

CANNON OFFSHORE FUNDS

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Deposit Plus Fund August 2014

INVESTMENT OBJECTIVE

The Fund seeks to achieve its investment objective by investing in deposits, short dated government bonds, short dated corporate bonds and selected funds with low portfolio duration where appropriate. Bonds will generally be of 5 year maturity or less and the average portfolio maturity will generally be 3 years or less. Substantial exposure to gilts and deposits may also be held from time to time.

INVESTMENT COMMENT

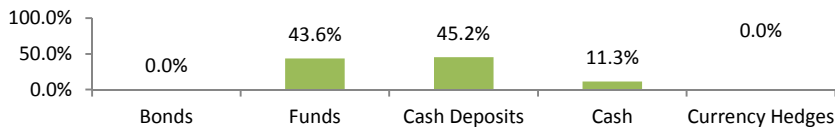
Growth in the US economy continued and was underpinned by central bank statements that it would be accommodative until economic data showed significant improvements. UK economic news continued to be encouraging and equities moved higher. Europe however continued to disappoint and Russia's conflict with the Ukraine weighed on European confidence and growth. The European Central Bank continues to hint at further accommodative measures to combat the currency union's increasing economic weakness. Government bonds displayed gains due to Ukrainian and Middle East problems along with weaker economic figures in Europe also contributing to lower yields. Riskier credit issues such as High Yield retreated in value. The fund returned 0.07% for the month taking the year to date figure to 1.10%.

HOLDINGS ANALYSIS

Top Ten Holdings

Butterfield Bank 180 day	13.8%	Skipton 80 Day Call	6.3%
Rothschild CI	10.0%	Santander Call 1	4.0%
TCA Global Credit Master G£	8.7%	Carmignac Capital Plus I GBP Acc	3.9%
GAM FCM Cat Bond GBP	8.4%	Henderson Credit Alpha Acc	3.9%
Muzinich LongShortCreditYield Hgd GBP	7.6%	Santander 95 Day Notice	3.9%

Asset Type Allocation



MONTHLY PERFORMANCE (BID TO BID)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012										-0.36%	0.02%	0.02%	-0.32%
2013	0.05%	0.36%	0.41%	0.45%	0.04%	-0.78%	0.27%	0.16%	0.27%	0.33%	0.18%	0.15%	1.90%
2014	0.16%	0.18%	0.16%	0.18%	0.12%	0.16%	0.07%	0.07%					1.10%

YTD figures are based on compounded monthly returns

LARGEST MONTH GAIN/LOSS

Largest Month Gain*:	0.45%
Largest Month Loss*:	-0.78%

*All Performance figures calculated net of fees

Contact Us

Tel: +44 (0) 1481 726141
 Fax: +44 (0) 1481 726142
 Email: depositplus@cannonhouse.com
 Website: www.cannonhouse.com

FUND FACTS

Price Date:	28-Aug-14
NAV price:	102.695
Fund Currency:	Sterling
Fund size:	£13,364,527
Launch Date:	01 October 2012
Dealing:	Thursday, Weekly
Cut off time:	T-2, 5 pm, BST or GMT
Minimum investment:	GBP100,000
Minimum top up:	GBP5,000
Benchmark:	LIBOR GBP 3 M - 0.3%
Dividend Policy:	Accumulation

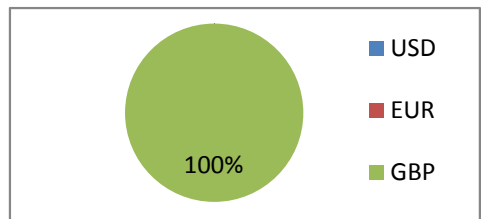
CHARGES

Initial Fee:	Up to 5%
Annual Fee:	0.50%

PRICING

Pricing is sourced from the Custodian. Subsequent calculations and production of performance graphs are dependent on this information.

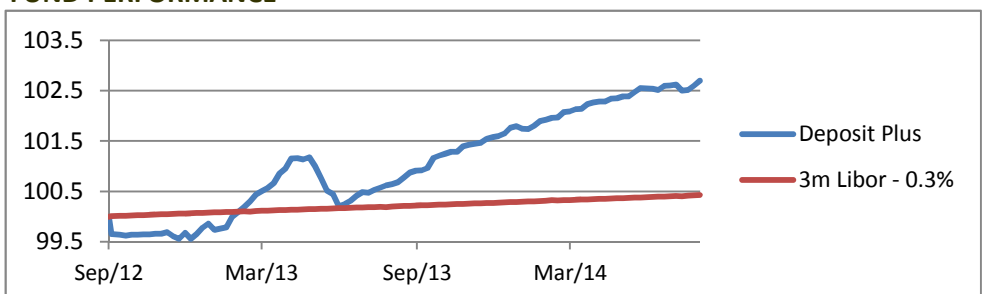
CURRENCY BREAKDOWN



BENCHMARK PERFORMANCE

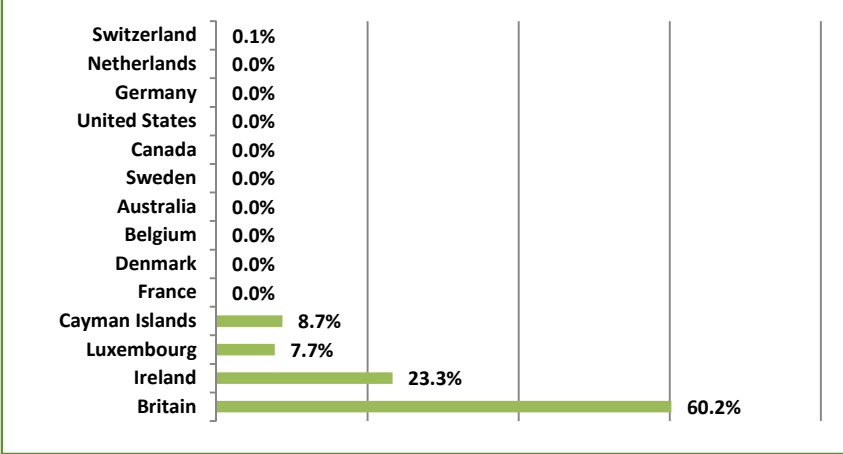
2011	0.54%
2012	0.59%
2013	0.21%
2014 (YTD)	0.16%

