

Dorset County Pension Fund Committee – 27 November 2014

UK Equity Report

Report of the Internal Manager

1. Purpose of the Report

1.1 To review the management of the UK equity portfolio.

2. Recommendations

2.1 That the report and performance be noted.

3. Background

3.1 The UK Equity portfolio has 3 active managers, AXA Framlington, Standard Life and Schroders as well as the internally managed passive fund. This combination of managers and styles is designed to give the opportunity of outperformance against the FTSE All Share index and has a two thirds passive and one third active mix. Details of the combined portfolio (£571.9M at 30 September 2014) are shown in the table at paragraph 5.2.

3.2 The internally managed passive fund aims to track as closely as possible the FTSE 350 index which measures the progress of the majority of the UK equity market. At 30 September 2014, the FTSE All Share index was made up of 646 individual stocks ranging from HSBC Holdings, the largest UK company (market value £119.4 Billion) down to the smallest in the index, Petropavlovsk Plc (market value £38.2 Million). Direct investment is made in the largest 350 companies, which comprises 96.8% by value of the index. Investment in the smallest companies which make up 3.2% of the index is achieved by a holding in the Schroders Institutional UK Smaller Companies Fund which is managed on an active basis.

4. Market Background

4.1 There was mixed performance in the UK Equity markets in the six month period to 30 September 2014. The FTSE100 was the best performing index rising 0.4% (24 points), whilst the FTSE250 was the worst performing major UK index falling 5.5% (894 points). In comparison, all major world indices rose with the exception of the Dax, which fell 0.9% (82 points). The Nikkei225 was the best performing major world index rising 9.1% (1,346 points), whereas the Dow Jones rose 3.6% (585 points) over the same period.

4.2 On 18 September 2014, the “No” vote in the Referendum in Scotland had an impact on markets with the FTSE100 rising 0.27% (19 points), with banks and those constituents of the index which had material presence in Scotland gaining most. The rise was limited due to the fact that pricing had been included in the previous day’s trading. In September US shares closed at new record highs. On 19 September 2014, the Dow Jones recorded its highest closing position of 17,279.4, whilst the broader S&P 500 closed at a record high of 2,011.4 on 18 September 2014. This was due to investor confidence about the global economy which included better than expected job reports; low interest rates which had led investors to invest into stocks and positive economic news, combined with increasing merger and acquisition activity.

Six Months to 30 September 2014

Country	Index	31/03/2014	30/09/2014	% Change
UK	FTSE100	6,598.4	6,622.7	0.4
UK	FTSE250	16,273.7	15,379.7	-5.5
UK	FTSE350	3,616.7	3,596.2	-0.6
UK	Small Cap	4,473.2	4,378.0	-2.1
UK	All Share	3,555.6	3,533.9	-0.6
Japan	Nikkei225	14,827.8	16,173.5	9.1
US	Dow Jones	16,457.7	17,042.9	3.6
Hong Kong	Hang Seng	22,151.1	22,933.0	3.5
France	Cac 40	4,391.5	4,416.2	0.6
Germany	Dax	9,555.9	9,474.3	-0.9

- 4.3 UK inflation, as measured by the Consumer Prices Index fell to a five year low of 1.2% in September 2014 down from 1.5% in the previous month. This rate is the lowest since September 2009, when it was 1.1%. Transport prices fell by 2.4% between August and September, most notably from sea fares and air prices, which always fall in September following the summer holiday period, whilst Recreation and Culture fell with much of the download contribution coming from price movements for technological goods such as laptop and tablet computers, computer accessories, games consoles and computer games. Restaurants and hotels rose slower than the previous month due to a downward movement in restaurants, cafes and canteens. The Bank of England has a government set target of CPI at 2.0%. The UK economy is the fastest growing economy in the developed world.
- 4.4 In September, it was announced that UK economic growth had been revised to 0.9% for the quarter between April and June 2014, compared to the previous estimate of 0.8%. Growth in the second quarter of the year produced a 1.1% rise in the output from the services industry, following a 0.8% increase in the previous quarter, the largest quarter-on-quarter growth since Quarter 3 2011. Construction output increased 0.7% in Quarter 2 compared to the previous quarter, up from a previous estimate of zero growth and has increased 5.7% between Quarter 2 2013 and Quarter 2 2014. The service industries grew by 1.1% in Quarter 2 2014 following a 0.8% increase in the previous quarter, the largest quarter-on-quarter growth since Quarter 3 2011, when service industries output also increase by 1.1%. UK GDP was 3.2% higher in this quarter compared to the previous year.
- 4.5 In September, it was announced by the US Department of Commerce that the US economy grew at an annual rate of 4.6% between April and June 2014, faster than the previous estimate of 4.2%. The growth showed that exports increased 11.1% from the previous quarter, while business spending rose by 9.7%. Growth in consumer spending, which accounts for more than two thirds of US economic activity, was 2.5%. These gains were partially offset by an increase in imports, which negatively impacted on performance, and a 0.9% decline in federal government expenditures. The strong growth, the fastest since the end of 2011, follows a 2.1% contraction in the previous quarter.
- 4.6 In September, it was announced the Eurozone's economy stagnated in the second quarter of the year, confirming fears over the strength of the recovery and was just 0.7% better than Quarter 2 in 2013. Household spending grew by 0.3%, the best figure since Quarter 3 2011 and there was a small positive contribution from net exports. Investment fell by 0.3% whilst inventories made a negative contribution. The German economy contracted by 0.2%, with the crisis in Ukraine and foreign trade

and investment, particularly in the construction sector, the main factors behind the weakness, whilst France stagnated for the second quarter in a row. Germany and France make up 66% of GDP in the Eurozone and their performance reduced some of the improvements from elsewhere including Ireland, Spain and Portugal, whilst the Italian economy returned to recession.

- 4.7 At the September European Central Bank (ECB) meeting a fresh policy was announced aimed to prevent the Eurozone from sliding into deflation. The ECB cut its benchmark interest rate to 0.05% from 0.15%. At the same time, the ECB reduced its deposit rate to -0.2% to reduce banks sitting on cash and weakening the value of the Euro. The ECB also announced the launch of an asset purchase programme that will buy debt products from banks in order to add liquidity to the financial system with the aim of improving lending and improve the economy.

5 Performance

5.1 Internally managed passive portfolio

The internally managed passive portfolio is modelled to track the index with a tolerance of +/-0.5% pa allowing for the costs of rebalancing. The figures shown below are for this part of the Fund only.

Quarter To	Dorset %	Index %
30/06/14	2.44	2.30
30/09/14	-0.91	-0.98
Total	<u>1.51</u>	<u>1.30</u>

Notes:

- The Dorset Fund has outperformed the benchmark over the six month period to 30 September 2014 by 0.21% which is within the allowed tolerances.

