

# **INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND**

**Report and Financial Statements for the year ended  
31 March 2013**

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

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# **INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND**

## **Investment Advisers' Report for the year ended 31 March 2013**

### **1. Introduction**

Investment Solutions Limited ("Investment Solutions") has been appointed as the investment adviser of the Investment Solutions Strategic Global Fund ("ISSGF"). Investment Solutions advises on the manager selection within the ISSGF, evaluates performance, monitors significant changes within the underlying funds, advises on proposed changes to the ISSGF structure and manager line-up and performs tactical asset allocation to the four Alexander Forbes ("AF") Strategic Global Funds.

The purpose of this report is to provide the board of Investment Solutions (Jersey) Limited ("the Manager") with details of the ISSGF's structure, changes made to the underlying funds during the year under review and comment on the performance and the outlook on the funds.

ISSGF comprises of ten Class Funds, all of which have been approved by the South African Financial Services Board ("FSB") and the Jersey Financial Services Commission ("JFSC"). The ten Class Funds are all invested in collective investment schemes. The Class Funds have been listed below:

- Strategic Global Equity Fund
- Strategic Global Bond Fund
- Strategic Sterling Bond Fund
- Strategic Dollar Liquidity Fund
- Strategic Sterling Liquidity Fund
- Strategic Euro Liquidity Fund
- AF Strategic Global Conservative Fund
- AF Strategic Global Moderate Fund
- AF Strategic Global Balanced Fund
- AF Strategic Global Aggressive Fund

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 2. Performance Summary

Performance numbers are quoted on a gross and net of fees basis in the Fund currency and South African Rand as at 31 March 2013. A service fee of 0.5% per annum is taken into account in the reporting of the net fee for Strategic Global Equity Fund, Strategic Global Bond Fund and Strategic Sterling Bond Fund.

	6 Months	1 Year	3 Years	5 Years	8 Years	10 years	Since Inception	Inception Dates
<b>Global Portfolio Range</b>								
<b>Strategic Global Equity</b>								
Dollar Return (Net)	9.72%	8.99%	6.99%	1.93%	4.35%	8.29%	4.33%	29 April 1997
Dollar Return (Gross)	10.72%	11.00%	8.98%	3.83%	6.30%	10.30%	6.27%	29 April 1997
Benchmark	9.55%	12.66%	8.92%	2.77%	5.51%	9.21%	5.86%	
Rand Return (Net)	22.56%	31.30%	15.37%	4.50%	9.55%	10.00%	9.21%	29 April 1997
Rand Return (Gross)	23.68%	33.72%	17.51%	6.45%	11.59%	12.05%	11.24%	29 April 1997
Benchmark	22.37%	35.72%	17.45%	5.37%	10.77%	10.94%	10.82%	
<b>Strategic Global Bond</b>								
Dollar Return (Net)	-1.87%	2.77%	5.19%	4.18%	4.14%	4.63%	4.27%	29 April 1997
Dollar Return (Gross)	-1.02%	4.56%	7.04%	6.01%	5.98%	6.47%	6.10%	29 April 1997
Benchmark	-4.71%	-0.77%	3.74%	3.19%	4.50%	5.31%	5.66%	
Rand Return (Net)	9.61%	23.80%	13.43%	6.82%	9.33%	6.29%	9.15%	29 April 1997
Rand Return (Gross)	10.57%	25.97%	15.42%	8.69%	11.26%	8.15%	11.07%	29 April 1997
Benchmark	6.44%	19.54%	11.86%	5.80%	9.71%	6.98%	10.60%	
<b>Strategic Sterling Bond</b>								
Sterling Return (Net)	1.29%	7.20%	6.79%	5.86%	3.86%	3.55%	4.75%	29 April 1997
Sterling Return (Gross)	2.17%	9.07%	8.66%	7.71%	5.69%	5.37%	6.60%	29 April 1997
Benchmark	1.38%	7.85%	8.60%	7.42%	6.02%	5.76%	6.92%	
Rand Return (Net)	6.11%	22.82%	15.26%	2.88%	6.12%	4.78%	9.21%	29 April 1997
Rand Return (Gross)	7.04%	24.96%	17.28%	4.68%	7.98%	6.62%	11.14%	29 April 1997
Benchmark	6.21%	23.55%	17.25%	4.41%	8.33%	7.02%	11.47%	
<b>Strategic Dollar Liquidity</b>								
Dollar Return (Net)	-0.35%	-0.72%	-0.78%	-0.32%	1.30%	1.17%	1.62%	31 March 2000
Dollar Return (Gross)	0.02%	0.02%	-0.06%	0.42%	2.05%	1.92%	2.39%	31 March 2000
Benchmark	0.04%	0.09%	0.09%	0.27%	1.74%	1.68%	2.09%	
Rand Return (Net)	11.31%	19.59%	6.99%	2.21%	6.34%	2.77%	4.33%	31 March 2000
Rand Return (Gross)	11.73%	20.49%	7.77%	2.96%	7.14%	3.53%	5.11%	31 March 2000
Benchmark	11.75%	20.58%	7.93%	2.80%	6.81%	3.28%	4.81%	
<b>Strategic Sterling Liquidity</b>								
Sterling Return (Net)	-0.26%	-0.41%	-0.40%	0.35%	1.81%	2.10%	2.61%	31 March 2000
Sterling Return (Gross)	0.11%	0.33%	0.35%	1.10%	2.58%	2.86%	3.39%	31 March 2000
Benchmark	0.21%	0.45%	0.49%	1.09%	2.60%	2.91%	3.43%	
Rand Return (Net)	4.49%	14.09%	7.50%	-2.47%	4.02%	3.31%	4.96%	31 March 2000
Rand Return (Gross)	4.88%	14.94%	8.30%	-1.74%	4.80%	4.09%	5.75%	31 March 2000
Benchmark	4.98%	15.08%	8.46%	-1.75%	4.83%	4.14%	5.79%	
<b>Strategic Euro Liquidity</b>								
Euro Return (Net)	-0.30%	-0.16%	-0.22%	0.39%	1.14%	1.17%	1.24%	31 July 2002
Euro Return (Gross)	0.07%	0.58%	0.53%	1.14%	1.89%	1.93%	2.00%	31 July 2002
Benchmark	0.03%	0.14%	0.72%	1.28%	2.05%	2.09%	2.16%	
Rand Return (Net)	10.92%	16.04%	5.80%	-1.27%	6.09%	4.47%	2.82%	31 July 2002
Rand Return (Gross)	11.33%	16.91%	6.60%	-0.53%	6.89%	5.26%	3.60%	31 July 2002
Benchmark	11.29%	16.40%	6.80%	-0.39%	7.05%	5.43%	3.76%	

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 2. Performance Summary (continued)

A service fee of 0.75% per annum is taken into account in the reporting of the net fee for the AF Strategic Global Funds.

	6 Months	1 Year	3 Years	5 Years	Since Inception	Inception Dates
<b>Global Portfolio Range</b>						
<b>AF Strategic Global Conservative</b>						
Dollar Return (Net)	3.18%	2.80%	2.63%	0.05%	1.83%	30 June 2006
Dollar Return (Gross)	4.17%	4.80%	4.65%	2.02%	3.83%	30 June 2006
Benchmark	1.91%	2.34%	3.88%	0.80%	3.03%	
US 3 Month T-Bill+1%	0.52%	1.06%	1.06%	1.23%	2.28%	
Rand Return (Net)	15.25%	23.84%	10.67%	2.58%	5.76%	30 June 2006
Rand Return (Gross)	16.36%	26.26%	12.84%	4.60%	7.84%	30 June 2006
Benchmark	13.83%	23.28%	12.02%	3.35%	7.00%	
US 3 Month T-Bill+1%	12.28%	21.74%	8.99%	3.80%	3.02%	
<b>AF Strategic Global Moderate</b>						
Dollar Return (Net)	7.02%	6.04%	3.49%	0.68%	2.49%	30 June 2006
Dollar Return (Gross)	8.07%	8.15%	5.57%	2.71%	4.56%	30 June 2006
Benchmark	3.76%	4.76%	5.24%	1.51%	3.43%	
US 3 Month T-Bill+2%	0.99%	2.02%	2.03%	2.20%	3.26%	
Rand Return (Net)	19.54%	27.74%	11.59%	3.22%	6.44%	30 June 2006
Rand Return (Gross)	20.72%	30.29%	13.83%	5.30%	8.59%	30 June 2006
Benchmark	15.90%	26.20%	13.48%	4.08%	7.42%	
US 3 Month T-Bill+2%	12.80%	22.90%	10.03%	4.78%	3.02%	
<b>AF Strategic Global Balanced</b>						
Dollar Return (Net)	7.28%	7.41%	4.93%	1.44%	3.00%	30 June 2006
Dollar Return (Gross)	8.36%	9.61%	7.08%	3.54%	5.13%	30 June 2006
Benchmark	5.25%	7.29%	6.63%	2.21%	3.82%	
US 3 Month T-Bill+2.5%	1.22%	2.50%	2.51%	2.68%	3.74%	
Rand Return (Net)	19.84%	29.40%	13.14%	4.01%	6.97%	30 June 2006
Rand Return (Gross)	21.04%	32.04%	15.47%	6.16%	9.18%	30 June 2006
Benchmark	17.57%	29.25%	14.98%	4.79%	7.82%	
US 3 Month T-Bill+2.5%	13.06%	23.49%	10.55%	5.28%	3.02%	
<b>AF Strategic Global Aggressive</b>						
Dollar Return (Net)	9.48%	11.58%	6.77%	1.85%	3.00%	30 June 2006
Dollar Return (Gross)	10.60%	13.91%	9.02%	4.01%	5.18%	30 June 2006
Benchmark	7.72%	11.54%	8.88%	3.43%	4.59%	
US 3 Month T-Bill+3%	1.45%	2.99%	2.99%	3.16%	4.23%	
Rand Return (Net)	22.29%	34.42%	15.13%	4.42%	6.97%	30 June 2006
Rand Return (Gross)	23.55%	37.22%	17.55%	6.64%	9.24%	30 June 2006
Benchmark	20.33%	34.37%	17.41%	6.04%	8.62%	
US 3 Month T-Bill+3%	13.32%	24.07%	11.07%	5.77%	3.02%	

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3. Underlying Fund Commentary

#### 3.1 Strategic Global Equity Fund

##### Fund Structure and Changes

<b>Mandate</b>	The investment objective of this Class Fund is to generate capital appreciation by investing in the World Equity Fund ("WEF"), a sub fund of the Russell Investment Company ("RIC") II Public Limited Company.
<b>Benchmark</b>	MSCI World Index
<b>Fund Type</b>	Feeder Fund
<b>Underlying Fund at reporting date</b>	Russell World Equity Fund

There have been no changes to the fund structure during the year under review.

##### Performance Comment

The Strategic Global Equity Fund outperformed the MSCI World Index on a gross and net of fees basis for the period under review.

