



PHOENIX
Fund Services

PFS Investment Funds

Interim Report 30 September 2011 (Unaudited)

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icf Absolute Return Portfolio Fund

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WHI America Fund

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Directory

Authorised Corporate Director & Registrar

Phoenix Fund Services (UK) Limited
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Telephone: 01245 398950
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Customer Service Centre

PO Box 10729, Chelmsford, Essex, CM1 9PU
Telephone: 0845 026 4290
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E-mail: WHI@phoenixfundservices.com
(Authorised and regulated by the Financial Services Authority)

Directors of the ACD

R. Elliott (appointed 11 April 2011)
S. A. King
S. D. Mathieson (retired 31 October 2011)
A. C. Reed (appointed 1 November 2011)
J. M. Rice

Investment Managers

icf Management Limited

Albert Buildings, 49 Queen Victoria Street, London, EC4N 4SA
(Authorised and regulated by the Financial Services Authority)

WH Ireland Limited

11 St. James Square, Manchester, M2 6WH
(Authorised and regulated by the Financial Services Authority)

Fund Managers

icf Absolute Return Portfolio Fund

Mark Lynam and Jeremy Suffield

WHI America Fund

Richard de Lisle

Depositary

BNY Mellon Trust & Depositary (UK) Limited
The Bank of New York Mellon Centre
160 Queen Victoria Street
London EC4V 4LA
(Authorised and regulated by the Financial Services Authority)

Auditor

KPMG Audit Plc
Chartered Accountants and Registered Auditors
15 Canada Square, Canary Wharf, London, E14 5GL

Aggregated Statement of Total Return

for the half year ended 30 September 2011

	30.09.11	
	£	£
Income		
Net capital losses		(1,625,329)
Revenue	52,990	
Expenses	(116,311)	
Finance costs: interest	(311)	
Net expense before taxation	(63,632)	
Taxation	(7,010)	
Net expense after taxation		(70,642)
Total return before distributions		(1,695,971)
Finance costs: distributions		–
Change in net assets attributable to shareholders from investment activities		(£1,695,971)

Aggregated Statement of Change in Net Assets Attributable to Shareholders

for the half year ended 30 September 2011

	30.09.11	
	£	£
Opening net assets attributable to shareholders		13,419,686
Amounts received on issue of shares	464,793	
Less: Amounts paid on cancellation of shares	(139,679)	
		325,114
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(1,695,971)
Closing net assets attributable to shareholders		£12,048,829

Aggregated Balance Sheet

as at 30 September 2011

	30.09.11		31.03.11	
	£	£	£	£
ASSETS				
Investment assets		12,054,457		13,425,062
Debtors	13,880		13,172	
Bank balances	395,629		65,281	
Total other assets		409,509		78,453
Total assets		12,463,966		13,503,515
LIABILITIES				
Investment liabilities		(308,346)		(9,631)
Creditors	(35,353)		(62,423)	
Bank overdraft	(71,438)		(11,775)	
Total other liabilities		(106,791)		(74,198)
Total liabilities		(415,137)		(83,829)
Net assets attributable to shareholders		£12,048,829		£13,419,686

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

Certification of Accounts by the Authorised Corporate Director

In accordance with the requirements of the OEIC Regulations and COLL, we hereby certify the Report on behalf of the ACD, Phoenix Fund Services (UK) Limited.

A. C. Reed**R. Elliot**

Directors

Phoenix Fund Services (UK) Limited

23 November 2011

Investment Objective and Policy

The objective of the Sub-Fund is to achieve a consistent absolute return over the long term irrespective of market conditions.

The Sub-Fund will invest in a diverse mix of absolute return oriented collective investment schemes. The Sub-Fund may also invest in listed closed-ended funds, transferrable securities, cash deposits and money market funds.

Investment Manager's Report

for the half year from 01 April 2011 to 30 September 2011

The opening six months of our financial year proved to be a roller-coaster for stock markets around the world. Most of the damage occurred in a two week period at the start of August with widespread setbacks in excess of 15%. Very few markets recovered from the sell-off. Over the six months our own domestic market, the FTSE 100, fell from 5908 to 5128 to record a loss in excess of 13%. The severity and speed of the retreat in markets also took its toll on our equity long/short managers. In spite of our explicit diversification across different asset classes, they provided a strong enough headwind to lead to a 4% fall in the fund's NAV (which dropped from 103.86p to 99.46p over the period).

