

PSG Global Portfolio Fund

Audited Financial Statements for the year ended 28 February 2011



PSG FUND MANAGEMENT (CI) LTD

PSG GLOBAL PORTFOLIO

Annual Report and Audited Financial Statements for the year ended 28 February 2011

CONTENTS

	Page
Management and Administration	2
Report of the Manager	3 - 5
Report of the Trustee	6
Report of the Investment Manager	7
Independent Auditors' Report	8
Statement of Total Return	9 - 11
Statement of Movement in Unitholders' Funds	9 - 11
Balance Sheet	12 - 14
Notes to the Financial Statements	15 - 19
Assets, Liabilities and Significant Acquisitions and Disposals	20 - 25

MANAGEMENT AND ADMINISTRATION***Manager*****PSG Fund Management (CI) Limited**

3rd Floor, NatWest House
Le Truchot
St Peter Port
Guernsey
GY1 1WD

Administration and Registrar**Active Fund Services Limited**

(formerly known as PSG Active Fund Services Limited)
3rd Floor, NatWest House
Le Truchot
St Peter Port
Guernsey
GY1 1WD

Legal Advisors**AO Hall**

12-14 New Street
St Peter Port
Guernsey
Channel Islands
GY1 2PF

Independent Auditors**PricewaterhouseCoopers CI LLP**

Royal Bank Place
1 Gategny Esplanade
St Peter Port
Guernsey
Channel Islands
GY1 4ND

Directors of the Manager

Michael Smith
Annette Bichard
Brian Horsepool
Henry Burger

Trustee**BNP Paribas Trust Company (Guernsey) Limited**

BNP Paribas House
St Julian's Avenue
St Peter Port
Guernsey
GY1 1WA

Investment Advisor to: -

PSG Alphen Global Flexible Fund (Dollar)
PSG Alphen Global Flexible Fund (Sterling)
Alphen Asset Management (Pty) Limited

Alphen Park
PSG House 2nd Floor
Constantia Main Road
Constantia
7806
South Africa

Investment Advisor to: -

PSG Advance Wealth Global Fund of Funds
Plexus Global Asset Management (BVI)
Plexus House
9 Queen Street
Durbanville
7750
South Africa

REPORT OF THE MANAGER

PSG Fund Management (C.I.) Limited (the "Manager") has pleasure in submitting its report for the PSG Global Portfolio (the "Fund") for the year to 28 February 2011.

Statement of Manager's Responsibilities

The Manager is responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with applicable Guernsey law and United Kingdom accounting standards, of the state of affairs of the Fund and of the statement of total return of the Fund for that year. In preparing these financial statements, the Manager is required to: -

- 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 business.

The Manager confirms that they have complied with the above requirements in preparing the financial statements.

The Manager is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the financial statements comply with the Trust Instrument and The Protection of Investors (Bailiwick of Guernsey) Law, 1987. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Manager is aware there is no relevant audit information of which the Fund's auditors are unaware and the Manager has taken all steps that they ought to have taken as Managers in order to make themselves aware of any relevant audit information and to establish that the Fund's auditors are aware of that information.

Activities and Status

A Trust Instrument dated 5 November 2001, as amended on 17 May 2002 and 21 January 2005, between the Manager and the Trustee established the Fund as an exempt unit trust under the laws of the Island of Guernsey.

The Fund is authorised by the Guernsey Financial Services Commission as a Class B Scheme under the provisions of The Protection of Investors (Bailiwick of Guernsey) Law, 1987.

The Fund consists of the following three Classes: -

- PSG Alphen Global Flexible Fund (Dollar)
- PSG Alphen Global Flexible Fund (Sterling)
- PSG Konsult Global Fund of Funds (USD)

REPORT OF THE MANAGER (continued)***Directors of the Manager******Brian Horsepool***

Mr Horsepool has extensive experience of international fiduciary services for both institutional and private clients. He is an Associate, Chartered Institute of Bankers (Trustee Diploma) and an Associate, Society of Trust & Estate Practitioners. Mr Horsepool is the Managing Director of Active Compliance Services Limited, which provides compliance and consultancy services to investment companies and he is a director of a number of investment companies in Guernsey.

Micheal Ian Frain Smith (appointed 2 September 2010)

Mike is currently Chief Operating Officer of PSG Fund Management Group and has 17 years experience in the financial services industry. Having completed his B.Com. Honours in Accounting at WITS in 1989, he commenced his articles with Deloitte & Touche and was promoted to position of audit manager in 1993. In 1993, he applied for a transfer to Deloitte & Touche's Corporate Finance division during which period he was involved in a number of due diligence reviews, capital restructuring, financial modeling and valuation assignments. In 1997, he accepted a corporate finance position with Real Africa Durolink Investment Bank Limited ("RAD"), during the 4½ years that Mike spent working as an executive in RAD's corporate finance division, he was involved in negotiating and implementing a variety of corporate finance deals and transactions. In September 2001, he accepted a Group Financial Director position with Appleton Limited a company that was listed on the JSE. In 2003, when Appleton Limited was acquired by PSG Group Limited he was promoted to the position of Chief Financial Officer of PSG Investment Services (Pty) Ltd and has during the past 7 years worked in various senior managerial positions and served on a number of company board's and committees within PSG Group Limited a company listed on the JSE.

