

# Ecclesiastical investment funds

SHORT REPORT



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## Management contact details

### Authorised Corporate Director

The Authorised Corporate Director (ACD) is Ecclesiastical Investment Management Limited (EIM). The investments of Ecclesiastical Investment Funds (EIF) are managed by the ACD. The ACD has prepared financial statements that comply with the Statement of Recommended Practice for Open-Ended Investment Companies issued by the Investment Management Association in December 2005.

### Constitution

EIF is an Open-Ended Investment Company (OEIC). It has variable capital and was incorporated with limited liability under the Open-Ended Investment Companies Regulations 2001 (OEIC Regulations) in Great Britain under registered number IC 00037. It is authorised and regulated by the Financial Services Authority.

EIF is an 'umbrella' company and comprises six authorised investment securities sub-funds.

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Gloucester GL1 1JZ.

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Email [information@ecclesiastical.com](mailto:information@ecclesiastical.com)  
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Authorised and Regulated by the  
Financial Services Authority

### Directors of Ecclesiastical Investment Management Limited

NJE Sealy, FCA (Chairman)  
MH Tripp, BSc, ARCS, FIA  
GA Prescott, BA, FCA

### Ultimate Parent Company of the ACD

Allchurches Trust Limited  
Beaufort House, Brunswick Road,  
Gloucester GL1 1JZ.

### Depositary

BNY Mellon Trust and Depositary (UK) Limited  
The Bank of New York Mellon Centre,  
160 Queen Victoria Street,  
London EC4V 4LA.

Authorised and Regulated by the  
Financial Services Authority

### Registrar\*

Northern Trust Global Services Limited  
50 Bank Street, Canary Wharf,  
London E14 5NT.

### Auditors

Deloitte LLP  
Hill House, 1 Little New Street  
London EC4A 3TR.

\* On 1st December 2008, Northern Trust International Fund Administration Services (UK) Limited transferred its business to Northern Trust Global Services Limited.

# Ecclesiastical Investment Funds – with its six investment sub-funds, is offered by Ecclesiastical Investment Management Limited.

This Short Report is for the year from 1 January 2008 to 31 December 2008. Included in the Report by the Authorised Corporate Director (ACD), you will find information on the performance of the sub-funds and the Funds' prospects, as well as information on the performance record and major holdings of each sub-fund.

The ACD will send a copy of the interim and annual Short Report to any shareholder whose name appears on the share register at the relevant accounting reference date or interim accounting reference date as permitted by the Financial Services Authority regulations.

Full copies of the interim and annual Long Reports will be available on request from the ACD and to download from [www.ecclesiastical.com/longreport](http://www.ecclesiastical.com/longreport).

Copies of all reports to shareholders will be available for inspection by the general public at the ACD's offices.

# Report of the Authorised Corporate Director - Investment environment

1 January to 31 December 2008

## Key Points

### ■ Summary of 2008

Turmoil in the financial markets as a result of a liquidity crisis in the banking sector, and many economies experiencing slowing economic activity.

### ■ UK

The year was dominated by the ongoing crisis in the financial sector, government bailouts and interest rate cuts. The FTSE 100 Index fell by 31.3%, and medium sized and smaller companies fell by 40.3% and 45.8% respectively.

### ■ Europe

FTSE World Europe Index fell by 44.4%. Iceland required help from the IMF and neighbouring countries following the collapse of its 3 main banks. Best performing countries included Switzerland, Germany and France.

**2008 was a remarkable year, notable for large falls and exceptionally high volatility in financial markets around the world. The turmoil was a result of a liquidity crisis in the banking sector and many economies experiencing sharply slowing economic activity.**

The outlook for investors remains highly uncertain as they weigh up the prospects of a world economy facing recession with a weakened financial sector. While governments have made substantial efforts to alleviate the effects of the economic downturn, it may be some months before investors can judge their effectiveness. In the meantime, financial markets are likely to remain volatile and fragile.

### THE UK

The FTSE 100 Index of leading companies fell 31.3% over the course of the year, the second biggest annual fall on record. As is often the case in times of economic uncertainty, medium sized and smaller companies fared worse, falling 40.3% and 45.8% respectively.

The best performing sectors included pharmaceuticals, beverages, and tobacco who lived up to their historical role of providing a relatively safe haven for investors. The worst performing sectors were those in the front line of the financial crisis such as banks and general financials. The mining sector also performed poorly as its speculative run was brought to a spectacular halt by the seizure in financial markets and slowing global economy.

For much of the year the headlines were dominated by the ongoing crisis in the financial sector, culminating with the Government having to inject substantial amounts of capital into the banking sector and sanctioning the rescue of HBOS by Lloyds TSB. The Bank of England was very active too, cutting interest rates to an all-

time low of 2.0% by the year end, and providing billions of pounds by way of guarantees and liquidity.

Beyond the financial sector the performance of the wider economy deteriorated rapidly; house prices and activity slumped, retail sales were weak and unemployment rose to the highest level since 2000. For much of the year, however, inflation remained stubbornly high, peaking at 5.2% in September, though the extent of economic contraction meant that it was actually the spectre of deflation which was being discussed by the end of the year. In light of the struggling economy, the Government tried to boost its spending on public works and it also announced a cut in VAT rates in an attempt to stimulate consumer spending.

In light of the prospects for lower inflation rates and reflecting their perceived status as a safe haven in times of uncertainty, gilts performed well, providing investors with a total return of 12.8% over the course of the year.

A combination of the poor economic performance and relatively low interest rates pushed Sterling sharply lower and over the course of 2008 its trade weighted index fell 24%.

### EUROPE

The FTSE World Europe (excluding UK) Index fell 44.4% over the course of 2008. The best performing countries included Switzerland, reflecting its pharmaceutical sector, and the core markets of France and Germany. The worst performing Euro zone country was Ireland, reflecting the dominance of the financial sector in its economy and the sharp contraction in economic activity in the country. Its fall was eclipsed by that of Iceland, however, whose three main banks collapsed forcing the country to ask for help from the International Monetary Fund and its Scandinavian neighbours.

The more peripheral and highly indebted economies of the region suffered in a way similar to those of the US and UK, with high personal debts weighing on the housing, retailing and banking sectors. The core countries, which are generally less indebted, experienced less of an impact from the financial markets crisis, but slowing world trade began to hurt their manufacturing sectors which rely on exports.

The European Central Bank, which had hitherto adopted a cautious interest rate stance on the grounds of inflationary pressures, was forced into a series of cuts to lower its rates to 2.5%, and to provide substantial injections of liquidity into lending markets.

### THE US

Over the course of 2008 the Dow Jones Industrial Average Index fell 33.8%. The more broadly spread S&P 500 Index fared worse, falling 38.5%.

