

# EdenTree Investment Funds – Series 2

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(Formerly Edentree Investment Funds for Charities)

Annual Report and Audited Financial Statements

For the year ended 30 June 2021



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\* These pages comprise the Authorised Corporate Director's Report

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# Management Contact Details

## Authorised Corporate Director

The Authorised Corporate Director (ACD) is EdenTree Investment Management Limited (EIM). The investments of EdenTree Investment Funds – Series 2 (EIFS2) are managed by the ACD. The ACD has prepared financial statements that comply with the Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: “Financial Statements of UK Authorised Funds” issued by the Investment Association in May 2014 (the 2014 SORP) and amended in June 2017.

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Authorised and regulated by the Financial Conduct Authority

## Constitution

EIFS2 (referred to as the “Company”) 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 000866. It is authorised and regulated by the Financial Conduct Authority as a non-UCITS retail scheme.

The Company is an ‘umbrella’ company and comprises of two authorised investment securities sub-funds (individually referred to as the “Fund”).

## Directors of EdenTree Investment Management Limited

MCJ Hews, FIA (Chairman)  
FWM Burkitt  
A Clark (appointed 8 January 2021)  
DP Cockrem  
RW Hepworth (resigned 8 January 2021)  
RS Hughes  
SJ Round  
CLW Thomas (appointed 25 July 2021)

## Ultimate Parent Company of the ACD

Allchurches Trust Limited  
Benefact House  
2000 Pioneer Avenue  
Gloucester Business Park  
Brockworth  
Gloucester  
GL3 4AW

## Depositary

The Bank of New York Mellon (International) Limited  
One Canada Square, Canary Wharf,  
London E14 5AL

Authorised and regulated by the Financial Conduct Authority

## Registrar

Northern Trust Global Services SE, UK Branch  
50 Bank Street, Canary Wharf,  
London E14 5NT

## Independent Auditor

PricewaterhouseCoopers LLP\*  
Independent Auditors  
7 More London Riverside  
London SE1 2RT

# Report of the Authorised Corporate Director - Investment Environment

## Investment Environment

Global equities returned 25.5% in Sterling terms over the twelve month period aided by several successful milestones in the race to develop, approve and disseminate COVID-19 vaccines. Whilst the second half of 2020 brought further waves of COVID-19 accompanied by lockdowns, the first vaccine approvals offered hope. With vaccine progress, came rotation to economically sensitive stocks and out of stay-at-home plays with Q4 2020 marking the best performance of Value vs Growth since 2009. As vaccination programs picked up into 2021, those countries ahead were rewarded with reduced infections and hospitalisations. This supported a plethora of restriction easing, leading to upgraded GDP growth forecasts, with consumers in developed markets expected to release high levels of built up savings. After many months of COVID-19 disruptions, supply struggled to keep up with the post-lockdown surge in demand resulting in inflation. Central banks for the most part were quick to quell the inflationary concerns, deeming them as transitory and not yet the signal to change course on the still extraordinarily loose monetary policy. Global recovery however remains unbalanced, much like vaccination rates, with still around 90% of the world's population not fully vaccinated and the outlook is dependent on this progress.

## United States

In terms of performance over the last 12 months, the US equity markets delivered robust returns of 27.1%, outperforming global equities. COVID-19 infections and vaccination progress remained focal points for the market overshadowing an election, a new President inaugurated and sizeable fiscal stimulus. In November, Joe Biden handed the Democrats election victory, although it was not initially the "Blue Wave" expected where the Democrats control the Senate in addition to the White House. The lack of strong majority was viewed positively by markets given the increased hurdles for the Democrats to pass through the most progressive of policies. A narrow Senate majority however was later delivered in January, just prior to Biden's inauguration following successful runoffs in Georgia, boosting the expectation of green policies once again.

With a new administration came a refreshed attitude to fiscal stimulus, the first significant package under Biden known as the American Rescue Plan was signed in March for a total of \$1.9 trillion, equivalent to 9% of GDP. At the end of June, an updated Infrastructure Bill with bipartisan support was announced, for around \$1 trillion. This was smaller than the \$2.3 trillion figure initially proposed, although the reworked bill didn't include many of the social funding initially bundled into the overall infrastructure bill. Instead, the bill is more infrastructure focused and will help build greener, more resilient infrastructure whilst also creating millions of jobs. Whilst the COVID-19 pandemic escalated over winter 2020, it also marked the first FDA emergency use authorisation (EUA) for a COVID-19 vaccine on December 11th. Over the following months, the

vaccine roll out ramped up and by the end of June infections reached low levels and just under half of the US population were fully vaccinated against the virus. Macroeconomic data also reflected the pandemic progress with labour, housing and forward-looking business surveys all stronger than anticipated. Evidential of the strengthening economy, the Federal Open Market Committee (FOMC) meeting in June was more hawkish than expected with the median interest rate forecast "dot" for 2023 now showing two hikes, up from none in the previous projection in March. Chair Powell also indicated that the Committee have already begun to discuss tapering, although "substantial further progress" will be needed before tapering can begin.

## Europe ex UK

Mainland European equities gained 22.9% over the 12 month period, as economic data improved and the initially lagging vaccination program gained pace. The second half of 2020 saw spiralling COVID-19 infections accompanied by new lockdown restrictions across the bloc. The EMA was a touch slower to approve the first COVID-19 vaccine on December 21st than the US and UK, which the EU's vaccination effort are most compared against. Similarly the vaccination roll out was also off to a slower start with criticism aimed at the group purchasing methods for all countries under the bloc. Concerns of this slow start were offset by hopes of global recovery and positive implications from forward-looking regional data. In the second quarter of 2021, rates of vaccinations picked up with 34% of the EU fully vaccinated at the end of June, supporting the relaxation of restrictions. Economic data also improved with the Eurozone PMI hitting a 39 month high in May, as service sector activity rapidly expanded in addition to healthy expansion in imports. In terms of fiscal stimulus, the EU approved a broad budgetary stimulus package of €1.8 trillion including the €750 billion recovery fund. The stand-out positive from a responsible and sustainable perspective is the agreement to spend a substantial portion on green/sustainable projects in order to meet the EU's tougher 2030 emission target and climate goals. In terms of supportive monetary stimulus, the ECB increased asset purchases from €500 billion to €1.85 trillion out to March 2022 with the aim of continuing to keep borrowing costs down.

## United Kingdom

Overall UK equities returned 18.5% over the year under review. Following arduous negotiations, the UK and EU finally agreed to a trade deal in the second half of 2020, leading to a 5% rise in Sterling over the fourth quarter of 2020, but more importantly removing the tail risk of a substantial depreciation. On December 2nd, the UK became the first country to approve a COVID-19 vaccine however this was closely followed by the discovery of a new, more transmissible COVID-19 variant detected in the UK which quickly spread throughout the UK sparking a fresh wave of lockdowns. Moving into 2021, the vaccination program in the UK moved at pace building confidence that mid-year reopenings

would unlock robust consumer and corporate demand in the second half of 2021. Data certainly became more supportive with PMIs, retail sales, consumer and business confidence in the first half pointing to strong momentum. Yet again though, progress was challenged due to the new COVID-19 delta variant, originally detected in India, which spread within the UK delaying the proposed 'freedom day' June 21st which was expected to mark the end of the majority of restrictions.

## Asia Pacific (excluding Japan)

Asia ex Japan was the best performing region in the FTSE World Index rising 32.4% led by extraordinary 2nd half 2020 performance with the improved prospect of cyclical recovery in tandem with a weakening US dollar. The global trade outlook was also boosted with the Democrats winning the US election, who were largely expected to instil a less confrontational policy with China. Asian exports were key beneficiaries of restocking and rising consumer demand, with technology companies some of the best performers. The region's performance did cool off later in the period, led by concerns over China policy tightening credit and regulation.

## Japan

Japanese equities returned 12.0%, significantly underperforming other regions hindered by the lowest COVID-19 vaccination rate amongst the G7 nations. Towards the latter end of 2020, the newly appointed prime minister Yoshihide Suga unveiled a ¥73.6 trillion (c.\$700bn) fiscal package aimed at creating jobs and restoring economic growth as well as support for medical facilities and housing for the elderly. Prime minister Suga additionally announced a new fund worth ¥2trillion to fund green technology as well as support digitalisation upgrades while reflecting similar policy target upgrades around carbon emissions. With upcoming elections and falling popularity for his Liberal Democratic Party, there is a need to demonstrate policy effectiveness in order to avoid becoming a stop-gap premier. Despite the public's considerable opposition, the Tokyo Olympics are due to start in July and pose an enormous challenge in hosting such an event during a pandemic despite limitations on spectators. This has placed more pressure on the vaccination effort, whilst ramping up in June, less than 1 in 5 of the population were fully vaccinated at the end of the month.

## Fixed Income

Gilt yields rose fractionally over Q4 2020 although the COVID-19 vaccine break-through saw risk-on activity which saw yields move as high as 0.41% around Mid-November. A reversal of yields back towards 0.2% toward the end of the year was driven by ongoing geo-political factors such as uncertainty around the progress on the UK-EU trade negotiations as well as the US presidential elections. Gilt yields rose sharply in the first half of 2021, notably in February, on the back of concerns about the impact of large-scale US fiscal stimulus and higher

inflation, leading the 10-year Gilt yield to a high of 0.88% in March. Yields were particularly higher on longer-dated maturities with vaccination programmes allowing for the resumption of business activity, a pickup in employment and further economic growth. Despite the improving outlook, renewed concerns around the ongoing COVID-19 Pandemic led to a recovery in Gilts toward the end of the period. The US Federal Reserve, like the Bank of England, was reluctant to respond to bond market volatility, justifying it as a consequence of improving growth prospects. The European Central Bank moved to accelerate the pace of its emergency asset purchases however, noting the steeper yield curve as an 'unwarranted' tightening of financial conditions. Policymakers are yet to see "substantial progress" required to implement tighter monetary policy including a tapering of asset purchases.

#### Outlook

The global economic outlook continued to improve over the period, as COVID-19 vaccination programs ramped up and real world data showed vaccines reducing transmission and hospitalisation numbers. For the remainder of 2021, the outlook will be largely dominant upon two interconnected factors, the first being the continued progress to move beyond the pandemic and secondly the extent of fiscal and monetary stimulus.

Whilst many developed countries have made substantial progress in vaccinating their populations, vaccine protectionism and nationalism has so far hampered efforts for many developing countries. New variants, such as the Delta variant that first appeared in India, will remain a threat to ending the pandemic through continued circulation. Encouragingly though, the supply of vaccines continues to improve and distribution should become more equitable moving forward to aid a truly global recovery. We foresee the recovery continuing overall but this could still be a bumpy road and highly varied on a country-by-country basis.

