



LAWRENCE HOUSE FUND MANAGERS

Date of Launch

20/12/2004

Fund Managers

Mike Sargeant
Alan Stokes

Fund Size

£6,131,605

Benchmark

APCIMS Balance
Managed

NAV Price

A Class £1.178

B Class £1.175

Latest Yield

A Class 1.67%

B Class 1.46%

Dividend Dates

A Class 31/07, 31/01

B Class 31/07, 31/01

Minimum Investment

A Class £50,000.00

B Class £2,500.00

Initial Charge

A Class 1.0%

B Class 5.0%

Annual Management Charge

A Class 1.0%

B Class 1.5%

A Class 1.0%

B Class 1.5%

A Class 1.0%

B Class 1.5%

All data as at 31/12/2005

Compliance Statement

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Sedol No

A Class B054QF3

B Class B054QG4

ISIN No

A Class

GB00B054QF32

B Class

GB00B054QG49

Lawrence House Balanced Managed Fund

January 2006

Fund Objective

The Balanced Managed Fund aims to provide capital growth through investment in a diversified portfolio of collective investment schemes giving exposure to many of the world's stockmarkets. The Fund can hold significant amounts in fixed interest funds, should the manager feel the potential risk and reward of this asset class could add to the overall fund's performance. Income distribution is not a consideration in the structure and management of this fund. The fund's benchmark is the Financial Times/Association of Private Client Investment Managers and Stockbrokers Balanced Index (FT/APCIMS).

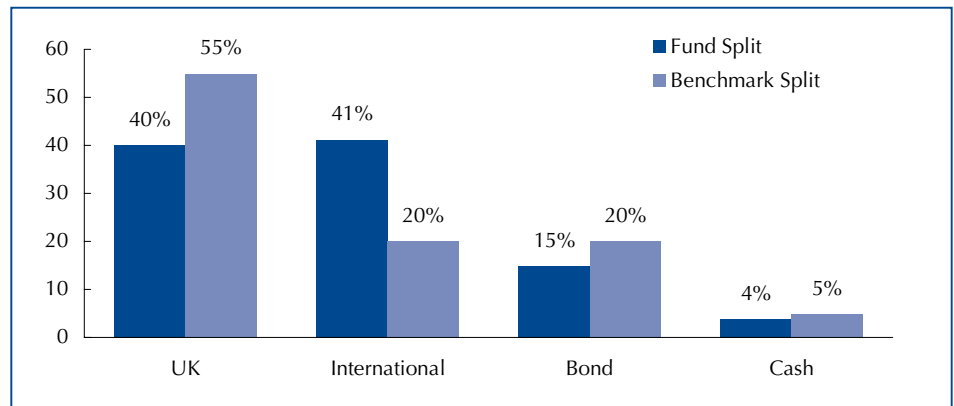
Investment Comment

Global equity markets had a good year during 2005 with Japan producing its best year in a very long time. The decision to increase our Japanese weighting early last year proved successful with both funds fully participating in the rally. Elsewhere, Europe made a substantial contribution to performance with both the New Star European Growth Fund and the recently launched Britannic Argonaut European Alpha Fund showing positive returns. Even our North American exposure made double-digit returns, twice the rise in the American stock market. As a result, we remain positive and believe that 2006 will demonstrate further gains across the board. We feel that emerging markets may be the weaker growth area given the substantial gains made during 2005. However, much will depend on stock selection rather than just asset allocation.

During the last quarter we decided to switch the proceeds from the Baring Directional Bond Fund to the Newton International Bond Fund. We felt this appropriate given the difference in performance between the two and our faith in the Newton has been fully justified with the fund already showing a useful profit.

On balance, we are happy with the current structure of the portfolio and do not envisage any significant changes in the immediate future. However, we will be undertaking a full review of the constituents of the portfolio once we have all the data relating to performance last year.

Asset Allocation



Fund Performance

	01/01/2005 to 31/12/2005	1 Month Return	3 Months Return	6 Months Return	Since Launch
Lawrence House Balanced Managed Fund	17.50%	4.54%	6.53%	14.75%	17.50%

Source: Lipper/ARC 01.01.06, Lump, % Chg, B/B, Net Income Reinvested

Portfolio Composition

Mellon Newton International Bond	9.19
New Star UK Alpha	8.79
Nucleus American Trust	8.70
Rensburg UK Select Growth	8.38
Lazard UK Income	7.85
Artemis Income	7.85
Schroder Income	7.32
Schroder Tokyo	5.87
Credit Suisse Target Return	5.55

Legg Mason Japan Equity	4.91
Britannic Argonaut European Alpha	4.83
New Star European Growth	4.76
Framlington Emerging Markets	4.50
Lincoln Far East	4.09
M&G Global Basics	3.58
Cash	3.83
TOTAL	100