



**CF Noble Investment Funds**

Annual Report and Financial Statements  
For the Period from 29 July 2008 to  
31 January 2009

**CF Noble UK Smaller Companies Fund**

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(Authorised and regulated by the Financial Services Authority)

#### DIRECTORS OF THE ACD

C. Addenbrooke  
L. Everitt  
C. Hayes  
K.J. Midl  
J. Millan

#### INVESTMENT MANAGER

Noble Fund Managers Limited  
76 George Street Edinburgh  
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(Authorised and regulated by the Financial Services Authority)

#### DEPOSITARY

BNY Mellon Trust & Depositary (UK) Limited  
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#### REGISTRARS

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#### INDEPENDENT AUDITORS

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(Chartered Accountants and Registered Auditors)

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## STATEMENT OF ACD'S RESPONSIBILITIES

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

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

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

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

In so far as the ACD is aware:

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

## STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it.

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

## REPORT OF THE DEPOSITARY

FOR THE PERIOD FROM 29 JULY 2008 TO 31 JANUARY 2009

In our opinion, during the period under review, we confirm that in all material respects the Company has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income, in accordance with the rules in the COLL Sourcebook and, where applicable, the OEIC Regulations and the Instrument of Incorporation of the Company, and has observed the investment and borrowing powers and restrictions applicable to the Company.

BNY MELLON TRUST & DEPOSITARY (UK) LIMITED  
*Depositary of CF Noble Investment Funds*  
27 May 2009

## BASIS OF REPORTING

As at the period ending 31 January 2009, the Company has only issued one sub-fund; the CF Noble UK Smaller Companies Fund. In view of this no aggregated financial statements have been included in the annual report. The financial statements of the CF Noble UK Smaller Companies Fund as disclosed on pages 11 to 28 represent the financial statements of the Company for reporting purposes.

## CERTIFICATION OF ACCOUNTS BY DIRECTORS OF THE ACD

This report is signed in accordance with the requirements of the COLL Sourcebook.

K.J. MIDL

J. MILLAN

CAPITA FINANCIAL MANAGERS LIMITED  
*ACD of CF Noble Investment Funds*  
27 May 2009

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CF NOBLE INVESTMENT FUNDS

We have audited the financial statements of CF Noble Investment Funds (the 'Company') on pages 11 to 28 for the period ended 31 January 2009, which comprise the Statement of Total Return, the Statement of Change in Shareholders' Net Assets, the Portfolio Statement, the Balance Sheet, the Summary of Material Portfolio Changes, the related notes and the Distribution Table. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

### RESPECTIVE RESPONSIBILITIES OF THE AUTHORISED CORPORATE DIRECTOR ('ACD') AND AUDITORS

The ACD's responsibilities for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of ACD's Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association in December 2005, the COLL Sourcebook issued by the Financial Services Authority and the Instrument of Incorporation. We also report to you whether in our opinion, that information required to be reported by Rule 4.5.9 of the COLL Sourcebook issued by the Financial Services Authority, contained within the ACD's Report or elsewhere, is consistent with the financial statements.

In addition we report to you if, in our opinion, the ACD has not kept proper accounting records, if the financial statements are not in agreement with the accounting records for the Company, or if we have not received all the information and explanations we require for our audit.

### BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the ACD in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Scheme's affairs as at 31 January 2009 and of its net income and the net losses on the property of the Fund for the period then ended; and
- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association in December 2005, the COLL Sourcebook issued by the Financial Services Authority and the Instrument of Incorporation; and
- the information as required by Rule 4.5.9 of the COLL Sourcebook issued by the Financial Services Authority, given in the ACD's Report or elsewhere, is consistent with the financial statements for the period ended 31 January 2009.

KINETIC PARTNERS AUDIT LLP  
*Chartered Accountants and Registered Auditors*  
27 May 2009

## CF NOBLE UK SMALLER COMPANIES FUND INVESTMENT MANAGER'S REPORT FOR THE PERIOD FROM 29 JULY 2008 TO 31 JANUARY 2009

### INVESTMENT OBJECTIVE AND POLICY

The investment objective of the CF Noble UK Smaller Companies Fund ('the Fund') is to achieve long-term capital growth. The Fund invests in UK smaller companies though there may be occasions when the Investment Manager chooses to hold large degrees of cash or money market instruments. The Fund will primarily invest in companies which are either incorporated in the UK or are listed in the UK and have the majority of their economic activity in the UK. The Fund may also invest in companies which are listed in the UK but are not incorporated and do not have the majority of their economic activity in the UK.

