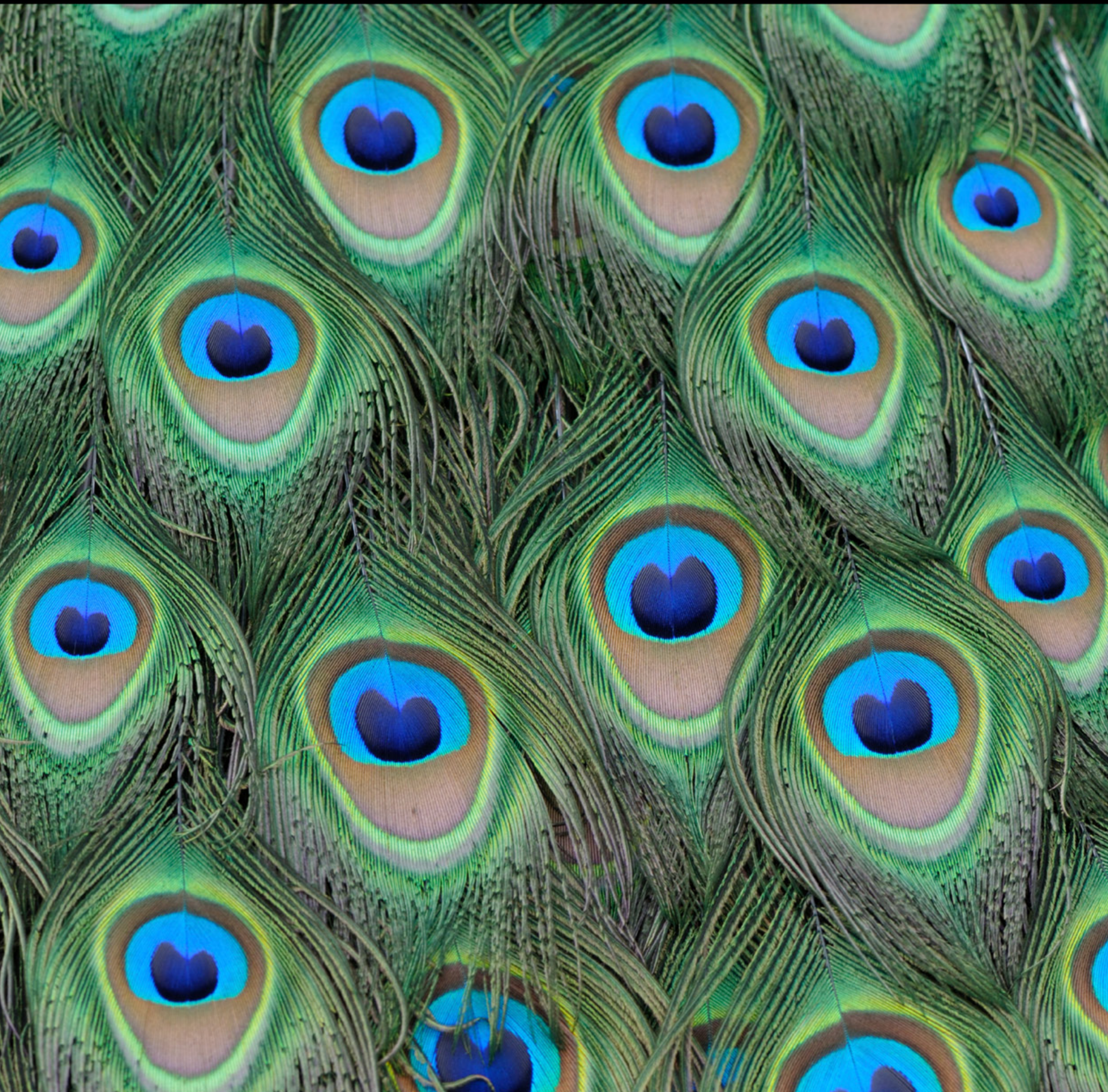
FINANCIAL PLANNERS CII CHARTERED

MOORE STEPHENS
WEALTH MANAGEMENT

Investment Management Services



Our Wealth Management Service

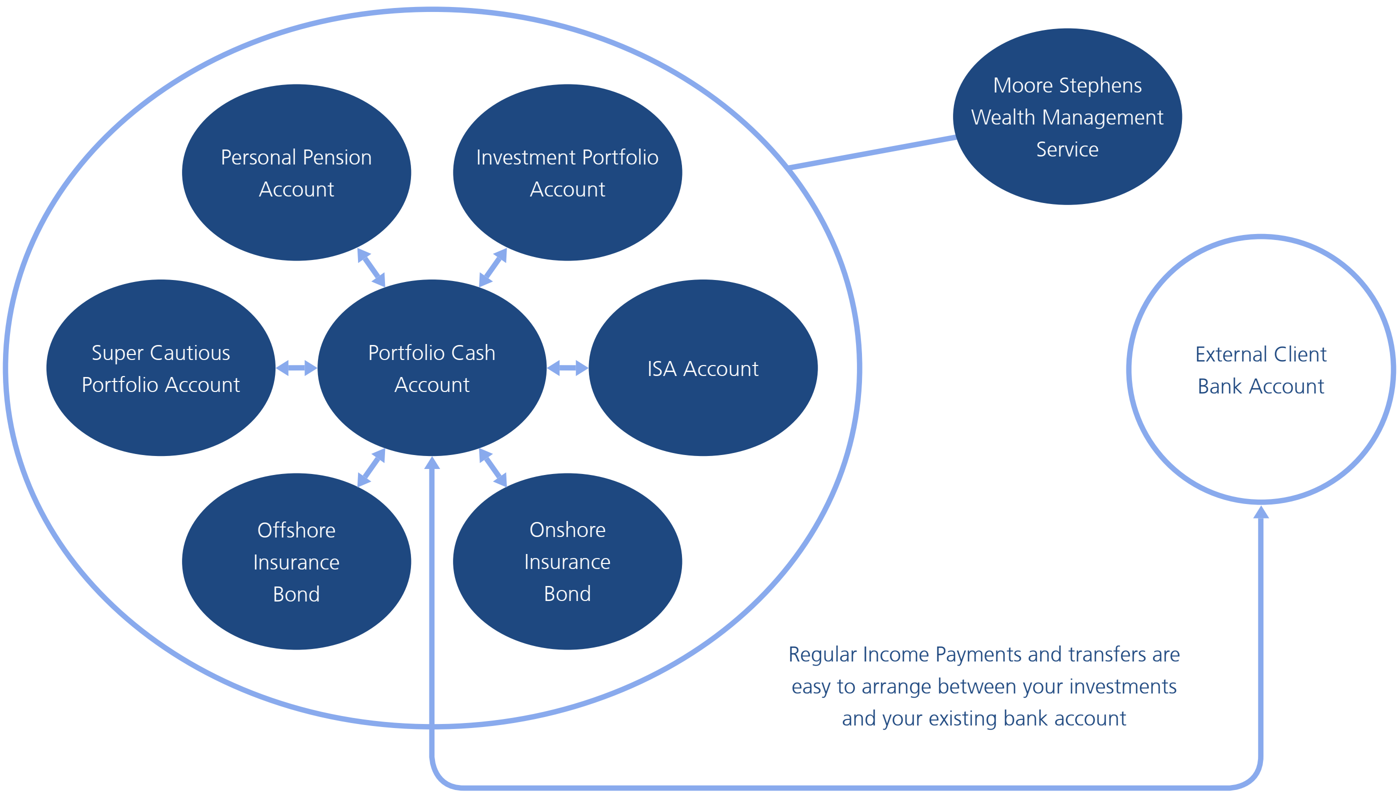
The Moore Stephens Wealth Management Service provides a complete solution for all your investment, ISA and pension needs. It reduces risk and it is able to cope with volatile market conditions.

We use up to date investment techniques and research to manage your portfolio and we can keep you informed of the progress of your investments to suit your requirements, whenever you want, 24 hours a day.