The limits to the diversification benefits offered in August by fund managers in our universe persuaded us to modify our investments slightly. This has involved the sale of three holdings, and new positions taken in an equity market neutral fund managed by Old Mutual, a CTA offering from the German group Aquila Capital and the Polar Insurance Fund which boosts our ARLO (absolute return long only) exposure.

We look forward to reporting to shareholders again after our year end in March 2012.

Portfolio Statement

as at 30 September 2011

Holding	Security	Market Value £	% of total net assets 2011
Investment Companies (91.21%)			
30,000	Absolute Return Trust	32,850	0.94
918	AC - Risk Parity 12 Fund	96,170	2.75
300,000	Artemis Strategic Assets Fund	178,950	5.11
2,000	BH Macro	39,720	1.13
200,000	CF Odey UK Absolute Return Fund	290,940	8.31
60,625	Deutsche Managed Sterling Fund	60,625	1.73
25,000	Dexion Absolute	33,125	0.95
24	Exane Fund 1 - Archimedes Fund CI A	311,062	8.88
1,563	Henderson Horizon - Global Currency Fund	147,839	4.22
2,482	Julius Baer Absolute Return Bond Fund	296,723	8.47
291,100	Kames UK Equity Absolute Return Fund	311,186	8.89
750	Personal Assets Trust	243,000	6.94
125,000	Ruffer Investment	243,750	6.96
250,000	S&W Enterprise Fund	247,445	7.06
330,000	S&W Kennox Strategic Value Fund	295,713	8.44
12,048	Schroder ISF EM DBT Absolute Return	296,390	8.46
		3,125,488	89.24
Liquidity Funds (8.31%)			
275,458	Short-Term Investment (Global Series) - Sterling Liquidity	275,458	7.86
Forward Funds Currency Contract (-0.28%)			
£(315,740)	GBP Forward Currency Contract expiry 07/12/2011	315,740	9.02
€358,592	EUR Forward Currency Contract expiry 07/12/2011	(308,346)	(8.80)
		7,394	0.22
Investment assets (99.24%)		3,408,340	97.32
Net other assets (0.76%)		93,682	2.68
Net assets		3,502,022	100.00

All investments are ordinary shares or stock units unless otherwise stated.

The percentages in brackets show the equivalent % holdings as at 31 March 2011.

Comparative Tables

Net asset values

Share Class F As at	Accumulation shares		
	Net asset value (£)	No. of shares in issue	Net asset value (pence per share)
31.03.11	3,435,538	3,307,981	103.86
30.09.11	3,502,022	3,520,954	99.46

Price history & distribution record

The table below shows the highest and lowest prices on a calendar year basis in pence per share since launch.

Past performance is not necessarily a guide to the future performance.

Share Class F Year	Accumulation shares		
	Highest (pence)	Lowest (pence)	Net revenue per share (pence)
2010 [^]	103.14	99.37	–
2011 ^{^^}	104.85	99.37	–

[^] From launch 6 August 2010

^{^^} As at 30 September 2011

Total expense ratio (TER)

The Sub-Fund invests in collective investment schemes, the expenses incurred by these schemes in relation to the Sub-Fund are disclosed in the below table as other expenses together with the direct expenses of the Sub-Fund.

Expense type	30 September 2011 [^] %	31 March 2011 %
Share Class F		
Investment Manager's charge	0.50	0.50
Other expenses	2.50	1.56 ^{^^}
Total expense ratio	3.00	2.06

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

^{^^} Other expenses includes 0.36% if initial set up costs of the Sub-Fund.