We anticipate monetary policy will remain loose over the short term as central banks have sought to downplay the risks of inflation, despite rising inflation expectations. The willingness to begin withdrawing this level of monetary policy is dependent upon the extent of the economic recovery, which in itself is tied to the success of vaccine roll-outs, and resulting easing of restrictions. Further increased demand from economic recovery could broaden the impact of supply-side inflationary pressures that have already been witnessed in sectors such as construction and semi-conductors in the first half of this year. Accelerating demand on the back of depleted inventory levels and double/excess ordering, heightens the tail-risk of an inflationary spike. While historically a lagging indicator, inflation may yet spike materially on this supply-demand imbalance. With this dynamic, one could argue that the Fed's strategy of waiting for signs of inflation to appear stickier is a little too reactive. Should these circumstances eventuate it's likely the market will perceive the central

bank as behind the curve and reprice faster and to a greater extent than the Fed would wish. The outlook for wage inflation remains key in terms of feedback loops, with the re-opening of the hospitality and broader service sector potentially most constrained by a lack of available staff due to attractive benefits from ongoing pandemic unemployment relief programs. With many US States ending this support earlier than planned, the Fed's additional mandate of targeting full employment may be increasingly emphasised.

We retain the view that the environment for sustainable investing has never been more supportive. From a stimulus perspective, most major economic powers have enacted stimulus directed to enabling a lower carbon economy. Most notably at the end of June, President Biden announced a bipartisan agreement for an Infrastructure bill worth \$1 trillion focussing on building more resilient and cleaner infrastructure. The Plan reflects the President's goals for zero-carbon electricity by 2035 and net zero emissions by 2050, with specific goals of deploying 30GW of offshore wind by 2030. Clearly there remains significant work to meet the long-term goals set out in the Paris Agreement but it appears the broader population are increasingly supportive of climate action. As significant incremental capital is channelled towards sustainable challenges, we remain acutely aware that we must retain a healthy valuation discipline while recognising the scarcity context.

July 2021

# Investment Objectives and Policies

These Funds are marketable to all UK registered charitable organisations, that is any body, organisation or trust that has been established exclusively for charitable purposes.

These Funds will consist primarily of transferable securities but may also invest in units in collective investment schemes (both regulated and unregulated), money market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash or near cash as deemed economically appropriate to meet the Fund's objectives.

The Funds will invest in derivatives only for the purposes of hedging, with the aim of reducing the risk profile of the Funds in accordance with principles of efficient portfolio management. Derivatives can expose the Scheme Property to a higher degree of risk. The investment policy of the Funds can only be changed to include investment in derivatives in order to meet its investment objectives by giving 60 days' notice to shareholders. If derivatives are used for the purpose of meeting the investment objective of the Fund in future this may alter the risk profile of the Funds.

## Amity Global Equity Fund for Charities

The Fund's primary objective is to deliver longer term capital appreciation and an income from a portfolio of global equities.

The Fund seeks to primarily invest in a diversified portfolio of equities of UK and international 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 (10% or more) in alcohol and tobacco production, weapon production, gambling, publication of violent or explicit materials, oppressive regimes, companies using animals to test cosmetic or household products, intensive farming, fossil fuel exploration and production and high interest lending. The Fund favours companies that follow good Business Ethics, Corporate Governance, Employment & Labour practices, Environment and Climate Management, Human Rights, and Community Relations and is particularly positive on companies that contribute to Education, Health & Wellbeing, Social Infrastructure and Sustainable Solutions.

## Amity Balanced Fund for Charities

The Fund is a Tax Elected Fund and aims to achieve a balance between capital growth and income.

The Fund seeks to primarily invest in a diversified portfolio of UK and international equities and fixed interest securities issued by governments and 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 (10% or more) in alcohol and tobacco production, weapon production, gambling, publication of violent or explicit materials, oppressive regimes, companies using animals to test cosmetic or household products, intensive farming, fossil fuel exploration and production and high interest lending. The Fund favours companies that follow good Business Ethics, Corporate Governance, Employment & Labour practices, Environment and Climate Management, Human Rights, and Community Relations and is particularly positive on companies that contribute to Education, Health & Wellbeing, Social Infrastructure and Sustainable Solutions.

# Risk Profile

## Amity Global Equity Fund for Charities

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.

All expenses are taken from capital not income so the capital value of the Fund could be reduced over time.

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 status. 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.

## Amity Balanced Fund for Charities

Most of the assets are invested in the UK and overseas equities so will be impacted by volatility in the equity markets.

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.

All expenses are 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 and income value of the Fund.

The investment's value may be affected by changes in exchange rates and interest rates.

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.

# Amity Global Equity Fund for Charities

## Report of the Authorised Corporate Director

This review covers the year from 1 July 2020 to 30 June 2021.

Over the course of the year under review, the Amity Global Equity Fund returned 20.0% versus the benchmark return of 23.5%.

The Fund's overweight position in North America was neutral in terms of performance and despite the underweight in Asia, good stock selection aided performance. The overweight to Europe ex UK and the UK was detrimental to performance in the period. Sterling strengthening was another tailwind for the Fund. The level of dividend paid out increased after a very tough preceding 12-month period.

At sector level, the Fund benefitted from the overweight positions in Industrials and underweight in Energy and Consumer Staples. The overweight positions in Healthcare and Financials and underweight positions in Consumer Discretionary Services acted as a drag on performance.

At a stock level, Taiwan Semiconductor Manufacturing DR (Technology), Deere (Industrial Products), PayPal (Software & Tech Services), Dechra Pharmaceuticals (Speciality Pharmaceuticals) and Walt Disney (Media) were amongst the top contributors, whilst detractors included Bioventix (Healthcare), Cisco Systems (Software & Tech Services), Merck (Pharmaceuticals) and Roche (Pharmaceuticals).

In respect of Fund activity, notable new holdings included Wolters Kluwer (Software & Tech Services), Bristol-Myers Squibb (Pharmaceuticals), Phoenix Group Holdings (Insurance) and UnitedHealth Group (Healthcare). The holdings in Mears (Support Services), Veolia (Utilities), DBS (Banks), ING (Banks) and National Grid (Utilities) were sold off entirely.

The positions in several holdings were augmented in the period – GlaxoSmithKline (Pharmaceuticals), Hawaiian Electric Industries (Utilities), Cie Generale des Etablissements Michelin 'B' (Consumer Discretionary), Swiss Re (Insurance), ADP (Software & Tech Services), APD (Materials), Medtronic (Healthcare) and GreatView Aseptic Packaging (Packaging). Positions that were trimmed included Merck (Pharmaceuticals), Zoetis (Animal Health), Victrex (Materials), Microsoft (Software & tech Services), PayPal (Software & Tech Services) and TSMC (Technology).

## Prospects

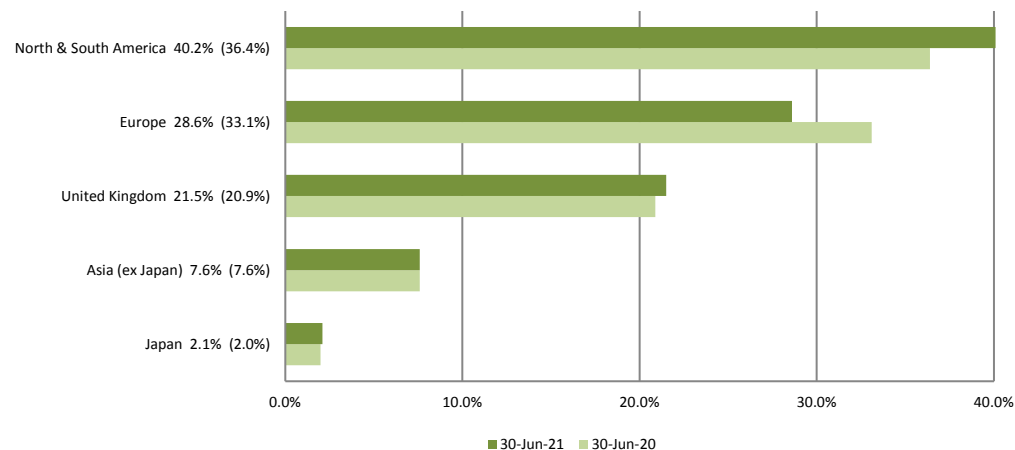
The year was dominated by the pandemic and no doubt, it will continue to have a material impact during the rest of 2021 and possibly beyond. The successful vaccination program in the UK augurs well for a meaningful economic recovery in the latter part of the year and into 2022. All signs point to most lockdown restrictions being lifted in the UK on July 19, which could see stronger than expected economic performance, but also increasing infection rates, which could prove problematic if it leads to increasing hospitalisation rates. Government funding of the furlough scheme will begin to be tapered and coupled with the withdrawal of other government support measures could prove challenging for some businesses. European economic activity is likely to be strong as the vaccine rollout programme improves following a slow start on the continent. As we pass the five-year anniversary of the decision to leave the EU, Brexit remains an overhang for the UK market. Despite the three-month extension to the grace period, mistrust still exists between the UK and EU and the Northern Ireland protocol is likely to see increasing tensions between both sides. President Biden will continue in his attempts to pass his policy agenda through Congress although this will be tough given the wafer thin majorities held by the Democrats in both houses of Congress. Central bankers around the world will continue in their quest to ascertain whether the current inflationary environment is transitory or permanent and this will have implications for the future path of interest rates and support programmes.

While, as ever, some political and economic risks lie ahead, we remain focused on finding new opportunities in companies that meet our strict criteria of strong earnings growth, high margins and strong cash flows. The Fund's performance over 3 and 5 years continues to be well ahead of the benchmark largely due to the focused and highly disciplined approach to investing in quality companies for both income and growth.

