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Global Investors



CAPITA
FINANCIAL GROUP

CF Amati Investment Funds

Annual Report and Financial Statements
31 January 2011

CF Amati UK Smaller Companies Fund

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(Authorised and regulated by the Financial Services Authority)

DIRECTORS OF THE ACD
C. Addenbrooke
N. Boyling (from 7 February 2011)
L. Everitt (to 18 February 2011)
C. Hayes
K.J. Midl
J. Millan
R. M. Short (from 22 November 2010)

INVESTMENT MANAGER
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DEPOSITARY
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The Bank of New York Mellon Centre
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INDEPENDENT AUDITORS
Kinetic Partners Audit LLP
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(Chartered Accountants and Registered Auditors)

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CF AMATI INVESTMENT FUNDS
ACD'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2011

During the period under review, the Investment Manager of the Company, Noble Fund Managers Limited, changed ownership and changed its name to Amati Global Investors Limited.

As a result of the acquisition, with effect from 14 July 2010, the Company and the sub-fund were renamed as follows:

Company: CF Amati Investment Funds.
Sub-fund: CF Amati UK Smaller Companies Fund.

The following policies were changed were effective 1 October 2010:

- In specie redemptions; and
- Dilution levy.

Full details of the changes can be found in the revised Prospectus dated 14 July 2010.

BASIS OF REPORTING

As at the year ended 31 January 2011, the Company has only issued one sub-fund; the CF Amati 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 Amati UK Smaller Companies Fund, as disclosed on pages 19 to 30 represent the financial statements of the Company for reporting purposes.

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Amati Investment Funds
23 May 2011

AUTHORISED STATUS

CF Amati Investment Funds ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000618 and authorised by the Financial Services Authority with effect from 26 March 2008.

The Company is a 'UCITS Scheme'.

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

CF AMATI INVESTMENT FUNDS 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 Services Authority.

K.J. MIDL

J. MILLAN

CAPITA FINANCIAL MANAGERS LIMITED
ACD of CF Amati Investment Funds
23 May 2011

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 revenue/expense and of the net capital gains/losses on the scheme property of the Company for that year. In preparing those financial statements, the ACD is required to:

- select suitable accounting policies, 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;
- prepare the financial statements in accordance with the requirements of the IMA SORP; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

In so far as the ACD is aware:

- there is no relevant audit information of which the Company's 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 revenue of the Company; and the investment and borrowing powers of the Company.

REPORT OF THE DEPOSITARY FOR THE YEAR ENDED 31 JANUARY 2011

In our opinion, during the year 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 revenue, 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 Amati Investment Funds
23 May 2011

CF AMATI INVESTMENT FUNDS
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF CF AMATI INVESTMENT FUNDS

We have audited the financial statements of CF Amati Investment Funds ('the Company') for the year ended 31 January 2011, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes 1 to 13 and the Distribution Table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE ACD AND AUDITORS

As explained more fully in the Statement of ACD's Responsibilities set out on page 4, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the ACD; and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company as at 31 January 2011 and of its net expenses and the net capital gains for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

OPINION ON OTHER MATTER PRESCRIBED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK ISSUED BY THE FINANCIAL SERVICES AUTHORITY

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association in October 2010, the COLL Sourcebook and the prospectus and Instrument of Incorporation;
- the information given in the ACD's report for the financial year for which financial statements are prepared is consistent with the financial statements;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- we have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

KINETIC PARTNERS AUDIT LLP
Chartered Accountants and Registered Auditors
23 May 2011

CF AMATI UK SMALLER COMPANIES FUND
INVESTMENT MANAGER'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2011

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the CF Amati 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.

The Hoare Govett Smaller Companies plus AIM excluding Investment Trusts Index is the benchmark comparison against which the performance of the Fund is measured.