Risk Warning

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

Statement of Total Return

for the half year ended 30 September 2011

	30.09.11	
	£	£
Income		
Net capital losses		(127,696)
Revenue	6,295	
Expenses	(36,143)	
Finance costs: interest	(89)	
Net expense before taxation	(29,937)	
Taxation	–	
Net expense after taxation		(29,937)
Total return before distributions		(157,633)
Finance costs: distributions		–
Change in net assets attributable to shareholders from investment activities		£(157,633)

Statement of Change in Net Assets Attributable to Shareholders

for the half year ended 30 September 2011

	30.09.11	
	£	£
Opening net assets attributable to shareholders		3,435,538
Amounts received on issue of shares	297,793	
Less: Amounts paid on cancellation of shares	(73,676)	
		224,117
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(157,633)
Closing net assets attributable to shareholders		£3,502,022

Balance Sheet

as at 30 September 2011

	30.09.11		31.03.11	
	£	£	£	£
ASSETS				
Investment assets		3,716,686		3,419,036
Debtors	6,430		7,621	
Bank balances	96,609		40,268	
Total other assets		103,039		47,889
Total assets		£3,819,725		£3,466,925
LIABILITIES				
Investment liabilities		(308,346)		(9,631)
Creditors	(9,357)		(21,674)	
Bank overdrafts	–		(82)	
Total other liabilities		(9,357)		(21,756)
Total liabilities		(317,703)		(31,387)
Net assets attributable to shareholders		£3,502,022		£3,435,538

Investment Objective and Policy

Investment Objectives and Policy

The Fund will aim to achieve a long term capital return. The Fund will invest in, predominantly, listed securities, typically common stock and American Depositary Receipts listed on US exchanges, including exchange traded Funds. The Fund may invest in collective investment schemes, transferable securities, cash deposits and money market Funds as permitted by FSA rules.

Investment Manager's Report

for the period from 1st April 2011 to 30th September 2011

Manager's Review

The Sub-Fund underperformed in the six months to September 30th 2011, falling 17.23% against a fall of 14.66% for the S&P500 Index. We measure performance against the S&P500 Index as this is the principal US index, covering 96% of the market by capitalisation. We are in small caps as they perform better in the long run. However, if a long-term trend which favoured large caps arrived, such as deflation in the 1980s and 1990s, we would move to this sector as the Fund Manager did during these two decades. For purposes of comparison, the Russell 2000, the best known small cap index, fell 23.64% in the period, so our underperformance related to our choice of asset class.

We start from a top-down overview which shows a weak and weakening dollar, continued low interest rates, and an ever greater plutocracy with continued social polarization. While these themes concur with small stock outperformance, they also prejudice us towards leveraged cyclicals and financially strong consumer stocks. This is because these are ideal conditions for cyclicals, so leverage does better and consumers are acclimatising to the reality that one in four homes is with negative equity so strong consumer companies are enhancing market share as industries consolidate. However our portfolio itself is also based on a bottom up approach, as is typical of any small cap fund, and we try and shoehorn our choices into our thematic top-down propositions.

The principal long-term theme we seek to align with is the trend in demographics but we follow this to a deeper level than the usual Wall Street preoccupation with the lives of the baby boomers. We have consequently had successes in coffee, benefitting from the decline in alcohol sales; in avocados, from the trend to healthy eating; in a children's toy shop chain, based in a breeding zone; crematoriums, from the trends towards cost cutting and secularization; and vet supplies, based on, finally, the baby boomers.

Nevertheless, the shoehorn is light, and no matter how strong the theme, if the company does not pass the value metrics, we tend not to care. So, for instance, neither pet foods nor pet shops pass our test no matter how much isolation, alienation and loneliness drive people towards their animals. We have been passed through a time, coming off a market low, when growth trumped value, and so, with an eye on this periodic theme, we also had a number of growth stocks which we recently reduced. The market peaked at the beginning of the period and declined to the end, with increasing volatility and mania as investors feared another recession. We chose to follow Warren Buffett and disbelieve this proposition and consequently lost heavily in our cyclicals. It is currently apparent, however, that value is reasserting itself and these same cyclicals are leading the rebound.

Our strongest value indicator is the sales per share ratio which has the best correlation with stock market performance, although we are also aware that blind adhesion can lead to a portfolio full of distributors. Other metrics we use are also based on their observed performance and include the usual suspects of book value, return on equity, dividend yield, price/earnings ratio and cashflow roughly in that order.

Our outlook is for continued opportunities in the US where it is easy to find good ideas, profit growth is strong, and the market is still lower than it was eleven years ago, a statistic that remains unique in our lifetime. Small cap value is the long-term leading asset class and yet is the worst asset class when the economy is going into recession. It is where we are aligned, and in the event of no slowdown occurring, we expect to outperform.