Modern technology allows us to centralise the administration of various different types of investments such as ISAs, OEICS & Unit Trusts, Shares & Investment Trusts, Pension Plans (or SIPPs), Onshore & Offshore bonds and even Bank & Building Society deposit accounts, all in one place, making it much easier to keep track of all your finances. Although the administration is centralised, your investments will be spread across a diverse range of different companies, thereby significantly reducing financial risk.

By spreading your money across a wide range of different companies; we can use in-house research and discretionary investment powers to change your investment strategy to cope with sometimes-volatile market conditions and we use state of the art reporting systems to keep you informed about the performance of your investments.

The diagram below helps to illustrate how the service works; the various types of accounts (or wrappers) are linked electronically to each other and we can use up to date technology to manage the funds in each account delivering investment returns for you, providing; growth, income or both, depending upon your requirements. Although there are usually significant tax benefits in keeping assets in these different wrappers, we will agree an investment strategy with you, which we can apply across the portfolio as a whole, in order that all of your money benefits from our investment management services.



Investment Portfolio Account

This is used to hold directly held investments such as OEICS, Unit Trusts, Shares and Investment Trusts. Investments held in this type of account are usually subject to Capital Gains Tax (CGT) and with careful use of your annual CGT allowance, we will seek to achieve healthy returns for you whilst minimising your tax liability.

Individual Savings Account (ISA)

This account is designed to make use of your annual ISA allowance after agreeing with you how to best utilise it each year. For example, you can give us a standing instruction to automatically transfer funds from your investment portfolio account as we enter each new tax year, or you could save a regular amount each month from your bank account.

The benefits of investing in ISAs are that the returns from them are free from both Income Tax and Capital Gains Tax. We will agree an investment strategy with you and manage the investments on a discretionary basis. If you hold poorly performing ISAs elsewhere (i.e. Cash ISAs or Stocks & Shares ISAs) it may be appropriate, after suitable investigation, to transfer them into this account depending upon your requirements.

Personal Pension Account

A personal pension account will allow you to invest in many different types of assets including a huge range of funds, Stocks & Shares and commercial property. They can also provide income drawdown in retirement. This is an alternative to traditional annuity purchase and it allows you to leave part of your pension fund invested whilst drawing income directly from the fund. Another key advantage of these accounts is that they allow your pension fund to be managed on a discretionary basis alongside your other investments.

As with ISAs, it is possible to transfer poorly performing pension arrangements held elsewhere into your pension account and we can provide you with advice to assess which type of pension arrangement will be most suitable for your needs and requirements.

Onshore or Offshore Bond Account

This type of account can be useful depending upon your tax position. Like the Investment Portfolio Account it can hold various underlying investments, but the key difference is that they are not considered, under current tax rules, to be directly held by you. This means that provided you limit withdrawals from the account to no more than 5% per annum of the original amount invested, you will not be immediately assessed for tax on any gains you have made. This will continue until you either withdraw more than 5% in any one year, or surrender the bond.

Again as with all the accounts we offer, the underlying investments in the Bond will be managed by us on a discretionary basis in line with the investment strategy we have agreed with you.

Super Cautious Portfolio Account

We have designed a new "Super Cautious" investment strategy to offer investors a very low risk alternative to bank and building society deposit accounts. The strategy invests primarily in Fixed Interest and Absolute Return funds and aims to beat inflation and to provide significantly better returns than cash with easy access. Although you should consider this type of investment as longer term, there are no fixed timescales and you can access cash within 10 working days at any time without penalty.

Access to Funds & Regular Income

We can easily make arrangements for you to take regular withdrawals from each of your WRAP accounts every month to supplement your income, depending upon your requirements whilst considering the most tax efficient way to do this. You can also make one off withdrawals from the account at any time simply by making a request to us. We will make all the arrangements to transfer funds to your bank account within 10 working days.

Valuations & Performance Reports

We will send you half-yearly valuations and annual performance reports showing your current holdings in detail, broken down per account and measuring performance against a relative benchmark. You will also receive quarterly Market Outlook reports from us letting you know our current views on the markets and also what changes we have made to your portfolios and why we have made them.

Online access is available if you want it, allowing you to view the progress of your portfolio, securely, whenever you wish, 24 hours per day. You can view a demonstration of how the online access works by visiting our website www.msfs.co.uk and going to the client login page and then clicking the demo button.

