



# Manor Investment Funds

---

Manor Fund (MNRMX)

Manor Growth Fund (MNRGX)

Manor Bond Fund (MNRBX)

## **Semi-Annual Report**

**June 30, 2016**  
**(Unaudited)**

Fund Office:  
15 Chester Commons  
Malvern, PA 19355  
610-722-0900 800-787-3334  
[www.manorfunds.com](http://www.manorfunds.com)

Managed by:  
Morris Capital Advisors, LLC

Distributed by:  
Forside Funds Services, LLC

---

---

# MANOR INVESTMENT FUNDS

## MANOR FUND

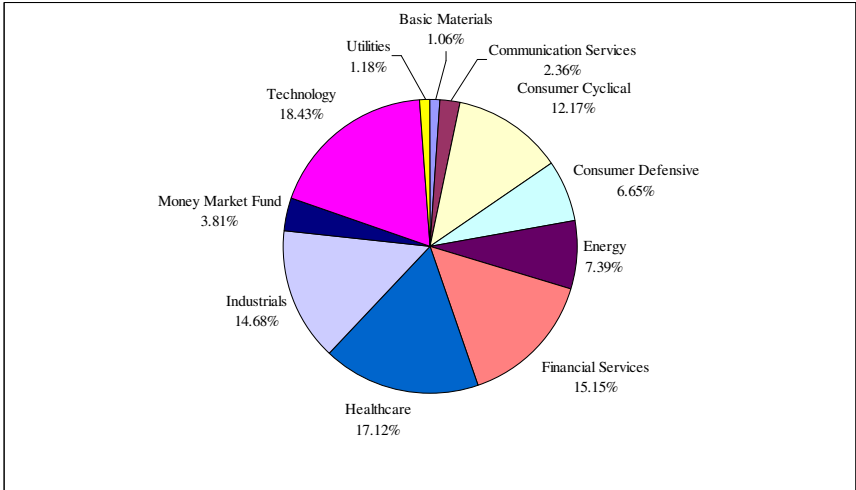
---

---

### PORTFOLIO ILLUSTRATION

JUNE 30, 2016 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Sectors are categorized using Morningstar® classifications.

---

---

# MANOR INVESTMENT FUNDS

## GROWTH FUND

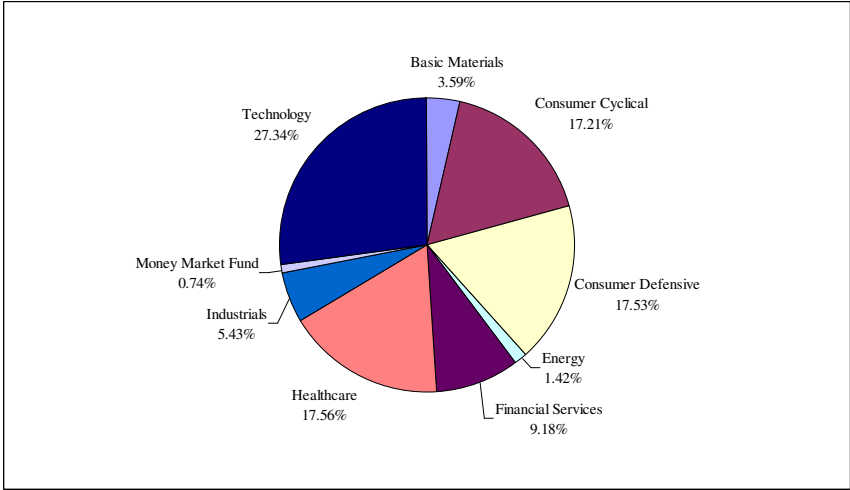
---

---

### PORTFOLIO ILLUSTRATION

JUNE 30, 2016 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Sectors are categorized using Morningstar® classifications.

---

# MANOR INVESTMENT FUNDS

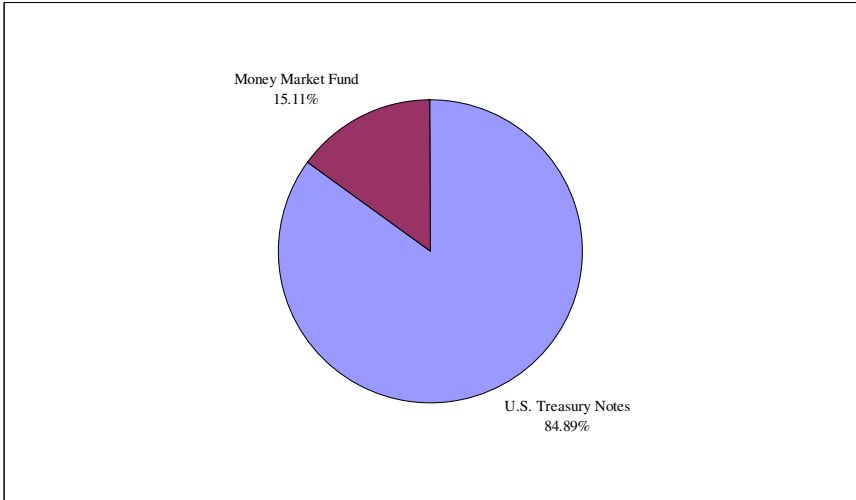
## BOND FUND

---

### PORTFOLIO ILLUSTRATION

JUNE 30, 2016 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Sectors are categorized based on asset type.

---



---

**MANOR INVESTMENT FUNDS**  
**MANOR FUND**

---



---

SCHEDULE OF INVESTMENTS  
JUNE 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS - 96.40%</b>	
<b>Air Courier Services - 3.03%</b>	
1,127 FedEx Corp.	\$ 171,056
<b>Air Transportation, Scheduled - 2.39%</b>	
3,704 Delta Air Lines, Inc.	134,937
<b>Beverages - 3.68%</b>	
1,963 PepsiCo, Inc.	207,960
<b>Carpets &amp; Rugs - 3.77%</b>	
1,120 Mohawk Industries, Inc. *	212,531
<b>Cogeneration Services &amp; Small Power Producers - 1.18%</b>	
5,343 The AES Corp.	66,681
<b>Converted Paper &amp; Paperboard Products (No Container/Boxes) - 4.38%</b>	
3,310 Avery Dennison Corp.	247,422
<b>Crude Petroleum &amp; Natural Gas - 1.74%</b>	
1,302 Occidental Petroleum Corp.	98,379
<b>Electronic Connectors - 6.05%</b>	
5,958 Amphenol Corp. Class A	341,572
<b>Fire, Marine &amp; Casualty Insurance - 2.65%</b>	
1,143 Chubb Corp.	149,401
<b>Hospital &amp; Medical Service Plans - 2.70%</b>	
1,159 Anthem, Inc.	152,223
<b>Investment Advice - 1.44%</b>	
2,439 Franklin Resources, Inc.	81,389
<b>Life Insurance - 2.40%</b>	
3,405 Metlife, Inc.	135,621

\* Non-income producing securities during the period.  
The accompanying notes are an integral part of these financial statements.