FUND PERFORMANCE

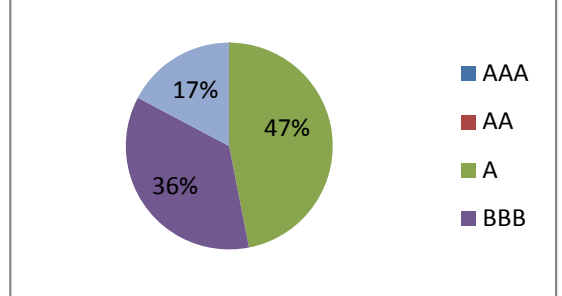


ASSET ALLOCATION

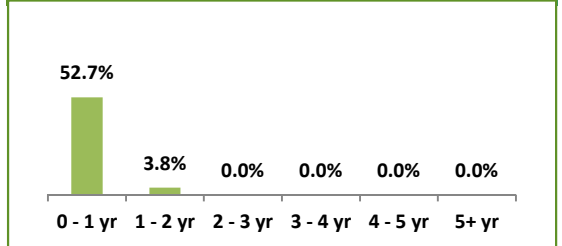
Geographic Analysis - Funds, Bonds, Cash & Deposits



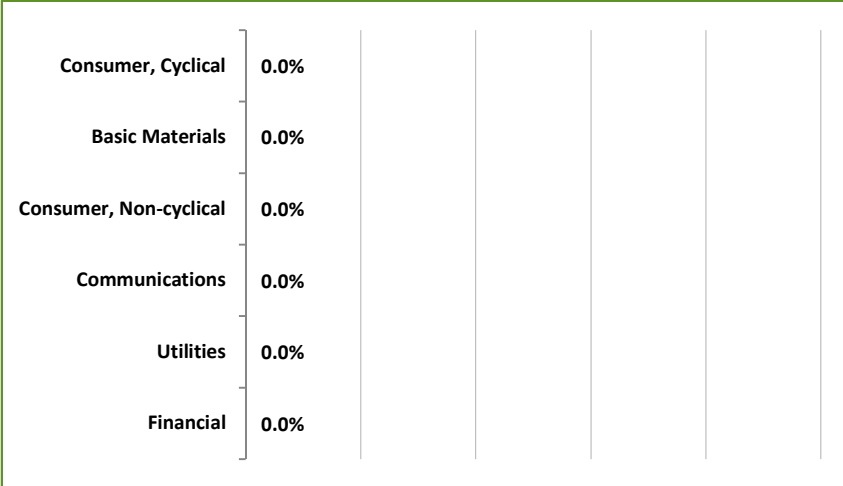
Credit Rating - Bonds, Cash & Deposits



Effective Duration - Bonds, Cash & Deposits



Industry Analysis - Bonds



Direct Bond Portfolio Characteristics

Weighted Credit Quality	NA
Average Maturity (Yrs)	NA
Number of issues	0
Average Yield	NA

Standard Deviation	1 yr	2 yr	3 yr
Cannon Deposit Plus	0.34%	NA	NA
Benchmark*	0.02%	0.04%	0.14%

Sharpe Ratio	1 yr	3 yr	5 yr
Cannon Deposit Plus	0.48	NA	NA
Benchmark*	10.51	25.25	15.00

FUND INFORMATION

Structure	Cayman Open Ended Company	Investment Manager	Cannon Capital Advisors Limited
Regulation	Registered with the Cayman Islands Monetary Authority, Administrator and Adviser regulated by the Guernsey Financial Services Commission	Investment Sub Adviser	N/A
Administrator	Cannon Asset Management Limited	Investment Advisory Fee	0.50% per annum
Custodian	Bank Morgan Stanley AG	Auditors	KPMG (Cayman Islands)
		Reporting	Audited annual accounts to 30 June
		Price publication	Cannon Asset Management Limited
		Exchange	N/A

FURTHER CONTACT DETAILS

Fund Administration Cannon Asset Management Limited PO Box 393 Kingsway House Havilland Street St Peter Port Guernsey GY1 3FN Tel: +44 (0) 1481 726141 Fax: +44 (0) 1481 726142 Email: depositplus@cannonhouse.com Website: www.cannonhouse.com	InvestmentManager Cannon Capital Advisors Limited PO Box 393 Kingsway House Havilland Street St Peter Port Guernsey GY1 3FN Tel: +44 (0) 1481 726141 Fax: +44 (0) 1481 726142 Email: investments@cannonhouse.com Website: www.cannonhouse.com
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IMPORTANT INFORMATION

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 they 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 Deposit Plus Fund are traded at ruling prices and are priced weekly using the forward pricing method. A schedule of fees and charges and maximum commissions is available on request from Cannon Asset Management Limited, The Management Company. Cannon Deposit Plus 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 Cannon Asset Management Limited for a lump sum investment using sell-sell prices, which exclude initial fees. Cannon Capital Advisors Limited funds and do not 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 Kingsway House, Havilland Street, St Peter Port, Guernsey, GY1 3FN. *= Source Bloomberg, Cannon Asset Management Limited