

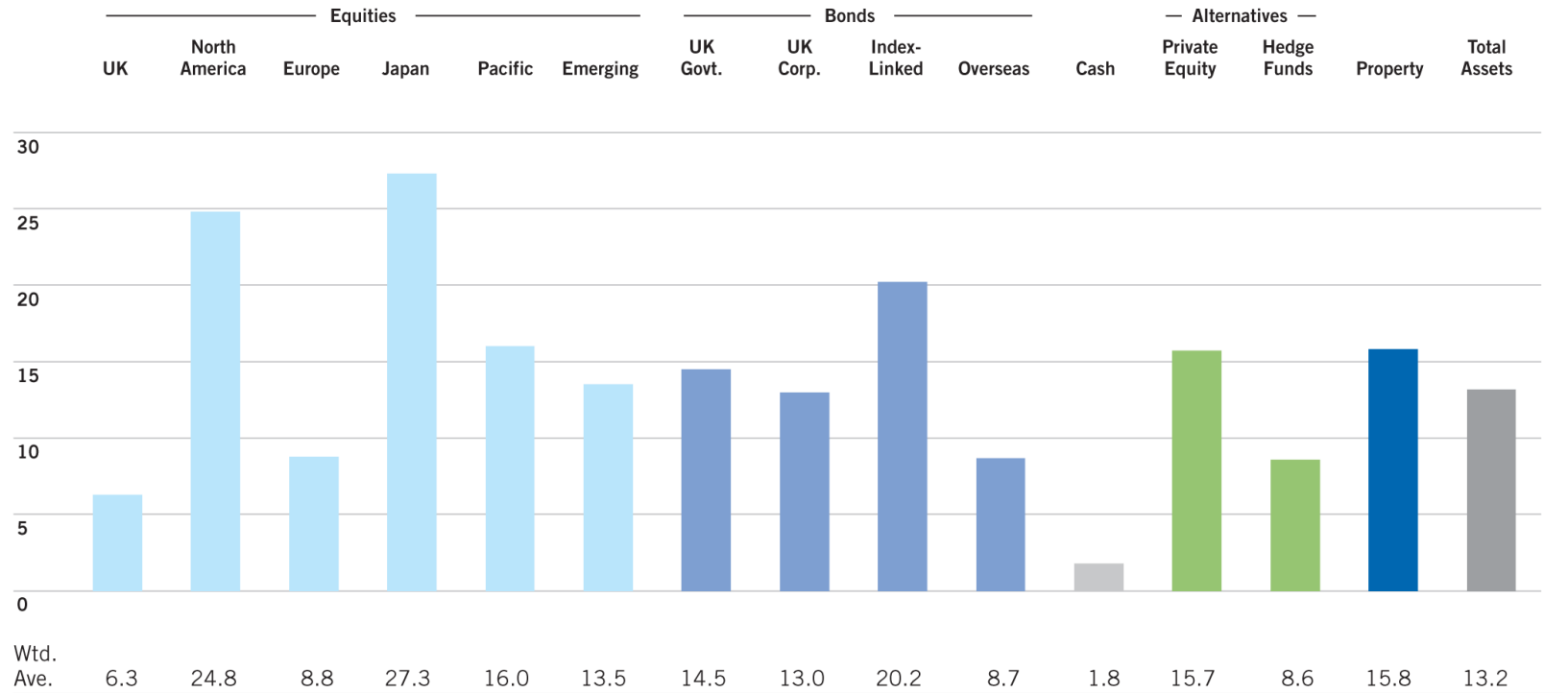
London Borough of Harrow

Performance Review
Periods to End March 2015

Karen Thrumble
July 1st 2015

Market Background

2014/2015 Returns (%)

