

T h e S e n t i n e l F u n d



T o w a t c h o v e r a n d g u a r d

Sentinel Annual Report and Accounts (audited)

For the period from 1st August 2012 to 31st July 2013

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MANAGEMENT AND ADMINISTRATION

The Authorised Corporate Director ("ACD") and registered office of The Sentinel Fund ("the Company"):

PREMIER PORTFOLIO MANAGERS LIMITED

Eastgate Court, High Street,
Guildford, Surrey, GU1 3DE

Premier Portfolio Managers Limited is authorised and regulated by the Financial Conduct Authority and is a member of the Investment Management Association ("IMA"). Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group.

DIRECTORS OF THE ACD:

Mike O'Shea (Chairman)
Neil Macpherson (Finance Director)
Mark Friend (Chief Operating Officer)
Mike Hammond (IFA Sales Director)
Simon Wilson (Marketing Director)*
*Appointed 5th November 2012

INVESTMENT ADVISER:

Premier Fund Managers Limited is the Investment Adviser to the Sentinel Defensive Portfolio, the Sentinel Enterprise Portfolio and the Sentinel Universal Portfolio.

Premier Fund Managers Limited has appointed Margetts Fund Management Limited as sub-Investment Adviser to the Sentinel Enterprise Portfolio and North Investment Partners Limited as sub-Investment Adviser to the Sentinel Universal Portfolio.

DEPOSITARY:

National Westminster Bank plc
Trustee & Depositary Services
Younger Building
1st Floor
3 Redheughs Avenue
Edinburgh, EH12 9RH

AUDITOR:

KPMG Audit Plc
15 Canada Square,
Canary Wharf,
London, E14 5GL

**ADMINISTRATOR &
REGISTRAR:**

Northern Trust Global Services Limited
50 Bank Street,
Canary Wharf,
London, E14 1BT

COMPANY INFORMATION

The Sentinel Fund is an Investment Company with Variable Capital under regulation 12 of the Open-Ended Investment Company Regulations and incorporated in England and Wales under registered number IC000658 and authorised by the FSA (now the Financial Conduct Authority) with effect from 1st May 2008. Shareholders are not liable for the debts of the Company. At the year end the Company contained three sub-funds, the Sentinel Defensive Portfolio, the Sentinel Enterprise Portfolio and the Sentinel Universal Portfolio.

The Company is a non-UCITS Retail scheme which complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook and is structured as an umbrella company so that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority and the agreement of the Depositary.

STATEMENT OF ACD AND DEPOSITARY'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS OF THE SCHEME

The Open-Ended Investment Companies Regulations 2001 and the Financial Conduct Authority's Collective Investment Schemes sourcebook ("the Regulations") require the ACD to prepare accounts for each annual accounting period, which give a true and fair view of the financial position of the scheme as at the end of the year and of the net revenue and the net capital gains or losses on the property of the scheme for the year then ended. In preparing the accounts, the ACD is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- comply with the disclosure requirements of the Statement of Recommended Practice 'Financial Statements of Authorised Funds', issued by the IMA in October 2010 and the Instrument of Incorporation.
- follow UK generally accepted accounting principles and applicable accounting standards.
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the scheme will continue in operation.
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the Regulations.

The Depositary is responsible for safeguarding the property of the scheme and must take reasonable care to ensure that the scheme is managed by the ACD in compliance with the Regulations and the provisions of the Instrument of Incorporation and Prospectus.

The ACD and Depositary are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

IMPORTANT NOTES

With effect from 1st January 2013, the ACD's periodic charge for class 'A' shares was reduced from 1.50% to 1.20% and class 'B' shares were reduced from 0.55% to 0.45%. These changes were applicable across all three sub-funds.

The Financial Conduct Authority

At the beginning of April 2013, the Financial Services Authority, the industry regulator, was replaced by the Financial Conduct Authority.

The Financial Conduct Authority is the regulator for the majority of the financial services industry in the UK. Its primary aim is to protect consumers and ensure that firms put consumers at the heart of their business. You can find out more about the Financial Conduct Authority by visiting its website, www.fca.org.uk. Premier, and its subsidiaries, are authorised and regulated by the Financial Conduct Authority. As such, we adhere to the core principles and regulations set out by the regulator and its predecessor.

MANAGEMENT AND ADMINISTRATION

REPORT OF THE ACD TO THE SHAREHOLDERS OF THE COMPANY

The ACD, as sole director, presents its report and the audited financial statements of the Company for the year from 1st August 2012 to 31st July 2013.

The Company is a non-UCITS scheme which complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook. The shareholders are not liable for the debts of the Company.

The Investment Objectives and Policies of each sub-fund of the Company are covered in the section for each sub-fund. The sub-funds of an umbrella company should be invested as if they were a single company. The names and addresses of the ACD, the Depositary and the Auditor are detailed on page 2.

In the future there may be other sub-funds of the Company. As a sub-fund is not a legal entity, if the assets attributable to any sub-fund were insufficient to meet the liabilities attributable to it, the shortfall might have to be met out of the assets attributable to one or more other sub-funds of the Company.

DIRECTORS' STATEMENT

In accordance with the Regulations, we hereby certify the report on behalf of the directors of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)
11th November 2013



Mark Friend
Chief Operating Officer (of the ACD)

REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS FOR THE YEAR FROM 1ST AUGUST 2012 TO 31ST JULY 2013 FOR THE SENTINEL DEFENSIVE PORTFOLIO, THE SENTINEL ENTERPRISE PORTFOLIO AND THE SENTINEL UNIVERSAL PORTFOLIO AS SUB-FUNDS OF THE SENTINEL FUND ('THE COMPANY')

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Open-Ended Investment Companies Regulations 2001 and the Instrument of Incorporation in relation to the pricing of, and dealings in, shares in the Company, the application of the income of the Company, and the investment and borrowing powers and restrictions applicable to the Company.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary, it is our opinion that:

- the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and
- the application of the Company's income have, in all material respects, been carried out in accordance with the provisions of:
- the Regulations and
- the Open-Ended Investment Companies Regulations 2001 and
- the Instrument of Incorporation of the Company

and that, in all material respects, the investment and borrowing powers and restrictions applicable to the Company, in accordance with the provision of the Regulations and Instrument of Incorporation, have been observed.

National Westminster Bank plc
Trustee & Depositary Services
11th November 2013

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF THE SENTINEL FUND

We have audited the financial statements of the Sentinel Funds for the year ended 31st July 2013 set out on pages 5 to 34. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Authorised Corporate Director and the Auditor

As explained more fully in the Statement of ACD's Responsibilities set out on page 2 the ACD is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscope-ukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the financial position of the Company as at 31st July 2013 and of the net revenue and the net capital gains on the property of the Company for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds and the COLL Rules.

Opinion on other matters prescribed by the COLL Rules

In our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements. We have received all the information and explanations which we consider necessary for the purposes of our audit.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Collective Investment Schemes sourcebook requires us to report to you if in our opinion:

- proper accounting records for the Company have not been kept, or
- the financial statements are not in agreement with the accounting records.

Richard Scott-Hopkins for and on behalf of KPMG Audit Plc

Statutory Auditor
Chartered Accountants
15 Canada Square,
Canary Wharf,
London, E14 5GL

11th November 2013

THE SENTINEL FUND AGGREGATED FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

For the year ended 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
Income			
Net capital gains/(losses)	2	25,786	(5,757)
Revenue	3	2,621	2,117
Expenses	4	(2,531)	(3,043)
Finance costs: Interest	6	(10)	(1)
Net revenue/(expense) before taxation		80	(927)
Taxation	5	-	(1)
Net revenue/(expense) after taxation		80	(928)
Total return before distributions		25,866	(6,685)
Finance costs: Distributions	6	(645)	(53)
Change in net assets attributable to shareholders from investment activities		25,221	(6,738)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31st July 2013

	Note	31/07/13 £'000	31/07/12 £'000
Opening net assets attributable to shareholders		189,199	181,056
Amounts receivable on issue of shares		146,299	50,297
Amounts payable on cancellation of shares		(139,152)	(35,393)
		7,147	14,904
Dilution levy		6	-
Stamp duty reserve tax		(181)	(79)
Change in net assets attributable to shareholders from investment activities		25,221	(6,738)
Retained distributions on accumulation shares	6	803	56
Closing net assets attributable to shareholders		222,195	189,199

BALANCE SHEET

As at 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
ASSETS			
Investment assets		215,611	185,915
Debtors	7	1,433	5,201
Cash and bank balances	8	7,004	3,908
Total other assets		8,437	9,109
Total assets		224,048	195,024
LIABILITIES			
Investment liabilities		(32)	-
Creditors	10	(984)	(4,739)
Bank overdrafts	9	(837)	(1,085)
Distribution payable on income shares	6	-	(1)
Total other liabilities		(1,821)	(5,825)
Total liabilities		(1,853)	(5,825)
Net assets attributable to shareholders		222,195	189,199

The notes on pages 6 to 8 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)
11th November 2013



Mark Friend
Chief Operating Officer (of the ACD)

THE SENTINEL FUND AGGREGATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice 'Financial Statements of Authorised Funds', issued by the IMA in October 2010, the Financial Conduct Authority's Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Revenue Recognition

Revenue from collective investment schemes, and quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge.

Accumulation of revenue relating to accumulation units or shares held in collective investment schemes is recognised as revenue and included in the amount available for distribution. Equalisation received from distributions or accumulations on units or shares in collective investment schemes is treated as capital and deducted from the cost of the investment.

The gains and losses arising on investments in structured plans are allocated between revenue and capital according to the nature of the structured plan. This is depending on the extent to which the return is capital or revenue based.

Holders of zero dividend preference shares are preferentially entitled to a return from the capital reserves of an investment company and accordingly returns on zero dividend preference schemes are included within net capital gains/(losses).

Bank interest, interest on debt securities, underwriting commission and other revenue are recognised on an accruals basis.

In the case of debt securities, the total revenue arising includes the amortisation of any premium or discount at the time of purchase spread over the life of the security, using the effective interest rate method.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the sub-fund. Any enhancement above the cash dividend is treated as capital.

Special Dividends

Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend.

Expenses

For accounting purposes, all expenses (other than SDRT and those relating to the purchase and sale of investments) are charged against revenue for the year on an accruals basis.

