



SARASIN
& PARTNERS

London South Bank University Charitable Funds

Investment Report As at 31st March 2012

(Copy for: E Maimbo Esq)

Managed by Robert Boddington and Tracy Collins
Administered by Stella Tang

Sarasins & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU
Tel +44(0)20 7038 7000
Fax +44(0)20 7038 6850
www.sarasins.co.uk

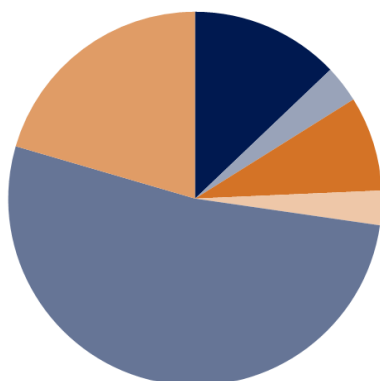
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Portfolio Value as at 31st March 2012: £619,226

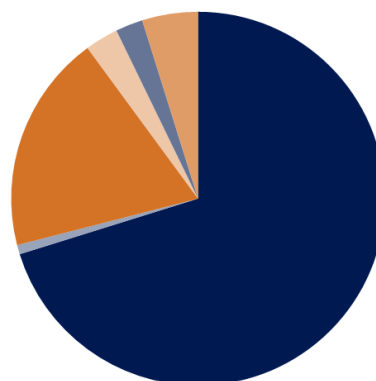
Asset Allocation	£	Capital	Estimated Income	
		%	£	%
Fixed Interest	154,166	24.9		
UK Equities	167,045	27.0		
Global Equities	228,698	36.9		
Property	33,795	5.5		
Alternative Assets	30,006	4.8		
Liquid Assets	5,517	0.9		
Total	619,226	100.0	23,638	3.8

Geographic Allocation



Europe	12.9 %	Other	8.2 %	UK	52.2 %
Japan	3.2 %	Pacific	3.0 %	US	20.5 %

Currency Allocation



Sterling	70.2 %	Swiss Franc	2.9 %
Euro	0.8 %	Japanese Yen	2.4 %
US Dollar	18.9 %	Other	4.8 %

Investment Performance	Portfolio	Benchmark	Relative
Quarter to 31 March 2012	5.4%	4.9%	0.4%
Calendar Year 2011	-4.5%	1.5%	-6.0%
Calendar Year 2010	13.9%	12.6%	1.4%
1 July 2009 to 31 December 2009	20.6%	16.9%	3.6%

Portfolio benchmark: EPRA/NAREIT Total Return (GBP) (Global) (2.80%), FTSE All-Share 5% capped (Total Return) (UK) (26.00%), FTSE Gilts All Stocks (Total Return) (22.00%), FTSE World Ex-UK (Total Return) (2.00%), IPD Monthly (UK) (3.20%), JP Morgan World Bonds Ex-UK (7.00%), MSCI World ex UK (Local Currency) (GBP) (16.00%), MSCI World ex-UK (Net Total Return) (16.00%), UK cash LIBOR 1 Month (Total Return) (5.00%).

Performance is calculated 'net' of Sarasin's investment management fees and custody costs that have been directly debited from your portfolio, using Bid prices. This takes into account receipts to and withdrawals from the portfolio during the period, and their dates. Prices are sourced from Bloomberg.

The report 'looks-through' to the underlying investments within the Sarasin funds in order to show the portfolio's overall allocation.

Where a portfolio holds Sarasin Unit Trusts or OEIC Funds, we use a close of business unit price to enable more accurate performance comparison with the portfolio benchmark.

London South Bank University

The Charity has wide investment powers.

The Trustees seek:

Annual income of £20,000 (2009) was increased in Q1 2012 to £23,250 to reflect cash added to the portfolio and inflation for 2010 and 2011.

Capital growth should exceed the WM Charity Survey by 1% per annum

The Trustees have agreed to invest via the Alpha Common Investment Funds, Alpha CIF for Endowments and Alpha CIF for Income and Reserves.

Alpha Common Investment Fund for Endowments

The investment objective of the Fund is to achieve levels of income in excess of that available from the FTSE All Share Index and long term capital and income growth. This is achieved with a diversified global portfolio covering the world's principal stock, bond and currency markets, together with investments in "alternative" assets such as property and hedge funds.

The equity content will be diversified both by geography and by major investment themes. The Fund may hold cash deposits from time to time where it would be in the interests of efficient management of the Fund's assets.

Alpha Common Investment Fund for Income and Reserve

The investment objective of the Fund is to achieve a consistently attractive level of income coupled with the potential for long term capital appreciation, whilst aiming to preserve the value of capital over the shorter term. The portfolio will be fixed interest orientated with the remainder in a mix of global equities, convertible bonds and cash.

Ethical Policy

The Alpha Common Investment Funds will avoid investment in companies with more than 10% of their turnover in:

- Alcohol Manufacture
- Armaments
- Gambling
- Pornography

The Alpha Common Investment Funds will not invest in companies manufacturing tobacco related products.

Index Returns

	Quarter to 31-Mar-12	Calendar Year 2011	Calendar Year 2010	1-Jul-09 to 31-Dec-09	Since Launch		
	%	%	%	%	% Change	A.G.R	Volatility
Sarasin Funds							
¹ Alpha CIF for Endowments	5.9	-6.2	15.2	23.0 (28-Sep-93)	199.0	6.1	3.2
² Alpha CIF for Income & Reserves	3.0	3.2	9.0	13.4 (03-Aug-05)	36.1	4.7	1.5
Bonds							
Citigroup World govt. bonds all mats	-3.2	7.1	8.5	6.0	-	-	2.6
Citigroup US govt. bonds all mats	-4.0	10.4	9.1	2.8	-	-	3.4
Citigroup UK govt. bonds all mats	-1.8	16.9	7.3	2.2	-	-	1.7
Citigroup EU govt. bonds all mats	2.2	3.1	-1.5	6.6	-	-	2.7
Merrill Lynch Sterling Corporate	3.4	7.0	9.4	13.1	-	-	1.9
Merrill Lynch Sterling Broad Market Index	-0.4	13.5	7.9	5.2	-	-	1.4
Merrill Lynch Global Corporate Index	1.0	5.2	9.3	11.9	-	-	1.8
Equities							
MSCI World (Net Total Return)	8.5	-4.8	15.3	23.6	-	-	4.2
MSCI World (Local Currency) (GBP)	11.2	-5.5	10.0	19.2	-	-	4.4
MSCI All Countries World Daily (Net Total Return)	8.8	-6.7	16.2	24.6	-	-	4.3
MSCI AC World (Local Currency) (GBP)	11.1	-6.5	10.5	19.7	-	-	4.4
S&P 500 (Total Return) (US)	9.5	2.9	18.7	24.6	-	-	4.2
FTSE All-Share (Total Return) (UK)	6.1	-3.5	14.5	26.5	-	-	4.5
FTSE All-Share 5% capped (Total Return) (UK)	6.8	-3.9	16.1	26.4	-	-	4.5
MSCI Europe (Net Total Return)	7.6	-10.4	7.1	26.3	-	-	5.4
Nikkei 225 (Japan)	8.5	-12.2	14.8	12.4	-	-	4.0
MSCI Pacific ex-Japan (Net Total Return)	8.2	-12.1	20.6	38.5	-	-	5.8
S&P/IFCI Composite Investable (Total Return) (Emerging)	11.4	-18.4	24.4	32.5	-	-	5.9
Property							
S&P/Citigroup BMI World Property (Total Return)	9.7	-4.8	25.3	32.0	-	-	5.1
IPD Monthly (UK)	1.1	8.5	17.6	8.9	-	-	1.1
Alternative Assets							
Gold (per Ounce)	5.6	9.7	33.3	18.3	-	-	6.0
HFRX Global Hedge Fund GBP Index	3.1	-8.4	5.2	7.3	-	-	1.5
Reuters/Jefferies CRB	-1.7	-7.6	21.1	15.1	-	-	3.7
Other							
UK Retail Prices Index	0.6	5.2	4.7	1.8	-	-	0.3
UK cash LIBOR 3 Month (Total Return)	0.3	0.8	0.7	0.4	-	-	0.0

All index returns are total returns. The performance figures quoted are shown in the base currency of the portfolio.

Source: Sarasin & Partners and Bloomberg

¹ Bid to Bid, gross income reinvested. 70% of the Manager's annual and administration charges are deducted from the Fund's capital, which may constrain future capital growth. There is no minimum investment period, though we would recommend that you view your investment as a medium to long term one (i.e. 5 to 10 years).

² Bid to Bid, gross income reinvested. 80% of the Manager's annual and administration charges are deducted from the Fund's capital, which may constrain future capital growth. There is no minimum investment period, though we would recommend that you view your investment as a medium to long term one (i.e. 5 to 10 years).

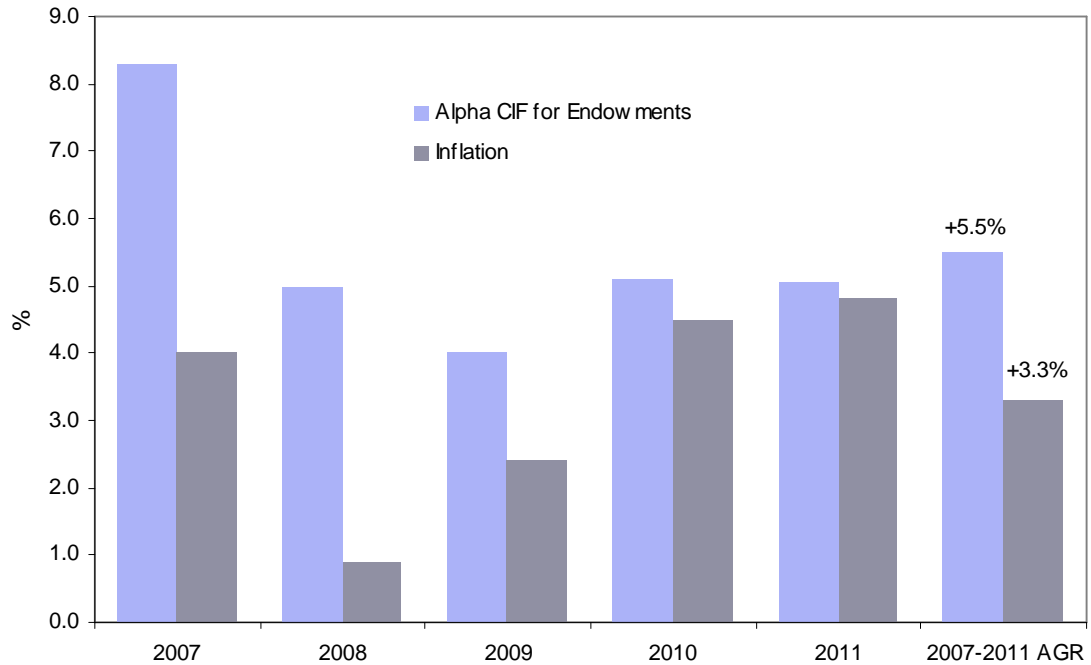
The Sarasin funds are subject to an initial charge of up to 5%. Index prices are as at 31/03/2012, unless such prices are not available, in which case the most recent price will be used.