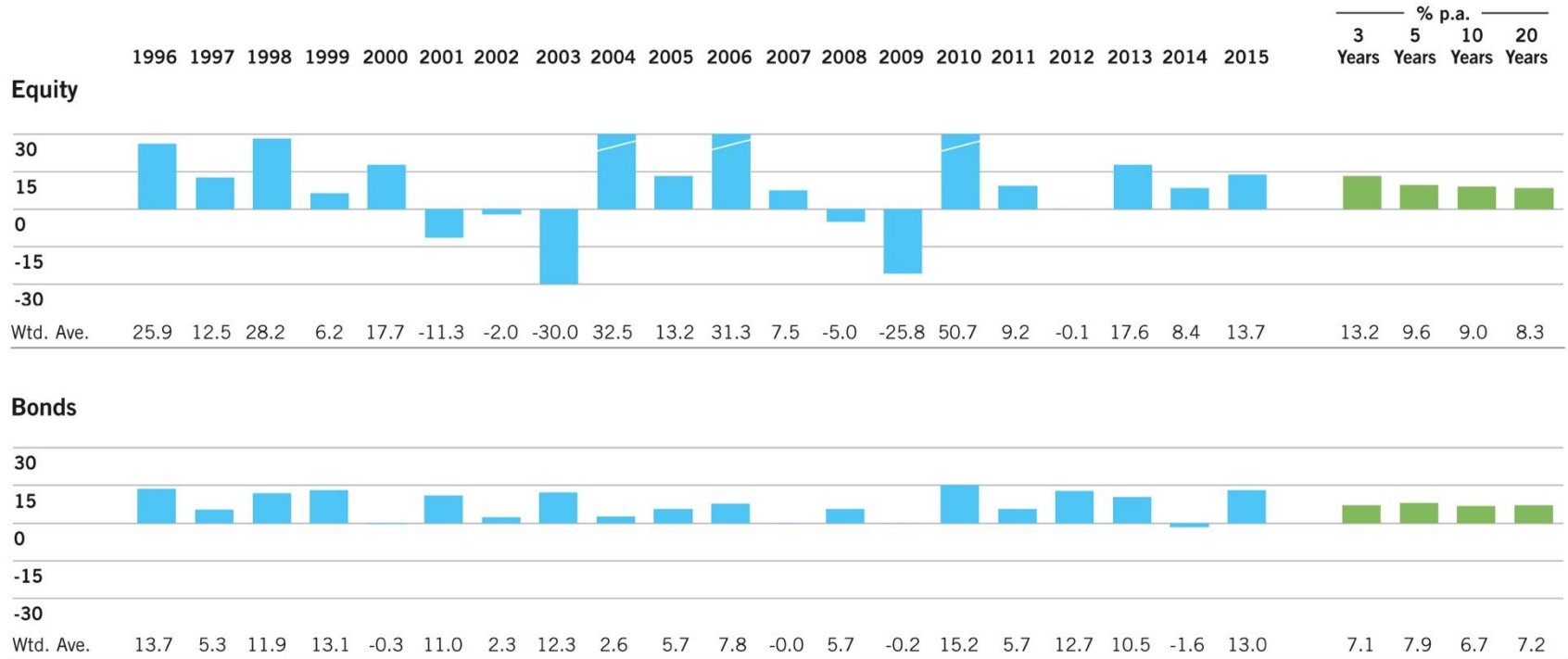


Source: State Street Global Services Performance Services, 2015.

Past performance is not a reliable indicator of future results.

Long Term Performance

Annual Returns (%)

