

Fund Manager Quarterly Review



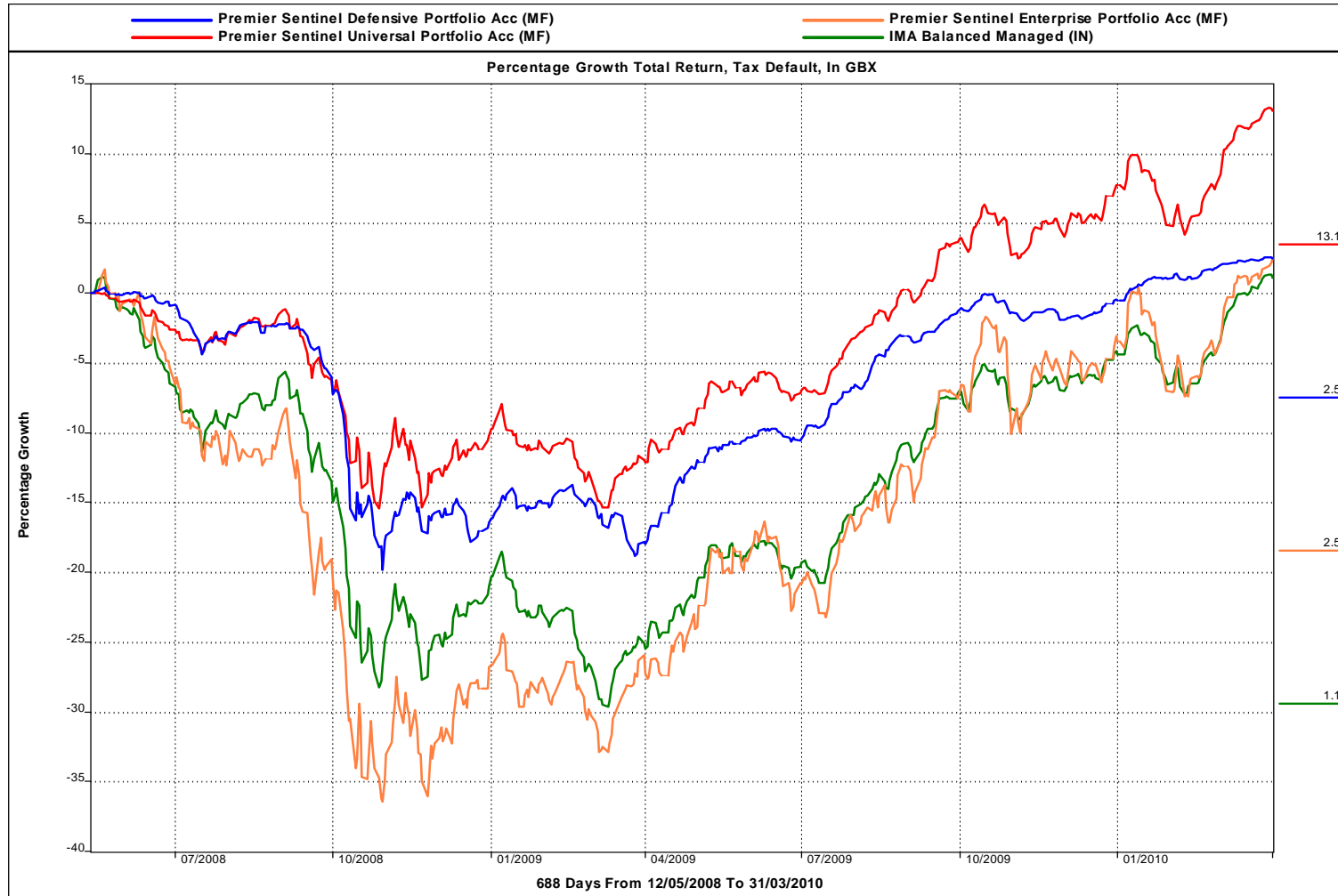
Reporting period: Q1 2010

April 2010

Headlines – Sentinel Universal

- Funds under management £57.3m as at 31st March 2010
- A year on since the “near death” experience in financial markets
- UK economy returns to growth (only just!) & Greek economy hits the wall (fiscally challenged)
- Government intervention continues to compensate for consumer deleveraging/ weak employment
- Above trend growth but below trend inflation
- Equities correct on Asia/ GEM tightening & Greek Crisis
- Sovereign debt crisis contained – equities rally
- Ultra low interest rates continues to push investors into risk assets
- Credit conditions continue to ease

Performance Since Launch



User may have modified the original chart and axis titles provided by Lipper.



Source: Lipper Hindsight

Performance Review

Discrete Performance	Q1 2010	Q4 2009	Year 2009	Year 2008*	Since Launch**
Sentinel Universal Portfolio	5.0	3.6	19.3	-9.7	13.1
Benchmark	5.4	1.8	14.2	-8.5	7.5
<i>Difference</i>	-0.4	1.8	5.1	-1.2	5.6
IMA Balanced Managed	5.7	2.7	20.0	-20.3	1.1
Gilts	1.1	-2.0	-1.2	12.3	12.2
UK Equities	6.4	5.5	29.9	-28.4	-1.1
Global ex Equities	10.3	3.2	18.9	-16.2	9.8

Benchmark 30% UK Equity (FT All Share), 30% Global ex UK Equity (FT World ex UK) & 40% UK Gilts (FT British Govt All Stocks).

*Performance period 12/5/2008 to 31/12/2008.

**Launch date 12/5/2008.

Source: Lipper Hindsight. Bid to bid, income reinvested in sterling terms. All data to 31st March 2010.