The unfolding crisis in financial markets continued to dominate the headlines and a number of financial institutions either received government bailouts or sold themselves to better funded companies. Lehman Brothers, however, was allowed to fail and this resulted in market seizure and investor panic throughout the world. The US Treasury and Federal Reserve spent the year establishing programmes to underpin asset values and provide massive liquidity to credit and financial asset markets. Interest rates were cut aggressively, to a record low level of 0.25%.

Beyond the financial sector, the economy remained firmly in recession, with collapsing house prices, all-time low levels of consumer confidence and soaring unemployment. As the year progressed, the Government faced an increasing number of pleas from industries struggling to cope with the effects of the collapse in demand.

As the year drew to a close, the newly elected President, Barack Obama, began to draw up plans for a public spending programme of more than \$800 billion, a scheme reminiscent of the New Deal of the 1930s.

### ASIA

The region's economies fared relatively well in the early months of the year and seemed to shrug off the effects of the global credit crunch reflecting the relatively low levels of debt and strong domestic growth. However, later in the year they weakened as evidence began to mount that a significant slowdown was underway as the main export markets in the developed world moved into recession. Stock markets were put under further pressure as investors repatriated funds.

Over the course of 2008 the Nikkei 225 Index fell 42.1%. The Japanese financial system remained relatively isolated from the troubles affecting those of many other countries because its banks had been restrained in their lending in recent years. However, as the year progressed, manufacturing companies started to feel the negative effects of slowing activity in the world economy. Their efforts were further hampered by the very strong Yen which had risen as investors perceived it as a relatively safe haven in volatile conditions.

### OUTLOOK

The crisis in financial markets will continue to make its presence felt for some time to come. Additionally, world economic activity is slowing rapidly and is set to provide new challenges for investors. Governments will undoubtedly undertake further substantial interventions in financial markets and provide further stimulus to flagging economies. Their efforts may succeed in mitigating the worst effects of recession but it may be some months before tangible results emerge. In the meantime, financial markets are likely to remain volatile and investor confidence fragile.

## Key Points

### ■ The US

The Dow Jones Industrial Average fell by 33.8%; the S&P 500 by 38.5%. The failure of Lehman Brothers resulted in market seizure and investor panic around the world. The Treasury and Federal Reserve provided massive liquidity to the markets, and interest rates were cut to a record low.

### ■ Asia

Economies fared relatively well at the start of the year, reflecting low levels of national debt and strong domestic growth. Evidence of a slowdown began to mount later in the year as the main export markets in the developed world declined.

### ■ 2009 outlook

Instability in markets will continue, and world economic activity will slow further. Governments will intervene to provide further stimulus, but it will still be some months before tangible results emerge.

# Amity UK Fund

## Investment objective

The Fund aims to achieve long term capital appreciation and a reasonable level of income by investing principally in UK companies.

## Investment policy

The Amity UK Fund seeks to invest in a portfolio of companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

The Fund seeks to avoid investment in certain areas such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.

This Fund is marketable to all retail investors.

The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective.

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FSA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an ISA.

## What risks are associated with this Fund?

- Most of the assets will be invested in the UK stockmarket so could be affected by any change in this market.
- Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stockmarket and this could lead to greater volatility.

## Report of the Authorised Corporate Director

This review covers the year from 1 January 2008 to 31 December 2008.

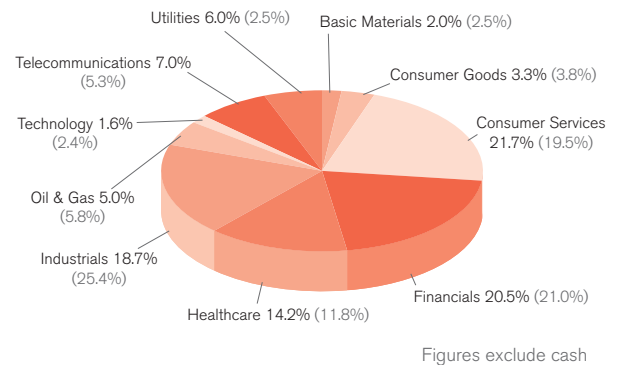
- Over the course of the year the share price of the Amity UK Fund fell by 30.9% on an offer-to-offer basis with income reinvested, underperforming the FTSE All Share Index total return of minus 30.2% but outperforming the IMA UK All Companies Sector Average fall of 32.1%, measured on a similar basis.
- Cash balances at 31st December 2008 were 9.76%.
- Relatively good performances came from pharmaceutical issues such as GlaxoSmithKline and Dechra Pharmaceuticals and food retailer Morrison (WM) Supermarkets, all of whom showed resilience in profitability. On the debit side SIG (building materials), Menzies (John) (support services) and Laird (electricals) all suffered in the face of slowing economic activity.
- A feature of portfolio activity was a reduction in the proportion of the portfolio invested in overseas companies. To balance these sales, purchases made in the UK included Centrica (gas utility), MITIE (support services), Severn Trent (water), and Vodafone (mobile telephony).

## Prospects

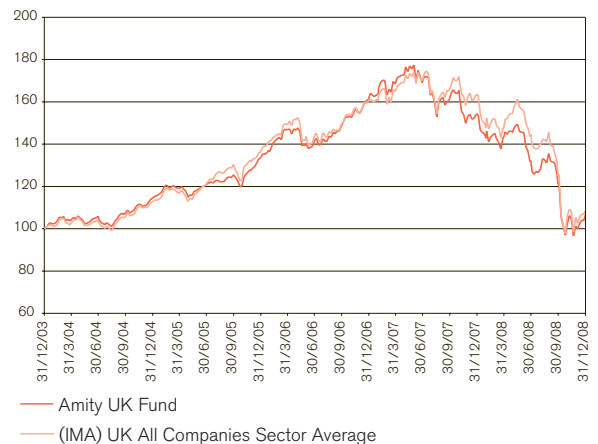
With deteriorating macroeconomic news anticipated over the coming months, cash balances are likely to remain at higher than average levels. Investments are likely to remain focused on companies with strong balance sheets, good cash flow, and robust business models.

## Asset allocation by sector at 31 December 2008

The figures in brackets show allocation at 31 December 2007



## Performance



Graph showing the growth of the Amity UK Fund compared to IMA UK All Companies Sector Average from 31 Dec 2003 to 31 Dec 2008, offer-to-offer, with income reinvested, based in UK Sterling. Prices re-based to 100. Source: Morningstar.

## Performance and ranking

	Amity UK Fund		UK All Companies Sector Average	
	Growth	Rank	Growth	Number
<b>31/12/07 - 31/12/08</b>	-30.9%	162	-32.1%	318
<b>31/12/06 - 31/12/07</b>	-4.3%	268	1.7%	308
<b>31/12/05 - 31/12/06</b>	20.7%	59	17.5%	292
<b>31/12/04 - 31/12/05</b>	16.6%	255	20.7%	289
<b>31/12/03 - 31/12/04</b>	14.5%	75	13.0%	273

Table showing % growth and ranking of the Amity UK Fund against IMA UK All Companies Sector Average and total number of funds. Figures compared on an offer-to-offer basis with income reinvested. Source: Morningstar.