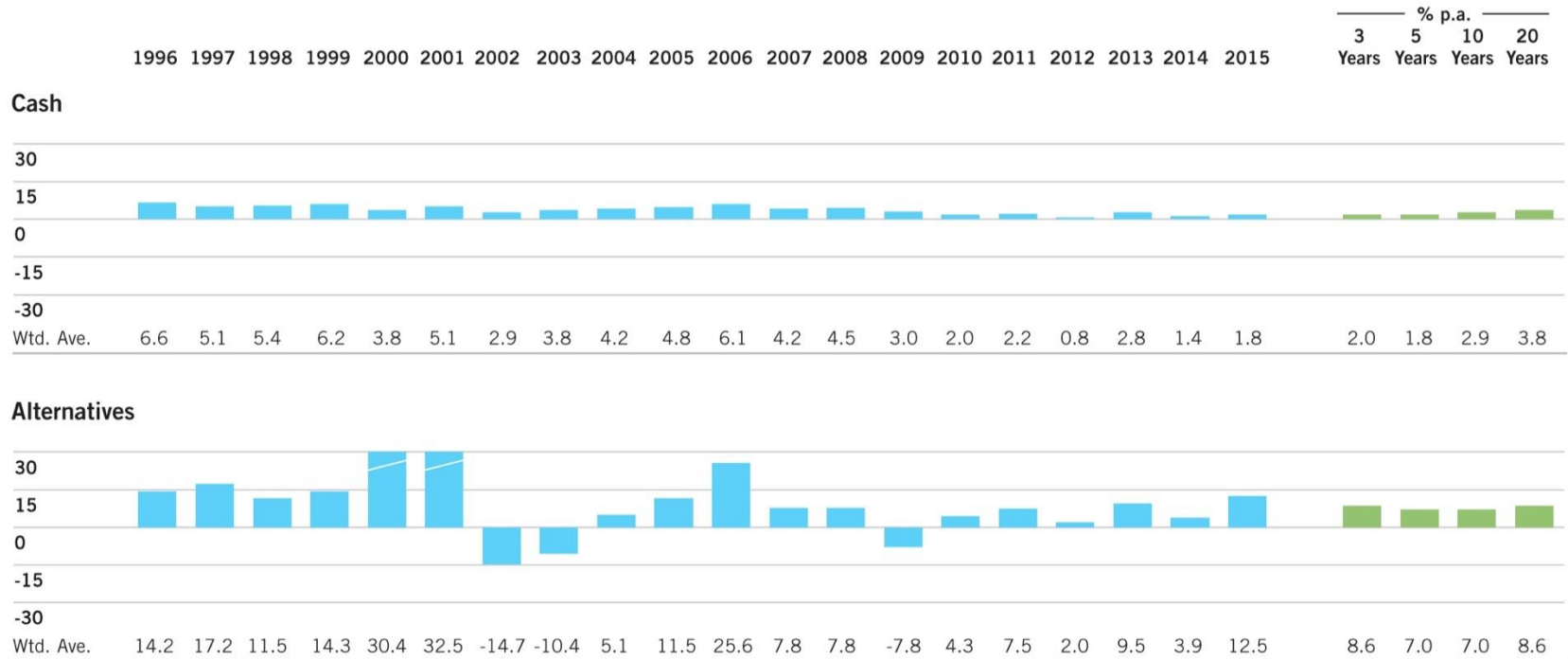


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Long Term Performance

Annual Returns (%)



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Long Term Performance

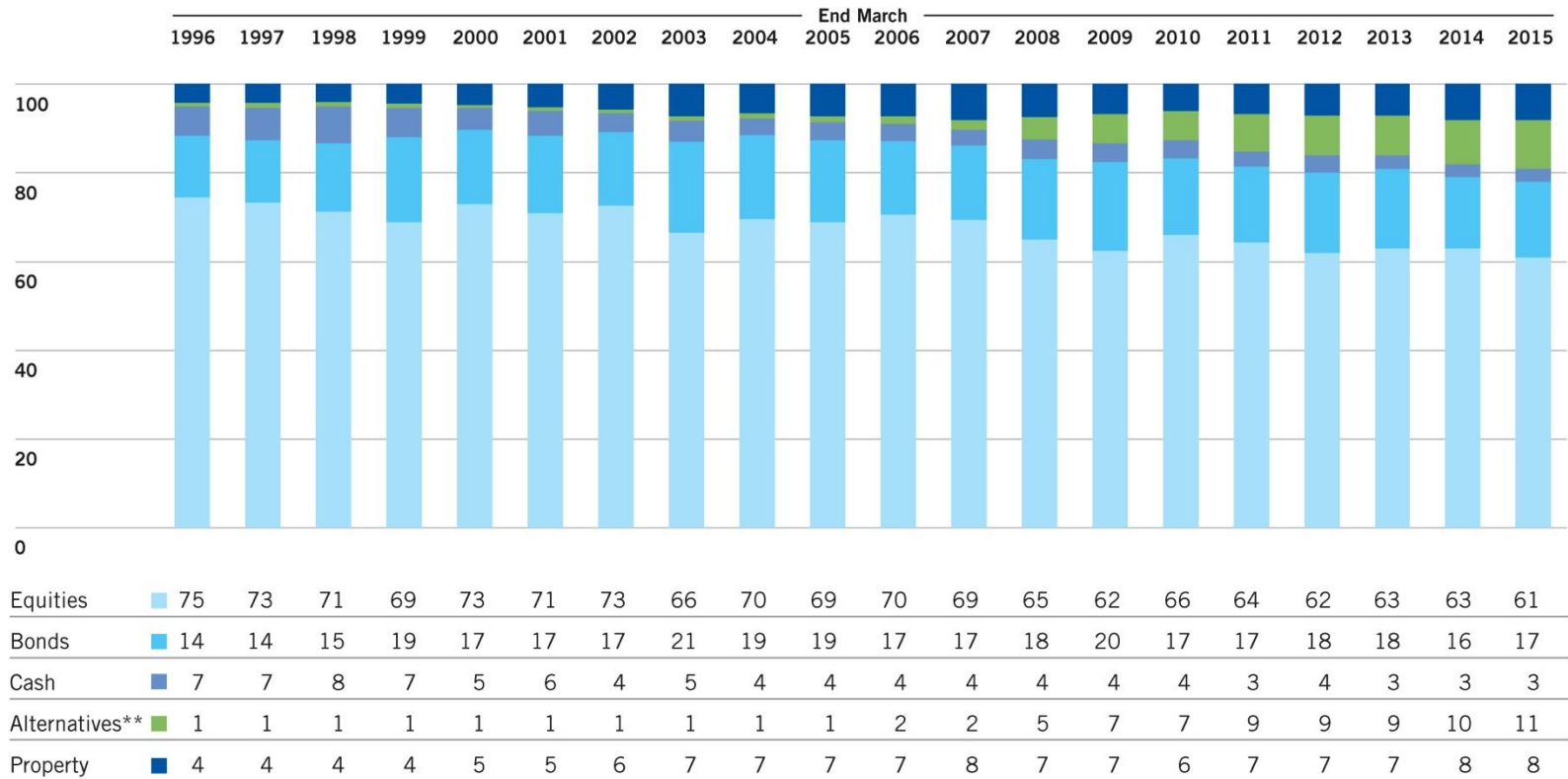
Annual Returns (%)