> "we use state of the art reporting systems to keep you informed about the state of your investments."

> "a complete solution for all your investment, ISA and pension needs. It reduces risk and it is able to cope with volatile market conditions."

> What is the right thing to do today may not be so tomorrow and so having the ablilty to change direction at the right time is enormously beneficial.

Discretionary Investment Management

As recent events have shown, investment markets can change direction suddenly and violently. Institutions that we once thought of as solid and dependable can suddenly move to the brink of ruin and some have required drastic action from government to save them from collapse.

In a world full of uncertainty, it is certainly true to say that things will change. What is the right thing to do today may not be so tomorrow and so having the ability to change direction at the right time is enormously beneficial.

As many investors have discovered to their cost, investment markets are constantly changing and the risks and benefits of holding particular asset classes such as shares, bonds and cash varies according to economic and market conditions.

By giving an investment manager the discretion to alter a portfolio to meet changing market conditions, the investor can increase the potential for better returns whilst reducing volatility.

This does not mean that the investor is being cut out of the loop; in fact the reverse is true. Whenever we make a discretionary change we write to our clients explaining the rationale behind our decision. This provides investors with additional reassurance that their portfolio is being actively monitored.

In times of strife you could be forgiven for assuming that losses will be inevitable, but this does not have to be the case. This is particularly so if you "don't put all your eggs in one basket" as the old adage goes. Fortunately, there are always alternative strategies and opportunities exist to preserve and grow capital even when things seem most bleak. To quote another famous adage, which is just as true as the one above; "Every cloud has a silver lining."

The following text provides the detail of how we, at Moore Stephens Wealth Management, work as Discretionary Investment Managers. It explains how the practical application of our risk profiling and asset allocation strategies can be of great benefit to our clients by seeking to minimise risk and maximise gains.

Risk Profiling & Asset Allocation Strategies

This is the process of maximising gains and minimising risk by getting the investment mix right.

Traditionally, investment decision making has been centred upon which stocks and shares to choose. However, investment research has shown that, in most circumstances, the asset allocation choice is actually the critical factor determining investment performance over the long term.

What is Asset Allocation?

In simple terms, it is the process of spreading your investments across a range of different asset classes, such as;

- Cash Deposits
- Gilts, Corporate Bonds & Other Fixed Interest Investments
- UK & International Equities
- Commercial Property
- Commodities (i.e. Gold, Minerals, Foodstuffs etc.)

Each of the above can be broken down into more specialised sub-sections to provide substantial diversification, or to put it another way, to keep your eggs in different baskets. However, diversification alone is not the answer. The optimum split between the different asset classes will depend upon your specific investment goals or objectives, your attitude to risk and your timescales.

Risk Profiling

Investment risk (the degree of fluctuation in the value of an investment) is an important area of financial planning which is poorly understood by most investors. Most people tend to think of risk in very simple terms, i.e. something is either safe or risky, whereas the reality is far more complex. Rather than express risk just in black and white terms, we need to consider the very many shades of grey in-between. In other words, investment risk covers a wide spectrum of different risk levels. At one extreme we have very low risk with possibly low returns and at the other extreme we have very high risk, but with potentially very high returns. For each investor there is a point between these two extremes where that investor is happy with the level of risk taken and also happy with the level of return being achieved.

