

Total Clarity Company

Interim Report 30 November 2011 (Unaudited)

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Directory

Investment Adviser

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Website: www.TCFInvestment.com
(Authorised and regulated by the Financial Services Authority)

Authorised Corporate Director & Registrar

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Springfield Lodge, Colchester Road, Chelmsford, Essex CM2 5PW
Telephone: 01245 398950
Fax: 01245 398951
Website: www.phoenixfundservices.com
(Authorised and regulated by the Financial Services Authority)

Customer Service Centre

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Telephone: 0845 305 4213
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E-mail: totalclarity@phoenixfundservices.com
(Authorised and regulated by the Financial Services Authority)

Directors of the Authorised Corporate Director

R.W. Elliott (appointed 11 April 2011)
S. A. King
S. D. Mathieson (retired 31 October 2011)
A.C. Reed (appointed 1 November 2011)
J.M. Rice (appointed 22 February 2011)

Depository

BNY Mellon Trust & Depository (UK) Limited
The Bank of New York Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA
(Authorised and regulated by the Financial Services Authority)

Auditor

KPMG Audit Plc
Chartered Accountants & Registered Auditors
15 Canada Square, Canary Wharf, London E14 5GL

Report of the Authorised Corporate Director (ACD)

The Company

Total Clarity is an umbrella open-ended investment company with variable capital incorporated in England on 21 September 2010 under registered number IC000829. Each Sub-Fund would be a non-UCITS retail scheme if it had a separate authorisation order. The Company was authorised by the FSA as a non-UCITS Retail Scheme pursuant to an authorisation order dated 21 September 2010 and has an unlimited duration. The Company was launched on 20 October 2010.

The Company is a collective investment scheme in which each investor's funds in a given Sub-Fund are pooled with all other investors' funds in that Sub-Fund. The ACD takes reasonable steps to ensure that each investment transaction carried out within a Sub-Fund is suitable for a Sub-Fund, having regard to the investment objective and policy of the relevant Sub-Fund.

Sub-Funds and share classes of the Company

Details of the Company's Sub-Funds and share classes launched within each Sub-Fund are shown in the table below, together with the annual management charge as a percentage of the daily net asset value applicable to the share class.

Sub-Fund	Class A accumulation [^]
Total Clarity Cautious Growth Portfolio	0.40
Total Clarity Defensive Portfolio	0.40
Total Clarity Diversified Balanced Portfolio	0.40
Total Clarity Diversified Long Term Growth Portfolio	0.40

[^] The Investment Adviser is entitled to a maximum annual management charge of 0.40% per annum of the net asset value of each Sub-Fund. Currently the Investment Adviser does not exercise this fee.

Details of the net asset value of the Sub-Fund, the net asset value per share, the number of shares in issue and the distribution, if any, per share are disclosed in the Comparative Tables section of each Sub-Fund.

Performance Record

The below table shows the performance record of class A accumulation shares for each Sub-Fund since launch and for the six month period to 30 November 2011.

Sub-Fund	Six months	Since launch [^]
Total Clarity Cautious Growth Portfolio	(4.98)%	(1.70)%
Total Clarity Defensive Portfolio	(0.08)%	2.74%
Total Clarity Diversified Balanced Portfolio	(8.92)%	(3.88)%
Total Clarity Diversified Long Term Growth Portfolio	(12.35)%	(8.09)%

[^] Launched 20 October 2010

Report of the Authorised Corporate Director (ACD)

continued

Risk Warning

An investment in an open-ended investment company with variable capital should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

As a Sub-Fund is not a legal entity, if the assets of one Sub-Fund are insufficient to meet the liabilities attributable to it, the ACD may re-allocate such liabilities between the Sub-Funds then in existence in a manner which is fair to shareholders generally. This re-allocation will normally be performed on the basis of the respective net asset values of the Sub-Funds.

TOTAL CLARITY

Aggregated Statement of Total Return

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Income		
Net capital gains		(284)
Revenue	65	
Expenses	(18)	
Finance costs: Interest	–	
Net revenue before taxation	47	
Taxation	–	
Net revenue after taxation		47
Total return before distributions		(237)
Finance costs: distributions		(46)
Change in net assets attributable to shareholders from investment activities		(283)

Aggregated Statement of Change in Net Assets Attributable to Shareholders

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Opening net assets attributable to shareholders		3,135
Amounts received on issue of shares	1,358	
Less: Amounts paid on cancellation of shares	(130)	
		1,228
Dilution levy		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(283)
Retained distribution on accumulation shares		50
Closing net assets attributable to shareholders		4,132

There is no comparative data for the Statement of Total Return and Statement of Change in Net Assets Attributable to Shareholders as this is the first interim reporting period for the Company.

Aggregated Balance Sheet

as at 30 November 2011

	30.11.11		31.05.11	
	£'000	£'000	£'000	£'000
ASSETS				
Investment assets		4,083		3,070
Debtors	95		37	
Bank balances	41		77	
Total other assets		136		114
Total assets		4,219		3,184
LIABILITIES				
Investment liabilities		–		–
Creditors	(87)		(42)	
Bank overdraft	–		(7)	
Total other liabilities		(87)		(49)
Total liabilities		(87)		(49)
Net assets attributable to shareholders		4,132		3,135

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ("SORP") for Financial Statements of Authorised Funds issued by the Investment Management Association in October 2010.

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 May 2011.

The financial statements have been prepared on the going concern basis.

Directors' Statement

This report has been prepared in accordance with the requirements of the Financial Services Authority's Collective Investment Schemes Sourcebook and the Statement of Recommended Practice issued by the Investment Management Association.

R.W. Elliot**J.M. Rice**

Directors
Phoenix Fund Services (UK) Ltd
20 January 2012

Financial Instruments

In pursuing their investment objectives, the Sub-Funds may hold a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from the Sub-Funds' operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for cancellations and debtors for accrued revenue.

The Sub-Funds have little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price, foreign currency, credit and interest rate risk. The Investment Adviser reviews the policies for managing these risks in order to follow and achieve the Investment Objective and Policy of each Sub-Fund.

Adherence to investment guidelines and to investment and borrowing powers set out in the Prospectus, Scheme Particulars and in the rules of the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Advisers' reports and portfolio statements.

Investment Objective & Policy

for the period 1 June 2011 to 30 November 2011

The Sub-Fund's investment objective is to achieve moderate capital growth over the longer term with relatively low volatility. This will be achieved via a portfolio of well diversified underlying assets gained by investing in a range of index tracking funds and other instruments.

