



Income and Growth

The Balanced Income Portfolio

BI
16

Risk
Rating
4

The Balanced Income Portfolio is aimed at medium to long term investors who are seeking a sustainable level of income within a balanced portfolio along with a genuine prospect of income and capital growth.

The chosen investment funds can invest in money markets, commercial property, UK and overseas equities and fixed interest securities. They are actively managed by leading fund managers to maximise total return whilst maintaining control of risk.

The Balanced Income Portfolio performance is benchmarked against the average performance of the IMA Balanced Managed sector and has a risk rating and investor profile of 4 out of 10.

Performance to 06.12.2011

Cumulative performance - % growth

Cumulative Performance Chart

Key	Name	3 mth %	1 yr %	2 yrs %	3 yrs %	Since 01.07.2009
●	Portfolio	2.36	1.92	13.08	38.93	33.33
●	Benchmark - Balanced Managed	2.23	-2.07	8.98	36.37	26.90
	Difference: Portfolio Vs Benchmark	0.13	3.99	4.10	2.56	6.4

Year by year to month end shown - % growth

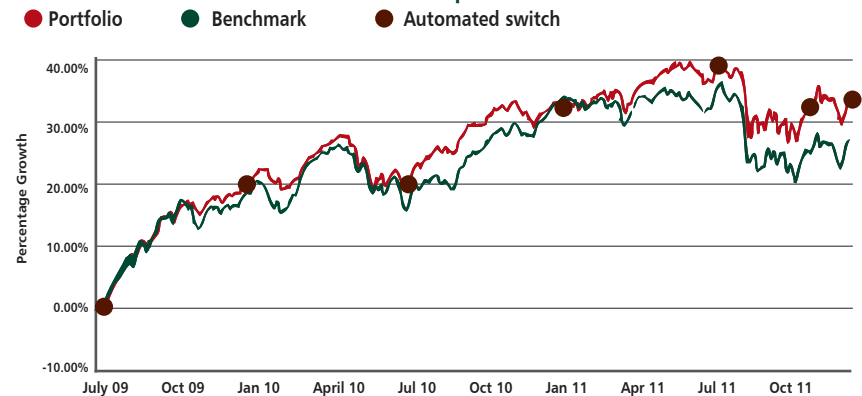
Name	30.11.2011	30.11.2010	30.11.2009	30.11.2008	30.11.2007
Balanced Income	1.80	10.38	21.16	-27.27	-0.20
Benchmark - Balanced Managed	-2.49	10.67	23.56	-24.49	5.25

Performance Ratios – over 3 years

Name	Risk Number	Volatility	Alpha	Beta	Sharpe	Information Ratio
Balanced Income	5	9.82	2.65	0.80	0.75	0.16

Name	Tracking Error	R Squared	Max Loss	Max Gain	Negative periods	Positive periods
Balanced Income	4.45	0.84	-7.67	38.68	12	24

Cumulative Performance Graph



Past performance is not a guide to future performance
Cumulative performance chart shows % growth from 01.07.2009 to 24.10.2011 calculated using bid prices with income re-invested into the fund net of tax.

The Balanced Income Portfolio

Individual Fund's Performance to 06.12.2011 Cumulative performance - % growth

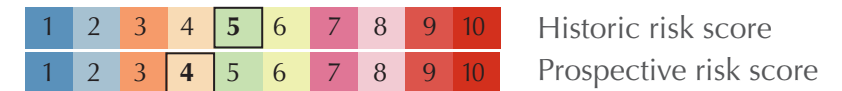
Name	% Holding	Fund Manager	3mths %	1Yr %	2Yrs %	3Yrs %	5 Yrs %	Since 07/09
Artemis Income R Acc	10%	Adrian Frost	5.72	0.95	13.16	42.26	7.81	36.28
Ignis UK Property Acc	4%	George Shaw	1.21	4.29	17.02	21.40	-11.75	34.11
Invesco Perp High Income Acc	10%	Neill Woodford	5.59	8.77	20.96	40.00	15.30	39.72
Invesco Perp Income Acc	10%	Neil Woodford	5.63	8.55	19.82	39.64	14.27	38.70
Invesco Perp Mthly Inc Plus Acc	11%	Paul Causar	-0.93	-3.34	10.14	55.99	19.89	33.38
Kames High Yield Bond A Acc	11%	Melanie Mitchell	0.51	0.95	18.51	82.31	28.42	45.13
L&G UK Property Trust R Acc	4%	Michael Barrie	0.73	3.96	14.43	16.18	-5.18	26.25
M&G Optimal Income A Acc GBP	11%	Richard Woolnough	3.00	5.48	13.98	53.37	-	29.00
M&G Strategic Corp Bd A Acc GBP	11%	Richard Woolnough	0.88	6.87	14.79	45.23	47.82	27.54
Newton Gbl Higher Inc	10%	James Harries	4.04	4.75	16.39	50.91	35.00	42.21
Old Mutual Global Strat Bond A Acc	4%	Stewart Cowley	1.82	3.79	12.80	40.74	68.14	27.29
Threadneedle Emg Mkt Bd R Inc GBP	4%	Richard House	2.19	4.47	17.38	39.01	64.17	29.55

Asset Allocation Edition 16 January - 2012

Portfolio	Risk/10	Money Markets	Fixed Interest	Property	British Equity	American Equity	European Equity	Asian Equity	Global Equity
Balanced Income	4	2%	47%	7%	29%	6%	6%	2%	1%

It is important to remember the figures generated by the tool below are not intended to be and should not be taken as a projection of the likely returns from the portfolio risk levels. This is intended to support the risk discussion between an adviser and a client following the completion of a risk profile questionnaire. They show the implied volatility and mean expected return of portfolio risk levels 1 to 10 to two standard deviations in one year (ie all returns are expected to be between these extremes in 95 years out of 100; this is often described as a 95% confidence level). The figures shown are the expected arithmetic average returns and the ranges assume that returns are based on a log normal distribution. Figures are shown net of tax and underlying manager fees.

Portfolio Risk Score



Range of Returns

Output from the Risk Profiler: 4

Upper return
23.32 %

In 95 years out of 100, this is the highest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the upper return figure in one year.

Average of all returns
5.97 %

This is the average of all possible returns within a risk level in one year.

Lower return
-11.39 %

In 95 years out of 100, this is the lowest expected level of return for a given level of risk. There is a 2.5% chance that returns could fall outside the lower return figure in one year.

A **risk level 4** investor should be prepared to accept annual returns somewhere within the range of a **-11.39% loss** and a **23.32% gain** - returns within this range would be expected 95% of the time. It should be remembered that there is a 5% chance that a risk level 3 portfolio will experience an annual return outside this range - this means an investor may experience **losses greater than -11.39% or gains greater than 23.32%** at some point(s) during their investment in one year.