

Investment Objective

To seek capital and income growth from a diversified portfolio of collective investment schemes, investment trusts and other equity instruments providing exposure to global capital markets.

Investment Policy

This is a fund of funds: it invests predominantly in other funds to achieve its investment objective. Investment selection is driven by our 'best of breed' multi-manager approach, using exceptional fund managers who are capable of delivering consistent added value. Our experienced team of specialists conduct research, selection and monitoring of funds across world financial markets to identify the most appropriate investments.

Fund manager Alan Sippetts
Launch date November 2005
Fund size £65.2m
IMA Sector Global Growth
Legal structure OEIC
Estimated yield (Gross) 1.73%

Annual management charge 1.25%
Total expense ratio 2.13%

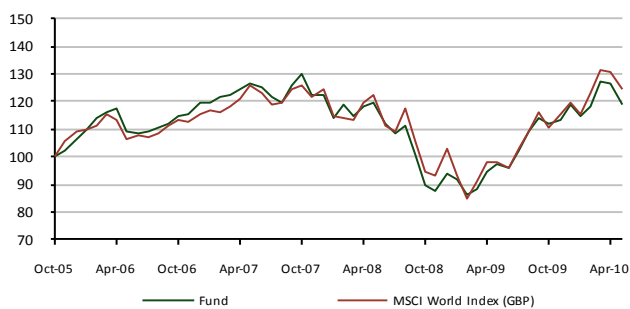
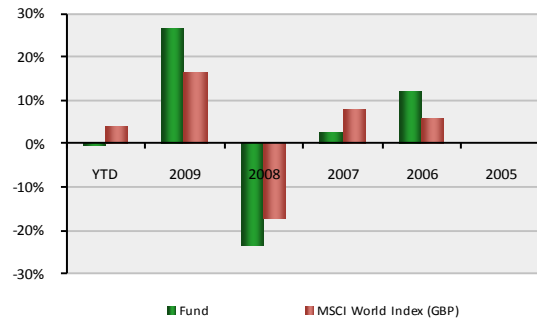
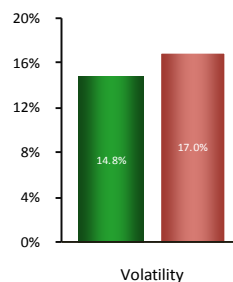
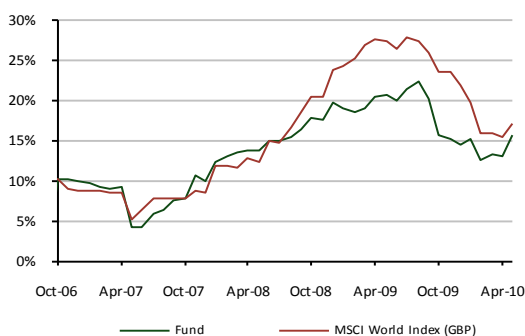
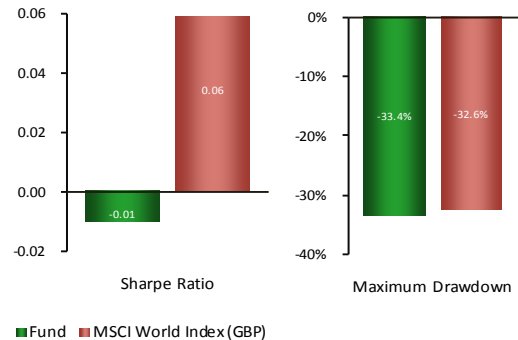
Fund codes (SEDOL) BONJ0CS
Client line 020 7812 7030
 01892 701801

Commentary

- During May, the Fund fell in value by 6.2%, more than the 4.6% decline of the global index for equities, the MSCI World.
- Assets in the eurozone continued their weak performance. In aggregate, equities in the region fell by over 7% as concerns about government debt funding continued, despite the large-scale measures taken by the EU authorities on 10th May. While the Fund has long had very little exposure to Europe, the depth of these concerns affected most assets in the region and, indeed, equities globally.
- UK equities were particularly weak, partly because of the eurozone issues and partly because of the international nature of the UK market: indiscriminate equity selling will inevitably include UK-listed names. Added to this, the consequences for BP of the Deepwater Horizon oil disaster are still unfolding, driving the BP share price down 25% by 1st June. This leading company represented around 7% of the FTSE 100 as at the end of May.
- The strongest-performing, country was the US, where economic news was broadly positive; US equities fell by around 3% in May.
- A Scheme of Election was posted on 28th May to all registered investors. This advises of the options to share holders in the Fund and the opportunity to switch to a new CF Heartwood Multi Asset Fund, if appropriate.