Annette Bichard (appointed 1 March 2011)

Annette Bichard is an Executive Director of the Administrator. Annette joined the Active Group in August 2002 from Butterfield Bank (Guernsey) Ltd where she worked for over 13 years and was appointed to the Board of the Administrator in 2010. Annette's role has included managing fund operations, management and oversight services and providing consultancy and project management services to the fund and investments industry in Guernsey.

Henry Burger (appointed 1 March 2011)

Henry Burger obtained a BLC. Law (1997) and ADR(Dip) from the University of Pretoria and also holds a LLB (1999) from the University of Stellenbosch. Admitted as an Attorney to the High Court of South Africa, 2002. He completed his articles with Couzyn, Hertzog & Horak in 2001. He joined PSG in South Africa as head of legal and compliance in 2005 and in 2009 he relocated to Jersey to work as a Lawyer for the offshore law firm Ozannes. In 2011 he was appointed as an executive director for PSG Group's management company in Guernsey.

Results

As at 28 February 2011 the net asset values and units in issue in respect of each Class Fund were as follows:

	28 Feb 2011	
	Number of Units in Issue	Net Asset Value
PSG Alphen Global Flexible Fund (Dollar)	9,275,995	\$9,747,985
PSG Alphen Global Flexible Fund (Sterling)	7,935,017	£8,807,452
PSG Konsult Global Fund of Funds (Dollar)	20,644,618	\$23,623,852

REPORT OF THE MANAGER (continued)

	NAV per Unit		Percentage Increase
	28 Feb 2011	28 Feb 2010	
PSG Alphen Global Flexible Fund (Dollar)	\$1.05	\$0.99	6.06
PSG Alphen Global Flexible Fund (Sterling)	£1.11	£1.11	-
PSG Konsult Global Fund of Funds (Dollar)	\$1.14	\$1.04	9.62

The price history for the period is as follows: -

Period ended 28 February 2011	Highest NAV per Unit	Lowest NAV per Unit
	PSG Alphen Global Flexible Fund (Dollar)	\$1.0512
PSG Alphen Global Flexible Fund (Sterling)	£1.1635	£1.0616
PSG Konsult Global Fund of Funds (Dollar)	\$1.1442	\$0.9809

Distribution Policy

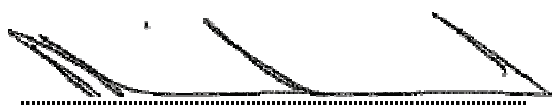
There will be no distribution of income to unit holders. All income accruing to the Fund will be added to the capital of the Class Fund from which it is derived and reflected in the Net Asset Value.

Scheme Particulars

Full details of the Fund can be found in its Scheme Particulars, copies of which can be obtained free of charge from the Manager.

The information contained in the Management and Administration page forms part of this report.

Approved by the Board of Directors of the Manager and signed on its behalf by:



 Director



 Director

Date: 25/8/11

REPORT OF THE TRUSTEE

In respect of the year ended 28 February 2011, we state that in our opinion, PSG Fund Management (CI) Limited (the "Manager"), has managed the PSG Global Portfolio (the "Fund"):

- a) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the principal documents, by the scheme particulars and by The Protection of Investors (Bailiwick of Guernsey) Law, 1987; and
- b) in accordance with the provisions of the principal documents and The Collective Investment Schemes (Class B) Rules 1990.



BNP Paribas Trust Company (Guernsey) Limited

BNP Paribas House
St Julian's Avenue
St Peter Port
Guernsey
GY1 1WA

Date : 25/8/11

REPORT OF THE INVESTMENT MANAGER

“We are moving toward a global economy. One way of approaching that is to pull the covers over your head. Another is to say: It may be more complicated - but that's the world I am going to live in, I might as well be good at it.” - Phil Condit

The last financial year was indeed a very interesting one with a clear indication that the tide has turned on the financial crisis. The Global economy grew during 2010, but instead of a V-shape recovery we saw a shallow U-shape one which is in line with earlier expectations. According to Curtis A Smith the year offered an interesting mix of positive and negative news as investors around the world eagerly anticipated signs of economic recovery and financial stabilization. While most financial markets logged positive returns for a second straight year, investors had to endure a host of troubling news and pessimistic market predictions. Even eight months into the year, the S&P 500 Index was down 5.9%. But diversified, long-term investors were rewarded with attractive market returns, as the S&P 500 closed the year up 15.06%, with 10.76% of the gain coming in the fourth quarter. (Returns are in US dollars throughout this report.) Stocks performed well in the US and most developed countries, and across size and value risk factors, despite ongoing concerns over a possible double-dip recession, rising government indebtedness, and inflation. Thirty seven out of forty five countries tracked by MSCI achieved positive returns in both local currency and US dollar terms. Fixed income returns were positive, thwarting assertions that bond prices were in dangerous “bubble” territory. Despite continued weakness in residential housing and commercial property, real estate securities around the world outperformed the broad equity market. Diversification across the size and value risk dimensions proved rewarding in both US and non-US markets, particularly among small company stocks.

