

Fund Manager Quarterly Review



Reporting period: Q3 2010

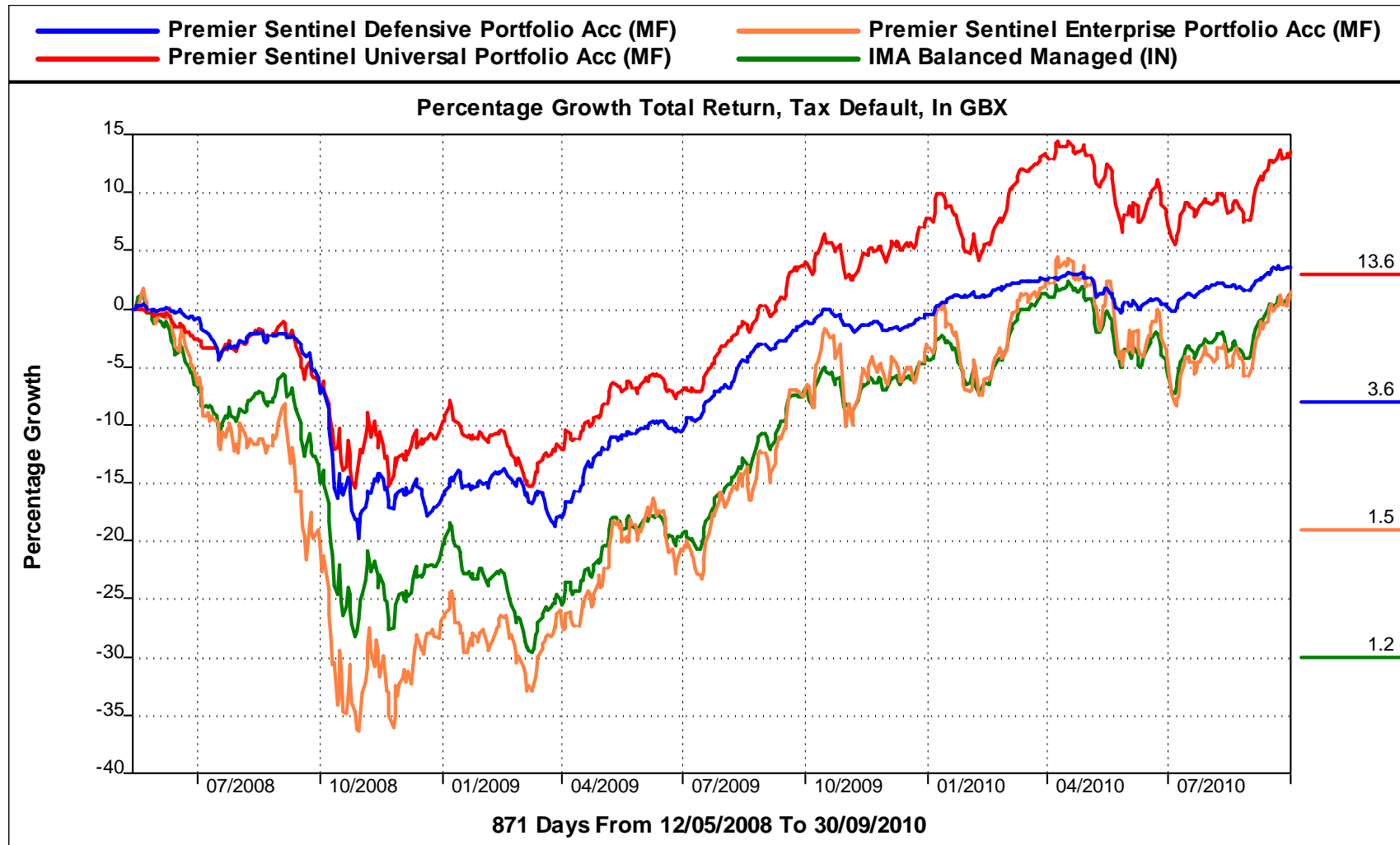
October 2010

North

Headlines – Sentinel Universal

- FuM £65.5m today, up from £58.6m as at 30th June 2010
- Increase appetite for risk in the quarter
- Equities rally after dismal second quarter but volatile
- July optimism, August pessimism and September optimism
- No nasty surprises from EU bank stress test
- US growth too slow, unemployment too high
- Bernanke prepared to provide further support
- UK's emergency budget well received, maintains rating
- Bonds surprise, yields fall on weak data, low inflation and risk of deflation
- Equity and bond investors see the same data but react differently

