



CANNON OFFSHORE APPROVED TRUSTS

Cautious Fund

MARCH 2010

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INVESTMENT OBJECTIVE

The aim of the Cannon Cautious Fund is to provide protection to investors' capital as well as afford the potential to achieve moderate long-term capital growth. The fund is designed to be equally weighted amongst the four main asset classes; equities, bonds, property and cash, with an allowance for tactical asset allocation, as well as an allowance of up to 10 percent in alternative strategy investments. We believe that currency movements are inherently difficult to forecast. Thus, currency movements do not play a part in our investment decisions, and where possible we select Sterling based classes for the underlying investments. The Cannon Cautious Fund is Sterling denominated and is designed to generate a return ahead of JP Morgan's UK Bond Index measured in Sterling terms.

Over the course of the period under review, the Cannon Cautious Fund underwent some adjustments. Currently the fund holds 36 percent equities, 16 percent property, 20 percent bonds, 18 percent cash, and 10 percent Alternative Strategies. Given the strong performance of equities over the past six months, our overweight position has increased significantly, purely because of price movement. This position will be reviewed, along with all other asset classes.

INVESTMENT COMMENT

March saw markets around the world led higher, as global risk appetite returned across financial markets due to improving economic conditions and positive news flows. The Cannon Cautious Fund returned 3.5 percent over the month, which was marginally ahead of the composite benchmark, which returned 3.0 percent. Over one year the fund has returned 16 percent.

The Cannon Cautious Fund continues to be overweight equities, which has contributed significantly to the fund's performance over the past 12 months, whilst continuing to be underweight global bonds, the worst performing asset class over the past year. On this front, we agree with the sentiment of PIMCO's Bill Gross that the 30-year bull market in bonds is over. The fund remains underweight cash which offers anemic yields, and maintains its exposure to the alternative strategy asset class.

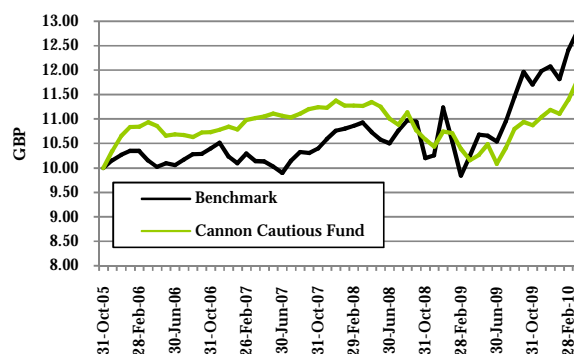
On the economic front, the risk of sovereign default in the Euro zone has decreased in recent weeks. EU members pledged financial support for Greece, along with the IMF, in a "joint mechanism", to which the market reacted favourably. Macroeconomic data continues to improve steadily in the US, Asia-Pacific and emerging economies although the Euro region still lags somewhat. Commodity prices continue to surge with the economic recovery.

The fund will look to rotate through asset classes in response to our reading of the changing economic environment.

FUND FACTS

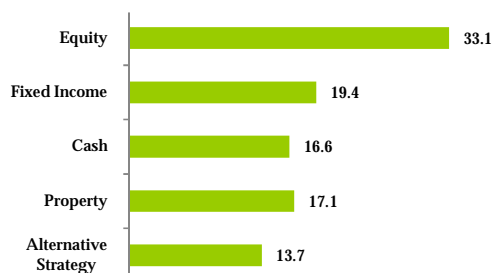
Price Date:	3 March 2010
NAV price:	10.91
Fund currency:	Sterling
Fund size:	£1.83m
Dealing:	Weekly
Cut off time:	Mondays 12 o'clock
Minimum investment:	£10,000
Minimum top up:	£2,500
Initial fee:	Up to 5.0%
Dividend policy:	Distribution
*Largest month gain:	+3.70% (Aug 09)
*Largest month loss:	-3.78% (Jun 09)
* Measured on bid price to bid price movement	
* All performance figures calculated gross of fees	