The Sub-Fund's portfolio will gain exposure to the underlying assets via a diversified range of passive open-ended funds, exchange traded funds and real-estate investment trusts although exposure to other investments such as fixed interest securities and investment trusts are expected to be included in the portfolio from time to time.

The underlying asset mix of the Sub-Fund is fixed interest, between 35 and 60%. It also has exposure to UK and global shares, property and other investments. It has little exposure to small companies and emerging markets equities.

The Sub-Fund is able to invest in transferable securities, bonds, collective investment schemes, warrants, money market instruments, cash, deposits and derivative instruments.

The allocation of the Sub-Fund's assets between eligible asset classes will be managed by the Investment Adviser and will be adjusted to reflect what, in the Investment Adviser's view, is the optimal asset allocation at each point in time and to achieve the investment objective of the Sub-Fund. It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management.

Through its investments, the portfolio will be exposed to a diversified range of asset classes, underlying currencies, geographic spread and may hold funds managed by a variety of fund management groups.

The Company permits the use of derivatives for investment purposes (in addition for Efficient Portfolio Management) by the Sub-Fund. However, this policy is not currently applied and may not be applied without giving the required 60 day notice to shareholders. If derivatives are used for the purpose of meeting the investment objective of the Sub-Fund it is not intended that the use of derivatives would significantly raise the risk profile but this cannot be guaranteed and the risk profile may increase as a result of a change in the investment policy for derivatives.

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Investment Adviser's Report

for the period 1 June 2011 to 30 November 2011

The Total Clarity Cautious Growth Fund returned -4.98% over the 6 months to 30th November.

During this period the crisis in the Euro-zone dominated news and was the cause of market moves as developments progressed. Problems in the periphery spread and Italy and Spain now face a looming funding crunch as the yields on their government bonds have risen to 7%, which makes new issuance prohibitively expensive.

Without coordinated action by the Euro-zone, and Germany in particular, both countries are at risk of default, which would trigger losses among European banks.

In spite of the gravity of the situation, there has been no resolution in sight. In particular, Germany has been adamant that the European Central Bank will not be used to lend directly to European countries and will not agree to the issuance of bonds backed by the entire Euro zone.

These two routes are seen by most observers as the only way in which the crisis can be solved.

Another stumbling block has been Germany's desire for the EU to have central control over members' budgets. It remains to be seen whether Germany is implacable in its position or is engaged in high-stakes brinkmanship.

As well as the funding problems in the Euro zone, the economic outlook has also worsened, especially in the Euro-zone and UK. Indicators of consumer and business confidence point to a sharp slow down and possible recession in 2012.

Accordingly, equity markets and other risk assets suffered a major sell-off. Those fixed income markets that are perceived as safe havens have performed well, with yields on US treasuries, German bonds and UK gilts touching historic lows.

In the UK, the Office of Budget Responsibility issued a report that set out a much worse outlook for the UK's economic growth and budget deficit.

The economic picture in the US is more encouraging with some signs of economic recovery.

The Total Clarity funds have since launch been positioned to have slight overweight positions in equities relative to their strategic benchmarks. We believe that in spite of the poor economic outlook, equity valuations offer much better value than those of fixed income assets. Dividend yield on equities compare very favourably with those on government bonds.

Top five purchases in the period

Vanguard FTSE UK Equity Index Fund - Acc
iShares FTSE Gilts UK 0-5 ETF
HSBC European Index Fund - Acc
DB X-Trackers II iBoxx UK Gilt Inflation-Linked TR Index ETF
iShares FTSE EPRA/NAREIT UK Property Fund ETF

Top five sales in the period

DB X-Trackers II iBoxx UK Gilt Inflation-Linked TR Index ETF
iShares FTSE Gilts UK 0-5 ETF
HSBC FTSE All-Share Index Fund - Acc
BlackRock CIF Corporate Bond Tracker Fund - D Acc
HSBC Pacific Index Fund - Acc

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Portfolio Statement

as at 30 November 2011

Holding	Security	Market Value £'000	% of Total Net Assets
Asian pacific equities 3.71% (31.05.11 - 4.18%)			
15,090	HSBC Pacific Index Fund - Acc	31	3.71
Commodities 4.08% (31.05.11 - 4.17%)			
362	DB X-Trackers LCI OY Balanced ETF - 2C	9	1.08
1,332	Lyxor ETF Commodities CRB Index	25	3.00
		34	4.08
Emerging market equities 3.96% (31.05.11 - 3.94%)			
33,092	BlackRock CIF Emerging Markets Equity Tracker Fund - D Acc	33	3.96
European corporate bonds 2.52% (31.05.11 - 2.46%)			
208	iShares Markit iBoxx Euro Corporate Bond ETF	21	2.52
European equities 7.07% (31.05.11 - 6.93%)			
14,652	HSBC European Index Fund - Acc	59	7.07
European government bonds 2.28% (31.05.11 - 2.65%)			
169	iShares Barclays Capital Euro Government Bond 5-7 ETF	19	2.28
Index linked 10.19% (31.05.11 - 9.87%)			
286	DB X-Trackers II iBoxx UK Gilt Inflation-Linked TR Index ETF	59	7.07
1,987	iShares Barclays Capital £ Index-Linked Gilts ETF	26	3.12
		85	10.19
Japanese equities 3.12% (31.05.11 - 2.77%)			
34,650	HSBC Japan Index Fund - Acc	20	2.40
413	HSBC MSCI Japan ETF	6	0.72
		26	3.12
Private equity 2.76% (31.05.11 - 2.79%)			
1,423	DB X-Trackers LPX MM Private Equity ETF	23	2.76
Real estate 6.11% (31.05.11 - 6.20%)			
14,291	iShares FTSE EPRA/NAREIT UK Property Fund ETF	51	6.11
		65	7.79

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Portfolio Statement

continued

Holding	Security	Market Value £'000	% of Total Net Assets
UK corporate bonds 7.79% (31.05.11 - 7.78%)			
40,237	BlackRock CIF Corporate Bond Tracker Fund - D Acc	43	5.15
186	iShares Markit iBoxx £ Corporate Bond ETF	22	2.64
UK equities 19.66% (31.05.11 - 18.91%)			
5,153	DB X-Trackers FTSE All Share ETF	15	1.80
21,620	HSBC FTSE All-Share Index Fund - Acc	70	8.39
5,835	Lyxor ETF FTSE All Share	18	2.16
427	Vanguard FTSE UK Equity Index Fund - Acc	61	7.31
		164	19.66
UK government bonds 14.87% (31.05.11 - 14.60%)			
736	iShares FTSE Gilts UK 0-5 ETF	96	11.51
1,052	iShares FTSE UK Gilt All Stocks ETF	12	1.44
123	Vanguard UK Government Bond Index Fund - Acc	16	1.92
		124	14.87
US corporate bond 2.16% (31.05.11 - 2.57%)			
285	iShares Markit iBoxx USD Corporate Bond ETF	18	2.16
US equities 4.80% (31.05.11 - 4.82%)			
56	Credit Suisse ETF (IE) S&P 500	4	0.48
19,901	HSBC American Index Fund - Acc	36	4.32
		40	4.80
US government bonds 2.76% (31.05.11 - 2.28%)			
190	iShares Barclays Capital \$ Treasury Bond 7-10 ETF	23	2.76
	Investment assets	816	97.84
	Net other assets	18	2.16
	Net assets	834	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated.