Distributions

Amounts distributable are calculated after excluding expenses borne by capital as agreed by the ACD and Depositary.

The ACD and Depositary have agreed that 100% of the sub-fund's expenses are borne by revenue.

Valuations

All investments are valued at their fair value at noon on 31st July 2013, being the last business day of the financial year. The fair value of equity and non-equity shares is bid price, excluding any accrued interest.

The fair value of dual priced collective investment schemes managed by the ACD is their cancellation price and the fair value of dual priced collective investment schemes which are managed by other management groups is their bid price. The fair value of all single priced collective investment schemes is their single price, taking account of any agreed redemption charges.

Structured plans are valued at the latest price from the product provider.

Delisted and unquoted investments are shown at the ACD's valuation.

Derivative instruments such as futures and options are valued at the price required to close out the contract.

Foreign Currencies

Assets and liabilities in currencies other than sterling are translated into sterling at the exchange rates prevailing at noon on the last working day of the accounting period. Transactions in foreign currencies are translated at the exchange rate prevailing at the transaction date. Where forward positions in currencies are held, these are translated at the appropriate forward rate. Any resulting exchange differences in these forward positions are disclosed in 'Net capital gains' on investments in the Statement of Total Return.

Taxation

Corporation tax has been provided for at a rate of 20%. Deferred tax is provided in respect of timing differences that have originated but not been reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that they are more likely than not to be recoverable.

Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the Financial Conduct Authority Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-funds and included in the Statement of Change in Net Assets Attributable to Shareholders. The levy is intended to cover certain dealing charges not included in the mid market value of the sub-fund used in calculating the share price, which could have a diluting effect on the performance of the sub-fund.

Efficient Portfolio Management

Where appropriate, certain permitted transactions such as derivatives or forward foreign currency transactions are used for efficient portfolio management. Where such transactions are used to protect or enhance revenue, the revenue and expenses derived therefrom are included in 'Revenue' or 'Expenses' in the Statement of Total Return. Where such transactions are used to protect or enhance capital, the gains and losses derived therefrom are included in 'Net capital gains' in the Statement of Total Return. Any positions on such transactions open at the year end are reflected in the sub-fund's Portfolio of Investments at their fair value.

Stamp Duty Reserve Tax (SDRT)

SDRT will be charged to the sub-fund. It is the ACD's view that this will not be material.

Management Fee Rebates

Rebates on the underlying Funds' management fees are accounted for on an accruals basis and are subsequently attributed to the relevant Fund's revenue or capital consistent with the fee structure of the underlying Fund.

THE SENTINEL FUND AGGREGATED FINANCIAL STATEMENTS

2. NET CAPITAL GAINS/(LOSSES)

	31/07/13 £'000	31/07/12 £'000
Non-derivative securities	26,135	(5,040)
Capital management fee rebates	15	18
Currency (losses)/gains	(51)	49
Derivative securities	(287)	(757)
Forward currency contracts	(16)	(19)
Transaction charges	(10)	(8)
Net capital gains/(losses)	25,786	(5,757)

3. REVENUE

	31/07/13 £'000	31/07/12 £'000
Bank interest	39	7
Franked distributions	1,377	913
Franked UK dividends	91	44
Interest on debt securities	219	169
Management fee rebates	24	113
Offshore dividend CIS revenue	111	214
Offshore interest CIS revenue	161	456
Overseas dividends	294	16
Unfranked distributions	305	185
	2,621	2,117

4. EXPENSES

	31/07/13 £'000	31/07/12 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	2,120	2,720
	2,120	2,720
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	117	109
Safe custody fees	42	18
	159	127
Other expenses:		
Auditor's remuneration	18	15
EMX fees	10	9
Price publication fees	-	3
Printing fees	57	30
PRS fees	15	15
Registration fees	152	124
	252	196
Total expenses	2,531	3,043

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	31/07/13 £'000	31/07/12 £'000
Current tax:		
Irrecoverable income tax	-	1
Total current tax (note 5 (b))	-	1
Total taxation	-	1

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	31/07/13 £'000	31/07/12 £'000
Net revenue/(expense) before taxation	80	(927)
	80	(927)
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2012: 20%)	16	(186)
Effects of:		
Expenses not utilised in year	350	419
Franked UK dividends and distributions not subject to taxation	(316)	(234)
Irrecoverable income tax	-	1
Non trade loan deficits	6	-
Tax effect of capital management fee rebates	3	4
Tax effect on non-taxable overseas dividends	(59)	(3)
	-	1

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £1,606,855 (2012: £1,256,195) arising as a result of having unutilised management expenses. It is unlikely that the fund will obtain relief for these in the future so no deferred tax asset has been recognised.

THE SENTINEL FUND AGGREGATED FINANCIAL STATEMENTS

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31/07/13 £'000	31/07/12 £'000
Interim distribution	2	-
Interim accumulation	487	-
Final distribution	-	1
Final accumulation	316	56
	805	57
Add: Revenue deducted on cancellation of shares	44	5
Deduct: Revenue received on issue of shares	(204)	(9)
Net distributions for the year	645	53
Interest	10	1
Total finance costs	655	54

The difference between the net revenue/(expense) after taxation and the amounts distributed comprises:

Net revenue/(expense) after taxation	80	(928)
Deficit transferred to capital	565	981
Finance costs: Distributions	645	53

7. DEBTORS

	31/07/13 £'000	31/07/12 £'000
Accrued revenue	516	303
Amounts receivable for issue of shares	703	943
CIS income tax recoverable	97	-
Management fee rebates	117	129
Recoverable income tax	-	65
Sales awaiting settlement	-	3,761
	1,433	5,201

8. CASH AND BANK BALANCES

	31/07/13 £'000	31/07/12 £'000
Sterling	6,912	3,804
US dollar	11	6
Cash held at clearing houses	81	98
Cash and bank balances	7,004	3,908

9. BANK OVERDRAFTS

	31/07/13 £'000	31/07/12 £'000
Sterling	833	1,064
US dollar	4	21
	837	1,085

10. CREDITORS

	31/07/13 £'000	31/07/12 £'000
Accrued expenses	236	326
Amounts payable for cancellation of shares	196	814
Purchases awaiting settlement	552	3,599
	984	4,739

11. RELATED PARTIES

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

12. CONTINGENT LIABILITIES AND COMMITMENTS

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

13. FINANCIAL INSTRUMENTS

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

14. SHARE CLASSES

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

15. PORTFOLIO TRANSACTION COSTS

	31/07/13 £'000	31/07/12 £'000
Analysis of total purchase costs:		
Purchases in year before transaction costs	135,101	121,338
Commissions	38	13
Taxes	52	13
Total purchase costs	90	26
Gross purchases total	135,191	121,364
Analysis of total sale costs:		
Gross sales before transaction costs	131,339	96,784
Commissions	(20)	(13)
Total sale costs	(20)	(13)
Total sales net of transaction costs	131,319	96,771

SENTINEL DEFENSIVE PORTFOLIO

COMPARATIVE TABLES

Performance Record

Calendar Year	High (p)	Low (p)
---------------	----------	---------

Class A Income Shares

2009	99.94	81.18
2010	106.13	99.51
2011	108.90	103.62
2012	113.56	105.93
2013 ¹	117.22	113.63

Class A Accumulation Shares

2009	99.95	81.18
2010	106.14	99.51
2011	108.91	103.62
2012	113.57	105.94
2013 ¹	117.22	113.63

Class B Accumulation Shares

2012 ²	114.12	107.44
2013 ¹	118.34	114.22

Accumulation Record

Calendar Year	Net Income per Share (p)
---------------	--------------------------

Class A Income Shares

2009	-
2010	-
2011	-
2012	-
2013 ¹	-

Class A Accumulation Shares

2009	-
2010	-
2011	-
2012	-
2013 ¹	-

Class B Accumulation Shares

2012 ²	-
2013 ¹	0.1143

Net Asset Value (NAV)

As at	Shares in Issue	NAV per Share (p) ³
-------	-----------------	--------------------------------

Class A Income Shares

31/07/2011	464,317	107.79
31/07/2012	481,589	108.73
31/07/2013	446,799	116.75

Class A Accumulation Shares

31/07/2011	45,045,873	107.80
31/07/2012	50,674,316	108.74
31/07/2013	22,738,530	116.76

Class B Accumulation Shares

31/07/2012	164,313	108.85
31/07/2013	31,222,543	117.87

NAV of Sub-Fund (£)

Total NAV

31/07/2011	49,058,239
31/07/2012	55,805,141
31/07/2013	63,871,913

¹ To 31st July 2013.

² From 27th June 2012 to 31st December 2012.

³ The net asset value per share is calculated on a bid basis and excludes any distribution payable.

ONGOING CHARGES FIGURE (OCF)

	31/07/2013	31/07/2012
Class A Income & Accumulation Shares	1.42%	1.70%
Class B Accumulation Shares	0.67%	0.75%

The ongoing charges figure is based on the expenses for the year ending 31st July 2013 and may vary from year to year.

It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).

RISK AND REWARD INDICATOR (RRI)

Typically lower rewards Typically higher rewards

Lower risk ← → Higher risk

1 2 3 4 5 6 7

The Fund is ranked as 4 because it has experienced medium rises and falls in value over the past five years. Please note that even the lowest category does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund.

SENTINEL DEFENSIVE PORTFOLIO

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Sentinel Defensive Portfolio is to provide medium term capital growth from a portfolio of investments.

The investment policy of the sub-fund is to invest principally in a combination of zero dividend preference shares of quoted investment companies and securities which, in the Investment Adviser's opinion, are lower risk securities. The sub-fund may also invest in equities, units in collective investment schemes, fixed interest securities, money market instruments, structured products and other derivative instruments, deposits, warrants, cash and near cash. Investments may be made in immovable property typically through units in collective investment schemes and/or shares of property companies. The sub-fund may also invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the sub-fund).

Derivatives may be used by the sub-fund for both investment purposes and for the purposes of efficient portfolio management (including hedging) and the net asset value of the sub-fund may, therefore, at times be highly volatile. However, it is the Investment Adviser's intention that the sub-fund, owing to the portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets or their underlying investments.

The term 'structured products' simply refers to a group of financial instruments (which may be regarded as transferable securities, collective investment schemes or derivatives depending on the product in question) with varying terms, payout and risk profiles on a range of underlying assets. These products frequently combine the potential upside of market performance with limited downside.