* Source: State Street Global Services Performance Services, 2015.

Past performance is not a reliable indicator of future results.

Longer Term Asset Allocation (%)



** Includes Pooled Multi-Asset from March 2010.

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Fund Performance

Fund Structure and Benchmark

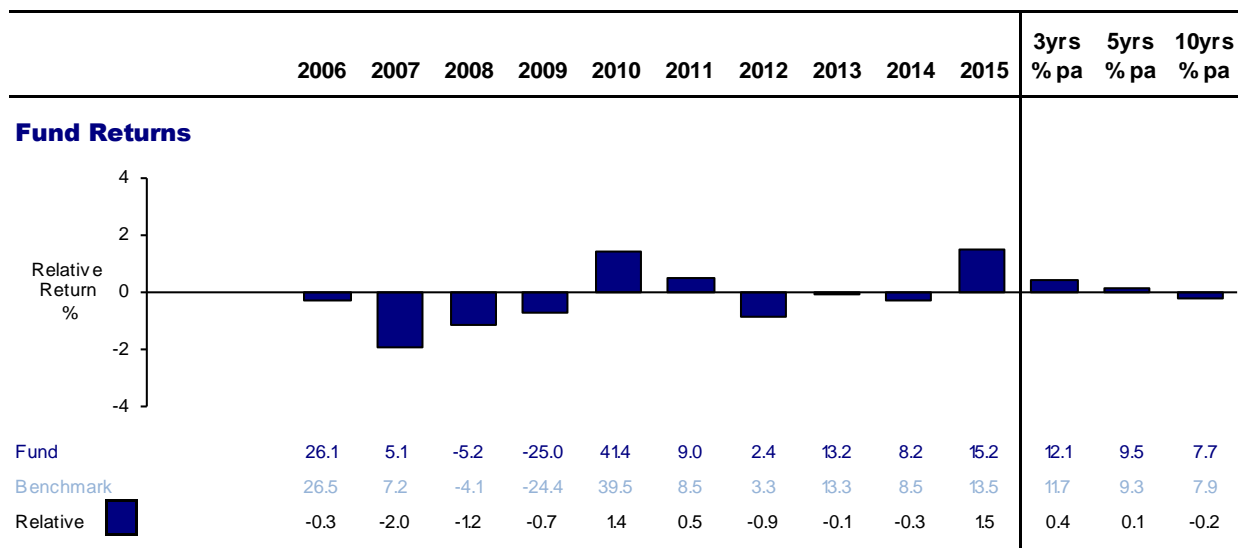
Values (GBP)'00 Mandate		Value at 31/03/2014	% Fund	Value at 31/03/2015	% Fund
SSGA	Eq Gbl			220,705	33
OLDFIELD	Eq Gbl			77,276	11
GMO GLOBAL	Eq Emer Mkt			76,541	11
SSGA	Eq UK	155,513	26		0
FIDELITY	Eq Gbl	68,638	12		0
WELLINGTON	Eq Gbl	113,911	19		0
LONGVIEW	Eq Gbl	49,507	8	75,561	11
BLACKROCK	Fixed Int	72,598	12	87,111	13
AVIVA	Prop UK	45,051	8	50,562	7
ST LIFE	Diversified Grow th	27,890	5	30,679	5
INSIGHT	Diversified Grow th			28,857	4
BARING	Diversified Grow th	26,630	5	0	0
PANTHEON	Private Eq	25,119	4	22,955	3
INT FUND	Cash	1,661	0	6,633	1
BLACKROCK	Cash	40	0	43	0
RECORD	Curr Overlay	1,113	0	-2,649	0
TRANSITION	Trans				
Total Fund		587,669	100	674,272	100