Past performance does not guarantee future returns. The value of investments and the income from them can go down as well as up and you may not get back the amount you originally invested. This can be as a result of market movements and also of variations in exchange rates between currencies. All volatility figures measure the standard deviation of the monthly returns over a rolling 36 month period. This is not the only method of calculating volatility and other methods may produce different results.

The following chart and table show annual income growth compared to inflation and asset class performance of the Alpha CIF for Endowments

Income Growth – Alpha and Inflation

Calendar Years and 2007 - 2011



Performance by Asset Class

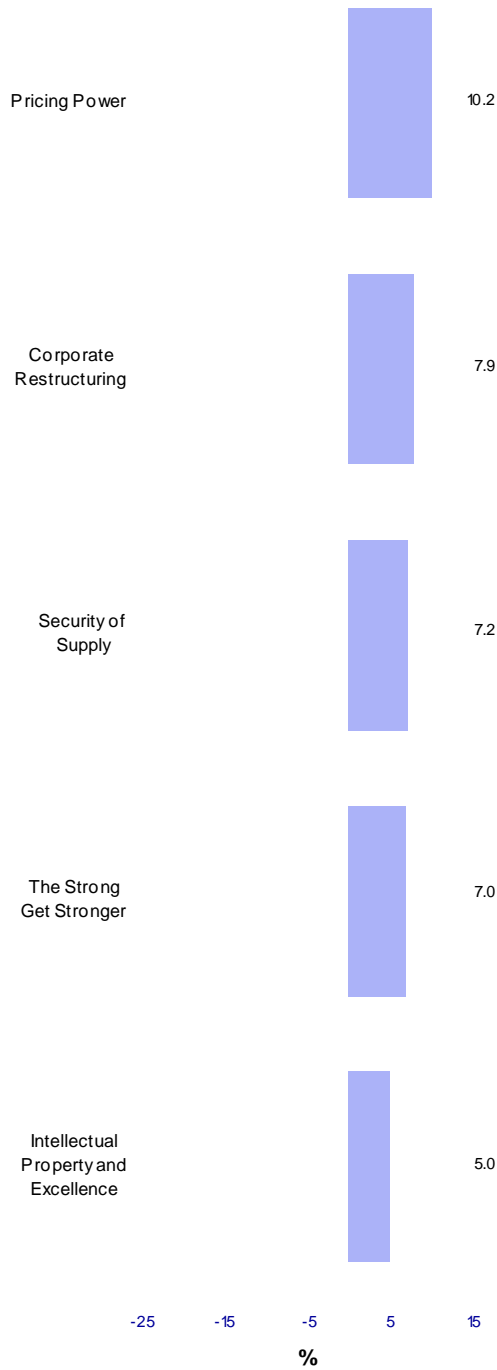
31-Dec-2011 to 31-Mar-2012 and Rolling 3 Years

Asset Types	Quarter		Rolling 3 Years	
	Alpha %	Index %	Alpha %	Index %
Fixed Interest	1.9	-2.3	36.7	17.4
<i>Sterling Government Bonds</i>	-2.5	-1.7	30.9	21.3
<i>Sterling Corporate Bonds</i>	4.6	3.4	47.8	50.4
<i>Inflation Linked Bonds</i>	-1.6	-1.5	48.9	38.7
<i>Overseas Bonds</i>	1.9	-3.7	21.0	7.7
UK Equities	7.1	6.8	78.0	71.6
Overseas Equities	7.5	8.5	46.9	55.9
Property	3.1	5.2	55.5	66.4
Hedge Funds	2.7	3.3	22.4	11.7
Private Equity	1.5	6.1	57.2	67.9
Commodities	-	-1.7	39.3	25.6
Guaranteed Products	-	0.2	-	1.9
Liquid Assets	n/a	0.2	n/a	1.9