INVESTMENT REVIEW

After a somewhat nervous and patchy first half overshadowed by the debt crisis in Greece, equity markets rose strongly in the second half of 2010, despite the need for a further bailout of Ireland in the autumn. The clearest and arguably most significant trend of the second part of the year was that of rising commodity prices. The CRB Index, which measures a basket of commodities, had fallen in the first half of 2010. It staged a dramatic rally from June onwards, rising by more than 30%. This rally has given renewed credence to the commodity super-cycle theory, as it is now very clear that commodity prices across the board are behaving in a way that is far from the norm of previous cycles, driven by the underlying increases in Chinese consumption. With commodity prices having run up to such heights the resources sector has regained the ground it lost during the credit crunch, and has been making new highs. For investors the risks of holding positions in this sector rise as it becomes more fashionable and high prices inevitably attract hot money, which can lead to sharp setbacks as evidenced at the end of April 2011. In addition, the rising price of commodities is pushing up inflation rates around the world, which in turn raises the prospect of higher interest rates.

However, the underlying problem of matching commodity supply to rising demand is such that higher interest rates may not make much impact on inflation at the moment, unless it brings about a very sharp slowdown which would be counter-productive, and possibly de-stabilising. For the UK it is becoming clear that the multi-decade period of rising living standards based on manufactured goods becoming ever cheaper and better as a result of deflation exported from China is now over. Both wages and input prices in China are now rising sharply, and UK consumers will find prices rising at a time when wages and GDP may be falling. Given this backdrop, we have retained the portfolio bias away from the UK, in terms of sales destination, towards stronger international markets.

PERFORMANCE

During the year under review the Fund performed very strongly, rising by 55%, compared to a rise in the benchmark index of 31.4%, and a rise of 32.2% for the IMA sector peer group of funds. We pursued a strategy of 'running winners', that is, continuing to hold strong performers in the expectation of further gains, rather than taking profits. This proved successful and several of our largest holdings arose as a consequence. Most notable amongst there was EnCore Oil & Gas, which was valued only for its cash when we bought it at 18p per share in May, despite having two free-carried wells in north sea blocks due to be drilled from June. As it turned out both wells came good, and the only difficult thing we had to do with the stock was not sell it too soon (our first sale was at 115p). XP Power, which we bought during the previous year, continued its rapid rise on the back of earnings upgrades, trebling during the year. In our view it continues to look attractive. Likewise there were strong performances from Cove Energy (+347%), Andor Technology (+224%), Skywest Airlines (+130%), New Britain Palm Oil (+104%), Asian Citrus (+58%), Vectura (+114%), Cape (+105%) and Avon Rubber (+83%). Chief amongst the disappointments were MDM Engineering (-39%), a mining engineering company based in South Africa which had significant delays to its order book, and Promethean World (-55%), which we purchased in September, shortly before its US business slowed down sharply.

PORTFOLIO ACTIVITY

During the year, and especially towards the end of the year under review, we have been re-positioning the portfolio towards larger, more liquid companies. In line with this strategy more recent purchases include companies such as Chemring, the energetics and decoys group; Elementis, the speciality chemicals business; and RPC, the European based rigid plastics manufacturer. Other notable new investments during the period included Avon Rubber, which makes high performance gas masks and other specialist products; Anglo Pacific, which has cultivated a portfolio of mining royalties; and Hutchison China Medtech, a Chinese pharmaceutical business. Companies we took profits in or disposed of during the period included Encore Oil & Gas, Gulfsands Petroleum, StatPro, and McBride. The portfolio as a whole now has significantly greater liquidity than a year ago, which we believe is more appropriate for the second half of the current business cycle. Whereas a year ago close to 50% of the portfolio would have been invested in companies capitalized at less than £100 million, this figure is now below 20%.

OUTLOOK

We are expecting 2011 to be more difficult than 2009 or 2010, and we are changing strategy to one we believe fits best with the second half of a business cycle. This involves moving the portfolio towards larger companies in our spectrum (which is stocks capitalised at up to £2 billion), and lowering our risk tolerance. With the reality of spending cuts about to dawn, and the honeymoon period of the Coalition Government coming to an end, we continue to be cautious about the outlook for the UK economy. Fortunately the collection of smaller companies quoted in the UK is highly international, and we are able to diversify our exposure across the globe in terms of where our investee companies sell their products. We remain biased towards Asia, and China in particular, where we have a number of investments focussed on the development of the domestic economy.

