

# FUND POSITION STATEMENT

Classification: Unrestricted  
Item: D1 refers

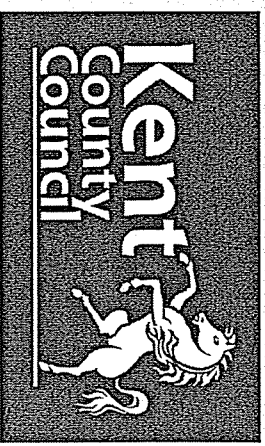
## Summary of Fund Asset Allocation and Performance

### Superannuation Fund Committee

18th September 2009

By: Chairman Superannuation Fund Committee

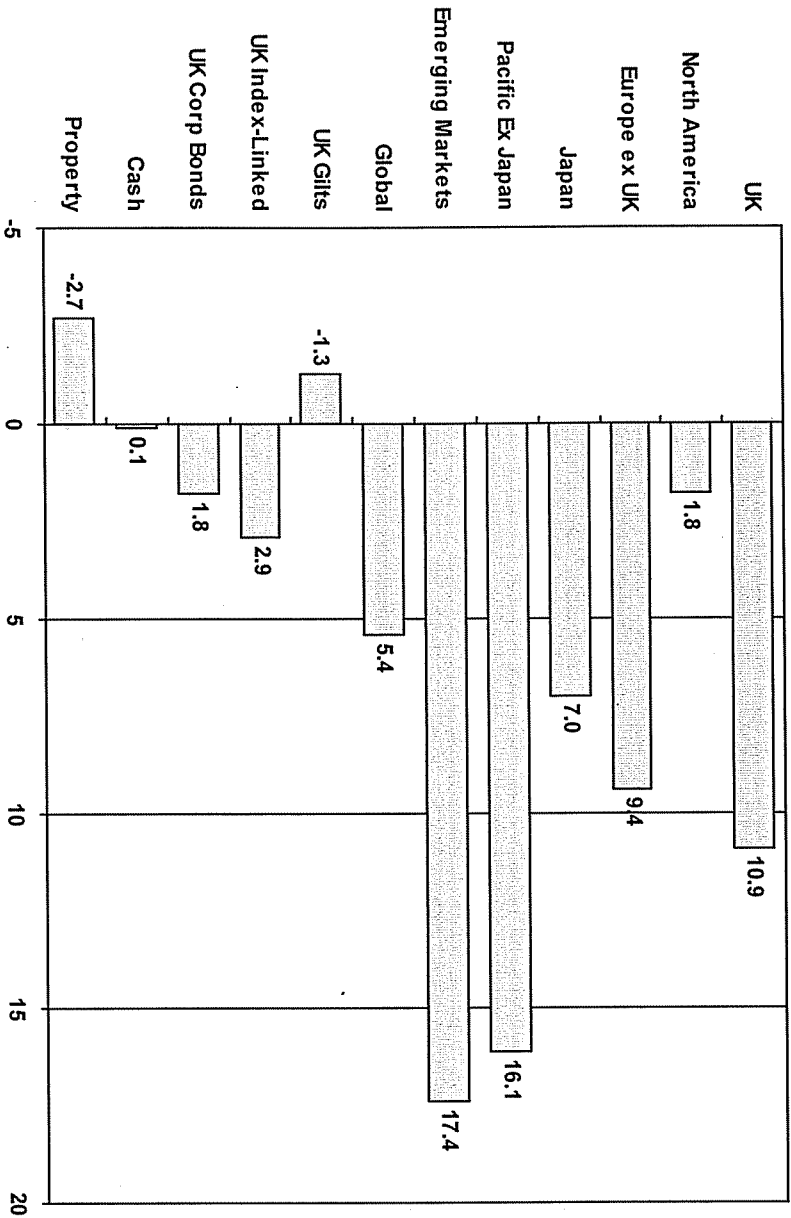
Director of Finance



Kent County Council  
Superannuation Fund 2009

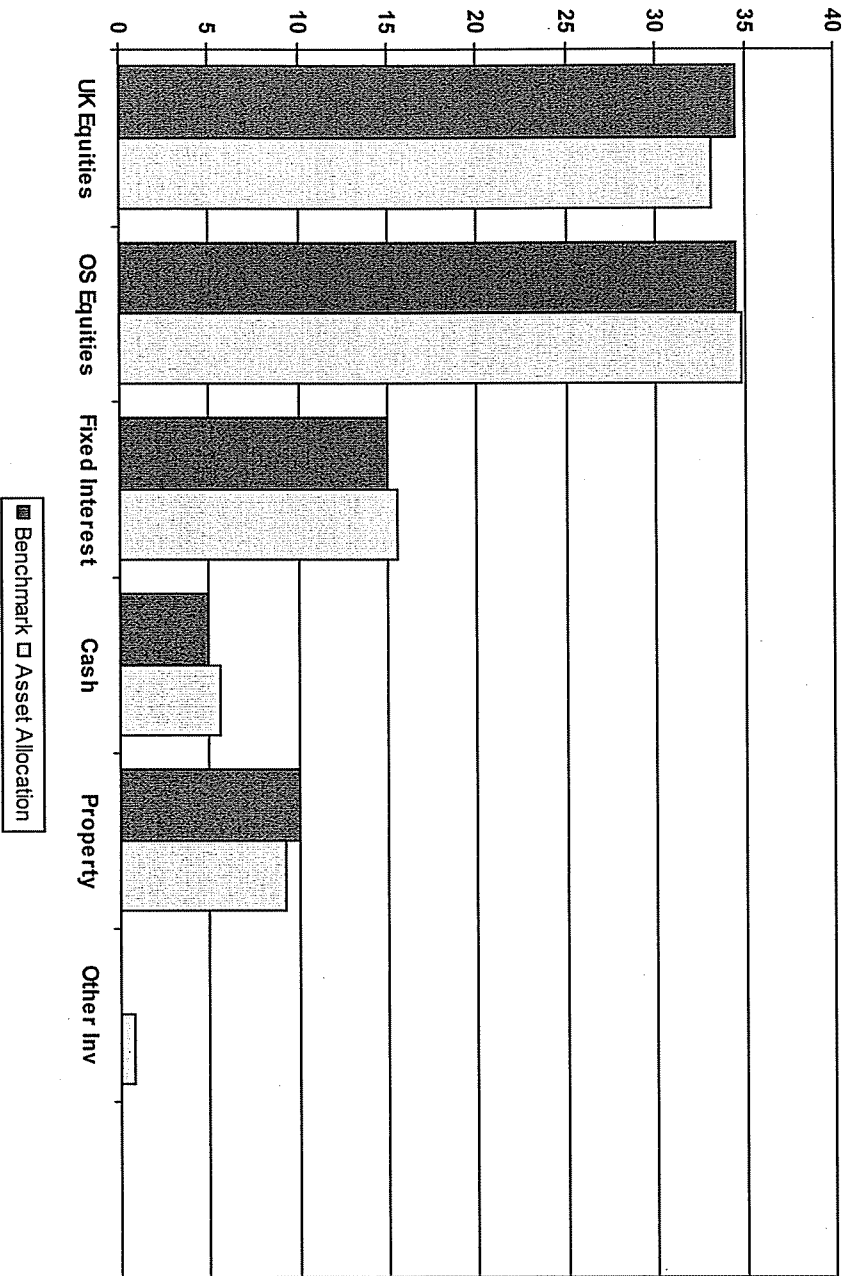
Nick Vickers—Head of Financial Services

# Market Returns-3 months to 30 June 2009



- The first quarter of 2009 showed strong results across most markets.
- UK equities performed rather well with a return of 10.9%. Likewise North America also performed well but the gains were much reduced due to the strengthening of Sterling.
- Emerging markets demonstrated the best performance throughout the quarter with a return of 17.4%.
- Property values continued to decline throughout the quarter with a fall to -2.7%.