---

**MANOR INVESTMENT FUNDS**  
**MANOR FUND**

---

SCHEDULE OF INVESTMENTS (CONTINUED)  
JUNE 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>National Commercial Banks - 5.82%</b>	
2,506      JP Morgan Chase & Co.	\$    155,723
2,120      PNC Financial Services Group, Inc.	172,547
	328,270
<b>Oil &amp; Gas Field Machinery &amp; Equipment - 2.26%</b>	
2,830      Baker-Hughes, Inc.	127,718
<b>Orthopedic, Prosthetic &amp; Surgical Appliances &amp; Supplies - 3.78%</b>	
1,774      Colgate Palmolive Co.	213,554
<b>Personal Credit Institution - 2.87%</b>	
3,027      Discover Financial Services	162,217
<b>Petroleum Refining - 3.40%</b>	
3,759      Valero Energy Corp.	191,709
<b>Pharmaceutical Preparations - 4.84%</b>	
757      Allergan Plc. (Ireland) *	174,935
1,617      Mallinckrodt Plc. (Ireland) *	98,281
	273,216
<b>Public Building &amp; Related Furniture - 5.24%</b>	
2,625      BE Aerospace, Inc.	121,209
3,941      Johnson Controls, Inc.	174,429
	295,638
<b>Retail-Drug Stores and Proprietary Stores - 3.17%</b>	
1,868      CVS Health Corp.	178,842
<b>Retail-Grocery Stores - 2.98%</b>	
4,571      The Kroger Co.	168,167
<b>Retail-Jewelry Stores - 2.42%</b>	
1,655      Signet Jewelers Limited	136,389
<b>Semiconductors &amp; Related Devices - 5.73%</b>	
5,367      Applied Materials, Inc.	128,647
3,074      Skyworks Solutions, Inc.	194,523
	323,170
<b>Services-Computer Programming - 3.07%</b>	
1,514      Facebook, Inc. *	173,020

\* Non-income producing securities during the period.  
The accompanying notes are an integral part of these financial statements.

---



---

**MANOR INVESTMENT FUNDS**  
**MANOR FUND**

---



---

SCHEDULE OF INVESTMENTS (CONTINUED)  
JUNE 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>Services-Prepackaged Software - 3.63%</b>	
4,004      Microsoft Corp.	\$    204,885
<b>Special Industry Machinery - 2.76%</b>	
2,672      Pentair Ltd. (United Kingdom)	155,751
<b>Steel Works, Blast Furnace Rolling Mills - 1.06%</b>	
1,211      Nucor Corp.	59,836
<b>Telephone Communications - 2.37%</b>	
3,090      AT&T, Inc.	133,519
<b>Water Transportation - 2.92%</b>	
3,728      Carnival Corp.	164,778
<b>Wholesale - Drugs, Proprietaries &amp; Druggists' Sundries - 2.67%</b>	
1,900      AmerisourceBergen Corp.	<u>150,708</u>
<b>TOTAL FOR COMMON STOCKS (Cost \$4,440,152) - 96.40%</b>	<u>5,440,559</u>
<b>MONEY MARKET FUND - 3.82%</b>	
First American Government Obligation Fund Class Y 0.22% **	
215,624      (Cost \$215,624)	<u>215,624</u>
<b>TOTAL INVESTMENTS (Cost \$4,655,776) - 100.22%</b>	5,656,183
<b>LIABILITIES IN EXCESS OF OTHER ASSETS, NET - (0.22)%</b>	<u>(12,603)</u>
<b>NET ASSETS - 100.00%</b>	<u><u>\$    5,643,580</u></u>

\*\* Variable rate security; the coupon rate shown represents the yield at June 30, 2016.  
The accompanying notes are an integral part of these financial statements.

---



---

**MANOR INVESTMENT FUNDS**  
**GROWTH FUND**

---



---

SCHEDULE OF INVESTMENTS  
JUNE 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS - 97.91%</b>	
<b>Air Transportation - 3.02%</b>	
7,929 Southwest Airlines Co.	\$ 310,896
<b>Beverages - 5.03%</b>	
3,132 Constellation Brands, Inc. Class A	518,033
<b>Biological Products (No Diagnostic Substances) - 3.98%</b>	
4,914 Gilead Sciences, Inc.	409,926
<b>Cable &amp; Other Pay Television Services - 2.80%</b>	
3,922 Time Warner, Inc.	288,424
<b>Computer Communications Equipment - 3.03%</b>	
2,740 F5 Networks, Inc. *	311,921
<b>Electric Lighting &amp; Wiring Equipmment - 3.21%</b>	
1,334 Accuity Brands, Inc.	330,779
<b>Electronic Computers - 4.27%</b>	
4,599 Apple, Inc.	439,664
<b>Fire, Marine &amp; Casualty Insurance - 4.01%</b>	
3,154 Chubb Corp. (Switzerland)	412,259
<b>Household Appliances - 2.67%</b>	
1,649 Whirlpool Corp.	274,789
<b>Household Audio &amp; Video Equipment - 2.07%</b>	
2,963 Harman International Industries, Inc.	212,803
<b>Investment Advice - 2.08%</b>	
1,518 Affiliated Managers Group, Inc.	213,689
<b>Leather &amp; Leather Products - 1.66%</b>	
3,462 Michael Kors Holdings Ltd. (China) *	171,300

\* Non-income producing securities during the period.  
The accompanying notes are an integral part of these financial statements.



---

**MANOR INVESTMENT FUNDS**  
**GROWTH FUND**

---

SCHEDULE OF INVESTMENTS (CONTINUED)  
JUNE 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>Measuring &amp; Controlling Devices - 7.22%</b>	
3,771 Thermo Fisher Scientific, Inc.	\$ 557,203
7,647 Trimble Navigation, Ltd. *	186,280
	743,483
<b>Oil &amp; Gas Field Services - 1.40%</b>	
1,820 Schlumberger Ltd. (France)	143,926
<b>Pharmaceutical Preparations - 4.78%</b>	
2,773 AbbVie Inc.	171,677
3,246 Celgene Corp. *	320,153
	491,830
<b>Retail-Building Materials, Hardware, Garden Supply - 3.54%</b>	
1,240 The Shermin-Williams Co.	364,151
<b>Retail-Catalog &amp; Mail-Order Houses - 3.48%</b>	
500 Amazon.com, Inc. *	357,810
<b>Retail-Drug Stores &amp; Proprietary Stores - 6.88%</b>	
4,283 Express Scripts Holding Co. Class C *	324,651
4,612 Walgreens Boots Alliance, Inc.	384,041
	708,692
<b>Retail-Variety Stores - 4.10%</b>	
4,481 Dollar Tree, Inc. *	422,290
<b>Semiconductors &amp; Related Devices - 2.31%</b>	
26,973 On Semiconductor Corp. *	237,902
<b>Services-Business Services - 2.98%</b>	
3,482 MasterCard, Inc.	306,625
<b>Services-Computer Programming Services - 3.68%</b>	
6,622 Cognizant Technology Solutions Corp.	379,043
<b>Services-Computer Programming, Data Processing, Etc. - 4.36%</b>	
327 Alphabet, Inc. Class A *	226,317
317 Alphabet, Inc. Class C *	223,019
	449,336
<b>Services-Help Supply Services - 2.34%</b>	
6,300 Robert Half International, Inc.	240,408

\* Non-income producing securities during the period.  
The accompanying notes are an integral part of these financial statements.