The Fund may invest up to 100% of its assets in collective investment schemes and over 35% of its assets in certain government and public securities.

### MARKET COMMENTARY (FROM 29 JULY 2008 TO 31 JANUARY 2009)

The past twelve months have been characterised by extreme economic and financial market disruption on a global scale. Major global stockmarket indices fell dramatically from their highs of 2007 as we witnessed the greatest banking crisis in decades. 2008 was the worst year for UK equities since 1974. Against this backdrop, during the period to 31 January 2009, the Fund fell 36.1% but still outperformed its benchmark the Hoare Govett Smaller Companies Index (including AIM but excluding Investment Trusts) which fell 43.8%. During the corresponding period the UK Smaller Companies IMA sector fell 35.6%. Whilst the first half of the financial year was testing with banks facing acute liquidity problems, it became apparent during October that most of the Western banking institutions were effectively insolvent with balance sheets in desperate need of additional capital and deteriorating rapidly.

### PERFORMANCE

As we have seen before during the various crises of the last ten years smaller companies were de-rated more severely than large as investors sought to increase liquidity in their portfolios. The FTSE 100 fell 29.4% during the period to 31 January 2009 whilst the FTSE Small Cap Index fell 43% and AIM All Share fared even worse falling 58.3% during the period. Small caps were hit hard, as redemptions and forced liquidations lead to indiscriminate selling during the fall of 2008. October turned out to be the worst month of the crisis – Bank stocks reached new lows whilst the cyclical commodity related sector which had held up reasonably until then followed suit and fell sharply. It was the worst month for the fund with the NAV falling 17.8% during the month in comparison to the fund's benchmark which fell 22%. However, this kind of sharp de-rating has also proven to be very fertile ground for smaller company investors in the past, where stocks are often at extreme low valuations just because of their illiquidity. When the mood turns their share prices tend to rebound fast.

Declines were seen even in good quality companies unaffected by the economic problems such as **Chemring group** (our largest holding) which manufactures decoy systems and energetics, predominantly for the US and UK military. It fell over 30% during the latter part of the period but reported strong results in January and gave an upbeat outlook statement. The stock recovered sharply in January and ended the financial year up 6.5%. **PureCircle**, our second largest holding, was marked down heavily due to forced selling in November, but then proceeded to rally by 95% during December as it received a key product approval in the US just before Christmas. PureCircle develops, produces and supplies a naturally derived zero calorie sweetener from the Stevia plant. It is the clear market leader in this fast growth market and has secured contracts with several global drinks manufacturers, including Pepsi and Coca Cola. **EcoAnimal Health**, our third largest holding, which sells veterinary pharmaceuticals likewise fell sharply in the first half, but rallied strongly to finish only 4% down during the period.

Some investments did manage to rise in absolute terms amidst the carnage of the credit crunch including **Netstore** which received and accepted a long-awaited bid approach increasing over 44% from the start of the period and **Amlin**, the Lloyds insurer which is from one of the very few sectors of the market (non-life insurance) which has strengthened as a whole over the last six months, benefiting from the general lack of capital availability and the woes of AIG, whose troubles have changed an environment of softening prices to one of hardening.

On the negative side the timing of taking our position in **Globus Maritime**, the dry bulk shipping company, proved very poor as dry bulk shipping rates collapsed in October when the Baltic Dry Index fell from an all time high in May to record lows which meant that charter rates were actually below the cost of running the vessels. We had a number of other stocks which were directly or indirectly related to the resources sector, and these also performed very poorly. **Caza Oil & Gas** fell 85% after postponing further drilling operations. **Rambler**, which is developing a Copper mine in Canada, fell in sympathy with most of the junior mining sector. **Prosperity Mineral Holdings Ltd** fell over 83% on the back of slowing demand for cement and iron in China. **MDM Engineering**, **Valiant Petroleum** and **Hallin Marine** which provides sub-sea diving vessels to the oil and gas industry, also fell despite performing robustly, and in the case of Hallin Marine seeing substantial earnings upgrades. We had one company fail during the period, **Vianet Group**, which saw a sudden withdrawal of expected funding in December.

