reinstated our gold holding after a correction in its price. Its contrarian appeal, combined with our view of market risk, valuation asymmetry and improving growth dynamics continues to look attractive.

Legg Mason Japan Equity fund was sold, as the fund had produced some startlingly good short-term numbers, which gave us cause for some concern. Some of the stocks look very rich on valuation grounds. Additionally, they have very strong earnings growth expectations which, if not met, will fall quite dramatically. Given this bias and the higher volatility of this concentrated portfolio, we felt it was prudent to take some profits.

We had maintained a very low weighting in emerging markets, but started to increase exposure in February, as outflows from the region reached a crescendo, and valuations began to look attractive. We bought the Amundi MSCI India UCITS ETF, as a direct play on a country that was willing to undergo reform and benefit from such actions. However, we had to sell our holding in iShares MSCI Brazil UCITS ETF, as risk increased and prices fell beyond our tolerance level, due to the situation in Crimea.

We bought Polar Capital Healthcare Opportunities fund, as the chance to buy on a correction became available. During the month, a number of biotech companies' share prices were hit hard, and this had a knock on effect on the wider sector. The fund is managed by Powell and Mahoney and they have produced exceptional absolute and risk-adjusted returns over a long time frame.

Third Point Offshore Investors fund, managed by Dan Loeb, produced excellent returns during the period. This is one of the largest portfolio holdings and has made a significant contribution to our returns.

Our interest rate exposure and cash levels have been actively managed to insulate the Fund from further falls. The threat of interest rate rises is evident; therefore we kept our exposure to floating rates via Real Estate Credit Investments.

At the start of 2014, we became concerned about the elevated levels of speculative activity and rich valuations in some equity markets. We used a number of successful strategies to protect the Fund, but this has meant that we do not always fully participate in upside movements in equities.

OUTLOOK

The outlook for markets and economies is extremely complex as they try to price in the transition to a new environment. Central banks continue to pursue accommodative policies, but face subpar economic recoveries with few signs of inflation. Due to the ever present disinflationary threats of the deleveraging cycle policy should remain highly constructive. However, we believe it is now becoming clearer that we are on a path of marginal improvement, and leading economies will face tighter monetary conditions.

It is evident to us that US tapering continues to dominate the landscape and drive asset prices. We have reached a significant long term turning point for most areas of the bond markets. Volatility measures have picked up from very low levels as investors have now recognised the real risks.

We continue to feel a sense of unease over the length and duration of the upward moves in most developed equity markets without a significant correction. The US bull market had its five year anniversary on 6 March 2014.

It is our belief that January was only the 'warm up act' for some further downside shocks.

We feel that the consensus may face a very different asset pricing environment than they expected, and we remain committed to protecting against significant potential corrections.

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD's Report (continued)

Investment Manager's Report (continued)

OUTLOOK (continued)

We believe that shocks can be expected, but that corrections should be used to increase weighting to equities, as they should offer moderate rewards in 2014.

All data sourced from Morningstar GBP returns, unless stated otherwise.

¹ Data range: 8/11/2013 – 31/03/2014.

² The benchmark is used for comparison. No benchmark is required to be disclosed per the Prospectus.

CITY FINANCIAL INVESTMENT COMPANY LIMITED

Authorised Corporate Director

28 May 2014

FUND INFORMATION

PERFORMANCE RECORD

'A' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	403.94	392.46	–
2014*	422.59	404.04	–

'A' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	432.71	420.40	–
2014*	452.67	432.81	–

'I' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	102.45	99.47	–
2014*	107.43	102.62	–

'I' Accumulation shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	102.45	99.47	–
2014*	107.42	102.62	–

'R' Income shares

Calendar Year	Highest Price p	Lowest Price p	Distribution per share p
2013#	102.43	99.47	–
2014*	107.35	102.58	–

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD's Report (continued)

Fund Information (continued)

PERFORMANCE RECORD (continued)

'R' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013#	102.43	99.47	—
2014*	107.35	102.58	—

'IA' Income shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	102.99	100.00	—
2014*	108.01	103.18	—

'IA' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2013##	103.00	100.00	—
2014*	107.96	103.13	—

From 8 November 2013.

From 28 November 2013.

* To 31 March 2014.

NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
31.03.14	'A' Income	1,819,320	436,732	416.58
	'A' Accumulation	30,556,924	6,847,701	446.24
	'I' Income	1,728	1,630	105.99
	'I' Accumulation	12,691	11,977	105.96
	'R' Income	15,316	14,465	105.88
	'R' Accumulation	176,144	166,359	105.88
	'IA' Income	533	500	106.55
	'IA' Accumulation	3,112,204	2,921,996	106.51

ONGOING CHARGES FIGURE

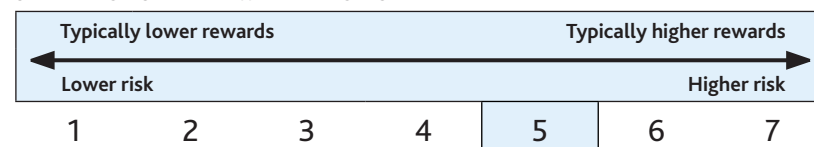
Expense Type	31.03.14 %			
	'A'	'I'	'R'	'IA'
ACD's periodic charge	1.50	0.75	0.75	0.55
Fixed expenses	0.36	0.20	0.36	0.20
	1.86	0.95	1.11	0.75
Collective investment scheme costs	0.57	0.57	0.57	0.57
Ongoing charges figure	2.43	1.52	1.68	1.32

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

The OCF 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 8 November 2013 and also a reduction in the ACD's periodic charge of the 'R' share class from 1% to 0.75% effective 9 January 2014.

