

All data as at 31.12.11

## Pension Information Sheets



Fund Manager  
**Dan Vaughan**  
Since: 12 2000

### Fund aim

The fund invests primarily in equities of UK companies that are amongst 10% of the UK equity market. It aims to achieve yearly returns that are 2% or more above the Hoare Govett Smaller Companies (ex IT) index.

### Fund facts

Benchmark	Hoare Govett Smaller Companies (Ex IT) Index
Fund Size	£28.8m
Fund Launch Date	April 1986
Management Charge	Please refer to your company pension scheme booklet

All information is expressed in UK Sterling

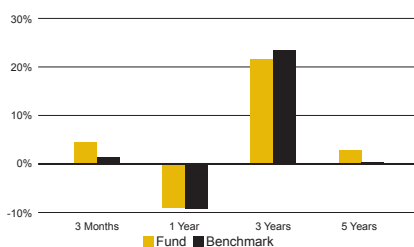
## UK Smaller Companies Fund

### Commentary and outlook

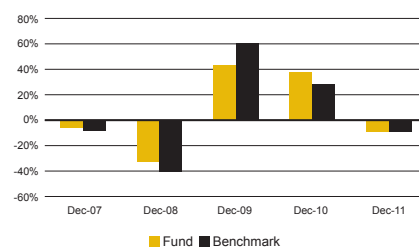
The fund had a strong quarter relative to its benchmark, outperforming in all three individual months. At a sector level, overweight positions in oil services, industrial engineering and chemicals added value as these areas rallied from the sell-off in the previous quarter. Stock highlights included Ashtead (+70%), ITE Group (+29%), Hunting (+25%), Fenner (+28%) and Oxford Instruments (+18%). All rallied after good trading updates, having been oversold in Q3. Poorer performers included Mothercare, after a profits warning; Development Securities, on the back of real estate sector weakness; and New Britain Palm Oil. We sold out of Mothercare and also disposed of Aberdeen Asset Management and Premier Oil after they became too large for the fund. Conversely, we established new positions in Diploma and Spirit Pub Co. We also trimmed some positions in larger stocks that rallied during the quarter, such as Rotork, Spirax Sarco and Regus. Finally, we reduced the fund's positions in consumer-facing stocks Halfords and Pendragon given the tough economic backdrop.

### 5 year performance

Performance - Discrete Periods



Performance 12 months ending



### Fund performance

	3M%	1Y%	3Y%	5Y%
Fund	4.5	-9.0	21.6	2.7
Benchmark	1.3	-9.1	23.4	0.4

### Performance 12 months ending

	31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11
Fund	-5.6%	-32.7%	43.3%	37.7%	-9.0%

### Top 10 holdings

Company	%	Total % in top 10: 20.4
Oxford Instruments PLC	2.4	Total number of stocks in portfolio: 98
Hunting PLC	2.3	
Elementis PLC	2.3	
ITE Group PLC	2.1	
Ashtead Group PLC	2.0	
Victrex PLC	1.9	
Fenner PLC	1.9	
Fidessa Group PLC	1.9	
Greene King PLC	1.8	
Ultra Electronics Holdings PLC	1.8	

Source: Factset

Past performance is not a guide to the future. The value of investments and any income from them can fall as well as rise. The performance returns shown on this factsheet are with income reinvested and gross of annual management charges. The effect of charges will reduce the performance figures accordingly. Please see your scheme booklet for full details on all charges that may apply.

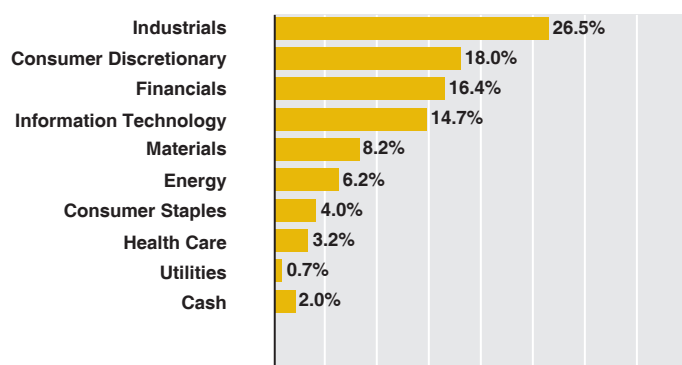
Performance source: Threadneedle. Three and five year returns are annualised.

## Top 5 overweight and underweight stock

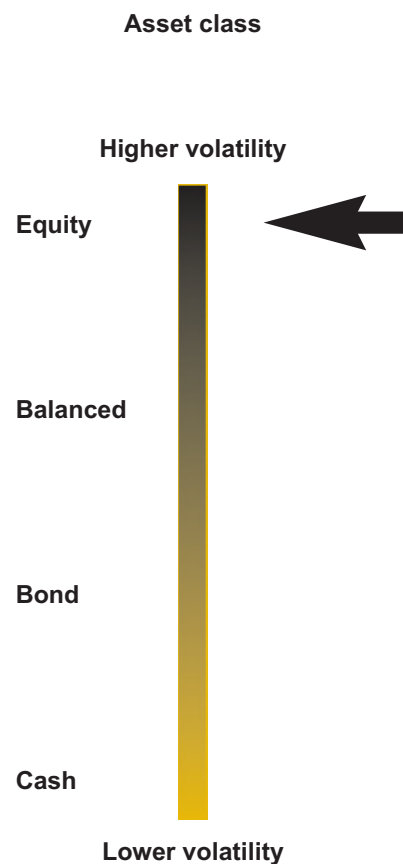
Holding	%	Deviation from Index	
Oxford Instruments PLC	2.4		2.0%
Elementis PLC	2.3		1.8%
ITE Group PLC	2.1		1.7%
Hunting PLC	2.3		1.4%
Fidessa Group PLC	1.9		1.4%
Bwin.Party Digital Entertainment PLC	0.0		-1.1%
Persimmon PLC	0.0		-1.1%
Imagination Technologies Group PLC	0.0		-1.1%
Bumi PLC	0.0		-1.3%
Berkeley Group Holdings PLC	0.0		-1.3%

Source: Factset

## Sector weightings



Source: Factset



## Risk warnings

**Market Risk:** Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up, and an investor may not get back the amount invested.

**Smaller/Mid Companies Risk:** Smaller companies can be more volatile and less liquid than their larger counterparts.

**Cash risk:** Where a fund holds at any one time a substantial proportion of their assets in cash, near cash or money market instruments, it might not, under such circumstances, participate fully in a rise in market values of the asset classes the fund would otherwise invest in.

## Contact details

Helpline 0845 3001545

Helpline calls may be recorded