July 2021

## Asset allocation by sector 30 June 2021

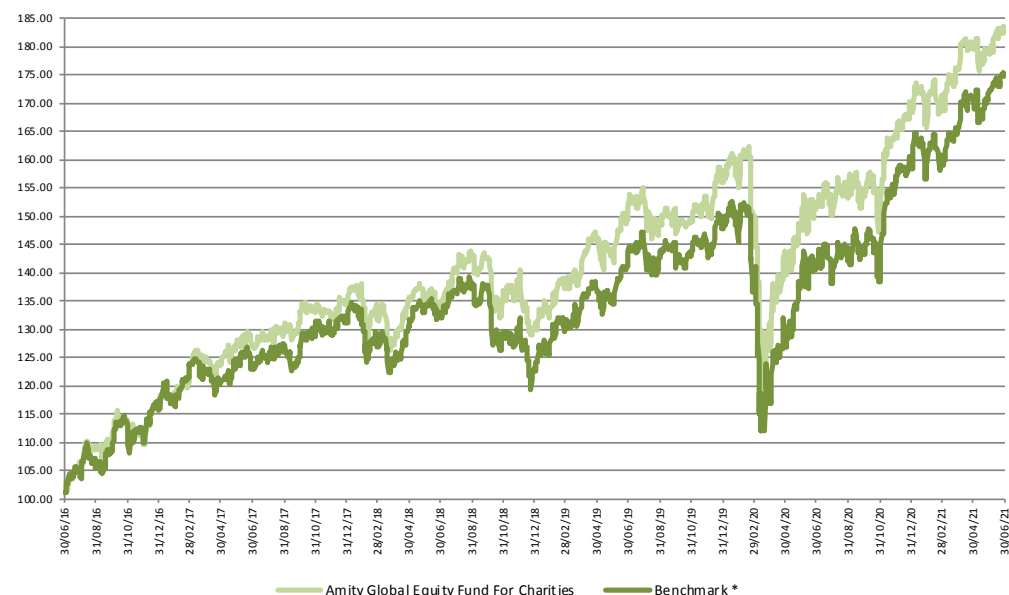
The figures in brackets show allocation at 30 June 2020.



\*Figures exclude cash.

# Amity Global Equity Fund for Charities

## Performance



\*Custom Blended Benchmark consisting of 25% FTSE All-Share TR, 25% FTSE World Europe ex UK GBP TR, 25% FTSE World N. America GBP TR & 25% FTSE World Asia Pacific incl. Japan GBP TR.

Graph showing the return of the Amity Global Equity Fund for Charities compared to Benchmark from 30 June 2016 to 30 June 2021, mid-to-mid basis excluding initial charges with gross income reinvested. Prices re-based to 100. Source: Morningstar.

	Amity Global Equity Fund for Charities Total Return	Benchmark Total Return
01/07/20 – 30/06/21	20.0%	23.5%
01/07/19 – 30/06/20	1.7%	0.2%
01/07/18 – 30/06/19	10.9%	6.3%

Table showing % return of the Amity Global Equity Fund for Charities against FTSE World Index. Figures compared on a mid-to-mid basis excluding initial charges with gross income reinvested. Source: Morningstar.

## Major Holdings

Top ten holdings	Percentages of total net assets at 30 June 2021
PayPal	4.41%
Taiwan Semiconductor Manufacturing DR	4.16%
Microsoft	4.10%
Deere	3.81%
Cisco Systems	3.44%
Bioventix	3.32%
Walt Disney	3.04%
Novo Nordisk 'B'	2.91%
Union Pacific	2.85%
Zoetis	2.82%

## Fund Information

The Comparative Table on the following page gives the performance of the only active Share Class in the Fund.

The 'Return after charges' disclosed in the Comparative Table is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Fund.

Direct transaction costs include broker commission and taxes. Prior to January 2018, broker commission included the fee paid to a broker to execute the trades and research costs. Post January 2018, following the implementation of MiFID II, all research costs are paid for by the ACD.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by a fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.



# Amity Global Equity Fund for Charities

Class X<sup>^</sup>

	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	134.99	135.69	126.14
Return before operating charges*	27.04	3.53	15.07
Operating charges	(0.98)	(0.89)	(0.95)
Return after operating charges*	26.06	2.64	14.12
Distributions on income shares	(3.65)	(3.34)	(4.57)
Closing net asset value per share	157.40	134.99	135.69
* after direct transaction costs of**:	0.02	0.05	0.04
<b>Performance</b>			
Return after charges	19.31%	1.95%	11.19%
<b>Other Information</b>			
Closing net asset value (£'000)	16,681	13,870	13,622
Closing number of shares	10,597,852	10,274,915	10,039,431
Operating charges†	0.67%	0.66%	0.73%
Direct transaction costs	0.02%	0.04%	0.03%
<b>Prices</b>			
Highest share price	160.30	146.00	139.30
Lowest share price	129.70	106.90	120.50

<sup>^</sup>With effect from 1 July 2021, Class A Shares have been re-named as Class X Shares.

<sup>\*\*</sup>Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>†</sup>Operating charges, otherwise known as the OCF is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

## Portfolio Turnover Rate

The Portfolio Turnover Rate (PTR) of the sub-fund, based on the figures included within the financial statements for the year as indicated below, is as follows:

	Year to 30.06.21	Year to 30.06.20
Portfolio Turnover Rate	14.93%	20.19%

The PTR provides an indication of the rate the ACD has bought and sold the underlying assets of the sub-fund during the year as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred. A negative turnover rate is an indication that over the year, there is available cash awaiting investment or is being held in anticipation of any unit liquidations thereby reducing the level of dealing activity.

## Risk Reward Profile

Lower risk

Higher risk

Typically lower rewards

Typically higher rewards



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

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

As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.

Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk-free investment.

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

# Amity Balanced Fund for Charities

## Report of the Authorised Corporate Director

This review covers the year from 1 July 2020 to 30 June 2021.

Over the course of the year under review, the Amity Balanced Fund returned 20.3%, materially outperforming its blended benchmark, which returned 12.4%.

The performance year was clearly one of two distinct periods. Having recovered from the pandemic shock at the beginning of 2020, global equity markets had stabilized and largely drifted sideways over the first few months of the period under review – until November, when it abruptly changed tack. At that point, it became clear that effective vaccines against COVID-19 would be forthcoming, and the market started anticipating a rapid economic recovery, starting a global equity rally that largely persisted throughout the remainder of the year under review.

After having experienced a sharp drop in income from equities in 2020, as large numbers of companies ceased or cut dividend payments in reaction to COVID-19, conditions improved in 2021 with many companies restoring dividends though sometimes at a lower level than prior to the crisis. For the full year to 30 June 2020 the dividend payment for the Fund dropped from around 6.1p (for 2019 as a whole) to around 4.6p. The improved dividend environment and income accretive trading activity resulted in a rise to just under 5p for the full year ending 30 June 2021 with further a further increase expected for 2021/22 as more companies, especially the banks, return to more normal levels of dividend distribution.

Bond yields rose over the period, as the market at least initially started to price in higher inflation expectations off the back of gradually more hawkish rhetoric from the US Federal Reserve and other central banks around the world. This dampened the returns from fixed interest markets, but we continued to benefit from our exposure to niche, high-yielding instruments, such as building society PIBS and preference shares.

Our allocations to UK and overseas equities made good contributions to performance relative to our fixed income allocations, but overall outperformance was driven by stock selection rather than sector allocation, with UK equities, overseas equities, and fixed interest investments each respectively outperforming their relevant benchmarks. Within overseas equities, we were particularly pleased with performance from our European portfolio, and within UK equities it was noteworthy that basic materials performed very well.

Our health care allocation detracted from performance, but this too was driven by stock-specific factors. GlaxoSmithKline had announced that aggregate dividend payments would be lower than anticipated after spinning out its consumer health business. Otherwise, some of the worst-performing positions in the Fund were names that provide access to steady income streams derived from real assets, such as, Greencoat UK Wind, John Laing Environmental Assets, and Octopus Renewables Infrastructure Trust Rights (ORIT). We met with ORIT management during the quarter, and we remain confident that it should be able to continue to provide investors with sustainable income while continuing to grow its capital through investing in a range of assets and development projects that are likely to have a positive impact on the environment.

The top performers over the period under review include PostNL, Elementis, and Synthomer. The share price of PostNL increased by close to 140% over the period, as the company saw pandemic-related tailwinds persisting for longer than many had anticipated, supported by vaccination invitations, increased card-sending, and parcel volumes remaining high. When the company pre-announced its Q1 2021 results in April, it indicated normalized operating income in Q1 would be more than double the consensus estimate at the time, and it increased its full-year normalized operating income guidance to “at least €250m” from the previous guidance range of between €205m and €225m.

Another noteworthy top performer was BT Group, whose share price rose sharply when Altice UK, a vehicle set up by the French-Israeli billionaire dealmaker Patrick Drahi, acquired a 12.1% stake in the company. Altice UK was explicit about the fact that it was not preparing a takeover bid, but that it backed BT Group’s existing strategy of aggressively investing in upgrading UK broadband networks to full fibre. While BT Group’s share price has approximately doubled since its trough in 2020, this move from an investor known for targeting significant returns for his investments could well serve to underpin valuations at current levels and even endorse the view that there could be more to come.

Trading activity over the period included tilting the Fund’s property exposure more towards residential property rather than office space by selling out of Covivio, increasing our position in Bellway, and establishing a new position in PRS REIT on a high dividend yield and a substantial discount to NAV. We also added Mapfre to the portfolio; this is a Spanish composite insurance company with life assurance, general insurance and reinsurance in Spain, Portugal and Latin American countries as well as other international markets. The company was trading on a steep discount to book value, a low price to earnings ratio and offering a dividend yield in excess of 7%. The company also has strong ESG policies and is over 60% owned by a charitable trust whose ethos flows through the company and ensures most profits ultimately go to charitable causes including providing PPE during the COVID-19 outbreak to developing countries.

## Prospects

Despite markets remaining sanguine about the prospect of higher inflation and rate-rises on the horizon, there are plenty of global economic indicators, such as US GDP, that are showing very strong growth. Although these rises are relative to a low base, we think they should give investors pause for thought. We are seeing rising prices for commodities as well as consumer goods and, in some cases, rising wages, which could create a spiral of persistent inflationary pressures. Corporate earnings have surged after the pandemic, with US Q1 earnings particularly buoyant, having risen by almost 50%. Meanwhile the US government, which recently finalised an infrastructure spending deal, is showing no sign of slowing down its stimulus.

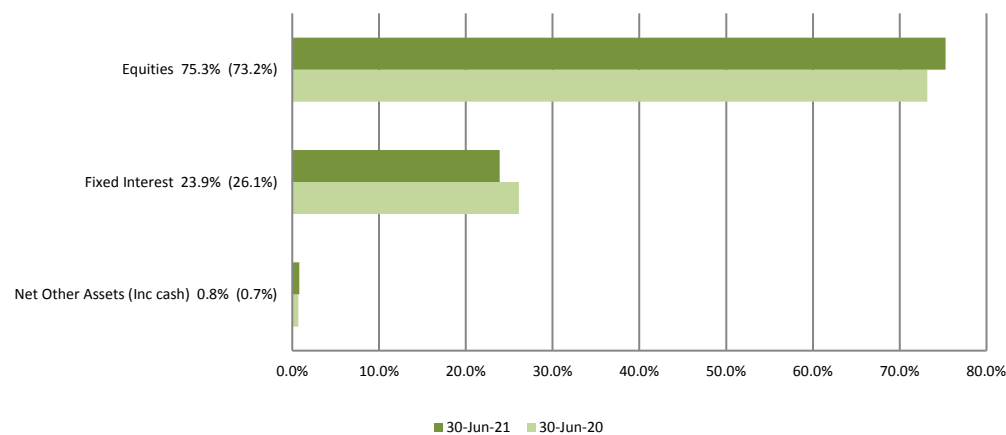
We believe the Fund remains well-positioned to benefit from the strong recovery in economic activity through its exposure to value cyclicals, and we believe it is precisely those holdings that underperformed over the final part of the period under review that are best placed to mitigate against rising inflation.