---



---

**MANOR INVESTMENT FUNDS**  
**GROWTH FUND**

---



---

SCHEDULE OF INVESTMENTS (CONTINUED)  
JUNE 30, 2016 (UNAUDITED)

<u>Shares</u>	<u>Value</u>
<b>Services-Prepackaged Software - 2.22%</b>	
4,467      Microsoft Corp.	\$ 228,576
<b>Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics - 4.42%</b>	
4,425      Church & Dwight Co., Inc.	455,288
<b>Water Transportation - 2.93%</b>	
4,487      Royal Caribbean Cruises Ltd.	301,302
<b>Wholesale-Motor Vehicles &amp; Motor Vehicle Parts &amp; Supplies - 3.44%</b>	
11,168      LKQ Corp. *	<u>354,026</u>
TOTAL FOR COMMON STOCKS (Cost \$7,879,166) - 97.91%	<u>10,079,171</u>
<b>MONEY MARKET FUND - 0.73%</b>	
75,454      First American Government Obligation Fund Class Y 0.22% ** (Cost \$75,454)	<u>75,454</u>
TOTAL INVESTMENTS (Cost \$7,954,620) - 98.64%	10,154,625
<b>OTHER ASSETS IN EXCESS OF LIABILITIES, NET - 1.36%</b>	<u>140,132</u>
<b>NET ASSETS - 100.00%</b>	<u><u>\$ 10,294,757</u></u>

\* Non-income producing securities during the period.

\*\* Variable rate security; the coupon rate shown represents the yield at June 30, 2016.  
*The accompanying notes are an integral part of these financial statements.*

---

---

**MANOR INVESTMENT FUNDS**  
**BOND FUND**

---

---

SCHEDULE OF INVESTMENTS  
JUNE 30, 2016 (UNAUDITED)

<u>Face Amount</u>	<u>Value</u>
<b>US TREASURY NOTES - 84.72%</b>	
250,000      US Treasury Note 1.50% Due 01/31/2022	\$ 255,059
175,000      US Treasury Note 0.625% Due 05/31/2017	175,157
100,000      US Treasury Note 1.00% Due 03/31/2017	100,371
125,000      US Treasury Note 1.00% Due 11/30/2019	125,815
250,000      US Treasury Note 1.375% Due 11/30/2018	<u>254,326</u>
TOTAL FOR US TREASURY NOTES (Cost \$896,183) - 84.72%	<u>910,728</u>
<b>MONEY MARKET FUND - 15.08%</b>	
162,105      First American Treasury Obligation Class Y 0.18% * (Cost \$162,105)	<u>162,105</u>
TOTAL INVESTMENTS (Cost \$1,058,288) - 99.80%	1,072,833
<b>OTHER ASSETS IN EXCESS OF LIABILITIES, NET - 0.20%</b>	<u>2,208</u>
<b>NET ASSETS - 100.00%</b>	<u><u>\$1,075,041</u></u>

\* Variable rate security; the coupon rate shown represents the yield at June 30, 2016.  
*The accompanying notes are an integral part of these financial statements.*

---



---

# MANOR INVESTMENT FUNDS

---



---

## STATEMENT OF ASSETS AND LIABILITIES JUNE 30, 2016 (UNAUDITED)

	<u>Manor Fund</u>	<u>Growth Fund</u>	<u>Bond Fund</u>
<b>Assets:</b>			
Investments in Securities, at Value (Cost \$4,655,776, \$7,954,620, and \$1,058,288, respectively)	\$ 5,656,183	\$ 10,154,625	\$ 1,072,833
Cash	700	-	-
<b>Receivables:</b>			
Dividends and Interest	5,513	3,750	2,281
Portfolio Securities Sold	-	153,490	-
Capital Shares Sold	496	1,473	1,173
Total Assets	5,662,892	10,313,338	1,076,287
<b>Liabilities:</b>			
<b>Payables:</b>			
Due to Advisor	6,012	8,601	846
Capital Shares Redeemed	13,300	9,980	400
Total Liabilities	19,312	18,581	1,246
<b>Net Assets</b>	<b>\$ 5,643,580</b>	<b>\$ 10,294,757</b>	<b>\$ 1,075,041</b>
<b>Net Assets Consist of:</b>			
Capital Stock	\$ 256	\$ 537	\$ 102
Paid In Capital	4,072,163	8,403,838	1,059,598
Undistributed Net Investment Income	14,857	5,483	631
Accumulated Realized Gain (Loss) on Investments	555,897	(315,106)	165
Unrealized Appreciation in Value of Investments	1,000,407	2,200,005	14,545
Net Assets (10,000,000 shares authorized, \$0.001 par value) for 255,610, 537,236, and 101,611 shares outstanding, respectively.	<b>\$ 5,643,580</b>	<b>\$ 10,294,757</b>	<b>\$ 1,075,041</b>
<b>Net Asset Value and Offering Price Per Share</b>	<b>\$ 22.08</b>	<b>\$ 19.16</b>	<b>\$ 10.58</b>

*The accompanying notes are an integral part of these financial statements.*

---



---

# MANOR INVESTMENT FUNDS

---



---

## STATEMENT OF OPERATIONS

For the six months ended June 30, 2016 (UNAUDITED)

	<b>Manor Fund</b>	<b>Growth Fund</b>	<b>Bond Fund</b>
Investment Income:			
Dividends	\$ 51,473	\$ 71,146	\$ -
Interest	8	10	5,828
Total Investment Income	51,481	71,156	5,828
Expenses:			
Advisory	21,974	49,752	2,462
Administrative	14,650	15,921	2,735
Total Expenses	36,624	65,673	5,197
Net Investment Income	14,857	5,483	631
Realized and Unrealized Gain (Loss) on Investments:			
Net Realized Gain (Loss) on Investments	555,897	(170,149)	170
Net Change in Unrealized Appreciation (Depreciation) on Investments	(783,280)	(514,430)	16,263
Net Realized and Unrealized Gain (Loss) on Investments	(227,383)	(684,579)	16,433
Net Increase (Decrease) in Net Assets Resulting from Operations	\$ (212,526)	\$ (679,096)	\$ 17,064