	%	
Global Passive Equity	31.0	MSCI All World 50% Hedged
Global Active Equity	21.0	MSCI World NDR 50% Hedged
Emerging Markets	10.0	MSCI Emerging Markets
Bonds	13.0	80% BAML Eurosterling >10 Years 20% FTSE Index Linked Gilts > 5 Years
Property	10.0	IPD UK PPF All Balanced Funds
Pooled Multi Asset	10.0	3 Month LIBOR +4%
Private Equity	5.0	FTSE All World Index

A year of significant change with the restructure of the equity portfolios and replacement of Barings DG with Insight.

Performance Overview

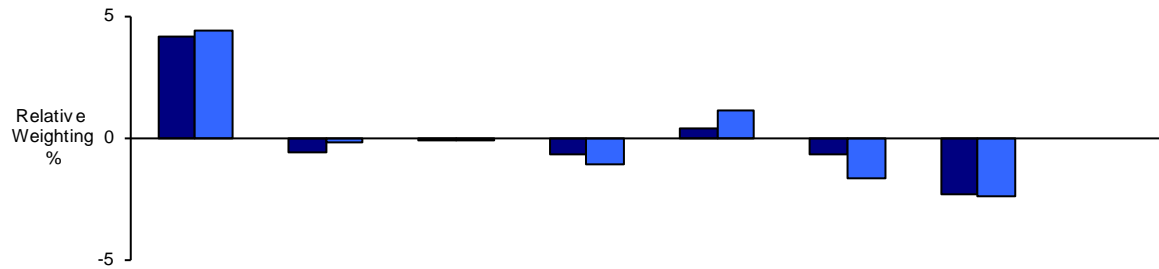
Latest year's excellent performance has brought the medium term results above benchmark.



Latest Year Performance

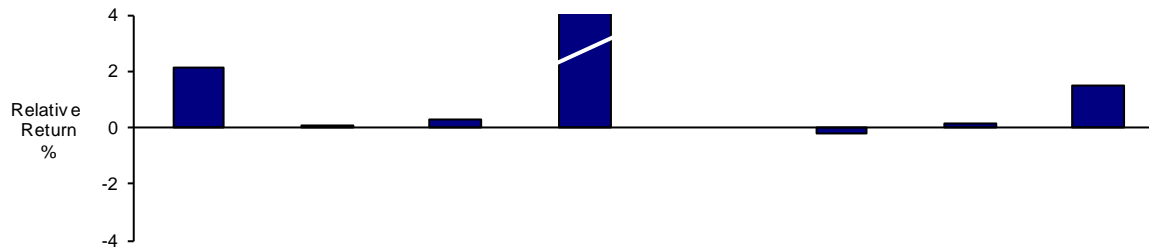
Equity UK Bonds UK IL Multi Asset Cash Private Eq Property Total Fund

Asset Allocation



Fund Start	66.1	9.8	2.5	9.3	0.4	4.3	7.7	100.0
Fund End	66.4	10.3	2.5	8.8	1.1	3.4	7.5	100.0
BM Start	62.0	10.4	2.6	10.0		5.0	10.0	100.0
BM End	62.0	10.5	2.7	9.9		5.1	10.0	100.0
Impact	-	-0.1	-	0.1	-0.1	-0.1	-0.1	-0.3

Stock Selection



Fund	14.9	19.7	21.4	9.2	0.0	18.9	16.8	15.2
Benchmark	12.6	19.6	21.0	4.6		19.2	16.6	13.5
Impact	1.4	-	-	0.4		-	-	1.8

Equity selection was well above index, driving the latest year results.