**Major holdings**

Top ten holdings		Percentage of total net assets at 31 December 2008
1	Morrison (Wm) Supermarkets	3.97%
2	GlaxoSmithKline	3.38%
3	Tesco	3.06%
4	Dechra Pharmaceuticals	2.73%
5	BG Group	2.63%
6	Centrica	2.24%
7	Vodafone	2.22%
8	Provident Financial	2.05%
9	Halma	1.97%
10	Genus	1.91%

**Total expense ratio at 31 December 2008**

Share Class A	Share Class B	Share Class C
1.70%	0.82%	1.32%

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of 5 years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

**Net income distribution/accumulation**

Net income distribution/accumulation	Pence per share	Per £1,000 invested at 2 January 2003 (£)
<b>2008</b>		
Share Class A	3.1623	37.2649
Share Class B	5.0377	59.3718
Share Class C	5.6199	46.7935
<b>2007</b>		
Share Class A	2.0667	24.3542
Share Class B	3.2175	37.9199
Share Class C	4.0555	33.7677
<b>2006</b>		
Share Class A	2.3102	27.2237
Share Class B	3.3217	39.1479
Share Class C	4.1832	34.8310
<b>2005</b>		
Share Class A	1.6453	19.3884
Share Class B	2.4476	28.8462
Share Class C	3.1334	26.0899
<b>2004</b>		
Share Class A	1.9664	23.1723
Share Class B	2.6793	31.5769
Share Class C	3.4834	29.0042
<b>2003</b>		
Share Class A	1.6859	19.8668
Share Class B	2.3732	27.9694
Share Class C	2.6847	22.3539

**Share prices and Fund size**

	Share price range		Fund size		
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue
<b>31 December 2008</b>					
Share Class A	147.40	89.93	16,205,291	97.58	16,607,885
Share Class B	147.90	90.62	2,222,012	96.80	2,295,436
Share Class C	229.40	141.00	22,867,597	157.18	14,548,736
<b>31 December 2007</b>					
Share Class A	170.90	141.90	24,632,455	145.87	16,886,673
Share Class B	172.00	143.20	725,537	146.30	495,935
Share Class C	261.70	218.30	35,642,809	226.96	15,704,525
<b>31 December 2006</b>					
Share Class A	157.00	130.70	26,455,387	153.26	17,002,224
Share Class B	158.40	131.20	774,358	153.78	495,935
Share Class C	237.20	196.20	37,342,172	234.37	15,696,669
<b>31 December 2005</b>					
Share Class A	131.70	113.40	21,082,753	131.02	16,091,862
Share Class B	132.70	113.70	654,959	132.07	495,935
Share Class C	195.90	167.40	30,609,906	194.93	15,702,963
<b>31 December 2004</b>					
Share Class A	114.80	100.80	16,584,893	113.28	14,640,943
Share Class B	115.70	101.00	564,112	113.75	495,935
Share Class C	167.30	145.40	26,244,226	167.20	15,696,669

# Amity European Fund

## Investment objective

To achieve long-term capital growth with a reasonable level of income primarily through a diversified portfolio of European companies.

## Investment policy

The Amity European Fund seeks to invest in a portfolio of companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

The Fund seeks to avoid investment in certain areas such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.

This Fund is marketable to all retail investors.

The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective.

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FSA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an ISA.

## What risks are associated with this Fund?

- The investment's value may be affected by changes in exchange rates.
- The entire market of European stocks and shares might decline thus affecting the prices and values of the assets.
- Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stock market and this could lead to greater volatility.

## Report of the Authorised Corporate Director

This review covers the year from 1 January 2008 to 31 December 2008.

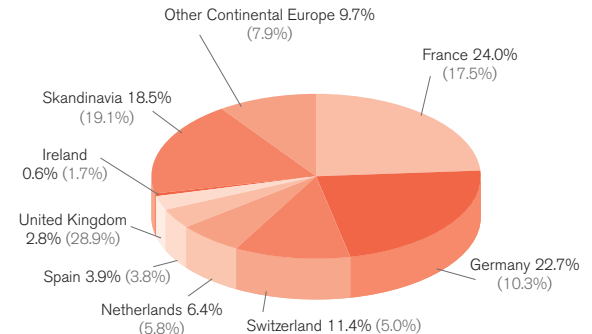
- Over the course of the year the share price of the Amity European Fund fell by 17.8% on an offer-to-offer basis with income reinvested, compared to falls of 24.0% in the FTSE World Europe ex UK Index (£ terms) and 24.6% in the IMA Europe (excluding UK) Sector Average (both measured on the same basis).
- Cash balances at 31st December 2008 were 17.6%.
- The Fund's performance was helped by the high cash levels maintained over the year, pharmaceutical stocks such as Roche and Novartis, and France Telecom and Terna (electricity transmission).
- Portfolio activity was centred on the need to restructure the Fund in line with the change of investment objectives agreed by shareholders in February 2008. To this end, disposals were made in respect of a substantial portion of the UK portfolio and in respect of those investments in European companies which failed to meet the standards demanded by the ethical screening process. ENI (oil & gas), Henkel (chemicals), and Swedish Match (tobacco) were all sold on that basis.
- Some of the proceeds of the disposal programme were invested in European companies which passed the ethical screening process, with an emphasis on those with strong balance sheets, good cash flow and robust business models. As a result, purchases were made in Metro (retailing), Swatch (watches), Carl Zeiss Meditec (healthcare) and Suez Environnement (water utility).

## Prospects

Even though the crisis in financial markets may prove to have a smaller impact on Europe compared to the US and UK, the region will nonetheless find it difficult to evade the negative impact from a slowdown in world trade. With further downgrades expected over the next few months, cash balances are likely to remain above average.

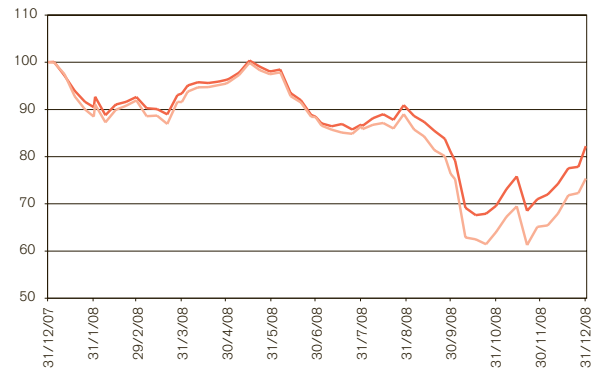
## Asset allocation by geographical area as at 31 December 2008

The figures in brackets show allocation at 31 December 2007



Figures exclude cash

## Performance\*



— Amity European Fund  
— (IMA) Europe Sector Average

Graph showing the growth of the Amity European Growth Fund compared to IMA Europe (including UK) Sector Average from 31 Dec 2007 to 31 Dec 2008, offer-to-offer, with income reinvested, based in UK Sterling. Prices re-based to 100. Source: Morningstar.