Looking at the Global Portfolio, the objective of this portfolio is long-term capital appreciation. Investments include a diversified portfolio of collective investment schemes, government and public securities, investment grade bonds and short-term deposits. All investments need to be established, recognised or regulated in an Approved Country according to the South African Financial Services Board. Subject to the Principal Particulars there will be no limits on asset classes in which the Manager may invest and if the Manager considers that circumstances warrant it, the Portfolio may be invested predominately or entirely in equities, bonds, property, money market or cash instruments. The Portfolio is currently positioned with an overweight position in global equities and an underweight position in global bonds.

PSG Alphen Global Flexible Fund (Dollar and Sterling)

The global equity markets staged a strong rally in early February with developed market returning 3.6% in US dollars. Emerging markets did not fare as well and moved back -0.9% in comparison. Gold and Oil have both had a massive run up over the last two years. Gold has risen by more than 100% since late October 2008, while Brent Crude has risen almost 200% since January 2009.

The strife in North Africa has seen the commodities spike in February 5.7% and 12.8% for Gold and Brent Crude respectively (all in US dollars). Gold broke the USD 1400 barrier for the first time at the end of February. This rise in oil prices is a sure sign that the threat of inflation is very real and is already being seen in world food prices which are rising dramatically. Although South Africa's annual inflation rate is still low at 3.65%, it is unlikely to remain so, notwithstanding any possible weakening of the rand.

PSG Konsult Global Fund of Funds

The PSG Konsult Global Fund of Funds is a foreign asset allocation fund of funds. The primary objective of the portfolio is to provide long term capital growth and to create a globally diversified investment medium for investors. Escalating violence in Libya, a downgrade of Spain's credit rating, weak data from China and consistently high oil prices could undermine the world global economic recovery, despite signs that it has been staying the course. We remain constructive on the global economy and believe that a slow growth environment, coupled with moderate inflation should provide an opportunity for the corporate sector to do reasonably well.

In retrospect, it was a good year for globally diversified investors. But if investors had shaped their market expectations and decisions according to economic news, they likely would not have expected positive returns. We believe that applying a simple, consistent philosophy in the global arena will reap dividends, which our team of investment advisors proved to be right during the last financial year.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF THE PSG GLOBAL PORTFOLIO**Report on the financial statements**

We have audited the accompanying financial statements of PSG Global Portfolio (“the Fund”) which comprise the Balance Sheet as of 28 February 2011 and the Statement of Total Return and the Statement of Movement of Unit holders 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 Guernsey law. The Manager is also responsible for such internal control as they determine 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 Fund as 28 February 2011, and of its financial performance for the year then ended in accordance with United Kingdom Accounting Standards and have been properly prepared in accordance with the Trust Instrument and The Collective Investment Schemes (Class B) Rules, 1990.

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 Report of the Manager, Report of the Trustee and Investment Manager Report.

In our opinion the information given in the Report of the Manager, Report of the Trustee and Investment Management Report is consistent with the financial statements.

This report, including the opinion, has been prepared for and only for the Fund's unit holders as a body 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

PricewaterhouseCoopers CI LLP

Chartered Accountants

Guernsey, Channel Islands

26 AUGUST 2011

STATEMENT OF TOTAL RETURN*For the year ended 28 February 2011*

**PSG Alphen
Global Flexible
Fund (Dollar)
USD**

Income Statement:	Notes	28-Feb-11	28-Feb-10
Income	1 (a) & (b)	54,821	141,960
Management Fees	5	(227,940)	(198,302)
Trustee Fees	4	(21,734)	(17,638)
Administration Fees	3	(37,990)	(33,050)
Other Expenses		(12,109)	(18,434)
		(244,952)	(125,464)
Realised Currency (Loss)		(104,044)	(5,628)
		(348,996)	(131,092)
Gains / (Losses) on Investments			
Realised Loss		(186,641)	(605,466)
Unrealised Gain		1,472,535	3,081,433
		1,285,894	2,475,966
Total Return for the year		936,898	2,344,875
Total Return per Unit for the year		\$0.10	\$0.16

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS*For the year ended 28 February 2011*

**PSG Alphen
Global Flexible
Fund (Dollar)
USD**

	28-Feb-11	28-Feb-10
Unitholders' Funds at 1 March	14,854,782	10,936,048
Total Return for the year	936,898	2,344,875
Cash received for units created	1,555,340	2,625,938
Cash paid for units liquidated	(7,599,035)	(1,052,079)
Unitholders' Funds at 28 February	9,747,985	14,854,782

The notes on pages 15 to 25 form part of these financial statements.

STATEMENT OF TOTAL RETURN*For the period ended 28 February 2011*

**PSG Alphen
Global Flexible
Fund (Sterling)
GBP**

Income Statement:	Notes	28-Feb-11	28-Feb-10
Income	1 (a) & (b)	20,984	62,269
Management Fees	5	(129,693)	(117,654)
Trustee Fees	4	(6,195)	(6,385)
Administration Fees	3	(21,615)	(16,221)
Other Expenses		(99,621)	(10,187)
		(236,140)	(88,178)
Realised Currency Gain		373,255	179,531
		137,115	91,353
Gains / (Losses) on Investments			
Realised Loss		(446,507)	(86,163)
Unrealised Gain / (Loss)		285,050	933,033
		(161,457)	846,870
Total return for the year		(24,342)	938,222
Total Return per Unit for the year		£0.00	£0.13

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS*For the period ended 28 February 2011*

**PSG Alphen
Global Flexible
Fund (Sterling)
GBP**

	28-Feb-11	28-Feb-10
Unitholders' Funds at 1 March	8,287,413	4,507,884
Total return for the year	(24,342)	938,222
Cash received for units created	1,035,839	3,055,050
Cash paid for units liquidated	(491,458)	(213,743)
Unitholders' Funds at 28 February	8,807,452	8,287,413

The notes on pages 15 to 25 form part of these financial statements.