The following charts show the equity performance of the Alpha CIF for Endowments

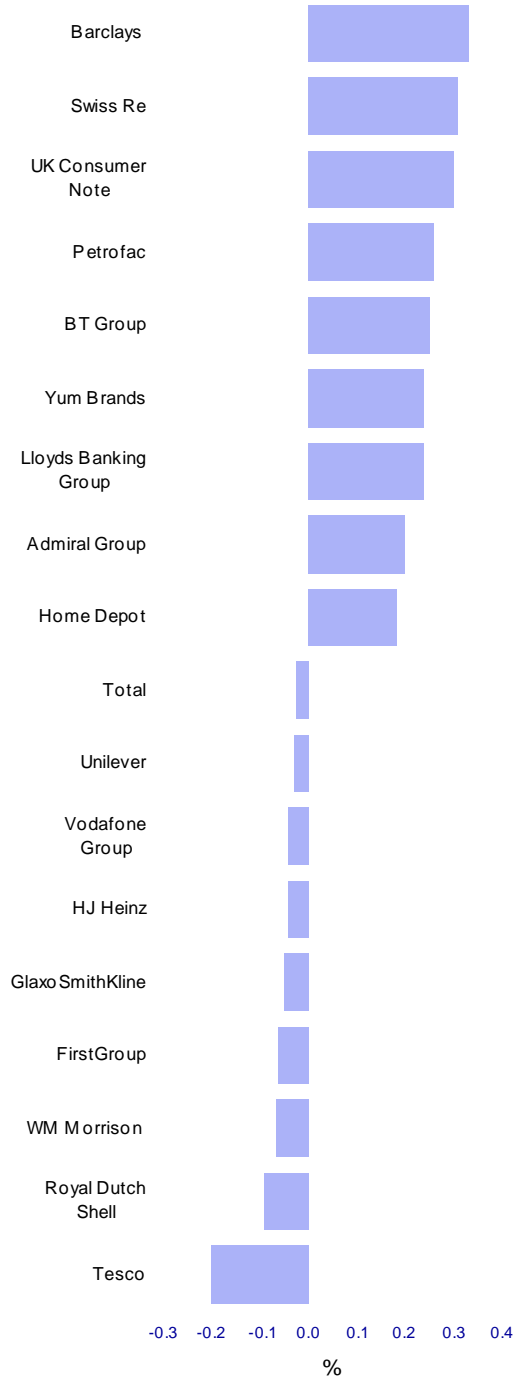
Performance by Theme

31-Dec-11 to 31-Mar-12



Largest Contributors to Overall Performance

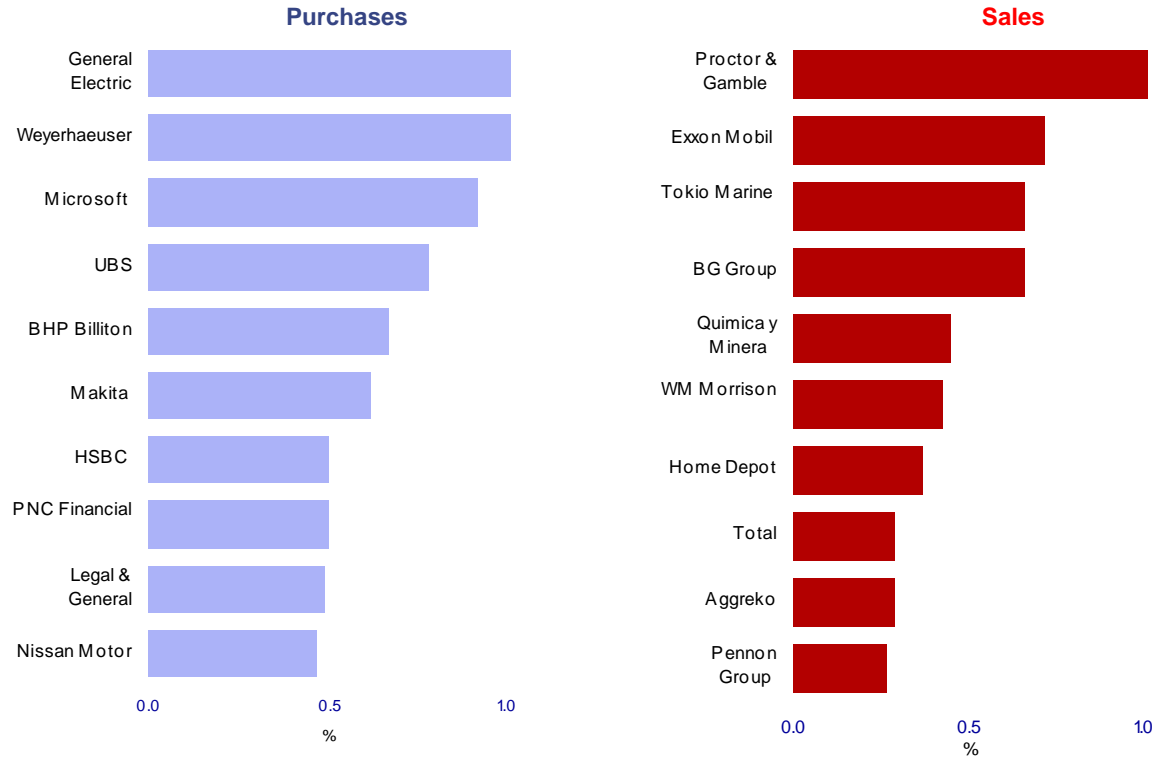
31-Dec-11 to 31-Mar-12



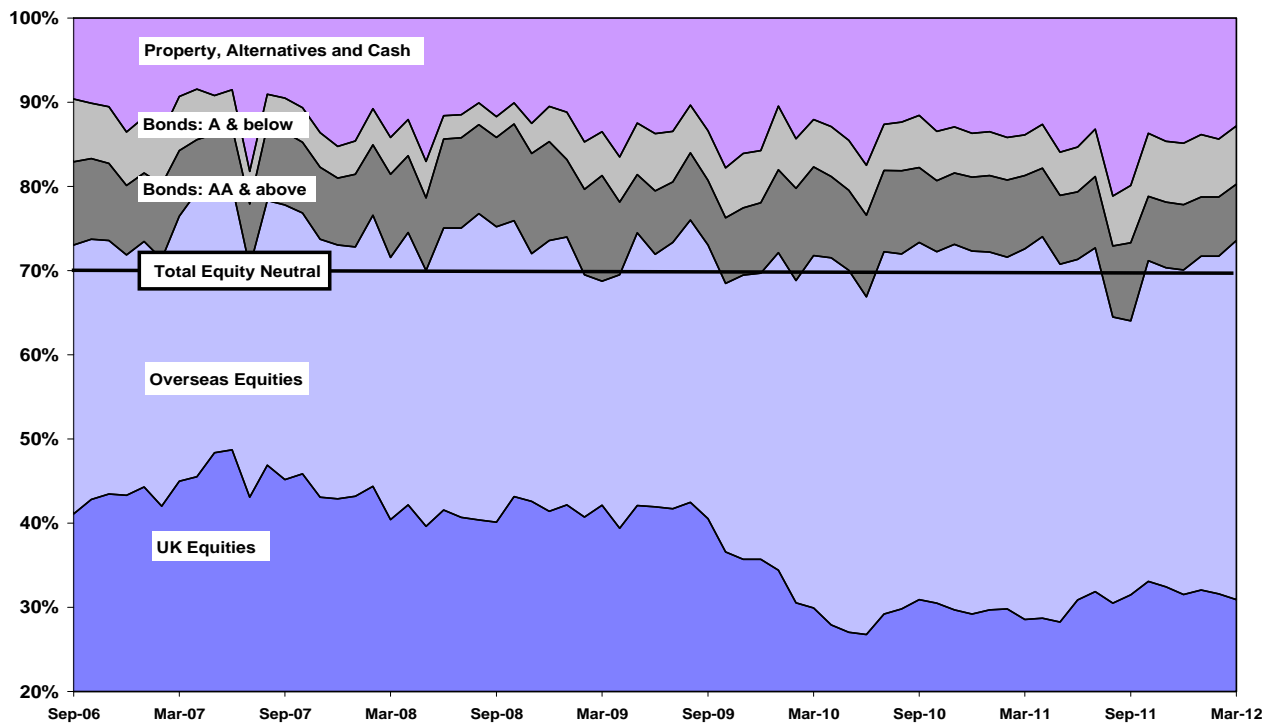
The following charts show the largest transactions (excluding segregated bonds) within the Alpha CIF for Endowments and this is followed by the long term asset allocation

Largest Transactions (%)

31/12/2011 to 31/03/2012



Asset Allocation



Company	Date	Resolution	How we voted for you	Result
LONMIN PLC				
	January	Number 9: Re-elect Jonathan Leslie as Director	Against	Accepted
Rationale:	In line with our voting policy, we voted against the director's re-election as he had attended fewer than 75% of Board and relevant Board Committee meetings during the previous year.			
Result:	Accepted (Percentage of votes cast: 99.3% for, 0.7% against).			
CAIRN ENERGY PLC				
	January	Number 2: Approve share award in favour of Sir Bill Gammell	N/A	Withdrawn
Rationale:	Shareholder support was sought for a special share award to Cairn's chairman, following the completion of the Vedanta transaction, of an option to acquire ordinary shares at nominal value. The total value of the award was £2.5 million. In line with our voting policy, we would have voted against this resolution as: the award was not dependent on the Chairman remaining as a Director, and as the Chairman already had a clear incentive to complete the transaction due to his significant equity stake.			
Result:	Following negative shareholder reaction to the proposed share award, the resolution was withdrawn prior to the meeting and therefore not voted on at the General Meeting.			
CANON INC.				
	March	Number 5: Approve Remuneration Bonus Payment for Directors	Against	Accepted
Rationale:	Retirement bonuses in Japanese companies are typically tied to board tenure, rather than recipient's contribution to shareholder value creation. Of additional concern in this instance, the bonus amount was not disclosed. In line with our voting policy we therefore voted against the resolution.			
Result:	Accepted (Percentage of votes cast: 70.8% for, 24.8% against, 4.4% abstain).			
EMERSON ELECTRIC CO.				
	February	Number 1.1: Elect Director C. Fernandez	Withheld	Accepted
Rationale:	An important principle of corporate governance is that the Board has a sufficient number of independent directors to ensure its independence. UK corporate governance best practice deems that a director can no longer be independent of management after 10 years. In line with our voting policy, we therefore withheld our vote on the re-election of C. Fernandez as he has been a director for 11 years at Emerson Electric. (In the US, it is only possible to "withhold" a vote on the election of a Director, not to vote against).			
Result:	Accepted (Percentage of votes cast: 93.6% for, 6.4% withheld).			

Bonds

Bond Fundamentals

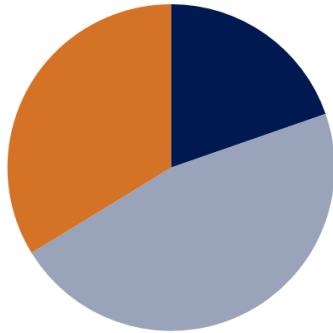
Coupon:	5.94%
Yield to Maturity:	3.90%
Maturity(Years)	11.3
Adjusted Duration (years):	
Total:	7.6
Excluding FRNs:	7.6
Spread to Government (bp)	
Total:	+219
Excluding Governments:	+339
Rating:	AA-

Indexed-linked bonds are excluded from the fundamentals

Bond Type

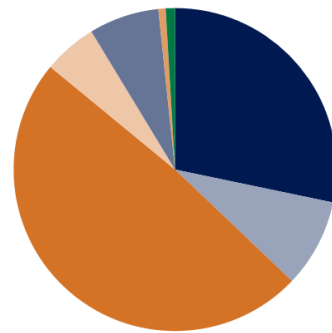
Government, Treasuries	28.3%
Govt Agency, Gtd & Supra	8.9%
Corporate	48.8%
Other Fixed Interest	5.4%
Asset Backed	7.0%
FRN	0.7%
Inflation Linked	0.9%
Total	100.0%

Maturity



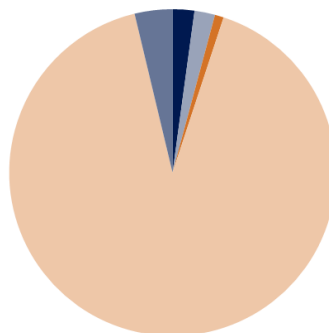
Up to 5 Years	19.7 %	Over 10 Years	33.7 %
5 to 10 Years	46.6 %		

Type



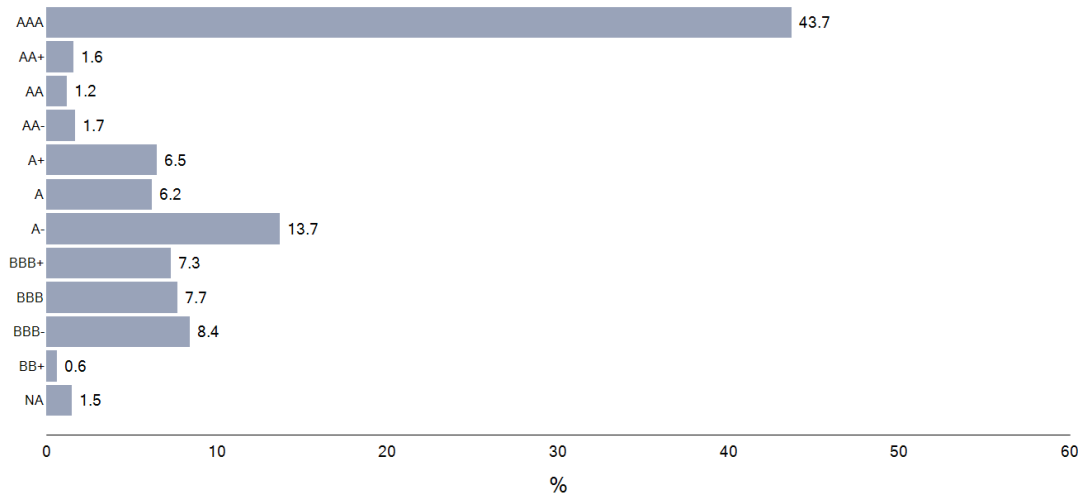
Government, Treasuries	28.3 %	Asset Backed	7.0 %
Govt Agency, Gtd & Supra	8.9 %	FRN	0.7 %
Corporate	48.8 %	Inflation Linked	0.9 %
Other Fixed Interest	5.4 %		