The Russell World Equity Fund ("the Fund") ended the fourth quarter of 2012 ahead of the benchmark. Quarterly returns were largely driven by the strong performance of value manager Harris. At the Fund-composite level, stock selection accounted for the majority of excess returns, proving most beneficial in the information technology sector. Holding a sizeable overweight to Continental Europe, notably luxury goods retailers, was also rewarded. From a stock perspective, the underweight to Apple led the gains. After a spectacular start to 2012, Apple stock price has trended downward, reaching a \$532 low in November, as investors are increasingly questioning the firm's ability to foster ground-breaking innovation and maintain an enviable market share in smart devices against such eager competitors as Samsung. UK-based producer of semiconductors ARM Holdings was another key contributor as its products are proving popular, outperforming traditional peers such as Intel.

The Fund outperformed in the first quarter of 2013, largely driven by MFS' successful quality bias. The Russell Select Exposures portfolio and the futures overlay were other prevailing contributors; the latter mitigated the Fund's overweight to Continental Europe and the underweight to the US. In contrast, the legacy Tradewinds portfolio (77% liquidated to date) contributed negatively to performance. The portfolio's defensive tilt and stock selection in financials were the main drivers of performance. From a stock perspective, holding Apple at an underweight proved most beneficial; the stock lost 15% after the earnings call in January disappointed investors, underpinning concerns about growth, profitability and the longer-term popularity of the iPhone. Over the quarter, Arrowstreet was replaced with Numeric to upgrade to a similar strategy with more alpha potential. This decreased the Fund's overweight to Continental Europe and the financials sector.

Source: Russell

##### Outlook

The Russell World Equity Fund remains an appropriate investment for the Strategic Global Equity Fund in order to meet its investment objectives. The advisor believes that the prospects of the Strategic Global Equity Fund to outperform its benchmark remain good.

##### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.1 Strategic Global Equity Fund (continued)

#### Portfolio of Investments as at 31 March 2013

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
Fund - 97.78% (2012: 97.63%)				
1,050,196	Russell RIC II plc the World Equity Fund B Income	18,966,535	96.59	97.63
<b>PORTFOLIO OF INVESTMENTS</b>		<b>18,966,535</b>	<b>96.59</b>	<b>97.63</b>
Cash and bank balances		692,246	3.53	2.49
Creditors		(23,549)	(0.12)	(0.12)
<b>NET ASSET VALUE AS AT 31/03/2013</b>		<b>19,635,232</b>	<b>100.00</b>	<b>100.00</b>

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.2 Strategic Global Bond Fund

#### Fund Structure and Changes

<b>Mandate</b>	The investment objective of this Class Fund is to invest in the Class A shares of the Global Bond Fund, a sub-fund of the Russell Investment Company Public Limited Company. In its prospectus, which includes information about the Global Bond Fund, the RIC states that the Global Bond Fund has the investment objective of providing income and capital growth by investing primarily in investment grade bonds denominated in a variety of currencies, including the euro.
<b>Benchmark</b>	Barclays Capital Global Aggregate Bond Index
<b>Fund Type</b>	Feeder Fund
<b>Underlying Fund at reporting date</b>	Russell Global Bond Fund

There have been no changes to the fund structure during the year under review.

#### Performance Comment

The Strategic Global Bond Fund outperformed the Barclays Capital Global Aggregate Index for the period under review, both on a gross and net of fee basis

The Russell Global Bond Fund ("the Fund") outperformed the benchmark over the last quarter of 2012, with four of the five underlying managers finishing in positive territory. Positive returns for the quarter were predominantly driven by an underweight to the Japanese yen and overweights to the Norwegian Krone and Korean Won (Strategic, Loomis, and Colchester). Sector positioning also contributed to performance, notably an overweight to emerging market debt (Colchester, Loomis), which performed well over the month. In addition, out-of-index exposure to non-agency mortgages (Brookfield and PIMCO) and HY corporate (PIMCO, Loomis) also added value. The fund's underweight to IG corporates was a modest drag.

The Fund outperformed the benchmark over the first quarter of 2013, with three of the five underlying managers finishing in positive territory, one coming in flattish and one underperforming. The primary driver of outperformance was sector positioning, via exposure to non-agency mortgages (Brookfield and PIMCO) and HY credit (PIMCO and Loomis). Rates positioning (overweights to Germany, Mexico and Ireland) was a secondary positive (Colchester, PIMCO, Loomis). Brookfield finished as the best-performing manager over the period, with its overweight exposure to non-agency mortgages continuing to add value to the Fund. In contrast, the foregoing was marginally hindered by currency positioning, where positives from JPY and EUR underweights were offset by underweights to AUD and NZD and an underweight to NOK.

Source: Russell

#### Outlook

The Russell Global Bond Fund remains an appropriate investment for the Strategic Global Bond Fund in order to meet its investment objectives.

#### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.



# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.2 Strategic Global Bond Fund (continued)

#### Portfolio of Investments as at 31 March 2013

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
Fund - 96.38% (2012: 99.53%)				
25,414	Russell Investment Co plc – Global Bond Fund Class A	7,069,457	97.38	99.53
PORTFOLIO OF INVESTMENTS		7,069,457	97.38	99.53
Cash and bank balances		199,673	2.75	0.61
Creditors		(9,692)	(0.13)	(0.14)
NET ASSET VALUE AS AT 31/03/2013		7,259,438	100.00	100.00

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.3 Strategic Sterling Bond Fund

#### Fund Structure and Changes

<b>Mandate</b>	The investment objective of this Class Fund is to invest in the Class A shares of the Sterling Bond Fund, a sub-fund of the RIC. In its prospectus, which includes information about the Sterling Bond Fund, the RIC states that the Sterling Bond Fund has the investment objective of providing capital appreciation by investing primarily in UK fixed interest securities.
<b>Benchmark</b>	Merrill Lynch Sterling Broad Market Index
<b>Fund Type</b>	Feeder Fund
<b>Underlying Fund at reporting date</b>	Russell Sterling Bond Fund

There have been no changes to the fund structure during the year under review.

#### Performance Comment

The Strategic Sterling Bond Fund outperformed the Merrill Lynch Sterling Broad Market Index on a gross of fee basis for the period under review, but underperformed net of fees

The Russell Sterling Bond Fund ("the Fund") finished ahead of the benchmark (gross of fees) over the fourth quarter of 2012. Relative gains were driven by Fidelity's overweight to credit which performed well in a more risk-on environment. At the Fund level, an overweight to investment-grade financials and a government underweight made the largest contribution to outperformance.

The Fund finished ahead of the benchmark over the first quarter of 2013, driven largely by Fidelity's strong performance and the fund's underweight to governments. The Fund is now significantly ahead over the one-year period, where it has gained 1.3% versus the benchmark.

Source: Russell

#### Outlook

The small size of the Strategic Sterling Bond Fund and failure of it to attract any significant or regular additional subscriptions is of concern to the Investment Adviser and the Investment Adviser is considering a recommendation to the Manager to close the Strategic Sterling Bond Fund.

#### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.

#### Portfolio of Investments as at 31 March 2013

NOMINAL	SECURITY	VALUE GBP	FUND % 31/03/2013	FUND %/ 31/03/2012
Fund - 98.41% (2012: 99.60%)				
20,761	Russell Sterling Bond Fund Class A	427,674	96.19	99.60
PORTFOLIO OF INVESTMENTS		427,674	96.19	99.60
Cash and bank balances		17,663	3.97	0.95
Creditors		(737)	(0.17)	(0.55)
NET ASSET VALUE AS AT 31/03/2013		444,600	100.00	100.00

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.4 Strategic US Dollar Liquidity Fund

#### Fund Structure and Changes

<b>Mandate</b>	The investment objective of this Class Fund is to invest in shares of the US Dollar Liquidity Fund II, a sub-fund of the Russell Investment Company III Public Limited Company ("the Company"). In the prospectus for the Company, organised in the form of an umbrella fund, which includes information about the US Dollar Liquidity Fund II, the Company states that the investment objective of the US Dollar Liquidity Fund II is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short-term, high-grade debt and debt-related instruments.
<b>Benchmark</b>	3 month US Treasury bill
<b>Fund type</b>	Feeder Fund
<b>Underlying Fund at reporting date</b>	Russell US Dollar Liquidity Fund II

There have been no changes to the fund structure during the year under review.

#### Performance Comment

The Strategic US Dollar Liquidity Fund, which invests in the Russell US Dollar Liquidity Fund II, marginally underperformed its benchmark for the year under review, both gross and net of fees.

The Russell US Dollar Liquidity Fund II ("the Fund") is well-positioned with holdings in well-capitalised banks. The Fund's majority allocation is to low risk, short-dated instruments.

Source: Russell

#### Outlook

The Russell US Dollar Liquidity Fund II remains an appropriate investment for the Strategic US Dollar Liquidity Fund to achieve its investment objectives.

#### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.

#### Portfolio of Investments as at 31 March 2013

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
<b>Fund - 93.56% (2012: 79.55%)</b>				
5,571	Russell Investment Co III – US Dollar Liquidity Fund II Class B	6,609,286	97.23	79.55
<b>PORTFOLIO OF INVESTMENTS</b>		<b>6,609,286</b>	<b>97.23</b>	<b>79.55</b>
Cash and bank balances		193,962	2.85	20.52
Creditors		(5,904)	(0.09)	(0.07)
<b>NET ASSET VALUE AS AT 31/03/2013</b>		<b>6,797,344</b>	<b>100.00</b>	<b>100.00</b>

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.5 Strategic Sterling Liquidity Fund

#### Fund Structure and Changes

<b>Mandate</b>	The investment objective of this Class Fund is to invest in shares of the Sterling Liquidity Fund, a sub-fund of the Russell Investment Company III Public Limited Company ("the Company"). The prospectus for the Company, organized in the form of an umbrella fund, which includes the Sterling Liquidity Fund, states that the investment objective of the Sterling Liquidity Fund is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short-term, high grade debt and debt-related instruments.
<b>Benchmark</b>	1 month UK Treasury Bill
<b>Fund Type</b>	Feeder Fund
<b>Underlying Fund at reporting date</b>	Russell Sterling Liquidity Fund

There have been no changes to the fund structure during the year under review.

#### Performance Comment

The Strategic Sterling Liquidity Fund, which invests in the Russell Sterling Liquidity Fund, marginally underperformed its benchmark for the year under review, both gross and net of fees.

The Russell Sterling Liquidity Fund ("the Fund") is well-positioned with holdings in well-capitalised banks. The Fund's majority allocation is to low risk, short-dated instruments.

Source: Russell

#### Outlook

The Russell Sterling Liquidity Fund remains an appropriate investment for the Strategic Sterling Liquidity Fund in order to meet its investment objectives.

#### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.

#### Portfolio of Investments as at 31 March 2013

NOMINAL	SECURITY	VALUE GBP	FUND % 31/03/2013	FUND % 31/03/2012
Fund - 96.29% (2012: 99.63%)				
6,821	Russell Investment Co III – Sterling Liquidity Fund Class B	9,034,784	97.34	99.63
<b>PORTFOLIO OF INVESTMENTS</b>		<b>9,034,784</b>	<b>97.34</b>	<b>99.63</b>
Cash and bank balances		254,708	2.74	0.51
Creditors		(8,064)	(0.09)	(0.14)
<b>NET ASSET VALUE AS AT 31/03/2013</b>		<b>9,281,428</b>	<b>100.00</b>	<b>100.00</b>

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.6 Strategic Euro Liquidity Fund

#### Fund Structure and Changes

<b>Mandate</b>	The investment objective of this Class Fund is to invest in shares of the Euro Liquidity Fund, a sub-fund of the Russell Investment Company III Public Limited ("the Company"). The prospectus for the Company, organized in the form of an umbrella fund, which includes the Euro Liquidity Fund, states that the investment objective of the Euro Liquidity Fund is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short-term, high grade debt and debt-related instruments
<b>Benchmark</b>	1 month French Treasury bill
<b>Fund Type</b>	Feeder Fund
<b>Underlying Fund at reporting date</b>	Russell Euro Liquidity Fund

There have been no changes to the fund structure during the year under review.