## Performance and ranking\*

	Amity European Fund		Europe (Excluding UK) Sector Average	
	Growth	Rank	Growth	Number
<b>31/12/07 - 31/12/08</b>	-17.8%	8	-24.6%	97
	Amity European Fund		Europe (Including UK) Sector Average	
	Growth	Rank	Growth	Number
<b>31/12/06 - 31/12/07</b>	8.4%	14	11.1%	17
<b>31/12/05 - 31/12/06</b>	17.5%	6	17.1%	16
<b>31/12/04 - 31/12/05</b>	20.1%	12	22.1%	16
<b>31/12/03 - 31/12/04</b>	10.8%	7	10.6%	15

Table showing % growth and ranking of the Amity European Fund against IMA Europe (excluding UK) Sector Average and IMA (including UK) Sector Average and total number of funds. Figures compared on an offer-to-offer basis with income reinvested. Source: Morningstar.

\*On the 1st July 2008 The Amity European Fund transferred from the IMA Europe (including UK) Sector to the IMA Europe (excluding UK) Sector. From the 31st December 2007 the portfolio had been rebalanced to meet the new sector requirements which is reflected in the performance graph above.

**Major holdings**

Top ten holdings		Percentage of total net assets at 31 December 2008
1	Roche	3.83%
2	Siemens	2.96%
3	Metro	2.63%
4	Beiersdorf	2.52%
5	Novartis	2.49%
6	Vivendi	2.48%
7	Sanofi-Aventis	2.45%
8	Bayer	2.18%
9	Wolters Kluwer	2.14%
10	France Telecom	2.13%

**Total expense ratio at 31 December 2008**

Share Class A	Share Class B	Share Class C
1.81%	0.83%	1.37%

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of 5 years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

**Net income distribution/accumulation**

Net income distribution/accumulation	Pence per share	Per £1,000 invested at 2 January 2003 (£)
<b>2008</b>		
Share Class A	2.3917	29.4798
Share Class B	3.6317	44.6649
Share Class C	2.9783	39.3331
<b>2007</b>		
Share Class A	1.4973	18.4556
Share Class B	2.9780	36.6253
Share Class C	1.9729	26.0552
<b>2006</b>		
Share Class A	1.1847	14.6025
Share Class B	2.4454	30.0750
Share Class C	1.6927	22.3547
<b>2005</b>		
Share Class A	0.8557	10.5473
Share Class B	2.0418	25.1113
Share Class C	1.4100	18.6212
<b>2004</b>		
Share Class A	0.8319	10.2539
Share Class B	1.9014	23.3846
Share Class C	1.3083	17.2781
<b>2003</b>		
Share Class A	0.8630	10.6372
Share Class B	1.7943	22.0674
Share Class C	1.0971	14.4889

**Share prices and Fund size**

	Share price range		Fund size		
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue
<b>31 December 2008</b>					
Share Class A	161.60	105.10	2,285,970	128.92	1,773,153
Share Class B	163.00	106.40	24,980,111	129.82	19,242,265
Share Class C	161.00	105.30	405,031	131.38	308,300
<b>31 December 2007</b>					
Share Class A	166.40	146.70	2,777,851	159.98	1,736,353
Share Class B	168.10	148.00	31,004,613	161.13	19,242,264
Share Class C	164.10	144.30	400,601	156.00	256,800
<b>31 December 2006</b>					
Share Class A	149.70	125.40	2,480,635	148.60	1,669,298
Share Class B	151.70	126.70	28,795,312	149.65	19,242,265
Share Class C	146.40	122.10	360,138	146.22	246,300
<b>31 December 2005</b>					
Share Class A	129.10	106.10	2,034,598	126.85	1,603,956
Share Class B	130.80	107.20	24,742,397	128.58	19,242,265
Share Class C	124.90	102.20	277,630	122.82	226,050
<b>31 December 2004</b>					
Share Class A	107.90	93.20	1,593,089	106.91	1,490,062
Share Class B	109.40	94.15	20,728,181	107.72	19,242,265
Share Class C	103.20	88.94	211,811	102.42	206,800

# Amity International Fund

## Investment objective

To achieve long-term capital growth with a reasonable level of income through a diversified portfolio of International companies.

## Investment policy

The Amity International Fund seeks to invest in a portfolio of companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

The Fund seeks to avoid investment in certain areas such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.

This Fund is marketable to all retail investors.

The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective.

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FSA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an ISA.

## What risks are associated with this Fund?

- The investment's value may be affected by changes in exchange rates.
- The equity markets invested in might decline thus affecting the prices and values of the assets.
- Some of the investments may be in emerging markets, which can be more volatile and carry risks associated with changes in their economies and political states. Also they may not offer the same level of investor protection as would apply in more developed jurisdictions.
- Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stock market and this could lead to greater volatility.

## Report of the Authorised Corporate Director

This review covers the year from 1 January 2008 to 31 December 2008.

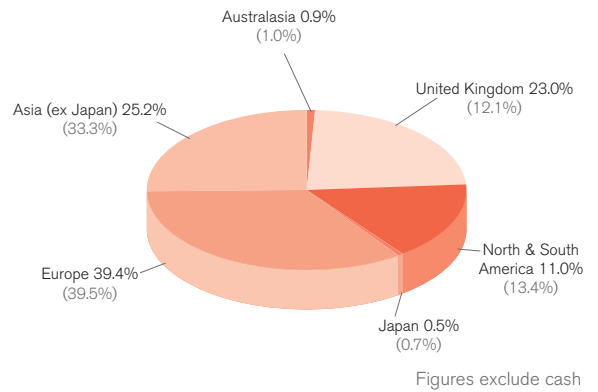
- Over the course of the year the share price of the Amity International Fund fell by 15.3% on an offer-to-offer basis with income reinvested, compared to falls of 18.2% in the FTSE World Index and 24.3% in the IMA Global Growth Sector Average (both measured on a similar basis).
- Cash balances at 31 December 2008 were 18.8%.
- The Fund's performance was helped by relatively high cash balances held for much of the year, and investments in pharmaceutical companies such as Roche and Novartis. Disappointing performances came from investments in cyclical Chinese companies such as China Oriental (steel) and Hop Fung (paper).
- A notable feature of portfolio activity during the year was the disposal of shares which failed to meet the standards of the new ethical screening process approved by shareholders in February 2008. Sales which fell into this category included oil companies such as ConocoPhillips, Royal Dutch Shell 'B', and Sinopec.
- Purchases were centred on the pharmaceutical sector whose companies have historically demonstrated resilience in the face of economic uncertainty. Holdings in GlaxoSmithKline, Novartis, Pfizer, Roche, and Sanofi-Aventis were all topped up. Other purchases of note were made in China Hongxing Sports (sports goods) and MobileOne (telecoms).