STATEMENT OF TOTAL RETURN*For the year ended 28 February 2011*

**PSG Konsult
Global Fund of Funds*
USD**

Income Statement:	Notes	28-Feb-11	28-Feb-10
Income	1 (a) & (b)	43,655	23,874
Management Fees	5	(235,174)	(180,039)
Trustee Fees	4	(23,322)	(16,626)
Administration Fees	3	(39,196)	(30,006)
Other Expenses		(16,505)	(19,766)
		(270,542)	(222,563)
Realised Currency Loss		(358,585)	(750,599)
		(629,127)	(973,162)
Gains / (Losses) on Investments			
Realised Gain		596,630	108,498
Unrealised Gain		1,893,277	4,316,214
		2,489,907	4,424,712
Total Return for the year		1,860,780	3,451,550
Total Return per Unit for the year		\$0.09	\$0.32

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS*For the year ended 28 February 2011*

**PSG Konsult
Global Fund of Funds*
USD**

	28-Feb-11	28-Feb-10
Unitholders' Funds at 1 March	11,311,514	9,896,318
Total Return for the year	1,860,780	3,451,550
Cash received for units created	11,933,511	223,348
Cash paid for units liquidated	(1,481,953)	(2,259,702)
Unitholders' Funds at 28 February	23,623,852	11,311,514

The notes on pages 15 to 25 form part of these financial statements.

* Formerly known as PSG Advance Wealth Global Fund of Funds

BALANCE SHEET

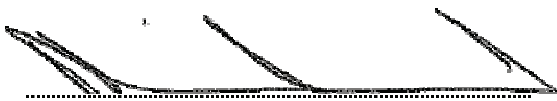
As at 28 February 2011


PSG Alphen
Global Flexible
Fund (Dollar)

	Notes	28 February 2011 USD	28 February 2010 USD
Fixed Assets			
Investments	1(a) & 7	9,581,800	14,302,787
Current Assets			
Cash at Bank and on Deposit		186,250	586,385
		186,250	586,385
Creditors: Amounts due within one year			
Accrued Expenses		(20,065)	(34,390)
		(20,065)	(34,390)
Net Current Assets		166,185	551,995
Net Assets / Unitholders Funds		9,747,985	14,854,782

The notes on pages 15 to 25 form part of these financial statements.

The financial statements on pages 9 to 25 were approved by the Board of Directors of the Manager and signed on *25/8/11*:


.....
Director


.....
Director

BALANCE SHEET

As at 28 February 2011


**PSG Alphen
Global Flexible
Fund (Sterling)**

	Notes	28 February 2011 GBP	28 February 2010 GBP
Fixed Assets			
Investments	1(a) & 7	8,023,028	7,837,083
Current Assets			
Cash at Bank and on Deposit		796,791	479,065
		796,791	479,065
Creditors: Amounts due within one year			
Accrued Expenses		(12,367)	(28,735)
		(12,367)	(28,735)
Net Current Assets		784,424	450,330
Net Assets / Unitholders Funds		8,807,452	8,287,413

The notes on pages 15 to 25 form part of these financial statements.

The financial statements on pages 9 to 25 were approved by the Board of Directors of the Manager and signed on *25/6/11*:


.....
Director



.....
Director

BALANCE SHEET*As at 28 February 2011*PSG Konsult
Global
Fund of Funds*


	Notes	28 February 2011 USD	28 February 2010 USD
Fixed Assets			
Investments	1(a) & 7	23,514,843	11,235,062
Current Assets			
Cash at Bank and on Deposit		149,128	101,592
Accrued Income		-	-
		149,128	101,592
Creditors: Amounts due within one year			
Accrued Expenses		(40,119)	(25,140)
		(40,119)	(25,140)
Net Current Assets		109,009	76,452
Net Assets / Unitholders Funds		23,623,852	11,311,514

The notes on pages 15 to 25 form part of these financial statements.

The financial statements on pages 9 to 25 were approved by the Board of Directors of the Manager and signed on *25/2/11*:



.....
Director



.....
Director

* Formerly known as PSG Advance Wealth Global Fund of Funds

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting Policies**

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and in accordance with United Kingdom accounting standards. The reporting currency of the Fund as a whole is US dollars however each cell is presented in its relevant currency. The particular accounting policies adopted are described below:

- (a) Quoted investments have been valued at closing middle market prices on 28 February 2011. The Fund has not adopted the optional parts of the "fair value" package of standards - FRS 23 to 26. Income arising on those investments that bear interest are accrued on a day-to-day basis. On acquisition of interest bearing investments the interest element is segregated from capital, being charged to the Income Account. On disposal, the Income Account is credited with that part of the proceeds attributable to accrued interest before the capital profit or loss is determined.
- (b) Income comprises investment income which is accounted for on an ex-dividend basis, bank deposit and, if appropriate, loan interest which are accrued on a day-to-day basis. Where applicable, withholding taxes are deducted at source on investment income and the gross amounts recognised in the Statement of Total Returns.
- (c) Expenses are accounted for on an accrual basis.
- (d) The functional and presentational currency of PSG Alphen Global Flexible Fund (Dollar) and PSG Advance Wealth Global Fund of Funds is U.S. Dollars and that of PSG Alphen Global Flexible Fund (Sterling) Pound Sterling. Monetary assets and liabilities (including investments) denominated in currencies other than the respective functional and presentational currencies are translated at the following rates of exchange which were current as at last valuation:

Euro to United States Dollar	0.7321 to \$1
Euro to Sterling	0.84878 to £1
United States Dollar to Sterling	1.6129 to £1

The translation differences are taken through the statement of total return.

- (e) There will be no distributions of income to unitholders. All income accruing to the Fund will be added to the capital of the Class Fund from which it is derived and reflected in the net asset value of the Class Fund.
- (f) Under Financial Reporting Standard No. 1 the Fund is exempt from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small entity.

2. Units in Issue

As at the close of business on 28 February 2011 the total number of Units in issue in respect of each Class Fund was as follows:

Portfolio	<u>Units in Issue</u>
PSG Alphen Global Flexible Fund (Dollar)	9,275,995
PSG Alphen Global Flexible Fund (Sterling)	7,935,017
PSG Konsult Global Fund of Funds (Dollar)	20,644,618

3. Administration Fee

The Administrator is entitled to a fee of 0.25% per annum of the net asset value of the Fund, such fee accruing at each weekly valuation point.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**4. Trustee Fee**

The Trustee is entitled to a fee of 0.075% per annum of the net asset value of the Fund, such fee accruing at each weekly valuation point. A transaction fee of not more than £75 is also payable on each purchase or sale of investments.

5. Fees of the Manager and the Investment Manager

Under the terms of the Trust Instrument, the Manager is entitled to a periodic fee in respect of each Class Fund calculated on the first dealing day of each month for the period up to and including the day preceding the last dealing day in each month up to a maximum of one twelfth of 1.5% of the Net Asset Value at the Valuation Point for the first dealing day of the month and payable monthly in arrears on the last dealing day in each month. This fee may only be increased with the approval of an Extraordinary Resolution. The periodic fee currently being charged by the Manager for each Class Fund is set out in the relevant Supplemental Particulars. The Manager will pay the fees of the Investment Manager out of its periodic fee. The Manager is also entitled to a performance fee at the end of each quarterly performance period (being the last business day of March, June, September and December of each year). At the end of the relative Performance Period, the Fund will pay the Manager an amount by which the Net Asset Value of the Fund as at the last business day in such performance period exceeds the highest Net Asset Value per Share of the Fund by reference to which a performance fee has previously been paid in respect of any previous performance period. However, the performance fee may only be charged to the extent it does not reduce the rate of return achieved by such Fund for such period below the Cumulative Hurdle Rate of 3 Month Sterling LIBOR plus 2%. The three Class Funds receive a rebate on a monthly basis for the investments in the various underlying funds, this rebate is used to reduce the management fees paid.

6. Equalisation

On the basis that units pay no income, equalisation has not been accounted for.

7. Investments

	2011		
	PSG Alphen Global Flexible Fund (Dollar) USD	PSG Alphen Global Flexible Fund (Sterling) GBP	PSG Konsult Global Fund of Funds USD
Opening Market Value	14,302,787	7,837,083	11,235,062
Purchases at Cost	6,888,676	3,785,993	26,287,832
Sales Proceeds	(12,791,513)	(3,811,846)	(16,139,373)
Realised (Loss) / Gain	(186,641)	(446,507)	596,630
Currency (Loss) / Gain	(104,044)	373,255	(358,585)
Unrealised Gain	1,472,535	285,050	1,893,277
Closing Market Value	9,581,800	8,023,028	23,514,843
Closing Book Cost	8,615,085	7,359,270	22,220,505
Closing Unrealised Loss	966,715	663,758	1,294,338
Closing Market Value	9,581,800	8,023,028	23,514,843

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**7. Investments (continued)**

	2010		
	PSG Alphen Global Flexible Fund (Dollar) USD	PSG Alphen Global Flexible Fund (Sterling) GBP	PSG Konsult Global Fund of Funds USD
Opening Market Value	10,410,118	4,050,795	9,465,592
Purchases at Cost	16,690,217	9,977,052	4,645,489
Sales Proceeds	(15,272,336)	(7,237,963)	(6,549,082)
Realised Gain / (Loss)	(605,466)	(86,163)	108,498
Currency Gain / (Loss)	(1,179)	200,329	(751,649)
Unrealised Loss	3,081,433	933,033	4,316,214
Closing Market Value	14,302,787	7,837,083	11,235,062
Closing Book Cost	14,809,850	7,456,867	11,834,008
Closing Unrealised Gain / (Loss)	(507,063)	380,216	(598,946)
Closing Market Value	14,302,787	7,837,083	11,235,062

8. Taxation

The Director of Income Tax in Guernsey has confirmed that the Fund is exempt from Guernsey Income Tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. It should be noted, however, that dividend income arising on the Fund's investments will be subject, as appropriate, to any withholding taxes in the country of origin. Pursuant to the exemption granted under the above mentioned Ordinance, the Fund is subject to an annual fee, currently £600, payable to the Guernsey Authorities.