DR PAUL JOURDAN
AMATI GLOBAL INVESTORS LIMITED
Investment Manager
17 May 2011

CF AMATI UK SMALLER COMPANIES FUND
FUND INFORMATION

PERFORMANCE RECORD

'A' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008*	214.04	135.16	–
2009	228.55	135.80	1.3007
2010	339.82	229.96	–
2011**	365.65	343.53	–

'B' Accumulation shares

Calendar Year	Highest Price P	Lowest Price P	Distribution per share P
2008*	232.51	147.08	–
2009	250.43	148.03	2.5679
2010	374.79	252.16	–
2011**	403.47	378.90	–

* From 29 July 2008.

** To 31 January 2011.

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
31.01.10	'A' Accumulation	4,545,306	1,961,251	231.76
	'B' Accumulation	330,166	129,945	254.08
31.01.11	'A' Accumulation	9,118,760	2,533,094	359.99
	'B' Accumulation	420,562	105,866	397.26

TOTAL EXPENSE RATIOS

Expense Type	31.01.11 %		31.01.10 %	
	'A'	'B'	'A'	'B'
ACD's periodic charge	1.50	0.85	1.50	0.85
Other expenses	0.54	0.54	0.69	0.69
Total expense ratios	2.04	1.39	2.19	1.54

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 2011 (%)

	1 year	Since launch*
CF Amati UK Smaller Companies Fund	55.01	78.02
Benchmark Hoare Govett Smaller Companies Index (including AIM but excluding Investment Trusts)#	31.39	39.60

* From 29 July 2008.

Source: Amati Global Investors Ltd.

The CF Amati UK Smaller Companies Fund was seeded by the transfer of the First State British Smaller Companies Fund to CFM on 29 July 2008. Those investors who held shares in First State British Smaller Companies Fund and transferred their holdings to the CF Amati UK Smaller Companies Fund at this date should refer to the additional performance data shown on page 33 which shows the aggregated data of both funds.

Details of the distributions per share for the year are set out in the Distribution Table on page 30.

CF AMATI UK SMALLER COMPANIES FUND
 PORTFOLIO STATEMENT
 AS AT 31 JANUARY 2011

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.01.11 %	31.01.10 %
	OIL & GAS			
	<i>OIL & GAS PRODUCERS</i>			
180,000	Caza Oil & Gas	88,200	0.93	
155,000	Circle Oil	53,088	0.56	
162,342	Cove Energy	169,647	1.78	
100,000	EnCore Oil & Gas	134,500	1.41	
40,000	Faroe Petroleum	78,500	0.82	
190,000	Iofina	51,775	0.54	
67,847	Sterling Resources	184,212	1.93	
		<u>759,922</u>	<u>7.97</u>	<u>8.51</u>
	<i>OIL EQUIPMENT, SERVICES & DISTRIBUTION</i>	-	-	0.86
	TOTAL OIL & GAS	<u>759,922</u>	<u>7.97</u>	<u>9.37</u>
	BASIC MATERIALS			
	<i>CHEMICALS</i>			
125,000	Elementis	162,375	1.70	1.17
	<i>INDUSTRIAL METALS & MINING</i>	-	-	1.21
	<i>MINING</i>			
153,120	African Mining & Exploration	19,906	0.21	
153,120	African Mining & Exploration warrants	-	-	
415,000	Altona Energy	49,800	0.52	
59,000	Anglo Pacific Group	195,438	2.05	
1,000,000	Goldplat	102,500	1.07	
200,000	Griffin Mining	134,000	1.40	
240,000	Shanta Gold	76,800	0.81	
350,000	Sierra Rutile*	37,625	0.40	
		<u>616,069</u>	<u>6.46</u>	<u>9.60</u>
	TOTAL BASIC MATERIALS	<u>778,444</u>	<u>8.16</u>	<u>11.98</u>
	INDUSTRIALS			
	<i>CONSTRUCTION & MATERIALS</i>			
38,636	Prosperity Minerals Holdings	46,363	0.49	-