They may also provide a fixed return in exchange for accepting a degree of risk or may generate gains from market falls. In addition to providing exposure to the asset classes described in the investment objective, the intention is that the use of structured products in the context of the sub-fund should assist with keeping the volatility levels of the sub-fund relatively low.

INVESTMENT REVIEW

PERFORMANCE

The Sentinel Defensive Fund produced a return of +7.3% over the reporting period. For comparison purposes, Gilts, as represented by the British Government All-Stocks Index, lost -3.6%, the FTSE 100 returned +22.0%, and cash returns, as represented by 3 Month Sterling London Interbank Offered Rate (LIBOR), returned a lacklustre +0.5%. Volatility of the Fund remains very low being only an eighth of that of the FTSE 100 and less than a quarter of Gilts, as measured by the British Government All Stocks index, during the period.

MARKET REVIEW

Mario Draghi's pledge to do "whatever it takes" to save the single currency marked a turning point for markets at the end of the last reporting period. Markets have, however, remained choppy throughout the period with investors continuing to second-guess when the US Federal Reserve will begin tapering its extensive asset buying programme.

Under the new Bank of England Governor, Mark Carney, the Monetary Policy Committee (MPC) has continued to maintain the base rate at 0.50% and quantitative easing at £375bn. The outlook for UK economic growth has improved over the period following a string of positive news. The UK economy avoided recession in the first quarter of 2013 with Gross Domestic Product (GDP) having increased by 0.3% between Q4 2012 and Q1 2013, and in the second quarter of 2013 GDP when compared to the same point last year also grew by 1.4%. Recent business surveys also indicate that sentiment is improving and that the green shoots of recovery may be starting to take root. Nonetheless, members of the MPC have still warned that "escape velocity" has yet to be achieved. Within the Eurozone, the outlook appears more challenging. Signs of recovery have begun to show but the weakness of Sovereign's balance sheets continue to act as a major drag on growth.

PORTFOLIO ACTIVITY

The Fund has retained a large weighting in Zero Dividend Preference Shares (zeros). These holdings have generated both attractive and stable returns. We have maintained larger exposures to the most senior zeros with greater downside protection. Two such holdings that redeemed at their final entitlement, over the reporting period were our exposure to Utilico 2012 zeros and JPMorgan Private Equity 2013 zeros, two of our largest holdings. We have reinvested some of these proceeds into existing holdings, such as further zeros issued by Utilico, as well as new zeros issued by other companies over the period. Of particular note, we invested in the new Smaller Companies Dividend Trust zeros, attractive due to its exposure to smaller companies and its strong set of covenants, this position is now priced at a 14.5% premium to its issue price. In addition, we have also taken positions in the new Inland Homes Plc zero and the Picton Property Income zero rollover, both performing strongly since purchase, with more stable asset bases than traditional equity markets.

With equity markets trading higher and credit spreads tightening sharply over the period, structured products have performed particularly well. Equity volatility has also fallen back towards five year lows, which has added to the performance of structured products. Whilst we have taken the opportunity to add to a few existing holdings, we have generally reduced our exposure to structured products through sales and natural redemptions. We saw several autocalls redeem on their first anniversary due to sufficiently high equity markets.

Whilst we are happy to hold higher levels of cash when we can't find value in the markets, it has not been the case over this reporting period. We have continued to find attractive opportunities across the investment company universe. Often with our investment company holdings, we reduce our exposure to the net asset value (NAV) of the companies and therefore the performance we receive is more linked to the discount or premium that the shares trade to the NAV. We have also found value within the investment company convertible bond universe and investment company hedge fund universe, such as Brevan Howard Global, trading on a wide discount. Particular success came from investing in private equity through the Electra convertible and indirectly through the Cayenne Trust. Our smaller companies' exposure both at home, through the Smaller Companies Dividend Trust zeros, and abroad, through the Aberdeen Asian Smaller Companies convertibles, have performed excellently, the latter being reduced in favour of Edinburgh Dragon convertible bonds. In addition, we have generated attractive returns away from asset allocation. For instance we realised profits following the restructuring of a timber investment company and we have continued to generate uncorrelated returns from corporate actions and wind ups.

OUTLOOK

For western economies, there does now appear to be light at the end of the tunnel with signs of growth beginning to show, particularly within the US and the UK. Nevertheless, given the long process of deleveraging and supply-side reform, a return to sustainable growth remains fragile. The Cyprus debt crisis demonstrated that a flare-up within the Eurozone is still possible and the lacklustre performance of the BRICS (Brazil, Russia, India, China and South Africa) in recent months presents further risk to global economic recovery. It seems likely we will face further setbacks given the fundamentally weak state of sovereign balance sheets, high levels of unemployment and relentless political interference. That said, banks are increasingly looking safer amidst tighter regulation, corporate balance sheets haven't been stronger, and tail risks of investing appear to be greatly reduced. Given the nature of the Fund, we remain defensively positioned.

Source: Premier Fund Managers Ltd, August 2013. Performance data taken from FE Analytics, quoted on a total return, bid to bid, UK sterling basis.

SENTINEL DEFENSIVE PORTFOLIO

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Utilico Finance 2012 ZDP	1,656	JPMorgan Private Equity ZDP 2015	2,814
EcoFin Water & Power Finance ZDP 2017	1,224	Utilico Finance 2012 ZDP	2,603
JPMorgan Income & Capital Trust ZDP 2019	1,131	Abbey National Treasury Index Linked 15/06/2014	1,369
Brevan Howard Global	1,116	Rabobank Synthetic Zero 15/12/2017	1,363
Picton Property Income ZDP 2017	1,100	Royal Bank of Canada Synthetic Zero 29/05/2018	1,281
Real Estate Credit Investments PCC	1,076	Absolute Return Trust	1,019
Small Companies Dividend Trust ZDP 2015	1,050	Co-operative Group 5.875% 18/12/2013	999
Co-operative Group 5.875% 18/12/2013	1,018	Barclays FTSE Synthetic Zero 2014	912
Premier Energy & Water Trust ZDP 2015	990	UBS FTSE Synthetic Zero 2017	870
Alliance Trust	957	Credit Suisse FTSE Synthetic Zero 2018	858
Total purchases during the year were	33,075	Total sales during the year were	29,544

SENTINEL DEFENSIVE PORTFOLIO

PORTFOLIO OF INVESTMENTS

As at 31st July 2013

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
AUTOCALLS 4.59% (4.16%)			
889,974	JPMorgan 6Y FTSE/SP500/Euro50 10% Autocall 15/04/2019	922	1.44
800,000	JPMorgan FTSE/SP500 8.2% Autocall Call 30/05/2019	803	1.26
600,000	Credit Suisse 6yr FTSE/Eurostoxx 8.35% Autocall 22/05/2016	601	0.94
600,000	MS 5Y FTSE 100 5.50% Autocall 10/06/2018	606	0.95
		2,932	4.59
CONVERTIBLE BONDS 7.93% (8.93%)			
630,000	Aberdeen Asian Smaller Companies 3.5% CULS 31/05/2019	756	1.19
745,000	Cayenne Trust 3.25% CULS 31/07/2016	745	1.17
625,023	City Natural Resources High Yield CULS 3.5% 30/09/2018	569	0.89
1,325,000	EcoFin Water & Power 6% CULS 31/05/2016	1,361	2.13
633,000	Edinburgh Dragon Trust 3.50% CULS 31/01/2018	658	1.03
735	Electra Private Equity 5% CULS 29/12/2017	882	1.38
75,000	Standard Life UK Smaller Companies 3.5% CULS 31/03/2018	91	0.14
		5,062	7.93
FIXED INCOME 1.92% (1.05%)			
113,000	F&C Finance 9.00% 20/12/2016	122	0.19
1,050,000	Real Estate Credit Investments PCC	1,103	1.73
		1,225	1.92
INVESTMENT COMPANIES 18.70% (11.13%)			
480,000	Acencia Debt Strategies	463	0.72
225,000	Alliance Trust	996	1.56
576,284	Battersea Power Station ¹	-	-
432,531	Battersea Power Station Warrants ¹	-	-
33,000	BlackRock World Mining Trust	155	0.24
170,000	Bluecrest Allblue	306	0.48
65,500	Brevan Howard Credit Catalyst	770	1.21
143,785	Brevan Howard Global	1,704	2.67
22,000	Brevan Howard Macro	480	0.75
60,000	British Empire Securities and General Trust	299	0.47
20,000	Brunner Investment Trust	100	0.16
419,100	Burford Capital	469	0.73
477,000	Dexion Absolute	713	1.12
400,000	Dexion Trading	541	0.85
212,666	FRM Credit Alpha	117	0.18
80,169	FRM Diversified Alpha	26	0.04
55,885	Goldman Sachs Dynamic Opportunities	42	0.07
120,000	Herald Investment Trust	670	1.05
388,941	Investec Capital Accumulator	-	-
100,000	JPMorgan Claverhouse Investment Trust	552	0.86
20,000	Jupiter Primadona Growth Trust	264	0.41
400,000	Juridica Investments	502	0.79
680,000	Miton Worldwide Growth Investment Trust	988	1.55
490,000	Phaunos Timber Fund	152	0.24
192,963	Real Estate Opportunities	-	-
1,010,000	The Cayenne Trust	1,323	2.07
140,000	World Trust Fund	306	0.48
		11,938	18.70