5.2 **SIX MONTHS TO 30 SEPTEMBER 2014**

Manager	Market Values		Performance %	Benchmark %	Benchmark Description
	31/03/2014 £M	30/09/2014 £M			
Internal	365.6	362.7	1.51	1.30	FTSE 350
AXA Framlingt	102.9	101.0	-1.72	1.24	All-Share
Standard Life	78.8	75.6	-3.83	1.24	All-Share
Schroders	33.3	32.6	-2.02	-3.78	Small Cap
Total	<u>580.6</u>	<u>571.9</u>	<u>0.01</u>	<u>1.10</u>	

The figures for the whole UK equity portfolio show:

- The combined portfolio has underperformed its benchmark over the six month period by 1.09%.
- Schroders outperformed their benchmark by 1.76% whilst Standard Life and AXA Framlington underperformed their benchmark by 5.07% and 2.96% respectively in the six month period to 30 September 2014.

THREE AND FIVE YEAR ANNUALISED PERFORMANCE

Manager	Three Years		Five Years	
	Performance	Benchmark	Performance	Benchmark
	%	%	%	%
Internal	13.97	13.82	9.75	9.69
AXA Framlington	16.30	13.94	14.34	9.74
Standard Life	18.40	13.94	9.05	9.74
Schroders	19.88	22.92	18.43	13.52

The figures for the whole UK equity portfolio show:

- Over the three and five year period the Internally Managed Fund outperformed its benchmark by 0.15% and 0.06%; within its agreed tolerance.
- AXA Framlington outperformed their benchmark for both three and five years by 2.36% and 4.60% respectively. Standard Life outperformed their benchmark for the three year period by 4.46% but underperformed by 0.69% per annum over the five year period. Schroders underperformed its benchmark over three year by 3.04% and outperformed over five years by 4.91%.

5.3 Each external manager's commentary is summarised below:

Schroders

2nd Quarter 2014/15

Performance and Market Summary

During the 2nd quarter, the Fund returned -1.7% against the Small Cap benchmark of -2.2%. Over the twelve month period the Fund returned 7.4% against its benchmark of 5.6%. Game Digital was the major contributor to performance as the shares have performed very strongly since being relisted on the market. This is a result of the company having a much lower cost base which together with the high demand for the product has seen profits rise rapidly. Dart Group recovered after a previous profit downgrade while Phoenix IT announced a new CEO and both Arrow Group and Diploma made earnings enhancing acquisitions. Charles Stanley and Immunodiagnostic Systems were the main negative contributions to performance as both companies announced profit warnings due to a slow-down in sales in the areas in which they operate.

Activity

Trifast and Moss Bros saw profit taking after a strong run in the shares. Speedy Hire had been bought during the period despite a strong performance as the outlook for construction in the UK looks positive going forward. In terms of stocks not owned the largest contributors were resource companies such as Kenmare Resources, Salamander Energy and Aquarius Platinum. In terms of stocks not owned the biggest detractors were Spirit Pub Company and Hyder Consulting who both received bid approaches. During the quarter three new holdings were added. ITE Group was involved in operating exhibitions in Eastern Europe and Russia. The shares fell out of the FTSE250 Index as a result of potential tension and a new holding was acquired. Speedy Hire was bought towards the end of the quarter on the positive outlook for construction spending while Epwin saw very strong demand for its products from the building industry. These purchases were funded by selling the holdings in Kofax over concerns for future IT spending. Large positions were sold in Iomart and Amino on competitive worries and a reduction to the holding to Dart Group, which is a very large holding in the fund.

Outlook and Strategy

The optimism at the start of the year has been replaced with a whole range of concerns from the activities of ISIS in the Middle East to the continuing slowdown in European economies. Companies which have relied on cost cuts to grow profits are now finding that against an increasingly competitive market for sales they are being forced to announce profit warnings and the raising of new equity to shore up balance sheets. The strategy of buying companies with some form of pricing power should be positive over the longer term and to make sure the companies invested in are going to be beneficiaries of this continued move to the internet rather than victims who see their business models fail to compete. The set back in the stock market and the continuing strong cash positions for a number of companies has seen the return of corporate activity and this is expected to continue.

Standard Life

2nd Quarter 2014/15

Performance

During the quarter, the Fund returned -1.7% against the FTSE All Share Index return of -1.0%. Over the year to 30 September 2014, the Fund returned 2.0% against the index return of 6.1%. The underweight positions in Tesco and BHP Billiton were positive for performance. The issues facing Tesco are largely structural and will be very difficult for the new CEO to turn around, while BHP Billiton's commodity exposure does not fit with the current preferences. In contrast, Glencore performed well due to its lack of exposure to iron ore. Barclays outperformed as efforts to re-focus the business are driving earnings upgrades. HSBC also made a notable contribution due to management's confidence in the sustainability of group revenue growth. Returns were adversely affected by the position in BP. Despite resilient operational performance, a Macondo gross negligence verdict affected the shares. De La Rue also affected performance following a review of guidance and a profit warning. At Balfour Beatty, further deterioration in performance of a number of contracts led to another profit warning.

Activity

The Fund continued to add to the position in Lonmin as the platinum price has not fully responded to the supply interruption caused by a prolonged strike, despite well flagged structural drivers of demand for the commodity. The fund also moved into an overweight position in TUI Travel. There could be higher revenue synergies than many expect, while demand patterns are recovering and the shares are attractively valued. Otherwise, Informa was bought back after a period of weak share price performance. This came despite solid results and the prospects of a new structure and the shares deserving a higher rating. Sales included the disposal of Dixons Carphone, where share price strength offered a suitable exit point. The position in BskyB was sold as the cost of competition for sports rights is set to weigh on the business, while its own acquisition strategy makes it an unlikely target. Further reductions were made in Burberry as the sales growth needed in order to take a conviction view on a fashion led business exposed to end markets facing macroeconomic pressure was too great.

Outlook and Strategy

Following the sustained strength in UK equities, it is unsurprising that markets should eventually take time to consolidate gains. However, recent sector rotation has been extreme. The rush into certain defensive large-cap stocks has stretched valuations in these sectors, while previous outperformers have been de-rated despite still attractive fundamentals. This provides a number of new investment opportunities, particularly in selected mid-cap stocks. Upcoming earnings releases should corroborate these diverging earnings trends and help to re-focus investor attention away from short-term sentiment-based trades back to long term earnings and

dividend growth trends. UK equities have re-rated but remain attractively valued relative to most other asset classes in the current low interest rate environment. The wider equity market continues to offer yield attractions relative to other asset classes, supported by strong balance sheet and to look to identify attractive opportunities at the stock level. Those companies with exposure to UK economic recovery and with scope to grow dividend payouts should continue to outperform longer term.

AXA Framlington

2nd Quarter 2014/15

Performance

During the quarter, the Fund returned 0.3% against the FTSE All Share Index return of -1.0%. For the year to date the Fund returned 6.9% against its benchmark of 6.1%. Positives to performance included ITV which was the best contributor to relative returns as Liberty Global purchased a 6.4% stake in July; not owning Tesco was a major positive as their problems compounded in the quarter and Consumer Services i.e. media and retailers performed well. Stock selection was more important than sector allocation in this quarter. Negatives to performance included IMI which was the biggest detractor from relative returns as downgrades affected sentiment towards the stock and being underweight in consumer goods was a negative influence.