Currency Allocation

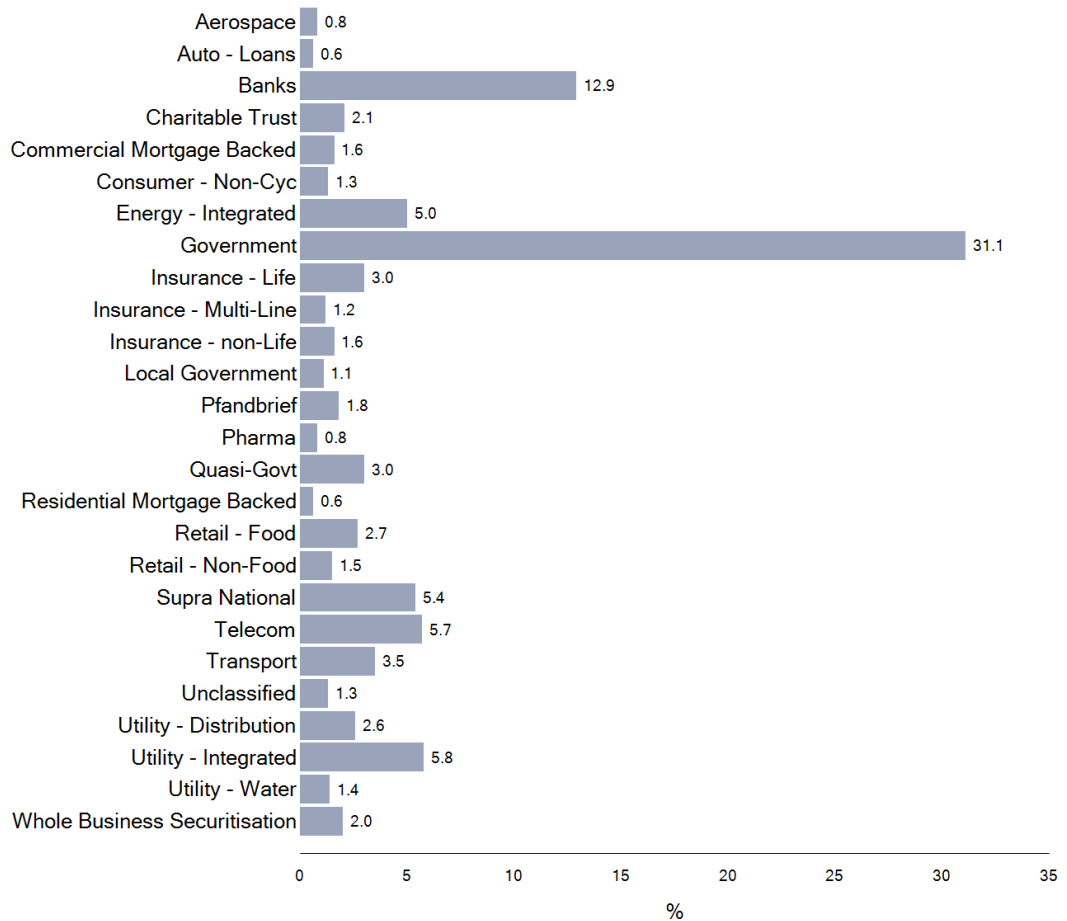


Canadian Dollar	2.2 %	Sterling	91.2 %
Euro	2.0 %	US Dollar	3.7 %
Mexican Peso	0.9 %		

Credit Rating Allocation



Industrial Sector Allocation

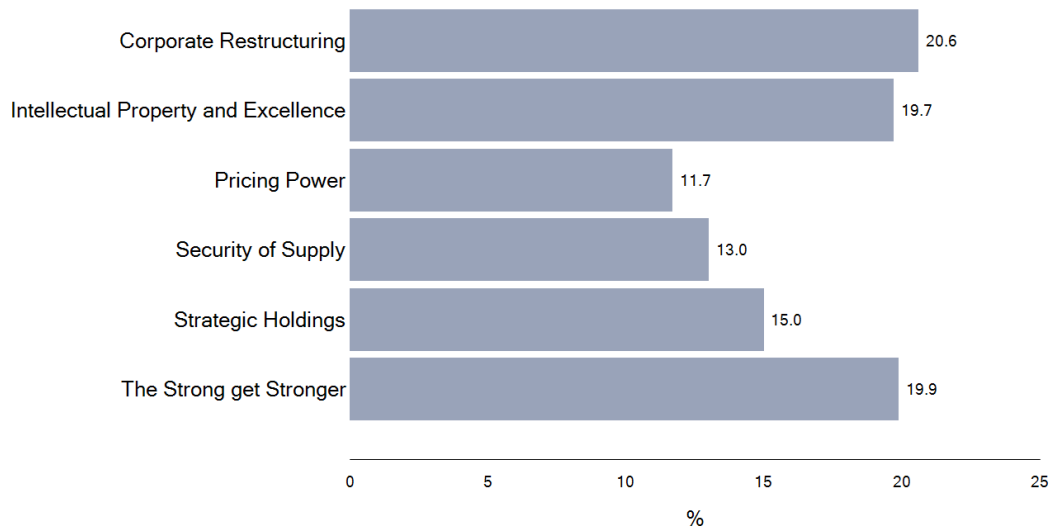


Bonds

	% of Bonds	Currency	Duration (Years)	Yield to Maturity %	Spread to Govt (bp)
Sarasin & Partners Funds					
ALPHA CIF FOR ENDOWMENTS (INCOME UNITS)	44.5				
ALPHA CIF FOR INCOME AND RESERVES (INCOME UNITS)	55.5				
Total	100				

Thematic Equity Allocation

Thematic Allocation as at 31-Mar-12



Corporate Restructuring

%

BP PLC	1.9
PNC FINANCIAL SERVICES GROUP	1.6
BT GROUP PLC	1.5
PFIZER INC	1.4
WEYERHAEUSER CO	1.3

Intellectual Property and Excellence

%

GLAXOSMITHKLINE PLC	1.6
ASTRAZENECA PLC	1.6
CANON INC	1.5
GENERAL ELECTRIC CO (USD)	1.5
INTL BUSINESS MACHINES CORP	1.3

Pricing Power

%

SWISS RE AG	1.7
BHP BILLITON PLC (GBP)	1.5
ADMIRAL GROUP PLC	1.0
WASTE MANAGEMENT INC	1.0
PRUDENTIAL PLC	0.9

Security of Supply

%

BG GROUP PLC	1.6
PETROFAC LTD	1.3
SEADRILL LTD	1.2
TIME WARNER INC	1.0
CENTRICA PLC	1.0

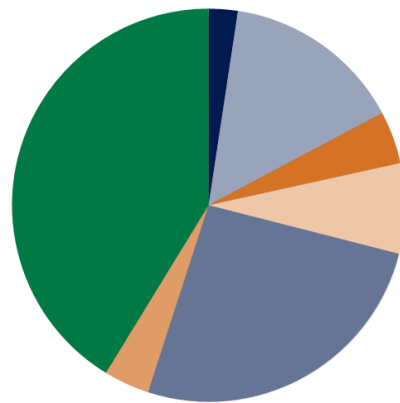
Strategic Holdings	%
SARASIN IE REAL ESTATE EQUITY (GBP) - INC	2.0
SALAR FUND PLC-C1GBP DIST	1.9
THE PROPERTY INCOME TRUST FOR CHARITIES	1.6
INTERNATIONAL PUBLIC PARTNERSHIP LTD	1.2
BLUECREST ALLBLUE FUND LTD	1.1
The Strong get Stronger	%
HSBC HOLDINGS PLC	1.6
YUM BRANDS INC	1.5
COCA-COLA CO/THE	1.4
AP MOELLER-MAERSK A/S-B	1.2
BARCLAYS PLC	1.2

	Portfolio %	Index %	Relative Difference %
Greater than 10% divergence from Index			
NORTH AMERICA	26.0	58.0	-32.0
UNITED KINGDOM	41.3	9.4	+31.9
Between 5% - 10% divergence from Index			
MULTI-REGIONAL	7.4	-	+7.4
Less than 5% divergence from Index			
EMERGING MARKETS	2.4	-	+2.4
EUROPE EX. UK	14.8	17.9	-3.1
JAPAN	4.3	9.1	-4.8
PACIFIC EX. JAPAN	3.8	5.5	-1.7

Source: Sarasin & Partners and Bloomberg

Index: MSCI World (Gross Total Return)
 Weights as at: 30-Mar-12
 Currency: US Dollar
 Portfolio: Weights as at 31-Mar-12

Geographical Allocation



Emerging Markets	2.4 %	Multi-Regional	7.4 %	Pacific ex. Japan	3.8 %
Europe ex. UK	14.8 %	North America	26.0 %	United Kingdom	41.3 %
Japan	4.3 %				

Industrial Analysis

	Portfolio %	Index %	Relative Difference %
Greater than 10% divergence from Index			
MISCELLANEOUS	15.5	-	+15.5
Between 5% - 10% divergence from Index			
INFORMATION TECH	6.2	13.0	-6.8
Less than 5% divergence from Index			
CONSUMER DISCR	9.3	10.8	-1.5
CONSUMER STAPLES	6.6	10.5	-3.9
ENERGY	10.0	11.0	-1.0
FINANCIALS	19.5	18.9	+0.6
HEALTH CARE	8.3	10.0	-1.7
INDUSTRIALS	11.1	11.1	-
MATERIALS	6.9	7.2	-0.3
TELECOM SVC	4.4	3.9	+0.5
UTILITIES	2.3	3.6	-1.3

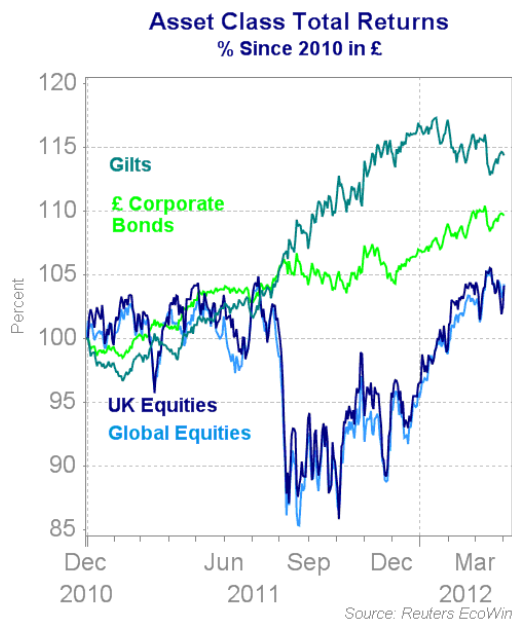
Source: Sarasin & Partners and Bloomberg

Index: MSCI World (Gross Total Return)
Weights as at: 30-Mar-12
Currency: US Dollar
Portfolio: Weights as at 31-Mar-12

Summary

Spring came early to stock markets and the mood brightened noticeably in the first quarter: the risk of catastrophic default in the European financial system was staved off by the ECB Long-Term Refinancing Operation (LTRO) in December and a second LTRO on 29th February. The Greek partial default in March removed the spotlight from that drama, at least for now. Most encouraging was the continuing growth in employment in the US and the further improvement in the health of US bank balance sheets, suggesting that the uncertainty weighing on US businesses is diminishing.

US consumers are also spending again, especially on new cars, and the housing market is showing signs of stability. With the Bank of Japan expanding its credit-easing programme and most emerging economies accelerating again, stock markets were in buoyant mood - the S&P 500 Index rose 12% (in US Dollars), the best quarterly gain since 1998, breaching the 1400 level last seen in May 2008, while the FTSE 100 rose back towards 6000, the level it hovered around in the first half of 2011.