## Prospects

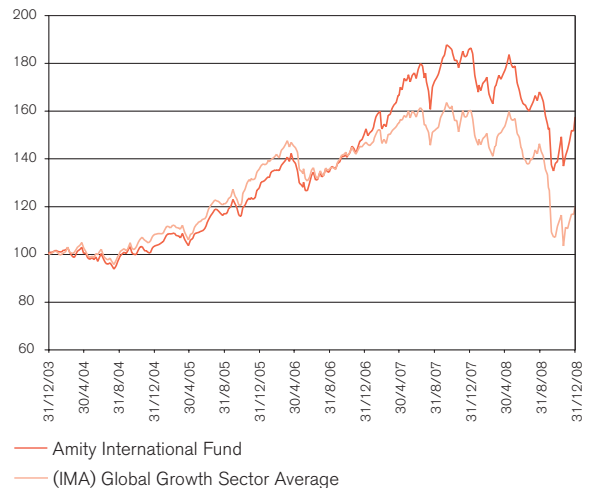
The outlook for the world economy remains highly uncertain standing as it does on the brink of a global recession with a weakened financial sector. The strategy for the immediate future is to retain above average cash balances with investments focussed on quality companies in defensive sectors.

## Asset allocation by geographical area as at 31 December 2008

The figures in brackets show allocation at 31 December 2007



## Performance



Graph showing the growth of the Amity International Fund compared to IMA Global Growth Sector Average from 31 Dec 2003 to 31 Dec 2008, offer-to-offer, with income reinvested, based in UK Sterling. Prices re-based to 100. Source: Morningstar.

## Performance and ranking

Period	Amity International Fund		(IMA) Global Growth Sector Average	
	Growth	Rank	Growth	Number
31/12/07 - 31/12/08	-15.3%	12	-24.3%	181
31/12/06 - 31/12/07	24.0%	5	9.6%	156
31/12/05 - 31/12/06	17.6%	5	7.8%	157
31/12/04 - 31/12/05	23.3%	93	25.2%	146
31/12/03 - 31/12/04	3.4%	123	8.4%	140

Table showing % growth and ranking of the Amity International Fund against IMA Global Growth Sector Average and total number of funds. Figures compared on an offer-to-offer basis with income reinvested. Source: Morningstar.

**Major holdings**

Top ten holdings		Percentage of total net assets at 31 December 2008
1	British Energy	6.24%
2	Telefonica ADR	3.17%
3	Roche	3.00%
4	Sanofi-Aventis	2.90%
5	Novartis	2.78%
6	GlaxoSmithKline	2.48%
7	Centrica	2.02%
8	Pfizer	1.98%
9	Swiss Re	1.62%
10	Advanced Information Services	1.50%

**Total expense ratio at 31 December 2008**

Share Class A	Share Class B	Share Class C
1.76%	0.83%	1.33%

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of 5 years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

**Net income distribution/accumulation**

Net income distribution/accumulation	Pence per share	Per £1,000 invested at 2 January 2003 (£)
<b>2008</b>		
Share Class A	2.8781	40.2025
Share Class B	4.0841	56.9609
Share Class C	3.3096	52.3009
<b>2007</b>		
Share Class A	0.9397	13.1261
Share Class B	2.4907	34.7378
Share Class C	1.5531	24.5433
<b>2006</b>		
Share Class A	1.0769	15.0426
Share Class B	2.3119	32.2441
Share Class C	1.4923	23.5825
<b>2005</b>		
Share Class A	0.8131	11.3577
Share Class B	1.9441	27.1144
Share Class C	1.3000	20.5436
<b>2004</b>		
Share Class A	0.6715	9.3798
Share Class B	1.6695	23.2845
Share Class C	1.0801	17.0686
<b>2003</b>		
Share Class A	0.6559	9.1619
Share Class B	1.5779	22.0070
Share Class C	0.8770	13.8590

**Share prices and Fund size**

	Share price range		Fund size		
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue
<b>31 December 2008</b>					
Share Class A	164.20	118.40	2,280,854	134.84	1,691,583
Share Class B	165.20	119.80	28,174,598	135.63	20,773,269
Share Class C	154.50	111.90	498,201	130.13	382,850
<b>31 December 2007</b>					
Share Class A	166.20	131.70	1,974,871	162.92	1,212,188
Share Class B	168.30	132.90	34,107,029	164.19	20,773,269
Share Class C	155.50	123.00	450,983	147.94	304,850
<b>31 December 2006</b>					
Share Class A	133.30	109.60	1,392,443	131.96	1,055,235
Share Class B	135.20	110.90	27,618,711	132.95	20,773,269
Share Class C	123.20	101.10	353,791	122.95	287,750
<b>31 December 2005</b>					
Share Class A	114.70	92.66	1,055,239	113.57	929,184
Share Class B	116.40	93.33	23,702,311	114.10	20,773,269
Share Class C	104.80	84.21	263,958	102.81	256,750
<b>31 December 2004</b>					
Share Class A	93.88	83.86	870,859	92.70	939,413
Share Class B	95.05	84.82	19,373,537	93.26	20,773,260
Share Class C	84.59	75.53	198,294	83.85	236,500

# Amity Sterling Bond Fund

## Investment objective

The Fund aims to provide an attractive level of income.

## Investment policy

The Amity Sterling Bond Fund seeks to invest in a highly diversified portfolio of Government and good quality fixed interest securities issued by companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

The Fund seeks to avoid investment in certain areas such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.

This Fund is marketable to all retail investors.

The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective.

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FSA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an ISA.

## What risks are associated with this Fund?

- The Fund holds a variety of different fixed interest securities including government and corporate bonds, preference shares and permanent interest bearing shares with a spread of durations. The Fund may invest in index or inflation linked bonds as well as conventional fixed interest instruments. Some of the bonds hold credit ratings however the Fund also invests in unrated bonds and other fixed interest instruments.
- The investment's value may be affected by changes in inflation and interest rates.
- An issuer of fixed interest stock may default, so causing a reduction in the capital value and income of the Fund.
- The annual management charge is taken from capital not income so the capital value of the Fund could be reduced over time.
- Selecting stocks due to our ethical criteria means that the choice of stocks is limited to a sub set of the stockmarket and this could lead to greater volatility.