Activity

No new positions were established in the quarter. Holdings added to included Royal Dutch Shell "B", BTG, AstraZeneca and Aviva. The holding of Shire Pharmaceuticals was sold following a bid from Abbvie (USA), as risks involved with tax inversion were considered as very high. Companies also sold were Meggitt, WPP and BskyB. Rio Tinto and BHP Billiton were reduced as iron ore prices fell.

Outlook and Strategy

A great deal of geopolitical and economic uncertainty affected investor confidence along with stagnation and deflation worries in Europe causing the revision of company profits, earnings and ultimately dividends. Uncertainty is increased by the prospect of a UK General Election in May 2015 which is not an easy environment through which to invest.

6 Review of Activity

6.1 The Internal managed portfolio has had five corporate actions in the six month period to 30 September 2014.

- In May, Foreign and Colonial Asset Management was acquired by BMO Global Asset Management for £0.1M.
- In May, AZ Electronic Materials was involved in a Scheme of Arrangement by Merck KGaA for £0.3M.
- In June, Heritage Oil Plc was involved in a Scheme of Arrangement by Energy Investments Global Ltd for £0.1M.
- In August, Kentz Corporation was involved in a Scheme of Arrangement by SNC-Lavalin for £0.2M
- In September, there was a Rights Issue for London Stock Exchange for £0.1M.

6.2 The portfolio was rebalanced once in the six month period. In May, the total value of purchases and sales were £4.4M with a net purchase of £0.6M. There were 26 purchases (£2.5M) and 64 sales (£1.9M). As agreed at the last Pension Fund Committee, £26M was to be invested in the UK Equity Internally Managed Passive Fund and in October the portfolio was rebalanced accordingly. The total value of

purchases and sales were £27.5M with a net purchase of £25.5M. There were 273 purchases (£26.5M) and 14 sells (£1.0M).

7 Stock Lending

- 7.1 Stock lending is managed in the UK on an agency basis by HSBC, and overseas on the same basis by Pictet.
- 7.2 Total overseas stock lending income for the year to 30 September 2014 is £38,816. Net income for UK stock lending was £73,740 over the same period, giving a total of £112,556. This compares to the period to 30 September 2013 where overseas stock lending was £52,790 and the UK stock lending figure was £72,780, giving a total of £125,570.

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Chief Treasury and Pensions Manager
November 2014

DORSET COUNTY PENSION FUND VALUATION OF PORTFOLIO AT CLOSE OF BUSINESS 30 SEPTEMBER 2014

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
UK EQUITIES				
MINING				
AFRICAN BARRICK GOLD LTD	28,000	133	2.19	61
ANGLO AMERICAN ORD USD0.54	241,090	2,614	13.84	3,335
ANTOFAGASTA ORD GBP0.05	66,500	103	7.21	479
BHP BILLITON ORD USD0.50	390,026	1,646	17.15	6,687
CENTAMIN EGYPT LTD	193,000	328	0.61	118
FRESNILLO	31,000	44	7.60	235
GLENCORE XSTRATA	1,776,243	4,476	3.43	6,096
KAZAKHMYS ORD GBP0.20	49,584	336	2.63	131
LONMIN ORD USD1.00	80,027	305	1.86	149
PETRA DIAMONDS	75,000	111	1.90	143
POLYMETAL INT'L	37,000	416	5.16	191
RANDGOLD RESOURCES ORD USD0.05	16,950	332	42.08	713
RIO TINTO ORD GBP0.10 (REG)	230,050	2,157	30.32	6,974
VEDANTA RESOURCES ORD USD0.10	18,500	74	9.99	185
Total MINING		13,075		25,497
OIL & GAS PRODUCERS				
AFREN PLC	201,000	200	1.03	208
BG GROUP ORD GBP0.10	628,475	1,742	11.40	7,161
BP ORD USD0.25	3,407,500	10,987	4.53	15,450
CAIRN ENERGY ORD GBP0.061	108,207	217	1.77	191
ENQUEST PLC	135,000	197	1.10	148
OPHIR ENERGY	95,400	434	2.29	219
PREMIER OIL ORD GBP0.50	99,348	137	3.33	331
ROYAL DUTCH 'B' ORD EURO.07	1,129,795	15,107	24.37	27,527
SOCO INTL ORD GBP0.20	41,000	96	3.81	156
TULLOW OIL ORD GBP 0.10	167,500	729	6.45	1,080
Total OIL & GAS PRODUCERS		29,846		52,471
CHEMICALS				
CRODA INTL ORD GBP0.10	25,000	89	20.51	513
ELEMENTIS	85,000	97	2.56	217
JOHNSON MATTHEY ORD GBP1.00	37,820	258	29.19	1,104
SYNTHOMER	50,665	94	2.12	107
VICTREX ORD GBP0.01	15,000	69	16.06	241
Total CHEMICALS		607		2,182
CONSTRUCTION & MATERIALS				
BALFOUR BEATTY ORD GBP0.50	128,020	317	1.88	241
CRH PLC	134,000	1,694	14.10	1,889
GALLIFORD TRY ORD GBP0.05	15,000	88	12.65	190
KELLER GROUP ORD GBP0.10	13,000	127	8.80	114

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
KIER GROUP ORD GBP0.01	10,000	170	16.45	165
Total CONSTRUCTION & MATERIALS		2,395		2,599
FORESTRY & PAPER				
MONDI PLC EURO.20	68,250	126	10.10	689
Total FORESTRY & PAPER		126		689
AEROSPACE & DEFENCE				
BAE SYSTEMS ORD GBP0.025	590,616	1,024	4.72	2,785
COBHAM ORD GBP0.25	202,000	136	2.91	588
MEGGITT ORD GBP0.05	147,187	338	4.51	664
QINETIQ ORD GBP0.01	119,000	205	2.25	267
ROLLS ROYCE ORD GBP0.20	345,978	920	9.65	3,337
SENIOR	76,000	95	2.68	204
ULTRA ELECTRONICS ORD GBP0.05	12,500	81	17.71	221
Total AEROSPACE & DEFENCE		2,799		8,066
ELECTRONIC & ELECTRICAL EQUIPMENT				
DOMINO PRINTING SCIENCES	21,000	67	6.11	128
HALMA ORD GBP0.10	71,017	70	6.12	435
HELLERMANN TYTON GROUP	38,000	117	3.10	118
LAIRD GROUP ORD GBP0.28125	47,000	54	3.10	146
MORGAN ADVANCE MATERIALS	53,000	106	2.97	157
OXFORD INSTRUMENTS	10,000	128	10.20	102
RENISHAW ORD GBP0.20	7,000	46	16.30	114
SPECTRIS ORD GBP0.05	22,000	112	18.08	398
XAAR ORD	14,000	118	3.76	53
Total ELECTRONIC & ELECTRICAL EQUIPMENT		818		1,650
INDUSTRIAL ENGINEERING				
BODYCOTE INT ORD GBP 0.10	36,252	152	6.69	242
FENNER	34,000	70	3.18	108
IMI ORD GBP0.25	50,968	129	12.30	627
MELROSE INDUSTRIES	198,565	327	2.48	492
ROTORK ORD GBP0.05	16,000	82	27.65	442
SPIRAX-SARCO ORD GBP0.25	13,961	81	28.26	395
WEIR GROUP ORD GBP0.125	39,250	130	25.01	982
Total INDUSTRIAL ENGINEERING		971		3,287
AUTOMOBILES & PARTS				
GKN ORD GBP0.50	303,044	261	3.19	967
Total AUTOMOBILES & PARTS		261		967
HOUSEHOLD GOODS & HOME CONSTRUCTION				
BARRATT DEVEL ORD GBP0.10	179,634	355	3.96	712
BELLWAY ORD GBP0.125	22,000	112	15.67	345
BERKELEY GP UNITS	23,580	106	22.49	530
BOVIS HOMES GROUP ORD GBP0.50	25,000	105	7.79	195
CREST NICHOLSON ORD GBP0.10	40,000	137	3.25	130