July 2021

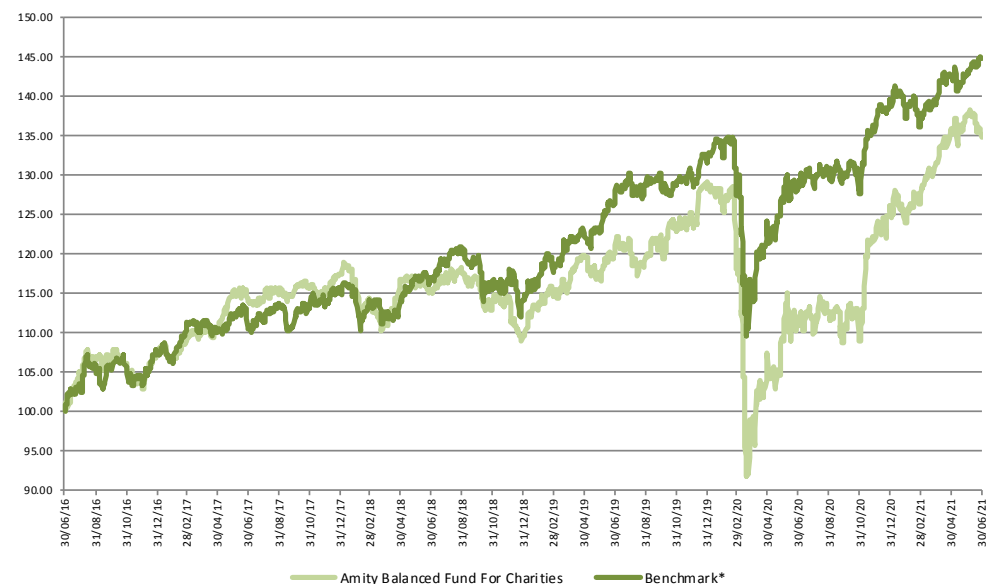
# Amity Balanced Fund for Charities

## Asset allocation by sector at 30 June 2021

The figures in brackets show allocation at 30 June 2020.



## Performance



Graph showing the return of the Amity Balanced Fund for Charities compared to Benchmark from 30 June 2016 to 30 June 2021, mid-to-mid basis excluding initial charges with gross income reinvested. Prices re-based to 100. Source: Morningstar.

	Amity Balanced Fund for Charities Growth	Benchmark Growth
01/07/20 – 30/06/21	20.3%	12.4%
01/07/19 – 30/06/20	(6.7)%	2.0%
01/07/18 – 30/06/19	4.0%	8.0%

Table showing % return of the Amity Balanced Fund for Charities against Benchmark. Figures compared on a mid-to-mid basis excluding initial charges with gross income reinvested. Source: Morningstar.

# Amity Balanced Fund for Charities

## Major Holdings

Top ten holdings	Percentages of total net assets at 30 June 2021
GlaxoSmithKline	3.01%
PostNL	2.66%
Elementis	2.56%
DS Smith	2.48%
BT Group	2.47%
HICL Infrastructure	2.46%
Synthomer	2.40%
Target Healthcare REIT	2.34%
Phoenix Group Holdings	2.29%
Yorkshire Building Society 13.50% 01/04/2025	2.23%

## Fund Information

The Comparative Table on the following page gives the performance of the only active Share Class in the Fund.

The 'Return after charges' disclosed in the Comparative Table is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Fund.

Direct transaction costs include broker commission and taxes. Prior to January 2018 broker commission included the fee paid to a broker to execute the trades and research costs. Post January 2018, following the implementation of MIFID II, all research costs are paid for by the ACD.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by a fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

## Class X<sup>^</sup>

	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in Net Asset Value per Share			
Opening net asset value per share	96.06	108.10	109.71
Return before operating charges*	20.24	(6.81)	5.22
Operating charges	(0.67)	(0.66)	(0.71)
Return after operating charges*	19.57	(7.47)	4.51
Distributions on income shares	(4.96)	(4.57)	(6.12)
Closing net asset value per share	110.67	96.06	108.10
* after direct transaction costs of**:	0.03	0.03	0.03
<b>Performance</b>			
Return after charges	20.37%	(6.91)%	4.11%
<b>Other Information</b>			
Closing net asset value (£'000)	23,583	26,125	23,252
Closing number of shares	21,308,842	27,195,634	21,508,899
Operating charges†	0.64% <sup>^</sup>	0.63%	0.66%
Direct transaction costs	0.02%	0.03%	0.03%
<b>Prices</b>			
Highest share price	116.00	115.10	112.90
Lowest share price	93.10	81.02	102.20

<sup>^</sup>With effect from 1 July 2021, Class A Shares have been re-named as Class X Shares.

\*\*Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

†Operating charges, otherwise known as the OCF is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a Fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion.

# Amity Balanced Fund for Charities

## Portfolio Turnover Rate

The Portfolio Turnover Rate (PTR) of the sub-fund, based on the figures included within the financial statements for the year as indicated below, is as follows:

	Year to 30.06.21	Year to 30.06.20
Portfolio Turnover Rate	2.37%	6.29%

The PTR provides an indication of the rate the ACD has bought and sold the underlying assets of the sub-fund during the year as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred. A negative turnover rate is an indication that over the year, there is available cash awaiting investment or is being held in anticipation of any unit liquidations thereby reducing the level of dealing activity.

## Risk Reward Profile

Lower risk Higher risk  
Typically lower rewards Typically higher rewards



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

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

As the Share Class risk category has been calculated using historical data, it may not be a reliable indication of the Share Class future risk profile.

Please note that the Share Class risk category may change in the future and is not guaranteed. The lowest risk category does not mean a risk free investment.

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

# Authorised Status

If each sub-fund were an Open-Ended Investment Company in respect of which authorisation had been granted by the FCA, it would be a securities company. The Company is marketable to all UK registered charitable organisations.

The Company is a Non-UCITS retail scheme which complies with the FCA's Collective Investment Schemes Sourcebook and the FCA's Investment Funds Sourcebook ("FUND").

No sub-fund held shares in any other sub-fund of the umbrella company at the year end.

# Assessment of Value

For each of its sub-funds, EdenTree Investment Management Limited (EIM) will publish an Assessment of Value covering the financial year ended June 2021. These statements will be available on EdenTree Investment Management Limited's website no later than 31 October 2021.

# Certification of Accounts

Each sub-fund represents a segregated portfolio of assets and accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-funds, and shall not be available for such purpose.

Please note that shareholders are not liable for the debts of EdenTree Investment Funds – Series 2.

A Clark, Director

MCJ Hews, Director

For and on behalf of EdenTree Investment Management Limited.  
Authorised Corporate Director of EdenTree Investment Funds – Series 2.  
1 October 2021

# Statement of the Authorised Corporate Director's Responsibilities

The Authorised Corporate Director ("ACD") of EdenTree Investment Funds – Series 2 (the "Company") is responsible for preparing the Annual Report and the financial statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL"), the FCA's Investment Funds Sourcebook ("the FUND") and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare financial statements for each annual accounting year which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" ("SORP") issued by the Investment Association in May 2014; and
- give a true and fair view of the financial position of the Company and each of its sub-funds as at the end of that period and the net revenue and the net capital gains or losses on the property of the Company and each of its sub-funds for that period.

In preparing the financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable IA SORP has been followed;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the applicable IA SORP and UK GAAP. The ACD is also responsible for the system of internal controls, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with COLL 4.5.8BR, the Annual Report and the audited financial statements were approved by the board of directors of the Authorised Corporate Director of the Company and authorised for issue on 13 October 2021.

A Clark, Director

MCJ Hews, Director

For and on behalf of EdenTree Investment Management Limited.  
Authorised Corporate Director of EdenTree Investment Funds – Series 2.  
Gloucester, United Kingdom  
1 October 2021

# Statement of the Depositary's Responsibilities

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds Sourcebook, and, from 22 July 2014 the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to the Company.

# Report of the Depositary to the Shareholders of the Company

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AIFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and
- ii) has observed the investment and borrowing powers and restrictions applicable to the Company in accordance with the Regulations and Scheme documents of the Company.

For and on behalf of The Bank of New York Mellon (International) Limited  
One Canada Square  
London E14 5AL  
1 October 2021



# Portfolio Statements

## Amity Global Equity Fund for Charities

As at 30 June 2021

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>UNITED KINGDOM 21.41% (20.52%)</b>		
14,000 Bioentix	553,000	3.32
18,000 Close Brothers Group	272,700	1.63
8,000 Dechra Pharmaceuticals	349,600	2.10
45,000 DS Smith	188,010	1.13
20,000 GlaxoSmithKline	283,880	1.70
125,000 Legal & General	322,000	1.93
550,000 Lloyds Banking Group	256,795	1.54
35,000 Phoenix Group Holdings	236,250	1.42
30,000 Prudential	411,900	2.47
50,000 Sabre Insurance Group	127,500	0.76
8,000 Smith & Nephew	125,000	0.75
160,000 Taylor Wimpey	254,320	1.52
7,500 Victrex	190,950	1.14
<b>Total UNITED KINGDOM</b>	<b>3,571,905</b>	<b>21.41</b>
<b>DENMARK 2.91% (3.04%)</b>		
8,000 Novo Nordisk 'B'	486,035	2.91
<b>Total DENMARK</b>	<b>486,035</b>	<b>2.91</b>
<b>FRANCE 5.82% (7.06%)</b>		
3,000 Cie Generale des Etablissements Michelin 'B'	345,971	2.07
3,000 Sanofi	227,235	1.36
3,500 Schneider Electric	398,172	2.39
<b>Total FRANCE</b>	<b>971,378</b>	<b>5.82</b>
<b>GERMANY 3.82% (4.72%)</b>		
1,300 Allianz	234,412	1.41
1,000 Muenchener Rueck	198,022	1.19
2,000 SAP	203,793	1.22
<b>Total GERMANY</b>	<b>636,227</b>	<b>3.82</b>