### PORTFOLIO ACTIVITY

In lieu of the unfolding crisis, the primary objective was to position the Fund defensively and take positions in oversold stocks we believe offered outstanding long term prospects. We raised a substantial level of cash, with net assets at 12.01% as at 31 January 2009.

We raised cash by selling **Charter** and **Immediate Capital Group** since 29 July 2008. In addition cash was also raised earlier in the year from **Interbulk Group Plc**, **OPG Ventures Plc**, **Helphire Group**, **Roc Oil** and **Jelf Group**, before the assets of the sub-fund were transferred from the First State British Smaller Companies Fund to the CF Noble UK Smaller Companies Fund. We also received a bid for kitchen manufacturer Omega International. The bid was completed in January giving us a gain of over 20% on our purchase in August. We also took profits on our holding in **Amlin**, the Lloyd's insurer, registering a 18% gain on our purchase price.

During the second half we re-established a weighting in the oil and gas sector, and on stocks which we believe can do well through the global economic turmoil. These additions include **Amec**, an engineering services company operating in the oil and gas, mining, water and nuclear industries and **Emerald Energy**, an oil and gas exploration company. We also took positions in **Abcam**, which has become a leading distributor and manufacturer of antibodies and reagents for pharmaceutical research, and **XP Power**, a provider of power devices for the electronics industry. Other new positions included **Cineworld**, operator of cinemas in the UK, and inter dealer broker **Tullett Prebon**.

## CF NOBLE UK SMALLER COMPANIES FUND

*Investment Manager's Report (continued)*

### OUTLOOK

The current financial crisis is undoubtedly without a recent precedent. Companies are still finding it difficult to finance themselves and financial markets are still not functioning efficiently. The tsunami of bad debts and credit related write-downs has overwhelmed banks and it will take a while before their difficulties are fully resolved. The rebuilding of consumer and business confidence will also take time. However, the global response to the crisis has been impressive. Central banks and Governments have pumped the financial system with liquidity; injected huge amounts of capital into banks; guaranteed inter-bank deposits and bank debt. Most major Central Banks have set interest rates close to zero and embarked on quantitative easing to reduce the cost of capital, increase economic activity and reflate the price of financial assets. The correction in the small cap sector has created some very low valuations of good quality companies. We believe current conditions provide attractive entry levels for small company investing, and that the portfolio is well placed being focussed on companies which have been able to make good progress through the economic turmoil, and whose prospects look attractive. Historically the emergence from recession has been an attractive point in the economic cycle in which to invest in smaller companies as an asset class.

NOBLE FUND MANAGERS LIMITED

*Investment Manager*

15 April 2009

## COMPARATIVE TABLES

### PRICE AND INCOME HISTORY

*'A' Accumulation shares*

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008#	214.04	135.16	–
2009*	145.39	139.68	0.7352

*'B' Accumulation shares*

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008#	232.51	147.08	–
2009*	158.30	149.94	1.3900

# From 29 July 2008.

\* To 31 January 2009.

### NET ASSET VALUE

Date	Share Class	Net Asset Value £	Shares in Issue	Net Asset Value pence per share
31.01.09	'A' Accumulation	3,357,965	2,440,350	137.60
	'B' Accumulation	188,102	125,501	149.88

### 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.

## CF NOBLE UK SMALLER COMPANIES FUND

Comparative Tables (continued)

### PRICE PER SHARE

Date	Share Class	Price P	Yield %
02.02.09	'A' Accumulation	142.81	1.02
	'B' Accumulation	155.56	1.76

### TOTAL EXPENSE RATIO

Expense Type	31.01.09 %	
	'A' Accumulation	'B' Accumulation
ACD's periodic charge	1.50	0.85
Other expenses	0.29	0.29
Total expense ratio	1.79	1.14

The Total Expense Ratio represents the total expenses of the Fund, excluding transaction costs, interest payable and expenses of a capital nature, expressed as a percentage of the average net assets during the accounting period.

