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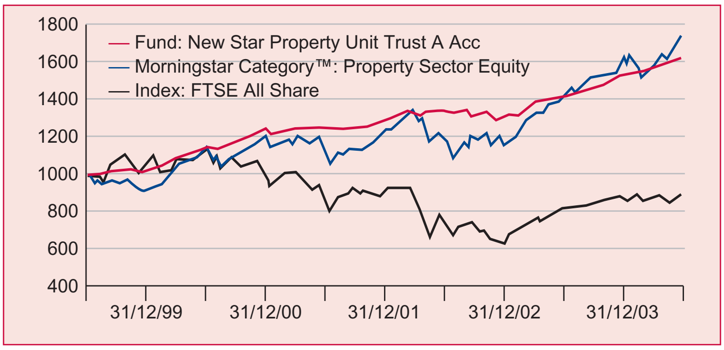
AUTUMN 2004 NEWSLETTER & Funds Update

NEW STAR PROPERTY FUND – Update

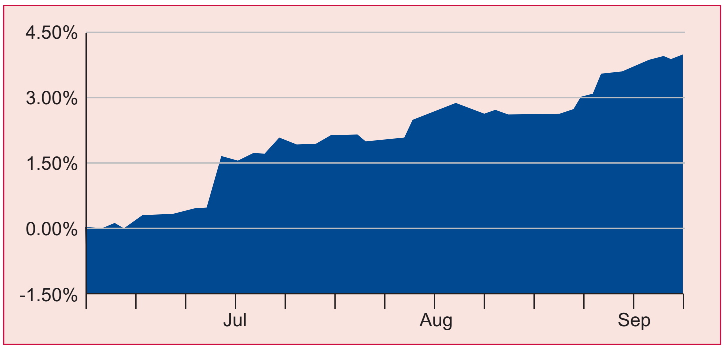
In our last mailing we highlighted and sent out full details of the New Star Property Unit Trust. This fund has continued to perform very well. The fund is not linked to the residential property market which has slowed down recently. This fund's performance is linked to a portfolio of commercial properties that have not only continued to increase in value but also produces high and rising yields.

NEW STAR PROPERTY FUND PERFORMANCE

OVER 5 YEARS – Up over 60% over the past 5 years, During the same period the FTSE 100 Index was down -18%!



Performance since Seymour Sinclair Mailing on the Fund Up over 4%



Growth for 12 months to end of June 2004 **5 Year Performance - %**

2004	2003	2002	2001	2000
+15.20%	**+4.81%**	**+6.47%**	**+12.05%**	**+13.66%**

If generating income is high on your list and you want to diversify away from equities and bonds, then the New Star Property Unit Trust could be a star location for your investments. The New Star Property Unit Trust yielded **a net income of 4.43%** at 30 July 2004 and also provides potential for capital growth.

The fund can offer diversification for your investment portfolio because it invests in commercial property, a sector whose direction is quite distinct from that of equities and bonds. This is demonstrated by the fact that returns in the UK from the commercial property sector have outperformed both equities and government bonds over the last one, three, five and 10 years. (Source: Investment Property Databank Ltd end July 2004)

Commercial property also differs from residential property, typically being driven by rental income rather than dramatic movements in capital values. New Star believes that the prospect for the sector remain bright, with few signs of the overheating that we may be seeing with residential property.

The New Star Property Unit Trust is one of the only authorised unit trusts to invest up to 80% of its assets directly into commercial property. It aims to provide you with a combination of relatively high, stable income and with the capacity for excellent long-term growth. As with any investment, there are some risks you should understand and consider. The value of a property investment and the income from them can go down as well as up.

Seymour Sinclair Special Offer – The initial charge has been reduced from 5% to just 1% after the bonus that we and New Star are giving. This special offers runs until 31/12/04

For more information on this fund please contact us.

VENTURE CAPITAL TRUSTS - VCT'S

Hailed as **'The Most exciting Investment Opportunity of 2004'**, VCT's are being launched by a number of specialist product providers and fund managers alike. As such a quick guide to VCT's might be helpful.

The Government wants to encourage investors to inject money into smaller companies, so in March 2004 Gordon Brown doubled the tax relief and annual investment limited on Venture Capital Trusts (VCTs) for all UK taxpayers. By doing this the Treasury effectively made VCTs the most tax advantageous investment currently available to UK investors.

This exceptional Government incentive means that:

- Investors receive **40% tax cash-back** on all investments up to £200,000
- Both basis rate and high taxpayers are eligible to the **40% cash-back rebate**
- Investors receive tax free dividends
- There is NO capital gains tax on shares
- Minimum investment as low as £2000
- Providing you hold the investment for 3 years you are entitled to keep the 40% cash, all the income will be tax-free while you own the shares and you will pay no tax when you sell them.

Who can invest in a VCT?

VCTs are highly attractive to many investors such as:

- Any UK taxpayer attracted to equity investment.
- Investors that have already used their full Maxi ISA allowance in this tax year.
- Those investing for retirement that have fully funded their pensions and want additional tax relief.
- Investors holding Investment Trust shares seeking to diversify their investments.
- Retired taxpayers that want to boost the income from their investments.

Why invest in an AIM VCT?

The Alternative Investment Market (AIM) was established to provide a specialist market for smaller, growth orientated companies seeking access to equity capital for expansion. The AIM market has many advantages over the main market, these include lower initial listing costs, lower ongoing regulatory costs and greater tax benefits for investors. It is normally accepted that smaller companies, over time, have the capability to increase their value relatively more than their larger counterparts.

A Venture Capital Trust not only provides investors with the opportunity to gain exposure to smaller, unquoted companies, but it also provides generous tax relief for its investors.