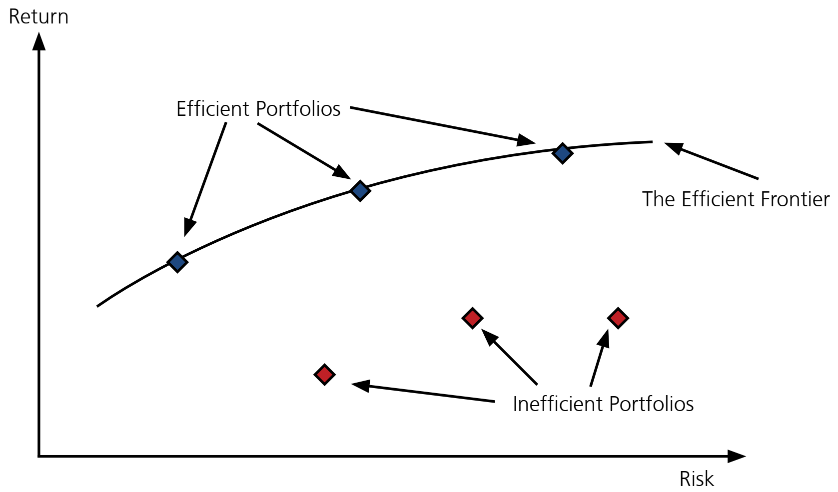
The process of determining an appropriate risk level for a client is known as risk profiling. Historically, advisers have asked their clients questions such as: "Are you a low, medium or high risk-taker?" This does not produce satisfactory results as the answer is often highly subjective and requires both the adviser and the client to share the same understanding of what low, medium or high risk means. In reality, an individual's previous knowledge and experience of investment will shape their views, and therefore understanding can differ greatly.

It follows therefore that removing subjectivity from the analysis of an individual's attitude to risk will result in a much more accurate and relevant outcome. The use of a Risk Profiling questionnaire will provide a more accurate analysis of a client's views since it asks a series of questions relevant to the client's experience, return requirements, risk tolerance, timescales, values and appetite for risk. The answers given by a client will result in a specific risk profile which could be any one of 6 possible outcomes ranging from no risk through very cautious, cautious, moderate, adventurous to very adventurous.

Maximum gain from minimum risk

Once we know what risk profile is appropriate for a client, we can then use the information to design an appropriate investment strategy. Harry Markowitz, professor of economics at Harvard University, won the Nobel Prize for Economics for his work on what makes investments perform and he is credited with being the father of Modern Portfolio Theory. He discovered that 92 per cent of the success of an investment is in the asset allocation choice for the degree of risk that a person is willing to assume. He defined the Efficient Frontier as that combination of assets that maximises investment return for a given level of risk.

The graph below helps to illustrate his findings;



For a particular investment portfolio, we can illustrate the potential return and the risk associated with it as points on the graph. As you might expect, different portfolios will give different risk- return results. In fact, if you calculated all the different portfolios that gave you the same amount of risk, some portfolios would give a better return than others and one would be the highest. The portfolio giving the highest return for a particular level of risk is the most efficient in that it gives the highest return possible for the risk taken on. If we then repeat this process for different levels of risk we can identify the efficient frontier as a curve representing points of maximum investment efficiency.

Modern Portfolio Theory states that the risk in a portfolio of diversely invested stocks, if the stocks are not truly correlated, will be less than the risk of holding just one single stock. This is because if one stock falls in value, it should be offset by another lowly correlated stock in the portfolio rising in value. This refers to the way in which different investments or stocks react as a direct result of changes in the market e.g. interest rates rising or falling, the impact of company profit declarations, general market speculation regarding company dividends and mergers or even changes in political or economic policy. This principle applies to holdings in different asset classes, sectors and stock markets and reduces volatility within a portfolio. Accordingly, investment is not just about selecting stocks, rather, it is about choosing the right combination across the portfolio to fully diversify your strategy.

This principle goes to the root of our asset allocation strategies. The lower the correlation of assets within a portfolio, the better the diversification will be. The key is therefore finding asset classes that have low levels of correlation with each other. Our recommended portfolios take this into account and offer you greater diversification across both sectors and asset classes. This helps to reduce the risks associated with investing, whilst maximising potential returns.

Modern Portfolio Theory in action

We can apply Professor Markowitz's theories to design portfolios that seek to provide the optimum return for each of the six possible risk-profiling outcomes outlined earlier.

The proportions in which different asset types are held will vary depending upon the relevant risk profile. A low scoring risk profile will tend to have a greater bias towards Cash, Absolute Return & Fixed Interest funds and a lower holding in Equities, whereas the reverse is true of a risk profile with a higher score. As well as holding different types of assets, our strategies include geographic diversification. We invest in the UK and there is exposure to the USA, Europe, Japan, Far East and the Emerging Markets. Commodities funds, such as those that invest in gold related stocks or other natural resources, provide a further level of diversification. An example of how this works can be seen in the pie chart below, which shows our current asset allocation strategy for a moderate, or medium, risk profile. The percentage in each sector may change over time, but the principle of always splitting the investment in this fashion remains the same.