## Report of the Authorised Corporate Director

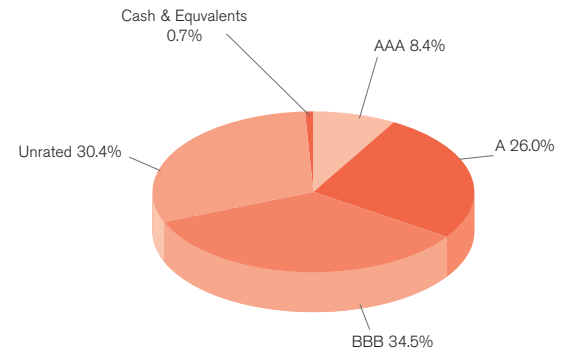
This review covers the period from 18th February 2008 to 31 December 2008.

- Over the course of the period during which shares in the Fund were quoted, the share price of the Amity Sterling Bond Fund fell 2.7% on an offer-to-offer basis with income reinvested, compared to a fall in the IMA £ Strategic Bond Sector average of 12.3% (measured on the same basis).
- Portfolio activity was focussed on making investments to establish an initial portfolio. In line with the investment policy of the Fund, the core portfolio has been restricted to sterling denominated bonds issued by companies and entities who meet ethically acceptable standards. The portfolio has been constructed from a 'top down' perspective to provide a balanced and diversified spread of investments with a significant degree of income security.
- All the rated bonds currently held have a rating of BBB or higher, although the portfolio includes some unrated bonds, such as the John Lewis 10 ½% 2014 issue, which are believed to offer credit worthiness at least equal to that of rated bonds from comparable entities.

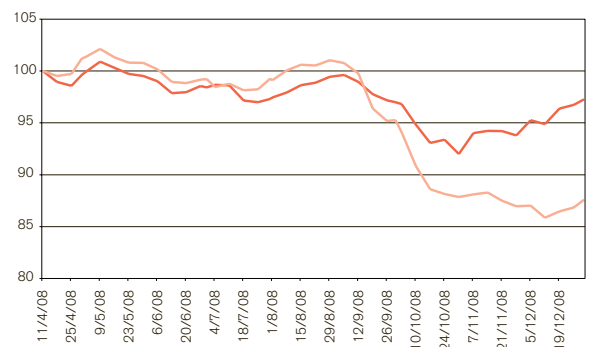
## Prospects

Against a background of greater economic uncertainty, fixed interest investments should provide a relative degree of stability and security compared to that offered by equities. The poor economic outlook and deleveraging within financial markets has led to a widening of credit spreads and, as a consequence, the corporate bond market offers better value than recent years.

## Asset allocation by Bond Rating as at 31 December 2008



## Performance



— Amity Sterling Bond Fund  
— (IMA) £ Strategic Bond Sector Average

Graph showing the growth of the Amity Sterling Bond Fund compared to IMA £ Strategic Bond Sector Average from 11 April 2008 to 31 December 2008, offer-to-offer, with income reinvested, based in UK Sterling. Prices re-based to 100. Source: Morningstar.

## Performance and ranking

	Amity Sterling Bond Fund		(IMA) £ Strategic Bond Sector Average	
	Growth	Rank	Growth	Number
<b>31/12/07 - 31/12/08</b>	N/A	N/A	N/A	N/A

Table showing % growth and ranking of the Amity Sterling Bond Fund against IMA £ Strategic Bond Sector Average and total number of funds. Figures compared on an offer-to-offer basis with income reinvested. Source: Morningstar.

**Major holdings**

Top ten holdings		Percentage of total net assets at 31 December 2008
1	Treasury 8% 07/12/2015	6.08%
2	Aviva 8.75%	4.48%
3	Co-Operative Bank 9.25%	4.32%
4	Coventry Building Society 12.125% PIBS	4.30%
5	Marks & Spencer 5.625% 24/03/2014	4.29%
6	Lewis (John) 10.5% 23/01/2014	4.06%
7	United Utilities 5.25% 22/01/2010	3.77%
8	Nottingham Building Society 7.875% PIBS	3.76%
9	Compass 6.375% 29/05/2012	3.74%
10	Smith Industries 7.25% 30/06/2016	3.73%

**Net income distribution/accumulation**

Net income distribution/accumulation	Pence per share	Per £1,000 invested at launch (£)
<b>2008*</b>		
Share Class A*	7.0477	70.4770
Share Class B*	3.9639	39.6390
Share Class C**	N/A**	N/A**

**Total expense ratio at 31 December 2008**

Share Class A	Share Class B	Share Class C
1.31%	0.50%	N/A**

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of 5 years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

**Share prices and Fund size**

	Share price range		Fund size		
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue
<b>31 December 2008</b>					
Share Class A	101.75	86.99	373,688	89.87	415,789
Share Class B	101.61	90.52	10,281,283	93.47	11,000,000
Share Class C	N/A**	N/A**	N/A**	N/A**	N/A**

\* Fund launched on 18 February 2008

\*\* Share Class C is currently inactive

# Higher Income Fund

## Investment objective

To provide an above average and growing level of income together with capital growth over the longer term.

## Investment policy

The Manager will seek to achieve the investment objective by investing in a mix of equities, fixed interest securities and such other investments that the Manager considers suitable.

This Fund is marketable to all retail investors.

The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective.

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FSA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an ISA.

## What risks are associated with this Fund?

- Most of the assets will be invested in the UK stockmarket so could be affected by any change in this market.
- The Fund holds Corporate and Government bonds of a spread of durations. The various bonds have a spread of different security ratings as the investment managers do not set minimum security standards for such bonds.
- The annual management charge is taken from capital not income so the capital value of the Fund could be reduced over time.
- An issuer of fixed interest stock may default, so causing a reduction in the capital value of the Fund.
- The investment's value may be affected by changes in exchange rates and interest rates.

## Report of the Authorised Corporate Director

This review covers the year from 1 January 2008 to 31 December 2008.

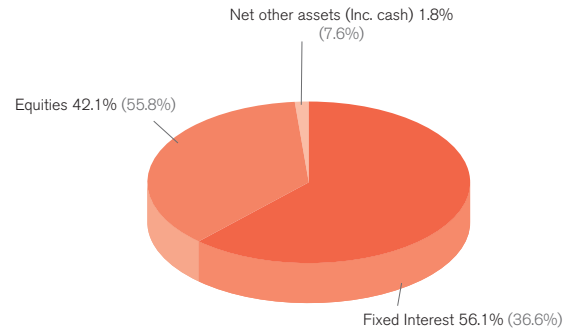
- Over the course of the year the share price of the Higher Income Fund fell by 12.4% on an offer-to-offer basis with income reinvested, compared to a fall in the IMA UK Equity & Bond Income Sector Average of 22.0%, measured on a similar basis. The FTSE All Share Index total return was minus 30.2% over the same period.
- The Fund's performance was helped by cash balances and short term gilts held at high levels through the year; the bond holdings also helped provide relative stability and limited losses in volatile markets. At a stock level, the trading recovery and takeover at British Energy (electricity) and defensive qualities of pharmaceutical companies Roche and GlaxoSmithKline were beneficial. Industrial cyclical equities such as Fenner and Hop Fung which are sensitive to levels of economic activity detracted from Fund performance.
- Portfolio activity included additions to the corporate bond portfolio with purchases in issues from Centrica (gas utility), John Lewis (retailing) and National Grid (electricity transmission). Disposals from the equity portfolio included HSBC (banking) and Rio Tinto (mining).