#### Performance Comment

The Strategic Euro Liquidity Fund, which invests in the Russell Euro Liquidity Fund, marginally underperformed its benchmark for the year under review, both gross and net of fees.

The Russell Euro Liquidity Fund ("the Fund") is well-positioned with holdings in well-capitalised banks. The Fund's majority allocation is to low risk, short-dated instruments.

#### Outlook

The Russell Euro Liquidity Fund remains an appropriate investment for the Strategic Euro Liquidity Fund in order to meet its investment objectives.

Source: Russell

#### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.

#### Portfolio of Investments as at 31 March 2013

NOMINAL	SECURITY	VALUE EURO	FUND % 31/03/2013	FUND % 31/03/2012
Fund - 98.76% (2012: 98.70 %)				
877	Russell Investment Co III – Euro Liquidity Fund Class B	876,521	95.40	98.70
<b>PORTFOLIO OF INVESTMENTS</b>		<b>876,521</b>	<b>95.40</b>	<b>98.70</b>
Cash and bank balances		43,048	4.69	1.56
Creditors		(811)	(0.09)	(0.26)
<b>NET ASSET VALUE AS AT 31/03/2013</b>		<b>918,758</b>	<b>100.00</b>	<b>100.00</b>

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.7 AF Strategic Global Funds

#### Fund Structure and Changes

<b>Mandate</b>	<p>The investment objective of these Class Funds is to generate capital appreciation over the long term by investing in a mix of collective investment funds. The underlying investments held will be reviewed daily.</p> <p>The AF Strategic Global Conservative Fund is suitable for investors who are conservative in nature, and therefore prefer a limited exposure to equity markets and a short to medium term investment (less than two years). The AF Strategic Global Conservative Fund offers investors returns with low volatility managed within conservative investment parameters.</p> <p>The AF Strategic Global Moderate Fund is suitable for investors who require capital growth over the medium term and prefer a moderate exposure to equity markets and would like to outperform inflation in the medium term (between three and five years). The AF Strategic Global Moderate Fund is managed within moderate investment parameters with a moderate allocation to equities.</p> <p>The AF Strategic Global Balanced Fund is suitable for investors who want to maximise capital growth over the medium to long term (five to seven years). It is aimed at investors who have a relatively low aversion to risk and would like exposure to equity markets. The AF Strategic Global Balanced Fund's relatively high weighting to equities is designed to increase the possibility of returns above inflation in the medium to long term (five to seven years).</p> <p>The AF Strategic Global Aggressive Fund is suitable for investors with a high-risk tolerance who are primarily seeking exposure to equity markets to achieve maximum capital growth over the long term (more than seven years).</p>
<b>Benchmark</b>	Composite
<b>Fund Type</b>	Fund of Funds
<b>Underlying Funds at reporting date</b>	<p>Russell World Equity Fund</p> <p>Orbis Global Equity Fund</p> <p>Investec Strategic Global Equity Fund</p> <p>Oasis Global Equity Fund</p> <p>Russell Global Bond Fund</p> <p>Templeton Global Bond Fund</p> <p>Russell US Dollar Liquidity Fund II</p> <p>Russell Euro Liquidity Fund</p> <p>Russell Sterling Liquidity Fund</p> <p>Russell Real Estate Fund</p> <p>Orbis Optimal Dollar Fund</p>

There have been no changes to the fund structure during the year under review.

#### Performance Comment

The AF Strategic Global Funds outperformed its benchmarks over the period under review.

The equity component invests in three underlying global equity funds (four in the AF Strategic Global Aggressive fund). During the last quarter of 2012, Russell added to performance as returns were largely driven by the strong performance of value manager Harris. At the Russell Fund-composite level, stock selection accounted for the majority of excess returns, proving most beneficial in the information technology sector. Holding a sizeable overweight to Continental Europe, notably luxury goods retailers, was also rewarded. UK-based producer of semiconductors ARM Holdings was another key contributor as its products are proving popular, outperforming traditional peers such as Intel. Investec Global Strategic Equity outperformed during the period, driven by their exposure to Resources, Telecoms (Axiata and MTN in particular) as well as selective industrial and consumer stocks.

Orbis also outperformed the benchmark as their stock selection added to performance after a long period of underperformance. The bond component invests in two underlying global bond funds. Both managers outperformed the benchmark during the quarter. The bond managers benefited during a quarter of "risk-on" as exposure to non-government debt added to performance. The Real Estate component performed strongly during the quarter. Both stock selection and country allocation contributed to outperformance.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.7 AF Strategic Global Funds (continued)

#### Performance Comment (continued)

The overweight to Asia, in which stock selection was rewarded, accounted for the majority of excess returns as it was the best-performing region this quarter. Japan was the main contributor, followed by Singapore and Hong Kong. The underweight to Canada, combined with strong selection, was another key alpha driver. During the quarter, European Investors Incorporated (EII) was added to the manager line-up, aiming to diversify the Fund's sources of alpha while reducing its exposure to beta and volatility.

In the first quarter of 2013, within the equity component, Russell outperformed in the first quarter of 2013, largely driven by MFS' successful quality bias. The Russell Select Exposures portfolio and the futures overlay were other prevailing contributors; the latter mitigated the Fund's overweight to Continental Europe and the underweight to the US. In contrast, the legacy Tradewinds portfolio (77% liquidated to date) contributed negatively to performance. The portfolio's defensive tilt and stock selection in financials were the main drivers of performance. From a stock perspective, holding Apple at an underweight proved most beneficial; the stock lost 15% after the earnings call in January disappointed investors, underpinning concerns about growth, profitability and the longer-term popularity of the iPhone. This decreased the Fund's overweight to Continental Europe and the financials sector.

Investec Global Strategic Equity underperformed during the period. Overweight positions in the US and Japan helped performance as both markets performed well in US dollar terms, however their emerging market exposure, in terms of overweight positioning and stock selection, hurt relative returns as the area underperformed. Stock selection in the US detracted from returns, particularly within resources as companies such as Occidental Petroleum and Helmerich & Payne performed poorly. Orbis continued their outperformance as their stock selection once again added to performance. Within the bond component, Russell finished in positive territory, one coming in flattish and one underperforming. The primary driver of outperformance was sector positioning, via exposure to non-agency mortgages (Brookfield and PIMCO) and HY credit (PIMCO and Loomis). Rates positioning (overweights to Germany, Mexico and Ireland) was a secondary positive (Colchester, PIMCO, Loomis).

Brookfield finished as the best-performing manager over the period, with its overweight exposure to non-agency mortgages continuing to add value to the Fund. In contrast, the foregoing was marginally hindered by currency positioning, where positives from JPY and EUR underweights were offset by underweights to AUD and NZD and an underweight to NOK. Templeton strongly outperformed the benchmark, driven by their exposure to Emerging market debt.

Although the Real Estate component underperformed its benchmark during the quarter, it added to the absolute performance as global property performed strongly during the quarter.

Source: Russell, Investec, Orbis, Oasis and Investment Solutions.

#### Outlook

We believe that a fund of funds approach to selecting a range of managers in each of the underlying asset classes remains an appropriate way for the AF Strategic Global Funds to meet their investment objectives. The AF Strategic Global Funds are well positioned with a good diversified mixture of skilful managers that are expected to deliver alpha going forward at acceptable levels of risk.

#### Confirmation

We hereby confirm that there were no soft commission arrangements in operation during the period specified.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.7 AF Strategic Global Funds (continued)

#### Portfolio of Investments as at 31 March 2013

##### AF Strategic Global Conservative Fund

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
<b>Fund/Unit Trust - 97.91% (2012: 101.56%)</b>				
22,994	INVESTEC Global Strategic Equity Fund S Income	448,148	9.58	9.32
-	Investment Solutions Strategic Global Fund - Euro Liquidity Fund	-	-	8.02
32,486	Investment Solutions Strategic Global Fund - Global Bond Fund	632,296	13.51	13.20
-	Investment Solutions Strategic Global Fund - Sterling Liquidity Fund	-	-	10.28
73,976	Investment Solutions Strategic Global Fund - US Dollar Liquidity Fund	912,387	19.49	8.98
3,230	Orbis Global Equity Fund	455,621	9.74	8.71
-	Orbis Optimal (EURO) Fund	-	-	15.03
10,456	Orbis Optimal (US Dollar) Fund	788,778	16.85	-
196	Russell Investments MSMM PLC - The Global Real Estate Sec	-	-	-
26,045	Fund B Rollup	261,007	5.58	5.63
28,062	Russell Investments RIC II PLC - The World Equity Fund B Income	470,379	10.05	8.69
	Templeton Bond Fund Class 1 (Acc) USD	661,131	14.13	13.70
<b>PORTFOLIO OF INVESTMENTS</b>		<b>4,629,747</b>	<b>98.92</b>	<b>101.56</b>
Cash and bank balances		57,767	1.23	(0.95)
Creditors		(7,387)	(0.16)	(0.61)
<b>NET ASSET VALUE AS AT 31/03/2013</b>		<b>4,680,127</b>	<b>100.00</b>	<b>100.00</b>

##### AF Strategic Global Moderate Fund

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
<b>Fund/Unit Trust - 94.03% (2012: 99.85%)</b>				
115,069	INVESTEC Global Strategic Equity Fund S Income	2,242,702	13.40	13.88
-	Investment Solutions Strategic Global Fund - Euro Liquidity Fund	-	-	9.62
83,974	Investment Solutions Strategic Global Fund - Global Bond Fund	1,634,430	9.76	5.25
-	Investment Solutions Strategic Global Fund - Sterling Liquidity Fund	-	-	5.09
188,179	Investment Solutions Strategic Global Fund - US Dollar Liquidity Fund	2,320,905	13.86	5.18
17,401	Orbis Global Equity Fund	2,454,402	14.66	14.14
-	Orbis Optimal (EURO) Fund	-	-	15.55
32,052	Orbis Optimal (US Dollar) Fund	2,418,025	14.44	-
948	Russell Investments MSMM PLC - The Global Real Estate Sec	-	-	-
125,712	Fund B Rollup	1,262,451	7.54	7.14
74,726	Russell Investments RIC II PLC - The World Equity Fund B Income	2,270,355	13.56	13.69
	Templeton Bond Fund Class 1 (Acc) USD	1,760,544	10.52	10.30
<b>PORTFOLIO OF INVESTMENTS</b>		<b>16,363,814</b>	<b>97.75</b>	<b>99.85</b>
Cash and bank balances		403,180	2.41	0.39
Creditors		(26,935)	(0.16)	(0.24)
<b>NET ASSET VALUE AS AT 31/03/2013</b>		<b>16,740,059</b>	<b>100.00</b>	<b>100.00</b>



# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Investment Advisers' Report (continued)

### 3.7 AF Strategic Global Funds (continued)

#### Portfolio of Investments as at 31 March 2013 (continued)

##### AF Strategic Global Balanced Fund

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
Fund/Unit Trust - 95.36% (2012: 94.62%)				
356,138	INVESTEC Global Strategic Equity Fund S Income	6,941,128	19.11	17.29
-	Investment Solutions Strategic Global Fund - Euro Liquidity Fund	-	-	2.39
156,364	Investment Solutions Strategic Global Fund - Global Bond Fund	3,043,382	8.38	8.64
-	Investment Solutions Strategic Global Fund - Sterling Liquidity Fund	-	-	3.05
171,756	Investment Solutions Strategic Global Fund - US Dollar Liquidity Fund	2,118,348	5.83	3.00
47,918	Orbis Global Equity Fund	6,758,808	18.60	17.43
-	Orbis Optimal (EURO) Fund	-	-	9.65
48,717	Orbis Optimal (US Dollar) Fund	3,675,226	10.12	-
	Russell Investments MSMM PLC - The Global Real Estate Sec			
2,167	Fund B Rollup	2,885,347	7.94	7.14
385,372	Russell Investments RIC II PLC - The World Equity Fund B Income	6,959,820	19.16	17.02
132,547	Templeton Bond Fund Class 1 (Acc) USD	3,122,808	8.60	9.02
PORTFOLIO OF INVESTMENTS		35,504,866	97.73	94.62
Cash and bank balances		889,989	2.45	5.58
Creditors		(64,077)	(0.18)	(0.20)
NET ASSET VALUE AS AT 31/03/2013		36,330,778	100.00	100.00

##### AF Strategic Global Aggressive Fund

NOMINAL	SECURITY	VALUE USD	FUND % 31/03/2013	FUND % 31/03/2012
Fund/Unit Trust - 73.47% (2012: 99.44%)				
21,245	INVESTEC Global Strategic Equity Fund S Income	414,062	18.70	18.51
-	Investment Solutions Strategic Global Fund - Euro Liquidity Fund	-	-	0.12
3,762	Investment Solutions Strategic Global Fund - Global Bond Fund	73,223	3.31	0.12
-	Investment Solutions Strategic Global Fund - Sterling Liquidity Fund	-	-	7.11
-	Investment Solutions Strategic Global Fund - US Dollar Liquidity Fund	-	-	0.11
17,959	Oasis Global Equity Fund Class A	409,767	18.51	18.47
3,056	Orbis Global Equity Fund	431,027	19.47	18.79
	Russell Investments MSMM PLC - The Global Real Estate Sec			
166	Fund B Rollup	221,149	9.99	10.18
22,757	Russell Investments RIC II PLC - The World Equity Fund B Income	410,999	18.56	18.93
6,503	Templeton Bond Fund Class 1 (Acc) USD	153,219	6.92	7.11
PORTFOLIO OF INVESTMENTS		2,113,446	95.46	99.44
Cash and bank balances		104,706	4.73	0.85
Creditors		(4,081)	(0.18)	(0.29)
NET ASSET VALUE AS AT 31/03/2013		2,214,071	100.00	100.00

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## General Information

The following information is derived from, and should be read in conjunction with, the full text and definitions section of the Prospectus.

Investment Solutions Strategic Global Fund ("the Fund") is an open ended unit trust, established in Jersey on 28 April 1997 as an unclassified fund under the Collective Investment Funds (Jersey) Law 1988.

At 31 March 2013, the Fund comprised ten separate Class Funds. These Class Funds are:

- Strategic Global Bond Fund
- Strategic Global Equity Fund
- Strategic Sterling Bond Fund
- Strategic US Dollar Liquidity Fund
- Strategic Sterling Liquidity Fund
- Strategic Euro Liquidity Fund
- AF Strategic Global Conservative Fund
- AF Strategic Global Moderate Fund
- AF Strategic Global Balanced Fund
- AF Strategic Global Aggressive Fund

The funds hold some assets which currently have zero value. These are instruments which currently have no value as the companies have been suspended or liquidated. The funds continue to hold the assets so that if any distributions of capital are made in the future, unit holders will benefit from such.

## **INVESTMENT OBJECTIVE**

### **Strategic Global Bond Fund**

The investment objective of the Strategic Global Bond Fund is to invest in Class A Shares of the Global Bond Fund, a sub-fund of The Russell Investment Company Public Limited Company ("RIC plc"). The prospectus for RIC plc, which includes the Global Bond Fund, states that the Global Bond Fund has the investment objective of providing income and capital growth by investing primarily in investment grade bonds denominated in a variety of currencies, including the Euro.

### **Strategic Global Equity Fund**

The investment objective of the Strategic Global Equity Fund is to generate capital appreciation by investing in the World Equity Fund ("WEF"), a sub fund of the Russell Investment Company II Public Limited Company ("RIC II"). The assets of the Class Fund will be allocated to WEF.

### **Strategic Sterling Bond Fund**

The investment objective of the Strategic Sterling Bond Fund is to invest in Class A shares of the Sterling Bond Fund, a sub-fund of RIC plc. The prospectus for RIC plc, which includes the Sterling Bond Fund, states the Sterling Bond Fund has the investment objective of providing capital appreciation by investing primarily in UK fixed interest securities.

### **Strategic US Dollar Liquidity Fund**

The investment objective of the Strategic US Dollar Liquidity Fund is to invest in the Class B shares of the US Dollar Liquidity Fund II, a sub-fund of the Russell Investment Company III Public Limited Company ("RIC III plc"). The prospectus for the RIC III plc, organised in the form of an umbrella fund, which includes the US Dollar Liquidity Fund II, states that the investment objective of the US Dollar Liquidity Fund II is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short-term, high-grade debt and debt-related instruments.

### **Strategic Sterling Liquidity Fund**

The investment objective of the Strategic Sterling Liquidity Fund is to invest in the Class B shares of the Sterling Liquidity Fund, a sub-fund of RIC III plc. The prospectus for the RIC III plc, organised in the form of an umbrella fund, which includes the Sterling Liquidity Fund, states that the investment objective of the Sterling Liquidity Fund is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short-term, high-grade debt and debt-related instruments.

### **Strategic Euro Liquidity Fund**

The investment objective of the Strategic Euro Liquidity Fund is to invest in the Class B shares of the Euro Liquidity Fund, a sub-fund of the RIC III plc. The prospectus for RIC III plc organised in the form of an umbrella fund, which includes the Euro Liquidity Fund, states that the investment objective of the Euro Liquidity Fund is to provide the maximum current income that is consistent with the preservation of capital and liquidity by investing in short-term, high grade debt and debt-related instruments.

# **INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND**

## **General Information (continued)**

### **INVESTMENT OBJECTIVE (continued)**

#### **AF Strategic Global Conservative Fund**

The investment objective of this Class Fund is to generate capital appreciation over the short to medium term by investing in a mix of collective investment funds. The underlying collective investments held will be reviewed by the Manager daily. The AF Strategic Global Conservative Fund is suitable for investors who are conservative in nature, and therefore prefer a limited exposure to equity markets and a short to medium term investment (less than two years). The Fund offers investors returns with low volatility managed within conservative investment parameters.

#### **AF Strategic Global Moderate Fund**

The investment objective of this Class Fund is to generate capital appreciation over the medium term by investing in a mix of collective investment funds. The underlying collective investments held will be reviewed by the Manager daily. The Fund is managed within moderate investment parameters with a moderate allocation to equities. The AF Strategic Global Moderate Fund is suitable for investors who require capital growth over the medium term and prefer a moderate exposure to equity markets and would like to outperform inflation in the medium term (between three and five years).

#### **AF Strategic Global Balanced Fund**

The investment objective of this Class Fund is to generate capital appreciation over the medium to long term by investing in a mix of collective investment funds. The underlying collective investments held will be reviewed by the Manager daily. The AF Strategic Global Balanced Fund is suitable for investors who want to maximise capital growth over the medium to long term (five to seven years). It is aimed at investors who have a relatively low aversion to risk and would like exposure to equity markets. The Fund's relatively high weighting to equities is designed to increase the possibility of returns above inflation in the medium to long term (five to seven years).

#### **AF Strategic Global Aggressive Fund**

The investment objective of this Class Fund is to generate capital appreciation over the long term by investing in a mix of collective investment funds. The underlying investments held will be reviewed by the Manager daily. The AF Strategic Global Aggressive Fund is suitable for investors with a high-risk tolerance who are primarily seeking exposure to equity markets to achieve maximum capital growth over the long term (more than seven years).

### **PRICES**

The Offer Price of a Unit shall be calculated on any Subscription Day by aggregating (i) the subscription price of such Unit, (ii) any preliminary charges and (iii) such provision for duties and charges as the Manager may determine. The subscription price of such Unit at the Valuation Point shall be calculated by ascertaining the Net Asset Value of the relevant Class Fund and dividing the resulting amount by the number of units of that Class Fund then in issue or deemed to be in issue and rounding the relevant amount to four decimal places.

The Redemption Price of a Unit shall be calculated on any Subscription Day by ascertaining the Net Asset Value of the relevant Class Fund, deducting there from such sum as the Manager considers represents an appropriate provision for duties and charges and dividing the resulting sum by the number of Units of that Class Fund then in issue or deemed to be in issue and rounding the relevant amount to four decimal places.

### **DEALING**

The Subscription Day shall be each Business Day for all Classes. A Business Day is defined as a day on which commercial banks are normally open for full banking business in Jersey and in South Africa. Application requests must be lodged with the Fund Administrator in writing by 11h00 Jersey time on the Subscription Day on which Units are to be issued. Redemption notices for Units must be lodged with the Fund Administrator by 11h00 Jersey time on the Subscription Day on which Units are to be redeemed subject to receipt of relevant redemption documentation. Conversion Notices must be lodged with the Fund Administrator by 11h00 Jersey time on the Subscription Day on which Units are to be converted.

### **DISTRIBUTIONS**

Income available for distribution, attributable to each Class Fund, shall be accumulated and not distributed to Unitholders.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## General Information (continued)

### SIGNIFICANT EVENTS SINCE THE YEAR END

Two significant events since the year end have effect. The events were:

1. The issuing of a new Fund Prospectus

A new Fund Prospectus, dated and effective 1 April 2013, was issued on 21 May 2013.

2. Reduction in management and advisory fee

On 1 April 2013 a reduction in management and advisory fee became effective. The table below summarises the class funds affected by this management and advisory fee reduction and the new revised total fee charged to investors.