*The accompanying notes are an integral part of these financial statements.*

---



---

**MANOR INVESTMENT FUNDS**  
**MANOR FUND**

---



---

**STATEMENTS OF CHANGES IN NET ASSETS**

	(Unaudited) Six Months Ended <u>6/30/2016</u>	Year Ended <u>12/31/2015</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Income	\$ 14,857	\$ 27,041
Net Realized Gain on Investments	555,897	300,886
Net Change in Unrealized Appreciation (Depreciation) on Investments	(783,280)	(469,817)
Net Increase (Decrease) in Net Assets Resulting from Operations	<u>(212,526)</u>	<u>(141,890)</u>
Distributions to Shareholders from:		
Net Investment Income	-	(27,041)
Realized Gains	-	(304,438)
Return of Capital	-	-
Total Distributions	<u>-</u>	<u>(331,479)</u>
Capital Share Transactions:		
Proceeds from Sold Shares	69,583	636,509
Reinvestment of Distributions	-	331,479
Cost of Shares Redeemed	(342,614)	(288,945)
Net Increase (Decrease) from Capital Shares Transactions	<u>(273,031)</u>	<u>679,043</u>
Total Increase (Decrease)	(485,557)	205,674
Net Assets		
Beginning of Period	<u>6,129,137</u>	<u>5,923,463</u>
End of Period (Including Accumulated Undistributed Net Investment Income of \$14,857 and \$0, respectively)	<u>\$ 5,643,580</u>	<u>\$ 6,129,137</u>
Capital Share Transactions:		
Shares Sold	3,129	25,695
Shares Issued on Reinvestment of Distributions	-	14,263
Shares Redeemed	(15,336)	(11,681)
Net Increase (Decrease) in Outstanding Shares of the Fund	<u>(12,207)</u>	<u>28,277</u>

*The accompanying notes are an integral part of these financial statements.*

---



---

**MANOR INVESTMENT FUNDS**  
**GROWTH FUND**

---



---

**STATEMENTS OF CHANGES IN NET ASSETS**

	(Unaudited) Six Months Ended <u>6/30/2016</u>	Years Ended <u>12/31/2015</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Income (Loss)	\$ 5,483	\$ (28,149)
Net Realized Gain (Loss) on Investments	(170,149)	554,073
Net Change in Unrealized Appreciation (Depreciation) on Investments	(514,430)	(593,172)
Net Increase (Decrease) in Net Assets Resulting from Operations	<u>(679,096)</u>	<u>(67,248)</u>
Distributions to Shareholders from:		
Net Investment Income	-	-
Realized Gains	-	(703,269)
Total Distributions	<u>-</u>	<u>(703,269)</u>
Capital Share Transactions:		
Proceeds from Sold Shares	390,742	8,705,570
Reinvestment of Distributions	-	414,184
Cost of Shares Redeemed	(10,112,177)	(4,699,055)
Net Increase (Decrease) from Capital Shares Transactions	<u>(9,721,435)</u>	<u>4,420,699</u>
Total Increase (Decrease)	(10,400,531)	3,650,182
Net Assets		
Beginning of Period	<u>20,695,288</u>	<u>17,045,106</u>
End of Year (Including Accumulated Undistributed Net Investment Income of \$5,483 and \$0, respectively)	<u>\$ 10,294,757</u>	<u>\$ 20,695,288</u>
Capital Share Transactions:		
Shares Sold	20,743	427,683
Shares Issued on Reinvestment of Distributions	-	20,961
Shares Redeemed	(548,702)	(230,660)
Net Increase (Decrease) in Outstanding Shares of the Fund	<u>(527,959)</u>	<u>217,984</u>

*The accompanying notes are an integral part of these financial statements.*

---



---

**MANOR INVESTMENT FUNDS**  
**BOND FUND**

---



---

**STATEMENTS OF CHANGES IN NET ASSETS**

	(Unaudited) Six Months Ended <u>6/30/2016</u>	Year Ended <u>12/31/2015</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Income	\$ 631	\$ -
Net Realized Gain on Investments	170	1,570
Net Change in Unrealized Appreciation (Depreciation) on Investments	16,263	(2,129)
Net Increase (Decrease) in Net Assets Resulting from Operations	<u>17,064</u>	<u>(559)</u>
Distributions to Shareholders from:		
Net Investment Income	-	(586)
Realized Gains	-	-
Total Distributions	<u>-</u>	<u>(586)</u>
Capital Share Transactions:		
Proceeds from Sold Shares	47,721	75,329
Shares Issued on Reinvestment of Distributions	-	586
Cost of Shares Redeemed	(77,230)	(208,041)
Net Decrease from Capital Share Transactions	<u>(29,509)</u>	<u>(132,126)</u>
Total Decrease	(12,445)	(133,271)
Net Assets		
Beginning of Period	<u>1,087,486</u>	<u>1,220,757</u>
End of Period (Including Accumulated Undistributed Net Investment Income of \$631 and \$0, respectively)	<u>\$ 1,075,041</u>	<u>\$ 1,087,486</u>
Capital Share Transactions:		
Shares Sold	4,535	7,203
Shares Issued on Reinvestment of Distributions	-	56
Shares Redeemed	(7,329)	(19,860)
Net Decrease in Outstanding Shares of the Fund	<u>(2,794)</u>	<u>(12,601)</u>

*The accompanying notes are an integral part of these financial statements.*



---



---

**MANOR INVESTMENT FUNDS**  
**MANOR FUND**

---



---

**FINANCIAL HIGHLIGHTS**

Selected data for a share outstanding throughout the period.