Portfolio Statement

as at 30 September 2011

Holding	Security	Market Value £	% of total net assets 2011
Automobiles (1.12%)			
1,600	Dorman Products	33,955	0.40
8,000	Motorcar Parts of America	42,265	0.49
		<hr/> 76,220	<hr/> 0.89
Banks (5.55%)			
1,200	Bancorp Rhode Island	32,477	0.38
1,980	Bank of South Carolina	12,202	0.14
8,500	BCB Bancorp	49,217	0.57
2,926	Colony Bancorp	4,940	0.06
10,000	Community Capital	17,332	0.20
1,000	DNB Financial	6,143	0.07
3,000	ECB Bancorp	22,686	0.27
2,692	German American Bancorp	27,805	0.33
20,000	Hanmi Financial	10,528	0.12
1,260	Landmark Bancorp	12,335	0.14
4,536	Mid Penn Bancorp	23,294	0.27
23,500	Monarch Financial	97,301	1.14
12,766	People's Bancorp of North Carolina	38,106	0.45
1,500	Savannah Bancorp	5,594	0.07
		<hr/> 359,960	<hr/> 4.21
Beverages (8.38%)			
41,000	Craft Brewers Alliance	147,387	1.72
14,100	Green Mountain Coffee Roasters	840,859	9.84
		<hr/> 988,246	<hr/> 11.56
Chemicals (3.57%)			
2,500	Arch Chemicals	75,299	0.88
8,000	Balchem	191,295	2.24
1,400	Potash Corp of Saskatchewan	38,824	0.46
7,000	Schulman (A)	76,210	0.89
		<hr/> 381,628	<hr/> 4.47

Portfolio Statement

continued

Holding	Security	Market Value £	% of total net assets 2011
Construction & Building Materials (4.23%)			
20,000	Comstock Homebuilding	11,812	0.14
3,500	Drew Industries	44,800	0.52
35,096	KSW	70,967	0.83
6,000	Meritage Homes	58,236	0.68
15,000	NCI Building Systems	72,602	0.85
3,236	US Concrete Inc Class A Warrents 31.8.2017	–	–
3,236	US Concrete Inc Class B Warrents 31.8.2017	–	–
		<hr/>	
		258,417	3.02
Diversified Industrials (5.68%)			
22,000	Charles & Colvard	31,069	0.37
5,000	Darling International	40,377	0.47
38,500	TriMas	366,514	4.29
		<hr/>	
		437,960	5.13
Electronic & Electrical Equipment (8.06%)			
7,700	Encore Wire	101,576	1.19
13,000	Exide Technologies	33,297	0.39
30,000	Mocon	302,349	3.54
16,000	Richardson Electronics	139,684	1.63
12,500	Williams Controls	87,463	1.02
6,000	Zagg	38,092	0.45
		<hr/>	
		702,461	8.22
Engineering & Machinery (11.86%)			
5,000	Arctic Cat	46,380	0.54
11,638	DXP Enterprises	140,600	1.65
44,743	Handy & Harman	289,804	3.39
2,000	Hardinge	10,425	0.12
2,500	Lydall	14,283	0.17
2,000	Robbins & Myers	44,563	0.52
6,000	Tractor Supply	240,917	2.82
		<hr/>	
		786,972	9.21
Food & Drug Retailers (3.26%)			
18,000	Village Super Market	276,621	3.24