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Comparative Tables

Net asset values

As at	Net asset value (£)	No. of shares in issue	Net asset value (pence per share)
Class A accumulation			
31.05.11	592,206	571,524	103.62
30.11.11	833,595	847,637	98.42

Price history

The table below shows the highest and lowest prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Year	Highest (pence)	Lowest (pence)
Class A accumulation		
2010 [^]	101.63	97.71
2011 ^{^^}	104.71	94.65

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Distribution record

Year	Net distribution per share (pence)
Class A accumulation	
2010 [^]	0.0000
2011 ^{^^}	0.9603

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Total expense ratio (TER)

The Sub-Fund invests in collective investment schemes, the expenses incurred by these schemes in relation to the Sub-Fund (synthetic TER) are disclosed in the below table as other expenses together with the direct expenses of the Sub-Fund.

Expense type	30 November 2011 [^] %	31 May 2011 [^] %
Class A accumulation^{^^}		
Investment Adviser's charge	0.00	0.00
Other expenses	0.56	0.58
Synthetic TER	0.24	0.22
Total expense ratio	0.80	0.80

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

^{^^} At the discretion of the Investment Adviser, where the total expenses of the Sub-Fund, including the synthetic TER exceed 0.80% of the Net Asset Value (NAV) of the Sub-Fund, the Investment Adviser rebates the total of said expenses to 0.80% of the NAV. The Investment Adviser is entitled to a fee of 0.40% per annum of the NAV of the Sub-Fund, inclusive of the aforementioned 0.80%, currently this is not being exercised.

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Statement of Total Return

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Income		
Net capital losses		(38)
Revenue	11	
Expenses	(4)	
Finance costs: Interest	—	
Net revenue before taxation	7	
Taxation	—	
Net revenue after taxation	7	7
Total return before distributions		(31)
Finance costs: distributions		(7)
Change in net assets attributable to shareholders from investment activities		(38)

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Opening net assets attributable to shareholders		592
Amounts received on issue of shares	307	
Less: Amounts paid on cancellation of shares	(35)	
	272	272
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(38)
Retained distribution on accumulation shares		8
Closing net assets attributable to shareholders		834

There is no comparative data for the Statement of Total Return and Statement of Change in Net Assets Attributable to Shareholders as this is the first interim reporting period for the Sub-Fund.

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Balance Sheet

as at 30 November 2011

	30.11.11		31.05.11	
	£'000	£'000	£'000	£'000
ASSETS				
Investment assets		816		574
Debtors	27		15	
Bank balances	8		21	
	<hr/>		<hr/>	
Total other assets		35		36
Total assets		851		610
<hr/>				
LIABILITIES				
Investment liabilities		–		–
Creditors	(17)		(16)	
Bank overdraft	–		(2)	
	<hr/>		<hr/>	
Total other liabilities		(17)		(18)
Total liabilities		(17)		(18)
Net assets attributable to shareholders		834		592

Post balance sheet events

Post interim period end, the class A accumulation share quoted price of the Sub-Fund has increased/decreased from 102.74p on 30 November 2011 to X.XXp as at X January 2012. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustment at the period end.

TOTAL CLARITY CAUTIOUS GROWTH PORTFOLIO

Distribution Table

for the period 1 June 2011 to 30 November 2011

Interim

Distribution payable 31 January 2012

Class	Shares	Net distribution	Equalisation	Distribution
A accumulation	Group 1	0.9472	0.3081	0.9472
	Group 2	0.6391		0.9472

Further information

Group 1 - Shares purchased prior to 1 June 2011

Group 2 - Shares purchased on or after 1 June 2011 to 30 November 2011

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

Investment Objective & Policy

for the period 1 June 2011 to 30 November 2011

The Sub-Fund will aim to achieve modest capital growth over the medium term with low expected volatility. This will be achieved via a predominant underlying exposure to fixed income gained by investing in a range of index tracking funds and other instruments.

The Sub-Fund's portfolio will gain exposure to the underlying assets via a diversified range of passive open-ended funds, exchange traded funds and real-estate investment trusts although significant exposure to other investments such as fixed interest securities are expected to be included in the portfolio from time to time.

The underlying asset mix of the Sub-Fund is mainly fixed interest, between 60 and 80%. It has some exposure to UK and global shares, property and other investments. It has very little exposure to small companies and emerging markets equities.

The Sub-Fund is able to invest in transferable securities, bonds, collective investment schemes, warrants, money market instruments, cash, deposits and derivative instruments.

The allocation of the Sub-Fund's assets between eligible asset classes will be managed by the Investment Adviser and will be adjusted to reflect what, in the Investment Adviser's view, is the optimal asset allocation at each point in time and to achieve the investment objective of the Sub-Fund. It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management.

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Investment Adviser's Report

for the period 1 June 2011 to 30 November 2011

The Total Clarity Defensive Fund returned (0.08)% over the 6 months to 30th November.

During this period the crisis in the Euro-zone dominated news and was the cause of market moves as developments progressed. Problems in the periphery spread and Italy and Spain now face a looming funding crunch as the yields on their government bonds have risen to 7%, which makes new issuance prohibitively expensive.

Without coordinated action by the Euro-zone, and Germany in particular, both countries are at risk of default, which would trigger losses among European banks.

In spite of the gravity of the situation, there has been no resolution in sight. In particular, Germany has been adamant that the European Central Bank will not be used to lend directly to European countries and will not agree to the issuance of bonds backed by the entire Euro zone.

These two routes are seen by most observers as the only way in which the crisis can be solved.

Another stumbling block has been Germany's desire for the EU to have central control over members' budgets. It remains to be seen whether Germany is implacable in its position or is engaged in high-stakes brinkmanship.

As well as the funding problems in the Euro zone, the economic outlook has also worsened, especially in the Euro-zone and UK. Indicators of consumer and business confidence point to a sharp slow down and possible recession in 2012.