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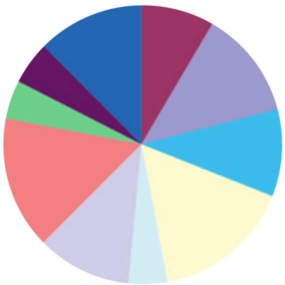
POST JUNE 2011



Asset class	Allocation
UK Fixed Interest	8.5%
Global Fixed Interest	12.5%
Property	10%
UK Equity	16%
European Equity	4.5%
Far East exc Japan Equity	11%
Global Emerging Markets Equity	15.5%
Specialist (Infrastructure)	4.5%
Global Growth	5%
Specialist (Commodity)	12.5%

To put it another way, our asset allocation strategies are all about putting your "eggs in different baskets."

Choosing investments to fulfil the chosen strategy

Traditionally, investment portfolio management has been the domain of stockbrokers, who buy and sell stocks and shares in the markets on behalf of investment managers and their clients. This comes at a cost however, since the stockbroker's costs have to be covered as well as the investment managers.

"our asset allocation strategies are all about putting your eggs in different baskets."

For this reason, collective investment funds can provide a better solution. Moore Stephens Wealth Management (MSWM) can obtain substantial discounts for our clients when investing in such funds. Whereas individual clients going direct may face a 5% initial charge for buying a fund, MSWM can buy the same fund without any initial charge from the fund manager.

According to a report published by the WM Company on behalf of Virgin Money in February 2003, 80% of fund managers regularly under-perform against their relevant benchmark. Fortunately however, 20% of fund managers out-perform their benchmarks and therefore this is where the services of a good investment manager are vital to investors in selecting and monitoring good funds.

Fund Research

The Fund Research that we carry out for our clients builds upon the agreed asset allocation strategy and we will research and recommend funds that specialise in the particular sectors or markets that make up the agreed strategy.

We will make portfolio recommendations consisting of between 20 to 25 different funds that together will comprise the agreed asset allocation strategy.

Our systematic research process uses quantitative data to shortlist funds based upon comparative performance, fund manager tenure, and various statistical data.

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We then use qualitative data based upon our own views and the views of other leading analysts such as Financial Express, Standard & Poors and Forsyth OBSR, to produce a top five listing of the short-listed funds ranked in order of merit. This process is carried out across 16 different IMA sectors in order to ensure consistently good fund management across the entire portfolio.

Benchmarked Performance

Moore Stephens Wealth Management design investment strategies according to the requirements of our clients. These can be bespoke, or can follow 1 of 5 risk-rated strategies that match a client's measured risk profile.

The table and chart below show the performance of each of our risk rated portfolios against its appropriate benchmark since the commencement of the service on the 1st June 2006.

Cumulative Performance Since Inception				
Portfolio Name	**Performance**	**Benchmark Name**	**Performance**	**Relative Out-Performance**
Very Cautious	32.86%	UT - Cautious Managed	15.77%	17.09%
Cautious	36.25%	UT - Balanced Managed	26.29%	9.96%
Moderate	38.18%	UT - Balanced Managed	26.29%	11.89%
Adventurous	41.58%	UT - Active Managed	28.99%	12.59%
Very Adventurous	44.98%	UT - Active Managed	28.99%	15.99%

Discrete Year by Year Annual Performance

Annual Performance (01/07/2006 - 30/06/2007)				
Portfolio Name	Performance	Benchmark Name	Performance	Relative Out-Performance
Very Cautious	13.82%	UT - Cautious Managed	8.23%	5.59%
Cautious	13.20%	UT - Balanced Managed	13.34%	-0.14%
Moderate	13.81%	UT - Balanced Managed	13.34%	0.47%
Adventurous	17.14%	UT - Active Managed	16.19%	0.95%
Very Adventurous	15.10%	UT - Active Managed	16.19%	-1.09%