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
PERSIMMON ORD GBP0.10	55,645	262	13.33	742
RECKITT BENCKISER ORD GBP0.10	119,050	1,152	53.50	6,369
REDROW ORD GBP0.10	40,928	63	2.80	115
TAYLOR WIMPEY ORD GBP0.25	600,000	258	1.13	677
Total HOUSEHOLD GOODS & HOME CONSTRUCTION		2,551		9,814
BEVERAGES				
BARR (A G)	16,000	36	6.17	99
BRITVIC ORD GBP0.20	43,000	115	6.68	287
COCA-COLA HBC AG-CDI	37,000	644	13.33	493
DIAGEO PLC ORD GBP0.28935	464,677	2,671	17.85	8,292
SABMILLER ORD USD 0.10	174,500	1,230	34.28	5,982
Total BEVERAGES		4,696		15,153
FOOD PRODUCERS				
ASSD BRITISH FOODS ORD GBP0.0568	64,460	194	26.78	1,726
CRANWICK	9,000	63	13.28	120
DAIRY CREST ORD GBP0.25	24,500	88	3.84	94
GREENCORE GROUP	75,000	119	2.34	176
TATE & LYLE ORD GBP0.25	86,400	241	5.91	511
UNILEVER ORD GBP0.031111	222,728	1,027	25.84	5,755
Total FOOD PRODUCERS		1,732		8,381
HEALTH CARE EQUIPMENT & SERVICES				
AL NOOR HOSPITALS GROUP	8,000	66	10.15	81
NMC HEALTH PLC	12,000	39	4.77	57
SMITH & NEPHEW ORD USD0.2	165,272	295	10.39	1,717
SYNERGY HEALTH	10,000	40	14.65	147
Total HEALTH CARE EQUIPMENT & SERVICES		440		2,002
PERSONAL GOODS				
BURBERRY GROUP ORD GBP0.0005	82,372	155	15.10	1,244
PZ CUSSENS ORD GBP0.01	56,970	87	3.66	208
SUPERGROUP PLC	6,000	38	11.30	68
TED BAKER PLC	5,000	45	18.60	93
Total PERSONAL GOODS		326		1,613
PHARMACEUTICALS & BIOTECHNOLOGY				
ASTRAZENECA ORD USD0.25	230,000	3,732	44.42	10,215
BTG	67,000	163	7.00	469
DECHRA PHARMACEUTICALS	16,000	79	7.57	121
GENUS	11,000	86	11.30	124
GLAXOSMITHKLINE ORD GBP0.25	898,088	4,254	14.13	12,690
HIKMA PHARMA ORD GBP0.10	25,000	98	17.32	433
SHIRE ORD GBP0.05	108,500	1,164	53.40	5,794
Total PHARMACEUTICALS & BIOTECHNOLOGY		9,575		29,846
TOBACCO				
BRITISH AMERICAN TOBACCO ORD GBP0.25	349,000	3,287	34.82	12,152

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
IMPERIAL TOBACCO ORD GBP0.10	178,262	1,693	26.64	4,749
Total TOBACCO		4,980		16,901
GENERAL RETAILERS				
BROWN (N) GROUP ORD GBP0.11	28,761	26	3.82	110
DEBENHAMS ORD GBP0.01	231,000	299	0.58	135
DIGNITY	9,813	93	14.65	144
DIXONS CARPHONE	173,453	568	3.66	635
DUNELM GROUP	17,000	34	8.25	140
HALFORDS GRP ORD GBP0.01	37,000	110	4.75	176
HOME RETAIL GROUP ORD GBP0.10	153,870	122	1.67	257
INCHCAPE ORD GBP0.25	84,300	163	6.44	543
JD SPORTS FASHION PLC	12,000	48	4.29	51
KINGFISHER ORD GBP0.15	437,078	825	3.24	1,416
MARKS AND SPENCER GROUP ORD GBP0.25	300,600	476	4.05	1,216
NEXT ORD GBP0.10	27,500	102	66.00	1,815
SMITH WH ORD GBP0.20	21,447	54	10.82	232
SPORTS DIRECT INT'L ORD GBP0.10	39,000	93	6.19	241
Total GENERAL RETAILERS		3,012		7,111
INDUSTRIAL METALS				
ALENT	39,483	140	3.28	130
EVRAZ PLC	94,000	321	1.30	122
FERREXPO	29,000	111	1.12	33
VESUVIUS	50,281	170	4.52	227
Total INDUSTRIAL METALS		742		511
TRAVEL & LEISURE				
888 HOLDINGS	26,000	39	1.30	34
BETFAIR GROUP	17,000	130	11.68	199
	131,900	358	0.91	120
CARNIVAL ORD USD1.66	33,865	416	24.64	834
COMPASS GROUP ORD GBP0.10	311,893	777	9.97	3,108
DOMINO'S PIZZA UK& IRL	25,000	75	5.69	142
EASYJET ORD GBP0.25	46,257	194	14.23	658
ENTERPRISE INNS ORD GBP0.025	95,000	100	1.24	118
FIRSTGROUP ORD GBP0.05	218,749	373	1.20	262
GO AHEAD GROUP ORD GBP0.10	8,000	74	25.44	204
GREENE KING ORD GBP0.125	40,799	138	7.85	320
INT'L CONSOLIDATED AIR	377,250	958	3.67	1,385
INTERCONTINENTAL HOTELS ORD GBP0.13617	47,819	103	23.78	1,137
LADBROKES ORD GBP0.28333	169,805	642	1.29	220
MARSTONS ORD GBP0.07375	107,154	108	1.47	158
MERLIN ENTERTAINMENT	62,000	227	3.51	218
MILLENNIUM & COPTHORNE HOTELS ORD GBP0.30	27,910	108	5.71	159
MITCHELLS & BUTLER ORD GBP0.085416	43,430	132	3.58	155
NATIONAL EXPRESS ORD GBP0.05	79,666	202	2.38	189
RANK GROUP ORD GBP0.13888	19,215	46	1.61	31
RESTAURANT ORD GBP0.28125	36,000	42	6.52	235