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.01.11 %	31.01.10 %
	<i>AEROSPACE & DEFENCE</i>			
70,000	Avon Rubber	150,500	1.58	
4,000	Chemring Group	134,440	1.41	
		<u>284,940</u>	<u>2.99</u>	<u>2.95</u>
	<i>GENERAL INDUSTRIES</i>			
85,901	RPC Group	231,503	2.42	-
	<i>ELECTRONIC & ELECTRICAL EQUIPMENT</i>			
51,000	Andor Technology	232,050	2.43	
40,000	China Shoto	104,800	1.10	
21,077	Gooch & Housego	107,493	1.13	
24,000	XP Power	326,880	3.42	
		<u>771,223</u>	<u>8.08</u>	<u>6.70</u>
	<i>INDUSTRIAL ENGINEERING</i>			
80,735	MDM Engineering Group	86,386	0.91	
29,465	Severfield-Rowen	66,296	0.69	
		<u>152,682</u>	<u>1.60</u>	<u>4.60</u>
	<i>INDUSTRIAL TRANSPORTATION</i>			
28,966	SKIL Ports & Logistics	70,387	0.74	0.46
	<i>SUPPORT SERVICES</i>			
32,000	Cape	150,400	1.57	
100,000	Capital Drilling	100,000	1.05	
150,000	Empresaria Group	97,500	1.02	
21,231	Hargreaves Services	190,442	2.00	
41,000	May Gurney Integrated Services	99,835	1.05	
		<u>638,177</u>	<u>6.69</u>	<u>8.55</u>
	TOTAL INDUSTRIALS	<u>2,195,275</u>	<u>23.01</u>	<u>23.26</u>
	CONSUMER GOODS			
	<i>FOOD PRODUCERS</i>			
357,158	Asian Citrus Holdings	271,440	2.85	
150,000	China Food Company	72,000	0.75	
22,500	New Britain Palm Oil	199,125	2.09	
		<u>542,565</u>	<u>5.69</u>	<u>5.54</u>

CF AMATI UK SMALLER COMPANIES FUND

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.01.11 %	31.01.10 %
	<i>HOUSEHOLD GOODS & HOME CONSTRUCTION</i>	–	–	1.34
6,333	<i>PERSONAL GOODS</i> SuperGroup	96,895	1.02	–
	TOTAL CONSUMER GOODS	639,460	6.71	6.88
	HEALTH CARE			
	<i>HEALTH CARE EQUIPMENT & SERVICES</i>			
330,000	Advanced Medical Solutions Group	231,000	2.42	
125,000	Optos	240,000	2.52	
50,000	Tristel	28,500	0.30	
		499,500	5.24	7.17
	<i>PHARMACEUTICALS & BIOTECHNOLOGY</i>			
75,000	Eco Animal Health Group	195,000	2.04	
22,500	Hutchison China MediTech	117,000	1.23	
225,000	Vectura Group	183,375	1.92	
		495,375	5.19	4.58
	TOTAL HEALTH CARE	994,875	10.43	11.75
	CONSUMER SERVICES			
	<i>GENERAL RETAILERS</i>	–	–	2.88
	<i>MEDIA</i>			
43,000	DQ Entertainment	55,040	0.58	
315,000	Entertainment One	522,900	5.48	
		577,940	6.06	3.81
	<i>TRAVEL & LEISURE</i>			
59,523	Hotel Corporation (The)	43,452	0.46	
659,091	Skywest Airlines	197,727	2.07	
		241,179	2.53	2.98
	TOTAL CONSUMER SERVICES	819,119	8.59	9.67