Other expenses include fees payable to the depositary and auditors, printing and publication costs, registration fees and safe custody and other related bank charges.

### FUND PERFORMANCE TO 31 JANUARY 2009

As the Fund was launched less than one year ago, in accordance with FSA rules, no performance figures are permitted to be reported.

Details of the distributions per share for the period are shown in the Distribution Table on page 28.

### AUTHORISED STATUS

CF Noble Investment Funds (the 'Company') is an investment company with variable capital incorporated in England and Wales under registered number IC618 and authorised by the Financial Services Authority with effect from 26 March 2008.

The Company has an unlimited duration.

The Company is a UCITS scheme.

Shareholders are not liable for the debts of the Company.

## STATEMENT OF TOTAL RETURN

FOR THE PERIOD FROM 29 JULY 2008 TO 31 JANUARY 2009

	Notes	£	31.01.09 £
Net losses on investments during the period	2		(1,864,194)
Income	3	70,897	
Expenses	4	(50,382)	
Finance costs: Interest	6	—	
Net income before taxation		20,515	
Taxation	5	—	
Net income after taxation			20,515
<b>Total return before distributions</b>			(1,843,679)
Finance costs: Distributions	6		(22,314)
<b>Change in net assets attributable to shareholders</b>			<u>(1,865,993)</u>

## STATEMENT OF CHANGE IN SHAREHOLDERS' NET ASSETS

FOR THE PERIOD FROM 29 JULY 2008 TO 31 JANUARY 2009

	Notes	£	31.01.09 £
<b>Net assets at the start of the period</b>			—
<i>Movement due to sales/repurchases of shares</i>			
Amounts receivable on issue of shares		6,711,460	
Less: Amounts payable on cancellation of shares		(1,318,884)	
			5,392,576
Stamp duty reserve tax	1(g)		(202)
Change in net assets attributable to shareholders (see Statement of Total Return above)			(1,865,993)
Retained distribution on Accumulation shares	6		19,686
<b>Net assets at the end of the period</b>			<u>3,546,067</u>

CF NOBLE UK SMALLER COMPANIES FUND  
 PORTFOLIO STATEMENT  
 AS AT 31 JANUARY 2009

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.01.09 %
	OIL & GAS		
	<i>OIL &amp; GAS</i>		
689,000	Caza Oil & Gas	13,780	0.39
17,000	Emerald Energy	67,405	1.90
39,553	Great Eastern Energy	79,106	2.23
43,000	Gulfsands Petroleum	65,360	1.84
		<u>225,651</u>	<u>6.36</u>
	<i>OIL EQUIPMENT: SERVICES &amp; DISTRIBUTION</i>		
18,500	AMEC	104,433	2.95
110,000	Hallin Marine Subsea International	102,300	2.88
14,000	Velosi	5,600	0.16
		<u>212,333</u>	<u>5.99</u>
	TOTAL OIL & GAS	<u>437,984</u>	<u>12.35</u>
	BASIC MATERIALS		
	<i>CHEMICALS</i>		
65,217	HaiKe Chemical Group	11,087	0.31
	<i>MINING</i>		
150,000	Rambler Metals And Mining	9,375	0.26
	TOTAL BASIC MATERIALS	<u>20,462</u>	<u>0.57</u>
	INDUSTRIALS		
	<i>AEROSPACE &amp; DEFENCE</i>		
11,000	Chemring Group	252,780	7.13
96,000	Hampson Industries	79,440	2.24
		<u>332,220</u>	<u>9.37</u>
	<i>ELECTRONIC &amp; EQUIPMENT</i>		
22,605	XP Power	28,256	0.80