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
STAGECOACH GROUP ORD GBP0.009824	80,395	72	3.69	296
THOMAS COOK ORD EURO.10	266,000	343	1.19	317
TUI TRAVEL ORD GBP0.10	94,500	139	3.89	368
WETHERSPOON (JD) ORD GBP0.02	16,500	43	7.98	132
WHITBREAD ORD GBP0.76797385	33,285	177	41.54	1,383
WILLIAM HILL ORD GBP0.10	160,552	288	3.70	593
Total TRAVEL & LEISURE		6,303		12,974
MEDIA				
BRITISH SKY BROADCASTING ORD GBP0.50	177,500	801	8.82	1,565
ENTERTAINMENT ONE LTD	36,000	81	3.16	114
EUROMONEY INST INVESTOR ORD GBP0.0025	7,000	47	10.15	71
INFORMA ORD GBP0.001	110,948	270	4.89	543
ITE GROUP ORD GBP0.01	44,000	70	1.70	75
ITV ORD GBP0.10	694,146	768	2.08	1,442
MONEYSUPERMARKET.COM	80,000	111	1.96	157
PEARSON ORD GBP0.25	151,027	865	12.40	1,873
PERFORM GROUP	17,000	70	2.59	44
REED ELSEVIER ORD GBP0.1444	216,670	651	9.88	2,140
RIGHTMOVE ORD GBP0.001	17,615	54	21.51	379
UBM ORD GBP0.338068	45,437	405	5.83	265
WPP GROUP ORD GBP0.10	248,966	1,154	12.40	3,087
Total MEDIA		5,350		11,753
SUPPORT SERVICES				
AGGREKO ORD GBP0.20	44,765	102	15.48	693
ASHTREAD GROUP ORD GBP0.10	94,000	142	10.42	979
ATKINS WS ORD GBP0.005	19,000	73	13.16	250
BABCOCK INTL GRP ORD GBP0.60	91,979	335	10.91	1,003
BERENDSEN PLC	31,957	90	9.80	313
BUNZL ORD GBP0.32142857	61,720	172	16.10	994
CAPITA GROUP ORD NVP	121,902	342	11.64	1,419
CARILLION ORD GBP0.50	80,699	150	3.05	246
CONNAUGHT	22,000	90	0.00	0
DCC ORD	15,500	422	34.22	530
DE LA RUE ORD GBP	17,998	144	4.77	86
DIPLOMA PLC	22,000	104	6.90	152
ELECTROCOMPONENTS ORD GBP0.10	79,000	94	2.23	176
ESSENTRA	43,749	80	7.97	349
EXPERIAN ORD USD0.10	186,870	449	9.83	1,837
G4S ORD GBP0.25	288,213	549	2.51	723
GRAFTON GROUP	39,000	250	6.26	244
HAYS ORD GBP0.01	262,500	125	1.16	305
HOMESERVE ORD GBP0.125	51,000	80	3.20	163
HOWDEN JOINERY GROUP	116,000	96	3.39	393
INTERSERVE ORD GBP0.10	26,000	91	6.00	156
INTERTEK GROUP ORD GBP0.01	29,850	187	26.21	782
MICHAEL PAGE INTL ORD GBP0.01	55,000	97	4.18	230
MITIE GROUP ORD GBP0.025	67,500	128	2.88	194

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
NORTHGATE ORD GBP0.05	24,000	126	4.83	116
PAYPOINT	12,000	87	9.84	118
PREMIER FARNELL ORD GBP0.05	66,657	201	1.82	121
REGUS ORD GBP0.05	119,000	100	1.70	202
RENTOKIL INITIAL ORD GBP0.01	340,624	274	1.18	401
RPS GROUP ORD GBP0.03	41,000	98	2.61	107
SERCO ORD GBP0.02	93,000	193	2.86	266
SIG ORD GBP0.10	106,285	169	1.67	177
TRAVIS PERKINS ORD GBP0.10	45,672	180	16.64	760
WOLSELEY ORD GBP0.25	48,813	715	32.41	1,582
Total SUPPORT SERVICES		6,533		16,068
INDUSTRIAL TRANSPORT				
BBA AVIATION ORD GBP0.2976	89,200	159	3.25	290
FISHER (JAMES) & SONS	8,000	77	13.26	106
ROYAL MAIL	115,000	696	3.92	451
Total INDUSTRIAL TRANSPORT		932		847
FOOD & DRUG RETAILERS				
BOOKER GROUP	266,000	109	1.22	325
MORRISON (WM) ORD GBP0.10	402,283	470	1.68	677
OCADO GROUP PLC	80,000	126	2.65	212
SAINSBURY (J) ORD GBP0.28571428	259,000	782	2.51	651
TESCO ORD GBP0.05	1,483,212	2,221	1.86	2,760
UDG HEALTHCARE	45,000	126	3.31	149
Total FOOD & DRUG RETAILERS		3,835		4,773
FIXED LINE TELECOMMUNICATION				
BT GROUP ORD GBP0.05	1,453,398	2,764	3.80	5,516
CABLE & WIRELESS COMMU	459,000	556	0.47	215
COLT TELECOM ORD EUR1.25	58,757	435	1.34	79
KCOM GROUP	96,000	76	0.94	90
TALKTALK TELECOM	97,000	133	2.99	290
TELECOM PLUS	11,284	99	13.35	151
Total FIXED LINE TELECOMMUNICATION		4,063		6,340
ELECTRICITY				
DRAX GROUP ORD GBP0.1155172	74,744	556	6.47	483
SSE PLC ORD GBP0.50	176,940	966	15.47	2,737
Total ELECTRICITY		1,522		3,220
GAS WATER & MULTIUTILITIES				
CENTRICA ORD GBP0.061728395	939,474	1,507	3.08	2,891
INFINIS ENERGY	17,000	35	2.20	37
NATIONAL GRID ORD GBP0.11395	689,086	2,841	8.88	6,116
PENNON ORD GBP0.407	68,279	143	7.91	540
SEVERN TRENT ORD GBP0.9789	43,509	213	18.77	817
UNITED UTILITIES ORD GBP1.00	126,439	452	8.08	1,022
Total GAS WATER & MULTIUTILITIES		5,191		11,422

