



LAWRENCE HOUSE FUND MANAGERS

Date of Launch

20/12/2004

Fund Managers

Mike Sargeant
Alan Stokes

Fund Size

£3,600,809

Benchmark

APCIMS Balance
Managed

NAV Price

A Class £1.021
B Class £1.024

Latest Yield

A Class 0.35%
B Class 0.35%

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%

All data as at 30/06/2005

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

July 2005

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

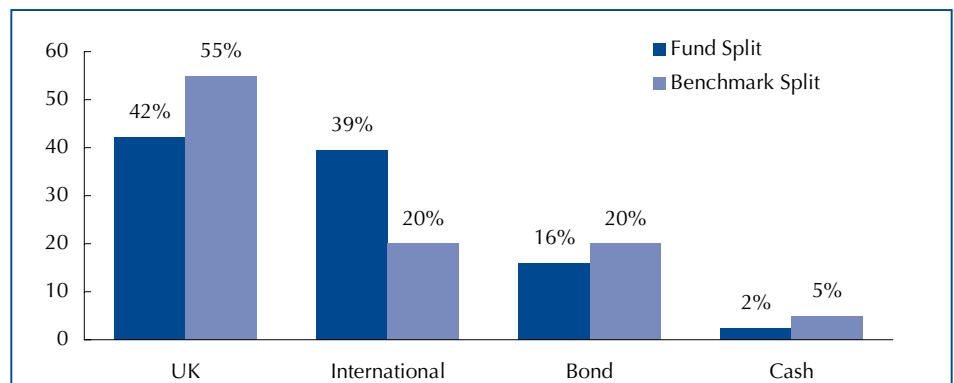
Over the last month, world markets have seen both highs and lows. Initially, markets rallied as oil prices relaxed following the announcement by OPEC to raise production. This proved a short-lived respite in the relentless climb towards \$60 per barrel as it became clear the increase would not result in extra flows, but only served to sanction the unofficial over production currently in place.

As figures continue to emerge from Asia and Eastern Europe showing strong oil consumption, the \$60 per barrel (pb) mark was breached on the 23rd, with stock markets falling sharply in response. This sell off continued until a last minute fall in oil prices on the 28th caused shares to recover some of their lost ground.

We have continued to see inflows to the fund, with assets under management rising from £2.8m to £3.6m or some 28%. Since no new funds were added, the money was used to increase existing funds ensuring that the weightings remain reasonably neutral.

We have maintained our weighting in fixed interest funds around the 15% level and believe bonds still have much to offer, both in terms of portfolio diversification and performance. Following the fall in equity prices over recent years, Life and Pension companies increased their weightings to bonds, prioritising capital preservation over the generation of strong returns; thereby meeting known liabilities with minimal risk. The Government issued investment mandate of the Pension Protection Fund, which specifically includes equities, has recently reinforced this attitude.

Asset Allocation



Portfolio Composition

Nucleus American Trust	9.84	Lazard UK Income	7.76
New Star European Growth	9.74	Schroder Tokyo	6.82
New Star UK Alpha	8.95	Lincoln Far East	4.77
Rensburg UK Select Growth	8.89	Framlington Emerging Markets	4.59
Schroder Income	8.30	M&G Global Basics	3.73
Artemis Income	8.26	Cash	2.39
Credit Suisse Target Return	8.14	TOTAL	100
Baring Directional Bond	7.82		