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.01.09 %
	<i>INDUSTRIAL ENGINEERING</i>		
36,250	Hamworthy KSE	76,306	2.15
90,000	MDM Engineering Group	34,200	0.97
14,000	Rotork	96,600	2.72
		<u>207,106</u>	<u>5.84</u>
	<i>INDUSTRIAL TRANSPORTATION</i>		
42,949	Globus Maritime	18,468	0.52
	<i>SUPPORT SERVICES</i>		
26,000	Hargreaves Services	130,000	3.67
4,647,000	Vianet Group	-	-
		<u>130,000</u>	<u>3.67</u>
	TOTAL INDUSTRIALS	<u>716,050</u>	<u>20.20</u>
	CONSUMER GOODS		
	<i>FOOD PRODUCERS</i>		
111,000	PureCircle	207,570	5.85
	HEALTH CARE		
	<i>HEALTHCARE EQUIPMENT &amp; SERVICES</i>		
250,000	Advanced Medical Solutions	75,625	2.13
85,000	Optos	37,400	1.05
		<u>113,025</u>	<u>3.18</u>
	<i>PHARMACEUTICALS &amp; BIOTECHNOLOGY</i>		
4,301	Abcam	21,505	0.61
143,000	Eco Animal Health Group	185,900	5.24
170,000	Vectura Group	106,675	3.01
		<u>314,080</u>	<u>8.86</u>
	TOTAL HEALTH CARE	<u>427,105</u>	<u>12.04</u>



CF NOBLE UK SMALLER COMPANIES FUND

Portfolio Statement (continued)

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.01.09 %
	CONSUMER SERVICES		
	<i>GENERAL RETAILERS</i>		
40,000	CVS Group	60,800	1.72
58,182	Stanley Gibbons Group	49,455	1.39
		<u>110,255</u>	<u>3.11</u>
	<i>MEDIA</i>		
100,000	Chime Communications	46,000	1.29
	<i>TRAVEL &amp; LEISURE</i>		
210,407	AsianLogic	63,122	1.78
65,000	Cineworld Group	70,850	2.00
75,000	Powerleague Group	20,250	0.85
750,000	Skywest Airlines	30,000	0.85
		<u>184,222</u>	<u>5.20</u>
	TOTAL CONSUMER SERVICES	<u>340,477</u>	<u>9.60</u>
	UTILITIES		
	<i>ELECTRICITY</i>		
250,000	Rurelec	50,000	1.41
	FINANCIALS		
	<i>GENERAL FINANCIAL</i>		
35,524	H&T Group	66,785	1.88
57,246	London Capital Group Holding	151,702	4.28
307,276	Shore Capital Group	42,250	1.19
35,000	Tullett Prebon	53,463	1.51
		<u>314,200</u>	<u>8.86</u>
	<i>EQUITY INVESTMENT INSTRUMENTS</i>		
34,408	Brookwell	12,043	0.34
980,000	London Asia Capital	26,950	0.76
		<u>38,993</u>	<u>1.10</u>
	TOTAL FINANCIALS	<u>353,193</u>	<u>9.96</u>

Holding	Portfolio of Investments	Total Net Assets	
		Value £	31.01.09 %
	TECHNOLOGY		
	<i>SOFTWARE &amp; COMPUTER SERVICES</i>		
522,000	Alphameric	80,910	2.28
100,000	Alterian	59,000	1.67
14,000	Endace	45,500	1.28
44,000	SQS Software Quality Systems	108,680	3.07
482,531	System C Healthcare	178,536	5.03
		<u>472,626</u>	<u>13.33</u>
	<i>TECHNOLOGY HARDWARE &amp; EQUIPMENT</i>		
195,000	Amino Technologies	84,825	2.39
207,640	Pure Wafer	10,382	0.29
		<u>95,207</u>	<u>2.68</u>
	TOTAL TECHNOLOGY	<u>567,833</u>	<u>16.01</u>
	Portfolio of investments	3,120,674	87.99
	Net other assets	425,393	12.01
	Net assets	<u>3,546,067</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(i) and are ordinary shares unless stated otherwise.