Performance Review

Cumulative Performance to 31st March 2010	Three Months	Six Months	One Year	Year to date	Since Launch**
Sentinel Universal Portfolio	5.0	8.8	28.7	5.0	13.1
Benchmark	5.4	7.4	30.0	5.4	7.5
<i>Difference</i>	<i>-0.4</i>	<i>1.4</i>	<i>-1.3</i>	<i>-0.4</i>	<i>5.6</i>
IMA Balanced Managed	5.7	8.6	35.7	5.7	1.1
Gilts	1.1	-0.9	0.8	1.1	12.2
UK Equities	6.4	12.2	52.3	6.4	-1.1
Global ex Equities	10.3	13.8	46.8	10.3	9.8

Benchmark 30% UK Equity (FT All Share), 30% Global ex UK Equity (FT World ex UK) & 40% UK Gilts (FT British Govt All Stocks).

**Launch date 12/5/2008.

Source: Lipper Hindsight. Bid to bid, income reinvested in sterling terms. All data to 31st March 2010.

Transactions – First Quarter

DATE	BUY / SELL	SECURITY / FUND NAME	VALUE
08-Jan-10	BUY	L&G GROWTH TRUST 'I' INC	£1,457,000.00
13-Jan-10	SELL	GOLDMAN SACHS 3Y GBP FTSE RANGE ACCRUAL CERTIFICATE (TIDM GB21)	£978,800.00
26-Jan-10	BUY	iShares MSCI AC Far East ex-Japan (IFFF)	£1,597,000.00
26-Jan-10	BUY	iShares MSCI Europe ex-UK (IEUX)	£366,000.00
26-Jan-10	BUY	AXA FRAMLINGTON AMERICAN GROWTH INC	£631,000.00
26-Jan-10	BUY	AXA FRAMLINGTON UK SELECT OPPS INC	£173,000.00
26-Jan-10	BUY	ARTEMIS INCOME I	£407,000.00
26-Jan-10	BUY	SCHRODERS INCOME MAXIMISER 'A' INC	£254,000.00
26-Jan-10	BUY	GOLDMAN SACHS 3Y £ CALL ON GBP 10Y SWAP RATE (GB27)	£96,600.00
26-Jan-10	BUY	GOLDMAN SACHS 5Y £ DIGITAL RANGE ACCRUAL ON GBP 10Y SWAP RATE (GB28)	£71,000.00
26-Jan-10	BUY	GOLDMAN SACHS EMERGING MARKETS CARRY EXCESS RETURN (GB57)	£427,500.00
25-Feb-10	BUY	GOLDMAN SACHS 5Y £ DIGITAL RANGE ACCRUAL ON GBP 10Y SWAP RATE (GB28)	£27,000.00
25-Feb-10	BUY	GOLDMAN SACHS EMERGING MARKETS CARRY EXCESS RETURN (GB57)	£35,000.00
25-Feb-10	BUY	JPM Income Opportunity C (dist) - GBP (hedged)	£1,572,000.00

TER Analysis

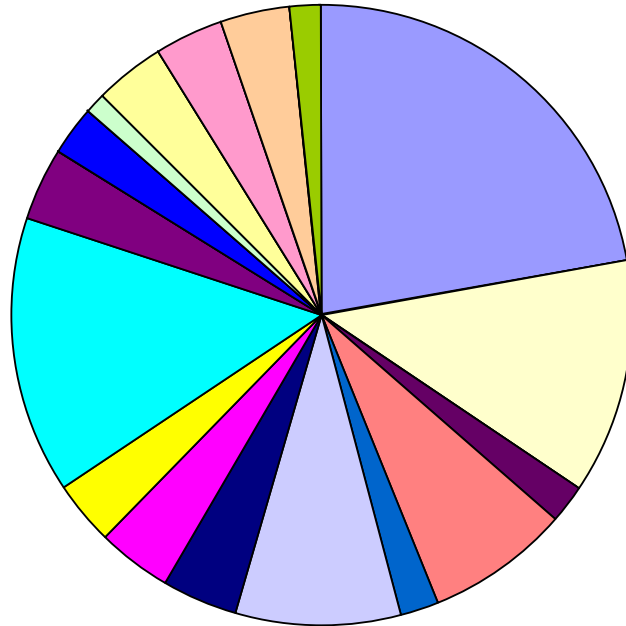
- Please list any underlying funds with a TER greater than 1.5% net of any rebate.
- Investment committee require a brief explanation of the reason for selecting this fund(s)

Fund	TER	Reason for selection
N/A		

Asset Allocation

	Benchmark %	Current Portfolio %	Difference %
UK Equities	30.0	22.1	-7.9
Global ex UK Equities	30.0	38.6	8.6
UK Fixed Interest	40.0	12.4	-27.6
Absolute Return	0.0	7.7	7.7
Commodity	0.0	8.7	8.7
Property	0.0	1.8	1.8
Cash	0.0	8.7	8.7
Total	100.0	100.0	

Asset Allocation



- UK Equity
- UK Gilt
- Corporate Bond
- Global Bond
- Property
- Absolute Return
- Private Equity
- Cash
- US
- Europe
- Japan
- Asia
- GEM
- Eastern Europe
- Latin America
- BRIC
- Brazil
- India
- China
- Taiwan
- Oil
- Oil Shares
- Russia
- Gold Shares
- World Mining
- Natural Resources
- Gold

Source: North Investment Partners, 31st March 2010.

Outlook

- Above trend growth, below trend inflation as global economic recovery persists
- Further tightening in stronger economies, more government intervention in the weaker economies
- Investors belief that governments can “fix all” will be tested
- UK Election – Hung Parliament or Tory majority?
- Fears of sovereign debt crisis, double dip and China trade war will return
- Future funding issues for weaker economies, especially those who cannot print their own money
- Low interest rates and abundance of liquidity support equities
- Short term markets are overbought
- Typically weak season ahead “Sell in May!”

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