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
PORTFOLIO HEDGES 0.46% (0.43%)			
200,000	Santander 3yr HPI Linked Note	167	0.26
3,350	IPATH S&P500 VIX Short Term Future	5	0.01
20	FTSE 100 Put Options 5500 20/09/2013	1	-
10	FTSE 100 Put Options 6000 21/03/2014	17	0.03
6	FTSE 100 Put Options 6200 20/12/2013	8	0.01
14	FTSE 100 Put Options 6400 20/12/2013	27	0.04
7	FTSE 100 Put Options 6600 20/12/2013	19	0.03
3	FTSE 100 Put Options 6600 21/03/2014	11	0.02
2	FTSE 100 Put Options 6700 21/03/2014	9	0.01
(15)	FUTURE LONG GILT LIF SEPTEMBER 2013	35	0.05
(100)	FUTURE SHORT GILT LIF SEPTEMBER 2013	(15)	(0.02)
7	S&P 500 Put Options 1550 21/12/2013	11	0.02
		295	0.46
SYNTHETIC ZEROS 29.06% (37.53%)			
900,000	Barclays FTSE Synthetic Zero 2015	1,210	1.89
750,000	Barclays FTSE Synthetic Zero 2015	997	1.56
1,200,000	Credit Suisse FTSE Synthetic Zero 2016	1,410	2.21
460,000	Goldman Sachs FTSE Synthetic Zero 2015	615	0.96
1,000,000	Goldman Sachs FTSE 100 Dividend Index 2014	1,847	2.89
225,000	HSBC EPRA Synthetic Zero 2015	293	0.46
1,500,000	HSBC FTSE Synthetic Zero 2014	1,696	2.66
300,000	HSBC FTSE Synthetic Zero 2017	381	0.60
950,000	Morgan Stanley FTSE Synthetic Zero 2014	1,080	1.69
600,000	Morgan Stanley FTSE Synthetic Zero 2015	664	1.04
135,000	Morgan Stanley FTSE Synthetic Zero 2017	168	0.26
800,000	Nomura FTSE Synthetic Zero 2014	930	1.46
250,000	Nomura FTSE Synthetic Zero 2014	291	0.46
9	Rabobank FTSE Synthetic Zero 2017	529	0.83
13,500	RBS FTSE Synthetic Zero 2014	1,577	2.47
600,000	Societe Generale Utilities Capital Solution 2018	625	0.98
1,100,000	Symphony FTSE 100 Synthetic ZDP 2013	1,638	2.56
900,000	UBS FTSE/SP500 Synthetic Zero 2016	957	1.50
1,000,000	UBS FTSE Synthetic Zero 2016	1,260	1.97
325,000	UBS S&P 500 Accrual Synthetic Zero 2014	390	0.61
		18,558	29.06
ZERO DIVIDEND PREFERENCE SHARES 35.69% (34.65%)			
931,000	Aberforth Geared Income Trust ZDP 2017	1,268	1.99
1,522,888	Acorn Income Fund ZDP 2017	1,797	2.81
1,127,000	Ecofin Water & Power Finance ZDP 2017	1,620	2.54
1,110,000	Electra Private Equity ZDP 2016	1,540	2.41
1,751,000	F&C Private Equity ZDP 2016	2,513	3.93
800,000	Inland Homes ZDP 2014	876	1.37
560,000	JPMorgan Income & Capital Trust ZDP 2019	875	1.37
630,000	JPMorgan Private Equity ZDP 2015	498	0.78
6,647,257	Jupiter Second Split Trust ZDP 2015	2,526	3.95
786,000	JZ Capital Partners ZDP 2014	2,566	4.02
571,000	M&G High Income Trust ZDP 2016	577	0.90
820,000	Picton Property Income ZDP 2017	902	1.41
589,076	Premier Energy & Water Trust ZDP 2015	1,140	1.78
17,408	Royal London UK Equity & Income ZDP	-	-
612,500	Smaller Companies Dividend Trust ZDP 2015	692	1.08
1,889,665	Utilico Finance ZDP 2014	3,005	4.70
250,000	Utilico Finance ZDP 2016	414	0.65
		22,809	35.69

SENTINEL DEFENSIVE PORTFOLIO

PORTFOLIO OF INVESTMENTS

As at 31st July 2013

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
FORWARD FX CURRENCY CONTRACTS (0.03%) (0.01%)			
USD (20,000)	Sold USD Bought GBP 13,362 for Settlement on 08/09/2013	-	-
USD (250,000)	Sold USD Bought GBP 160,564 for Settlement on 08/09/2013	(4)	(0.01)
USD (1,385,000)	Sold USD Bought GBP 898,891 for Settlement on 08/09/2013	(13)	(0.02)
		(17)	(0.03)
Total Value of Investments		62,802	98.32
Net Other Assets		1,070	1.68
Total Net Assets		63,872	100.00

Figures in brackets represent sector distribution at 31st July 2012.

¹ Securities in liquidation/delisted

SENTINEL DEFENSIVE PORTFOLIO

STATEMENT OF TOTAL RETURN

For the year ended 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
Income			
Net capital gains	2	4,698	1,200
Revenue	3	391	228
Expenses	4	(748)	(875)
Finance costs: Interest	6	(1)	(1)
Net expense before taxation		(358)	(648)
Taxation	5	-	-
Net expense after taxation		(358)	(648)
Total return before distributions		4,340	552
Finance costs: Distributions	6	(25)	-
Change in net assets attributable to shareholders from investment activities		4,315	552

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31st July 2013

	Note	31/07/13 £'000	31/07/12 £'000
Opening net assets attributable to shareholders		55,805	49,058
Amounts receivable on issue of shares		42,746	13,463
Amounts payable on cancellation of shares		(38,971)	(7,248)
		3,775	6,215
Dilution levy		5	-
Stamp duty reserve tax		(58)	(20)
Change in net assets attributable to shareholders from investment activities		4,315	552
Retained distribution on accumulation shares	6	30	-
Closing net assets attributable to shareholders		63,872	55,805

BALANCE SHEET

As at 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
ASSETS			
Investment assets		62,834	54,627
Debtors	7	337	190
Cash and bank balances	8	1,403	1,946
Total other assets		1,740	2,136
Total assets		64,574	56,763
LIABILITIES			
Investment liabilities		(32)	-
Creditors	10	(351)	(405)
Bank overdrafts	9	(319)	(553)
Total other liabilities		(670)	(958)
Total liabilities		(702)	(958)
Net assets attributable to shareholders		63,872	55,805

The notes on pages 15 to 17 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)
11th November 2013



Mark Friend
Chief Operating Officer (of the ACD)

SENTINEL DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies are set out in the aggregated notes to the financial statements on pages 6 to 8.

2. NET CAPITAL GAINS

	31/07/13 £'000	31/07/12 £'000
Non-derivative securities	4,987	1,920
Currency gains	19	61
Derivative contracts	(287)	(757)
Forward currency contracts	(16)	(19)
Transaction charges	(5)	(5)
Net capital gains	4,698	1,200

3. REVENUE

	31/07/13 £'000	31/07/12 £'000
Bank interest	10	5
Franked UK dividends	91	44
Interest on debt securities	219	169
Overseas dividends	71	10
	391	228

4. EXPENSES

	31/07/13 £'000	31/07/12 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	624	775
	624	775
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	35	32
Safe custody fees	14	6
	49	38
Other expenses:		
Auditor's remuneration	6	5
EMX fees	3	3
Price publication fees	-	1
Printing fees	16	6
PRS fees	5	5
Registration fees	45	42
	75	62
Total expenses	748	875

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	31/07/13 £'000	31/07/12 £'000
Current tax:		
Irrecoverable income tax	-	-
Total current tax (note 5 (b))	-	-
Total taxation	-	-

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	31/07/13 £'000	31/07/12 £'000
Net expense before taxation	(358)	(648)
	(358)	(648)
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2012: 20%)	(71)	(130)
Effects of:		
Expenses not utilised in year	103	141
Franked UK dividends and distributions not subject to taxation	(18)	(9)
Tax effect on non-taxable overseas dividends	(14)	(2)
Current tax charge (note 5 (a))	-	-

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £531,848 (2012: £427,808) arising as a result of having unutilised management expenses. It is unlikely that the fund will obtain relief for these in the future so no deferred tax asset has been recognised.

SENTINEL DEFENSIVE PORTFOLIO

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31/07/13 £'000	31/07/12 £'000
Interim accumulation	12	-
Final accumulation	18	-
	30	-
Add: Revenue deducted on cancellation of shares	1	-
Deduct: Revenue received on issue of shares	(6)	-
Net distributions for the year	25	-
Interest	1	1
Total finance costs	26	1

The difference between the net expense after taxation and the amounts distributed comprises:

Net expense after taxation	(358)	(648)
Deficit transferred to capital	383	648
Finance costs: Distributions	25	-

7. DEBTORS

	31/07/13 £'000	31/07/12 £'000
Accrued revenue	16	16
Amounts receivable for issue of shares	321	96
Sales awaiting settlement	-	78
	337	190

8. CASH AND BANK BALANCES

	31/07/13 £'000	31/07/12 £'000
Sterling	1,319	1,847
US dollar	3	1
Cash held at clearing houses	81	98
Cash and bank balances	1,403	1,946

9. BANK OVERDRAFTS

	31/07/13 £'000	31/07/12 £'000
Sterling	319	533
US dollar	-	20
	319	553

10. CREDITORS

	31/07/13 £'000	31/07/12 £'000
Accrued expenses	69	100
Amounts payable for cancellation of shares	42	254
Purchases awaiting settlement	240	51
	351	405

11. RELATED PARTIES

Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 4. Amounts due at the year end are included within accrued expenses on the balance sheet where applicable.

12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2012: £nil).

13. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The investment adviser considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

Currency Risk

The currency profile of the sub-fund's financial instruments at the balance sheet date (including short term debtors and creditors) was:

Currency exposure as at 31st July 2013

Currency	Portfolio of Investments £'000	Forward Currency Contracts £'000	Net Other Assets £'000	Total £'000	Total Exposure %
US dollar	162	(1,089)	3	(924)	(1.45)
	162	(1,089)	3	(924)	(1.45)
Sterling	62,657	1,072	1,067	64,796	101.45
Total	62,819	(17)	1,070	63,872	100.00

Currency exposure as at 31st July 2012

Currency	Portfolio of Investments £'000	Forward Currency Contracts £'000	Net Other Assets £'000	Total £'000	Total Exposure %
Euro	-	40	(20)	20	0.04
US dollar	-	(529)	1	(528)	(0.95)
	-	(489)	(19)	(508)	(0.91)
Sterling	54,621	495	1,197	56,313	100.91
Total	54,621	6	1,178	55,805	100.00

SENTINEL DEFENSIVE PORTFOLIO

There was significant indirect foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

Interest Rate Risk

The sub-fund does not have any material direct interest rate risk as the majority of financial assets are in collective investment schemes, investment trusts and structured plans, which do not pay interest. However, some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

The sub-fund will be exposed to some interest rate risk as its financial assets include zero dividend preference shares as disclosed in the portfolio of investments on pages 12 and 13. Other than this the only interest-bearing financial asset of the sub-fund is bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall due within one year.

Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the investment adviser as an acceptable counterparty and from recognised product providers.

The sub-fund is exposed to counterparty risk with the issuers of structured plans.

The sub-fund is exposed to a credit risk whereby the issuer of ZDP's may default on its obligations.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

Derivatives used during the year comprise forward foreign currency contracts, futures and options contracts. Forward foreign currency contracts are used to manage currency risk arising from investing in

overseas securities. Futures and options are used to hedge the market risk associated with other holdings or for investment purposes as permitted by the sub-fund's investment objective and policy. Open positions at the balance sheet date, are disclosed as either 'Investment Assets' or 'Investment Liabilities' in the balance Sheet. Unrealised gain/(losses) on forward foreign exchange transactions are taken to capital. The value of these investments may fluctuate significantly. Derivatives may be used by the sub-fund for both investment purposes and for the purposes of efficient portfolio management (including hedging). Amounts treated as revenue and capital respectively are shown in notes 2 and 3.

14. SHARE CLASSES

The sub-fund currently has three types of shares. The AMC on each share class is as follows:

Class A Income & Accumulation Shares:	1.20%
Class B Accumulation Shares:	0.45%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 9. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables below and on page 18.

15. PORTFOLIO TRANSACTION COSTS

	31/07/13 £'000	31/07/12 £'000
Analysis of total purchase costs:		
Purchases in year before transaction costs	32,987	33,345
Commissions	36	13
Taxes	52	13
Total purchase costs	88	26
Gross purchases total	33,075	33,371
Analysis of total sale costs:		
Gross sales before transaction costs	29,560	28,112
Commissions	(16)	(12)
Total sale costs	(16)	(12)
Total sales net of transaction costs	29,544	28,100

DISTRIBUTION TABLES

For the period from 1st August 2012 to 31st January 2013

Interim Dividend distribution in pence per share

Expenses exceeded revenue during the period, as a result no distributions were paid for Class A Income & Class A Accumulation Shares (2012: same).

Class B Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 28/03/13	30/03/12
Group 1	0.0564	-	0.0564	-
Group 2	0.0330	0.0234	0.0564	-

SENTINEL DEFENSIVE PORTFOLIO

DISTRIBUTION TABLES - *continued*

For the period from 1st February 2013 to 31st July 2013

Final Dividend distribution in pence per share

Expenses exceeded revenue during the period, as a result no distributions were paid for Class A Income & Class A Accumulation Shares (2012: same).

Class B Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			29/11/13	30/11/12
Group 1	0.0579	-	0.0579	-
Group 2	-	0.0579	0.0579	-

SENTINEL ENTERPRISE PORTFOLIO

COMPARATIVE TABLES

Performance Record

Calendar Year	High (p)	Low (p)
---------------	----------	---------

Class A Income Shares

2009	98.31	67.12
2010	113.93	91.67
2011	115.18	90.34
2012	106.37	93.60
2013 ¹	116.95	102.83

Class A Accumulation Shares

2009	98.31	67.12
2010	113.96	91.70
2011	115.21	90.20
2012	106.24	93.49
2013 ¹	116.79	102.70

Class B Accumulation Shares

2012 ²	105.88	94.70
2013 ¹	117.86	103.71

Accumulation Record

Calendar Year	Net Income per Share (p)
---------------	--------------------------

Class A Income Shares

2009	-
2010	-
2011	-
2012	-
2013 ¹	-

Class A Accumulation Shares

2009	-
2010	-
2011	-
2012	-
2013 ¹	-

Class B Accumulation Shares

2012 ²	0.0500
2013 ¹	0.5503

Net Asset Value (NAV)

As at	Shares in Issue	NAV per Share (p) ³
-------	-----------------	--------------------------------

Class A Income Shares

31/07/2011	436,250	108.42
31/07/2012	455,700	97.10
31/07/2013	439,353	109.90

Class A Accumulation Shares

31/07/2011	46,286,485	108.24
31/07/2012	49,562,930	97.10
31/07/2013	22,442,387	109.75

Class B Accumulation Shares

31/07/2012	288,208	97.26
31/07/2013	30,251,173	110.91

NAV of Sub-Fund (£)

Total NAV

31/07/2011	50,574,471
31/07/2012	48,849,134
31/07/2013	58,664,544

¹ To 31st July 2013.

² From 27th June 2012 to 31st December 2012.

³ The net asset value per share is calculated on a bid basis and excludes any distribution payable.

ONGOING CHARGES FIGURE (OCF)

	31/07/2013	31/07/2012
Class A Income & Accumulation Shares	2.37%	2.62%
Class B Accumulation Shares	1.62%	1.67%

The ongoing charges figure is based on the expenses for the year ending 31st July 2013 and may vary from year to year.

It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).

RISK AND REWARD INDICATOR (RRI)

Typically lower rewards ← Typically higher rewards

Lower risk ← → Higher risk

1 2 3 4 5 **6** 7

The Fund is ranked as 6 because it has experienced relatively high rises and falls in value over the past five years. Please note that even the lowest category does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund.

SENTINEL ENTERPRISE PORTFOLIO

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Sentinel Enterprise Portfolio is to provide long term capital growth from a portfolio of investments.

The investment policy of the sub-fund is to invest mainly in units of equity and fixed interest based collective investment schemes, the majority of which will be UK investment funds. The sub-fund may also invest in equities, fixed interest securities, money market instruments, structured products and other derivative instruments, deposits, warrants, cash and near cash. Investments may be made indirectly in immovable property typically through units in collective investment schemes and/or shares in property companies. The sub-fund may also invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the sub-fund).

Derivatives may be used by the sub-fund for both investment purposes and for the purposes of efficient portfolio management (including hedging) and the net asset value of the sub-fund may, therefore, at times be highly volatile. However, it is the Investment Adviser's intention that the sub-fund, owing to the portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets or their underlying investments.

The term 'structured products' simply refers to a group of financial instruments (which may be regarded as transferable securities, collective investment schemes or derivatives depending on the product in question) with varying terms, payout and risk profiles on a range of underlying assets. These products frequently combine the potential upside of market performance with limited downside. They may also provide a fixed return in exchange for accepting a degree of risk or may generate gains from market falls. In addition to providing exposure to the asset classes described in the investment objective, the intention is that the use of structured products in the context of the Fund should assist with keeping the volatility levels of the Fund relatively low.

INVESTMENT REVIEW

PERFORMANCE

The Fund returned 13.0% over the reporting period, which generally reflected increases in the global equity markets. The significant exposure to the fast-growing economies of Asia and Emerging Markets benefitted performance for the majority of the period.

MARKET REVIEW

Confidence has returned to global equity markets during the reporting period. This initially began with Mario Draghi (the President of the European Central Bank) pledging in May 2012 that he would support the euro. This continued as agreements on debt were resolved in the US (the fiscal cliff), economic data generally signalled improving conditions and feelings of fear gradually subsided.

Asia and Emerging Markets generally performed strongly throughout the period, but fell more than Western markets when the Federal Reserve signalled in May that the current stimulus package could be reduced later this year.

PORTFOLIO ACTIVITY

The portfolio activity during this reporting period has been considerably increased above normal levels due to the appointment of a new fund manager. Toby Ricketts, the CEO of Margetts Fund Management Ltd was appointed as fund manager of the Sentinel Enterprise Fund on 1 September 2012 and a number of changes were made shortly after this appointment.

Although these changes have been significant, the geographical allocation has remained relatively consistent with a preference for the fast-growing, lower debt economies of Asia and Emerging Markets as outlined in the most recent interim report.

The underlying selection has a style bias towards businesses with stable and growing earnings as we expect this style to provide more consistent returns with a higher level of protection during periods of market falls. The Fund

currently holds six funds (out of a total of 15 holdings) which specifically target dividends and this represents slightly under 40% of the total Fund investments.

Since the interim reporting period, further asset allocation changes have occurred, as holdings in Emerging Markets have been increased by 6% to circa 30% whilst UK exposure has reduced by a similar amount to 8%. Allocations of 33% to Asia and 12% to Europe have remained consistent with the US exposure increasing.

Cash allocations have varied as the manager has looked to increase cash following periods of strong rises and re-invest following falls to benefit from market timing. The highest level of cash held during the period has been 10% (except as a result of awaiting proceeds for re-investment) with the cash level at the end of the period at approx. 5%.

OUTLOOK

The current investment climate is uncharted with very few, if any, historical periods which provide useful comparisons; the main differential being the level of stimulus introduced in the wake of the banking crisis. As a consequence, there is a feeling of uncertainty amongst investment professionals and global markets have become prone to a herd mentality. It is understandable that when uncertainty prevails, managers are more likely to follow the consensus view as this provides a comfortable defence if performance is poor.

Over the longer term, it is the performance of companies and economies which will determine the growth rather than the comments of officials and politicians. There is a high risk associated with following short-term trends and it is important to focus on medium and longer-term expectations in the pursuit of investment returns.

The current concern with regard to falling growth in China and the impact this may have on Asia is overstated in our opinion and the value and growth opportunities in this region are being overlooked as a consequence. Similarly, we believe the popularity of the US stock market is overlooking the considerable debt issues which are yet to be resolved fully.

We continue to believe that the current environment remains supportive of equities generally and the value within the fast-growing and lower debt economies will provide higher long term rewards.

Source: Margetts Fund Management Ltd, August 2013. Performance data taken from FE Analytics, quoted on a total return, bid to bid, UK sterling basis.