<b>Class Fund</b>	<b>Revised Management and Advisory Fee (p.a.) (Effective 1/4/2013)</b>	<b>Administrator and Trustee Fee (p.a.)</b>	<b>Service Fee (p.a.)</b>	<b>Revised Total Fee (p.a.) (Effective 1/4/2013)</b>
Strategic Global Bond Fund	(-0.50%*) to 0.65%	0.10%	0.50%	1.25%
Strategic Global Equity Fund	(-0.10%*) to 1.15%	0.10%	0.50%	1.75%
Strategic Sterling Bond Fund	(-0.50%*) to 0.65%	0.10%	0.50%	1.25%
Strategic US Dollar Liquidity Fund	(-0.35%*) to 0.30%	0.10%		0.40%
Strategic Sterling Liquidity Fund	(-0.35%*) to 0.30%	0.10%		0.40%
Strategic Euro Liquidity Fund	(-0.35%*) to 0.30%	0.10%		0.40%
AF Strategic Global Aggressive	(-0.10%*) to 1.15%	0.10%	0.75%	2.00%
AF Strategic Global Balanced	(-0.10%*) to 1.10%	0.10%	0.75%	1.95%
AF Strategic Global Moderate	(-0.05%*) to 1.10%	0.10%	0.75%	1.95%
AF Strategic Global Conservative	1.10%	0.10%	0.75%	1.95%

**Note:** (-x%\*) indicates the reduction in the management and advisory fee

# **INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND**

## **Statement of responsibilities of the Manager and Trustee**

### **Manager**

Investment Solutions (Jersey) Limited ("the Manager"), is responsible for the preparation of the financial statements for each financial period which gives a true and fair view of the state of affairs of the Fund at the end of each accounting period and of its net income for that period. In preparing the financial statements the Manager should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The Manager is also required to manage the Fund in accordance with the Trust Deed and maintain proper accounting records to enable them to ensure that the financial statements comply with the Trust Deed and generally accepted accounting principles.

The manager has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Fund and to prevent and detect fraud and other irregularities.

The Manager confirms they have complied with all the above requirements in preparing the financial statements. So far as the Manager is aware, there is no relevant audit information of which the Fund's auditors are unaware, and each Director of the Manager has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Fund's auditors are aware of that information.

### **Trustee**

BNP Paribas Securities Services Trust Company (Jersey) Limited ("the Trustee"), is responsible for the safekeeping of all the property of the Fund which is entrusted to it, as prescribed in the Trust Deed.

Under the principles of the Codes of Practice for Certified Funds, issued by the Jersey Financial Services Commission, the Trustee has a duty to take reasonable care to ensure that the methods adopted by the Fund's Manager in respect to the pricing of, and dealing in, shares in the Fund are compliant with the Fund's principal documents.

## **INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND**


### **Trustees report to the unitholders on Investment Solutions Strategic Global Fund**

BNP Paribas Securities Services Trust Company (Jersey) Limited ("the Trustee") is responsible for the safekeeping of all the property of the Fund which is entrusted to it, as prescribed in the Trust Deed.

Under the principles of the Guide to open-ended unclassified collective investment funds offered to the general public ("the OCIF Guide"), issued by the Jersey Financial Services Commission, the Trustee has a duty to take reasonable care to ensure that the methods adopted by the Fund's Manager in respect to the pricing of, and dealing in, shares in the Fund are compliant with the Fund's principal documents.

In this respect we hereby state that, in our opinion and to the best of our information, knowledge and belief, the Manager, Investment Solutions (Jersey) Limited, has managed the Fund during the year to 31 March 2013 in accordance with the provisions of the Fund's principal fund documents.

So far as the Trustee is aware, there is no relevant audit information of which the Fund's auditors are unaware.



**BNP Paribas Securities Services Trust Company (Jersey) Limited**  
**Liberté House**  
**19-23 La Motte Street**  
**St. Helier**  
**Jersey JE2 4SY**  
**Channel Islands**  
**18 June 2013**

## **INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND**

### **Report on the financial statements**

We have audited the accompanying financial statements of Investment Solutions Strategic Global Fund ("the Trust") which comprise, the balance sheet as of 31 March 2013 and the statement of total return, the statement of changes in unitholders' funds for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Manager's responsibility for the financial statements**

The Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with United Kingdom Accounting Standards and with the requirements of the Trust Instrument. The Manager is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Trust as of 31 March 2013, and of their financial performance for the year then ended in accordance with United Kingdom Accounting Standards and have been properly prepared in accordance with the provisions of the Trust Instrument.

### **Report on other legal and regulatory requirements**

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises the investment adviser's report, a summary of general information relating to the Trust, a statement of responsibilities of the manager and the trustee, the trustee's report, the total expense ratio calculation, a comparative table and a summary of management and administration.

In our opinion the information given in the trustee's report is consistent with the financial statements.

This report, including the opinion, has been prepared for and only for the unitholders as a body in accordance with the Trust Instrument and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers CI LLP  
Chartered Accountants  
Jersey, Channel Islands  
21 June 2013

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Statement of Total Return for the year ended 31 March 2013

		Strategic Global Bond Fund		Strategic Global Equity Fund		Strategic Sterling Bond Fund	
	Note	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
<b>Income:</b>							
Net gains/(losses) on investments during the year	6	307,431	525,337	1,748,741	(438,696)	37,156	57,239
Other gains	8	7	-	(56)	-	(1)	-
Gross income	9	-	-	-	3	-	6
Expenses	10	(90,271)	(107,985)	(193,933)	(221,118)	(5,120)	(9,594)
Net deficit for the year		(90,264)	(107,985)	(193,989)	(221,115)	(5,121)	(9,588)
<b>Total return for the year</b>		<b>217,167</b>	<b>417,352</b>	<b>1,554,752</b>	<b>(659,811)</b>	<b>32,035</b>	<b>47,651</b>
<b>Change in net assets attributable to Unitholders' from investment activities</b>		<b>217,167</b>	<b>417,352</b>	<b>1,554,752</b>	<b>(659,811)</b>	<b>32,035</b>	<b>47,651</b>
		Strategic US Dollar Liquidity Fund		Strategic Sterling Liquidity Fund		Strategic Euro Liquidity Fund	
	Note	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
<b>Income:</b>							
Net gains/(losses) on investments during the year	6	(1)	(335,968)	8,331	34,444	(18)	176,044
Other gains	8	9	-	142	-	-	-
Gross income	9	-	-	-	21	(3,608)	8,673
Expenses	10	(40,209)	(967,931)	(56,444)	(90,916)	(4,315)	(216,685)
Net deficit for the year		(40,200)	(967,931)	(56,302)	(90,895)	(7,923)	(208,012)
<b>Total return for the year</b>		<b>(40,201)</b>	<b>(1,303,899)</b>	<b>(47,971)</b>	<b>(56,451)</b>	<b>(7,941)</b>	<b>(31,968)</b>
<b>Change in net assets attributable to Unitholders' from investment activities</b>		<b>(40,201)</b>	<b>(1,303,899)</b>	<b>(47,971)</b>	<b>(56,451)</b>	<b>(7,941)</b>	<b>(31,968)</b>

The notes on pages 29 to 44 form an integral part of these financial statements



# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Statement of Total Return for the year ended 31 March 2013 (continued)

		AF Strategic Global Aggressive Fund		AF Strategic Global Moderate Fund		AF Strategic Global Balanced Fund	
	Note	31/03/13 USD	31/03/12 USD	31/03/13 USD	31/03/12 USD	31/03/13 USD	31/03/12 USD
<b>Income:</b>							
Net gains/(losses) on investments during the year	6	264,280	(7,760)	1,014,616	(741,884)	3,135,861	(172,782)
Other gains	8	(44)	-	109	-	32	-
Gross income	9	-	-	-	2	-	25
Expenses	10	(34,231)	(42,213)	(242,293)	(328,238)	(545,034)	(502,649)
Net deficit for the year		(34,275)	(42,213)	(242,184)	(328,236)	(545,002)	(502,624)
<b>Total return for the year</b>		<b>230,005</b>	<b>(49,973)</b>	<b>772,432</b>	<b>(1,070,120)</b>	<b>2,590,859</b>	<b>(675,406)</b>
<b>Change in net assets attributable to Unitholders' from investment activities</b>							
		230,005	(49,973)	772,432	(1,070,120)	2,590,859	(675,406)
<b>AF Strategic Global Conservative Fund</b>							
		31/03/13 USD	31/03/12 USD	31/03/13 USD	31/03/12 USD	31/03/13 USD	31/03/12 USD
<b>Income:</b>							
Net gains/(losses) on investments during the year	6	247,630	(80,625)	247,630	(80,625)	6,787,725	(870,939)
Other gains	8	3,396	-	3,396	-	3,667	-
Gross income	9	-	-	-	-	(4,643)	11,640
Expenses	10	(47,173)	(116,343)	(47,173)	(116,343)	(1,292,341)	(2,736,237)
Net deficit for the year		(43,777)	(116,343)	(43,777)	(116,343)	(1,293,317)	(2,724,597)
<b>Total return for the year</b>		<b>203,853</b>	<b>(196,968)</b>	<b>203,853</b>	<b>(196,968)</b>	<b>5,494,408</b>	<b>(3,595,536)</b>
<b>Change in net assets attributable to Unitholders' from investment activities</b>							
		203,853	(196,968)	203,853	(196,968)	5,494,408	(3,595,536)

The notes on pages 29 to 44 form an integral part of these financial statements

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Statement of Change in Unitholders' Funds for the year ended 31 March 2013

	Strategic Global Bond Fund		Strategic Global Equity Fund		Strategic Sterling Bond Fund	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
	USD	USD	USD	USD	GBP	GBP
Net assets at start of the year	7,944,245	9,860,489	19,424,357	24,870,923	503,252	584,678
Foreign exchange gain on translation of opening net assets	-	-	-	-	-	-
<i>Movement due to issue and redemption of Units:</i>						
Amount receivable on issue of units	75,916	515,911	265,046	462,065	552	604
Less: amounts payable on cancellation of units	(977,890)	(2,849,507)	(1,608,923)	(5,248,820)	(91,239)	(129,681)
	(901,974)	(2,333,596)	(1,343,877)	(4,786,755)	(90,687)	(129,077)
<b>Change in net assets attributable to Unitholders' from investing activities</b>	217,167	417,352	1,554,752	(659,811)	32,035	47,651
<b>Net assets at the end of the year</b>	<b>7,259,438</b>	<b>7,944,245</b>	<b>19,635,232</b>	<b>19,424,357</b>	<b>444,600</b>	<b>503,252</b>

	Strategic US Dollar Liquidity Fund		Strategic Sterling Liquidity Fund		Strategic Euro Liquidity Fund	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
	USD	USD	GBP	GBP	EUR	EUR
Net assets at start of the year	4,725,435	245,047,209	11,769,207	18,029,158	3,088,690	41,447,639
Foreign exchange gain on translation of opening net assets	-	-	-	-	-	-
<i>Movement due to issue and redemption of Units:</i>						
Amount receivable on issue of units	3,833,046	48,393,527	106,022	219,060	229,961	9,959,230
Less: amounts payable on cancellation of units	(1,720,936)	(287,411,402)	(2,545,830)	(6,422,560)	(2,391,952)	(48,286,211)
	2,112,110	(239,017,875)	(2,439,808)	(6,203,500)	(2,161,991)	(38,326,981)
<b>Change in net assets attributable to Unitholders' from investing activities</b>	(40,201)	(1,303,899)	(47,971)	(56,451)	(7,941)	(31,968)
<b>Net assets at the end of the year</b>	<b>6,797,344</b>	<b>4,725,435</b>	<b>9,281,428</b>	<b>11,769,207</b>	<b>918,758</b>	<b>3,088,690</b>