CF NOBLE UK SMALLER COMPANIES FUND  
BALANCE SHEET  
AS AT 31 JANUARY 2009

	Notes	31.01.09	
		£	£
<b>ASSETS</b>			
<b>Portfolio of investments</b>			3,120,674
<b>Other assets</b>			
Debtors	7	850	
Cash and bank balances		<u>616,343</u>	
<b>Total other assets</b>			617,193
<b>Total assets</b>			<u>3,737,867</u>
<b>LIABILITIES</b>			
<b>Other liabilities</b>			
Creditors	8	<u>(191,800)</u>	
<b>Total other liabilities</b>			(191,800)
<b>Total liabilities</b>			<u>(191,800)</u>
<b>Net assets attributable to shareholders</b>			<u>3,546,067</u>

SUMMARY OF MATERIAL PORTFOLIO CHANGES  
FOR THE PERIOD FROM 29 JULY 2008 TO 31 JANUARY 2009

<b>Total purchases for the period (note 13)</b>		<b>£8,666,897</b>
<b>Major purchases</b>		<b>Cost £</b>
AMEC		323,087
Chemring Group		262,845
London Capital		252,739
Netstore		227,500
Vectura Group		209,000
Puma Brandenburg		202,500
Fidessa Group		195,188
SDL		193,394
Hallin Marine Subsea International		174,900
MDM Engineering		171,000
Globus Maritime		170,722
PureCircle		168,885
Kier Group		167,663
Hampson Industries		166,080
Playtech		165,722
Caza Oil & Gas		165,360
Hargreaves Services		161,200
System C Healthcare		157,335
AsianLogic		152,545
Rotork		140,611
CVS Group		140,075
Platinum Australia		140,000
Valiant Petroleum		133,803
Eco Animal Health Group		132,990
Dignity		132,975
Rea Holdings		130,106
Rurelec		127,500
SQS Software Quality		125,180
Prosperity Minerals		124,673
Avocet Mining		123,625
Alterian		121,500
ITIS Holdings		118,900
H&T Group		117,429
Shore Capital		117,250
Great Eastern Energy		117,238
Datacash Group		110,400
Amino Technologies		103,350
Omega International Group		99,695
Skywest Airlines		98,438
Hamworthy KSE		97,903
Alphameric		95,265
Coal of Africa		90,064
CBaySystems		90,010
Stanley Gibbons		89,309

CF NOBLE UK SMALLER COMPANIES FUND

Summary of Material Portfolio Changes (continued)

Major purchases (continued)	Cost £
Air Partner	88,216
Ceramic Fuel Cells	87,875
RPC Group	86,942
Vianet Group	81,323
Intermediate Capital Group	80,307
Advanced Medical Solutions	79,302
Velosi	78,960
HaiKe Chemical	78,125
Bowleven	76,189
Cineworld Group	73,311
Leed Petroleum	72,800

Total sales for the period (note 13) **£3,679,580**

Major sales	Proceeds £
Amec	283,643
Netstore	224,000
Fidessa Group	204,095
Kier Group	189,185
SDL	155,199
Dignity	132,714
London Capital Group Holding	130,435
R.E.A. Holdings	129,359
Puma Brandenburg	125,747
Vectura Group	120,315
Omega International	118,800
Playtech	107,814
Datacash Group	97,005
RPC Group	93,468
Coal of Africa	91,726
Netstore	90,691
Platinum Australia	90,426
CBaySystems Holdings	90,375
Avocet Mining	90,259
Ceramic Fuel Cells	85,244
Amlin	77,962
Cairn Energy	72,817

The portfolio changes represent all those purchases and sales in excess of 2% of the Net Asset Value at the end of the period.

CF NOBLE UK SMALLER COMPANIES FUND  
 NOTES TO THE FINANCIAL STATEMENTS  
 AS AT 31 JANUARY 2009

1. ACCOUNTING POLICIES

(a) *Basis of accounting*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of Authorised Funds issued by the Investment Management Association in December 2005.

(b) *Basis of aggregation*

There is only one sub-fund currently available, therefore, aggregated financial statements have not been prepared for the period.

(c) *Recognition of income*

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

Income from unquoted equity investments is recognised when the dividend is declared.

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

All income is recognised as a gross amount that includes any withholding taxes but excludes any other taxes such as attributable tax credits.

(d) *Treatment of stock and special dividends*

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

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

(e) *Treatment of expenses*

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

(f) *Allocation of income and expenses to multiple share classes*

Any income or expense not directly attributable to a particular share class will normally be allocated pro-rata to the net assets of the relevant share classes.

(g) *Taxation*

Corporation tax is provided at 20% on income, other than UK dividends, after deduction of expenses.