	(Unaudited) Six Months Ended 6/30/2016	Years Ended				
		12/31/ 2015	12/31/ 2014	12/31/ 2013	12/31/ 2012	12/31/ 2011
Net Asset Value, at Beginning of Period	\$ 22.89	\$ 24.73	\$ 24.23	\$ 18.46	\$ 17.18	\$ 17.11
Income From Investment Operations:						
Net Investment Income *	0.06	0.11	0.12	0.17	0.09	0.06
Net Gain (Loss) on Securities (Realized and Unrealized)	(0.87)	(0.64)	2.27	6.67	1.32	0.07
Total from Investment Operations	(0.81)	(0.53)	2.39	6.84	1.41	0.13
Distributions:						
Net Investment Income	-	(0.11)	(0.12)	(0.16)	(0.10)	(0.06)
Realized Gains	-	(1.20)	(1.73)	(0.91)	(0.03)	-
Return of Capital	-	-	(0.04)	-	-	-
Total from Distributions	-	(1.31)	(1.89)	(1.07)	(0.13)	(0.06)
Net Asset Value, at End of Period	\$ 22.08	\$ 22.89	\$ 24.73	\$ 24.23	\$ 18.46	\$ 17.18
Total Return **	(3.54)% <sup>(b)</sup>	(2.23)%	9.75%	37.07%	8.20%	0.78%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands) Before Waivers	\$ 5,644	\$ 6,129	\$ 5,923	\$ 5,458	\$ 3,965	\$ 4,183
Ratio of Expenses to Average Net Assets After Waivers	1.25% <sup>(a)</sup>	1.25%	1.24%	1.40%	2.18%	1.92%
Ratio of Expenses to Average Net Assets	1.25% <sup>(a)</sup>	1.25%	1.24%	1.07%	1.50%	1.50%
Ratio of Net Investment Income to Average Net Assets	0.51% <sup>(a)</sup>	0.44%	0.47%	0.77%	0.51%	0.36%
Portfolio Turnover	16.60% <sup>(b)</sup>	15.65%	13.02%	21.68%	10.15%	11.87%

\* Per share net investment income has been determined on the basis of average shares outstanding during the period.

\*\* Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

*The accompanying notes are an integral part of these financial statements.*

---



---

**MANOR INVESTMENT FUNDS**  
**GROWTH FUND**

---



---

**FINANCIAL HIGHLIGHTS**

Selected data for a share outstanding throughout the period.

	(Unaudited) Six Months Ended 6/30/2016	Years Ended				
		12/31/ 2015	12/31/ 2014	12/31/ 2013	12/31/ 2012	12/31/ 2011
Net Asset Value, at Beginning of Period	\$ 19.43	\$ 20.12	\$ 17.88	\$ 13.24	\$ 11.68	\$ 11.87
Income From Investment Operations:						
Net Investment Income (Loss) *	0.01	(0.03)	(0.08)	(0.03)	(0.04)	(0.06)
Net Gain (Loss) on Securities (Realized and Unrealized)	(0.28)	0.01	2.43	4.67	1.60	(0.13)
Total from Investment Operations	(0.27)	(0.02)	2.35	4.64	1.56	(0.19)
Distributions:						
Net Investment Income	-	-	-	-	-	-
Realized Gains	-	(0.67)	(0.11)	-	-	-
Total from Distributions	-	(0.67)	(0.11)	-	-	-
Net Asset Value, at End of Period	\$ 19.16	\$ 19.43	\$ 20.12	\$ 17.88	\$ 13.24	\$ 11.68
Total Return **	(1.39)% <sup>(b)</sup>	(0.14)%	13.13%	35.05%	13.36%	(1.60)%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$ 10,295	\$ 20,695	\$ 17,045	\$ 5,904	\$ 4,226	\$ 4,252
Before Waivers						
Ratio of Expenses to Average Net Assets	1.00% <sup>(a)</sup>	1.09%	1.22%	1.39%	2.11%	1.91%
After Waivers and Reimbursements						
Ratio of Expenses to Average Net Assets	1.00% <sup>(a)</sup>	1.09%	1.22%	1.06%	1.50%	1.50%
Ratio of Net Investment Income (Loss) to Average Net Assets	0.08% <sup>(a)</sup>	(0.13)%	(0.40)%	(0.18)%	(0.34)%	(0.52)%
Portfolio Turnover	10.47% <sup>(b)</sup>	19.49%	8.08%	19.71%	13.03%	10.01%

\* Per share net investment loss has been determined on the basis of average shares outstanding during the period.

\*\* Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends.

(a) Annualized.

(b) Not annualized.

*The accompanying notes are an integral part of these financial statements.*

---



---

**MANOR INVESTMENT FUNDS**  
**BOND FUND**

---



---

**FINANCIAL HIGHLIGHTS**

Selected data for a share outstanding throughout the period.

	(Unaudited) Six Months Ended 6/30/2016	Years Ended				
		12/31/ 2015	12/31/ 2014	12/31/ 2013	12/31/ 2012	12/31/ 2011
Net Asset Value, at Beginning of Period	\$ 10.42	\$ 10.43	\$ 10.39	\$ 10.62	\$ 10.64	\$ 10.67
Income From Investment Operations:						
Net Investment Income (Loss) *	0.01	0.00	0.00***	0.04	0.04	0.02
Net Gain (Loss) on Securities (Realized and Unrealized)	0.15	0.00	0.05	(0.23)	(0.02)	0.07
Total from Investment Operations	0.16	0.00	0.05	(0.19)	0.02	0.09
Distributions:						
Net Investment Income	-	(0.01)	(0.01)	(0.04)	(0.04)	(0.02)
Realized Gains	-	-	-	-	0.00***	(0.10)
Total from Distributions	-	(0.01)	(0.01)	(0.04)	(0.04)	(0.12)
Net Asset Value, at End of Period	\$ 10.58	\$ 10.42	\$ 10.43	\$ 10.39	\$ 10.62	\$ 10.64
Total Return **	1.54% <sup>(b)</sup>	(0.04)%	0.46%	(1.79)%	0.19%	0.83%
Ratios/Supplemental Data:						
Net Assets at End of Period (Thousands)	\$ 1,075	\$ 1,087	\$ 1,221	\$ 1,589	\$ 1,692	\$ 1,822
Before Waivers						
Ratio of Expenses to Average Net Assets	0.95% <sup>(a)</sup>	0.95%	0.95%	1.42%	1.92%	1.74%
After Waivers and Reimbursements						
Ratio of Expenses to Average Net Assets	0.95% <sup>(a)</sup>	0.95%	0.95%	0.78%	1.00%	1.00%
Ratio of Net Investment Income to Average Net Assets	0.12% <sup>(a)</sup>	0.00%	0.04%	0.39%	0.35%	0.21%
Portfolio Turnover	15.05% <sup>(b)</sup>	0.00%	0.00%	29.09%	35.65%	49.95%

\* Per share net investment income has been determined on the basis of average shares outstanding during the period.

\*\* Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends.

\*\*\* Amount less than \$0.005 per share.

(a) Annualized.

(b) Not annualized.

*The accompanying notes are an integral part of these financial statements.*

---

---

# MANOR INVESTMENT FUNDS

---

---

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016 (UNAUDITED)

### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

*Organization:* Manor Investment Funds (the "Trust") is a Delaware Business Trust, (effective January 1, 2012) comprising of Manor Fund, Growth Fund and Bond Fund (collectively "the Funds"), and is an open-end management investment company. The Trust was originally incorporated in the Commonwealth of Pennsylvania on September 13, 1995 and was dissolved by domestication in Pennsylvania on January 3, 2012. The primary investment objective of each of the Funds follows: Manor Fund – long-term capital appreciation and moderate level of income, investing primarily in common stocks of large corporations in the United States; Growth Fund - long-term capital appreciation, investing primarily in common stocks of U.S. corporations; Bond Fund - current income, investing primarily in U.S. Government obligations.