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

SYNTHETIC RISK AND REWARD INDICATOR



The risk category above is not a measure of capital loss or gains, but of how significant the rises and falls in the share class have been historically.

For example a share class whose price has experienced significant rises and falls will be in a higher risk category, whereas, a share class whose price has experienced less significant rises and falls will be in a lower risk category.

The risk reward category shown is not guaranteed to remain unchanged and may shift over time.

The lowest risk category does not equal a risk free investment.

The share class is in risk category 5 as its price has experienced significant rises and falls historically.

DISTRIBUTIONS

There were no distributions made during the period.

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD's Report (continued)

Fund Information (continued)

FUND PERFORMANCE

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

PORTFOLIO STATEMENT AS AT 31 MARCH 2014

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.03.14 %
	UNITED KINGDOM		
1,480,428	Ardevora UK Income	2,102,059	5.89
5,000	Boost FTSE 250 2x Leverage Daily ETP	675,750	1.89
825,000	CF Lindsell Train UK Equity	1,648,020	4.62
1,460,000	City Financial UK Opportunities#	2,448,566	6.86
1,135,000	Franklin UK Smaller Companies	1,993,854	5.59
752,000	Real Estate Credit Investments*	1,112,960	3.12
315,000	River and Mercantile UK Equity Long Term Recovery	2,792,822	7.82
200,000	Trust of Property Shares*##	—	—
	TOTAL UNITED KINGDOM	12,774,031	35.79
	CONTINENTAL EUROPE		
330,000	BlackRock European Dynamic	1,282,050	3.59
760,000	City Financial Credit Opportunities#	765,472	2.14
91,750	db x-trackers MSCI Europe Small Cap TRN Index UCITS ETF	2,233,195	6.26
	TOTAL CONTINENTAL EUROPE	4,280,717	11.99
	NORTH AMERICA		
700,000	CF Miton US Opportunities	770,280	2.16
9,980	Legg Mason ClearBridge US Aggressive Growth	1,157,780	3.25
124,778	NB Private Equity Partners*	794,112	2.22
5,000	Source Consumer Discretionary S&P US Select Sector UCITS ETF*	600,220	1.68
	TOTAL NORTH AMERICA	3,322,392	9.31
	ASIA PACIFIC (EX JAPAN)		
63,000	db x-trackers MSCI AC Asia Ex Japan Index UCITS ETF	1,273,877	3.57
	JAPAN		
380,000	City Financial Japanese Opportunities*##	362,634	1.02
	GLOBAL		
1,380,000	Absolute Insight Credit*	1,765,296	4.95
86,171	BH Credit Catalysts*	1,139,181	3.19
2,136,047	CATCo Reinsurance Opportunities Fund*	1,313,297	3.67
17,311	FRM Credit Alpha <i>preference</i> *##	10,040	0.03

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD's Report (continued)

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.03.14 %
	GLOBAL (continued)		
1,626,285	NB Distressed Debt Investment Fund*	1,248,633	3.50
50,000	Polar Capital Healthcare Opportunities	960,000	2.69
232,500	Third Point Offshore Investors*	2,355,487	6.60
	TOTAL GLOBAL	8,791,934	24.63
	EMERGING MARKETS		
2,750	Amundi MSCI India UCITS ETF	743,325	2.08
131,000	Templeton Emerging Markets Investment Trust*	689,715	1.93
	TOTAL EMERGING MARKETS	1,433,040	4.01
	COMMODITIES		
10,000	Boost Gold 2x Leverage Daily ETP	604,629	1.70
95,440	International Oil & Gas Technology preference shares*	51,523	0.14
	TOTAL COMMODITIES	656,152	1.84
	OPTIONS		
216	FTSE 100 Jun 14 Put 6,300	160,920	0.45
32	FTSE 100 Jun 14 Put 6,100	13,600	0.03
63	S&P 500 Emini Jun 14 Put 1,775	37,789	0.11
150	US 10 Yr Note May 14 Call 134	104,033	0.29
(150)	US 10 Yr Note May 14 Call 137	(33,740)	(0.09)
	TOTAL OPTIONS	282,602	0.79
	FORWARD CURRENCY CONTRACTS		
US\$(6,800,000)	Vs £4,095,214 (expiry 30.04.14)	15,551	0.04

	Total Net Assets	
	Value £	31.03.14 %
Portfolio of investments**	33,192,930	92.99
Net other assets	2,501,930	7.01
Net assets	35,694,860	100.00

The investments are collective investment schemes unless stated otherwise.

* Closed ended investment company.

** Includes investment liabilities.

Related party holding.