# Kent Fund Asset Allocation vs Fund Benchmark



Asset Class	Kent Fund £m	%	Benchmark %
UK Equities	745	34.3	34.5
Overseas Equities	719	33.1	34.5
Fixed Interest	385	17.7	15
UK Property	150	6.9	10
European Property	19	0.9	1
Cash	144	6.7	5
Other Inv	10	0.5	-
<b>Total Value</b>	<b>2,175</b>	<b>100.0</b>	<b>100</b>

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# Asset Distribution Fund Manager

Classification: Unrestricted  
Item: D I refers

Values (GBP)'000	Mandate	Value at			Capital			Value at	Fund %	Benchmark
		31/03/09	Transactions	Gain / loss	Income	30/06/09				
Schroders	UK Equity	306,200	4,204	29,943	4,181	340,348	16	Customised		
Invesco	UK Equity	236,756		18,634		255,390	12	Customised		
Societe Generale	UK Equity	29	-29				0	Customised		
State Street	UK Equity	112,573	180	12,434		125,187	6	FTSE 100 All Share		
Alliance Bernstein	Global Equity	176,971	1,995	6,497	1,986	185,462	9	MSCI World		
Ballie Gifford	Global Equity	325,281	3,922	21,567	3,697	350,770	16	Customised		
GMO	Global Quantative	129,506		3,955		133,461	6	MSCI World		
Schroders	Global Quantative	84,811		12,129		96,940	4	MSCI World		
Goldman Sachs	Fixed Interest	186,855	3,291	8,134	2,597	198,290	9	ML £ Broad Market		
Schroders	Fixed Interest	159,893		3,710		163,603	8	ML £ Broad Market		
DTZ	Property UK	158,255	39	-5,611	2,794	152,683	7	IPD All Properties Index		
DTZ	Property Europe	23,485	87	-3,844		19,729	1	IPD All Properties Index		
Internally Managed	Cash	136,386	17,939	-467		153,858	7	LIBID 7 Day Rate		
Total Fund		2,037,000	31,629	107,082	15,255	2,175,711	100	Kent Combined Fund		

# Performance Returns to 30 June 2009

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	Quarter		1 year		3 years	
	Fund %	Benchmark %	Fund %	Benchmark %	Fund %	Benchmark %
<b>Total Fund</b>	6.0	6.0	-13.3	-13.6	-4.4	-3.6
<b>UK Equity</b>						
Schroders UK	11.1	10.7	-16.8	-20.0	-3.8	-6.2
State Street	11.0	10.9				
Invesco	7.9	10.9	-12.1	-20.5	-	-
<b>Overseas Equity</b>						
Alliance Bernstein	4.8	5.4	-26.9	-14.2	-	-
Baillie Gifford	7.7	8.1	-14.1	-13.5	-0.8	-1.7
GMO	3.1	5.4	-15.3	-14.2	-4.5	-3.8
Schroders GAV	14.3	5.4	-8.7	-14.2	-	-
<b>Fixed Interest</b>						
Goldmans Fixed Interest	5.7	1.8	4.0	7.0	1.9	3.1
Schroders Fixed Interest	2.3	1.8	12.3	7.0	-	-
<b>Property</b>						
UK Property	-1.8	-2.7	-25.7	-25.6	-7.4	-10.7
European Property	-16.3	-7.1	-17.5	-25.5	-	-

Data Source: The WM Company

- returns subject to rounding differences

- The fund increased in value by over £120m during the quarter. The Fund matched the benchmark for the quarter posting positive returns of 6.0% placing us 58th within the WMLA universe.
- The 1 year performance is -13.3% against the benchmark of -13.6%, placing us 47th within the WMLA universe.
- Our 3 year performance is -4.4% against a benchmark return of -3.6%. This places us 78th within the WMLA universe.
- Schroders performed very well over the quarter with all three mandates outperforming their respective benchmark.
- Invesco's defensive portfolio again underperformed benchmark in the quarter due to a lack of exposure to the rallying sectors of the FTSE All-Share Index.

# Fund Structure

## UK Equities

Schroders  
+1.5%  
£340m

State Street  
+0.0%  
£125m

Invesco  
Unconstrained  
£255m

## Global Equities

Baillie Gifford  
+1.5%  
£350m

Alliance  
Bernstein  
+3.0%  
£185m

GMO  
+3.0%  
£133m

Schroders  
+3.0 - +4.0%  
£96m

## Fixed Interest

Goldman Sachs  
+0.75%  
£201m

Schroders  
+1.0%  
£163m

## Alternative

DTZ  
UK Property  
£150m

DTZ  
Europe Property  
Eur 35m (£30m)

Kent Cash  
£145m

Henderson  
Secondary PFI  
£7m

YFM Private  
Equity £1m

Market Value £2.2bn  
as at 30 June 2009.