*The following is a summary of the significant accounting policies followed by the Funds in the preparation of their financial statements. The Funds are investment companies and follow the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies.*

*Security Valuation:* All investments in securities are recorded at their estimated fair value, as described in Note 2.

*Federal Income Taxes:* The Funds policy is to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all its taxable income to its shareholders. Therefore, no federal income tax provision is required.

The Funds recognize the tax benefits of uncertain tax positions only when the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the tax positions taken on its 2012-2015 returns and expected to be taken on the Funds' December 31, 2015 returns and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. The Funds have no examinations in progress and are not aware of any tax positions for which it is reasonably possible that the total tax amounts of unrecognized tax benefits will significantly change in the next twelve months.

*Distributions to Shareholders:* The Funds intend to distribute to its shareholders substantially all of its net realized capital gains and net investment income, if any, at year-end. Distributions will be recorded on ex-dividend date.

*Other:* The Funds follow industry practice and record security transactions on the trade date. The specific identification method is used for determining gains or losses for financial statements and income tax purposes. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Discounts and premiums are amortized over the useful lives of the respective securities when determined to be material. Withholding taxes on foreign dividends will be provided for in accordance with the Funds' understanding of the applicable country's tax rules and rates.

*Use of Estimates:* The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of

---

---

# MANOR INVESTMENT FUNDS

---

---

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2016 (UNAUDITED)

contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

*Subsequent Events:* Management has evaluated the impact of all subsequent events through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in these financial statements.

### 2. SECURITIES VALUATIONS

#### *Processes and Structure*

The Funds' Board of Trustees has adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has delegated to the Adviser the responsibility for determining fair value prices, subject to review by the Board of Trustees.

#### *Hierarchy of Fair Value Inputs*

The Funds utilize various methods to measure the fair value of most of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- *Level 1.* Unadjusted quoted prices in active markets for identical assets or liabilities that the Funds have the ability to access.
- *Level 2.* Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- *Level 3.* Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Funds' own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

---



---

# MANOR INVESTMENT FUNDS

---



---

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2016 (UNAUDITED)

### ***Fair Value Measurements***

A description of the valuation techniques applied to the Funds' major categories of assets and liabilities measured at fair value on a recurring basis follows.

*Equity securities (common and preferred stocks).* Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in level 1 of the fair value hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, Exchange Traded Funds, and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and that are categorized in level 2. Preferred stock and other equities traded on inactive markets or valued by reference to similar instruments are also categorized in level 2.

*U.S. government securities.* U.S. government securities are normally valued using a model that incorporates market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. U.S. government securities are categorized in level 1 or level 2 of the fair value hierarchy, depending on the inputs used and market activity levels for specific securities.

The following table summarizes the inputs used to value each Fund's assets measured at fair value as of June 30, 2016:

### **Manor Fund**

#### **Financial Instruments – Assets**

<b><i>Categories</i></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>Fair Value</u></b>
Common Stocks *	\$ 5,440,559	\$ -	\$ -	\$ 5,440,559
Money Market Fund	215,624	-	-	215,624
	\$ 5,656,183	\$ -	\$ -	\$ 5,656,183

### **Growth Fund**

#### **Financial Instruments – Assets**

<b><i>Categories</i></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>Fair Value</u></b>
Common Stocks *	\$ 10,079,171	\$ -	\$ -	\$ 10,079,171
Money Market Fund	75,454	-	-	75,454
	\$ 10,154,625	\$ -	\$ -	\$ 10,154,625

### **Bond Fund**

#### **Financial Instruments – Assets**

<b><i>Categories</i></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>Fair Value</u></b>
US Treasury Notes	\$ -	\$ 910,728	\$ -	\$ 910,728
Money Market Fund	162,105	-	-	162,105
	\$ 162,105	\$ 910,728	\$ -	\$ 1,072,833

\* Industry classifications of these categories are detailed on each Fund's Schedule of Investments.

---

---

# MANOR INVESTMENT FUNDS

---

---

## NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2016 (UNAUDITED)

The Funds did not hold any Level 3 assets during the six months ended June 30, 2016. The Funds did not hold any derivative instruments at any time during the six months ended June 30, 2016. There were no significant transfers into or out of Level 1 or Level 2 during the period. It is the Funds' policy to recognize transfers into and out of Level 1 and Level 2 at the end of the reporting period.

### 3. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

#### *Investment Advisory Agreement*

The Trust has an investment advisory agreement (the "Agreement") with Morris Capital Advisors, LLC (the "Advisor"), with whom certain officers and directors of the Funds are affiliated, to furnish investment management services to the Funds. Under the Agreement the fee structure for the Manor and Growth Funds consists of an Investment Management Fee not to exceed 1.0% of the total average daily net assets, of each Fund on an annual basis and an Investment Management Fee not to exceed 0.5% of total average daily net assets on an annual basis for the Bond Fund. For the six months ended June 30, 2016, the Advisor earned advisory fees from the Manor, Growth and Bond Funds of \$21,974, \$49,752, and \$2,462, respectively. As of June 30, 2016, the Manor, Growth, and Bond Funds each owed the Advisor advisory fees of \$3,607, \$6,516, and \$401, respectively.

#### *Administrative and Shareholder Servicing Fees*

The Trust has a Shareholder Services Fee which is not to exceed 0.25% of the total average daily net assets on an annual basis for each of the Funds, and an Administrative Fee, which, when combined with the Investment Management Fee and the Shareholder Services Fee, does not exceed 1.5% of the average daily net assets on an annual basis for the Manor and Growth Funds and 1.0% of the average daily net assets on an annual basis for the Bond Fund. For the six months ended June 30, 2016, the Advisor earned administrative and shareholder services fees from the Manor, Growth and Bond Funds of \$14,650, \$15,921 and \$2,735, respectively. As of June 30, 2016, the Manor, Growth, and Bond Funds each owed the Advisor administrative and shareholder service fees of \$2,405, \$2,085 and \$445, respectively.

### 4. INVESTMENT TRANSACTIONS

Investment transactions, excluding short-term investments, for the six months ended June 30, 2016, were as follows:

	<u>Manor Fund</u>	<u>Growth Fund</u>	<u>Bond Fund</u>
Purchases	\$ 939,639	\$ 1,380,319	\$ 246,980
Sales	\$ 1,297,215	\$10,765,116	\$ 150,000

### 5. TAX MATTERS NOTE

As of June 30, 2016, the tax basis unrealized appreciation (depreciation) and cost of investment securities, including short-term investments, were as follows:





---

---

# MANOR INVESTMENT FUNDS

---

---

## EXPENSE ILLUSTRATION JUNE 30, 2016 (UNAUDITED)

### Expense Example

As a shareholder of Manor Investment Funds, you incur ongoing costs which consist of management fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, January 1, 2016 through June 30, 2016.

### Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on each Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in these Funds and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

---



---

# MANOR INVESTMENT FUNDS

---



---

## EXPENSE ILLUSTRATION (CONTINUED) JUNE 30, 2016 (UNAUDITED)

### Manor Fund

	<b>Beginning Account Value</b>	<b>Ending Account Value</b>	<b>Expenses Paid During the Period*</b>
	<u>January 1, 2016</u>	<u>June 30, 2016</u>	<u>January 1, 2016 to June 30, 2016</u>
Actual	\$1,000.00	\$964.61	\$6.11
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,018.65	\$6.27

\* Expenses are equal to the Fund's annualized expense ratio of 1.25%, multiplied by the average account value over the period, multiplied by 182/366 (to reflect the one-half year period).

### Manor Growth Fund

	<b>Beginning Account Value</b>	<b>Ending Account Value</b>	<b>Expenses Paid During the Period*</b>
	<u>January 1, 2016</u>	<u>June 30, 2016</u>	<u>January 1, 2016 to June 30, 2016</u>
Actual	\$1,000.00	\$986.10	\$4.94
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,019.89	\$5.02

\* Expenses are equal to the Fund's annualized expense ratio of 1.00%, multiplied by the average account value over the period, multiplied by 182/366 (to reflect the one-half year period).

### Manor Bond Fund

	<b>Beginning Account Value</b>	<b>Ending Account Value</b>	<b>Expenses Paid During the Period*</b>
	<u>January 1, 2016</u>	<u>June 30, 2016</u>	<u>January 1, 2016 to June 30, 2016</u>
Actual	\$1,000.00	\$1,015.36	\$4.76
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,020.14	\$4.77

\* Expenses are equal to the Fund's annualized expense ratio of 0.95%, multiplied by the average account value over the period, multiplied by 182/366 (to reflect the one-half year period).

---

---

# MANOR INVESTMENT FUNDS

---

---

## ADDITIONAL INFORMATION JUNE 30, 2016 (UNAUDITED)

### **Proxy Voting Procedures**

The Trust's Board of Trustees has approved proxy voting procedures for the voting of proxies relating to securities held by the Funds. Records of the Fund's proxy voting records are maintained and are available for inspection. The Board is responsible for overseeing the implementation of the procedures. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling 800-787-3334; or on the Fund's website at [www.manorfunds.com](http://www.manorfunds.com) under Fund Information, Proxy Voting, or on the SEC website at <http://www.sec.gov>.

### **Quarterly Portfolio Schedule**

The Trust now files a complete schedule of investments with the SEC for the first and third quarters of each fiscal year on Form N-Q. These forms are available on the SEC'S website at <http://www.sec.gov>. They may be reviewed and copied at the SEC'S Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-723-0330.

### **Compensation of Board of Trustees**

The members of the Board of Trustees serve without compensation. Daniel A. Morris, President of Manor Investment Funds ("the Funds"), and President of Morris Capital Advisors, LLC, adviser to the Funds, and an Interested Trustee of the Funds, receives no compensation directly from the Funds. He is compensated through the management fee paid to the adviser by the Funds. The business and affairs of the Funds are managed under the direction of the Funds' Board of Trustees. Information pertaining to the Trustees of the Funds are set forth below. The Statement of Additional Information includes additional information about the Funds' Trustees, and is available without charge, by calling 1-800-787-3334. Each trustee may be contacted by writing to the trustee c/o Manor Investment Funds, 15 Chester Commons, Malvern, PA 19355.

### **RENEWAL OF MANAGEMENT AGREEMENT**

The Amended and Restated Management Agreement (the "Agreement") for the Fund was considered, and approved, by the Trustees, including a majority of Trustees who are not interested persons of the Trust or interested parties to the Agreement at an in-person meeting held on February 25, 2016.

The Trustees had the opportunity to review the following information: (i) executed copies of the management agreement, as amended; (ii) the Advisor's most current Form ADV Parts I and II and accompanying schedules, (iii) current financial statements for the Advisor; (iv) performance information illustrating the Funds' returns for various periods ended December 31, 2015, and comparisons to its benchmark and peer group for the same periods, and (v) an analysis of each Fund's advisory fee, expenditures, and total

---

---

# MANOR INVESTMENT FUNDS

---

---

## ADDITIONAL INFORMATION (CONTINUED)

JUNE 30, 2016 (UNAUDITED)

expense ratio under the “unified fee” structure compared to those of its peer group. The Trustees discussed this information with representatives of the Advisor for each Fund according to the Trustees’ 15(c) checklist, including, but not limited to, a request for the Advisor’s current market outlook, a description of any changes in the Advisor’s personnel or operations, and an attribution analysis of the Fund’s performance during the prior year.

The Trustees confirmed that they had received and evaluated such information as they deemed necessary to make their decision. They also noted that they had taken into account a number of factors that they believed to be relevant, including information that had been provided by the Advisor to the Trustees throughout the year at regular quarterly meetings, as well as information that was specifically furnished to the Committee in connection with its review of the management agreements.

### **NATURE, EXTENT AND QUALITY OF SERVICES PROVIDED BY THE INVESTMENT ADVISOR**

The Trustees reviewed the nature, quality and scope of current and anticipated services provided by the Investment Advisor under the Advisory Agreement. The Trustees also analyzed the Investment Advisor’s experience and the capabilities of the staff of the Investment Advisor. For example, the Trustees reviewed and discussed the Investment Advisor’s Form ADV and internal compliance policies, as well as the experience of the Investment Advisor as investment advisor or sub-advisor to several investment programs sponsored by major brokerage firms, and direct investment advisory client relationships. In addition to the above considerations, the Trustees reviewed and considered a description of the Investment Advisor’s portfolio and brokerage transactions. Based on this review, the Trustees concluded that the range and quality of services to be provided by the Investment Advisor to the Fund were appropriate and continued to support its original selection of the Investment Advisor.