Annual Performance (01/07/2007 - 30/06/2008)				
Portfolio Name	Performance	Benchmark Name	Performance	Relative Out-Performance
Very Cautious	-3.81%	UT - Cautious Managed	-6.82%	3.01%
Cautious	-5.71%	UT - Balanced Managed	-9.19%	3.48%
Moderate	-7.31%	UT - Balanced Managed	-9.19%	1.88%
Adventurous	-8.08%	UT - Active Managed	-9.98%	1.90%
Very Adventurous	-10.96%	UT - Active Managed	-9.98%	-0.98%

Annual Performance (01/07/2008 - 30/06/2009)				
Portfolio Name	Performance	Benchmark Name	Performance	Relative Out-Performance
Very Cautious	0.54%	UT - Cautious Managed	-8.98%	9.52%
Cautious	-1.84%	UT - Balanced Managed	-12.84%	11.00%
Moderate	-3.62%	UT - Balanced Managed	-12.84%	9.22%
Adventurous	-8.99%	UT - Active Managed	-16.18%	7.19%
Very Adventurous	-4.20%	UT - Active Managed	-16.18%	11.98%

Annual Performance (01/07/2009 - 30/06/2010)				
Portfolio Name	Performance	Benchmark Name	Performance	Relative Out-Performance
Very Cautious	14.72%	UT - Cautious Managed	13.82%	0.90%
Cautious	20.59%	UT - Balanced Managed	16.36%	4.23%
Moderate	22.15%	UT - Balanced Managed	16.36%	5.79%
Adventurous	23.03%	UT - Active Managed	16.12%	6.91%
Very Adventurous	23.99%	UT - Active Managed	16.12%	7.87%

Annual Performance (01/07/2010 - 30/06/2011)				
Portfolio Name	Performance	Benchmark Name	Performance	Relative Out-Performance
Very Cautious	9.84%	UT - Cautious Managed	7.23%	2.61%
Cautious	12.87%	UT - Balanced Managed	14.00%	-1.13%
Moderate	13.92%	UT - Balanced Managed	14.00%	-0.08%
Adventurous	15.25%	UT - Active Managed	16.20%	-0.95%
Very Adventurous	18.04%	UT - Active Managed	16.20%	1.84%

The Next Step

We offer all prospective clients a free initial meeting to discuss your requirements.

The reason we don't make a charge for this first meeting is because it is an opportunity for you to decide whether or not you wish to use our services. We will explain how we can help you and the cost of our services for carrying out any work on your behalf. If you decide you want to proceed, we then will gather information from you about your current finances, your income and outgoings, and your plans for the future.

If you would like to arrange a free initial meeting, please get in touch using the contact details overleaf, or via your usual Moore Stephens contact.

MOORE STEPHENS
WEALTH MANAGEMENT

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To keep up to date with our latest views on investments and markets, please follow us on Twitter:

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Moore Stephens in the UK

Moore Stephens is currently the UK's11th largest independent accounting and consulting association, comprising over 1,500 partners and staff in 39 locations.

Our objective is simple: to be viewed by clients as the first point-of-contact for all their financial, advisory and compliance needs. We achieve this by providing sensible advice and tailored solutions to help clients achieve their commercial and personal goals.

Clients have access to a range of core and specialist services including audit and tax compliance, business and personal tax, trust and estate planning, wealth management, IT consultancy, governance and risk, business support and outsourcing, corporate finance, corporate recovery and forensic accounting.

Our success stems from our industry focus, which enables us to provide an innovative and personal service to our clients in our niche markets. Specialist sectors include energy and mining, financial services, insurance, not-for-profit, pensions, professional practices, real estate, shipping, transport and public sector.

Moore Stephens globally

Moore Stephens International Limited is a global accountancy and consulting association with its headquarters in London.

With fees of US$2.24 billion and offices in 98 countries, you can be confident that we have access to the resources and capabilities to meet your needs. Moore Stephens International independent member firms share common values: integrity, personal service, quality, knowledge and a global view.

By combining local expertise and experience with the breadth of our UK and worldwide networks, clients can be confident that, whatever their requirement, Moore Stephens will provide the right solution to their local, national and international needs.

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v2 July 2011