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.01.11 %	31.01.10 %
	TELECOMMUNICATIONS			
15,000	<i>MOBILE TELECOMMUNICATIONS</i> Avanti Communications Group	93,675	0.98	2.46
	UTILITIES			
	<i>ELECTRICITY</i>			
100,000	OPG Power Ventures	99,000	1.04	2.25
	FINANCIALS			
	<i>REAL ESTATE INVESTMENT & SERVICES</i>			
307,276	Puma Brandenburg	22,356	0.23	1.77
	<i>FINANCIAL SERVICES</i>			
22,151	H&T Group	70,219	0.74	
123,990	Deo Petroleum	66,334	0.69	
70,000	London Capital Group Holdings	66,500	0.70	
307,276	Shore Capital Group	79,892	0.84	
		282,945	2.97	8.61
	<i>EQUITY INVESTMENT INSTRUMENTS</i>			
48,820	Juridica Investments	50,285	0.53	
980,000	London Asia Capital	38,514	0.40	
		88,799	0.93	2.26
	TOTAL FINANCIALS	394,100	4.13	12.64
	TECHNOLOGY			
	<i>SOFTWARE & COMPUTER SERVICES</i>			
250,000	Advanced Computer Software	86,875	0.91	
26,666	EMIS Group	111,997	1.17	
25,000	Endace	102,500	1.07	
380,000	eServGlobal	152,000	1.59	
13,000	First Derivatives	58,500	0.61	
420,000	GB Group	153,300	1.61	
38,500	Micro Focus International	157,927	1.66	

CF AMATI UK SMALLER COMPANIES FUND

Portfolio Statement (continued)

Holding	Portfolio of Investments	Value £	Total Net Assets	
			31.01.11 %	31.01.10 %
	<i>SOFTWARE & COMPUTER SERVICES (continued)</i>			
21,000	NCC Group	126,000	1.32	
75,000	Norkom Group	127,500	1.34	
359,550	System C Healthcare	167,191	1.75	
		<u>1,243,790</u>	<u>13.03</u>	<u>8.90</u>
	<i>TECHNOLOGY HARDWARE & EQUIPMENT</i>			
67,000	Promethean World	<u>38,860</u>	<u>0.41</u>	<u>-</u>
	TOTAL TECHNOLOGY	<u>1,282,650</u>	<u>13.44</u>	<u>8.90</u>
	Portfolio of investments	8,056,520	84.46	99.16
	Net other assets	<u>1,482,802</u>	<u>15.54</u>	<u>0.84</u>
	Net assets	<u>9,539,322</u>	<u>100.00</u>	<u>100.00</u>

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

* Formerly known as Titanium Resources Group.

SUMMARY OF MATERIAL PORTFOLIO CHANGES

FOR THE YEAR ENDED 31 JANUARY 2011

Total purchases for the year (note 13)		£5,659,082
Major purchases		Cost £
Eaga		271,695
Optos		232,314
Anglo Pacific Group		176,625
RPC Group		174,811
Elementis		147,647
eServGlobal		144,131
Micro Focus International		141,678
Avocet Mining		135,780
Chemring Group		131,282
Sterling Resources		128,685
Cove Energy		123,380
Hampson Industries		123,060
BowLeven		121,629
GB Group		110,076
Advanced Medical Solutions Group		109,462
May Gurney Integrated Services		107,454
IQE		104,534
CSR		103,828
Lonrho		102,819
Goldplat		100,000

CF AMATI UK SMALLER COMPANIES FUND
Summary of Material Portfolio Changes (continued)

Total sales for the year (note 13)		£5,158,855
Major sales	Proceeds	£
EnCore Oil & Gas	290,065	
Gulfsands Petroleum	272,348	
Cove Energy	220,117	
Rockhopper Exploration	218,685	
Eaga	212,742	
IQE	211,262	
Great Eastern Energy	195,093	
Avocet Mining	176,568	
BowLeven	170,655	
GW Pharmaceuticals	169,415	
StatPro	165,040	
Tenon Group	142,099	
Chemring Group	129,609	
Melorio	112,500	
Lonrho	109,171	
SDL	92,321	
CSR	90,190	
Consort Medical	88,857	
Centamin Egypt	84,744	
Tullett Prebon	82,922	

The portfolio changes represent the 20 largest purchases and sales during the year.

FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
FOR THE YEAR ENDED 31 JANUARY 2011

	Notes	£	31.01.11 £	31.01.10 £
Income:				
Net capital gains	2		2,718,897	2,188,600
Revenue	3	65,802		81,162
Expenses	4	(115,447)		(92,658)
Finance costs: Interest	6	–		–
Net expense before taxation		(49,645)		(11,496)
Taxation	5	–		107
Net expense after taxation			(49,645)	(11,389)
Total return before distributions			2,669,252	2,177,211
Finance costs: Distributions	6		–	(14,381)
Change in shareholders' funds from investment activities			2,669,252	2,162,830

STATEMENT OF CHANGE IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 JANUARY 2011

	Notes	£	31.01.11 £	31.01.10 £
Opening net assets			4,875,472	3,546,067
Amounts receivable on issue of shares		3,209,578		139,451
Amounts payable on cancellation of shares		(1,216,631)		(990,868)
			1,992,947	(851,417)
Dilution levy	1(k)		5,622	5,187
Stamp duty reserve tax	1(g)		(3,971)	(702)
Change in shareholders' funds from investment activities			2,669,252	2,162,830
Retained distributions on Accumulation shares			–	13,507
Closing net assets			9,539,322	4,875,472

CF AMATI UK SMALLER COMPANIES FUND

Financial Statements (continued)

BALANCE SHEET

AS AT 31 JANUARY 2011

	Notes	£	31.01.11 £	£	31.01.10 £
ASSETS					
Investment assets			8,056,520		4,834,401
Other assets					
Debtors	7	427,710		25,386	
Cash and bank balances		<u>1,193,006</u>		<u>108,901</u>	
Total other assets			1,620,716		134,287
Total assets			<u>9,677,236</u>		<u>4,968,688</u>
LIABILITIES					
Other liabilities					
Creditors	8	(104,129)		(78,489)	
Bank overdrafts		<u>(33,785)</u>		<u>(14,727)</u>	
Total other liabilities			(137,914)		(93,216)
Total liabilities			<u>(137,914)</u>		<u>(93,216)</u>
Net assets			<u>9,539,322</u>		<u>4,875,472</u>
Shareholders' funds			<u>9,539,322</u>		<u>4,875,472</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 JANUARY 2011

1. ACCOUNTING POLICIES

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

(a) *Basis of accounting*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ('SORP') issued by the Investment Management Association in October 2010.

(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 revenue*

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

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

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

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

(e) *Treatment of expenses*

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

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

Any revenue 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 taxable revenue, after deduction of allowable expenses.

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

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.

CF AMATI UK SMALLER COMPANIES FUND
(FORMERLY CF NOBLE UK SMALLER COMPANIES FUND)

Financial Statements (continued)

Notes to the Financial Statements (continued)

1. ACCOUNTING POLICIES (continued)

(h) Distribution policy

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

Interim distributions may be made at the ACD's discretion and the balance of revenue 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.

(j) Exchange rates

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

(k) Dilution levy

The ACD may require a dilution levy on the 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.

	31.01.11 £	31.01.10 £
2. NET CAPITAL GAINS		
The net capital gains during the year comprise:		
Non-derivative securities	2,721,893	2,191,915
Transaction charges	(2,800)	(3,315)
Currency losses	(196)	–
Net capital gains	<u>2,718,897</u>	<u>2,188,600</u>
3. REVENUE		
Non-taxable dividends	65,778	69,888
Taxable dividends	–	11,173
Bank interest	24	101
Total revenue	<u>65,802</u>	<u>81,162</u>