Yet there is still a long list of reasons to temper excessive optimism. Like a Botox injection, the LTRO smoothes over the wrinkles for only a short time and does not tackle the underlying problem. What is more, the oil price has risen 15% this year and is holding at stubbornly high levels and the economic leading indicators are losing some of their positive momentum. Towards the end of the quarter there were signs that market confidence was beginning to fade.

The dominant problem remains the level of debt and the need to reduce it, something that will take a very long time. Governments and consumers in most developed

countries face a period of deleveraging which studies of historic debt bubbles indicate may last ten years.

But, after a year of extraordinary uncertainty, there are now at least some more visible longer-term asset allocation signposts for investors: monetary policy is clear - financial repression will aim to keep short-term and long-term interest rates artificially low for a considerable time. As a result, government bonds offer unattractive returns in absolute and real terms and do not provide compensation for future inflation risks or their deteriorating credit profiles. Less unsettled economic conditions are encouraging investors to refocus from capital preservation towards seeking long-term returns and these seem to be available, selectively, from equities.

Equity stock selection must take account of the long process of deleveraging ahead. Indebted governments and consumers will be focused on making their restricted budgets go further – getting more from less. This opens up a wide variety of thematic opportunities centred on businesses that enable productivity improvements, from better fuel economy, to discount stores and privatised public services.

Of course, in the emerging world there are vast numbers of consumers seeing their standards of living rise and who are increasing their consumption – of food, household goods, cars and all the trappings of a developed standard of living – providing a large source of potential corporate profits growth. So one straightforward strategy might be to invest in emerging market equities. But simply put, EM equity markets combine two types of profit driver; EM demand and EM supply. EM supply businesses are often those that produce cheap manufactured goods for sale in developed markets. These businesses face the unattractive combination of rising local labour costs but end customers in Europe and elsewhere facing austerity. So a more refined approach to accessing the investment returns from rising EM consumption is not simply to buy broad exposure to EM markets but to consider all of the suppliers benefiting from the rising demand, including a wide range of multi-national companies listed on developed stock markets – something our global thematic stock selection aims to do.

Economic growth and market confidence will continue to be dogged by ineffectual political processes and a lack of clear agreement on how to resolve deep-seated problems. The US presidential debate will dominate the headlines until November with the Republican challenge adopting a hard and uncompromising line. Immediately afterwards attention will return to Congress and the need for both parties to agree a deficit reduction plan, to raise the debt ceiling again and whether to extend the Bush tax cuts. Europe cannot continue to rely on the ECB to fill the vacuum over the future of the Euro zone and China too

faces challenges in reforming its politics as the leadership changes hands this autumn.

Whilst we see a clear asset allocation priority for equities over bonds, we expect further bumps on the hard road ahead. But stocks that offer dependable longer-term prospects, such as those identified by our core themes, may now start to be re-rated.

Macroeconomic Outlook

With very loose monetary conditions and a weaker euro, Germany and France have managed to escape a new recession for the time being. However, the peripheral countries have not – Spain, Portugal and Ireland are seeing their economies contract. After a sharp decline, Spanish bond yields have started to rise again. Despite ambitious multi-year austerity measures and structural reforms, Spain is increasingly considered to be the next casualty of the sovereign crisis. With close to €400bn of borrowing needs over the next three years, Spain may eventually need to seek EU or IMF financial assistance. It is no wonder that the size of the European Stability Mechanism (ESM), the €500bn Euro zone ‘firewall’, is thought to be inadequate. Even if the G20 agree to add another €250bn from the IMF, the ESM may have to cope with a third loan programme for Greece, second programmes for Portugal and Ireland and a programme for Spain. On a bad outcome, Italy and Belgium could be in the queue too.

Euro zone inflation is running at an average of 2.6%. But with relatively strong growth in Germany and a deep recession in the periphery, the ECB faces a real dilemma: a rule of thumb used by central banks to assess the level to set interest rates (the Taylor rule) suggests that the ECB should set the interest rate for Germany at close to 6% while the economic conditions in the periphery point to negative interest rates (i.e. either QE or more liquidity). For the time being the ECB is likely to adopt a wait-and-see approach, acting only if systemic fears were to re-emerge.

China’s annual economic growth rate still seems buoyant, running at 8.9% in the final quarter of last year. But the growth rate is slowing. Premier Wen Jiabao suggested at the National People’s Congress in March that economic growth for this year would slow to 7.5%. He also warned that property prices might fall a further 20% and highlighted political risks by saying that “such a historic tragedy as the Cultural Revolution may happen again”. Domestic demand is being affected by the bursting of the property bubble and the plan to rebalance growth from capital investment towards consumption. And the largest buyer of Chinese exports, Europe, is not growing. BHP Billiton has warned that iron ore demand from China is “flattening” and official data on growth in electricity

production is sharply down. But in the short-term, a new round of interest rate cuts, increased liquidity, together with a limited fiscal stimulus should limit the risk of a hard landing.

After having recovered from its soft-patch last summer, the US economy has now entered a new phase in which the momentum in manufacturing, auto sector and inventories fades. With gasoline prices at close to \$4 a gallon and ongoing household de-leveraging, growth is likely to have reached a “not-too-hot, not-too-cold” level. Any signs that the easing in momentum may lead to much slower growth would no doubt be accompanied by a new round of quantitative easing.

The Japanese economy has continued to contract, at an annualised rate of 2.3% in Q4 2011, but it is set to see the benefit of the post-tsunami stimulus and reconstruction, as well as a ¥10 trillion (\$130 billion) increase in the BOJ credit-easing programme announced in March. This is designed to boost bank lending and create modest inflation, and in response to the announcement the stock market leapt and the Yen fell. In the context of Japan’s problems of a declining and ageing population, deflation and lack of competitiveness due to the strong Yen, this appears to be a small step, but the introduction of the inflation target may yet prove more significant for the direction of the Yen and the performance of export businesses.

Low-probability but high-impact scenarios for the oil price, such as an attack on Iran or a revolution in Algeria (or even in Russia) remain a threat to growth. But even without such a catalyst, oil prices remain elevated. Stocks of crude oil appear to be tight (the OECD estimate that they were at 5-year lows at the end of February) and OPEC spare capacity is also low. The wildcard is expanding production of cheap US domestic gas supplies. A fall in oil prices below \$100 pb (Brent crude) would act as a real fillip to global growth, but this does not seem likely soon.

Global Equities

Amidst the macro-economic challenges, corporate profitability has remained remarkably robust. Margin expansion has been a particular driver of profits as companies have shed costs and the operational leverage from earlier corporate restructuring has come through. But there are widespread concerns that margins are at a peak, particularly in the US. For some companies high margins appear to be sustained through a lack of investment in areas like R&D – US business investment is close to 25 year lows and large cash balances are being hoarded. It is encouraging to see unemployment beginning to fall in the US but globally there is evidence

that margins are also being sustained at the expense of labour and companies are substituting technology for jobs.

The need to restructure businesses and seek productivity gains continues to be a high priority in order to capture 'pockets of growth' in a growth-constrained world. This is likely to include merger activity to gain scale advantage (as in UPS's recent \$6.8 billion offer for fellow parcel service TNT), gaining exposure to attractive market segments (Vista's £1.3billion offer for UK business software firm Misys), divestment of non-core operations (Kraft's separation of its US and overseas divisions) and the continued shift towards lower cost manufacturing bases in the emerging world.

Judging when the benefits of corporate restructuring will come through is important. A key discipline in our **Corporate Restructuring** theme is monitoring the timeline for restructuring to ensure that plans are progressing as expected and factors such as better profitability, improved corporate governance and structural reform are delivered. It is encouraging to see the benefits of restructuring coming through in a number of US financials, after what has been a difficult period. Some of our worst performing stocks in Q4 2011 became the best performing in Q1 2012.

Our **Strong get Stronger** theme aims to identify companies with strong balance sheets but these need to be sustained by strong market position and sustainable cashflows. Emerging market consumer demand remains one of the key global growth trends and Yum Brands is accelerating the roll-out of new KFC and other fast food restaurants in Malaysia, Indonesia, Vietnam, Russia and emerging Africa as well as China. With rising wealth in these countries the emerging consumer is seeking out new dining and taste experiences. The 'Strong get Stronger' characteristics of businesses like Yum Brands and Coca-Cola are clearly demonstrated in the way that the rollout of the model continues to be accretive to earnings and returns.

In the **Intellectual Property and Excellence** theme it is crucial to seek longer-term competitive advantage and this tends to be found in companies with superior intellectual property either embedded in their people and products, or in the excellence of their process, distribution or development capabilities. We particularly favour companies with more than 50% of the R&D spend within their industry (ASML is a great example with c 90% of industry R&D spend) and which are considered the "employer of choice" for a finite pool of post-graduates and researchers. Typical IP&E stocks offer the constants of quality, consistency, growth and cash-generation. The exponential growth in the volume of data generated by so many electronic devices is a fruitful opportunity set to search for stocks with a strong IP&E trigger. In global

equity portfolios we have exposure through ASML, Verizon, Oracle, and IBM.

Bond Outlook

2% turned out to be a yield too far for US and UK government bonds and they sold off over the first quarter, particularly the longer-dated maturities. For all the talk of fiscal austerity, too much of the budget deficits are still being funded by the central banks. But demand for high quality corporate credit remained strong, despite record levels of bond issuance at historically rock-bottom yields. Even financials were able to issue a healthy volume of senior and covered paper.

The Euro crisis has tended to develop in waves and after a lull bond markets are wary of another wave. The LTROs have provided sufficient funds through the banking system to support the short-term funding needs of weaker governments but stress may be building again in Portuguese and Spanish yields.

Alternative Assets

The private equity market is buzzing around large books of assets from deleveraging banks and given the weight of selling, the buyers may well be finding some value. Discounts to NAV in the UK quoted private equity stocks have also begun to attract attention: 3i is fending off activist investors keen to change the strategy and for it to buy back shares to close the 28% discount.