Accordingly, equity markets and other risk assets suffered a major sell-off. Those fixed income markets that are perceived as safe havens have performed well, with yields on US treasuries, German bonds and UK gilts touching historic lows.

In the UK, the Office of Budget Responsibility issued a report that set out a much worse outlook for the UK's economic growth and budget deficit.

The economic picture in the US is more encouraging with some signs of economic recovery.

The Total Clarity funds have since launch been positioned to have slight overweight positions in equities relative to their strategic benchmarks. We believe that in spite of the poor economic outlook, equity valuations offer much better value than those of fixed income assets. Dividend yields on equities compare very favourably with those on government bonds.

Top five purchases in the period

HSBC FTSE All-Share Index Fund - Acc
iShares FTSE EPRA/NAREIT UK Property
Fund ETF
HSBC European Index Fund - Acc
iShares FTSE UK Gilt All Stocks ETF
iShares Barclays Capital £ Index-Linked Gilts ETF

Top five sales in the period

DB X-Trackers II iBoxx UK Gilt Inflation-Linked
TR Index ETF
iShares FTSE Gilts UK 0-5 ETF

TOTAL CLARITY DEFENSIVE PORTFOLIO

Portfolio Statement

as at 30 November 2011

Holding	Security	Market Value £'000	% of Total Net Assets
Commodities 2.71% (31.05.11 - 2.67%)			
572	Lyxor ETF Commodities CRB Index	11	2.71
Emerging market equities 1.23% (31.05.11 - 0.94%)			
4,921	BlackRock CIF Emerging Markets Equity Tracker Fund - D Acc	5	1.23
European corporate bonds 3.45% (31.05.11 - 3.79%)			
139	iShares Markit iBoxx Euro Corporate Bond ETF	14	3.45
European equities 4.19% (31.05.11 - 4.18%)			
4,129	HSBC European Index Fund - Acc	17	4.19
European government bonds 2.96% (31.05.11 - 3.17%)			
107	iShares Barclays Capital Euro Government Bond 5-7 ETF	12	2.96
Index linked 15.27% (31.05.11 - 14.93%)			
272	DB X-Trackers II iBoxx UK Gilt Inflation-Linked TR Index ETF	56	13.79
463	iShares Barclays Capital £ Index-Linked Gilts ETF	6	1.48
		62	15.27
Real estate 6.16% (31.05.11 - 6.46%)			
7,016	iShares FTSE EPRA/NAREIT UK Property Fund ETF	25	6.16
UK corporate bonds 11.33% (31.05.11 - 12.08%)			
24,488	BlackRock CIF Corporate Bond Tracker Fund - D Acc	26	6.40
174	iShares Markit iBoxx £ Corporate Bond ETF	20	4.93
		46	11.33
UK equities 14.53% (31.05.11 - 10.09%)			
4,190	DB X-Trackers FTSE All Share ETF	12	2.96
10,622	HSBC FTSE All-Share Index Fund - Acc	34	8.37
4,085	Lyxor ETF FTSE All Share	13	3.20
		59	14.53

TOTAL CLARITY DEFENSIVE PORTFOLIO

Portfolio Statement

continued

Holding	Security	Market Value £'000	% of Total Net Assets
UK government bonds 20.68% (31.05.11 - 20.61%)			
286	iShares FTSE Gilts UK 0-5 ETF	37	9.11
300	iShares FTSE UK Gilt All Stocks ETF	4	0.98
344	Vanguard UK Government Bond Index Fund - Acc	43	10.59
		84	20.68
US corporate bond 2.96% (31.05.11 - 3.06%)			
182	iShares Markit iBoxx USD Corporate Bond ETF	12	2.96
US equities 3.20% (31.05.11 - 6.72%)			
7,304	HSBC American Index Fund - Acc	13	3.20
US government bonds 3.94% (31.05.11 - 3.05%)			
131	iShares Barclays Capital \$ Treasury Bond 7-10 ETF	16	3.94
	Investment assets	376	92.61
	Net other assets	30	7.39
	Net assets	406	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated.

TOTAL CLARITY DEFENSIVE PORTFOLIO

Comparative Tables

Net asset values

As at	Net asset value (£)	No. of shares in issue	Net asset value (pence per share)
Class A accumulation			
31.05.11	381,598	371,967	102.59
30.11.11	406,036	396,108	102.51

Price history

The table below shows the highest and lowest prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Year	Highest (pence)	Lowest (pence)
Class A accumulation		
2010 [^]	100.48	97.39
2011 ^{^^}	103.17	97.79

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Distribution record

Year	Net distribution per share (pence)
Class A accumulation	
2010 [^]	0.0000
2011 ^{^^}	1.0490

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Total expense ratio (TER)

The Sub-Fund invests in collective investment schemes, the expenses incurred by these schemes in relation to the Sub-Fund (synthetic TER) are disclosed in the below table as other expenses together with the direct expenses of the Sub-Fund.

Expense type	30 November 2011 [^] %	31 May 2011 [^] %
Class A accumulation^{^^}		
Investment Adviser's charge	0.00	0.00
Other expenses	0.59	0.61
Synthetic TER	0.21	0.19
Total expense ratio	0.80	0.80

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

^{^^} At the discretion of the Investment Adviser, where the total expenses of the Sub-Fund, including the synthetic TER exceed 0.80% of the Net Asset Value (NAV) of the Sub-Fund, the Investment Adviser rebates the total of said expenses to 0.80% of the NAV. The Investment Adviser is entitled to a fee of 0.40% per annum of the NAV of the Sub-Fund, inclusive of the aforementioned 0.80%, currently this is not being exercised.

TOTAL CLARITY DEFENSIVE PORTFOLIO

Statement of Total Return

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Income		
Net capital losses		(4)
Revenue	6	
Expenses	(2)	
Finance costs: Interest	—	
Net revenue before taxation	4	
Taxation	—	
Net revenue after taxation	4	4
Total return before distributions		—
Finance costs: distributions		(4)
Change in net assets attributable to shareholders from investment activities		(4)

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Opening net assets attributable to shareholders		382
Amounts received on issue of shares	24	
Less: Amounts paid on cancellation of shares	—	
	24	24
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(4)
Retained distribution on accumulation shares		4
Closing net assets attributable to shareholders		406

There is no comparative data for the Statement of Total Return and Statement of Change in Net Assets Attributable to Shareholders as this is the first interim reporting period for the Sub-Fund.