4. EXPENSES

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

	31.01.11 £	31.01.10 £
ACD's periodic charge	84,352	62,787
Printing costs	6,017	7,703
Registration fees	7,327	5,665
	<u>97,696</u>	<u>76,155</u>

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

	31.01.11 £	31.01.10 £
Depository's fees	5,884	5,760
Safe custody and other bank charges	1,669	2,340
	<u>7,553</u>	<u>8,100</u>

Other expenses:

	31.01.11 £	31.01.10 £
FSA fee	51	41
Audit fees	5,755	4,193
Publication costs	3,792	4,169
Legal and professional fees	600	–
	<u>10,198</u>	<u>8,403</u>

Total expenses	<u>115,447</u>	<u>92,658</u>
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5. TAXATION

a) Analysis of charge for the year

	31.01.11 £	31.01.10 £
Corporation tax at 20%	–	–
Overseas tax	–	544
Adjustments in respect of prior periods	–	(651)
Current tax charge (note 5b)	–	(107)

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

	–	–
Total taxation	<u>–</u>	<u>(107)</u>

CF AMATI UK SMALLER COMPANIES FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

5. TAXATION (continued)

b) Factors affecting current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (31.01.10 : 20%) for the reasons explained below.

	31.01.11 £	31.01.10 £
Net expense before taxation	(49,645)	(11,496)
Corporation tax at 20%	(9,929)	(2,299)
Effects of:		
Non-taxable dividends	(13,156)	(13,978)
Unutilised excess management expenses	23,085	16,277
Corporation tax charge	-	-
Non-recoverable overseas tax	-	544
Adjustments in respect of prior periods	-	(651)
Current tax charge (note 5a)	-	(107)

c) Deferred tax

At the year end there are potential deferred tax assets of £42,263 (31.01.10 : £19,178) 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 or prior period.

6. FINANCE COSTS

Distributions

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

	31.01.11 £	31.01.10 £
Interim	-	13,507
Final	-	-
Add: Revenue deducted on cancellation of shares	-	907
Deduct: Revenue received on issue of shares	-	(33)
Net distributions for the year	-	14,381
Interest	-	-
Total finance costs	-	14,381

Details of the distributions per share are set out in the table on page 30.

	31.01.11 £	31.01.10 £
7. DEBTORS		
Amounts receivable for issue of shares	422,934	550
Sales awaiting settlement	-	19,040
Accrued revenue:		
Non-taxable dividends	1,227	1,750
Bank interest	3	-
	1,230	1,750
Prepaid expenses	3,546	3,464
Dilution levy	-	582
Total debtors	427,710	25,386
8. CREDITORS		
Amounts payable for cancellation of shares	-	27,200
Purchases awaiting settlement	81,243	34,450
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	10,442	6,236
Printing costs	2,897	3,178
Registration fees	1,709	197
	15,048	9,611
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	508	499
Transaction charges	540	530
Safe custody and other bank charges	302	591
	1,350	1,620
Other expenses	5,520	5,555
Taxation payable:		
Stamp duty reserve tax	968	53
Total creditors	104,129	78,489

CF AMATI UK SMALLER COMPANIES FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

9. RELATED PARTY TRANSACTIONS

Management fees payable to Capita Financial Managers Limited (the ACD) and registration fees payable to Capita Financial Administrators Limited and printing costs payable to Capita Business Services Limited (both companies are associates of the ACD) are detailed in note 4. The amounts outstanding at the year 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 Net Assets Attributable to Shareholders on page 19. The amounts outstanding at the year end in respect of these monies are shown in notes 7 and 8.

Capita Financial Managers Limited and its associates (including other authorised investment funds managed by Capita Financial Managers) held the following shareholdings in the Fund on behalf of other parties:

	Held at 31.01.11	Change in Year	Held at 31.01.10
'A' Accumulation	210,920	(11,163)	222,083

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 Fund Information.

11. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (31.01.10 : none).