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
BANKS				
BANK OF GEORGIA HLDGS	5,000	65	24.58	123
BARCLAYS ORD GBP0.25	2,968,270	6,202	2.27	6,750
HSBC HLDGS ORD USD 0.50	3,521,447	15,034	6.26	22,044
LLOYDS TSB GROUP ORD GBP0.25	9,980,923	9,255	0.77	7,672
ROYAL BANK OF SCOTLAND	387,772	5,952	3.68	1,427
STANDARD CHARTERED ORD USD0.50	365,311	2,862	11.40	4,165
Total BANKS		39,370		42,181
NON LIFE INSURANCE				
ADMIRAL GRP ORD GBP0.001	36,000	186	12.82	462
AMLIN ORD GBP0.28125	92,289	151	4.34	400
BEAZLEY GROUP ORD GBP0.05	97,421	109	2.73	266
CATLIN GROUP USD0.01	62,331	243	5.22	325
DIRECT LINE INSURANCE GRP	277,000	623	2.94	815
ESURE GROUP	46,000	142	2.31	106
HISCOX ORD GBP0.05	58,579	148	6.30	369
JARDINE LLOYD THOMPSON ORD GBP0.05	23,000	55	9.73	224
LANCASHIRE HOLDINGS LTD	34,000	189	6.40	218
RSA INSURANCE	185,216	1,174	4.84	897
Total NON LIFE INSURANCE		3,020		4,081
LIFE INSURANCE				
AVIVA ORD GBP0.25	543,432	3,510	5.24	2,845
JUST RETIREMENT GROUP	33,000	49	1.30	43
LEGAL & GENERAL GP ORD GBP0.025	1,082,334	477	2.29	2,477
OLD	902,435	1,283	1.82	1,640
PARTNERSHIP ASSURANCE GROUP	27,000	108	1.05	28
PHOENIX GROUP HOLDINGS	38,479	256	7.28	280
PRUDENTIAL CORP ORD GBP0.05	471,136	1,210	13.76	6,483
RESOLUTION ORD GBP0.05	252,210	713	3.08	777
ST JAMES PLACE ORD GBP0.15	94,000	469	7.29	685
STANDARD LIFE ORD GBP0.10	434,106	1,122	4.14	1,798
Total LIFE INSURANCE		9,200		17,056
EQUITY INVESTMENT INSTRUMENTS				
3I INFRASTRUCTURE LTD	111,000	127	1.40	155
ABERFORTH SMALLER COS TRUST ORD GBP	18,000	57	10.90	196
ALLIANCE TRUST ORD GBP0.25	105,735	167	4.52	478
BANKERS I.T. ORD GBP0.25	21,500	38	5.61	121
BH GLOBAL LTD	6,500	61	12.20	79
BH MACRO LTD	12,500	204	20.42	255
BLACKROCK WORLD MINING TRST	32,500	85	4.28	139
BLUECREST ALLBLUE FUND LTD	83,000	123	1.87	155
BRITISH EMPIRE SEC & GEN TRUST ORD GBP0.10	29,000	57	5.14	149
CALEDONIA INVESTMENT ORD GBP0.05	6,000	36	21.58	129
CITY OF LONDON TRUST ORD GBP0.25	50,600	89	3.72	188
EDINBURGH I.T. ORD GBP0.25	37,100	66	6.05	224

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
ELECTRA PRIVATE EQUITY GBP0.25	6,500	19	26.50	172
F & C INVEST TRUST ORD GBP0.25	108,000	81	3.91	423
FIDELITY CHINA SPECIAL	111,868	130	1.17	131
FIDELITY EUROPEAN VALUES ORD GBP0.25	80,000	41	1.52	121
GENESIS EMERGING MARKETS	24,000	108	5.59	134
HERALD INVESTMENT TRUST	14,000	63	6.66	93
HICL INFRASTRUCTURE CO	221,725	257	1.44	319
INTERNATIONAL PUB PTR	141,345	147	1.35	191
JOHN LAING INFRASTRUCTURE	118,125	129	1.20	142
JPMORGAN AMERICAN IT	90,000	170	2.61	235
JPMORGAN EMERGING MKTS	23,000	106	5.67	130
LAW DEBENTURE CORP	22,000	65	5.16	113
MERCANTILE TRUST	18,700	30	14.26	267
MERCHANTS TRUST ORD GBP0.25	19,000	80	4.83	92
MONKS INVESTMENT ORD GBP0.05	44,500	38	3.72	166
MURRAY INCOME ORD GBP0.25	12,500	67	7.54	94
MURRAY INTERNATIONAL ORD GBP0.25	22,800	112	10.91	249
NB GLOBAL FLOATING RATE	230,000	232	0.97	223
PERPETUAL INCOME & GRTH ORD GBP0.10	41,000	84	3.75	154
PERSONAL ASSETS TRUST	286	100	335.80	96
POLAR CAPITAL TECHNOLOGY TR	23,000	53	5.04	116
RIT CAPITAL PARTNERS ORD GBP1.00	23,479	51	13.86	325
RIVERSTONE ENERGY LTD	5,000	46	8.96	45
SCOTTISH I.T ORD GBP0.25	22,100	36	5.86	130
SCOTTISH MORTGAGE ORD GBP0.25	234,000	77	2.34	547
TEMPLE BAR IT ORD GBP0.25	12,000	85	12.08	145
TEMPLETON EMERGING MARKETS I.T. ORD GBP0.25	60,000	91	5.81	349
TR PROPERTY INVESTMENT TRUST ORD GBP0.25	58,500	41	2.54	149
WITAN IT ORD GBP0.25	36,100	52	7.05	255
WORLDWIDE HEALTH	9,000	86	14.99	135
Total EQUITY INVESTMENT INSTRUMENTS		3,783		8,009
REAL ESTATE INVESTMENT & SERVICES				
CAPITAL & COUNTIES PROPERTIES	123,333	195	3.29	405
COUNTRYWIDE PLC ORD GBP0.05	28,000	168	4.51	126
DAEJAN HOLDINGS ORD GBP0.25	1,000	42	48.79	49
FOXTONS GROUP	35,000	126	2.14	75
GRAINGER TRUST ORD0.05	77,000	112	1.85	143
HANSTEEN HOLDINGS	114,000	99	1.04	118
LONDON & STAMFORD PROPERTY	110,000	138	1.39	153
SAVILLS ORD 2.5GBP	24,000	84	6.12	147
ST. MODWEN PROPERTIES ORD GBP0.10	31,000	78	3.67	114
UNITE GROUP ORD GBP0.25	36,142	113	4.25	153
Total REAL ESTATE INVESTMENT & SERVICES		1,155		1,483
REAL ESTATE INVESTMENT TRUSTS				
BIG YELLOW GROUP ORD GBP0.10	23,000	110	5.20	120
BRITISH LAND ORD GBP0.25	185,000	726	7.02	1,299
CAPITAL SHOPPING CENTRES	160,333	619	3.23	517