## Prospects

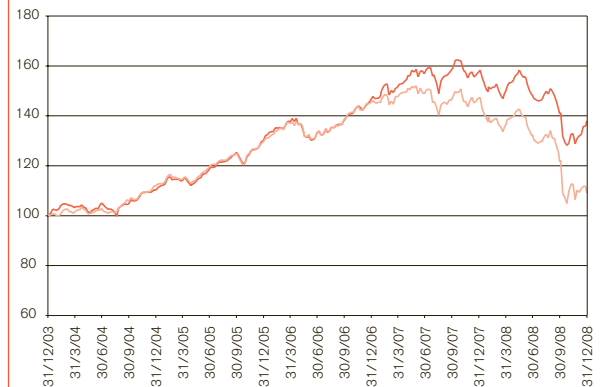
Macroeconomic news continues to point to a sharply deteriorating environment with many economies now in recession. The negative effects are likely to be magnified by weaknesses and deleveraging in the banking system. To preserve capital in anticipation of more favourable investment conditions, the Fund's strategy is to retain above average cash levels and significant fixed interest exposure.

## Asset allocation at 31 December 2008

The figures in brackets show allocation at 31 December 2007



## Performance



— Higher Income Fund  
— IMA UK Equity & Bond Income Sector Average

Graph showing the growth of the Higher Income Fund compared to IMA UK Equity & Bond Income Sector Average from 31 Dec 2003 to 31 Dec 2008, offer-to-offer, with income reinvested, based in UK Sterling. Prices re-based to 100. Source: Morningstar.

## Performance and ranking

	Higher Income Fund		IMA UK Equity & Bond Income Sector Average	
	Growth	Rank	Growth	Number
31/12/07 - 31/12/08	-12.4%	3	-22.0%	24
31/12/06 - 31/12/07	7.7%	2	1.2%	29
31/12/05 - 31/12/06	12.5%	13	12.2%	30
31/12/04 - 31/12/05	17.9%	10	15.7%	32
31/12/03 - 31/12/04	10.2%	23	12.2%	32

Table showing % growth and ranking of the Higher Income Fund against IMA UK Equity & Bond Income Sector Average and total number of funds. Figures compared on an offer-to-offer basis with income reinvested. Source: Morningstar.

**Major holdings**

Top ten holdings		Percentage of total net assets at 31 December 2008
1	Treasury 4.5% 07/03/2013	13.09%
2	Treasury 8% 07/12/2015	10.21%
3	Roche-Finance 5.375% 29/08/2023	2.16%
4	National Grid 3.603% 08/07/2018	1.95%
5	GlaxoSmithKline	1.82%
6	General Accident 7.875%	1.72%
7	Huadian Power International	1.54%
8	British Energy	1.46%
9	France Telecom	1.39%
10	National Grid Gas Holdings 4.1% IL 14/12/2022	1.33%

**Total expense ratio at 31 December 2008**

Share Class A	Share Class B	Share Class C
1.43%	0.83%	1.08%

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of 5 years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

**Net income distribution/accumulation**

Net income distribution/accumulation	Pence per share	Per £1,000 invested at 2 January 2003 (£)
<b>2008</b>		
Share Class A	4.7734	70.6438
Share Class B	4.7072	69.6228
Share Class C	8.3452	89.5024
<b>2007</b>		
Share Class A	3.8319	56.7101
Share Class B	5.5871	82.6372
Share Class C	6.3119	67.6952
<b>2006</b>		
Share Class A	4.2744	63.2588
Share Class B	4.4063	65.1723
Share Class C	6.8243	73.1907
<b>2005</b>		
Share Class A	3.2060	47.4471
Share Class B	3.1797	47.0300
Share Class C	5.0947	54.6407
<b>2004</b>		
Share Class A	3.2592	48.2344
Share Class B	3.1528	46.6322
Share Class C	4.9401	52.9826
<b>2003</b>		
Share Class A	3.3646	49.7943
Share Class B	3.3677	49.8107
Share Class C	5.1479	55.2113

**Share prices and Fund size**

	Share price range		Fund size		
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue
<b>31 December 2008</b>					
Share Class A	105.50	83.41	25,703,717	86.42	29,742,478
Share Class B	105.20	83.24	12,088,200	86.49	13,976,476
Share Class C	180.70	144.20	4,692,880	155.99	3,008,394
<b>31 December 2007</b>					
Share Class A	111.70	101.00	27,889,243	104.11	26,788,998
Share Class B	112.80	101.70	13,689,532	103.56	13,218,959
Share Class C	185.30	166.20	4,389,221	168.18	2,609,894
<b>31 December 2006</b>					
Share Class A	104.60	92.55	23,379,118	100.82	23,188,583
Share Class B	105.20	92.88	1,267,627	101.40	1,250,129
Share Class C	166.10	145.60	3,534,766	165.66	2,132,894
<b>31 December 2005</b>					
Share Class A	96.41	82.66	17,347,997	93.30	18,593,451
Share Class B	96.49	83.59	1,166,778	93.33	1,250,129
Share Class C	146.20	125.20	2,654,065	142.47	1,862,894
<b>31 December 2004</b>					
Share Class A	85.14	76.51	11,762,094	82.48	14,260,448
Share Class B	85.44	77.52	968,799	82.67	1,171,881
Share Class C	125.10	112.60	1,947,872	124.69	1,562,144

# UK Equity Growth Fund

## Investment objective

To achieve long-term capital growth with a reasonable level of income.

## Investment policy

The UK Equity Growth Fund is designed to invest primarily in a range of UK incorporated and/or listed companies which the Manager believes offer good potential for long-term capital growth.

This Fund is marketable to all retail investors.

The portfolio will consist primarily of transferable securities but the Manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective.

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FSA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an ISA.

## What risks are associated with this Fund?

- Most of the assets will be invested in the UK stockmarket so could be affected by any change in this market.

## Report of the Authorised Corporate Director

This review covers the year from 1 January 2008 to 31 December 2008.