Conclusion

The longer-term asset allocation choice between equities, bonds and cash is now clear – the last 12 years have seen a remarkable outperformance by bonds but financial repression is now distorting prices. Cash is not risk free either. Money held on deposit at the base rate is eroded by inflation – in just the last three years cash has lost nearly 8% in real terms. This doesn't mean that there will be an instant rush into equities. Indeed, there are many reasons to remain careful. But the potential of growing returns from productive businesses, underpinned by long-term themes, is looking increasingly more attractive than the promise of a low interest rate.

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Valuation and Accounting Statements

Valuation

Holding	Book Cost £	Price	Value as at 31-Mar-12 £	Profit/ Loss £	% of Portfolio %	Est Gross Income £	Gross Yield %
GLOBAL BALANCED							
United Kingdom							
656,938.73 ALPHA CIF FOR ENDOWMENTS (INCOME UNITS)	393,156	GBP 0.77	503,609	110,453	81.3	18,528	3.7
114,472.20 ALPHA CIF FOR INCOME AND RESERVES (INCOME UNITS)	98,207	GBP 1.01	115,617	17,409	18.7	5,110	4.4
Sub-Total (United Kingdom)	491,364		619,226	127,862	100.0	23,638	3.8
Total for GLOBAL BALANCED	491,364		619,226	127,862	100.0	23,638	3.8
Portfolio Totals	491,364		619,226	127,862	100.00	23,638	3.8

Prices are supplied by Bloomberg and are based on the Bid price as at the close of business on the valuation date. For securities not priced by Bloomberg, other sources may be used. Exchange rates are obtained from Bloomberg.

Consolidated Portfolio Valuation

The data below shows your overall exposure to individual securities including those held within Sarasin funds.

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
<u>GOVERNMENT TREASURIES</u>			
United Kingdom			
TREASURY 4.0000% 07/03/22 GBP	0.94	5,840	3.5
TREASURY 4.0000% 07/09/16 GBP	1.12	6,909	3.5
TREASURY 4.2500% 07/03/36 GBP	0.52	3,247	3.7
TREASURY 4.2500% 07/12/27 GBP	0.80	4,924	3.6
TREASURY 4.5000% 07/03/19 GBP	0.65	4,017	3.8
TREASURY 4.5000% 07/09/34 GBP	0.65	4,029	3.8
TREASURY 4.5000% 07/12/42 GBP	0.44	2,750	3.7
TREASURY 8.0000% 07/06/21 GBP	1.41	8,756	5.3
Canada			
CANADA-GOV'T 4.5000% 01/06/15 CAD	0.50	3,110	4.1
Sub-Total	7.0	43,581	
<u>GOVT AGENCY, GTD & SUPRA</u>			
United Kingdom			
BK NED GEMEENTEN 5.7500% 18/01/19 GBP	0.14	896	4.9
EUROPEAN INVT BK 3.8750% 08/06/37 GBP	0.10	619	4.1
EUROPEAN INVT BK 4.2500% 07/12/21 GBP	0.10	616	3.9
EUROPEAN INVT BK 8.7500% 25/08/17 GBP	0.80	4,984	6.6
NEW S WALES TREA 5.0000% 25/02/39 GBP	0.25	1,528	4.3
United States			
COUNCIL OF EUROP 1.5000% 22/02/17 USD	0.06	348	1.5
France			
RESEAU FERRE FRA 5.5000% 01/12/21 GBP	0.36	2,242	4.9
Ireland			
IRISH LIFE & PER 4.0000% 10/03/15 (IRL GTD) EUR	0.18	1,132	4.6
Mexico			
INT BK RECON&DEV 7.5000% 05/03/20 MXN	0.12	730	6.8
INTL FIN CORP 6.0000% 28/01/16 MXN	0.09	547	5.8
Sub-Total	2.2	13,645	
<u>CORPORATE BONDS</u>			
United Kingdom			
AMERICA MOVIL SA 5.7500% 28/06/30 GBP	0.19	1,174	5.0
AMLIN PLC 6.5000% 19/12/16 - 26 GBP	0.14	847	7.8
AT&T INC 7.0000% 30/04/40 GBP	0.38	2,378	5.2

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
AVIVA 5.9021% 27/07/20 PERP	0.08	511	8.3
AVIVA PLC 6.6250% 03/06/21 - 41 GBP	0.21	1,271	7.5
BAA FUNDING LTD 6.0000% 20/03/20 GBP	0.09	563	6.0
BANK OF AMER CRP 6.1250% 15/09/21 GBP	0.24	1,457	5.9
BANK OF SCOTLAND 9.3750% 15/05/21 GBP	0.31	1,889	9.4
BARCLAYS BANK PLC 14.0000% 15/06/19 - PERP GBP	0.48	2,988	11.5
BG ENERGY CAP 5.1250% 07/12/17 GBP	0.42	2,576	4.5
BNP PARIBAS 3.5000% 07/12/16 GBP	0.23	1,416	3.5
BP CAPITAL PLC 4.3250% 10/12/18 GBP	0.10	618	4.0
CENTRICA PLC 7.0000% 19/09/18 GBP	0.23	1,415	5.7
CREDIT AGRICOLE 8.125% 26/10/19 - PERP GBP	0.17	1,064	10.1
DERBYSHIRE BUILD 6.000% 15/12/16 - PERP GBP	0.08	477	7.4
DONG A/S 4.8750% 12/01/32 GBP	0.19	1,149	4.8
EASTERN POWER NETWORKS 8.5000% 31/03/25 GBP	0.30	1,870	6.1
ENEL FIN INTL NV 5.7500% 14/09/40 GBP	0.08	480	7.0
GO-AHEAD GROUP 5.3750% 29/09/17 GBP	0.22	1,377	5.1
GREAT ROLLING STOCK 6.8750% 27/07/13-35 GBP	0.26	1,618	6.0
IBERDROLA FIN SA 6.0000% 01/07/22 GBP	0.10	589	5.8
ING BANK NV 3.8750% 23/12/16 GBP	0.26	1,618	3.9
INTESA SANPAOLO 6.3750% 12/11/12-17 GBP	0.13	816	6.8
IPIC GMTN LTD 6.8750% 14/03/26 GBP	0.14	893	6.5
JOHN LEWIS PLC 6.1250% 21/01/25 GBP	0.11	682	5.6
JOHN LEWIS PLC 8.3750% 08/04/19 GBP	0.24	1,490	6.7
JPMORGAN CHASE 4.2500% 25/01/17 GBP	0.15	900	4.0
LLOYDS TSB BANK 6.5000% 17/09/40 GBP	0.09	554	6.9
LLOYDS TSB BANK 6.7500% 24/10/18 GBP	0.18	1,110	6.1
MORRISON(WM) SUP 4.6250% 08/12/23 GBP	0.10	600	4.4
MUNICH RE 6.6250% VAR 26/05/42 GBP	0.14	841	6.6
NATIONWIDE BLDG 5.6250% 09/09/19 GBP	0.08	492	5.2
NATL GRID ELECT 7.3750% 13/01/31 GBP	0.06	380	5.5
OLD MUTUAL PLC 8.0000% 03/06/21 GBP	0.35	2,159	7.7
PFIZER INC 6.5000% 03/06/38 GBP	0.19	1,165	4.9
PORTERBROOK RAIL FIN LTD 6.5000% 20/10/2020 GBP	0.13	824	5.7
PORTERBROOK RAIL FIN LTD 7.1250% 20/10/2026 GBP	0.11	692	5.9
PORTMAN BLDG SOC 5.2500% 23/11/15-20 GBP	0.21	1,278	5.6
PRUDENTIAL CORP 6.8750% 20/01/23 GBP	0.06	345	5.7
PRUDENTIAL PLC 11.375% 29/5/19 - 39 GBP	0.15	936	8.8
ROLLS-ROYCE PLC 6.7500% 30/04/19 GBP	0.18	1,084	5.5
ROYAL BK SCOTLND 6.0000% 17/05/17 GBP	0.13	780	5.7
ROYAL BK SCOTLND 7.5000% 29/04/24 GBP	0.17	1,032	6.7
Royal London (RL FINANCE) 6.1250% 15/12/15 - Perp GBP	0.14	858	8.3
RWE FINANCE BV 5.5000% 06/07/22 GBP	0.34	2,119	4.9
SAFeway PLC Morrisons 6.0000% 10/01/17 GBP	0.11	651	5.2
SCOTTISH & SOUTH 5.0000% 01/10/18 GBP	0.42	2,605	4.5

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
SOUTH E POWER 5.6250% 30/09/30 GBP	0.09	561	5.2
SPI AUSTRALIA AS 5.1250% 11/02/21 GBP	0.15	917	4.7
STATOILHYDRO ASA 6.8750% 11/03/31 GBP	0.12	761	5.1
SWISS RE 6.3024% 25/05/19 Perp GBP	0.09	553	7.3
TELECOM ITALIA 5.6250% 29/12/15 GBP	0.12	729	5.5
TELEFONICA EMIS 5.5970% 12/03/20 GBP	0.27	1,650	5.7
THAMES WATER UTC 5.3750% 21/07/17-25 GBP	0.10	620	5.0
THAMES WATER UTC 5.7500% 13/09/22-30 GBP	0.12	750	5.6
TOTAL CAPITAL 4.2500% 08/12/17 GBP	0.20	1,234	3.9
UNILEVER PLC 4.7500% 16/06/17 GBP	0.30	1,872	4.2
WAL-MART STORES 5.6250% 27/03/34 GBP	0.09	541	4.7
WELLCOME TRUST FI 4.6250% 25/07/36 GBP	0.42	2,574	4.4
WELLCOME TRUST FI 4.7500% 28/05/21 GBP	0.06	390	4.2
YORKS WATER BRAD 6.0000% 24/04/25 GBP	0.10	643	5.5
United States			
BPCE 12.5000% - VAR 29/06/49 USD	0.14	854	11.8
DOLPHIN ENERGY 5.8880% 15/06/19 USD	0.18	1,103	5.4
SINGAPORE TELECOMMUNICATIONS 4.6250% 15/10/19 USD	0.17	1,069	4.3
TOYOTA MTR CRED 2.8000% 11/01/16 USD	0.14	848	2.7
Europe			
HUTCH WHA FIN 09 4.7500% 14/11/16 EUR	0.29	1,807	4.4
Hong Kong			
HUT WHA FIN 6.0000% 28/10/15 - PERP USD	0.19	1,190	5.9
Sub-Total	12.2	75,296	
<u>FIXED INTEREST</u>			
Europe			
MUZINICH ENHANCED YIELD SHORT DURATION FUND GBP HEDGED INST INC	0.62	3,825	5.2
Emerging Markets			
INVESTEC EM LC DEBT INC	0.72	4,441	6.7
Sub-Total	1.3	8,266	
<u>ASSET BACKED BONDS</u>			
United Kingdom			
ABBAY NATL TREAS 5.1250% 14/04/21 GBP	0.20	1,251	4.8
CPUK FINANCE 4.8110% 28/02/17 GBP	0.11	708	4.8
CPUK FINANCE 7.2390% 28/02/24 GBP	0.09	585	7.0
DIGNITY FINANCE 8.1510% 31/12/30 GBP	0.27	1,664	6.2
F&C COMMERCIAL 5.2300% 30/06/15 - 17 GBP	0.37	2,289	5.1