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
DERWENT LONDON ORD GBP0.05	17,096	181	27.30	467
F & C COMMERCIAL PROPERTY TRUST	91,000	95	1.25	114
GREAT PORTLAND ESTATE ORD GBP0.125	63,172	162	6.40	404
HAMMERSON ORD GBP0.25	130,847	397	5.75	752
LAND SECURITIES GROUP ORD GBP0.10	145,276	636	10.39	1,509
SEGRO REIT	139,052	405	3.63	505
SHAFTESBURY ORD GBP0.25	46,666	147	6.81	318
UK COMMERCIAL PROPERTY ORD GBP0.25	77,000	64	0.81	62
WORKSPACE GROUP - ORD GBP0.10	20,000	69	6.33	127
Total REAL ESTATE INVESTMENT TRUSTS		3,612		6,193
TECHNOLOGY HARDWARE & EQUIPMENT				
ARM HOLDINGS ORD GBP0.05	258,500	414	9.06	2,341
CSR ORD GBP0.0001	31,500	124	7.58	239
IMAGINATION TECH GROUP PLC	37,000	89	1.89	70
PACE PLC	58,000	134	2.98	173
SPIRENT ORD GBP0.0333	113,000	35	1.05	118
Total TECHNOLOGY HARDWARE & EQUIPMENT		795		2,940
SOFTWARE & COMPUTER SERVICES				
AVEVA GROUP ORD GBP0.0333	11,686	123	15.39	180
COMPUTACENTER PLC ORD GBP0.05	14,400	50	6.30	91
FIDESSA GROUP	7,000	50	22.91	160
MICRO FOCUS INT'L ORD GBP0.10	26,584	95	10.60	282
PLAYTECH ORD	35,000	183	7.18	251
SAGE GROUP ORD GBP0.01	203,263	203	3.65	743
TELECITY GROUP	38,000	157	7.48	284
Total SOFTWARE & COMPUTER SERVICES		860		1,991
FINANCIAL SERVICES				
3I GROUP ORD GBP0.738636	177,781	435	3.83	681
ABERDEEN ASSET MGT ORDGBP0.10	176,000	232	4.00	705
ASHMORE GROUP ORD GBP0.0001	73,000	196	3.08	225
BREWIN DOLPHIN HLDGS	46,000	71	2.72	125
CLOSE BROTHERS GROUP ORD GBP0.25	27,500	117	14.31	394
HARGRAVES LANSDOWN	41,000	127	9.45	387
HENDERSON GRP ORD GBP0.125	192,518	116	2.03	390
ICAP ORD GBP0.10	101,000	259	3.87	391
IG GROUP ORD GBP0.05	68,000	140	5.94	404
INTERMEDIATE CAPITAL GRP ORD GBP0.20	75,181	238	3.93	296
INTL PERSONAL FINANCE ORD GBP0.10	45,236	55	4.88	221
INVESTEC ORD GBP0.0002	92,500	245	5.20	481
IP GROUP PLC	83,620	128	2.04	171
JUPITER FUND MANAGEMENT	77,000	226	3.56	274
LONDON STOCK EXCHANGE ORD GBP0.069186	41,925	300	18.67	783
MAN GROUP ORD USD0.0342857	307,375	448	1.19	365
PARAGON GRP OF COMPANIES ORD GBP1	57,000	103	3.42	195
PROVIDENT FINANCIAL ORD GBP0.20727272	25,618	119	21.35	547
RATHBONE BROTHERS ORD GBP0.05	8,000	76	19.03	152

Description	Holding	Book Cost £000's	Market Price	Market Value £000's
SCHRODERS ORD GBP1.00	20,999	52	23.90	502
SVG CAPITAL ORD GBP1.00	41,000	111	4.10	168
TULLETT PREBON ORD GBP0.25	39,500	111	2.68	106
Total FINANCIAL SERVICES		3,904		7,962
GENERAL INDUSTRIAL				
REXAM ORD GBP0.64285714	129,632	446	4.92	638
RPC GROUP	31,000	113	5.59	173
SMITH (DS) ORD GBP0.10	172,475	209	2.66	459
SMITHS GROUP ORD GBP0.375	72,527	363	12.63	916
Total GENERAL INDUSTRIAL		1,132		2,186
MOBILE TELECOMMUNICATIONS				
INMARSAT ORD EURO0.0005	79,000	281	7.01	553
VODAFONE GROUP ORD USD0.11428571	4,905,281	9,182	2.04	10,024
Total MOBILE TELECOMMUNICATIONS		9,463		10,577
OIL EQUIPMENT SERVICES & DISTRIBUTION				
AMEC ORD GBP0.50	55,500	175	11.03	612
HUNTING ORD GBP0.25	26,000	110	8.93	232
PETROFAC ORD USD0.025	48,000	144	10.36	497
WOOD GROUP (JOHN) ORD GBP0.03333	67,833	238	7.60	515
Total OIL EQUIPMENT SERVICES & DISTRIBUTION		666		1,857
Total UK EQUITIES		189,643		362,655

Summary of Transactions for the Period**1 April - 30 September 2014**

Cash Transaction Summary

Schedule	Purchases	Sales	Net Cash Invested
	£	£	£
UK Equities	3,418,256.67	3,436,652.37	-18,395.70
	<u>3,418,256.67</u>	<u>3,436,652.37</u>	<u>-18,395.70</u>

UK Equities**Purchases**

No. of Shares	Description	Date	Price £	Cost £
25,547	Babcock International	17-Apr	7.90	201,821.30
6,000	African Barrick	17-Apr	2.22	13,325.56
1,000	Berkeley Group Holdings	28-May	22.89	22,887.94
9,000	Crest Nicholson Holdings	28-May	3.37	30,354.31
3,000	City Of London Investment Trust	28-May	3.85	11,531.99
81,000	Direct Line Insurance Group	28-May	2.46	198,896.39
3,000	Howden Joinery Group	28-May	3.31	9,937.77
36,000	Heritage Oil	28-May	3.16	113,912.06
32,000	HSBC Holdings	28-May	6.27	200,758.11
7,000	Hellermannntyton Group	28-May	3.07	21,507.33
17,000	Infinis Energy	28-May	2.08	35,364.30
16,000	IP Group	28-May	1.73	27,759.02
2,000	Interserve	28-May	6.48	12,974.40
40,000	JPMorgan American IT	28-May	2.43	97,296.76
33,000	Just Retirement Group	28-May	1.49	49,239.70
13,000	Jupiter Fund Management	28-May	3.96	51,491.48
35,000	Intu Properties Reit	28-May	3.12	109,331.46
995,000	Lloyds Banking Group	28-May	7.74	770,228.51
2,000	Marks and Spencer Group	28-May	4.48	8,971.33
12,000	Moneysupermarket.Com	28-May	1.74	20,882.81
77,000	NB Global Floating	28-May	9.98	76,825.21
24,000	Northgate	28-May	5.26	126,197.83
7,000	Playtech	28-May	6.51	45,596.37
48,000	RSA Insurance Group	28-May	4.80	230,304.14
6,000	Shire	28-May	34.34	206,053.70
1,000	Telecom Plus	28-May	15.12	15,123.56
2,000	WPP	28-May	12.85	25,703.12
173,453	Dixon Carphone	17-Jul	3.27	567,650.36
8,983	London Stock Exchange	16-Sep	12.95	116,329.85