TOTAL CLARITY DEFENSIVE PORTFOLIO

Balance Sheet

as at 30 November 2011

	30.11.11		31.05.11	
	£'000	£'000	£'000	£'000
ASSETS				
Investment assets		376		350
Debtors	19		8	
Bank balances	21		31	
Total other assets		40		39
Total assets		416		389
LIABILITIES				
Investment liabilities		-		-
Creditors	(10)		(5)	
Bank overdraft	-		(2)	
Total other liabilities		(10)		(7)
Total liabilities		(10)		(7)
Net assets attributable to shareholders		406		382

Post balance sheet events

Post interim period end, the class A accumulation share quoted price of the Sub-Fund has increased/decreased from 102.74p on 30 November 2011 to X.XXp as at X January 2012. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustment at the period end.

TOTAL CLARITY DEFENSIVE PORTFOLIO

Distribution Table

for the period 1 June 2011 to 30 November 2011

Interim

Interim distribution payable 31 January 2012

Class	Shares	Net distribution	Equalisation	Distribution
A accumulation	Group 1	0.9136	0.0332	0.9136
	Group 2	0.8804		0.9136

Further information

Group 1 - Shares purchased prior to 1 June 2011

Group 2 - Shares purchased on or after 1 June 2011 to 30 November 2011

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

Investment Objective & Policy

for the period 1 June 2011 to 30 November 2011

The Sub-Fund's investment objective is to achieve good capital growth over the long term with moderate expected volatility. This will be achieved via a portfolio of well diversified underlying assets gained by investing in a range of index tracking funds and other instruments.

The Sub-Fund's portfolio will gain exposure to the underlying assets via a diversified range of passive open-ended funds, exchange traded funds and real-estate investment trusts although exposure to other investments such as investment trusts and fixed interest securities are expected to be included in the portfolio from time to time.

The underlying asset mix of the Sub-Fund has limited exposure to fixed interest, between 10 and 40%. It has greater exposure to UK and global shares, property and other investments (such as commodities). It has exposure to small companies and emerging markets within the equity element.

The Sub-Fund is able to invest in transferable securities, bonds, collective investment schemes, warrants, money market instruments, cash, deposits and derivative instruments.

The allocation of the Sub-Fund's assets between eligible asset classes will be managed by the Investment Adviser and will be adjusted to reflect what, in the Investment Adviser's view, is the optimal asset allocation at each point in time and to achieve the investment objective of the Sub-Fund. It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management.

Through its investments, the portfolio will be exposed to a diversified range of asset classes, underlying currencies, geographic spread and may hold funds managed by a variety of fund management groups.

The Company permits the use of derivatives for investment purposes (in addition for Efficient Portfolio Management) by the Sub-Fund. However, this policy is not currently applied and may not be applied without giving the required 60 day notice to shareholders. If derivatives are used for the purpose of meeting the investment objective of the Sub-Fund it is not intended that the use of derivatives would significantly raise the risk profile but this cannot be guaranteed and the risk profile may increase as a result of a change in the investment policy for derivatives.

Investment Adviser's Report

for the period 1 June 2011 to 30 November 2011

The Total Clarity Diversified Balanced Fund returned -8.92% over the 6 months to 30th November.

During this period the crisis in the Euro-zone dominated news and was the cause of market moves as developments progressed. Problems in the periphery spread and Italy and Spain now face a looming funding crunch as the yields on their government bonds have risen to 7%, which makes new issuance prohibitively expensive.

Without coordinated action by the Euro-zone, and Germany in particular, both countries are at risk of default, which would trigger losses among European banks.

In spite of the gravity of the situation, there has been no resolution in sight. In particular, Germany has been adamant that the European Central Bank will not be used to lend directly to European countries and will not agree to the issuance of bonds backed by the entire Euro zone.

These two routes are seen by most observers as the only way in which the crisis can be solved.

Another stumbling block has been Germany's desire for the EU to have central control over members' budgets. It remains to be seen whether Germany is implacable in its position or is engaged in high-stakes brinkmanship.

As well as the funding problems in the Euro zone, the economic outlook has also worsened, especially in the Euro-zone and UK. Indicators of consumer and business confidence point to a sharp slow down and possible recession in 2012.

Accordingly, equity markets and other so-called risk assets suffered a major sell-off. Those fixed income markets that are perceived as safe havens have performed well, with yields on US treasuries, German bonds and UK gilts touching historic lows.

In the UK, the Office of Budget Responsibility issued a report that set out a much worse outlook for the UK's economic growth and budget deficit.

The economic picture in the US is more encouraging with some signs of economic recovery.

The Total Clarity funds have since launch been positioned to have slight overweight positions in equities relative to their strategic benchmarks. We believe that in spite of the poor economic outlook, equity valuations offer much better value than those of fixed income assets. Dividend yields on equities compare very favourably with those on government bonds.

Top five purchases in the period

Vanguard FTSE UK Equity Index Fund - Acc
HSBC European Index Fund - Acc
BlackRock CIF Emerging Markets Equity Tracker
Fund - D Acc
HSBC American Index Fund - Acc
BlackRock CIF Corporate Bond Tracker Fund
- D Acc

Top five sales in the period

HSBC FTSE All-Share Index Fund - Acc
BlackRock CIF Corporate Bond Tracker Fund
- D Acc
DB X-Trackers II iBoxx UK Gilt Inflation-Linked
TR Index ETF
Lyxor ETF Commodities CRB Index
HSBC FTSE 100 Index - Acc

TOTAL CLARITY DIVERSIFIED BALANCED PORTFOLIO

Portfolio Statement

as at 30 November 2011

Holding	Security	Market Value £'000	% of Total Net Assets
Asian pacific equities 4.14% (31.05.11 - 4.02%)			
22,605	BlackRock CIF Pacific ex-Japan Equity Tracker Fund - D Acc	39	1.79
3,984	HSBC MSCI Pacific ex-Japan ETF	30	1.38
9,974	HSBC Pacific Index Fund - Acc	21	0.97
		90	4.14
Commodities 4.00% (31.05.11 - 4.05%)			
1,700	DB X-Trackers LCI OY Balanced ETF - 2C	42	1.93
2,323	Lyxor ETF Commodities CRB Index	45	2.07
		87	4.00
Emerging market equities 6.89% (31.05.11 - 7.03%)			
102,445	BlackRock CIF Emerging Markets Equity Tracker Fund - D Acc	102	4.69
2,027	iShares MSCI Emerging Markets ETF	48	2.20
		150	6.89
European corporate bonds 2.30% (31.05.11 - 2.44%)			
502	iShares Markit iBoxx Euro Corporate Bond ETF	50	2.30
European equities 11.08% (31.05.11 - 11.10%)			
54,542	HSBC European Index Fund - Acc	219	10.07
1,423	iShares MSCI Europe ex-UK ETF	22	1.01
		241	11.08
European government bonds 0.78% (31.05.11 - 0.92%)			
150	iShares Barclays Capital Euro Government Bond 5-7 ETF	17	0.78
Index linked 4.97% (31.05.11 - 5.01%)			
516	DB X-Trackers II iBoxx UK Gilt Inflation-Linked TR Index ETF	107	4.92
109	iShares Barclays Capital £ Index-Linked Gilts ETF	1	0.05
		108	4.97
Japanese equities 4.04% (31.05.11 - 3.95%)			
50,595	BlackRock CIF Japan Equity Tracker Fund - D Acc	52	2.39
2,655	HSBC MSCI Japan ETF	36	1.65
		88	4.04

