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KEY FACTS

Launch Date

27 October 2006

Fund Size

£13M

Historic Yield

1.1%, net after 10% tax credit

Unit Types

Income

Accumulation

Distribution Dates

31 March & 30 September

Initial Charge

5.0%

Annual Management Fee

1.5%

ISA Status

Eligible

Minimum Investment

£1,000

Monthly Investment

£50

Minimum CTF Investment

£250

Note: CTF - Child Trust Fund

Regulatory Status

Authorised and Regulated by the
Financial Services Authority

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CF Walker Crips UK High Alpha Fund

Factsheet | December 2011

Investment Objective

To provide unitholders with a combination of predominantly long-term capital growth and a measure of income derived from a diversified portfolio of UK equities and bonds. The benchmark is the IMA UK All Companies Sector Index, however, for illustrative purposes, the statistics below also include the FTSE All Share Index.

Investment Philosophy and Portfolio Structure

Combination of "top-down" and "bottom-up" analysis. Portfolio structure shaped by global political, economic and social issues. Stock selection criteria include business model, management, financial strength, relative valuation, etc. The Fund portfolio currently holds 35-40 stocks, and is actively managed with the intention of capturing both short-term trading opportunities and longer-term investment value.

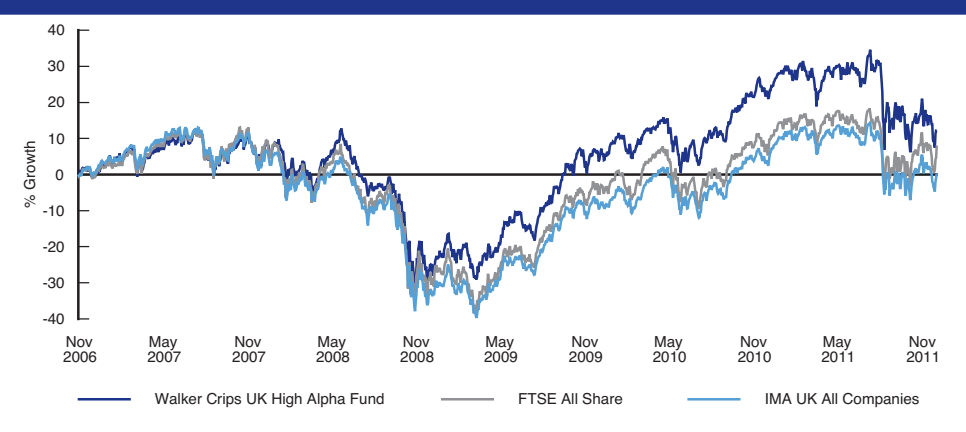
Yield (accumulation units)

Interim dividend for the six months to 31 January 2011 was 0.4325p per unit. Final dividend declared for the six months to 31 July 2011 was 0.7223p per unit. Total dividend for the twelve months to 31 July 2011 was 1.1548p per unit. At a unit mid-price of 110.5p, that is equivalent to a yield of approximately 1.05%.

Please note - while historical dividends paid or declared are a matter of fact, current market volatility means that quoted yields should be treated with caution. Prices and dividends refer to accumulation units. Dividends paid are net of 10% dividend tax and, under current legislation, no further tax is payable by basic rate taxpayers.

Performance and Statistical Information

Performance Since Launch



Source: Lipper Hindsight, TR, no initial charge, income reinvested, gross, to 30/11/2011

Cumulative Performance	6 Months	1 Year	3 Years	4 Years	5 Years	Since Launch
Fund	-14.11	-7.27	49.95	4.85	12.59	12.35
FTSE 100	-6.31	3.19	43.42	-0.27	9.70	8.15
FTSE All Share	-6.31	3.19	43.42	-0.27	9.70	8.15
Sector Average	-11.21	-2.00	48.54	-2.53	3.06	3.70
Position in Sector	249	259	86	54	44	49
No of Funds in Sector	290	287	272	260	242	239
Quartile Ranking	4	4	2	1	1	1

Source: Lipper Hindsight, TR, no initial charge, income reinvested, gross, to 30/11/2011

Discrete Annual Performance	30/09/10	30/09/09	30/09/08	28/09/07	29/09/06
Fund	-5.79	15.03	18.71	-18.76	-
Sector Average	-5.19	12.37	13.01	-23.44	-

Source: Lipper Hindsight, TR, no initial charge, income reinvested, gross, to last quarter end 30/09/2011

Please remember that past performance is not a guide to the future.