Longer Term Manager Performance

Performance has been in line with or above benchmark over the medium term.

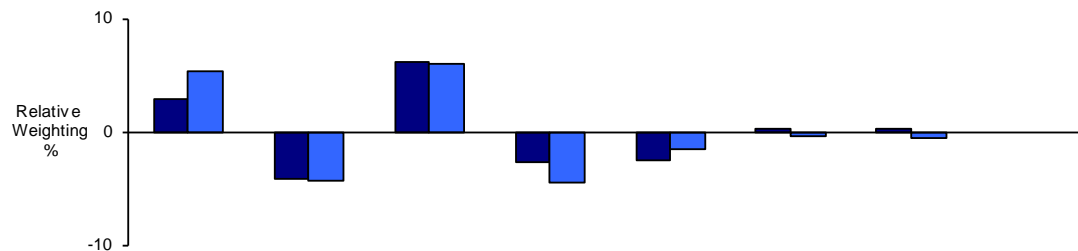
	12 Months	3 Years	5 Years	10 Years	Since Inception	Incept. Date
LONGVIEW	19.5	20.3	14.9		16.1	20/11/2009
LB OF HARROW - LONGVIEWB/M	14.0	15.6	11.3		12.1	
	4.8	4.1	3.2		3.6	
BLACKROCK	19.8	11.0	10.7	8.3	7.9	31/7/2003
LB of Harrow BlackRock FIBM	19.9	11.0	10.6	8.5	8.0	
	-0.1	0.0	0.1	-0.2	-0.2	
PANTHEON VENTURES	18.9	13.6	10.0		6.3	30/4/2007
LB HARROW PANTHEON BM	19.2	6.3	3.9		3.6	
	-0.2	6.9	5.8		2.6	
AVIVA COMBINED FUND	16.8	10.3	10.3	4.9	6.7	29/12/2000
AREF/IPD ALL BALANCED	16.6	9.4	8.4	4.3	6.1	
	0.2	0.9	1.7	0.6	0.6	
STANDARD LIFE	10.0				7.4	18/6/2013
GBP 3 MONTH LIBOR +4%	4.6				4.5	
	5.2				2.8	

Performance Relative To Other Funds

Latest Year Performance Relative to Other Funds

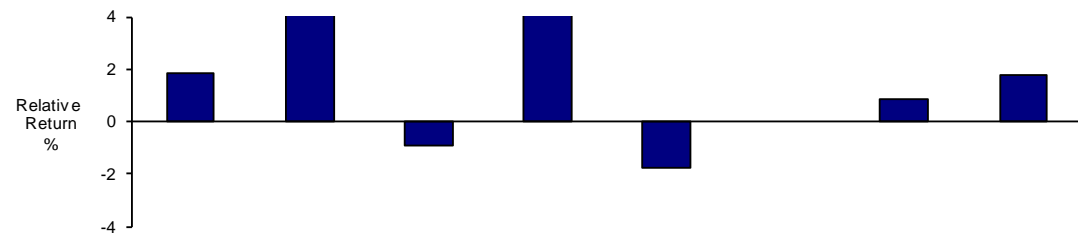
Equity Bonds Multi Asset Alternatives Cash Curr Instr Property Total Fund

Asset Allocation



Fund Start	66.0	12.3	9.3	4.3	0.4	0.2	7.7	100.0
Fund End	66.8	12.8	8.8	3.4	1.1	-0.4	7.5	100.0
BM Start	63.1	16.4	3.1	7.0	2.9	0.0	7.4	100.0
BM End	61.5	17.1	2.8	7.9	2.7	-0.0	8.1	100.0
Impact	-	-	-0.2	-	0.2	-0.5	-	-0.4

Stock Selection



Fund	15.8	20.1	9.2	18.9	0.0	n/a	16.8	15.2
Benchmark	13.7	13.0	10.2	12.5	1.8	-100.0	15.8	13.2
Impact	1.2	0.8	-0.1	0.2	-	-	0.1	2.2

Both equity and bond selection added value. The Fund benefited from having a low UK equity weighting and from having longer duration bonds than its peers.