TOTAL CLARITY DIVERSIFIED BALANCED PORTFOLIO

Portfolio Statement

continued

Holding	Security	Market Value £'000	% of Total Net Assets
	Private equity 4.87% (31.05.11 - 5.04%)		
6,367	DB X-Trackers LPX MM Private Equity ETF	106	4.87
	Real estate 6.02% (31.05.11 - 6.13%)		
36,355	iShares FTSE EPRA/NAREIT UK Property Fund ETF	131	6.02
	UK corporate bonds 6.84% (31.05.11 - 6.85%)		
73,463	BlackRock CIF Corporate Bond Tracker Fund - D Acc	78	3.58
615	iShares Markit iBoxx £ Corporate Bond ETF	71	3.26
		149	6.84
	UK equities 27.62% (31.05.11 - 27.04%)		
19,454	DB X-Trackers FTSE All Share ETF	56	2.57
69,172	HSBC FTSE All-Share Index Fund - Acc	222	10.20
10,301	Lyxor ETF FTSE All Share	31	1.43
2,051	Vanguard FTSE UK Equity Index Fund - Acc	292	13.42
		601	27.62
	UK government bonds 5.01% (31.05.11 - 4.94%)		
833	iShares FTSE Gilts UK 0-5 ETF	109	5.01
	US corporate bond 2.48% (31.05.11 - 2.33%)		
847	iShares Markit iBoxx USD Corporate Bond ETF	54	2.48
	US equities 7.86% (31.05.11 - 7.83%)		
330	Credit Suisse ETF (IE) S&P 500	22	1.01
82,994	HSBC American Index Fund - Acc	149	6.85
		171	7.86
	US government bonds 1.24% (31.05.11 - 0.89%)		
219	iShares Barclays Capital \$ Treasury Bond 7-10 ETF	27	1.24
	Investment assets	2,179	100.14
	Net other liabilities	(3)	(0.14)
	Net assets	2,176	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated.

TOTAL CLARITY DIVERSIFIED BALANCED PORTFOLIO

Comparative Tables

Net asset values

As at	Net Asset value (£)	No. of shares in issue	Net asset value (pence per share)
Class A accumulation			
31.05.11	1,607,428	1,514,478	106.14
30.11.11	2,175,913	2,250,801	96.67

Price history

The table below shows the highest and lowest prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Year	Highest (pence)	Lowest (pence)
Class A accumulation		
2010 [^]	104.34	98.74
2011 ^{^^}	108.01	91.46

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Distribution record

Year	Net distribution per share (pence)
Class A accumulation	
2010 [^]	0.0000
2011 ^{^^}	1.3102

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Total expense ratio (TER)

The Sub-Fund invests in collective investment schemes, the expenses incurred by these schemes in relation to the Sub-Fund (synthetic TER) are disclosed in the below table as other expenses together with the direct expenses of the Sub-Fund.

Expense type	30 November 2011 [^] %	31 May 2011 [^] %
Class A accumulation^{^^}		
Investment Adviser's charge	0.00	0.00
Other expenses	0.53	0.55
Synthetic TER	0.27	0.25
Total expense ratio	0.80	0.80

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

^{^^} At the discretion of the Investment Adviser, where the total expenses of the Sub-Fund, including the synthetic TER exceed 0.80% of the Net Asset Value (NAV) of the Sub-Fund, the Investment Adviser rebates the total of said expenses to 0.80% of the NAV. The Investment Adviser is entitled to a fee of 0.40% per annum of the NAV of the Sub-Fund, inclusive of the aforementioned 0.80%, currently this is not being exercised.

TOTAL CLARITY DIVERSIFIED BALANCED PORTFOLIO

Statement of Total Return

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Income		
Net capital losses		(160)
Revenue	36	
Expenses	(9)	
Finance costs: Interest	–	
Net revenue before taxation	27	
Taxation	–	
Net revenue after taxation		27
Total return before distributions		(133)
Finance costs: distributions		(26)
Change in net assets attributable to shareholders from investment activities		(159)

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Opening net assets attributable to shareholders		1,607
Amounts received on issue of shares	792	
Less: Amounts paid on cancellation of shares	(95)	
		697
Dilution levy		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(159)
Retained distribution on accumulation shares		29
Closing net assets attributable to shareholders		2,176

There is no comparative data for the Statement of Total Return and Statement of Change in Net Assets Attributable to Shareholders as this is the first interim reporting period for the Sub-Fund.

TOTAL CLARITY DIVERSIFIED BALANCED PORTFOLIO

Balance Sheet

as at 30 November 2011

	30.11.11		31.05.11	
	£'000	£'000	£'000	£'000
ASSETS				
Investment assets		2,179		1,600
Debtors	17		6	
Bank balances	11		11	
Total other assets		28		17
Total assets		2,207		1,617
LIABILITIES				
Investment liabilities		–		–
Creditors	(31)		(10)	
Total other liabilities		(31)		(10)
Total liabilities		(31)		(10)
Net assets attributable to shareholders		2,176		1,607

Post balance sheet events

Post interim period end, the class A accumulation share quoted price of the Sub-Fund has increased/decreased from 96.12p on 30 November 2011 to X.XXp as at X January 2012. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustment at the period end.

TOTAL CLARITY DIVERSIFIED BALANCED PORTFOLIO

Distribution Table

for the period 1 June 2011 to 30 November 2011

Interim

Distribution payable 31 January 2012

Class	Shares	Net distribution	Equalisation	Distribution
A accumulation	Group 1	1.2761		1.2761
	Group 2	0.9900	0.2861	1.2761

Further information

Group 1 - Shares purchased prior to 1 June 2011

Group 2 - Shares purchased on or after 1 June 2011 to 30 November 2011

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

Investment Objective & Policy

for the period 1 June 2011 to 30 November 2011

The Sub-Fund's investment objective is to achieve superior long term capital growth with potentially higher volatility. This will be achieved by a predominant underlying exposure to equities gained by investing in a range of index tracking funds and other instruments.