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

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

12. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

i. Credit risk (continued)

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

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 revenue 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:

	31.01.11 £	31.01.10 £
Floating rate assets:		
Euros	11,821	–
US dollars	730	–
Pounds sterling	1,180,455	108,901
	1,193,006	108,901
Floating rate liabilities:		
Pounds sterling	(33,785)	(14,727)
Assets on which interest is not paid:		
Canadian dollars	184,212	–
Euros	22,359	–
Pounds sterling	8,277,659	4,859,787
	8,484,230	4,859,787
Liabilities on which interest is not paid:		
Pounds sterling	(104,129)	(78,489)
Net assets	9,539,322	4,875,472

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.

iii. Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value.

CF AMATI UK SMALLER COMPANIES FUND

Financial Statements (continued)

Notes to the Financial Statements (continued)

12. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS (continued)

iii. Foreign currency risk (continued)

The table below shows the foreign currency risk profile:

	31.01.11 £	31.01.10 £
Currency:		
Canadian dollars	184,212	–
Euros	34,180	–
US dollars	730	–
	<u>219,122</u>	<u>–</u>
Pounds sterling	9,320,200	4,875,472
	<u>9,539,322</u>	<u>4,875,472</u>
Net assets		

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. Fair value of financial assets and financial liabilities

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

vii. Sensitivity analysis

The Fund held no derivatives during the current or prior year.

13. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs

	31.01.11 £	31.01.10 £
Purchases in year before transaction costs	5,625,415	4,760,858
Transaction costs:		
Commissions	12,463	9,761
Stamp duty and other charges	21,204	15,856
	<u>33,667</u>	<u>25,617</u>
Gross purchases total	<u>5,659,082</u>	<u>4,786,475</u>

Analysis of total sale costs

Gross sales before transaction costs	5,172,961	5,276,501
Transaction costs:		
Commissions	(14,031)	(13,499)
Other charges	(75)	(89)
	<u>(14,106)</u>	<u>(13,588)</u>
Total sales net of transaction costs	<u>5,158,855</u>	<u>5,262,913</u>

CF AMATI UK SMALLER COMPANIES FUND

Financial Statements (continued)

DISTRIBUTION TABLE

FOR THE YEAR ENDED 31 JANUARY 2011 – IN PENCE PER SHARE

Interim

Group 1 – Shares purchased prior to 1 February 2010

Group 2 – Shares purchased on or after 1 February 2010 and on or before 31 July 2010

'A' Accumulation Shares	Net Revenue	Equalisation	Allocated 30.09.10	Allocated 30.09.09
Group 1	–	–	–	0.5655
Group 2	–	–	–	0.5655

'B' Accumulation Shares	Net Revenue	Equalisation	Allocated 30.09.10	Allocated 30.09.09
Group 1	–	–	–	1.1779
Group 2	–	–	–	1.1779

Final

There is no distribution for the final period in either the current or prior year.

EQUALISATION

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

GENERAL INFORMATION

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

The sub-fund which is currently available is:

CF Amati 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 revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

VALUATION POINT

The valuation point of the Company is 12.00pm 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 buy or sell shares on normal business days between 8.30am and 5.30pm and transactions will be effected at prices determined by the next following valuation. Instructions to buy or sell shares may be either in writing to: 2 The Boulevard, City West One Office Park, Gelderd Road, Leeds LS12 6NT or by telephone on 0845 922 0044. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

PRICES

The most recent buying and selling prices of shares are available on the website of the Investment Management Association at 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 Company and copies 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

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.

As a sub-fund is not a legal entity, if the assets of one sub-fund are insufficient to meet liabilities attributable to it, the ACD may re-allocate such liabilities between the sub-funds then in existence in a manner which is fair to shareholders generally. This re-allocation will normally be performed on the basis of the respective net asset values of the sub-funds.

	1 year	3 years	5 years	10 years
CF Amati UK Smaller Companies Fund	55.01	64.71	61.17	165.22
Hoare Govett Smaller Companies Index (including AIM but excluding Investment Trust)	31.39	20.97	21.94	70.61

Source: Amati Global Investors Ltd.