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>HONG KONG 3.45% (2.45%)</b>		
225,000 Dah Sing Banking	179,101	1.08
1,250,000 Greatview Aseptic Packaging	395,912	2.37
<b>Total HONG KONG</b>	<b>575,013</b>	<b>3.45</b>
<b>JAPAN 2.11% (2.01%)</b>		
5,000 Sony	352,544	2.11
<b>Total JAPAN</b>	<b>352,544</b>	<b>2.11</b>
<b>NETHERLANDS 7.63% (8.02%)</b>		
13,000 ASR Nederland NV	363,265	2.18
3,000 Koninklijke DSM	404,491	2.42
15,000 RELX	287,775	1.72
3,000 Wolters Kluwer	217,872	1.31
<b>Total NETHERLANDS</b>	<b>1,273,403</b>	<b>7.63</b>
<b>SINGAPORE 0.00% (1.75%)</b>		
<b>SWITZERLAND 8.31% (9.94%)</b>		
4,000 Nestle	360,207	2.16
4,500 Novartis	296,522	1.78
1,600 Roche	435,863	2.61
4,500 Swiss Re	293,602	1.76
<b>Total SWITZERLAND</b>	<b>1,386,194</b>	<b>8.31</b>
<b>TAIWAN 4.16% (3.33%)</b>		
8,000 Taiwan Semiconductor Manufacturing DR*	693,068	4.16
<b>Total TAIWAN</b>	<b>693,068</b>	<b>4.16</b>
<b>UNITED STATES 40.14% (36.80%)</b>		
4,500 AbbVie	365,505	2.19
1,000 Air Products and Chemicals	207,495	1.25
1,500 American Express	178,792	1.07
1,500 Automatic Data Processing	214,910	1.29
2,500 Bristol-Myers Squibb	120,464	0.72

# Portfolio Statements

## Amity Global Equity Fund for Charities

As at 30 June 2021

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>UNITED STATES (continued)</b>		
15,000 Cisco Systems	573,469	3.44
2,500 Deere	635,829	3.81
8,000 Hawaiian Electric Industries	243,988	1.46
3,750 Medtronic	335,696	2.01
5,500 Merck	308,544	1.85
3,500 Microsoft	683,817	4.10
2,000 Paychex	154,743	0.93
3,500 PayPal	735,573	4.41
12,000 Pfizer	338,974	2.03
3,000 Union Pacific	475,806	2.85
500 UnitedHealth Group	144,413	0.87
4,000 Walt Disney	507,019	3.04
3,500 Zoetis	470,353	2.82
<b>Total UNITED STATES</b>	<b>6,695,390</b>	<b>40.14</b>
<b>Portfolio of Investments 99.76% (99.64%)</b>	<b>16,641,157</b>	<b>99.76</b>
Net other assets	39,402	0.24
<b>Total net assets</b>	<b>16,680,559</b>	<b>100.00</b>

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

\*Depository Receipt.

Comparative percentage holdings by market value at 30 June 2020 are shown in brackets.

# Portfolio Statements

## Amity Balanced Fund for Charities

as at 30 June 2021

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>UNITED KINGDOM 75.79% (73.43%)</b>		
<b>UK Corporate Bonds 16.22% (18.87%)</b>		
£100,000 Alpha Plus 5.00% 31/03/2024	99,315	0.42
£300,000 Brit Insurance 6.625% 09/12/2030	289,500	1.23
£100,000 Catalyst Healthcare Manchester Financing 2.411% 30/09/2040	203,221	0.86
£50,000 Cheltenham & Gloucester 11.75% Perpetual	103,500	0.44
£300,000 Co-operative 11.00% 20/12/2025	371,985	1.58
£200,000 Coventry Building Society 6.875% Perpetual	225,000	0.95
£219,000 Coventry Building Society 12.125% Perpetual	456,615	1.94
£200,000 Direct Line Insurance 4.75% Perpetual	205,066	0.87
£235,000 Leeds Building Society 13.375% Perpetual	484,688	2.05
£83,000 Newcastle Building Society 10.75% Perpetual	137,780	0.58
£180,000 Nottingham Building Society 7.875% Perpetual	221,850	0.94
£200,000 Scottish Widows 7.00% 16/06/2043	301,095	1.28
£100,000 Skipton Building Society 12.875% Perpetual	201,489	0.85
£375,000 Yorkshire Building Society 13.50% 01/04/2025	524,997	2.23
<b>Total UK Corporate Bonds</b>	<b>3,826,101</b>	<b>16.22</b>
<b>UK Corporate Preference Shares 6.61% (5.41%)</b>		
150,000 Aviva 8.375%	237,000	1.00
150,000 Aviva 8.75%	241,500	1.02
210,000 Bristol Water 8.75%	333,900	1.42
140,000 Northern Electric 8.061%	221,200	0.94
250,000 RSA Insurance 7.375%	323,750	1.37
150,000 Standard Chartered 7.375%	201,750	0.86
<b>Total UK Corporate Preference Shares</b>	<b>1,559,100</b>	<b>6.61</b>
<b>UK Equities 51.88% (49.15%)</b>		
80,000 Aviva	324,720	1.38
300,000 Barclays	513,360	2.18
15,000 Bellway	485,850	2.06
300,000 BT Group	581,850	2.47
180,000 Direct Line Insurance	513,000	2.17
140,000 DS Smith	584,920	2.48

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>UK Equities (continued)</b>		
400,000 Elementis	602,800	2.56
50,000 GlaxoSmithKline	709,700	3.01
400,000 Greencoat UK Wind	506,400	2.15
350,000 HICL Infrastructure	580,300	2.46
50,000 HSBC	208,625	0.88
506,566 John Laing Environmental Assets	505,046	2.14
45,000 Land Securities Group	303,840	1.29
200,000 Legal & General	515,200	2.18
1,100,000 Lloyds Banking Group	513,590	2.18
120,000 Marks & Spencer	175,740	0.74
322,222 N Brown	184,311	0.78
40,000 National Grid	368,320	1.56
3,000 Next	235,680	1.00
224,160 Octopus Renewables Infrastructure	232,678	0.99
61,837 Octopus Renewables Infrastructure Trust Rights	186	-
80,000 Phoenix Group Holdings	540,000	2.29
143,387 Renewables Infrastructure Group	183,535	0.78
140,000 Sainsbury (J)	380,380	1.61
257,528 Sequoia Economic Infrastructure	285,856	1.21
115,000 Synthomer	565,340	2.40
478,436 Target Healthcare REIT	551,158	2.34
50,000 Tate & Lyle	369,200	1.57
170,000 Vodafone	206,278	0.87
52,000 WPP	506,480	2.15
<b>Total UK Equities</b>	<b>12,234,343</b>	<b>51.88</b>
<b>UK Real Estate Investment Trusts 1.08% (0.00%)</b>		
250,000 PRS REIT	255,000	1.08
<b>Total UK Real Estate Investment Trusts</b>	<b>255,000</b>	<b>1.08</b>
<b>AUSTRALIA 0.00% (0.55%)</b>		

# Portfolio Statements

## Amity Balanced Fund for Charities

as at 30 June 2021

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>FINLAND 0.87% (1.02%)</b>		
52,546 Nokia	203,848	0.87
<b>Total FINLAND</b>	<b>203,848</b>	<b>0.87</b>
<b>FRANCE 7.96% (9.04%)</b>		
<b>French Corporate Bonds 1.01% (0.83%)</b>		
£200,000 Credit Agricole 7.50% Perpetual	237,872	1.01
<b>Total French Corporate Bonds</b>	<b>237,872</b>	<b>1.01</b>
<b>French Equities 6.95% (8.21%)</b>		
17,500 AXA	320,731	1.36
12,000 Imerys	405,185	1.72
14,000 Mercialys	122,560	0.52
50,000 Orange	412,165	1.75
25,000 Rexel	378,125	1.60
<b>Total French Equities</b>	<b>1,638,766</b>	<b>6.95</b>
<b>GERMANY 4.55% (6.31%)</b>		
2,500 Allianz	450,792	1.91
12,000 Talanx	354,563	1.51
140,000 Telefonica Deutschland	267,088	1.13
<b>Total GERMANY</b>	<b>1,072,443</b>	<b>4.55</b>
<b>HONG KONG 2.78% (2.36%)</b>		
1,530,000 Greatview Aseptic Packaging	484,596	2.06
200,000 Kowloon Development	170,533	0.72
<b>Total HONG KONG</b>	<b>655,129</b>	<b>2.78</b>
<b>IRELAND 0.00% (0.77%)</b>		
<b>NETHERLANDS 3.58% (2.24%)</b>		
25,000 ABN AMRO Bank	218,386	0.92
160,000 PostNL	626,676	2.66
<b>Total NETHERLANDS</b>	<b>845,062</b>	<b>3.58</b>

Holdings at 30 June 2021	Market Value £	Percentage of Total Net Assets %
<b>SINGAPORE 1.46% (2.09%)</b>		
775,431 ARA LOGOS Logistics	345,344	1.46
<b>Total SINGAPORE</b>	<b>345,344</b>	<b>1.46</b>
<b>SPAIN 1.30% (0.00%)</b>		
200,000 Mapfre	305,672	1.30
<b>Total SPAIN</b>	<b>305,672</b>	<b>1.30</b>
<b>UNITED STATES 0.88% (0.94%)</b>		
10,000 AT&T	207,531	0.88
<b>Total UNITED STATES</b>	<b>207,531</b>	<b>0.88</b>
<b>Portfolio of Investments 99.17% (98.75%)</b>	<b>23,386,211</b>	<b>99.17</b>
Net other assets	196,850	0.83
<b>Total net assets</b>	<b>23,583,061</b>	<b>100.00</b>
Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.		
Comparative percentage holdings by market value at 30 June 2020 are shown in brackets.		
<b>Debt Security Allocation is as follows:</b>		
		<b>Percentage of Debt Securities</b>
Debt Securities above investment grade		34.26
Debt Securities below investment grade		36.09
Unrated Debt Securities		29.65

# Independent auditors' report to the Shareholders of EdenTree Investment Funds – Series 2 (formerly EdenTree Investment Funds for Charities)

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of EdenTree Investment Funds – Series 2 (formerly EdenTree Investment Funds for Charities) (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 30 June 2021 and of the net revenue and the net capital gains on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

EdenTree Investment Funds – Series 2 is an Open Ended Investment Company ('OEIC') with two sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheets as at 30 June 2021; the Statements of Total Return, and the Statements of Changes in Net Assets Attributable to Shareholders for the year then ended; the Distribution Tables; and the Notes to the Financial Statements, which include a description of the Significant Accounting Policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

### Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# Independent auditors' report to the Shareholders of EdenTree Investment Funds – Series 2 (formerly EdenTree Investment Funds for Charities)

Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

## Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London, SE1 2RT  
1 October 2021

# Statement of Total Return

For the year ended 30 June 2021

	Notes	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Income</b>					
Net capital gains/(losses)	5	<b>2,424</b>	223	<b>3,615</b>	(3,096)
Revenue	7	<b>418</b>	406	<b>1,210</b>	1,193
Expenses	8	<b>(101)</b>	(96)	<b>(159)</b>	(169)
Net revenue before taxation for the year		<b>317</b>	310	<b>1,051</b>	1,024
Taxation	9	<b>(39)</b>	(49)	<b>(40)</b>	(25)
Net revenue after taxation for the year		<b>278</b>	261	<b>1,011</b>	999
<b>Total return before distributions</b>		<b>2,702</b>	484	<b>4,626</b>	(2,097)
Distributions for Interim and Final	10	<b>(378)</b>	(357)	<b>(1,171)</b>	(1,167)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>2,324</b>	127	<b>3,455</b>	(3,264)

# Statement of Change in Net Assets Attributable to Shareholders

<b>Opening net assets attributable to shareholders</b>	<b>13,870</b>	13,622	<b>26,125</b>	23,252
Amounts receivable on creation of shares	<b>661</b>	3,913	<b>616</b>	7,401
Amounts payable on cancellation of shares	<b>(174)</b>	(3,792)	<b>(6,613)</b>	(1,264)
	<b>487</b>	121	<b>(5,997)</b>	6,137
Change in net assets attributable to shareholders from investment activities (see above)	<b>2,324</b>	127	<b>3,455</b>	(3,264)
<b>Closing net assets attributable to shareholders</b>	<b>16,681</b>	13,870	<b>23,583</b>	26,125

# Balance Sheet

As at 30 June 2021

		Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	Notes	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>ASSETS</b>					
Fixed assets:					
Investments		<b>16,641</b>	13,821	<b>23,386</b>	25,797
Current assets:					
Debtors	11	<b>144</b>	87	<b>224</b>	235
Cash and bank balances	12	<b>142</b>	136	<b>455</b>	459
Total assets		<b>16,927</b>	14,044	<b>24,065</b>	26,491
<b>LIABILITIES</b>					
Creditors:					
Distribution payable	10	<b>(196)</b>	(158)	<b>(461)</b>	(345)
Other creditors	13	<b>(50)</b>	(16)	<b>(21)</b>	(21)
Total liabilities		<b>(246)</b>	(174)	<b>(482)</b>	(366)
<b>Net assets attributable to shareholders</b>		<b>16,681</b>	13,870	<b>23,583</b>	26,125



# Notes to the Financial Statements

For the year ended 30 June 2021

## 1. Significant Accounting Policies

### a. Basis of accounting

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Management Association (now the Investment Association) in May 2014 (2014 SORP) and amended in June 2017.

## 2. Summary of Significant Accounting Policies

### a. Basis of preparation

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: "Financial Statements of UK Authorised Funds" issued by the Investment Management Association (now the Investment Association) in May 2014 (2014 SORP) and amended in June 2017.

The ACD is confident that the Company will continue in operation for at least 12 months from the date of signing the audited financial statements. The Company has adequate financial resources and its assets consist of securities which are readily realisable. As such, the financial statements have been prepared on the going concern basis.

### b. Functional and presentation currency

The functional and presentation currency of the Fund is pound sterling because it is the currency of the primary economic environment in which the Company operates.

### c. Valuation of investments

All investments are valued at their fair value as at close of business on 30 June 2021, being the last business day of the financial year. The fair value of non-derivative quoted securities is bid price, excluding any accrued interest. Unquoted investments are shown at the ACD's valuation. The sub-funds do not hold any unquoted investments as at year end (PY: Same).

### d. Foreign exchange

The values of assets and liabilities denominated in foreign currencies have been converted into pound sterling at the exchange rate prevailing at close of business on 30 June 2021. Any exchange differences arising on translation of investments and capital assets and liabilities other than investments are included in "Net capital gains/(losses)". Any exchange differences arising on translation of other assets or liabilities are included in net revenue.

### e. Revenue

All dividends on investments declared ex-dividend up to the accounting date are shown as gross revenue. Bank and other interest receivable is included on an accruals basis. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Company. Revenue from interest bearing securities is accounted for on an effective yield basis, irrespective of the level of discount or premium, and is calculated with reference to the purchase price of the securities. Revenue is allocated to the share classes of each sub-fund based on the proportion of assets held by each share class. Underwriting commission is taken to revenue and is recognised when the issues take place, except where the sub-fund is required to take up all or some of the shares underwritten, in which case an appropriate proportion of the commission is deducted from the cost of these shares.

### f. Treatment of stock and special dividends

The ordinary element of stocks received in lieu of cash dividends, which form part of the distribution, is recognised as revenue of the sub-funds based on the market value of the investments on the day they are quoted ex-dividend. Any enhancement above the cash dividend is treated as a capital gain on the investment. Special dividends are recorded as revenue or capital depending on the underlying substance of the transaction.

### g. Treatment of interest from debt securities

Interest from debt securities which form part of the distribution, is recognised as revenue using an effective yield basis, irrespective of the level of discount or premium.

### h. Expenses

All expenses, except those relating to the purchase and sale of investments, are included in expenses in the Statement of Total Return. Expenses are recognised on an accruals basis and include irrecoverable VAT where appropriate.

### i. Taxation

The sub-funds are exempt from United Kingdom tax on capital gains realised on the disposal of investments held within the sub-fund and any UK corporation tax.

### j. Deferred taxation

The charge for deferred tax is based on the net revenue for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse based on tax rates and laws that have been enacted or substantively enacted. 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. Deferred tax liabilities are not discounted.

### k. Valuation technique

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, for example interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').

For EdenTree Investment Funds – Series 2, there are corporate bonds which fall in to this category as despite quoted prices being available, trading can be irregular and there are often significant lengths of time between traded arm's length transactions.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 3. Distribution Policies

### a. Revenue distribution to corporate shareholders

A shareholder liable to UK Corporation Tax receives the dividend distribution as franked investment income to the extent that the revenue from which the distribution is made is franked investment income.

The shares of class 'X' are distribution shares.

### b. Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

### c. Unclaimed distribution

Distributions which have remained unclaimed by shareholders for more than six years are credited to the capital property of the sub-funds.

### d. Fund's distribution

Distributions of income are paid on or before the annual income allocation date of 31 August and on or before the quarterly allocation dates of 28th February, 31 May and 30 November in each year.

For distribution purposes, all expenses are borne by the capital account of each sub-funds. This will increase the amount of revenue for distribution. This will, however, erode capital and may constrain capital growth.

## 4. Risk Management Policies

The main risks arising from the Company's financial instruments are market price, foreign currency, liquidity and credit risks. The ACD reviews policies for managing each of these risks. These policies have remained unchanged since the beginning of the year to which these financial statements relate.

The ACD regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. Individual fund managers have responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameters described above and seek to ensure that individual stocks also meet the risk reward profile that is acceptable.

The ACD chose not to use derivative instruments to hedge the investment portfolio against market risk, because in its opinion, the cost of such a process would result in an unacceptable reduction in the potential for capital growth. No derivatives were held during the year under review.

- Market risk: arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

If market prices had increased by 12% at the balance sheet date, the net asset value of the Fund would have increased by the following amounts. If market prices had decreased by 12% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts.

	Increase	Decrease
Amity Global Equity Fund for Charities	£1,996,939	£1,996,939
Amity Balanced Fund for Charities	£2,806,345	£2,806,345

- Currency risk: the revenue and capital value of the Company's investments can be affected by foreign currency translation movements as some of the Company's assets and income are denominated in currencies other than pound sterling which is the Company's functional currency. This is monitored closely and is considered to be an integral part of the overall investment management decision making process.

The ACD has identified three principal areas where foreign currency risk could impact on the Company. These are movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movement during the period between commencement of the investment transaction and the date when settlement of the investment occurs, and finally movements in exchange rates affecting income received by the Company. The Company converts all receipts of revenue, received in currency, into pound sterling on the day of receipt.

At the year end date, a portion of the net monetary assets of the Company was denominated in currencies other than pound sterling with the effect that the balance sheet and total return can be affected by exchange rate movement.

If GBP to foreign currency exchange rates had strengthened/increased by 3% as at the balance sheet date, the net asset value of the Fund would have decreased by the following amounts. If GBP to foreign currency exchange rates had weakened/decreased by 3% as at the balance sheet date, the net asset value of the Fund would have increased by the following amounts. These calculations assume all other variables remain constant.

	Increase	Decrease
Amity Global Equity Fund for Charities	£386,471	£386,471
Amity Balanced Fund for Charities	£160,358	£160,358

- Interest rate risk: the Amity Balanced Fund for Charities invests in both fixed rate and floating rate securities. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

If interest rates increased or decreased by 0.1% against all debt securities, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by the following amounts.

	Increase	Decrease
Amity Balanced Fund for Charities	£4,064	£4,064

- Liquidity risk: The Funds may be affected by a decrease in market liquidity for the securities in which they invest, which may mean that the Funds may not be able to sell some securities at a fair price in a timely manner. In order to mitigate this risk, a substantial proportion of the Funds' assets consist of readily realisable listed securities. EdenTree, as the ACD, monitors liquidity risk for each portfolio in line with the liquidity policy. Liquidity analysis is performed monthly using Bloomberg and by sourcing average daily volumes (ADVs) for equity type investments and using Bloomberg's LQA function to retrieve modelled liquidity horizons for fixed interest instruments. Equity ADVs are captured over a range of trailing periods, with the 20 day ADV used as the default capture period for our analysis. Data is normalized across equity and fixed income to provide an expected daily volume for each instrument for the given inputs. Liquidity profiles are then calculated for the funds over multiple time horizons, detailing cumulative liquidity over time for each fund at a range of different market participation levels (from 10% to 100%), enabling visibility across a range of liquidation scenario parameters.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 4. Risk Management Policies (continued)

Acceptable parameters will vary between funds depending on the fund objective and the level of daily cash flows, which are also monitored as part of our liquidity analysis. For example, if market conditions led to net redemptions in any fund exceeding 5% on a number of consecutive days and average liquidity using the 30% participation level indicated that less than 70% of the portfolio could be liquidated within a week, then we may look to re-evaluate the constituents of the portfolio.