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Royal London Equity US Tracker	5,200	Henderson US Growth 'P' Old Mutual Dublin UK Dynamic Equity 'I'	5,203 5,011
Somerset Emerging Markets Growth 'A'	4,465	UBS II Emerging Markets Equity Income	4,094
Aberdeen Emerging Markets 'I'	4,120	Investec Global Gold 'I'	3,901
First State Global Emerging Markets Leaders 'B'	4,120	Newton Asian Income	3,849
UBS II Emerging Markets Equity Income	4,120	Hexam Global Emerging Markets 'I'	3,572
UBS Emerging Markets Equity Income 'C'	4,094	River & Mercantile UK Equity Smaller Companies 'A'	3,165
Newton Asian Income 'W'	3,989	Martin Currie GF Global Resources (USD)	2,998
Aberdeen Asia Pacific 'I'	3,600	Fundsmith Equity	2,875
First State Asia Pacific Leaders 'B'	3,395	Martin Currie China 'B'	2,516
Schroder Asian Alpha Plus 'Z'	3,390		
Total purchases during the year were	61,642	Total sales during the year were	61,228

SENTINEL ENTERPRISE PORTFOLIO

PORTFOLIO OF INVESTMENTS

As at 31st July 2013

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
COLLECTIVE INVESTMENT SCHEMES 94.30% (98.51%)			
Asia Pacific 32.97% (0.00%)			
1,949,097	Aberdeen Asia Pacific 'I'	4,084	6.96
872,638	First State Asia Pacific Leaders 'B'	3,860	6.58
3,242,795	Newton Asian Income 'W'	3,721	6.34
6,296,273	Schroder Asian Income 'Z'	3,894	6.64
6,596,577	Schroder Asian Alpha Plus 'Z'	3,784	6.45
		19,343	32.97
Emerging Markets 29.93% (0.00%)			
747,427	Aberdeen Emerging Markets 'I'	4,373	7.45
1,028,283	First State Global Emerging Markets Leaders 'B'	4,577	7.80
3,547,781	Somerset Emerging Markets Growth 'A'	4,420	7.54
8,351,541	UBS Emerging Markets Equity Income 'C'	4,187	7.14
		17,557	29.93
Europe 11.51% (3.93%)			
1,014,436	BlackRock European Dynamic 'D'	3,445	5.87
3,601,607	Standard Life European Equity Income 'I'	3,311	5.64
		6,756	11.51
Global 5.42% (53.34%)			
1,981,004	Fundsmith Equity 'I'	3,178	5.42
		3,178	5.42
North America 6.45% (10.66%)			
2,249,171	Royal London Equity US Tracker	3,781	6.45
		3,781	6.45
United Kingdom 8.02% (30.58%)			
1,247,504	Altus Resource Capital	898	1.53
2,698,058	Ardevora UK Income	3,806	6.49
		4,704	8.02
Total Value of Investments		55,319	94.30
Net Other Assets		3,346	5.70
Total Net Assets		58,665	100.00

Figures in brackets represent sector distribution at 31st July 2012.

SENTINEL ENTERPRISE PORTFOLIO

STATEMENT OF TOTAL RETURN

For the year ended 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
Income			
Net capital gains/(losses)	2	6,757	(4,758)
Revenue	3	652	500
Expenses	4	(697)	(833)
Finance costs: Interest	6	(8)	-
Net expense before taxation		(53)	(333)
Taxation	5	-	-
Net expense after taxation		(53)	(333)
Total return before distributions		6,704	(5,091)
Finance costs: Distributions	6	(115)	-
Change in net assets attributable to shareholders from investment activities		6,589	(5,091)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31st July 2013

	Note	31/07/13 £'000	31/07/12 £'000
Opening net assets attributable to shareholders		48,849	50,574
Amounts receivable on issue of shares		39,936	21,914
Amounts payable on cancellation of shares		(36,822)	(18,508)
		3,114	3,406
Dilution levy		1	-
Stamp duty reserve tax		(41)	(40)
Change in net assets attributable to shareholders from investment activities		6,589	(5,091)
Retained distribution on accumulation shares	6	153	-
Closing net assets attributable to shareholders		58,665	48,849

BALANCE SHEET

As at 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
ASSETS			
Investment assets		55,319	48,121
Debtors	7	554	681
Cash and bank balances	8	3,533	916
Total other assets		4,087	1,597
Total assets		59,406	49,718
LIABILITIES			
Creditors	10	(413)	(352)
Bank overdrafts	9	(328)	(517)
Total liabilities		(741)	(869)
Net assets attributable to shareholders		58,665	48,849

The notes on pages 23 to 25 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)
11th November 2013



Mark Friend
Chief Operating Officer (of the ACD)

SENTINEL ENTERPRISE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies are set out in the aggregated notes to the financial statements on pages 6 to 8.

2. NET CAPITAL GAINS/(LOSSES)

	31/07/13 £'000	31/07/12 £'000
Non-derivative securities	6,785	(4,761)
Capital management fee rebates	1	4
Currency losses	(26)	-
Transaction charges	(3)	(1)
Net capital gains/(losses)	6,757	(4,758)

3. REVENUE

	31/07/13 £'000	31/07/12 £'000
Bank interest	10	-
Franked distributions	668	316
Management fee rebates	(28)	87
Offshore CIS revenue	-	96
Unfranked distributions	2	1
	652	500

4. EXPENSES

	31/07/13 £'000	31/07/12 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	563	725
	563	725
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	32	30
Safe custody fees	14	5
	46	35
Other expenses:		
Auditor's remuneration	6	5
EMX fees	4	3
Price publication fees	-	1
Printing fees	22	17
PRS fees	5	5
Registration fees	51	42
	88	73
Total expenses	697	833

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	31/07/13 £'000	31/07/12 £'000
Current tax:		
Irrecoverable income tax	-	-
Total current tax (note 5 (b))	-	-
Total taxation	-	-

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	31/07/13 £'000	31/07/12 £'000
Net expense before taxation	(53)	(333)
	(53)	(333)
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2012: 20%)	(11)	(67)
Effects of:		
Expenses not utilised in year	139	148
Franked UK dividends and distributions not subject to taxation	(134)	(82)
Non trade loan deficits	6	-
Tax effect of capital management fee rebates	-	1
Current tax charge (note 5 (a))	-	-

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £576,471 (2012: £437,473) arising as a result of having unutilised management expenses. It is unlikely that the fund will obtain relief for these in the future so no deferred tax asset has been recognised.

SENTINEL ENTERPRISE PORTFOLIO

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31/07/13 £'000	31/07/12 £'000
Interim accumulation	50	-
Final accumulation	103	-
	153	-
Add: Revenue deducted on cancellation of shares	3	-
Deduct: Revenue received on issue of shares	(41)	-
Net distributions for the year	115	-
Interest	8	-
Total finance costs	123	-

The difference between the net expense after taxation and the amounts distributed comprises:

Net expense after taxation	(53)	(333)
Deficit transferred to capital	168	333
Finance costs: Distributions	115	-

7. DEBTORS

	31/07/13 £'000	31/07/12 £'000
Accrued revenue	284	179
Amounts receivable for issue of shares	224	412
Management fee rebates	46	90
	554	681

8. CASH AND BANK BALANCES

	31/07/13 £'000	31/07/12 £'000
Sterling	3,529	912
US dollar	4	4
Cash and bank balances	3,533	916

9. BANK OVERDRAFTS

	31/07/13 £'000	31/07/12 £'000
Sterling	328	517
	328	517

10. CREDITORS

	31/07/13 £'000	31/07/12 £'000
Accrued expenses	73	90
Amounts payable for cancellation of shares	57	192
Purchases awaiting settlement	283	70
	413	352

11. RELATED PARTIES

Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 4. Amounts due at the year end are included within accrued expenses on the balance sheet where applicable.

12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2012: £nil).

13. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The investment adviser considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

Currency Risk

The currency profile of the sub-fund's financial instruments at the balance sheet date (including short term debtors and creditors) was:

Currency exposure as at 31st July 2013

Currency	Portfolio of Investments £'000	Net Other Assets £'000	Total £'000	Total Exposure %
US dollar	-	4	4	0.01
	-	4	4	0.01
Sterling	55,319	3,342	58,661	99.99
Total	55,319	3,346	58,665	100.00

Currency exposure as at 31st July 2012

Currency	Portfolio of Investments £'000	Net Other Assets £'000	Total £'000	Total Exposure %
US dollar	4,346	4	4,350	8.90
	4,346	4	4,350	8.90
Sterling	43,775	724	44,499	91.10
Total	48,121	728	48,849	100.00

SENTINEL ENTERPRISE PORTFOLIO

There was significant indirect foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

Interest Rate Risk

The sub-fund does not have any direct interest rate risk as the majority of financial assets are in collective investment schemes, which do not pay interest. However, some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

The only interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall due within one year.

Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the investment adviser as an acceptable counterparty and from recognised product providers.

The sub-fund is exposed to a credit risk whereby the issuer of securities may default on its obligations.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-fund does not hold any derivatives or forward transactions.

The investment adviser does not use derivative instruments to hedge the investment portfolio against risk.

14. SHARE CLASSES

The sub-fund currently has three types of shares. The AMC on each share class is as follows:

Class A Income & Accumulation Shares:	1.20%
Class B Accumulation Shares:	0.45%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 19. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on this page.

15. PORTFOLIO TRANSACTION COSTS

	31/07/13 £'000	31/07/12 £'000
Analysis of total purchase costs:		
Purchases in year before transaction costs	61,642	13,242
Commissions	-	-
Total purchase costs	-	-
Gross purchases total	61,642	13,242
Analysis of total sale costs:		
Gross sales before transaction costs	61,228	7,515
Commissions	-	-
Total sale costs	-	-
Total sales net of transaction costs	61,228	7,515

DISTRIBUTION TABLES

For the period from 1st August 2012 to 31st January 2013

Interim Dividend distribution in pence per share

Expenses exceeded revenue during the period, as a result no distributions were paid for Class A Income & Class A Accumulation Shares (2012: same).

Class B Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 28/03/13	30/03/12
Group 1	0.2104	-	0.2104	-
Group 2	0.0818	0.1286	0.2104	-

For the period from 1st February 2013 to 31st July 2013

Final dividend distribution in pence per share

Expenses exceeded revenue during the period, as a result no distributions were paid for Class A Income & Class A Accumulation Shares (2012: same).