Where overseas tax has been deducted from overseas income that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief.

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

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

1. ACCOUNTING POLICIES (*continued*)

(h) *Distribution policy*

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

Interim distributions may be made at the ACD's discretion and the balance of income is distributed in accordance with the Regulations.

(i) *Basis of valuation of investments*

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

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

(j) *Dilution levy*

The ACD may require a dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances: where the scheme property is in continual decline; on a sub-fund experiencing large levels of net sales relative to its size; on 'large deals'; in any case where the ACD is of the opinion that the interests of remaining shareholders require the imposition of a dilution levy.

(k) *Set up costs*

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

**31.01.09**  
£

2. NET LOSSES ON INVESTMENTS

Non-derivative securities (1,864,194)

3. INCOME

UK dividends 36,817  
 Overseas dividends 29,959  
 Bank interest 4,121  
 Total income 70,897

4. EXPENSES

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

ACD's periodic charge 34,891  
 Printing costs 1,500  
 Registration fees 1,505  
 37,896

CF NOBLE UK SMALLER COMPANIES FUND

Notes to the Financial Statements (continued)

	<b>31.01.09</b>
	<b>£</b>
<b>4. EXPENSES (continued)</b>	
Payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	2,956
Transaction charges	1,130
Safe custody and other bank charges	538
	<u>4,624</u>
Other expenses:	
FSA fee	35
Audit fee	5,693
Publication costs	1,465
Set up costs	669
	<u>7,862</u>
Total expenses	<u>50,382</u>
<b>5. TAXATION</b>	
a) Analysis of charge for the period	
Corporation tax at 20%	—
Current tax charge (note 5b)	—
Deferred tax – origination and reversal of timing differences (note 5c)	—
Total taxation	<u>—</u>
b) Factors affecting tax charge for the period	
The tax assessed for the period differs from the standard rate of corporation tax in the UK for an authorised fund (20%) for the reasons explained below.	
	<b>31.01.09</b>
	<b>£</b>
Net income before taxation	<u>20,515</u>
Corporation tax at 20%	4,103
Effects of:	
UK dividends	(7,363)
Expenses not deductible for tax purposes	359
Unutilised excess management expenses	2,901
Current tax charge (note 5a)	<u>—</u>

<b>5. TAXATION (continued)</b>	
c) Deferred tax	
At the period end there are potential deferred tax assets of £2,901 in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and, therefore, no deferred tax asset has been recognised in the current.	
<b>6. FINANCE COSTS</b>	
Distributions	
The distributions take account of income received on the issue of shares and income deducted on cancellation of shares, and comprise:	
	<b>31.01.09</b>
	<b>£</b>
Final	<u>19,686</u>
Add: Income deducted on cancellation of shares	2,785
Deduct: Income received on issue of shares	(157)
Net distributions for the period	<u>22,314</u>
Interest	—
Total finance costs	<u>22,314</u>
Details of the distribution per share are set out in the table on page 28.	
Distributions represented by:	
Net income after taxation	20,515
Transfers to Capital:	
Transaction charges	1,130
Set up costs	669
	<u>1,799</u>
Net distributions for the period	<u>22,314</u>
<b>7. DEBTORS</b>	
Amounts receivable for issue of shares	50
Accrued income:	
UK dividends	768
Bank interest	25
	<u>793</u>
Other prepaid expenses	7
Total debtors	<u>850</u>

## CF NOBLE UK SMALLER COMPANIES FUND

Notes to the Financial Statements (continued)

	<b>31.01.09</b>
	<b>£</b>
<b>8. CREDITORS</b>	
Amounts payable for cancellation of shares	32,104
Purchases awaiting settlement	144,991
Accrued expenses:	
Amounts payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	4,603
Printing costs	1,500
Registration fees	837
	6,940
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:	
Depositary's fees	489
Transaction charges	300
Safe custody and other bank charges	173
	962
Other expenses	6,749
Taxation payable:	
Stamp duty reserve tax	54
Total creditors	<u>191,800</u>

### 9. RELATED PARTY TRANSACTIONS

Management fees payable to Capita Financial Managers Limited (the ACD) and registration fees payable to Capita Financial Administrators Limited (an associate of the ACD) are detailed in note 4. The amounts outstanding at the period end in respect of those fees are shown in note 8.