■ Credit risk: certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Company has fulfilled its responsibilities.

■ Credit rating risk: the current fixed interest portfolio consists of a range of fixed interest instruments including government securities, preference shares, permanent interest bearing shares, overseas bonds and corporate loans and bonds. Limits are imposed on the credit ratings of the corporate bond portfolio and exposures regularly monitored.

The Company only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time. These limits are reviewed regularly.

## 5. Net capital gains/(losses)

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Non derivative securities*	<b>2,425</b>	230	<b>3,619</b>	(3,096)
Currency (losses)/gains	<b>(1)</b>	(5)	<b>(4)</b>	2
Security transaction fees	<b>-</b>	(2)	<b>-</b>	(2)
Net capital gains/(losses)	<b>2,424</b>	223	<b>3,615</b>	(3,096)

\* The Amity Global Equity Fund for Charities' non-derivative securities include realised gains of £82,604 and unrealised gains of £2,342,776 (2020: realised losses of £2,547,210 and unrealised gains of £2,776,632). The Amity Balanced Fund for Charities' non-derivative securities include realised gains of £669,061 and unrealised gains of £2,950,043 (2020: realised losses of £700,636 and unrealised losses of £2,396,042). The realised gains/(losses) on investments in the accounting year include amounts previously recognised as unrealised gains/losses in the prior accounting year.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 6. Purchases, sales and transaction costs

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Analysis of total purchase costs:				
Equities: purchases in period before transaction cost	<b>1,743</b>	5,345	<b>1,080</b>	6,748
Bonds: purchases in period before transaction cost	-	-	-	926
Commissions:				
Equities total value paid	<b>1</b>	3	<b>1</b>	4
Bonds total value paid	-	-	-	-
	%	%	%	%
Equities: average commission costs on purchases as % of purchases total	<b>0.06</b>	0.06	<b>0.09</b>	0.06
Bonds: average commission costs on purchases as % of purchases total	-	-	-	-
Equities: average commission costs on purchases as % of average NAV	<b>0.01</b>	0.02	<b>0.00</b>	0.01
Bonds: average commission costs on purchases as % of average NAV	-	-	-	-
	£'000	£'000	£'000	£'000
Taxes:				
Equities total value paid	-	1	<b>2</b>	2
Bonds total value paid	-	-	-	-
	%	%	%	%
Equities: average taxes costs on purchases as % of purchases total	-	0.02	<b>0.19</b>	0.03
Bonds: average taxes costs on purchases as % of purchases total	-	-	-	-
Equities: average taxes costs on purchases as % of average NAV	-	0.01	<b>0.01</b>	0.01
Bonds: average taxes costs on purchases as % of average NAV	-	-	-	-
<b>Total gross purchases</b>	<b>1,744</b>	5,349	<b>1,083</b>	7,680

# Notes to the Financial Statements

For the year ended 30 June 2021

## 6. Purchases, sales and transaction costs (continued)

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Analysis of total sale proceeds:				
Equities: sales in period before transaction cost	<b>1,348</b>	5,344	<b>5,596</b>	978
Bonds: sales in period before transaction cost	–	–	<b>1,143</b>	792
Commissions:				
Equities total value paid	<b>(1)</b>	(2)	<b>(3)</b>	(1)
Bonds total value paid	–	–	–	–
	%	%	%	%
Equities: average commission costs on sales as % of sales total	<b>0.07</b>	0.04	<b>0.05</b>	0.06
Bonds: average commission costs on sales as % of sales total	–	–	–	–
Equities: average commission costs on sales as % of average NAV	<b>0.00</b>	0.01	<b>0.01</b>	0.00
Bonds: average commission costs on sales as % of average NAV	–	–	–	–
	£'000	£'000	£'000	£'000
Taxes:				
Equities total value paid	–	–	–	–
Bonds total value paid	–	–	–	–
	%	%	%	%
Equities: average taxes costs on sales as % of sales total	–	–	–	0.01
Bonds: average taxes costs on sales as % of sales total	–	–	–	–
Equities: average taxes costs on sales as % of average NAV	–	–	–	–
Bonds: average taxes costs on sales as % of average NAV	–	–	–	–
<b>Total gross sales</b>	<b>1,347</b>	5,342	<b>6,736</b>	1,769

### Average portfolio dealing spread

The portfolio transaction costs tables above include direct transaction costs suffered by the sub-fund during the year.

Separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the sub-fund purchase and sale of equity shares. Additionally for equity shares, there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

The sub-funds' average portfolio dealing spread expressed as a percentage of the value determined by reference to the buying price are as follows: Amity Global Equity Fund for Charities 0.17% (2020: 0.25%) and Amity Balanced Fund for Charities 0.80% (2020: 1.08%).

For the sub-fund investment transactions in debt instruments any applicable transaction charges form part of the dealing spread for these instruments.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 7. Revenue

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank interest	–	1	–	2
Franked PID revenue	–	–	8	5
Franked UK dividends	118	96	549	543
Interest on fixed interest stocks	–	–	253	315
Overseas dividends	300	309	363	291
Unfranked PID revenue	–	–	37	37
<b>Total revenue</b>	<b>418</b>	<b>406</b>	<b>1,210</b>	<b>1,193</b>

## 8. Expenses

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Payable to the Authorised Corporate Director or associates of the Authorised Corporate Director:</b>				
ACD's charge	83	82	137	149
<b>Payable to the Depositary or associates of the Depositary:</b>				
Depositary fees	6	6	9	10
Safe custody fee	3	(1)	3	–
	9	5	12	10
<b>Other expenses:</b>				
Registration fee	–	–	1	1
Audit fee^	9	9	9	9
	9	9	10	10
<b>Total expenses</b>	<b>101</b>	<b>96</b>	<b>159</b>	<b>169</b>

^Total audit fee exclusive of VAT for the year 2021: £9,750 (2020: £9,000).

# Notes to the Financial Statements

For the year ended 30 June 2021

## 9. Taxation

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>a. Analysis of charge for the year:</b>				
Overseas withholding tax	39	40	40	25
Prior year adjustments	-	9	-	-
<b>Total taxation</b>	<b>39</b>	<b>49</b>	<b>40</b>	<b>25</b>

The tax amounts assessed for the current and prior periods are lower than the amounts resulting from applying the standard rate of corporation tax in the UK for an Open-Ended Investment Company (20%). The differences are explained in table below.

### b. Factors affecting taxation charge for the year:

Net revenue before taxation	317	310	1,051	1,024
Net revenue multiplied by the standard rate of Corporation Tax of 20% (2020: 20%)	63	62	210	205
<b>Effects of:</b>				
Interest distributions	-	-	(57)	(40)
Franked Investment revenue	(23)	(19)	(111)	(110)
Overseas withholding tax	39	40	40	25
Double taxation relief	-	-	(3)	(3)
Tax payable in different periods	-	-	6	1
Excess management expenses	20	19	-	-
Non taxable overseas dividends	(60)	(62)	(45)	(53)
Prior year adjustments	-	9	-	-
<b>Total tax (note a)</b>	<b>39</b>	<b>49</b>	<b>40</b>	<b>25</b>

### c. Deferred tax

There are no deferred tax provisions for the current or prior year

The Amity Global Equity Fund for Charities has not recognised a potential deferred tax asset of £157,673 (2020: £137,340) arising as a result of having unutilised management expenses. The Amity Balanced Fund for Charities has not recognised a potential deferred tax asset of £nil (2020: £nil) arising as a result of having unutilised management expenses. These are not expected to be utilised in the foreseeable future unless the nature of the sub-fund revenue or capital gains/(losses) changes.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 10. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on cancellation of shares, and comprise:

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Interim distributions	<b>186</b>	209	<b>651</b>	881
Final distributions	<b>196</b>	158	<b>461</b>	345
<b>Total net distributions for the year</b>	<b>382</b>	367	<b>1,112</b>	1,226
Add: Revenue deducted on shares cancelled	<b>1</b>	8	<b>63</b>	5
Deduct: Revenue received on shares created	<b>(5)</b>	(18)	<b>(4)</b>	(64)
	<b>378</b>	357	<b>1,171</b>	1,167
Reconciliation between net revenue and distributions				
Net revenue after taxation	<b>278</b>	261	<b>1,011</b>	999
Add: Fee charged to capital (net of tax relief)	<b>102</b>	95	<b>160</b>	169
Add: Revenue brought forward	<b>(1)</b>	1	–	–
Deduct: Revenue carried forward	<b>(1)</b>	–	–	(1)
<b>Distributions</b>	<b>378</b>	357	<b>1,171</b>	1,167

## 11. Debtors

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Amounts receivable for creation of shares	<b>49</b>	–	–	–
Accrued revenue	<b>26</b>	20	<b>169</b>	182
Overseas tax recoverable	<b>69</b>	67	<b>55</b>	53
	<b>144</b>	87	<b>224</b>	235



# Notes to the Financial Statements

For the year ended 30 June 2021

## 12. Cash and bank balances

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Sterling	<b>132</b>	129	<b>439</b>	441
Overseas balances	<b>10</b>	7	<b>16</b>	18
	<b>142</b>	136	<b>455</b>	459

## 13. Creditors

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Accrued expenses	<b>17</b>	16	<b>21</b>	21
Purchases awaiting settlement	<b>33</b>	-	<b>-</b>	-
	<b>50</b>	16	<b>21</b>	21

# Notes to the Financial Statements

For the year ended 30 June 2021

## 14. Contingent liabilities and outstanding commitments

There were no contingent liabilities as at the balance sheet date (2020: £nil).

## 15. Related parties

EdenTree Investment Management Limited (EIM) is regarded as a controlling party by virtue of having the ability to act in concert in respect of the operations of the Company.

EIM acts as a principal on all the transactions of shares in the Company. The aggregate monies received through creations and liquidations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and amounts due from EdenTree Investment Management Limited in respect of share transactions at the year end are disclosed in note 11.

Amounts paid to EIM in respect of the ACD's periodic charges are disclosed in note 8. £11,075 (2020: £11,752) was due from the sub-fund Amity Balanced Fund for Charities and £7,444 (2020: £6,130) was due from the sub-fund Amity Global Equity Fund for Charities at the year end. These amounts are disclosed in note 13 as part of accrued expenses. EdenTree Investment Management Limited did not enter into any other transactions with the Company during the year under review.