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
LLOYDS TSB BANK 4.8750% 30/03/27 GBP	0.23	1,406	4.9
SUNDERLAND FINANCE 6.3800% 31/03/22-42 GBP	0.14	836	5.3
TESCO PROPERTY 5.8006% 13/10/11 - 40 GBP	0.34	2,085	5.6
Sub-Total	1.7	10,825	

FLOATING RATE NOTES

Europe

ALCENTRA EUROPEAN FLOATING RATE INCOME FUND	0.18	1,122	5.3
Sub-Total	0.2	1,122	

INFLATION LINKED BONDS

United Kingdom

UK TSY I/L GILT 0.1250% 22/03/29 GBP	0.09	581	0.1
UK TSY I/L GILT 1.2500% 22/11/27 GBP	0.14	850	1.0
Sub-Total	0.2	1,431	

EQUITIES

United Kingdom

3I GROUP PLC	0.30	1,838	2.6
ADMIRAL GROUP PLC	0.74	4,600	3.4
AGGREKO PLC	0.49	3,054	1.0
ARM HOLDINGS PLC	0.32	1,987	0.6
ASTRAZENECA PLC	1.16	7,152	7.0
BARCLAYS PLC	0.87	5,383	2.8
BG GROUP PLC	1.21	7,523	1.1
BHP BILLITON PLC (GBP)	1.10	6,787	4.0
BP PLC	1.40	8,694	4.4
BT GROUP PLC	1.13	7,020	3.7
CAIRN ENERGY PLC	0.06	366	0.0
CENTRICA PLC	0.73	4,496	5.2
CERES POWER HOLDINGS PLC	0.01	36	0.0
DRAX GROUP PLC	0.65	4,023	6.9
EXPERIAN PLC	0.53	3,298	1.9
F&C ASSET MANAGEMENT PLC	0.17	1,069	5.0
FENNER PLC	0.59	3,673	2.1
FIRSTGROUP PLC	0.12	726	10.6
GLAXOSMITHKLINE PLC	1.19	7,355	5.6
HSBC HOLDINGS PLC	1.18	7,324	5.2
ICAP PLC	0.36	2,231	5.9
IMI PLC	0.47	2,920	3.2
JUPITER FUND MANAGEMENT PLC	0.18	1,085	3.5
LANCASHIRE HOLDINGS LTD	0.33	2,046	1.2
LEGAL & GENERAL GROUP PLC	0.47	2,910	4.3

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
LLOYDS BANKING GROUP PLC	0.64	3,965	0.0
LONMIN PLC (GBP)	0.39	2,418	1.1
MARKS & SPENCER GROUP PLC	0.61	3,766	5.0
OLD MUTUAL UK SEL SMALL-C-ACC	0.78	4,799	0.0
PEARSON PLC	0.83	5,116	3.8
PENNON GROUP PLC	0.34	2,132	4.0
PETROFAC LTD	0.97	5,982	1.7
PREMIER OIL PLC	0.30	1,839	0.0
PRUDENTIAL PLC	0.70	4,358	3.7
ROTORK PLC	0.41	2,534	2.5
ROYAL DUTCH SHELL PLC-B SHS	0.79	4,916	4.8
ST JAMES'S PLACE PLC	0.38	2,331	2.5
TESCO PLC	0.53	3,301	5.0
UK CONSUMER NOTE MAY 23 2014 (UBS)	0.72	4,431	2.5
UNILEVER PLC	0.82	5,066	4.2
VODAFONE GROUP PLC	0.80	4,984	5.9
XSTRATA PLC	0.65	4,009	1.9
United States			
AUTOMATIC DATA PROCESSING	0.66	4,058	2.7
CITIGROUP INC	0.45	2,792	0.1
COCA-COLA CO/THE	1.07	6,622	2.6
DU PONT (E.I.) DE NEMOURS	0.96	5,933	3.1
EMERSON ELECTRIC CO	0.99	6,135	2.9
GENERAL ELECTRIC CO (USD)	1.09	6,758	3.2
HARTFORD FINANCIAL SVCS GRP	0.37	2,273	1.9
HJ HEINZ CO	0.72	4,482	3.6
HOME DEPOT INC	0.92	5,679	2.1
INTL BUSINESS MACHINES CORP	1.00	6,191	1.4
INTL FLAVORS & FRAGRANCES	0.50	3,073	2.0
MICROSOFT CORP	0.73	4,503	2.2
OCCIDENTAL PETROLEUM CORP	0.58	3,586	2.0
PFIZER INC	1.08	6,657	3.6
PNC FINANCIAL SERVICES GROUP	1.18	7,328	2.2
SEADRILL LTD	0.91	5,640	8.0
TIME WARNER INC	0.78	4,802	2.6
VIRGIN MEDIA INC	0.44	2,745	0.6
WAL-MART STORES INC	0.83	5,140	2.4
WASTE MANAGEMENT INC	0.74	4,578	3.9
WEYERHAEUSER CO	0.99	6,127	2.7
YUM BRANDS INC	1.11	6,877	1.5
Belgium			
UMICORE	0.54	3,320	2.1

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
Denmark			
AP MOELLER-MAERSK A/S-B	0.89	5,483	2.3
NOVOZYMES A/S-B SHARES	0.29	1,819	1.2
France			
AIR LIQUIDE SA	0.73	4,537	2.4
DANONE	0.95	5,871	2.5
ESSILOR INTERNATIONAL	0.57	3,523	1.2
FRANCE TELECOM SA	0.27	1,679	12.6
SANOFI	0.56	3,443	4.3
TOTAL SA	0.44	2,747	7.5
Germany			
FRESENIUS MEDICAL CARE AG & CO	0.62	3,819	1.2
KABEL DEUTSCHLAND HOLDING AG	0.55	3,401	0.0
Italy			
SAIPEM SPA	0.33	2,045	1.6
Netherlands			
ASML HOLDING NV	0.40	2,449	1.1
Switzerland			
NOVARTIS AG-REG	1.00	6,176	4.5
SWISS RE AG	1.27	7,875	4.8
UBS AG-REG	0.62	3,818	0.0
Japan			
CANON INC	1.09	6,769	3.0
CENTRAL JAPAN RAILWAY CO	0.45	2,806	1.3
MAKITA CORP	0.54	3,349	0.4
NISSAN MOTOR CO LTD	0.92	5,702	2.2
Australia			
LINC ENERGY LTD	0.06	400	0.0
Hong Kong			
JARDINE MATHESON HLDGS LTD	0.88	5,437	2.5
Singapore			
SINGAPORE AIRPORT TERMINAL SERVICES	0.72	4,483	4.4
UNITED OVERSEAS BANK LTD	0.75	4,640	3.3

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
Korea, Republic of			
SAMSUNG ELECTR-GDR REG S	0.39	2,425	0.0
SK TELECOM CO LTD-ADR	0.69	4,288	5.4
Republic of South Africa			
MTN GROUP LTD	0.35	2,153	5.5
Russian Federation			
GAZPROM OAO-SPON ADR	0.34	2,134	2.2
Canada			
BANK OF NOVA SCOTIA	0.69	4,270	3.8
Global			
SARASIN AGRISAR - B INC	0.49	3,045	1.7
Sub-Total	62.9	389,424	
<u>DIRECT PROPERTY</u>			
United Kingdom			
SCHRODER EXEMPT PROPERTY	0.22	1,335	4.0
SWIP PROPERTY TRUST-B INC	0.54	3,324	3.5
THE CHARITIES PROPERTY FUND	0.68	4,209	5.9
THE PROPERTY INCOME TRUST FOR CHARITIES	1.15	7,141	7.4
THREADNEEDLE PROPERTY UT-INC	0.57	3,520	5.6
THREADNEEDLE UK PROP TR-I-I	0.07	425	4.8
Sub-Total	3.2	19,954	
<u>QUOTED PROPERTY</u>			
United Kingdom			
BRITISH LAND CO PLC	0.59	3,635	5.4
LONDON & STAMFORD PROPERTY PLC	0.27	1,674	6.8
METRIC PROPERTY INVESTMENT PLC	0.15	911	1.7
France			
UNIBAIL-RODAMCO SE	0.28	1,710	5.3
Japan			
MITSUBISHI ESTATE CO LTD	0.20	1,253	0.8
Australia			
WESTFIELD RETAIL TRUST	0.37	2,289	6.4

Consolidated Portfolio Valuation

Security	% of Portfolio %	Value as at 31-Mar-12 £	Gross Yield %
Global			
SARASIN IE REAL ESTATE EQUITY (GBP) - INC	1.45	8,967	2.2
Sub-Total	3.3	20,440	
<u>ALTERNATIVE INVESTMENTS</u>			
United States			
NB DISTRESSED DEBT FUND LTD	0.53	3,276	0.0
Jersey			
3I INFRASTRUCTURE PLC	0.74	4,609	4.7
Global			
BLUECREST ALLBLUE FUND LTD	0.79	4,884	0.0
BREV HOW 2 MAC FX-ED GBP HED	0.53	3,272	0.0
INTERNATIONAL PUBLIC PARTNERSHIP LTD	0.86	5,335	2.4
SALAR FUND PLC-C1GBP DIST	1.39	8,630	1.0
Sub-Total	4.8	30,006	
<u>OPTIONS</u>			
United Kingdom			
BP PLC GBP460.00 PUT OPTIONS JUN 15 2012 (LN - LIFFE)	(0.02)	(94)	0.0
GLAXOSMITHKLINE PLC GBP1196.00 PUT OPTIONS JUN 15 2012 (LN - LIFFE)	0.00	(15)	0.0
GLAXOSMITHKLINE PLC GBP1495.00 CALL OPTIONS JUN 15 2012 (LN - LIFFE)	0.00	(12)	0.0
VODAFONE GROUP PLC GBP186.00 CALL OPTIONS JUN 15 2012 (LN-LIFFE)	0.00	(9)	0.0
France			
AIR LIQUIDE SA EUR100.00 CALL OPTIONS MAY 18 2012 (FP - LIFFE)	(0.02)	(107)	0.0
UNIBAIL-RODAMCO SE EUR130.00 PUT OPTIONS JUN 15 2012 (FP - LIFFE)	(0.01)	(43)	0.0
Sub-Total	0.0	(280)	
<u>LIQUID ASSETS</u>			
Liquid Assets			
CASH	0.89	5,517	0.0
Sub-Total	0.9	5,517	
Portfolio Totals		619,226	