Portfolio Statement

continued

Holding	Security	Market Value £	% of total net assets 2011
Food Producers & Processors (3.05%)			
3,565	B&G Foods	38,126	0.44
5,171	Calavo Growers	68,115	0.80
13,000	Caribou Coffee	98,305	1.15
21,137	Rocky Mountain Chocolate Factory	115,332	1.35
		<hr/>	
		319,878	3.74
General Retailers (2.12%)			
18,000	Books-A-Million	26,691	0.31
10,000	Casual Male Retail	24,137	0.28
7,667	Central Garden & Pet	33,763	0.40
2,000	Dollar Tree	96,341	1.13
14,548	Dover Saddlery	31,098	0.36
14,717	West Marine	72,461	0.85
		<hr/>	
		284,491	3.33
Health (1.47%)			
7,623	IntegraMed America	37,875	0.44
3,000	Ensign	44,390	0.52
		<hr/>	
		82,265	0.96
Housing Goods & Textiles (0.77%)			
5,000	Barry (R.G.)	33,766	0.39
3,000	Bassett Furniture Industries	13,500	0.16
5,100	Chromcraft Revington	3,470	0.04
3,000	Jos A Bank Clothiers	89,800	1.05
4,000	Select Comfort	35,845	0.42
		<hr/>	
		176,381	2.06
Investment Companies (5.68%)			
2,436	India Fund	35,872	0.42
8,000	MVC Capital	53,768	0.63
1,000	SPDR Russell/Nomura	27,616	0.32
19,903	Westwood	438,868	5.14
		<hr/>	
		556,124	6.51

Portfolio Statement

continued

Holding	Security	Market Value £	% of total net assets 2011
Leisure, Entertainment & Hotels (5.89%)			
14,000	Johnson Outdoors	135,794	1.59
100,000	Marine Products	219,540	2.57
1,000	Wynn Resorts	73,828	0.86
		<hr/>	
		429,162	5.02
Oil & Gas (2.02%)			
700	Carbo Ceramics	46,068	0.54
2,000	CVR Energy	27,128	0.32
12,000	Ion Geophysical	36,282	0.42
2,500	TPC Group	32,096	0.38
		<hr/>	
		141,574	1.66
Packaging (0.00%)			
3,060	Rock-Tenn	95,564	1.12
Personal Care & Other Products (1.98%)			
2,300	Steiner Leisure	60,165	0.70
49,947	Summer Infant	210,651	2.47
		<hr/>	
		270,816	3.17
Pharmaceuticals (7.31%)			
13,553	MWI Veterinary Supply	595,434	6.97
7,200	Transition Therapeutics	8,181	0.09
		<hr/>	
		603,615	7.06
Software & Computer Systems (6.81%)			
24,000	Computer Task	171,627	2.01
4,058	Ebix	38,267	0.45
5,000	PC Connection	25,517	0.30
6,200	TSR	16,517	0.19
17,194	Wayside Technology	110,153	1.29
2,000	Web Com	8,936	0.10
		<hr/>	
		371,017	4.34

Portfolio Statement

continued

Holding	Security	Market Value £	% of total net assets 2011
	Steel & Other Metals (4.16%)		
5,000	Metals USA	28,598	0.33
22,902	NN	74,242	0.87
3,800	Shiloh Industries	21,881	0.25
2,000	Universal Stainless & Alloy	32,636	0.39
		<hr/>	
		157,357	1.84
	Support Services (7.15%)		
31,423	Carriage Services	118,608	1.39
1,800	Compass Diversified	14,062	0.16
1,403	Standard Parking Services	14,068	0.16
17,000	StoneMor Partners LP Unit	303,922	3.56
4,000	World Fuel Services	83,810	0.98
		<hr/>	
		534,470	6.25
	Telecommunications Services (0.10%)		
10,000	MRV Communications	7,767	0.09
	Transport (0.00%)		
1,300	Genesee & Wyoming	38,805	0.45
		<hr/>	
	Investment assets (100.22%)	8,337,771	97.55
	Net other assets (-0.22%)	209,036	2.45
		<hr/>	
	Net assets	8,546,807	100.00

All investments are ordinary shares or stock units unless otherwise stated.
The percentages in brackets show the equivalent % holdings as at 31 March 2011.

Comparative Tables

Net asset values

Share Class	As at	Accumulation shares		
		Net asset value	No. of shares in issue	Net asset value
Class B	31.03.2011	£4,360,644	3,328,647	131.00p
Class B US\$	31.03.2011	\$9,014,477	6,724,108	134.06c
Class B	30.09.2011	£3,823,621	3,475,170	110.03p
Class B US\$	30.09.2011	\$7,357,779	6,635,954	110.88c

Price history & distribution record

The table below shows the highest and lowest prices on a calendar year basis in pence per share since launch.

Past performance is not necessarily a guide to the future performance.