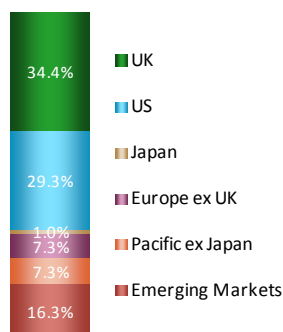
Performance Summary

Fund	Periods						Calendar years										12 months ending (31 May)				
	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Since Inc	YTD	2009	2008	2007	2006	2005	2010	2009	2008	2007	2006			
Fund	-6.2%	0.2%	4.7%	22.1%	-6.3%	-	18.8%	-0.2%	26.6%	-23.3%	2.8%	12.1%	-	22.1%	-18.7%	-5.5%	15.9%	-			
MSCI World Index (GBP)	-4.6%	0.8%	7.7%	26.7%	-1.2%	-	24.4%	4.0%	16.4%	-17.4%	7.7%	5.8%	-	26.7%	-19.6%	-3.1%	18.4%	-			
FTSE All Share Index	-6.2%	-1.3%	2.7%	22.9%	-12.8%	-	18.4%	-1.6%	30.1%	-29.9%	5.3%	16.8%	-	22.9%	-23.7%	-7.1%	21.7%	-			
FTSE All Stocks Gilts Index	2.3%	3.8%	1.4%	6.1%	24.6%	-	26.3%	4.1%	-1.2%	12.8%	5.3%	0.7%	-	6.1%	11.1%	5.7%	0.0%	-			
1 month LIBOR Index	0.0%	0.1%	0.3%	0.5%	10.5%	-	19.5%	0.2%	0.9%	5.5%	6.0%	4.9%	-	0.5%	3.6%	6.1%	5.2%	-			
FTSE APCIMS Growth Index	-4.5%	-0.1%	4.4%	20.3%	-5.7%	-	20.6%	1.1%	20.0%	-21.4%	6.0%	11.4%	-	20.3%	-18.2%	-4.1%	17.6%	-			

Cumulative Performance since inception

Calendar Year Performance

Risk Analysis – Since Inception
Rolling 1 Yr Volatility

Risk Characteristics


Asset Allocation Breakdown

Current Equity Exposure



Top 10 Holdings

9.32%	M&G Global Growth
8.03%	Ignis Global Emerging Markets
7.81%	Blackrock UK Income Fund
7.73%	Morgan Stanley Global Brands
6.55%	First State Asia Pacific Leaders
6.54%	Invesco Perpetual Income
5.09%	J O Hambro UK Equity Income
4.80%	Vanguard Large Cap ETF (US)
4.61%	Henderson Global Technology
4.40%	Ishares S&P Semi Fund

Glossary

Annual Management Charge (AMC):

A charge levied for the management of the Fund portfolio.

Maximum Drawdown:

A measure of the downside risk of a portfolio. It is the percentage drop from any peak in a portfolio value to any bottom. It can be applied directly to the size of the portfolio giving an "estimate" of how much money you could lose at some intermediate point in time during the life of the investment strategy.

Yield:

The annual rate of return on an investment, expressed as a percentage of the money invested.

Sharpe Ratio:

A statistic to measure the risk-adjusted performance. It is calculated by subtracting the risk-free rate (1 Month Libor Index) from the rate of

return for the portfolio and dividing the result by the standard deviation of the portfolio returns. The Sharpe ratio tells us whether a portfolio's returns are due to smart investment decisions or a result of excess risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been.

Total Expense Ratio (TER):

This measures the total cost of investment and includes fees such as the management fee, custodian fee, and commission. The TER is calculated by dividing the total cost by the value of the fund.

Volatility:

A statistical measure of the dispersion of returns for a given security or fund. It is the annualised standard deviation of the monthly total return. If the return moves up and down rapidly over a short period of time, the portfolio has a high volatility.

Risk Warning

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CAPITA
FINANCIAL MANAGERS

The Authorised Corporate Director is Capita Financial Managers Limited.
The Administrator and Registrar is Capita Financial Administrators Limited.
The Investment Manager is Heartwood Wealth Management Limited.