The Sub-Fund's portfolio will gain exposure to the underlying assets via a diversified range of passive open-ended funds, exchange traded funds and real-estate investment trusts although exposure to other investments such as investment trusts are expected to be included in the portfolio from time to time.

The underlying asset mix of the Sub-Fund has very limited exposure to fixed interest, between 0 and 30%. It has much greater exposure to UK and global shares, property and other investments (such as commodities). It has more exposure to small companies and emerging markets within the equity element than the other funds.

The Sub-Fund is able to invest in transferable securities, bonds, collective investment schemes, warrants, money market instruments, cash, deposits and derivative instruments.

The allocation of the Sub-Fund's assets between eligible asset classes will be managed by the Investment Adviser and will be adjusted to reflect what, in the Investment Adviser's view, is the optimal asset allocation at each point in time and to achieve the investment objective of the Fund. It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management.

Through its investments, the portfolio will be exposed to a diversified range of asset classes, underlying currencies, geographic spread and may hold funds managed by a variety of fund management groups.

The Company permits the use of derivatives for investment purposes (in addition for Efficient Portfolio Management) by the Fund. However, this policy is not currently applied and may not be applied without giving the required 60 day notice to shareholders. If derivatives are used for the purpose of meeting the investment objective of the Sub-Fund it is not intended that the use of derivatives would significantly raise the risk profile but this cannot be guaranteed and the risk profile may increase as a result of a change in the investment policy for derivatives.

Investment Adviser's Report

for the period 1 June 2011 to 30 November 2011

The Total Clarity Diversified Long Term Growth fund returned -12.35% over the 6 months to 30th November.

During this period the crisis in the Euro-zone dominated news and was the cause of market moves as developments progressed. Problems in the periphery spread and Italy and Spain now face a looming funding crunch as the yields on their government bonds have risen to 7%, which makes new issuance prohibitively expensive.

Without coordinated action by the Euro-zone, and Germany in particular, both countries are at risk of default, which would trigger losses among European banks.

In spite of the gravity of the situation, there has been no resolution in sight. In particular, Germany has been adamant that the European Central Bank will not be used to lend directly to European countries and will not agree to the issuance of bonds backed by the entire Euro zone.

These two routes are seen by most observers as the only way in which the crisis can be solved.

Another stumbling block has been Germany's desire for the EU to have central control over members' budgets. It remains to be seen whether Germany is implacable in its position or is engaged in high-stakes brinkmanship.

As well as the funding problems in the Euro zone, the economic outlook has also worsened, especially in the Euro-zone and UK. Indicators of consumer and business confidence point to a sharp slow down and possible recession in 2012.

Accordingly, equity markets and other so-called risk assets suffered a major sell-off. Those fixed income markets that are perceived as safe havens have performed well, with yields on US treasuries, German bonds and UK gilts touching historic lows.

In the UK, the Office of Budget Responsibility issued a report that set out a much worse outlook for the UK's economic growth and budget deficit.

The economic picture in the US is more encouraging with some signs of economic recovery.

The Total Clarity funds have since launch been positioned to have slight overweight positions in equities relative to their strategic benchmarks. We believe that in spite of the poor economic outlook, equity valuations offer much better value than those of fixed income assets. Dividend yields on equities compare very favourably with those on government bonds.

Top five purchases in the period

Vanguard FTSE UK Equity Index Fund - Acc
HSBC European Index Fund - Acc
BlackRock CIF Emerging Markets Equity Tracker Fund - D Acc
HSBC American Index Fund - Acc
DB X-Trackers LPX MM Private Equity ETF

Top five sales in the period

Lyxor ETF Commodities CRB Index
BlackRock CIF Japan Equity Tracker Fund - D Acc
BlackRock CIF Corporate Bond Tracker Fund - D Acc
BlackRock CIF Emerging Markets Equity Tracker Fund - D Acc
HSBC American Index Fund - Acc

TOTAL CLARITY DIVERSIFIED LONG TERM GROWTH PORTFOLIO

Portfolio Statement

as at 30 November 2011

Holding	Security	Market Value £'000	% of Total Net Assets
Asian pacific equities 7.82% (31.05.11 - 7.68%)			
21318	BlackRock CIF Pacific ex-Japan Equity Tracker Fund - D Acc	37	5.17
9135	HSBC Pacific Index Fund - Acc	19	2.65
		<hr/> 56	<hr/> 7.82
Commodities 4.75% (31.05.11 - 4.76%)			
287	DB X-Trackers LCI OY Balanced ETF - 2C	7	0.98
1412	Lyxor ETF Commodities CRB Index	27	3.77
		<hr/> 34	<hr/> 4.75
Emerging market equities 11.87% (31.05.11 - 11.93%)			
67599	BlackRock CIF Emerging Markets Equity Tracker Fund - D Acc	67	9.36
772	iShares MSCI Emerging Markets ETF	18	2.51
		<hr/> 85	<hr/> 11.87
European equities 13.83% (31.05.11 - 14.24%)			
22794	HSBC European Index Fund - Acc	91	12.71
477	iShares MSCI Europe ex-UK ETF	8	1.12
		<hr/> 99	<hr/> 13.83
Japanese equities 5.87% (31.05.11 - 5.94%)			
33407	BlackRock CIF Japan Equity Tracker Fund - D Acc	34	4.75
556	HSBC MSCI Japan ETF	8	1.12
		<hr/> 42	<hr/> 5.87
Private equity 5.02% (31.05.11 - 4.72%)			
2171	DB X-Trackers LPX MM Private Equity ETF	36	5.02
Real estate 6.00% (31.05.11 - 5.93%)			
11919	iShares FTSE EPRA/NAREIT UK Property Fund ETF	43	6.00
UK corporate bonds 2.80% (31.05.11 - 2.97%)			
9532	BlackRock CIF Corporate Bond Tracker Fund - D Acc	10	1.40
88	iShares Markit iBoxx £ Corporate Bond ETF	10	1.40
		<hr/> 20	<hr/> 2.80

TOTAL CLARITY DIVERSIFIED LONG TERM GROWTH PORTFOLIO

Portfolio Statement

continued

Holding	Security	Market Value £'000	% of Total Net Assets
UK equities 32.68% (31.05.11 - 31.54%)			
19968	DB X-Trackers FTSE All Share ETF	58	8.10
27988	HSBC FTSE All-Share Index Fund - Acc	90	12.57
8461	Lyxor ETF FTSE All Share	26	3.63
419	Vanguard FTSE UK Equity Index Fund - Acc	60	8.38
		234	32.68
US equities 8.80% (31.05.11 - 8.79%)			
168	Credit Suisse ETF (IE) S&P 500	11	1.54
28936	HSBC American Index Fund - Acc	52	7.26
		63	8.80
Investment assets		712	99.44
Net other assets		4	0.56
Net assets		716	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated.