## Statement of Change in Unitholders' Funds for the year ended 31 March 2013 (continued)

The notes on pages 29 to 44 form an integral part of these financial statements

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Balance Sheet as at 31 March 2013

		Strategic Global Bond Fund		Strategic Global Equity Fund		Strategic Sterling Bond Fund	
	Note	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
<b>Investment assets</b>			USD		USD		GBP
	5	7,069,457	7,906,813	18,966,535	18,964,079	427,674	501,224
<b>Current assets</b>							
Cash and bank balances	11	199,673	48,558	692,246	483,898	17,663	4,798
Less: Current liabilities	12	(9,692)	(11,126)	(23,549)	(23,620)	(737)	(2,770)
<b>Net current assets</b>		189,981	37,432	668,697	460,278	16,926	2,028
<b>Net assets attributable to Unitholders</b>		7,259,438	7,944,245	19,635,232	19,424,357	444,600	503,252
<b>Unitholders' Funds</b>		7,259,438	7,944,245	19,635,232	19,424,357	444,600	503,252
		Strategic US Dollar Liquidity Fund		Strategic Sterling Liquidity Fund		Strategic Euro Liquidity Fund	
	Note	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
<b>Investment assets</b>			USD		GBP		EUR
	5	6,609,286	3,759,288	9,034,784	11,725,453	876,521	3,048,539
<b>Current assets</b>							
Cash and bank balances	11	193,962	969,689	254,708	60,014	43,048	48,136
Less: Current liabilities	12	(5,904)	(3,542)	(8,064)	(16,260)	(811)	(7,985)
<b>Net current assets</b>		188,058	966,147	246,644	43,754	42,237	40,151
<b>Net assets attributable to Unitholders</b>		6,797,344	4,725,435	9,281,428	11,769,207	918,758	3,088,690
<b>Unitholders' Funds</b>		6,797,344	4,725,435	9,281,428	11,769,207	918,758	3,088,690

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Balance Sheet as at 31 March 2013 (continued)

		AF Strategic Global Aggressive Fund		AF Strategic Global Moderate Fund		AF Strategic Global Balanced Fund	
	Note	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
		USD	USD	USD	USD	USD	USD
<b>Investment assets</b>	5	2,113,446	2,406,847	16,363,814	18,816,271	35,504,866	34,467,548
<b>Current assets</b>							
Cash and bank balances	11	104,706	20,476	403,180	73,701	889,989	2,033,715
Less: Current liabilities		(4,081)	(6,959)	(26,935)	(45,031)	(64,077)	(74,308)
Creditors	12	100,625	13,517	376,245	28,670	825,912	1,959,407
<b>Net current assets</b>							
		2,214,071	2,420,364	16,740,059	18,844,941	36,330,778	36,426,955
<b>Net assets attributable to Unitholders</b>							
		2,214,071	2,420,364	16,740,059	18,844,941	36,330,778	36,426,955
<b>Unitholders' Funds</b>							
				<b>AF Strategic Global Conservative Fund</b>		<b>Total</b>	
	Note	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
		USD	USD	USD	USD	USD	USD
<b>Investment assets</b>	5			4,629,747	5,939,763	106,778,404	115,883,015
<b>Current assets</b>							
Cash and bank balances	11	57,767	(55,400)	57,767	(55,400)	3,011,221	3,742,502
Less: Current liabilities		(7,387)	(35,935)	(7,387)	(35,935)	(156,057)	(241,609)
Creditors	12	50,380	(91,335)	50,380	(91,335)	2,855,164	3,500,893
<b>Net current assets</b>							
		4,680,127	5,848,428	4,680,127	5,848,428	109,633,568	119,383,908
<b>Net assets attributable to Unitholders</b>							
		4,680,127	5,848,428	4,680,127	5,848,428	109,633,568	119,383,908
<b>Unitholders' Funds</b>							

The financial statements on pages 23 to 44 were approved and authorized for issue by the Board of Trustees on 18 June 2013 and signed on its behalf by:

*A R Peacock*

A R Peacock (Director)

*R A Buchanan*

R A Buchanan (Director)

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Notes to the Financial Statements for the year ended 31 March 2013

### 1. Significant accounting policies

#### a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in October 2011. The financial statements are prepared in US Dollars.

The financial statements are prepared in line with the 2011 Statement of Recommended Practice (SORP) which has been adopted and comparative figures restated where applicable.

#### b) Income recognition

Dividends are recognised as income on the dates the securities are first quoted "ex dividend" to the extent that information thereon is reasonably available to the Fund. Bank interest is accounted for on an accruals basis. Income which suffers a deduction of tax at source is shown gross of withholding tax.

#### c) Realised gains and losses on investments

Realised gains and losses on sales of investments are calculated based on the average book cost of the investment in local currency. Realised gains and losses on investments arising during the year are taken to the Statement of Total Return. The associated foreign exchange movement between the date of purchase and the date of sale on the sale of investments is also included in net gains or losses on investments in the Statement of Total Return.

#### d) Unrealised gains and losses on investments

Unrealised gains and losses on investments arising during the year are included in net gains or losses on investments in the Statement of Total Return.

#### e) Valuation of securities

Investments are valued excluding accrued income. The underlying nature of the Funds' investments is that of Collective investment schemes. Open-ended collective investment schemes are valued as at 31 March 2013 for the shares or units at the year end, or if unavailable, are valued based on an estimated net asset value at the year end. Investments in other collective investment schemes are, if listed or traded on a stock exchange or over the counter market, valued at the latest quoted traded price or, if unavailable a mid-market quotation from a broker (or if unavailable, a bid quotation) or if unavailable or unrepresentative, at their probable realisation value.

#### f) Foreign exchange

Foreign currency assets and liabilities, including investments, are translated into the base currency of the relevant Sub fund at the closing exchange rate prevailing at the balance sheet date. The foreign exchange gain or loss based on the translation of the original cost of the investments is included in the net gains or losses on investments in the Statement of Total Return. The gain or loss arising on the translation of other assets and liabilities is included in other gains or losses in the Statement of Total Return.

Foreign currency transactions are translated into the base currency of the relevant Sub fund at the rate of exchange ruling on the date of the transaction.

Foreign exchange gains and losses arising between the transaction and settlement dates on purchases or sales of non-base currency investments are included in other gains and losses in the Statement of Total Return.

Foreign currency forward exchange contracts are revalued to a forward rate at the year end. The resulting unrealised gain or loss between this rate and the contract rate is included in other gains or losses on investments in the Statement of Total Return. The net unrealised gain or loss is included in debtors or creditors in the Balance Sheet.

#### g) Distribution policy

Income and capital gains realised by the Fund on its investments will not be distributed by way of dividend and, accordingly, income on investments and increase in the capital value of the investments of the Fund as a whole/individual Sub funds will be reflected in the value of units.

#### h) Cash flow Statement

The Fund has not prepared a cash flow statement as required by Financial Reporting Standard No.1 as the Fund meets the requirement for exemption and as defined in the 2011 Statement of Recommended Practice (SORP).

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Notes to the Financial Statements for the year ended 31 March 2013

### 2. Significant agreements

#### **Manager**

Investment Solutions (Jersey) Limited ("the Manager") has been appointed to act as manager of the Fund pursuant to the Management Agreement. The Manager shall receive a fee payable on the Net Asset Value of the relevant Class Fund and shall accrue daily and be paid monthly in arrears. Out of the Manager's fee there shall be payable by the Manager the fees payable to Investment Solutions Limited ("the Investment Adviser") and the management fees accrued in respect of the underlying fund's investments. The following rates apply to each of the Class Funds:

- **Strategic Global Bond Fund**  
The fee shall be 1.15% per annum of the Net Asset Value of the Class Fund. The fee of 1.15% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **Strategic Global Equity Fund**  
The fee shall be 1.25% per annum of the Net Asset Value of the Class Fund. The fee of 1.25% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **Strategic Sterling Bond Fund**  
The fee shall be 1.15% per annum of the Net Asset Value of the Class Fund. The fee of 1.15% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **Strategic US Dollar Liquidity Fund**  
The fee shall be 0.65% per annum of the Net Asset Value of the Class Fund. The fee of 0.65% may be varied by the Manager at its discretion provided that it shall not exceed 1.10% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **Strategic Sterling Liquidity Fund**  
The fee shall be 0.65% per annum of the Net Asset Value of the Class Fund. The fee of 0.65% may be varied by the Manager at its discretion provided that it shall not exceed 1.10% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **Strategic Euro Liquidity Fund**  
The fee shall be 0.65% per annum of the Net Asset Value of the Class Fund. The fee of 0.65% may be varied by the Manager at its discretion provided that it shall not exceed 1.10% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **AF Strategic Global Conservative Fund**  
The fee shall be 1.10% per annum of the Net Asset Value of the Class Fund. The fee of 1.10% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **AF Strategic Global Moderate Fund**  
The fee shall be 1.15% per annum of the Net Asset Value of the Class Fund. The fee of 1.15% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **AF Strategic Global Balanced Fund**  
The fee shall be 1.20% per annum of the Net Asset Value of the Class Fund. The fee of 1.20% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.
- **AF Strategic Global Aggressive Fund**  
The fee shall be 1.25% per annum of the Net Asset Value of the Class Fund. The fee of 1.25% may be varied by the Manager at its discretion provided that it shall not exceed 1.85% per annum of the Net Asset Value and Unitholders shall be given at least 1 month's notice.

**Note:** Refer to point 2 - Reduction in management and advisory fee on page 19 for details regarding the new structure that came into effect 1 April 2013

The Manager may obtain for its own account rebates on any fees or charges levied by any scheme (or its manager) in which Class Funds are invested.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Notes to the Financial Statements for the year ended 31 March 2013

### 2. Significant agreements (continued)

#### **Fund Administrator, Fund Sub-Administrator, Trustee and Registrar**

Investment Solutions Limited's ("the Fund Administrator"), BNP Paribas Securities Services Trust Company (Jersey) Limited's ("the Trustee") and Alexander Forbes Channel Island Limited's ("the Registrar") fee shall be payable on the Net Asset Value of the relevant Class Fund and will accrue daily and be paid monthly in arrears. The amount of the Fund Administrator's, Trustee's and Registrar's fees shall be as set out in the Appendices to the Prospectus. The fees and expenses of the Fund Sub-Administrator shall be paid by the Fund Administrator out of its fees.

The Fund Administrator, Trustee and Registrar will be reimbursed for their reasonably incurred out-of-pocket expenses.

#### **Service Fee**

A Service Fee shall be payable to the Manager based on the Net Asset Value of the relevant Class Fund and shall accrue daily and be paid monthly in arrears. The following rates apply to each of the Class Funds:

<b>Class Fund</b>	<b>Rates</b>
Strategic Global Bond Fund	The fee shall be 0.5% per annum of the Net Asset Value of the Class Fund.
Strategic Global Equity Fund	The fee shall be 0.5% per annum of the Net Asset Value of the Class Fund.
Strategic Sterling Bond Fund	The fee shall be 0.5% per annum of the Net Asset Value of the Class Fund.
Strategic Euro Liquidity Fund	Service Fees are not payable in respect of the Class Fund.
Strategic US Dollar Liquidity Fund	Service Fees are not payable in respect of the Class Fund.
Strategic Sterling Liquidity Fund	Service Fees are not payable in respect of the Class Fund.
AF Strategic Global Conservative Fund	The fee shall be 0.75% per annum of the Net Asset Value of the Class Fund.
AF Strategic Global Moderate Fund	The fee shall be 0.75% per annum of the Net Asset Value of the Class Fund.
AF Strategic Global Balanced Fund	The fee shall be 0.75% per annum of the Net Asset Value of the Class Fund.
AF Strategic Global Aggressive Fund	The fee shall be 0.75% per annum of the Net Asset Value of the Class Fund.



# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Notes to the Financial Statements for the year ended 31 March 2013

### 3. Net asset value per unit

The Net Asset Value per Unit for each Class Fund is calculated by dividing the Net Asset Value of each Class Fund by the total number of Units in issue.

### 4. Taxation

Unitholders who are not resident for income tax purposes in Jersey are not subject to taxation in Jersey in respect of any income or gains arising in respect of Units held by them other than any Jersey source income excluding bank deposit interest. Unitholders who are resident for income tax purposes in Jersey will be subject to income tax in Jersey on any income distributions paid on Units held by them or on their behalf and income tax will be deducted by the Trustee on payment of any such distributions.

No duties are payable in Jersey on the issue, conversion, redemption or transfer of Units. Stamp duty is payable at a rate up to approximately 0.75% of the value of the Units on the registration of Jersey probate or letters of administration which may be required in order to transfer, convert, redeem or make payments in respect of, Units held by a deceased individual sole Unitholder. There is no capital gains tax, estate duty or inheritance tax in Jersey.

The attention of Jersey residents is drawn to the provisions of Article 134A of the Income Tax (Jersey) Law 1961, as amended which may in certain circumstances render their investment chargeable to Jersey tax where they have invested in an accumulation fund.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 5. Investment assets

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
Cost	5,393,544	17,307,731	258,978	5,785,229	8,115,090	978,144
Unrealised gains/(losses)	1,675,913	1,658,804	168,696	824,057	919,694	(101,623)
	7,069,457	18,966,535	427,674	6,609,286	9,034,784	876,521
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
Cost	1,564,596	13,275,054	26,883,375	4,156,169	88,273,586	107,403,169
Unrealised gains/(losses)	548,850	3,088,760	8,621,491	473,578	18,504,818	8,479,846
	2,113,446	16,363,814	35,504,866	4,629,747	106,778,404	115,883,015

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 6. Net gains/(losses) on investments during the year

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13
	USD	USD	GBP	USD	GBP	EUR
<b>Net gains/(losses) on investments during the year comprise:</b>						
Proceeds from sales	1,599,787	1,739,000	150,706	430,000	2,699,000	2,308,000
Original cost of investments sold	(1,236,084)	(1,788,722)	(92,128)	(376,386)	(2,424,968)	(2,616,988)
Gains/(losses) realised on investments sold	363,703	(49,722)	58,578	53,614	274,032	(308,988)
Net unrealised gains/(losses) at the start of the year	(1,732,185)	139,659	(190,118)	(877,672)	(1,185,395)	410,593
Net unrealised gains/(losses) at the end of the year	1,675,913	1,658,804	168,696	824,057	919,694	(101,623)
Net gains/(losses) on investments during the year	307,431	1,748,741	37,156	(1)	8,331	(18)
<b>Net gains/(losses) on investments during the year comprise:</b>						
Proceeds from sales	1,003,146	7,349,099	9,177,605	2,967,947	31,571,206	345,079,080
Original cost of investments sold	(770,131)	(8,514,481)	(10,661,842)	(4,292,525)	(34,836,466)	(340,900,783)
Gains/(losses) realised on investments sold	233,015	(1,165,382)	(1,484,237)	(1,324,578)	(3,265,260)	4,178,297
Net unrealised gains/(losses) at the start of the year	(517,585)	(908,762)	(4,001,393)	1,098,630	(8,451,833)	(13,529,085)
Net unrealised gains/(losses) at the end of the year	548,850	3,088,760	8,621,491	473,578	18,504,818	8,479,847
Net gains/(losses) on investments during the year	264,280	1,014,616	3,135,861	247,630	6,787,725	(870,941)
<b>Total</b>						
	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13	31/03/12
	USD	USD	USD	USD	USD	USD

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 7. Units in issue

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13
Units at beginning of the year	419,756	1,078,508	25,777	373,345	838,371	270,499
Issued during the year	3,994	15,567	23	309,100	7,551	20,150
Redeemed during the year	(50,410)	(93,446)	(4,542)	(131,063)	(181,560)	(210,013)
Units at end of the year	373,340	1,000,629	21,258	551,381	664,363	80,636

	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total
	31/03/13	31/03/13	31/03/13	31/03/13	31/03/12
Units at beginning of the year	2,208,734	16,865,721	32,211,074	5,422,803	83,373,693
Issued during the year	501,350	281,797	1,732,165	59,196	13,123,203
Redeemed during the year	(897,141)	(2,969,326)	(4,166,349)	(1,322,203)	(36,782,308)
Units at end of the year	1,812,943	14,178,192	29,776,890	4,159,796	59,714,588

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 8. Other gains

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
Other forex gains/(losses)	7 (56)	(56)	(1)	9	142	-
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
Other forex gains/(losses)	(44)	109	32	3,396	3,667	-

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 9. Gross income

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Bond Sterling Fund	Strategic US Dollar Liquidity Fund	Strategic Liquidity Sterling Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
Bank interest	-	-	-	-	-	(3,608)
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
Bank interest	-	-	-	-	(4,643)	11,640

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 10. Expenses

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Bond Sterling Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
<b>Paid to the Manager</b>						
Manager's fees	(85,344)	(225,101)	(5,274)	(38,701)	(64,069)	(9,701)
Rebate	47,223	159,976	1,314	11,217	18,753	2,667
Service fee	(37,687)	(91,545)	(2,311)	-	-	-
	<u>(75,808)</u>	<u>(156,670)</u>	<u>(6,271)</u>	<u>(27,484)</u>	<u>(45,316)</u>	<u>(7,034)</u>
<b>Paid to the Fund Administrator</b>						
Administration fee	<u>(7,537)</u>	<u>(18,309)</u>	<u>(462)</u>	<u>(6,035)</u>	<u>(9,974)</u>	<u>(1,451)</u>
Overdraft Interest	(2)	-	-	-	-	-
Audit fees	(2,091)	(7,427)	1,823	(2,666)	3,425	4,996
Other	(4,833)	(11,527)	(210)	(4,024)	(4,579)	(826)
<b>Total expenses</b>	<u>(90,271)</u>	<u>(193,933)</u>	<u>(5,120)</u>	<u>(40,209)</u>	<u>(56,444)</u>	<u>(4,315)</u>

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 10. Expenses (continued)

	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
<b>Paid to the Manager</b>					
Manager's fees	(30,200)	(186,036)	(514,842)	(53,501)	(2,853,274)
Rebate	15,568	82,423	278,488	25,364	1,222,360
Service fee	(17,264)	(121,856)	(257,562)	(36,324)	(631,748)
	<u>(31,896)</u>	<u>(225,469)</u>	<u>(493,916)</u>	<u>(64,461)</u>	<u>(2,262,662)</u>
<b>Paid to the Fund Administrator</b>					
Administration fee	<u>(2,302)</u>	<u>(16,248)</u>	<u>(34,342)</u>	<u>(4,843)</u>	<u>(343,303)</u>
Overdraft Interest	-	-	-	-	(719)
Audit fees	1,472	9,870	5,337	25,309	(129,551)
Other	(1,505)	(10,446)	(22,113)	(3,178)	-
<b>Total expenses</b>	<u>(34,231)</u>	<u>(242,293)</u>	<u>(545,034)</u>	<u>(47,173)</u>	<u>(2,736,235)</u>



# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 11. Cash and bank balances

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
Cash and bank balances	199,673	692,246	17,663	193,962	254,708	43,048
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
Cash and bank balances	104,706	403,180	889,989	57,767	3,011,221	3,742,502

All cash and bank balances are held with BNP Paribas Securities Services SCA Jersey Branch.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 12. Creditors

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
Accrued fees payable - current	(9,692)	(23,549)	(737)	(5,904)	(8,064)	(811)
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
Accrued fees payable - current	(4,081)	(26,935)	(64,077)	(7,387)	(156,057)	(241,609)

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## Notes to the Financial Statements for the year ended 31 March 2013

### 13. Related party transactions

The Manager of the Fund earned a fee of US\$1,163,224 (2012: US\$ 2,262,662) during the year. Investment Solutions Limited as Administrator of the Fund earned US\$ 107,357 (2012: US\$ 343,303) during the year for providing this service.

At the year end, the following balances remain unpaid and are included in expenses (Note 10):

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Strategic Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13
	USD	USD	GBP	USD	GBP	EUR
Manager's fee	(9,692)	(23,550)	(738)	(5,906)	(8,066)	(811)
Administration fee	(557)	(1,508)	(35)	(523)	(714)	(71)
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13	31/03/13	31/03/13	31/03/13	31/03/13	31/03/12
	USD	USD	USD	USD	USD	USD
Manager's fee	(4,130)	(27,006)	(64,127)	(7,407)	(156,253)	(104,563)
Administration fee	(172)	(1,288)	(2,810)	(365)	(8,454)	(9,885)

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Notes to the Financial Statements for the year ended 31 March 2013

## 14. Purchase and sale of investments

	Strategic Global Bond Fund	Strategic Global Equity Fund	Strategic Sterling Bond Fund	Strategic US Dollar Liquidity Fund	Sterling Liquidity Fund	Strategic Euro Liquidity Fund
	31/03/13 USD	31/03/13 USD	31/03/13 GBP	31/03/13 USD	31/03/13 GBP	31/03/13 EUR
Total purchase	455,000	-	40,000	3,280,000	-	136,000
Total sales	1,599,787	1,739,000	150,706	430,000	2,699,000	2,308,000
	AF Strategic Global Aggressive Fund	AF Strategic Global Moderate Fund	AF Strategic Global Balanced Fund	AF Strategic Global Conservative	Total	
	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/13 USD	31/03/12 USD
Total purchase	461,356	3,961,333	7,284,923	1,452,255	17,130,716	33,536,412
Total sales	1,003,146	7,349,099	9,177,605	2,967,947	31,571,206	345,079,080

## 15. Exchange rates

The following USD exchange rates have been used in the financial statements at 31 March 2013:

EUR 1.2868  
GBP 1.5211

## Notes to the Financial Statements for the year ended 31 March 2013

### 16. Risk management

The main risks arising from the Fund's financial instruments are general risk, credit and liquidity risk. The Investment Adviser reviews policies for managing these risks, which are set out below.

#### Market Risks

An investment in a Class Fund may be considered to be speculative. It is not intended as a complete investment program and is designed only for investors who can afford the loss of their investment. The Class Funds are not subject to the normal regulations and disclosure requirements for publicly offered mutual funds. General risks include leverage and performance risks.

- **Leverage**

It is anticipated that some of the investment managers of the underlying funds in which a Class Fund invests may employ leverage. If the amount of leverage which an underlying fund employs at any one time is large in relation to its capital, fluctuations in the market value of its portfolio will have a disproportionately large effect in relation to its capital and the possibilities for profit and the risk of loss will therefore, be increased.