Performance Since Launch



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



Source: Lipper Hindsight

Performance Review

Discrete Performance	Q3 2010	Q2 2010	Year 2009	Year 2008*	Since Launch**
Sentinel Universal Portfolio	5.9	-5.2	19.3	-9.7	13.6
Benchmark	8.0	-5.4	14.2	-8.5	10.0
<i>Difference</i>	<i>-2.1</i>	<i>0.2</i>	<i>5.1</i>	<i>-1.2</i>	<i>3.5</i>
IMA Balanced	7.4	-6.8	20.0	-20.3	1.2
Gilts	3.6	4.5	-1.2	12.3	21.5
UK Equities	13.8	-12.3	29.9	-28.4	-0.9
Global ex UK Equities	8.2	-11.6	18.9	-16.2	5.6

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 30th September 2010.

Performance Review

Cumulative Performance	Three Months	Six Months	One Year	Year to date	Since Launch**
Sentinel Universal Portfolio	5.9	0.4	9.2	5.4	13.6
Benchmark	8.0	2.2	9.5	7.6	10.0
<i>Difference</i>	<i>-2.1</i>	<i>-1.8</i>	<i>-0.2</i>	<i>-2.2</i>	3.5
IMA Balanced	7.4	0.1	8.7	5.8	1.2
Gilts	3.6	8.3	7.3	9.5	21.5
UK Equities	13.8	0.1	12.4	6.5	<i>-0.9</i>
Global ex UK Equities	8.2	<i>-3.8</i>	9.5	6.1	5.6

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 30th September 2010.

Transactions – Third Quarter

Date	Trade	Fund/Stock Name	Value
05-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£56,400
06-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£56,400
07-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£56,400
08-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£54,000
09-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£57,000
13-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£57,000
14-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£57,000
14-Jul	SELL	ISHARES MSCI FAR EAST EX JAPAN INDEX	£1,004,000
14-Jul	SELL ALL	ISHARES MSCI EUROPE EX UK INDEX	£345,000
14-Jul	BUY	ISHARES S&P 500 INDEX	£294,000
14-Jul	BUY	ISHARES FT100 INDEX	£887,000
15-Jul	BUY	GARTMORE UK ARF	£415,000
15-Jul	BUY	ARTEMIS STRATEGIC ASSETS	£295,000
15-Jul	SELL	FIRST STATE ASIA PACIFIC LEADERS	£415,000
15-Jul	SELL	FIRST STATE GREATER CHINA GROWTH	£473,000
15-Jul	SELL ALL	GARTMORE CHINA OPPTS	£391,000
15-Jul	BUY	NEPTUNE EUROPEAN OPPTS	£148,000
15-Jul	BUY	AXA FRAMLINGTON UK SELECT OPPTS	£473,000
15-Jul	BUY	LEGAL & GENERAL GROWTH TRUST	£1,005,000
15-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£57,000
16-Jul	SELL	CAZENOVE ABSOLUTE UK DYNAMIC	£57,000
19-Jul	SELL ALL	CAZENOVE ABSOLUTE UK DYNAMIC	£33,500
23-Jul	BUY	ISHARES FTSE 250 INDEX (MIDD)	£1,245,000
23-Jul	BUY	JP MORGAN CONSUMER TRENDS C SHARE	£450,000
23-Jul	BUY	F&C UK PROPERTY FUND SC2	£830,000
23-Jul	BUY	MARTIN CURRIE JAPAN ALPHA H SHARES	£200,000
27-Jul	BUY	JP MORGAN CONSUMER TRENDS C SHARE	£450,000
02-Aug	BUY	JP MORGAN CONSUMER TRENDS C SHARE	£450,000
10-Aug	SELL ALL	MARTIN CURRIE JAPAN ALPHA 'B'	£1,737,858
10-Aug	BUY	MARTIN CURRIE JAPAN ALPHA 'H'	£1,737,858
10-Aug	BUY	JP MORGAN CONSUMER TRENDS C SHARE	£450,000