FUND RETURN PROFILE



MONTHLY PERFORMANCE (BID TO BID)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005											3.47%	3.01%	6.59%
2006	1.64%	0.09%	0.87%	-0.68%	-1.86%	0.29%	-0.15%	-0.41%	0.90%	0.03%	0.45%	0.62%	1.75%
2007	-0.55%	1.83%	0.33%	0.33%	0.55%	-0.46%	-0.29%	0.65%	0.91%	0.34%	-0.15%	1.35%	4.93%
2008	-0.91%	-0.04%	-0.4%	0.71%	-0.79%	-2.21%	-1.13%	2.35%	-3.35%	-1.67%	-1.41%	2.97%	-5.56%
2009	-0.33%	-2.97%	-2.25%	1.10%	2.07%	-3.78%	3.23%	3.70%	1.32%	-0.61%	1.52%	1.35%	4.10%
2010	-0.72%	2.51%	3.53%										5.36%

CANNON OFFSHORE APPROVED TRUSTS**Cautious Fund****MARCH 2010****ASSET CLASSES**

CURRENCY ALLOCATION		BENCHMARK PERFORMANCE	
GBP	76.04%	2005	2.70%
EUR	13.75%	2006	0.34%
CHF	10.21%	2007	5.43%
		2008	2.22%
	100.0%	2009	7.50%
		2010 Ytd	5.85%
BENCHMARK¹			
25% FTSE All-World Index			
25% FTSE All-World Real Estate Index			
25% JP Morgan Global Bond Index			
25% Sterling LIBOR			

MULTIMANAGER INVESTING

Diversification of risk is an important objective for most investors in today's volatile markets. Investment risk can be reduced by holding a diversified portfolio of assets which cover the world's major economies, industries and investment themes. In reality, a sufficiently diversified portfolio requires a significant capital sum and it can be time consuming and expensive to manage when transaction and custody charges are taken into account. Whilst managed funds might help this dilemma by solving the problem of choosing individual investments, they do not necessarily solve the question of which markets to select and which fund managers to use. Cannon Capital Advisors can provide a solution to these concerns. It combines the investment expertise of leading fund management groups which ensures that the Fund is invested in markets where managers have proven strengths. An important feature of this process is the independent approach taken when selecting funds. This approach recognises the fact that no one investment house performs well in all markets or asset types and it is therefore necessary to select managers based on their individual strengths.

OTHER FUND FACTS

Structure	Global Offshore Approved Trusts
Regulation	Collective Investment Funds (Jersey) Law 1988
Launch date	1 November 2005
Manager	Standard Bank Fund Administration Jersey Limited
Trustee	Capita Trust Company (Jersey) Limited
Investment Adviser	Cannon Capital Advisors Limited
Auditors	PriceWaterhouseCoopers
Manager's Fee and Trustee	1.50% per annum
Reporting	Audited annual accounts to 31 August Unaudited interim accounts to 28 February
Price publication	Standard Bank Fund Administration Jersey Limited
Performance analysis	N/A
ISIN	GB00B15SN951
SEDOL	B15SN95

FURTHER CONTACT DETAILS

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Investment in the units of open-ended investment funds is generally a medium to long-term investment. The value of units may go down as well as up and investors may get back less cash than originally invested. Past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The units of Cannon Global Cautious Fund are traded at ruling prices and are priced monthly using the forward pricing method. A schedule of fees and charges and maximum commissions is available on request from Standard Bank Fund Administration Jersey Limited, the Management Company. Cannon Global Cautious Fund is a collective investment scheme, which invests in other collective investment schemes, which levy their own charges, together with direct investment in investment grade bonds. Commission and incentives may be paid and if so, are included in the overall costs. Figures quoted are from Standard Bank Fund Administration Jersey Limited for the period ending 31 March 2010 for a lump sum investment using sell-sell prices, which exclude initial fees. Cannon Capital Advisors Limited funds are distribution funds and do distribute income. Performance is quoted in sterling terms. Please refer to the prospectus of this scheme for more details, a copy of which is available on request from the Management Company, the registered office of which is Standard Bank House, 47-49 La Motte Street, St Helier, Jersey JE4 8XR, Channel Islands.

Standard Bank Jersey Limited and Standard Bank Fund Administration Jersey Limited are wholly owned subsidiaries of Standard Bank Offshore Group Limited. Standard Bank Jersey Limited is registered with the Jersey Financial Services Commission for banking and investment business and is a member of the London Stock Exchange. Standard Bank Fund Administration Jersey Limited is registered with the Jersey Financial Services Commission under permit as a functionary of collective investment schemes.

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¹ Prior to Quarter 4 2008, the benchmark for the Cannon Cautious Fund was the JP Morgan UK Bond Index.
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