Class B Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 29/11/13	30/11/12
Group 1	0.3399	-	0.3399	0.0500
Group 2	0.3140	0.0259	0.3399	0.0500

SENTINEL UNIVERSAL PORTFOLIO

COMPARATIVE TABLES

Performance Record

Calendar Year	High (p)	Low (p)
---------------	----------	---------

Class A Income Shares

2009	107.14	75.91
2010	119.76	103.45
2011	121.80	105.63
2012	120.49	110.62
2013 ¹	137.37	119.97

Class A Accumulation Shares

2009	107.76	75.94
2010	120.61	104.19
2011	122.66	106.38
2012	121.43	111.44
2013 ¹	138.82	120.91

Class B Accumulation Shares

2012 ²	122.14	113.11
2013 ¹	140.03	121.61

Accumulation Record

Calendar Year	Net Income per Share (p)
---------------	--------------------------

Class A Income Shares

2009	0.5103
2010	0.1265
2011	-
2012	0.0675
2013 ¹	0.3353

Class A Accumulation Shares

2009	0.7888
2010	0.1501
2011	-
2012	0.0779
2013 ¹	0.3530

Class B Accumulation Shares

2012 ²	-
2013 ¹	1.2903

Net Asset Value (NAV)

As at	Shares in Issue	NAV per Share (p) ³
-------	-----------------	--------------------------------

Class A Income Shares

31/07/2011	676,664	118.57
31/07/2012	742,540	115.10
31/07/2013	715,970	134.30

Class A Accumulation Shares

31/07/2011	67,520,949	119.40
31/07/2012	71,872,353	116.01
31/07/2013	28,867,733	135.71

Class B Accumulation Shares

31/07/2012	267,404	116.20
31/07/2013	43,415,085	137.09

NAV of Sub-Fund (£)

Total NAV

31/07/2011	81,423,681
31/07/2012	84,545,006
31/07/2013	99,658,330

¹ To 31st July 2013.

² From 27th June 2012 to 31st December 2012.

³ The net asset value per share is calculated on a bid basis and excludes any distribution payable.

ONGOING CHARGES FIGURE (OCF)

	31/07/2013	31/07/2012
Class A Income & Accumulation Shares	2.25%	2.49%
Class B Accumulation Shares	1.50%	1.54%

The ongoing charges figure is based on the expenses for the year ending 31st July 2013. The OCF may vary from year to year.

It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).

RISK AND REWARD INDICATOR (RRI)



The Fund is ranked as 4 because it has experienced medium rises and falls in value over the past five years. Please note that even the lowest category does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund.

SENTINEL UNIVERSAL PORTFOLIO

OBJECTIVE AND POLICY

The investment objective of the Sentinel Universal Portfolio is to provide capital growth from a portfolio of investments.

The investment policy of the sub-fund is to invest mainly in units of collective investment schemes. The sub-fund may also invest in equities, fixed interest securities, money market instruments, structured products and other derivative instruments, deposits, warrants, cash and near cash. Investment may be made indirectly in immovable property typically through units in collective investment schemes and/or shares in property companies. The sub-fund may also invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the sub-fund).

Derivatives may be used by the sub-fund for both investment purposes and for the purposes of efficient portfolio management (including hedging) and the net asset value of the sub-fund may, therefore, at times be highly volatile. However, it is the Investment Adviser's intention that the sub-fund, owing to the portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets or their underlying investments.

The term 'structured products' simply refers to a group of financial instruments (which may be regarded as transferable securities, collective investment schemes or derivatives depending on the product in question) with varying terms, payout and risk profiles on a range of underlying assets. These products frequently combine the potential upside of market performance with limited downside.

They may also provide a fixed return in exchange for accepting a degree of risk or may generate gains from market falls. In addition to providing exposure to the asset classes described in the investment objective, the intention is that the use of structured products in the context of the sub-fund should assist with keeping the volatility levels of the sub-fund relatively low.

INVESTMENT REVIEW

PERFORMANCE

Equity markets performed strongly over the reporting period, driven by a surge of quantitative easing. Apart from the occasional pause for breath, asset markets soared right up until Ben Bernanke signalled, at the beginning of June, that quantitative easing was not here forever. During this period the Fund performed strongly, delivering a 16.9% return.

MARKET REVIEW

At the beginning of summer 2012, Mario Draghi signalled to markets that the European Central Bank (ECB) would do "whatever it takes" to save the euro. This started a remarkable rally in European equities, and gave comfort to investors that the risk of a further European banking crisis had been averted for now.

In September, the US Federal Reserve announced QE3, a third round of quantitative easing. This was followed by the Liberal Democratic Party winning the general election in November in Japan and Shinzo Abe being elected Prime Minister again. The Bank of Japan subsequently embarked upon a massive programme of quantitative easing, dubbed Abenomics, which they pledged to continue for up to two years beyond the US Federal Reserve's equivalent. This had the immediate impact of weakening the yen against virtually every other currency and sent the Japanese equity market off on an extraordinary run.

Markets have almost gone up in a straight line since, except for the occasional wobble. Then on the 19th June, Ben Bernanke discussed the near term possibility of tapering the quantitative easing programme and all assets fell: equities, government bonds, credit, commodities, there was nowhere to hide except for cash, and even the dollar provided little protection.

PORTFOLIO ACTIVITY

We increased our exposure to European equities via the iShares MSCI Europe ex UK Exchange Traded Fund (ETF) as a short term tactical weighting, switching it later to our preferred holding, BlackRock European Dynamic. Valuations had remained very depressed versus other global markets and the region remained a key underweight for many investors. Ahead of the US fiscal cliff we took a position in the iShares Index-Linked Gilt ETF, as a hedge against any impending equity market volatility. We profited from this and the position was sold at the very end of 2012.

To reflect our increasingly positive view on Japan, we switched out of Martin Currie Japan Alpha into the GLG Japan CoreAlpha Equity fund (currency hedged). The fund has been a strong beneficiary of the weakening yen as many of its holdings were in exporting companies.

We increased our exposure over the period to the US Dollar via the Goldman Sachs Liquid Reserve fund, as we felt the fundamentals in the UK were recovering at a much slower pace than the US. Within fixed income, we took a small position in the Airlie Select US High Yield fund which focuses on small to mid-cap issues of US high yield debt, consequently we expect yields of 8% plus could still be achieved. We sold out of M&G Optimal to fund this.

We switched part of the holding in GLG Japan CoreAlpha into Tiburon Taiko in December 2012. Due to the cyclical positioning of the portfolio and the sensitivity of the underlying holdings to the yen, GLG has materially outperformed the benchmark over this period. We have now diversified by adding a holding in the Tiburon fund, as it displays virtually no commonality of holdings with GLG, instead preferring to hold a concentrated portfolio of market leading companies.

Finally, we added further diversification to our fixed income offering with a new holding in Volta Finance. This is an investment trust focused on investing in US and European structured finance assets managed by the Structured Finance Team at AXA Investment Management in Paris. The fund has the ability to invest across the whole structured finance spectrum.

OUTLOOK

The global economic outlook continues to recover, albeit, at a slower pace. There are encouraging signs of growth coming out of Europe. Quantitative easing in Japan has had an immediate impact on inflationary expectations and the weakened yen has made many exporters materially more competitive. As investors, we are happy in Japanese equities but need to be vigilant to any weakness in 'Abenomics'. The US continues to improve, led by the housing recovery but the advent of tapering has worried investors in the short term. Whilst we recognise this concern, we think this is a positive sign which will continue to have a positive impact on the rest of the globe. The threats to the global recovery are not new, an escalation of Middle Eastern unrest, a rising oil price choking off demand, the threat of financial meltdown in indebted Europe and the US housing recovery stalling but for the moment we believe recovery remains on track.

Source: North Investment Partners, August 2013. Performance data taken from FE Analytics, quoted on a total return, bid to bid, UK sterling basis.

SENTINEL UNIVERSAL PORTFOLIO

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
GLG Japan CoreAlpha Equity	6,249	Muzinich Short Duration High Yielding Bond	5,776
Goldman Sachs US Liquid Reserves	5,493	iShares Index-Linked Gilts ETF	4,311
iShares Index-Linked Gilts ETF	4,190	GLG Japan CoreAlpha Equity	4,178
Airlie Select US Yield Fund	3,432	BlackRock Gold and General 'A'	3,776
iShares MSCI Europe ex-UK ETF	3,382	iShares MSCI Europe ex-UK ETF	3,675
JPMorgan Sterling Corporate Bond	3,022	Jupiter Japan 'I'	3,440
Volta Finance	3,011	First State Asia Pacific Leaders 'B'	2,644
BlackRock European Dynamic 'D'	2,773	Artemis Strategic Assets Fund 'I'	2,039
Schroder International Select Asian Total Return 'C'	2,670	Martin Currie Japan Alpha 'B'	1,870
BlackRock Gold and General 'A'	2,118	Aberdeen Emerging Markets 'I'	1,718
Total purchases during the year were	40,474	Total sales during the year were	40,547

SENTINEL UNIVERSAL PORTFOLIO

PORTFOLIO OF INVESTMENTS

As at 31st July 2013

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	EQUITIES 3.87% (0.99%)		
	United Kingdom 0.84% (0.99%)		
561,000	Better Capital Limited	842	0.84
		842	0.84
	Global 3.03% (0.00%)		
577,665	Volta Finance	3,023	3.03
		3,023	3.03
	COLLECTIVE INVESTMENT SCHEMES 89.26% (90.71%)		
	Europe 12.22% (8.96%)		
2,650,000	Absolute Insight Credit	5,072	5.09
3,080,000	Artemis European Opportunities 'I'	2,016	2.02
1,501,000	BlackRock European Dynamic 'D'	5,097	5.11
		12,185	12.22
	Global 36.05% (36.00%)		
230,000	Aberdeen Emerging Markets 'I'	1,346	1.35
34,000	Airlie Select US Yield Fund	3,446	3.46
960,000	AXA Framlington American Growth 'R'	2,971	2.98
43,000	GLG Japan CoreAlpha Equity	5,340	5.36
12,232,299	Goldman Sachs US Liquid Reserves	8,049	8.08
340,000	Hexam Global Emerging Markets 'I'	408	0.41
20,000	NATIXIS Harris Associates Concentrated US Value	3,217	3.23
26,014	Schroder International Select Asian Total Return 'C'	5,754	5.77
1,906,000	Threadneedle Specialist America Extended Alpha	3,814	3.83
1,150	Tiburion Taiko 'D'	1,575	1.58
		35,920	36.05
	United Kingdom 40.99% (45.75%)		
407,000	AXA Framlington UK Select Opportunities 'R'	6,325	6.35
1,230,000	Cazenove UK Opportunities 'X'	4,997	5.01
5,434,000	CF Eclectica Absolute Macro 'A'	5,517	5.54
3,428,000	CF Lindsell UK Equity 'I'	6,436	6.46
2,413,791	Fidelity Moneybuilder	2,731	2.74
313	Goldman Sachs Sterling Liquid Reserves ¹	-	-
2,727,000	JPMorgan Sterling Corporate Bond	2,989	3.00
7,830,000	Jupiter Growth & Income 'I'	7,759	7.79
2,268,522	Premier Pan European Property Share Fund	1,180	1.18
2,540,029	Scottish Widows Strategic Bond 'B'	2,911	2.92
		40,845	40.99
	INVESTMENT TRUSTS 4.66% (6.68%)		
	Global 4.66% (5.36%)		
6,894,411	CATCo Reinsurance Opportunities 'C'	4,401	4.42
3,507	FRM Credit Alpha	2	-
89,000	International Oil and Gas Technology	240	0.24
		4,643	4.66
	Property 0.00% (0.06%)		
	United Kingdom 0.00% (1.26%)		
	Total Value of Investments	97,458	97.79
	Net Other Assets	2,200	2.21
	Total Net Assets	99,658	100.00

Figures in brackets represent sector distribution at 31st July 2012.