Cash Reconciliation

	£	£	£
Total cash brought forward as at 01-Jan-12			0.00
Add:			
Investment income	6,081.97		
Interest	0.00		
Tax reclaims	0.00		
Capital additions	0.00		
Miscellaneous items	0.00		
	<u>0.00</u>	6,081.97	
Subtract:			
Money paid away	(6,081.97)		
Management fee	0.00		
Custodian charges	0.00		
Miscellaneous items	0.00		
	<u>0.00</u>	(6,081.97)	
Net cash available for investment		<u>0.00</u>	0.00
Investment:			
Purchase and call payments	0.00		
Sales and redemptions	0.00		
Derivatives	0.00		
	<u>0.00</u>		
Net investment/disinvestment			0.00
Effect of exchange rate movement			<u>0.00</u>
Total cash carried forward as at 31-Mar-12			0.00

Cash Transactions

Cash Transactions between 01-Jan-12 and 31-Mar-12

Investment Income Received

Date	Description	Amount	£
Sterling Income Account			
28-Feb-12	INCOME 656938.7320 ALPHA CIF FOR ENDOWMENTS (INCOME UNITS)		4,828.50
28-Feb-12	INCOME 114472.1950 ALPHA CIF FOR INCOME AND RESERVES (INCOME UNITS)		1,253.47
		Total	6,081.97

Money Paid Away

Date	Description	Amount	£
Sterling Income Account			
05-Mar-12	ACCUMULATED INCOME		(6,081.97)
		Total	(6,081.97)

Transactions between 01-Jan-12 and 31-Mar-12

There were no transactions undertaken for this portfolio during the period.

Security Transaction Detail

There are no transactions for the reporting period

Custody Holdings as at 31-Mar-12

Holding	Security	Holding	Security
656,938.73	ALPHA CIF FOR ENDOWMENTS (INCOME UNITS)	114,472.20	ALPHA CIF FOR INCOME AND RESERVES (INCOME UNITS)

We confirm that the investments listed above were held on your behalf to the order of Sarasin & Partners LLP Clients' Account by the London Branch of The Bank of New York Mellon, either in the name of their nominee company or in safe custody or to their order by their overseas agents. This statement has been prepared on a trade date basis and therefore includes transactions which were effected but remain unsettled at the date of this report.

Charges and Remuneration Schedule

We have disclosed below the charges levied by us or other members of the Sarasin group within the reporting period.

	01-Jan-12 to 31-Mar-12 £
Investment Management Fees (excl. VAT)	0.00
Commissions	0.00
Initial charges paid on in-house fund purchases	0.00
Cash Management	0.00
Total Remuneration	0.00

Sarasin & Partners receives interest at market rates on your client money balances which are held in client money accounts in a fiduciary capacity. Interest is credited to your account at rates in accordance with your management agreement as previously disclosed to you.

In addition to the 'Total Remuneration', the manager or its associates earn an annual management fee for the following funds held in the portfolio:

ALPHA CIF FOR ENDOWMENTS (INCOME UNITS)	0.75%
ALPHA CIF FOR INCOME AND RESERVES (INCOME UNITS)	0.75%

Description

General

Acronyms

AGR - Annualised Growth Rate
 bp - Basis Point (100th of a Percent)
 ISA - Individual Savings Account
 FRN - Floating Rate Note
 MSCI - Morgan Stanley Capital International Inc
 LIBOR - London Inter Bank Offered Rate
 P/L - Profit/Loss
 S & P - Standard and Poor's
 YTD - Year to Date

Bloomberg

A source of investment and statistical data, supplied to us electronically.

Summary

The summary shows the portfolio's key statistics. The asset allocation breaks the portfolio down by value into the major asset classes. This is followed by the estimated annual income from each category together with the yield. This is the income that the current portfolio would have produced over the last twelve months and it does not take into account any changes to the asset allocation or the level of dividends. The right hand chart shows the portfolio's allocation to each of the major currencies or geographical regions. The performance is summarised at the bottom, using selected time periods, and this is followed by the portfolio's benchmark return.

Look-through Reporting

Where appropriate, we "look-through" the investments that you have in Sarasin funds and consolidate these holdings with the portfolio's direct holdings. The result is shown in the Consolidated Valuation, within the Valuation and Accounting Statements section, and all of the analysis throughout the report uses this consolidated position.

Investment Mandate

Shows your investment objectives and latest instructions to us, together with any restrictions.

Index Returns

Shows the performance over several periods of any Sarasin funds that you hold. This is followed by the comparable performance for the major asset classes. On the right hand side, the volatility of the fund/index is also reported.

Volatility

The standard deviation of the monthly returns over a rolling 3-year period.

Alpha

Shows your absolute performance by major geographic region, sector and theme together with the equity benchmark return, for selected periods. The fourth chart shows the equity holdings that made the biggest contributions to overall performance.

Bonds

This section reports various weighted average financial indicators and categorisations of all bonds that are held in your portfolio. Inflation-linked bonds are excluded from the quantitative calculations, however they are included in the credit quality. External fund holdings, where held, are excluded from the calculations. All indicators are supplied by Bloomberg.

Coupon

The interest rate at issue (or current interest rate of floating rate notes FRN's).

Yield to Maturity

The yield of a bond calculated to maturity, based on the Bid price.

Maturity (years)

The number of years till the bond redeems (or is expected to redeem).

Adjusted Duration

The Adjusted Duration is a measure of bond price sensitivity to changes in yield based on the bid price.

Spread to Government

The difference between the yield of the bond and its benchmark government security, using market convention.

Rating

The weighted average credit rating of all bond holdings.

Percentage of Bonds

The value of the holding expressed as a percentage of your bond holdings.

Government, Treasuries	Refers to sovereign debt issues within a country's local currency only.
Govt Agency, Gtd & Supra	Includes debt issued by government agencies, local governments, quasi-government organisations, plus bond issues with a government guarantee, sovereign issues in non-domestic currencies and debt of supranational bodies.

Thematic Equity Allocation

A breakdown of your portfolio's equity content according to Sarasin & Partners' selected themes. The chart shows the percentage invested in each theme and this is followed by the largest investments in each theme, shown as a percentage of the portfolio's equities.

Geographical Analysis

Compares the Geographic Allocation of your portfolio against a world index. The difference demonstrates by how much your portfolio's exposure to each geographic area varies from that of the index.

Industrial Analysis

Compares the Global Industrial Allocation of your portfolio against a world index. The difference demonstrates by how much your portfolio's exposure to each industrial sector varies from that of the index.

Valuation

This section contains the valuation by holding and separates, where applicable, holdings held in the various tax wrappers such as PEP and ISA. The holdings are expressed by book cost, price, value, the notional profit or loss and projected income in the base currency and yield.

Alternative assets can include structured products, some of which have been structured to provide an economic exposure that may use derivatives. The investment will primarily target an investment theme using traditional assets such as equities, commodities or fixed income, but may also provide exposure to non traditional asset classes such as volatility and correlation. These investments are normally structured as debentures however they may also take the form of preference shares and or warrants. These investments can be subject to illiquidity as perceptions of credit quality adversely change during turbulent market conditions.

Accrued Interest	Interest earned but not yet due and payable.
Book Cost	The total cost of the holding includes brokerage, taxation and any other charges. If a holding has been reduced, the residual book cost reflects the average cost of all previous purchases.
Profit/(Loss)	The difference between the sale proceeds and the book cost (see above). Please note that where the holding being sold has been accumulated through two or more separate purchases, the profit or loss shown here may not be an accurate figure for tax purposes.
% of Portfolio	The value of the holding expressed as a percentage of the entire portfolio.
Estimated Gross Income	This is the gross income that the holding would have produced over the last twelve months. It does not take into account any changes to the asset allocation or the level of dividends.

Consolidated Portfolio Valuation

Provides a consolidated list of all the securities held in your portfolio both directly and via the Sarasin Funds. This provides a complete picture of the portfolio's exposure to individual securities.

The Liquid Assets figure may differ from that shown on the Portfolio Summary and Valuation as some Sarasin Funds are not included in the "look through" on the Consolidated Portfolio Valuation.

Cash Reconciliation

This section reconciles the movements through the portfolio's cash account(s). A summary statement is followed by detailed listings of transactions for Investment Income, Interest, Tax Reclaims, Capital Movements and any miscellaneous items. Deducted from this are any monies paid away including management fees and custodian charges, where applicable.

Effect of exchange rate movement The cash reconciliation shows the movement in your total cash balances exchanged into the base currency of your portfolio. Our system will exchange your transactions and cash balances at the rate used at the beginning of the quarter and compare this with the rate used at the end of the period.

Cash Transactions

Shows all of the portfolio's cash transactions, in date order, for income and capital cash.

Schedule of Transactions

Movements within the portfolio for the period including; purchases, sales, capital events and transfers. The profit or loss is the difference between the notional book cost of the securities sold and the proceeds.

Capital Events

Lists the holdings that under-went a change of capital structure during the period.

Transaction Summary

Summarises all of the transactions and cash movements, including capital events.

Custody Statement

Lists the holdings that are held on your behalf to the order of Sarasin & Partners Clients' Account by the London Branch of The Bank of New York Mellon.



SARASIN
& PARTNERS

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU
Tel +44(0)20 7038 7000 Fax +44(0)20 7038 6850 marketing@sarasin.co.uk www.sarasin.co.uk

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