9. Related Party Transactions

Fees paid to the Manager, Trustee and Administrator are shown separately on the face of the Statement of Total Return. Details of the calculation of these fees are given in notes 3, 4 and 5.

	Management Fee Feb 2011	Adminstration Fee Feb 2011	Trustee Fee Feb 2011
PSG Alphen Global Flexible Fund (Dollar)	227,940	37,990	21,734
PSG Alphen Global Flexible Fund (Sterling)	129,693	21,615	6,195
PSG Konsult Global Fund of Funds (Dollar)	235,174	39,196	23,322

10. Financial Instrument Exposure

In pursuing its respective objectives, each Fund may hold a number of financial instruments which may comprise:

- Fund of funds, fixed income securities and floating rate securities. These are held in accordance with each Fund's investment objective and policies; and
- Cash, liquid resources and short-term debtors that arise directly from its operations.

The main risks arising from financial instruments are market price, foreign currency, interest rate, liquidity and credit risks. The Funds are limited to an overdraft facility value of no more than 10% of the current Net Asset Value of the Fund. The manager reviews policies for managing each of these risks, and the main policies are summarised below. These policies have remained unchanged since the beginning of the current period to which these Financial Statements relate.

Market Price Risk

The Fund's investments are exposed to market price fluctuations which are monitored by the Investment Manager in pursuance of the investment objectives and policies applicable to the Funds.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**10. Financial Instrument Exposure (continued)*****Interest Rate Risk***

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

The Fund has the following material bank assets which are subject to such risks.

	Balance	Interest Rate Type	Period end Interest Rate
PSG Alphen Global Flexible Fund (Dollar)	\$186,250	Variable	3.13%
PSG Alphen Global Flexible Fund (Sterling)	£796,791	Variable	3.40%
PSG Konsult Global Fund of Funds (Dollar)	\$149,128	Variable	3.13%

Liquidity Risk

The Funds' assets comprise mainly liquid securities which can be readily realised. The Funds' main liability is the redemption of any shares that investors wish to sell. Assets from a Fund may need to be sold if insufficient cash is available to finance such redemptions.

Foreign Currency Risk

The substantial portion of the net assets of each sub-fund are denominated in the currencies of the sub-funds, being U.S. Dollars and Sterling. The following table sets out the exposure of each sub-fund to foreign currency risk as at the year end. Interest receivable or expenses payable in currencies other than the base currency are converted to or from the base currency on or near the date of the transaction. Gains and losses on currency are included in the Statement of Total Return.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**10. Financial Instrument Exposure (continued)***Foreign Currency Risk (continued)*

At 28 February 2011 the value of the Funds' assets and liabilities denominated in various currencies were as follows: -

PSG Alphen Global Flexible Fund (Dollar)	EUR	GBP	USD	Total USD
Investments	-	-	9,581,800	9,581,800
Other Net Assets/(Liabilities)	-	(5,250)	171,435	166,185
Total	-	(5,250)	9,753,235	9,747,985

PSG Alphen Global Flexible Fund (Sterling)	EUR	GBP	USD	Total GBP
Investments	-	3,036	8,019,992	8,023,028
Other Net Assets/(Liabilities)	-	164,422	620,002	784,424
Total	-	167,458	8,639,994	8,807,452

PSG Konsult Global Fund of Funds (Dollar)	EUR	GBP	USD	Total USD
Investments			23,514,843	23,514,843
Other Net Assets/(Liabilities)	345	(5,314)	633,409	628,440
Total	345	(5,314)	24,148,252	24,143,283

11. Controlling party

There is no immediate controlling party nor is there an ultimate controlling party.

ASSETS, LIABILITIES AND SIGNIFICANT ACQUISITIONS AND DISPOSALS**PSG ALPHEN GLOBAL FLEXIBLE FUND (DOLLAR)**
PORTFOLIO STATEMENT*Investment Objective*

The objective of the Portfolio is long term capital appreciation through active asset allocation management of a diversified portfolio of collective investment schemes established, recognised or regulated in any Approved Country, and assets in liquid form. The emphasis of the Manager's investment approach will be on equities but subject to the Principal Particulars there will be no limit on the asset classes in which the Manager may invest and if the Manager considers that circumstances warrant it, the Portfolio may be invested predominantly or entirely in bond funds, cash funds or cash.