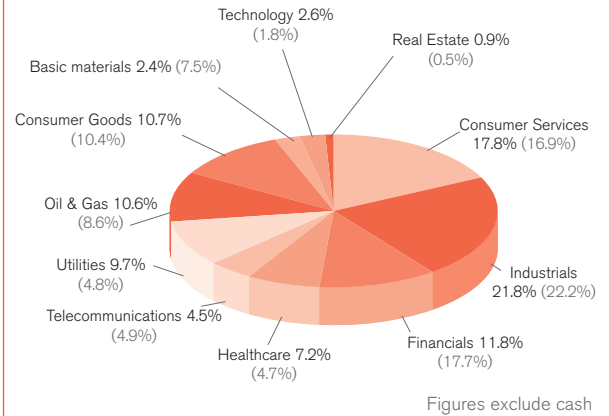
- Over the course of the year the share price of the UK Equity Growth Fund fell by 28.4% on an offer-to-offer basis with income reinvested, compared with a fall in the IMA UK All Companies Sector Average of 32.1%, and a 30.2% fall in the FTSE All Share Index (both measured on the same basis).
- At 31st December 2008, the Fund had 71.0% of its investments in FTSE 100 companies, with 16.1% in mid cap companies, and 12.9% in smaller UK and overseas companies. Cash balances at 31st December 2008 were 16.73%.
- The performance of the Fund was helped by cash balances being maintained at high levels for most of the year, and an underweighting in the poor performing banks and mining sectors. Good relative performance came from traditional defensive issues such as GlaxoSmithKline (pharmaceuticals), British American Tobacco (tobacco), and Compass (foodservice). Negative returns from financial stocks such as Lloyds TSB (banking) and Dolphin Capital (real estate) detracted from the Fund performance.
- Notable purchases included British Energy for its recovery and bid prospects (subsequently realised) and Balfour Beatty (construction) for its earnings resilience. Disposals included highly indebted media stocks Informa and Yell. The holding in Rio Tinto was substantially reduced after bid interest left its shares looking fully valued.

## Prospects

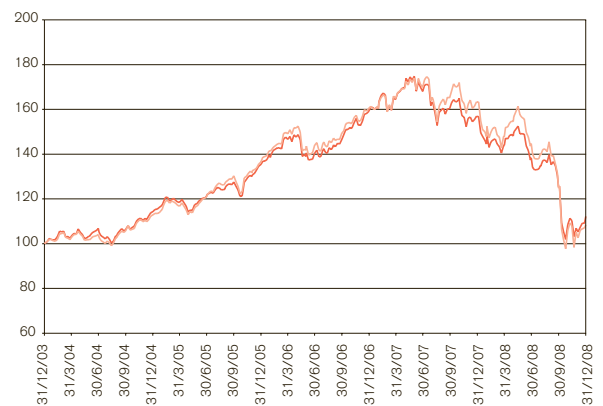
With macroeconomic news expected to disappoint and investment markets remaining volatile, cash balances are likely to remain above average levels, awaiting investment opportunities that offer the appropriate balance of risk and reward.

## Asset allocation at 31 December 2008

The figures in brackets show allocation at 31 December 2007



## Performance



— UK Equity Growth Fund  
— IMA UK All Companies Sector Average

Graph showing the growth of the UK Equity Growth Fund compared to IMA UK All Companies Sector Average from 31 Dec 2003 to 31 Dec 2008, offer-to-offer, with income reinvested, based in UK Sterling. Prices re-based to 100. Source: Morningstar.

## Performance and ranking

	UK Equity Growth Fund		UK All Companies Sector Average	
	Growth	Rank	Growth	Number
31/12/07 - 31/12/08	-28.4%	78	-32.1%	318
31/12/06 - 31/12/07	-1.4%	229	1.7%	308
31/12/05 - 31/12/06	17.5%	118	17.5%	292
31/12/04 - 31/12/05	18.4%	222	20.7%	289
31/12/03 - 31/12/04	14.3%	78	13.0%	273

Table showing % growth and ranking of the UK Equity Growth Fund against IMA UK All Companies Sector Average and total number of funds. Figures compared on an offer-to-offer basis with income reinvested. Source: Morningstar.

**Major holdings**

Top ten holdings		Percentage of total net assets at 31 December 2008
1	GlaxoSmithKline	3.60%
2	BG Group	3.25%
3	National Grid	2.90%
4	BP	2.88%
5	British American Tobacco	2.77%
6	Vodafone	2.50%
7	British Energy	2.31%
8	Royal Dutch Shell 'B'	2.30%
9	Compass	2.21%
10	Babcock International	2.10%

**Total expense ratio at 31 December 2008**

Share Class A	Share Class B	Share Class C
1.77%	0.80%	1.33%

Please note: Stocks and shares should be viewed as a medium to long-term investment, usually for a period of 5 years or more. The value of investments can fall as well as rise. Past performance should not be seen as an indication of future performance.

**Net income distribution/accumulation**

Net income distribution/accumulation	Pence per share	Per £1,000 invested at 2 January 2003 (£)
<b>2008</b>		
Share Class A	2.5371	33.8415
Share Class B	3.7039	48.8383
Share Class C	3.5753	44.1341
<b>2007</b>		
Share Class A	1.4932	19.9173
Share Class B	2.8197	37.1796
Share Class C	2.4733	30.5308
<b>2006</b>		
Share Class A	2.4795	33.0732
Share Class B	3.6243	47.7888
Share Class C	3.4104	42.0985
<b>2005</b>		
Share Class A	1.3765	18.3607
Share Class B	2.4749	32.6332
Share Class C	2.1684	26.7671
<b>2004</b>		
Share Class A	1.5350	20.4749
Share Class B	2.5254	33.2991
Share Class C	2.2333	27.5682
<b>2003</b>		
Share Class A	1.7894	23.8682
Share Class B	2.6758	35.2822
Share Class C	2.3250	28.7002

**Share prices and Fund size**

	Share price range		Fund size		
	Highest for the year (pence)	Lowest for the year (pence)	Net asset value (£)	Net asset value (pence per share)	Number of shares in issue
<b>31 December 2008</b>					
Share Class A	130.00	82.37	5,340,586	89.72	5,952,503
Share Class B	132.20	84.20	36,548,042	91.06	40,138,383
Share Class C	156.40	100.20	8,228,024	111.36	7,388,515
<b>31 December 2007</b>					
Share Class A	145.90	124.40	7,660,856	128.82	5,946,983
Share Class B	148.90	127.40	50,948,859	130.88	38,927,667
Share Class C	173.20	148.80	12,993,472	154.96	8,385,254
<b>31 December 2006</b>					
Share Class A	134.40	114.20	7,666,392	132.06	5,805,148
Share Class B	137.50	116.60	52,338,729	134.29	38,974,952
Share Class C	157.20	132.50	13,123,900	156.51	8,385,254
<b>31 December 2005</b>					
Share Class A	115.90	98.12	6,406,473	114.91	5,575,041
Share Class B	118.60	99.92	45,306,602	116.25	38,974,952
Share Class C	133.50	112.00	11,351,651	135.38	8,385,254
<b>31 December 2004</b>					
Share Class A	99.24	86.86	5,316,498	98.27	5,409,848
Share Class B	101.60	89.57	38,942,945	99.92	38,974,952
Share Class C	112.10	97.22	9,388,367	111.96	8,385,254

# Notes



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