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders Net Assets on page 11. The amounts outstanding at the period end in respect of these monies are shown in notes 7 and 8.

The net cash balances on deposit with The Bank of New York Mellon (an associate of BNY Mellon Trust & Depositary (UK) Limited) at the balance sheet date were £616,343. Net interest received was £4,121. All other amounts paid to or received from the related parties, together with outstanding balances are disclosed in the financial statements.

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

### 10. SHAREHOLDER FUNDS

The Fund has two share classes: 'A' Accumulation and 'B' Accumulation. The annual management charge on those shares is 1.50% and 0.85% respectively.

The net asset value, the net asset value per share and the number of shares in issue are given in the Comparative Tables.

### 11. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or outstanding commitments.

### 12. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

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

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

#### i. Credit risk

The Fund may find that companies in which it invests fail to settle their debts on a timely basis. The value of securities issued by such companies may fall as a result of the perceived increase in credit risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit credit risk.

#### ii. Interest rate risk

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

The table below shows the interest rate risk profile:

	<b>31.01.09</b>
	<b>£</b>
Floating rate assets:	
Pounds sterling	616,343
Assets on which interest is not paid:	
Pounds sterling	3,121,524
Liabilities on which interest is not paid:	
Pounds sterling	(191,800)
Net assets	<u>3,546,067</u>

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

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

## CF NOBLE UK SMALLER COMPANIES FUND

Notes to the Financial Statements (continued)

### 12. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

#### iii. Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Changes in the sterling exchange rate can affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms and the prices of imports sold in the UK. Investment in overseas securities will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates.

#### iv. Liquidity risk

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

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

#### v. Market price risk

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

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

#### vi. Counterparty risk

Transactions in securities entered into by the Fund give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties.

#### vii. Fair value of financial assets and financial liabilities

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

#### viii. Sensitivity analysis

The Fund held no derivatives during the period.

**31.01.09**  
£

### 13. PORTFOLIO TRANSACTION COSTS

Analysis of purchases

Purchases before transaction costs 8,653,523

Transaction costs:

Commissions 4,893

Stamp duty and other charges 8,481

13,374

Total purchase costs 8,666,897

Analysis of sales

Sales before transaction costs 3,688,580

Transaction costs:

Commissions (8,667)

Other transaction costs (333)

(9,000)

Total sales proceeds 3,679,580

CF NOBLE UK SMALLER COMPANIES FUND  
DISTRIBUTION TABLE  
FOR THE PERIOD FROM 29 JULY TO 31 JANUARY 2009 – IN PENCE PER SHARE

Final

Group 1 – Shares purchased prior on 28 July 2008

Group 2 – Shares purchased on or after 30 July 2008 and on or before 31 January 2009

'A' Accumulation Shares	Net Income	Equalisation	Allocation 31.03.09
Group 1	0.7352	–	0.7352
Group 2	0.0175	0.7177	0.7352

'B' Accumulation Shares	Net Income	Equalisation	Allocation 31.03.09
Group 1	1.3900	–	1.3900
Group 2	0.2219	1.1681	1.3900

EQUALISATION

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

GENERAL INFORMATION

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

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

**Base Currency:** The base currency of the Fund is pounds sterling.

**Share Capital:** The minimum share capital of the Fund is £1 and the maximum is £100,000,000. Shares in the Fund have no par value.

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 Services 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-fund which is currently available is:

CF Noble UK Smaller Companies Fund

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

CLASSES OF SHARES

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

Holders of 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 of the Fund is 12.00pm daily. Valuations may be made at other times under the terms contained within the Prospectus.

PRICES

The most recent buying and selling prices of units are available on the website of the Investment Management Association at [www.investmentuk.org](http://www.investmentuk.org) under the heading Capita Financial Managers or by calling 0845 922 0044 during the ACD's normal business hours.



**OTHER INFORMATION**

The instrument of Incorporation, Prospectus, Simplified Prospectus 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 Fund and copies may be obtained upon application.

Shareholders who have any complaints about the operation of the Fund 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**

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.