TOP TEN HOLDINGS (%)

Anglo Pacific	7.4
GlaxoSmithKline	7.3
BG Group	6.0
Vodafone	5.0
Yule Catto	4.7
Xstrata	4.5
Fenner	4.4
Lamprell	4.4
BP	3.9
Bristol-Myers Squibb	3.8
Total	51.4

Source: Internal

MARKET SECTOR SPLIT (%)

Pharma & Biotech	18.6
Mining	18.2
Oil & Gas Producers	13.7
Oil Services & Distribution	11.1
Industrial Engineering	8.2
Mobile Telecoms	7.9
Tobacco	3.3
Tech Hardware & Equip	3.0
Household Goods	2.4
Non Equity Investment	1.7
Other	11.9

Source: Internal

MARKET CAP BREAKDOWN (%)

Large - FTSE 100	60.5
Mid - FTSE 250	26.3
Small	8.1
AiM	0.0
Other	1.7
Cash	3.4

Source: Internal

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Investment Commentary

More than enough has already been written and spoken about the crisis over Eurozone sovereign debt. Suffice it for us to add that Chancellor Merkel did not blink and, in our opinion, will not blink. She has a once only opportunity to bring profligate states to fiscal heel - if she fails, the Eurozone is doomed. Eurozone banks and the banking system will be protected, although probably not their shareholders - and certainly not the self-indulgent lifestyles to which over-indebted peripheral states have become accustomed. If that means many years of grinding readjustment to wages and standards of living within Europe's periphery, so be it - Germany mastered just such a challenge following reunification, and again after adopting the euro at an overambitious exchange rate - Sie werden sich noch daran gewöhnen müssen.

Within the UK, we are encouraged by the government's moves to provide an attractive environment for pharmaceutical research and development, and to encourage NHS partnering with pharmaceutical companies. In our view, this represents a very positive echo of the US initiative to establish its National Center for Advancing Translational Science (NICATS), and adds greater conviction to our overweight position within the pharmaceutical sector.

However, more generally, we remain disenchanted with the outlook for the UK domestic economy, and see no good reason why companies should expand productive capacity within an economy burdened by gross government over-employment, with statutory minimum wages hopelessly out of line even the world's wealthiest superpower (never mind wages within emerging and developing economies), and located just about as far from the faster growing regions of the world as it is possible to get.

Meanwhile, on a more positive note, the outlooks for a range of UK-listed multi-national suppliers of resources, energy, goods and services to faster growing regions of the world appear considerably more attractive than their current share price valuations would seem to imply. For sure, there are risks - European energy dependence upon an increasingly tetchy Russia, growing western unease over Iran's nuclear programme and the implications of a possible oil embargo, political upheaval and instability within a range of Arab states, China's territorial disputes over the resource-rich South China Sea and its disquiet over the US 'AirSea Battle' strategy intended to ensure security of access to resources and markets (a long running, key theme of our portfolios). But such threats are, and have always been the nature of mankind, and entrepreneurial capitalism has shown a quite remarkable ability to survive and thrive over many centuries despite them - indeed, even to take advantage of them.

The Fund is overweight in the following sectors:

Pharmaceuticals: expanding global demand for medicines, life-style and over-the-counter drugs offer growth and resilience to inflation and recession. Moves by the US National Centre for Translational Sciences to participate in fundamental research should improve cashflow and quality and visibility of earnings.

Tobacco: secure earnings stream; shift to higher margin premium brands as wages rise in emerging markets.

Food Producers: global brand strength; pricing power and rising demand in emerging markets.

Telecommunications: rapid growth in global data traffic, pricing power as demand exceeds capacity, strategic and commercial value of bandwidth.

Oilfield Equipment & Services: need to expand and prolong production of existing fields; and to develop new fields in regions with lower political, regulatory and ethical risk.

Cash: approx. 3.4% as at 30 November 2011.

Gold Bullion: approx. 1.7% as at 30 November 2011.

The Fund is underweight in the following sectors:

Banks: beset with political, regulatory, financial and economic risk. Eurozone sovereign debt concerns remain.

Life Assurance: austerity and market uncertainty deter saving and investment; Asian regulatory pressure for increased disclosure & lower margins.

Aerospace & Defence: anti-bribery legislation may disqualify some key markets.

General Retailers, Hotels, Restaurants, Pubs: tight consumer credit, higher taxes, weak employment market.

House-builders: mortgage lending tight, affordability stretched, many first-time buyers dependent upon house-builders finance &/or guarantees, full-time employment weak.

Utilities: Fund holds no UK-centric utilities: lower energy use by industry and households; political and regulatory risk; costs of incorporating 'renewable' power.

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