### **INVESTMENT PERFORMANCE**

The Trustees considered the Advisor’s investment performance during his tenure managing this Fund. The Trustees considered fund performance over the most recent quarter along with annual performances for trailing 1-year, 3-year, 5-year, 10-year periods, as well as performance since inception for each of the Funds. The Trustees considered both short-term and long-term performance, and the nature of the investment markets, with an emphasis on long-term performance and the potential for the Advisor to produce comparable performance in future periods. As of December 31, 2015 the Manor Fund underperformed the S&P 500 index and its peer group as measured by the Lipper Large-Cap Core mutual fund index during the most recent quarter, trailing 1-year, and 5-year, periods. As of December 31, 2015 the Manor Fund continues to outperform its peer group during the trailing 3-year period. As of December 31, 2015 the Manor Growth Fund underperformed the S&P 500 index and its peer group as measured by the Lipper Large-Cap Growth mutual fund index during the most recent quarter, trailing 1-year, 5-year, and 10-year periods. As of December 31, 2015 the Manor Growth Fund also outperformed its peer group during the trailing 3-year period, and outperformed both the S&P 500 index and the peer group since inception. As of December 31, 2015 the Manor

---

---

# MANOR INVESTMENT FUNDS

---

---

## ADDITIONAL INFORMATION (CONTINUED) JUNE 30, 2016 (UNAUDITED)

Bond Fund outperformed the Barclay Intermediate Term US Treasury index during the most recent quarter, but underperformed the Barclays Intermediate Term US Treasury index and its peer group as measured by the Lipper US Government mutual fund index during the trailing 1-year, 3-year, 5-year, and 10-year periods. Based on this review, the Trustees concluded that the current and historical performance of the Fund, as managed by the Investment Advisor, was satisfactory.

### **COST OF SERVICES TO THE FUND AND PROFITABILITY OF ADVISOR**

The Trustees noted the gross and net operating expense ratios of the funds, including the fee for the investment advisors was 1.25% for the Manor Fund, 1.09% for the Growth Fund, and 0.95% for the Bond Fund. This compares to average expense ratios for the peer groups for each fund of 1.08% for 1,671 funds in the Large-Cap Core category, 1.19% for 1,726 funds in the Large-Cap Growth category, and 0.94% for 304 funds in the Government Bond fund category. The Trustees believe that the expense ratios are justified due to the Advisor's proprietary stock selection process, which includes constant monitoring of thousands of public companies and the Advisor's efforts to increase visibility of the Fund and attract additional assets. The Trustees also noted that a "unified fee" structure was implemented for the Fund in order to reduce the expense ratio of the fund as reported by rating organization while complying with the 1.50% expense cap limitation for the stock funds and 1.00% for the Bond fund.

The Trustees noted that the Advisor appeared profitable for the period despite the fact that the Advisor waived certain management fees and provided administrative functions for the Funds over and above their role as investment advisor. The Trustees also noted that the Advisor reported it had not entered into any soft dollar arrangements. The Funds did have a Shareholder Services Plan in effect for the year ending December 31, 2015, with a maximum fee of 0.25% of net assets in the Funds, available for the payment of costs incurred for increasing the availability of the Funds on various distribution channels but has not elected to accrue balances under the plan during 2015.

The Trustees considered the level of profits that could be expected to accrue to the Investment Advisor from the fee payable under the Advisory Agreement. The Trustees considered the increasing use by investor's of the brokerage industry's No Transaction Fee (NTF) programs and its potential increasing percentage of the Fund's assets. The potential impact of the added costs of these programs on the Advisor's fees is discussed below in the section titled "Economies of Scale".

In addition, the Trustees reviewed the current financial condition of the Investment Advisor and a summary of total expense ratios and management fees. The Trustees also discussed the existence of other compensation arrangements with the Investment Advisor. Based on this review, the Trustees concluded that the Fund's advisory fee is competitive with those of comparable funds and that the Investment Advisor's profit margin was reasonable.

---

---

# MANOR INVESTMENT FUNDS

---

---

## ADDITIONAL INFORMATION (CONTINUED)

JUNE 30, 2016 (UNAUDITED)

### **ECONOMIES OF SCALE**

The Trustees received and considered information regarding whether there have been economies of scale with respect to the management of the Fund, whether the Fund has appropriately benefited from any economies of scale, and whether there is the potential for the realization of any further economies of scale. The Trustees also considered that future inflows may increasingly come through the brokerage industry No Transaction Fee (NTF) programs. The Advisor pays the costs to the brokers for the NTF programs. Two major brokers Charles Schwab and Fidelity charge 0.40% on these assets which reduce the management fees to the advisor to the extent that they are not covered by the Shareholder Services fee. The Trustees noted that the Funds could realize additional economies of scale as the Fund grows.

### **CONCLUSIONS**

The Trustees who are non-interested persons met separately to further discuss the performance of the Fund and the Advisor's compensation. On the basis of its review, and the foregoing information, the Trustees determined that the Advisory Agreement, including the advisory fee payable there under, continued to be fair and reasonable in light of all relevant circumstances and concluded that it is in the best interest of the Fund and its shareholders to approve the Advisory Agreement.

---



---

# MANOR INVESTMENT FUNDS

---



---

## TRUSTEES AND OFFICERS JUNE 30, 2016 (UNAUDITED)

The following table provides information regarding each Trustee who is not an “interested person” of the Funds, as defined in the Investment Company Act of 1940. Each Trustee serves a one year term, and stands for re-election annually.

Name, Address and Age	Position & Length of Time Served with the Funds	Principal Occupations During Past 5 Years and Current Directorships
Bruce Laverty 15 Chester Commons Malvern, PA 19355 54	Trustee since 1995	Mr. Laverty is a Partner of the law firm Laverty Law Offices LLC.
John McGinn 15 Chester Commons Malvern, PA 19355 71	Trustee since 2002	Mr. McGinn is retired. Mr. McGinn was an independent real estate sales consultant.
Fred Myers 15 Chester Commons Malvern, PA 19355 61	Trustee since 1995	Mr. Myers is founding Partner of the accounting firm of Myers & Associates, CPA’s.
Edward Szkudlapski 15 Chester Commons Malvern, PA 19355 58	Trustee since 2000	Mr. Szkudlapski is President of Eclipse Business Solutions, Inc.
Howard Weisz 15 Chester Commons Malvern, PA 19355 74	Trustee since 2008	Mr. Weisz is retired. Mr. Weisz was an Independent Management Consultant.

The Trustees received no fees for the six months ended June 30, 2016

The following table provides information regarding each Trustee who is an “interested person” of the Funds, as defined in the Investment Company Act of 1940, and each officer of the Funds. Each Trustee serves a one year term, and stands for re-election annually.

Name, Address, and Age	Position and Length of Time Served with the Funds	Principal Occupations During Past 5 Years and Current Directorships
Daniel A. Morris 15 Chester Commons Malvern, PA 19355 61	Trustee, President, Advisor Since 1995	Mr. Morris is President, Chief Investment Officer, and Portfolio Manger for Morris Capital Advisors, LLC and Manor Investment Funds.

# Manor Investment Funds

Fund Office:  
15 Chester County Commons  
Malvern, PA 19355

610-722-0900 800-787-3334  
[www.manorfunds.com](http://www.manorfunds.com)

Funds distributed by:  
Foreside Funds Services, LLC  
Three Canal Plaza  
Suite 100  
Portland, ME 04101

**This report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus, which includes information regarding the Fund's risks, objectives, fees and expenses, experience of its management and other information.**