Assets and Liabilities as at 28 February 2011

<u>Nominal</u>	<u>Description</u>	<u>Mid Market Value USD</u>	<u>Percentage of the Portfolio</u>
12,708.89	Investec Global Strategy Managed Currency Fund -'A' Inc	1,734,383	17.79
359.74	Investec Global Strategy USD Money Fund - 'A' Inc	23,549	0.24
37,382.73	Investec Global Strategy Income USD Fund	937,559	9.62
65,994.20	Investec Global Strategy Global Franchise Fund	1,739,607	17.85
0.01	Investec Global Strategy Equity Fund - 'A' Inc	0	0.00
23,326.48	Investec Global Strategy Gold Fund - 'A' Inc	635,880	6.52
12,051.80	Orbis Optimal USD Fund	888,218	9.11
1,656,661.64	PSG Global Equity Fund	1,845,024	18.93
78,186.92	Sarasin CI Equisar USD Global Thematic Fund	1,777,580	18.24
	Value of Investments	9,581,800	98.30
	Cash at Bank	186,250	1.91
	Net Sundry Liabilities	(20,065)	(0.21)
	Value of the Portfolio	9,747,985	100.00

ASSETS, LIABILITIES AND SIGNIFICANT ACQUISITIONS AND DISPOSALS (CONTINUED)**PSG ALPHEN GLOBAL FLEXIBLE FUND (DOLLAR)**
PORTFOLIO STATEMENT (CONTINUED)*Investments acquired and disposed of during the year ended 28 February 2011*

Acquisitions	Nominal	Cost USD
Ashburton IM Ltd Ashburton Americas Fund	963.16	1,692
Ashburton IM Ltd Ashburton Asia Pacific Fund	236.57	519
Ashburton IM Ltd Ashburton European Fund	171.71	951
Investec GSF Global Bond Fund	0.27	24
Investec Global Strategy Global Franchise Fund	116,577.86	2,856,621
Investec Global Strategy Gold Fund - 'A' Inc	1,336.53	33,965
Investec Global Strategy Income USD Fund	212.92	5,235
Investec Global Strategy Equity Fund 'A' Inc	23.56	340
Investec Global Strategy Managed Currency Fund 'A' Inc	1,044.29	139,754
Investec GSF USD Money Fund 'A' Inc	3.66	239
Orbis Optimal USD Fund	3,051.89	220,000
PSG Global Equity Fund	2,850,775.70	2,868,369
Sarasin CI Equisar USD Global Thematic Fund	37,563.78	760,967
Total Acquisitions		6,888,676
Disposals	Nominal	Proceeds USD
Ashburton IM Ltd Ashburton Americas Fund	834,107.91	1,287,029
Ashburton IM Ltd Ashburton Asia Pacific Fund	182,837.63	362,768
Ashburton IM Ltd Ashburton European Fund	153,467.24	742,428
Investec GSF Global Bond Fund	3.14	257
Investec Global Strategy Global Franchise Fund	50,583.66	1,300,000
Investec Global Strategy Gold Fund - 'A' Inc	18,063.58	500,000
Investec GSF Global Strategic Equity Fund 'A' Inc	106,182.43	1,409,031
Investec GSF Global Strategic Income Fund	28,000.00	700,000
Investec GSF Managed Currency Fund 'A' Inc	10,326.56	1,390,000
Investec GSF USD Money Fund 'A' Inc	3,059.26	200,000
Orbis Optimal USD Fund	30,683.49	2,200,000
PSG Global Equity Fund	1,194,114.06	1,300,000
Sarasin CI Equisar USD Global Thematic Fund	65,675.28	1,400,000
Total Disposals		12,791,513

ASSETS, LIABILITIES AND SIGNIFICANT ACQUISITIONS AND DISPOSALS (CONTINUED)**PSG ALPHEN GLOBAL FLEXIBLE FUND (STERLING)**
PORTFOLIO STATEMENT*Investment Objective*

The objective of the Portfolio is long term capital appreciation through active asset allocation management of a diversified portfolio of collective investment schemes established, recognised or regulated in any Approved Country, and assets in liquid form. The emphasis of the Manager's investment approach will be on equities but subject to the Principal Particulars there will be no limit on the asset classes in which the Manager may invest and if the Manager considers that circumstances warrant it, the Portfolio may be invested predominantly or entirely in bond funds, cash funds or cash.

Assets and Liabilities as at 28 February 2011

<u>Nominal</u>	<u>Description</u>	<u>Mid Market Value GBP</u>	<u>Percentage of the Portfolio</u>
121,507.40	Sarasin CI Equisar USD Global Thematic Fund	1,641,625.00	18.64
11,482.77	Investec Global Strategy Managed Currency Fund 'A'	968,817.00	11.00
53.97	Investec Sterling Money Fund	3,036.00	0.03
97,348.42	Investec Global Strategy Global Franchise Fund	1,588,766.00	18.04
54,489.94	Investec Global Strategy Income USD Fund - 'A' Inc	843,358.00	9.58
34,458.63	Investec Global Strategy Gold Fund - 'A' Inc	578,283.00	6.57
2,365,856.94	PSG Global Equity Fund	1,601,398.00	18.18
17,653.60	Orbis Optimal USD Fund	797,745.00	9.06
	Value of Investments	8,023,028.00	91.09
	Cash at Bank	796,791.00	9.05
	Net Sundry Liabilities	(12,367.00)	(0.14)
	Value of the Portfolio	8,807,452	100.00

ASSETS, LIABILITIES AND SIGNIFICANT ACQUISITIONS AND DISPOSALS (CONTINUED)**PSG ALPHEN GLOBAL FLEXIBLE FUND (STERLING)****PORTFOLIO STATEMENT (CONTINUED)***Investments acquired and disposed of during the period ended 28 February 2011*