¹ Listed on AIM

SENTINEL UNIVERSAL PORTFOLIO

STATEMENT OF TOTAL RETURN

For the year ended 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
Income			
Net capital gains/(losses)	2	14,331	(2,199)
Revenue	3	1,578	1,389
Expenses	4	(1,086)	(1,335)
Finance costs: Interest	6	(1)	-
Net revenue before taxation		491	54
Taxation	5	-	(1)
Net revenue after taxation		491	53
Total return before distributions		14,822	(2,146)
Finance costs: Distributions	6	(505)	(53)
Change in net assets attributable to shareholders from investment activities		14,317	(2,199)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31st July 2013

	Note	31/07/13 £'000	31/07/12 £'000
Opening net assets attributable to shareholders		84,545	81,424
Amounts receivable on issue of shares		63,617	14,920
Amounts payable on cancellation of shares		(63,359)	(9,637)
		258	5,283
Stamp duty reserve tax		(82)	(19)
Change in net assets attributable to shareholders from investment activities		14,317	(2,199)
Retained distributions on accumulation shares	6	620	56
Closing net assets attributable to shareholders		99,658	84,545

BALANCE SHEET

As at 31st July 2013

	Notes	31/07/13 £'000	31/07/12 £'000
ASSETS			
Investment assets		97,458	83,167
Debtors	7	542	4,330
Cash and bank balances	8	2,068	1,046
Total other assets		2,610	5,376
Total assets		100,068	88,543
LIABILITIES			
Creditors	10	(220)	(3,982)
Bank overdrafts	9	(190)	(15)
Distribution payable on income shares	6	-	(1)
Total liabilities		(410)	(3,998)
Net assets attributable to shareholders		99,658	84,545

The notes on pages 31 to 33 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson
Finance Director (of the ACD)
11th November 2013



Mark Friend
Chief Operating Officer (of the ACD)

SENTINEL UNIVERSAL PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting policies are set out in the aggregated notes to the financial statements on pages 6 to 8.

2. NET CAPITAL GAINS/(LOSSES)

	31/07/13 £'000	31/07/12 £'000
Non-derivative securities	14,363	(2,199)
Capital management fee rebates	14	14
Currency losses	(44)	(12)
Transaction charges	(2)	(2)
Net capital gains/(losses)	14,331	(2,199)

3. REVENUE

	31/07/13 £'000	31/07/12 £'000
Bank interest	19	2
Franked distributions	709	597
Management fee rebates	52	26
Offshore dividend CIS revenue	111	118
Offshore interest CIS revenue	161	456
Overseas dividends	223	6
Unfranked distributions	303	184
	1,578	1,389

4. EXPENSES

	31/07/13 £'000	31/07/12 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	933	1,220
	933	1,220
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	50	47
Safe custody fees	14	7
	64	54
Other expenses:		
Auditor's remuneration	6	5
EMX fees	3	3
Price publication fees	-	1
Printing fees	19	7
PRS fees	5	5
Registration fees	56	40
	89	61
Total expenses	1,086	1,335

Irrecoverable VAT is included in the above expenses where relevant.

5. TAXATION

(a) The tax charge comprises:

	31/07/13 £'000	31/07/12 £'000
Current tax:		
Irrecoverable income tax	-	1
Total current tax (note 5 (b))	-	1
Total taxation	-	1

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	31/07/13 £'000	31/07/12 £'000
Net revenue before taxation	491	54
	491	54
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2012: 20%)	98	11
Effects of:		
Expenses not utilised in period	108	130
Franked UK dividends and distributions not subject to taxation	(164)	(143)
Irrecoverable income tax	-	1
Tax effect on capital management fee rebates	3	3
Tax effect on non-taxable overseas dividends	(45)	(1)
Current tax charge (note 5 (a))	-	1

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £498,536 (2012: £390,914) arising as a result of having unutilised management expenses. It is unlikely that the fund will obtain relief for these in the future so no deferred tax asset has been recognised.

SENTINEL UNIVERSAL PORTFOLIO

6. FINANCE COSTS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31/07/13 £'000	31/07/12 £'000
Interim distribution	2	-
Interim accumulation	425	-
Final distribution	-	1
Final accumulation	195	56
	622	57
Add: Revenue deducted on cancellation of shares	40	5
Deduct: Revenue received on issue of shares	(157)	(9)
Net distributions for the year	505	53
Interest	1	-
Total finance costs	506	53

The difference between the net revenue after taxation and the amounts distributed comprises:

Net revenue after taxation	491	53
Deficit transferred to capital	14	-
Finance costs: Distributions	505	53

7. DEBTORS

	31/07/13 £'000	31/07/12 £'000
Accrued revenue	216	108
Amounts receivable for issue of shares	158	435
Management fee rebates	71	39
Recoverable income tax	97	65
Sales awaiting settlement	-	3,683
	542	4,330

8. CASH AND BANK BALANCES

	31/07/13 £'000	31/07/12 £'000
Sterling	2,064	1,045
US dollar	4	1
Cash and bank balances	2,068	1,046

9. BANK OVERDRAFTS

	31/07/13 £'000	31/07/12 £'000
Sterling	186	14
US dollar	4	1
	190	15

10. CREDITORS

	31/07/13 £'000	31/07/12 £'000
Accrued expenses	94	136
Amounts payable for cancellation of shares	97	368
Purchases awaiting settlement	29	3,478
	220	3,982

11. RELATED PARTIES

Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 4. Amounts due at the year end are included within accrued expenses on the balance sheet where applicable.

12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2012: £nil).

13. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The investment adviser considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

The investment adviser does not use derivative instruments to hedge the investment portfolio against market price risks.

Currency Risk

The currency profile of the sub-fund's financial instruments at the balance sheet date (including short term debtors and creditors) was:

Currency exposure as at 31st July 2013

Currency	Portfolio of Investments £'000	Net Other Assets £'000	Total £'000	Total Exposure %
Euro	3,023	-	3,023	3.03
US dollar	12,690	-	12,690	12.74
	15,713	-	15,713	15.77
Sterling	81,745	2,200	83,945	84.23
Total	97,458	2,200	99,658	100.00

Currency exposure as at 31st July 2012

Currency	Portfolio of Investments £'000	Net Other Assets £'000	Total £'000	Total Exposure %
US dollar	8,550	-	8,550	10.11
	8,550	-	8,550	10.11
Sterling	74,617	1,378	75,995	89.89
Total	83,167	1,378	84,545	100.00

SENTINEL UNIVERSAL PORTFOLIO

There was significant indirect foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

Interest Rate Risk

The sub-fund does not have any direct interest rate risk as the majority of financial assets are in collective investment schemes, investment trusts and structured plans which do not pay interest. However, some of the underlying collective investment scheme investments and structured products may be directly or indirectly exposed to interest rate risk.

As at the balance sheet date 11.01% of the sub-fund's portfolio was invested in assets which pay interest.

The only interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall due within one year.

Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the investment adviser as an acceptable counterparty and from recognised product providers.

The sub-fund is exposed to counterparty risk with the issuers of structured plans.

The sub-fund is exposed to a credit risk whereby the issuer of ZDP's may default on its obligations.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The investment adviser does not use derivative instruments to hedge the investment portfolio against risk.

14. SHARE CLASSES

The sub-fund currently has three types of shares. The AMC on each share class is as follows:

Class A Income & Accumulation Shares:	1.20%
Class B Accumulation Shares:	0.45%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 26. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class. The distribution per share class is given in the distribution tables below and on page 34.

15. PORTFOLIO TRANSACTION COSTS

	31/07/13 £'000	31/07/12 £'000
Analysis of total purchase costs:		
Purchases in year before transaction costs	40,472	74,751
Commissions	2	-
Total purchase costs	2	-
Gross purchases total	40,474	74,751
Analysis of total sale costs:		
Gross sales before transaction costs	40,551	61,157
Commissions	(4)	(1)
Total sale costs	(4)	(1)
Total sales net of transaction costs	40,547	61,156

DISTRIBUTION TABLES

For the period from 1st August 2012 to 31st January 2013

Interim dividend distribution in pence per share

Class A Income Shares

	Net Income	Equalisation	Distribution Paid 28/03/13	30/03/12
Group 1	0.3353	-	0.3353	-
Group 2	0.3116	0.0237	0.3353	-

Class A Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 28/03/13	30/03/12
Group 1	0.3530	-	0.3530	-
Group 2	0.3079	0.0451	0.3530	-

SENTINEL UNIVERSAL PORTFOLIO

DISTRIBUTION TABLES - *continued*

Class B Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 28/03/13	30/03/12
Group 1	0.8413	-	0.8413	-
Group 2	0.4623	0.3790	0.8413	-

For the period from 1st February 2013 to 31st July 2013

Final dividend distribution in pence per share

Class A Income Shares

	Net Income	Equalisation	Amount Payable/Paid 29/11/13	30/11/12
Group 1	-	-	-	0.0675
Group 2	-	-	-	0.0675

Class A Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 29/11/13	30/11/12
Group 1	-	-	-	0.0779
Group 2	-	-	-	0.0779

Class B Accumulation Shares

	Net Income	Equalisation	Amount Accumulated 29/11/13	30/11/12
Group 1	0.4490	-	0.4490	-
Group 2	0.3200	0.1290	0.4490	-