Source: North Investment Partners, 30th September 2010.

TER Analysis

- Please list any underlying funds with a TER greater than 1.5% net of any rebate.

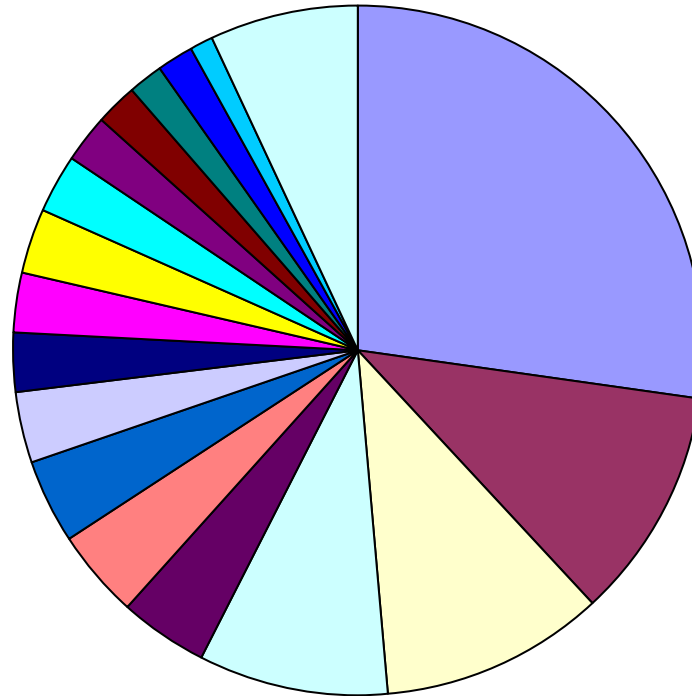
Investment committee require a brief explanation of the reason for selecting this fund(s)

Fund	TER	Reason for selection
None to report		

Asset Allocation

Asset Class	Benchmark %	Current Portfolio %	Difference %
UK Equities	30.0	27.2	-2.8
Global ex UK Equities	30.0	33.4	3.4
UK Fixed Interest	40.0	10.7	-29.3
Private Equity	0.0	1.6	1.6
Absolute Return	0.0	8.7	8.7
Commodity	0.0	8.5	8.5
Property	0.0	2.9	2.9
Cash	0.0	7.0	7.0
Total	100.0	100.0	

Asset Allocation



- | | | | | |
|---------------------|--------------|------------------|-------------------|-------------------|
| ■ UK Equity | ■ Asia | ■ Corporate Bond | ■ Absolute Return | ■ Japan |
| ■ Gold Shares | ■ US | ■ GEM | ■ Europe | ■ Global Consumer |
| ■ Property | ■ Oil Shares | ■ BRIC | ■ China | ■ Private Equity |
| ■ Natural Resources | ■ India | ■ Cash | | |

Source: North Investment Partners, 30th September 2010.

Outlook

- Soft patch in recovery or double dip
- Continuation of sub par recovery in the West
- Robust recovery in Developing Markets (Asia & Latin America)
- Good earnings momentum, questions for 2011
- Better data or further stimulus ahead of mid term elections
- Optimistic view challenged by declining bond yields
- Bonds in a bubble or a different outcome to equities
- Stock/ bonds valuations at extremes, we favour equity
- Expect stocks to remain range bound whilst mixed data
- Low interest rates & bond yields support equities
- Cautious approach remains prudent