Acquisitions	Nominal	Cost GBP
Ashburton IM Ltd Ashburton Americas Fund	817.59	932
Ashburton IM Ltd Ashburton Asia Pacific Fund	188.46	268
Ashburton IM Ltd Ashburton European Fund	141.08	511
Sarasin CI Equisar USD Global Thematic Fund	30,690.00	390,767
Investec Global Strategy Global Franchise Fund	97,348.00	1,596,384
Orbis Optimal USD Fund	3,322.15	155,055
Investec GSF USD Managed Currency Fund	1,263.94	110,422
PSG Global Equity Fund	2,365,857.00	1,529,754
Investec Global Strategy Gold Fund - 'A' Inc	162.91	1,900
Total Acquisitions		3,785,993
Disposals	Nominal	Proceeds GBP
Ashburton IM Ltd Ashburton Americas Fund	719,122.12	737,672
Ashburton IM Ltd Ashburton Asia Pacific Fund	161,271.74	217,169
Ashburton IM Ltd Ashburton European Fund	126,087.61	409,327
PSG Optimal USD Fund	19,680.74	879,182
Investec GSF Currency Alpha Fund - 'A' Inc	116.86	739
Investec GSF Global Bond Fund	1.91	115
Investec GSF Global Strategic Equity Fund A Inc	91,223.99	800,541
Investec GSF GBP High Income Bond Fund	3.43	200
Investec Global Strategy Managed Currency Fund 'A'	8,370.82	704,201
Investec Sterling Money Fund	1,116.19	62,700
Total Disposals		3,811,846

ASSETS, LIABILITIES AND SIGNIFICANT ACQUISITIONS AND DISPOSALS (CONTINUED)**PSG KONSULT GLOBAL FUND OF FUNDS**
PORTFOLIO STATEMENT*Investment Objective*

The objective of the Portfolio is to maximize capital and income returns through active asset allocation management of a diversified portfolio of collective investment schemes established, recognised or regulated in any Approved Country and assets in liquid form. The emphasis of the Manager's investment approach will be on equities but subject to the Principal Particulars there will be no limit on the asset classes in which the Manager may invest and if the Manager considers that circumstances warrant it, the Portfolio may be invested predominantly or entirely in bond funds or cash.

Assets and Liabilities as at 28 February 2011

<u>Nominal</u>	<u>Description</u>	<u>Mid Market Value USD</u>	<u>Percentage of the Portfolio</u>
163,356.22	FOORD International Trust	4,668,803	19.76
359,595.48	RE:CM Global Fund A	4,704,803	19.92
3,480,039.36	Nedgroup Global Balanced Fund A	4,775,310	20.21
424,863.06	Coronation Global Managed USD Fund	4,711,731	19.94
47,710.87	Investec GS Global Strategic Managed Fund B - A Acc	4,654,196	19.70
	Value of Investments	23,514,843	99.54
	Cash at Bank	149,128	0.63
	Net Sundry Liabilities	(40,119)	(0.17)
	Value of the Portfolio	23,623,852	100.00

Investments acquired and disposed of during the year ended 28 February 2011

<u>Acquisitions</u>	<u>Nominal</u>	<u>Cost USD</u>
Ashburton Replica Sterling Asset Management	6,425.00	318,048
Ashburton Replica Euro Asset Management	189,748.00	316,308
Ashburton Replica Dollar Asset Management	121,667.00	352,669
Coronation Global Managed USD Fund	424,863.00	4,333,566
FOORD International Trust	163,356.00	4,534,500
Franklin Templeton Global Balanced	51,756.94	1,009,564
Investec GS Global Strategic Managed Fund B - A Acc	47,934.00	4,194,361
Nedgroup Global Balanced Fund A	3,482,163.00	4,560,949
Orbis Global Equity Fund	10,536.00	1,120,000
RE:CM Global Fund A	359,595.00	4,470,000
Sarasin CI Global Strategy	6,462.00	492,742
Sarasin GlobalSar DYN USD Fund	8,625.00	585,125
Total Acquisitions		26,287,832

ASSETS, LIABILITIES AND SIGNIFICANT ACQUISITIONS AND DISPOSALS (CONTINUED)PSG KONSULT GLOBAL FUND OF FUNDS
PORTFOLIO STATEMENT (CONTINUED)*Investments acquired and disposed of during the year ended 28 February 2011 (continued)*

Disposals	Nominal	Proceeds USD
Ashburton Replica Sterling Asset Management	22,151.00	1,183,910
Ashburton Replica Euro Asset Management	648,858.00	1,207,794
Ashburton Replica Dollar Asset Management	40,668.00	1,211,112
Franklin Templeton Global Balanced	173,790.00	3,739,680
Investec GSF Global Strategic Equity Fund A Inc	133,415.00	1,770,347
Investec GS Global Strategic Managed Fund B - A Acc	223.00	20,000
Nedgroup Global Balanced Fund A	2,124.00	-
Sarasin CI Global Strategy	20,765.00	1,675,864
Sarasin GlobalSar DYN USD Fund	24,577.00	1,758,409
Orbis Global Equity Fund	30,442.00	3,572,257
Total Disposals		16,139,373

PSG FUND MANAGEMENT (CI) LIMITED
3RD FLOOR, NATWEST HOUSE
LE TRUCHOT
ST PETER PORT
GUERNSEY
GY1 1WD