TOTAL CLARITY DIVERSIFIED LONG TERM GROWTH PORTFOLIO

Comparative Tables

Net asset values

As at	Net asset value (£)	No. of shares in issue	Net asset value (pence per share)
Class A accumulation			
31.05.11	554,006	524,871	105.55
30.11.11	715,698	773,646	92.51

Price history

The table below shows the highest and lowest prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Year	Highest (pence)	Lowest (pence)
Class A accumulation		
2010 [^]	104.75	97.87
2011 ^{^^}	107.31	86.48

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Distribution record

Year	Net distribution per share (pence)
Class A accumulation	
2010 [^]	0.0000
2011 ^{^^}	1.1497

[^] Launched 20 October 2010

^{^^} To 30 November 2011

Total expense ratio (TER)

The Sub-Fund invests in collective investment schemes, the expenses incurred by these schemes in relation to the Sub-Fund (synthetic TER) are disclosed in the below table as other expenses together with the direct expenses of the Sub-Fund.

Expense type	30 November 2011 [^] %	31 May 2011 [^] %
Class A accumulation^{^^}		
Investment Adviser's charge	0.00	0.00
Other expenses	0.51	0.54
Synthetic TER	0.29	0.26
Total expense ratio	0.80	0.80

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

^{^^} At the discretion of the Investment Adviser, where the total expenses of the Sub-Fund, including the synthetic TER exceed 0.80% of the Net Asset Value (NAV) of the Sub-Fund, the Investment Adviser rebates the total of said expenses to 0.80% of the NAV. The Investment Adviser is entitled to a fee of 0.40% per annum of the NAV of the Sub-Fund, inclusive of the aforementioned 0.80%, currently this is not being exercised.

TOTAL CLARITY DIVERSIFIED LONG TERM GROWTH PORTFOLIO

Statement of Total Return

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Income		
Net capital losses		(82)
Revenue	12	
Expenses	(3)	
Finance costs: Interest	—	
Net revenue before taxation	9	
Taxation	—	
Net revenue after taxation	9	9
Total return before distributions		(73)
Finance costs: distributions		(9)
Change in net assets attributable to shareholders from investment activities		(82)

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 June 2011 to 30 November 2011

	30.11.11	
	£'000	£'000
Opening net assets attributable to shareholders		554
Amounts received on issue of shares	235	
Less: Amounts paid on cancellation of shares	—	
	235	235
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(82)
Retained distribution on accumulation shares		9
Closing net assets attributable to shareholders		716

There is no comparative data for the Statement of Total Return and Statement of Change in Net Assets Attributable to Shareholders as this is the first interim reporting period for the Sub-Fund.

TOTAL CLARITY DIVERSIFIED LONG TERM GROWTH PORTFOLIO

Balance Sheet

as at 30 November 2011

	30.11.11		31.05.11	
	£'000	£'000	£'000	£'000
ASSETS				
Investment assets		712		546
Debtors	32		8	
Bank balances	1		14	
Total other assets		33		22
Total assets		745		568
LIABILITIES				
Investment liabilities		-		-
Creditors	(29)		(11)	
Bank overdraft	-		(3)	
Total other liabilities		(29)		(14)
Total liabilities		(29)		(14)
Net assets attributable to shareholders		716		554

Post balance sheet events

Post interim period end, the class A accumulation share quoted price of the Sub-Fund has increased/decreased from 91.91p on 30 November 2011 to X.XXp as at X January 2012. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustment at the period end.

TOTAL CLARITY DIVERSIFIED LONG TERM GROWTH PORTFOLIO

Distribution Table

for the period 1 June 2011 to 30 November 2011

Interim

Distribution payable 31 January 2012

Class	Shares	Net distribution	Equalisation	Distribution
A accumulation	Group 1	1.1497	0.0782	1.1497
	Group 2	1.0715		1.1497

Further information

Group 1 - Shares purchased prior to 1 June 2011

Group 2 - Shares purchased on or after 1 June 2011 to 30 November 2011

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

General information

Authorised status

Total Clarity (the 'Company') is incorporated in England and Wales as an open-ended investment company with variable capital under registration number IC000829. The shareholders are not liable for the debts of the Company.

The Company is authorised by the FSA as a non-UCITS retail scheme under the COLL Sourcebook and is an umbrella company for the purposes of the OEIC Regulations with each Sub-Fund being a non-UCITS retail scheme. The effective date of the authorisation order made by the FSA was 21 September 2010.

Head office

Springfield Lodge, Colchester Road, Chelmsford, Essex CM2 5PW

Address for service

The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base currency

The base currency of the Company is pounds sterling.

Share capital

The minimum share capital of the Company is £100 and the maximum is £100,000,000,000.

Structure of the company

Total Clarity is structured as an umbrella company. Provision exists for an unlimited number of Sub-Funds, and at the date of this report, the sub-Funds launched within the OEIC are shown below:

Total Clarity Cautious Growth Portfolio
Total Clarity Defensive Portfolio
Total Clarity Diversified Balanced Portfolio
Total Clarity Diversified Long Term Growth Portfolio

Classes of shares

The Company can issue different classes of shares in respect of any Sub-Fund.

Holder of income shares are entitled to be paid the revenue attributable to such shares in respect of each interim and annual accounting period.

Valuation Point

The scheme property of the Company and each Sub-Fund will normally be valued at 12:00 mid day on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Sub-Fund at any time if it considers it desirable to do so, with the Depositary's approval.

General information

continued

Buying and Selling of Shares

The ACD will accept orders for the purchase and sale of shares on normal business days between 8:30am and 4:30pm. Instructions to buy or sell shares may either be in writing to:

PO Box 10809, Chelmsford, Essex CM1 9QJ

Or by telephone to:
0845 305 4213

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-Fund which represents the NAV of the Sub-Fund concerned. The share price is calculated on a forward pricing basis, that is at the next valuation point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on the Investment Management Association website at www.fundlistings.com and on the Financial Times website at www.FT.com. Neither, the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Simplified Prospectus and the most recent interim and annual reports may be inspected free of charge at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