Delisted security.

CITY FINANCIAL MULTI ASSET GROWTH FUND

ACD's Report (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES

FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

Total purchases for the period **£15,086,838**

Major purchases	Cost £
Boost FTSE 250 2x Leverage Daily ETP	2,118,596
Boost WTI Oil 3x Leverage Daily ETP	1,723,746
iShares Gold Producers UCITS ETF	1,299,008
db x-trackers MSCI AC Asia Ex Japan Index UCITS ETF	1,273,641
Polar Capital Healthcare Opportunities	971,000
Legg Mason Japan Equity 'X' Hedged	762,500
City Financial Credit Opportunities	760,792
Boost Gold 3x Leverage Daily ETF	707,983
ETFS Daily Leveraged Copper ETC	681,210
Amundi UCITS ETF MSCI India	672,360
Boost WTI Oil 3x Short Daily ETP	667,824
Boost Gold 2x Leverage Daily ETP	667,072
iShares MSCI Brazil UCITS ETF	655,407
Source Consumer Discretionary S&P US Select Sector UCITS ETF	604,275
Third Point Offshore Investors	442,531
City Financial Japanese Opportunities	380,000
NB Distressed Debt Investment Fund	315,440
NB Private Equity Partners	266,658
Templeton Emerging Markets Investment Trust	105,947
FRM Credit Alpha <i>preference</i>	10,604

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

Total sales for the period **£15,284,632**

Sales	Proceeds £
Boost WTI Oil 3x Leverage Daily ETP	1,909,155
Legg Mason Japan Equity 'X'	1,904,408
Boost FTSE 250 2x Leverage Daily ETP	1,542,941
iShares Gold Producers UCITS ETF	1,469,118
SPDR S&P US Dividend Aristocrats UCITS ETF	1,410,464
Schroders IFS Asian Total Return	1,210,770
City Financial Defensive Global Bond	853,368
Boost WTI Oil 3x Short Daily ETP	750,739
Boost Gold 3x Leverage Daily ETF	699,218
iShares MSCI Brazil UCITS ETF	642,577
ETFS Daily Leveraged Copper ETC	563,040
CF Lindsell Train UK Equity	562,988
BlackRock World Mining Trust	457,584
CF Miton US Opportunities	428,175
Franklin Templeton UK Smaller Companies	338,257
River and Mercantile UK Equity Long Term Recovery	325,641
City Financial UK Select Opportunities	170,300
NB Distressed Debt Investment Fund	45,889

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

CITY FINANCIAL MULTI ASSET GROWTH FUND
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN
FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

	£	31.03.14* £
Income:		
Net capital gains		1,709,597
Revenue	301,719	
Expenses	(238,792)	
Finance costs: Interest	(10,021)	
Net revenue before taxation	52,906	
Taxation	—	
Net revenue after taxation		52,906
Total return before distributions		1,762,503
Finance costs: Distributions		—
Change in net assets attributable to shareholders from investment activities		1,762,503

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
FOR THE PERIOD FROM 8 NOVEMBER 2013 TO 31 MARCH 2014

	£	31.03.14* £
Opening net assets attributable to shareholders		—
Transfer from City Financial Multi Manager Growth Fund	32,522,895	
Amounts receivable on issue of shares	3,455,382	
Amounts payable on cancellation of shares	(2,043,384)	
		33,934,893
Stamp duty reserve tax		(2,536)
Change in net assets attributable to shareholders from investment activities		1,762,503
Closing net assets attributable to shareholders		35,694,860

* No comparative figures are presented for the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders as this is the Fund's first reporting period.

BALANCE SHEET
AS AT 31 MARCH 2014

	£	31.03.14* £
ASSETS		
Investment assets		33,226,670
Other assets		
Debtors	1,030,549	
Cash and bank balances	2,310,978	
Total other assets		3,341,527
Total assets		36,568,197
LIABILITIES		
Investment liabilities		(33,740)
Other liabilities		
Creditors	(746,946)	
Bank overdrafts	(92,651)	
Total other liabilities		(839,597)
Total liabilities		(873,337)
Net assets attributable to shareholders		35,694,860

* No comparative figures are presented for the Balance Sheet as this is the Fund's first reporting period.

GENERAL INFORMATION

STRUCTURE OF THE COMPANY

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

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

The sub-funds which are currently available are:

City Financial Multi Asset Balanced Fund
City Financial Multi Asset Diversified Fund (launched 8 November 2013)
City Financial Multi Asset Dynamic Fund (launched 7 February 2014)
City Financial Multi Asset Growth Fund (launched 8 November 2013)

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

CLASSES OF SHARES

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

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

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

VALUATION POINT

The valuation point for the Funds is 12.00 noon on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

BUYING AND SELLING SHARES

The ACD will accept orders to deal in the shares on normal business days between 9.00am 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 300 2107. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

PRICES

The price of shares are currently published on www.fundlistings.com. Prices of shares may also be obtained by calling 0845 300 2107 during the ACD's normal business hours.

OTHER INFORMATION

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company. Copies of these may be obtained upon application.

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

DATA PROTECTION ACT

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

RISK WARNING

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