- **Performance Risks**

There can be no assurance that the Class Funds' investment approach will be successful or that their investment objectives will be attained. No assurance can be given that the Class Funds' investment portfolios will generate any income or will appreciate in value. While it is anticipated that the diverse portfolio of Underlying Funds and the selection process used by the Manager will minimise risks, the Class Funds could realise substantial losses, rather than gains, from their investments. The Net Asset Value of the Class Funds are directly related to the market value of the securities in the Class Funds' portfolio which will fluctuate with general conditions in debt, equity or commodities markets, currency rates, political, economic or social developments, instability in the relevant capital markets or the financial performance of the issuers of securities that are, or underlie, investments in the Underlying Funds.

#### Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation thereby causing the Fund to incur a financial loss.

The Fund may be exposed to a credit risk on parties with whom they trade and will bear the risk of settlement default. All underlying funds are governed by strict investment objectives and policies specifically set by the Fund Prospectus to meet the investment objectives of the respective unitholders and where appropriate, specify the minimum investment grading rating.

There have been no significant changes in risk exposures and the way in which these are managed since the prior year.

#### Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

It is anticipated that the Class Funds' investments in some of the Underlying Funds will be subject to restrictions which allow redemptions only at specific times and subject to certain conditions. In addition, some Funds of Funds may provide broad, discretionary powers to suspend redemptions for a material year. Accordingly, the Class Funds may be limited with respect to their ability to diversify or otherwise change their portfolios promptly, including in response to performance of Funds of Funds, changes in the economy or the securities markets in general or in connection with redemptions. The Fund is managing liquidity risk through prescribed investment objectives and policies specifically set by the Fund Prospectus.

There have been no significant changes in risk exposures and the way in which these are managed since the prior year.

## INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Total Expense Ratio (TER) for the year ended 31 March 2013 (unaudited)

	Strategic Global Bond Fund	
	31/03/13 USD	31/03/12 USD
Total expenses as % of average net assets	1.1923%	1.1501%
Performance fees as % of net assets	0.00%	0.00%
Total expenses	90,271	107,985
Average net assets for the period	7,571,115	9,388,985

	Strategic Global Equity Fund	
	31/03/13 USD	31/03/12 USD
	1.0539%	0.9963%
	0.00%	0.00%
	193,933	221,118
	18,401,754	22,194,644

	Strategic US Dollar Liquidity Fund	
	31/03/13 USD	31/03/12 USD
Total expenses as % of average net assets	0.6595%	0.5889%
Performance fees as % of net assets	0.00%	0.00%
Total expenses	40,209	967,931
Average net assets for the period	6,096,508	164,368,215

	Strategic Sterling Liquidity Fund	
	31/03/13 GBP	31/03/12 GBP
	0.5624%	0.6361%
	0.00%	0.00%
	56,444	90,916
	10,037,092	14,293,582

	Strategic Sterling Bond Fund	
	31/03/13 GBP	31/03/12 GBP
	1.1024%	1.7333%
	0.00%	0.00%
	5,120	9,594
	464,424	553,521

	Strategic Euro Liquidity Fund	
	31/03/13 EUR	31/03/12 EUR
	0.2804%	0.6015%
	0.00%	0.00%
	4,315	216,685
	1,539,018	36,022,719

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Total Expense Ratio (TER) for the year ended 31 March 2013 (unaudited) (continued)

	AF Strategic Global Aggressive Fund		AF Strategic Global Moderate Fund		AF Strategic Global Balanced Fund	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
	USD	USD	USD	USD	USD	USD
Total expenses as % of average net assets	1.5313%	1.8073%	1.4310%	1.5408%	1.5448%	1.5621%
Performance fees as % of net assets	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses	34,231	42,213	242,293	328,238	545,034	502,649
Average net assets for the period	2,235,421	2,335,631	16,931,894	21,303,492	35,281,330	32,178,085
	AF Strategic Global Conservative Fund		Total			
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
	USD	USD	USD	USD	USD	USD
Total expenses as % of average net assets	0.2313%	1.8304%	0.2313%	1.8304%	1.0350%	0.8294%
Performance fees as % of net assets	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses	47,173	116,343	1,292,342	2,736,235	1,292,342	2,736,235
Average net assets for the period	20,390,745	6,356,296	124,863,031	329,916,792	124,863,031	329,916,792

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Comparative table for the year ended 31 March 2013 (unaudited)

	Strategic Global Bond Fund			Strategic Global Equity Fund		
	31/03/13	31/03/12	31/03/11	31/03/13	31/03/12	31/03/11
	USD	USD	USD	USD	USD	USD
Net asset value	7,259,438	7,944,245	9,860,489	19,635,232	19,424,357	24,870,923
Number of units in issue	373,340	419,756	544,621	1,000,629	1,078,508	1,350,044
Net asset value per unit	19.4446	18.9258	18.1052	19.6229	18.0104	18.4223

	Strategic Sterling Bond Fund			Strategic US Dollar Liquidity Fund		
	31/03/13	31/03/12	31/03/11	31/03/13	31/03/12	31/03/11
	GBP	GBP	GBP	USD	USD	USD
Net asset value	444,600	503,252	584,678	6,797,344	4,725,435	245,047,209
Number of units in issue	21,258	25,777	32,561	551,381	373,345	19,572,041
Net asset value per unit	20.9147	19.5234	17.9562	12.3279	12.6570	12.5203

	Strategic Sterling Liquidity Fund			Strategic Euro Liquidity Fund		
	31/03/13	31/03/12	31/03/11	31/03/13	31/03/12	31/03/11
	GBP	GBP	GBP	EUR	EUR	EUR
Net asset value	9,281,428	11,769,207	18,029,158	918,758	3,088,690	41,447,639
Number of units in issue	664,363	838,371	1,279,290	80,636	270,499	3,627,529
Net asset value per unit	13.9704	14.0382	14.0931	11.3939	11.4185	11.4259



# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Comparative table for the year ended 31 March 2013 (unaudited) (continued)

	AF Strategic Global Aggressive Fund			AF Strategic Global Moderate Fund		
	31/03/13	31/03/12	31/03/11	31/03/13	31/03/12	31/03/11
	USD	USD	USD	USD	USD	USD
Net asset value						
Number of units in issue	2,214,071	2,420,364	2,434,230	16,740,059	18,844,941	24,649,145
Net asset value per unit	1,812,943	2,208,734	2,166,581	14,178,192	16,865,721	21,382,100
	1.2213	1.0958	1.1235	1.1807	1.1174	1.1528

	AF Strategic Global Balanced Fund			AF Strategic Global Conservative Fund		
	31/03/13	31/03/12	31/03/11	31/03/13	31/03/12	31/03/11
	USD	USD	USD	USD	USD	USD
Net asset value						
Number of unit in issue	36,330,778	36,426,955	31,206,500	4,680,127	5,848,428	7,274,421
Net asset value per unit	29,776,890	32,211,074	26,922,522	4,159,796	5,422,803	6,496,402
	1.2201	1.1309	1.1591	1.1251	1.0785	1.1198

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Comparative table for the year ended 31 March 2013 (unaudited) (continued)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>
<b>Strategic Global Bond Fund</b>						
Highest price of a unit in issue	15.8772	17.1271	18.5597	19.0900	19.9645	19.9092
Lowest price of a unit in issue	13.4885	13.6148	16.3926	17.5833	18.4558	19.3422
Net income distributed	-	-	-	-	-	-
<b>Strategic Global Equity Fund</b>						
Highest price of a unit in issue	19.4978	15.6814	17.7106	19.2300	18.4465	19.8219
Lowest price of a unit in issue	9.7410	9.0009	14.0816	14.7608	15.5526	18.1135
Net income distributed	-	-	-	-	-	-
<b>Strategic Sterling Bond Fund</b>						
Highest price of a unit in issue	16.3723	16.9188	18.3612	19.5577	20.8164	20.9256
Lowest price of a unit in issue	14.3653	13.6582	16.6769	17.4528	19.2406	20.2488
Net income distributed	-	-	-	-	-	-
<b>Strategic US Dollar Liquidity Fund</b>						
Highest price of a unit in issue	12.7216	12.7208	12.6584	12.5424	12.4497	12.3538
Lowest price of a unit in issue	12.4183	12.6584	12.5430	12.4505	12.3540	12.3327
Net income distributed	-	-	-	-	-	-
<b>Strategic Sterling Liquidity Fund</b>						
Highest price of a unit in issue	14.1683	14.1976	14.1637	14.0978	14.0628	13.9968
Lowest price of a unit in issue	13.5795	14.1643	14.0982	14.0561	13.9970	13.9760
Net income distributed	-	-	-	-	-	-

\* represents the highest/lowest price of a unit in issue for the calendar year 2013 up to the Balance Sheet date.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

Comparative table for the year ended 31 March 2013 (unaudited) (continued)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>
<b>Strategic Euro Liquidity Fund</b>						
Highest price of a unit in issue	11.4669	11.5095	11.4893	11.4317	11.4385	11.4172
Lowest price of a unit in issue	11.0858	11.4680	11.4321	11.4200	11.3785	11.3985
Net income distributed	-	-	-	-	-	-
<b>AF Strategic Global Aggressive Fund</b>						
Highest price of a unit in issue	1.2115	1.0002	1.0806	1.1700	1.1533	1.2307
Lowest price of a unit in issue	0.6830	0.6340	0.9021	0.9206	0.9894	1.1380
Net income distributed	-	-	-	-	-	-
<b>AF Strategic Global Moderate Fund</b>						
Highest price of a unit in issue	1.7670	1.0825	1.1160	1.2000	1.1421	1.1912
Lowest price of a unit in issue	0.0817	0.7831	0.9768	0.9910	1.0188	1.1327
Net income distributed	-	-	-	-	-	-
<b>AF Strategic Global Balanced Fund</b>						
Highest price of a unit in issue	1.1996	1.0588	1.1139	1.2000	1.1670	1.2318
Lowest price of a unit in issue	0.7474	0.7200	0.9579	0.9866	1.0340	1.1544
Net income distributed	-	-	-	-	-	-
<b>AF Strategic Global Conservative Fund</b>						
Highest price of a unit in issue	1.1414	1.0722	1.0958	1.1800	1.1058	1.1387
Lowest price of a unit in issue	0.8467	0.8376	0.9700	1.0147	1.0229	1.0995
Net income distributed	-	-	-	-	-	-

\* represents the highest/lowest price of a unit in issue for the calendar year 2013 up to the Balance Sheet date.

# INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

## MANAGEMENT AND ADMINISTRATION

### **MANAGER**

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Channel Islands

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Republic of South Africa

### **SUB ADMINISTRATOR**

Alexander Forbes Individual Client Administration (Pty) Limited  
115 West Street  
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Sandton  
Republic of South Africa

### **TRUSTEE**

BNP Paribas Securities Services Trust Company (Jersey) Limited  
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Channel Islands

### **INVESTMENT ADVISER**

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## INVESTMENT SOLUTIONS STRATEGIC GLOBAL FUND

### MANAGEMENT AND ADMINISTRATION (continued)

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