3,418,256.67

UK Equities**Sales**

No. of Shares	Description	Date	Price £	Proceeds £	Profit / (Loss) £
257,281	RSA	9-Apr	0.38	97,766.40	97,766.40
35,809	INTU Properties	30-Apr	1.09	39,208.66	39,208.66
106,000	F & C Asset Management	9-May	1.20	127,196.40	44,733.10
72,000	AZ Electronics	9-May	4.04	290,520.00	73,597.80
54,000	Essar Energy	15-May	0.70	37,800.00	-254,475.00
1,000	Anglo American	28-May	15.63	15,526.84	4,685.16
1,000	Arm Holdings	28-May	9.25	9,248.88	7,646.16
4,000	Aviva	28-May	5.22	20,880.00	-4,957.60
1,000	Astrazeneca	28-May	42.67	42,665.57	26,438.07
12,000	BAE Systems	28-May	4.18	50,157.80	29,343.43
12,000	Barclays Ord	28-May	2.45	29,403.96	4,329.88
1,000	British American Tobacco	28-May	35.14	35,142.57	25,724.13
3,000	Barratt Developments	28-May	3.64	10,919.89	4,985.75
2,000	BG Group	28-May	12.13	24,264.18	18,719.28
2,000	BH Global	28-May	11.93	23,854.11	5,142.92
2,000	BHP Billiton	28-May	12.27	38,536.23	30,097.49
49,000	BP	28-May	5.07	248,281.04	90,286.80
3,000	British Sky Broadcasting	28-May	8.84	26,516.39	12,974.40
7,000	BT Group	28-May	3.96	27,709.70	14,397.13
500	Caledonia Investments	28-May	21.73	10,863.12	7,890.16
18,000	Centrica	28-May	3.29	59,218.96	30,336.97
5,000	Cairn Energy	28-May	1.92	9,598.08	-441.35
2,000	Compass Group	28-May	9.99	19,975.03	15,287.43
1,000	CRH	28-May	16.81	16,805.41	4,163.91
2,000	Diageo	28-May	18.83	37,650.02	26,154.90
29,000	Devro	28-May	2.55	73,867.18	8,080.68
37,000	Edinburgh Dragon Trust	28-May	2.56	94,887.13	42,286.24
1,000	Experian	28-May	10.28	10,280.00	7,877.34
6,000	Glencore	28-May	3.28	19,688.30	4,570.29
2,000	Great Portland Estates Reit	28-May	6.38	12,769.15	7,635.10
3,000	Glaxosmithkline	28-May	16.1	48,307.50	34,097.20
2,000	Hammerson Reit	28-May	5.94	11,875.95	5,805.01
3,000	3i Group	28-May	4.28	12,840.60	5,496.69
2,000	Imperial Tobacco Group	28-May	26.48	52,961.66	33,967.72
2,000	Inchcape	28-May	6.27	12,531.01	8,666.42
2,000	Informa	28-May	5.06	10,120.18	5,251.09
500	Johnson Matthey	28-May	33.39	16,692.80	13,277.20
3,000	Kingfisher	28-May	4.16	12,493.72	6,830.03
475,000	Kenmare Resources	28-May	0.11	51,640.58	-61,411.89
7,000	Legal And General Group	28-May	2.29	16,022.39	12,934.94
2,000	National Grid	28-May	8.85	17,710.00	9,465.72
6,000	Old Mutual	28-May	2.03	12,190.85	3,658.08

UK Equities**Sales**

No. of Shares	Description	Date	Price £	Proceeds £	Profit / (Loss) £
28,000	Petra Diamonds	28-May	1.57	43,935.58	2,353.08
2,000	Prudential	28-May	13.97	27,930.75	22,792.58
1,000	Persimmon	28-May	13.45	13,450.00	8,733.40
1,000	Rathbone Bros	28-May	19.92	19,916.00	10,434.54
500	Reckitt Benckiser Group	28-May	50.63	25,312.50	20,475.63
9,000	Royal Dutch Shell 'B'	28-May	24.53	220,776.76	100,433.86
1,000	Rio Tinto	28-May	32.11	32,106.23	22,729.78
500	Rightmove	28-May	22.82	11,411.33	9,870.98
2,000	Rolls-Royce Holdings	28-May	10.07	20,142.11	14,825.65
300	Randgold Resources	28-May	44.58	13,372.57	7,502.26
1,000	Sabmiller	28-May	32.9	32,895.56	25,845.43
3,000	Standard Life	28-May	4.01	12,036.45	4,285.98
1,000	WH Smith	28-May	10.39	10,389.74	7,893.44
2,000	Smith And Nephew	28-May	9.57	19,134.01	15,568.71
10,000	Spirent Communications	28-May	1.02	10,208.08	7,109.94
1,000	SSE	28-May	15.36	15,359.45	9,901.93
1,000	Standard Chartered	28-May	13.38	13,375.94	5,541.89
1,000	St.James's Place	28-May	7.86	7,860.99	2,873.45
1,000	Severn Trent	28-May	19.03	19,029.75	14,126.12
1,000	Tate And Lyle	28-May	6.69	6,691.39	3,899.00
2,000	Templeton Emerging Markets	28-May	5.57	11,133.47	8,114.93
5,000	Tesco	28-May	3.02	15,075.24	7,589.05
1,000	Unilever	28-May	26.48	26,480.00	21,868.18
1,000	United Utilities Group	28-May	8.57	8,573.89	5,000.13
17,000	Vodafone Group	28-May	2.09	35,509.02	3,687.42
250	Wolseley	28-May	33.4	8,349.56	4,687.84
300	Whitbread	28-May	41.73	12,518.40	10,920.03
36,000	Heritage Oil	28-May	3.20	115,200.00	1,287.94
4,663	Rolls Royce 'C'	3-Jul	0.01	46,629.00	46,629.05
680,345	DSG	17-Jul	0.55	379,609.96	0.00
68,000	Carphone Warehouse	17-Jul	2.77	188,040.40	0.00
266,000	Booker 'B' shares	9-Jul	0.04	9,310.00	9,310.00
18,000	Kentz Corp	5-Aug	9.35	168,300.00	99,052.20
				3,436,652.37	1,037,868.26
				3,436,652.37	1,037,868.26

Other Transactions

The following Capitalisation / Consolidation issues took place

during the 6 month period 1 April - 30 September 2014

<u>Company</u>	<u>Old Holding</u>	<u>New Holding</u>
Capitalisation Issues		
JD Sports	3,000	12,000
Scottish Mortgage	46,800	234,000
Fidelity European	8,000	80,000
Consolidation Issues		
Aggreko	47,036	44,765
Rexam	145,837	129,632
Compass Group	331,388	311,893
Alent Group	41,281	39,483