Share Class	Year	Accumulation shares		
		Highest	Lowest	Net revenue per share
Class B	2010 [^]	120.99p	97.18p	–
Class B US\$	2010 [^]	118.92c	92.78c	–
Class B	2011 ^{^^}	139.93p	105.92p	–
Class B US\$	2011 ^{^^}	142.53c	112.02c	–

[^] From launch 11 August 2010

^{^^} As at 30 September 2011

Comparative Tables

continued

Total expense ratio (TER)

Expense type	30 September 2011 [^] %	31 March 2011 %
Share Class B		
Investment Manager's charge	1.00	1.00
Other expenses	0.65	0.86 ^{^^}
Total expense ratio	1.65	1.86
Share Class B US\$		
Investment Manager's charge	1.00	1.00
Other expenses	0.65	0.86 ^{^^}
Total expense ratio	1.65	1.86

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

^{^^} Other expenses includes 0.14% of initial set up costs of the Sub-Fund.

Risk Warning

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

Statement of Total Return

for the half year ended 30 September 2011

	30.09.11	
	£	£
Income		
Net capital losses		(1,497,633)
Revenue	46,695	
Expenses	(80,168)	
Finance costs: interest	(222)	
Net expense before taxation	(33,695)	
Taxation	(7,010)	
Net expense after taxation		(40,705)
Total return before distributions		(1,538,338)
Finance costs: distributions		–
Change in net assets attributable to shareholders from investment activities		£(1,538,338)

Statement of Change in Net Assets Attributable to Shareholders

for the half year ended 30 September 2011

	30.09.11	
	£	£
Opening net assets attributable to shareholders		9,984,148
Amounts received on issue of shares	167,000	
Less: Amounts paid on cancellation of shares	(66,003)	
		100,997
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(1,538,338)
Closing net assets attributable to shareholders		£8,546,807

Balance Sheet

as at 30 September 2011

	30.09.11		31.03.11	
	£	£	£	£
ASSETS				
Investment assets		8,337,771		10,006,026
Debtors	7,450		5,551	
Bank balances	299,020		25,013	
Total other assets		306,470		30,564
Total assets		£8,644,241		£10,036,590
LIABILITIES				
Creditors	(25,996)		(40,749)	
Bank overdrafts	(71,438)		(11,693)	
Total other liabilities		(97,434)		(52,442)
Net assets attributable to shareholders		£8,546,807		£9,984,148

General Information

Authorised Status

PFS Investment Funds (the “Company”) is incorporated in England and Wales as an ICVC under registration number IC000816. The shareholders are not liable for the debts of the Company.

The Company is authorised by the FSA as a UCITS Scheme under the COLL Sourcebook and is an umbrella company for the purposes of the OEIC Regulations with each Fund being a UCITS Scheme. The effective date of the authorisation order made by the FSA was 19 May 2010.

Head Office

Springfield Lodge, Colchester Road, Chelmsford, Essex, CM2 5PW

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Structure of the Company

PFS Investment Funds is structured as an umbrella company. Provision exists for an unlimited number of Sub-Funds, and at the date of this Report two Sub-Fund, PFS ICF Absolute Return Portfolio and PFS WHI America Capital Fund are authorised.

Classes of Shares

The Company can issue different classes of shares in respect of any Sub-Fund.

Holders of Income shares are entitled to be paid the revenue attributable to such shares in respect of each accounting period.

Valuation Point

The scheme property of the Company and each Sub-Fund will normally be valued at 12:00 mid day on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Sub-Fund at any time if it considers it desirable to do so, with the Depositary's approval.

General Information

continues

Buying and Selling of Shares

The ACD will accept orders for the purchase and sale of shares on normal business days between 8:30am and 4:30pm. Instructions to buy or sell shares may either be in writing to:

PO Box 10729, Chelmsford, Essex, CM1 9PU

Or by telephone to:

0845 026 4290

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-Fund which represents the net asset value of the Sub-Fund concerned. The share price is calculated on a forward pricing basis, that is at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on the Investment Management Association website at www.fundlistings.com and in the Financial Times. Neither, the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Simplified Prospectus and the most recent interim and annual reports may be inspected free of charge at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

Risk Warning

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

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