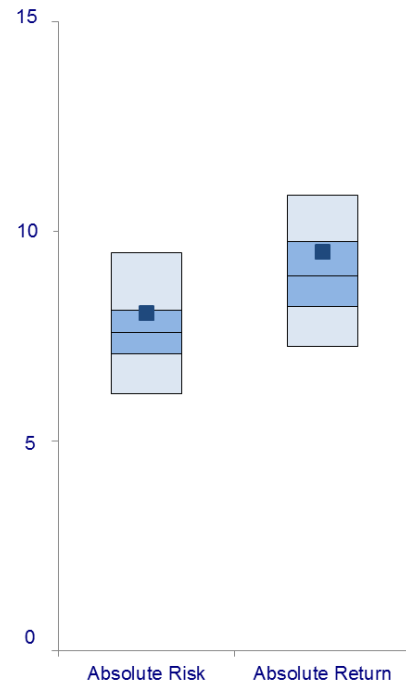
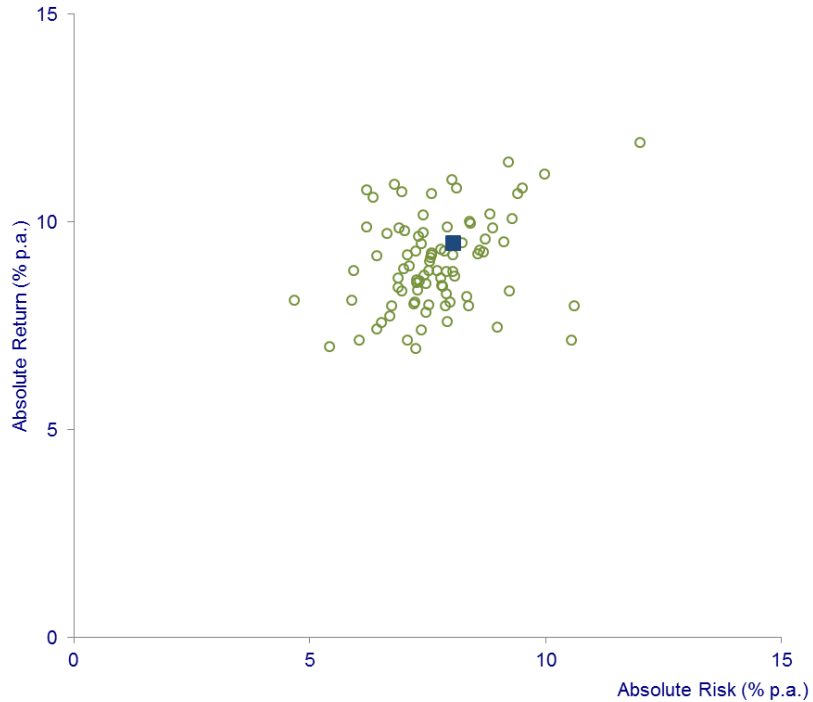
Longer Term Performance Relative to Other Funds

Fund has comfortably outperformed the peer group over the short and medium term.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	3yrs % pa	5yrs % pa	10yrs % pa
Fund Returns											12.1	9.5	7.7
Fund	26.1	5.1	-5.2	-25.0	41.4	9.0	2.4	13.2	8.2	15.2	12.1	9.5	7.7
Benchmark	24.9	7.0	-2.8	-19.9	35.2	8.2	2.6	13.8	6.4	13.2	11.0	8.7	7.9
Relative	0.9	-1.8	-2.5	-6.3	4.6	0.7	-0.2	-0.5	1.7	1.8	1.0	0.7	-0.2
Ranking	(27)	(88)	(80)	(89)	(11)	(22)	(64)	(67)	(19)	(17)	(20)	(27)	(58)

Overall Performance Compared to Other Funds Last Five Years

Absolute Risk & Return



Fund is more volatile than its peers but this has been rewarded with a return that is ahead of average.

Summary

- In this year of change the Fund has achieved strong results both in absolute and relative terms.
- Equity performance was strong with Longview in particular continuing to add significant value.
- Relative to other funds performance was good too. The Fund benefited from having a low commitment to the UK equity market and from having a relatively long duration bond portfolio. Currency hedging had a negative effect over the year.