As at 30 June 2021, the ultimate parent company of the ACD, Allchurches Trust Limited owned:

Amity Global Equity Fund for Charities

Share class	<b>No of shares</b>	<b>2021</b>	No of shares	2020
X <sup>^</sup>	5,014,322	47%	5,014,322	49%

Amity Balanced Fund for Charities

Share class	<b>No of shares</b>	<b>2021</b>	No of Shares	2020
X <sup>^</sup>	–	0%	5,013,011	18%

<sup>^</sup>With effect from 1 July 2021, Class A Shares have been re-named as Class X Shares.

## 16. Financial instruments

In pursuing its investment objectives set out on page 4, the Company may hold a number of financial instruments, these comprise:

- equity and non-equity shares, fixed income securities and floating rate securities. These are held in accordance with the Company's investment objectives and policies;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- shareholders' funds which represent investors' monies which are invested on their behalf; and
- short term borrowings used to finance investment activity.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 17. Risks of financial instruments

### Currency exposures:

A proportion of the net assets of the Company are denominated in currencies other than pound sterling, with the effect that the balance sheet and the total return can be affected by currency movements.

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Australian dollar	–	–	–	144
Danish kroner	489	424	–	–
Euro	2,631	2,502	4,119	4,695
Hong Kong dollar	589	340	655	617
Japanese yen	353	279	–	–
Norwegian krone	1	4	2	3
Singapore dollar	–	243	345	545
Pound sterling	3,799	3,101	18,238	19,857
Swiss franc	1,418	1,407	–	–
US dollar	7,401	5,570	224	264
<b>Net Assets</b>	<b>16,681</b>	<b>13,870</b>	<b>23,583</b>	<b>26,125</b>
Monetary exposures	(61)	(25)	4,189	5,604
Non-monetary exposures	3,860	3,126	14,049	14,253
<b>Net Assets</b>	<b>3,799</b>	<b>3,101</b>	<b>18,238</b>	<b>19,857</b>

The split of currency exposures into monetary and non-monetary exposures is shown only for pound sterling, as this is the only currency which has material monetary exposure.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 17. Risks of financial instruments (continued)

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
<b>Interest rate risk profile of financial assets and liabilities:</b>				
Fixed rate financial assets	–	–	<b>1,500</b>	1,950
Floating rate	–	–	<b>2,564</b>	3,398
Nil interest-bearing securities	<b>16,641</b>	13,821	<b>19,322</b>	20,449
<b>Net Assets</b>	<b>16,641</b>	13,821	<b>23,386</b>	25,797

The split of the interest rate risk profile shown above excludes assets and liabilities other than investments, as in the ACD's opinion, this does not enhance the user's understanding of the financial statements. The pound sterling floating interest rates are determined after LIBOR, other currencies are determined by the relevant authority.

None of the liabilities of the sub-funds carry any interest.

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021	2020	2021	2020
	%	%	%	%
<b>Weight average of fixed interest rates:</b>				
Pound sterling	–	–	<b>3.26</b>	3.75

	Amity Global Equity Fund for Charities		Amity Balanced Fund for Charities	
	2021	2020	2021	2020
	years	years	years	years
<b>Weight average period for financial asset with interest rates:</b>				
Pound sterling	–	–	<b>9.62</b>	9.25

# Notes to the Financial Statements

For the year ended 30 June 2021

## 18. Fair Value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no significant difference between the value of the financial assets, as shown in the financial statements, and their fair value.

Valuation technique as at 30 June 2021	Amity Global Equity Fund for Charities				Amity Balanced Fund for Charities			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>								
Debt Securities	-	-	-	-	-	4,064	-	4,064
Equities	16,641	-	-	16,641	19,322	-	-	19,322
<b>Total</b>	<b>16,641</b>	<b>-</b>	<b>-</b>	<b>16,641</b>	<b>19,322</b>	<b>4,064</b>	<b>-</b>	<b>23,386</b>

Valuation technique as at 30 June 2020	Amity Global Equity Fund for Charities				Amity Balanced Fund for Charities			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>								
Debt Securities	-	-	-	-	-	5,348	-	5,348
Equities	13,821	-	-	13,821	20,449	-	-	20,449
<b>Total</b>	<b>13,821</b>	<b>-</b>	<b>-</b>	<b>13,821</b>	<b>20,449</b>	<b>5,348</b>	<b>-</b>	<b>25,797</b>

The valuation technique has been disclosed under note 2(l) on page 24.

When individual stocks are suspended or delisted, the ACD will, in the first instance, price the stock at the suspension or last traded price. This will be reviewed on a regular basis by the ACD who will decide whether or not to write down the price further based on information available from the company itself, its brokers, auditors or any other reliable market source.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 19. Shareholders' Funds

Each sub-fund of the Company currently has one share class, Class X<sup>^</sup> Gross Income.

The distribution per share is given in the distribution tables on pages 37 to 38. All shares have the same rights on winding up.

The ACD's service charge for the class of each share is as follows:

Class X<sup>^</sup> 0.55%

The following table shows the shares in issue during the year:

<b>Amity Global Equity Fund for Charities</b>	<b>Class X<sup>^</sup> Gross Income</b>
Opening Shares	10,274,915
Shares Created	441,366
Shares Liquidated	(118,429)
Closing Shares	10,597,852

<b>Amity Balanced Fund for Charities</b>	<b>Class X<sup>^</sup> Gross Income</b>
Opening Shares	27,195,634
Shares Created	605,906
Shares Liquidated	(6,492,698)
Closing Shares	21,308,842

<sup>^</sup>With effect from 1 July 2021, Class A Shares have been re-named as Class X Shares.

## 20. Post Balance Sheet Events

On 1 July 2021, three new sub-funds were launched namely:

- EdenTree Responsible and Sustainable Multi-Asset Balanced Fund;
- EdenTree Responsible and Sustainable Multi-Asset Cautious Fund; and
- EdenTree Responsible and Sustainable Multi-Asset Growth Fund.

Further details on the sub-funds are available in the latest Prospectus.

With effect from 3 July 2021, the name of the Company was changed from EdenTree Investment Funds for Charities to EdenTree Investment Funds – Series 2.

## Amity Global Equity Fund for Charities

As at the close of business on the balance sheet date, the Net Asset Value per Class X Income share was 159.27p. The Net Asset Value per Class X Income share for the Sub-fund as at 28 September 2021 was 161.50p. This represents an increase of 1.40% from the year end value.

## Amity Balanced Fund for Charities

As at the close of business on the balance sheet date, the Net Asset Value per Class X Income share was 113.04p. The Net Asset Value per Class X Income share for the Sub-fund as at 28 September 2021 was 112.20p. This represents a decrease of 0.74% from the year end value.

# Distribution Statements

## Amity Global Equity Fund for Charities

for the year ended 30 June 2021

First Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 July 2020

Group 2: Shares purchased on or after 1 July 2020

Share Class X^ - Dividend Stream Group	Net Income	Equalisation	2020 Paid	2019 Paid
1	0.6000	–	0.6000	0.6000
2	0.4157	0.1843	0.6000	0.6000

Second Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 October 2020

Group 2: Shares purchased on or after 1 October 2020

Share Class X^ - Dividend Stream Group	Net Income	Equalisation	2020 Paid	2019 Paid
1	0.6000	–	0.6000	0.6000
2	0.2638	0.3362	0.6000	0.6000

Third Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 January 2021

Group 2: Shares purchased on or after 1 January 2021

Share Class X^ - Dividend Stream Group	Net Income	Equalisation	2021 Paid	2020 Paid
1	0.6000	–	0.6000	0.6000
2	0.3611	0.2389	0.6000	0.6000

Final Distribution (in pence per share)

Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased on or after 1 April 2021

Share Class X^ - Dividend Stream Group	Net Income	Equalisation	2021 Paid	2020 Paid
1	1.8471	–	1.8471	1.5407
2	0.1201	1.7270	1.8471	1.5407

^With effect from 1 July 2021, Class A Shares have been re-named as Class X Shares.

# Distribution Statements

## Amity Balanced for Charities

for the year ended 30 June 2021

First Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 July 2020

Group 2: Shares purchased on or after 1 July 2020

Share Class X <sup>^</sup> - Dividend Stream Group	Net Income	Equalisation	2020 Paid	2019 Paid
1	0.6831	–	0.6831	0.8965
2	0.4448	0.2383	0.6831	0.8965

First Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 July 2020

Group 2: Shares purchased on or after 1 July 2020

Share Class X <sup>^</sup> - Non-Dividend Stream Group	Net Income	Equalisation	2020 Paid	2019 Paid
1	0.2169	–	0.2169	0.3035
2	0.1412	0.0757	0.2169	0.3035

Second Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 October 2020

Group 2: Shares purchased on or after 1 October 2020

Share Class X <sup>^</sup> - Dividend Stream Group	Net Income	Equalisation	2020 Paid	2019 Paid
1	0.5737	–	0.5737	0.7783
2	0.3224	0.2513	0.5737	0.7783

Second Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 October 2020

Group 2: Shares purchased on or after 1 October 2020

Share Class X <sup>^</sup> - Non-Dividend Stream Group	Net Income	Equalisation	2020 Paid	2019 Paid
1	0.3263	–	0.3263	0.4217
2	0.1833	0.1430	0.3263	0.4217

Third Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 January 2021

Group 2: Shares purchased on or after 1 January 2021

Share Class X <sup>^</sup> - Dividend Stream Group	Net Income	Equalisation	2021 Paid	2020 Paid
1	0.6204	–	0.6204	0.5291
2	0.3115	0.3089	0.6204	0.5291

Third Interim Distribution (in pence per share)

Group 1: Shares purchased prior to 1 January 2021

Group 2: Shares purchased on or after 1 January 2021

Share Class X <sup>^</sup> - Non-Dividend Stream Group	Net Income	Equalisation	2021 Paid	2020 Paid
1	0.3796	–	0.3796	0.3709
2	0.1906	0.1890	0.3796	0.3709

Final Distribution (in pence per share)

Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased on or after 1 April 2021

Share Class X <sup>^</sup> - Dividend Stream Group	Net Income	Equalisation	2021 Paid	2020 Paid
1	1.8806	–	1.8806	0.9639
2	1.0312	0.8494	1.8806	0.9639

Final Distribution (in pence per share)

Group 1: Shares purchased prior to 1 April 2021

Group 2: Shares purchased on or after 1 April 2021

Share Class X <sup>^</sup> - Non-Dividend Stream Group	Net Income	Equalisation	2021 Paid	2020 Paid
1	0.2826	–	0.2826	0.3061
2	0.1550	0.1276	0.2826	0.3061

<sup>^</sup>With effect from 1 July 2021, Class A Shares have been re-named as Class X Shares. The Amity Balanced Fund for Charities has elected to join the Tax Elected Fund regime.



For further information call us on

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Monday to Friday 8am to 5pm. We may monitor or record calls to improve our service.

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