For the next two tax years from 6th April 2004, investors may claim income tax relief of 40% on investments up to £200,000 per tax year, twice the level of previous years, regardless of whether the investor is a higher rate tax payer or not. To take full advantage of this, investors must have a sufficient income tax liability against which it can be offset. If an investor's income tax liability is lower than the relief gained on their investment in the VCT, the income tax relief is dependent upon the level of their tax liability.

VCT's are being launched by Aberdeen, Artemis, Framlington, Keydata, Matrix and Invesco Perpetual.

Usual Seymour Sinclair Bonus – 2% cash-Back

For a full guide on VCTs or brochures on VCT's being launched contact Seymour Sinclair Investments on 020 8870 7072

FIDELITY MULTI-MANAGER GROWTH & INCOME FUNDS - Update

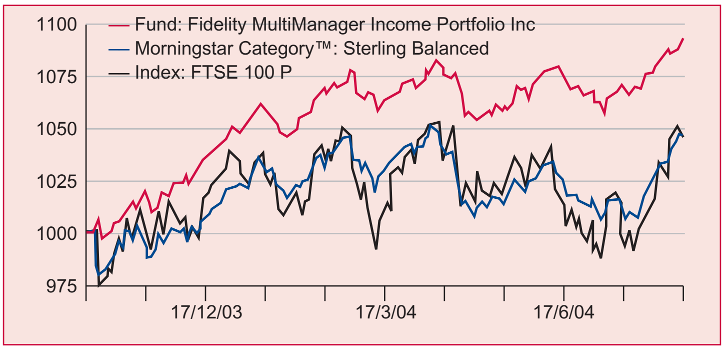
Early in 2004 we sent out to our clients details of Fidelity's Income and Growth Portfolio Funds. These are Funds of Funds which spread investments amongst the leading funds in their sector. Many of our clients wanted to leave the management choice of funds up to experts and as such, the Fidelity Multi-Manager funds proved to be very popular. Those investors who chose these funds have been richly rewarded with their performance.

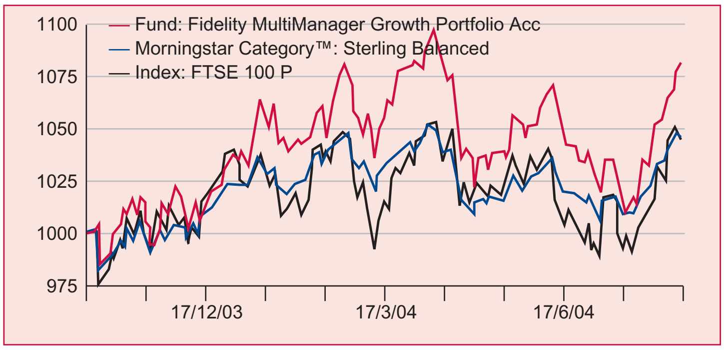
Proof of performance

This ground-breaking approach has resulted in eye-catching performance. Since launch, both Fidelity MultiManager Portfolios have strongly outperformed their respective peer groups, ranking in the top quartile of their sectors.

Since Launch	Cumulative Returns	Quartile Rankings	Sector Ranking
MultiManager Income Portfolio	7.9%	1st	3/47
Sector Average	4.8%	-	-
MultiManager Growth Portfolio	8.4%	1st	19/77
Sector Average	6.4%	-	-

Performance Art





Balance, flexibility and control: characteristics which Advisers demand of multi-manager portfolios. Because consummate performance can only be attained through discipline, experience and consistent application. Fidelity's MultiManager investment process has been honed for many years and is backed by a 15-strong team of investment professionals, headed by the award-winning manager Richard Skelt.

Complementary Disciplines

Fidelity's two MultiManager Portfolios unite a range of complementary disciplines. Unlike other groups, Fidelity believe fund research and selection, portfolio construction, decision implementation and rebalancing are activities best undertaken by dedicated specialists.

Nor does performance come at an outrageous price. Fidelity's MultiManager Portfolios have redefined pricing in this product category - with a standard initial charge of 3.5% which can be reduced to **Initial Charge 0.5% after the Seymour Sinclair Discount on these funds.**

Highlight on - INVESCO PERPETUAL – High Income Fund

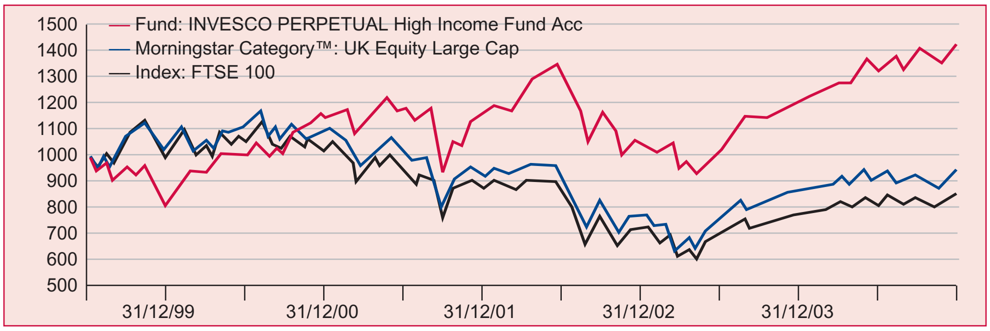
S&P Fund Management Rating 'AAA' - Forsyth – OBSR Fund Rating 'AAA' - Morningstar Rating *****

Estimated net annual income 3.78% - Fund size £2,987.22 million

This fund continues to be very popular with our clients and it is not hard to see why. It is managed by one of the unit trust industries best known and most experienced fund managers. Since joining the company in 1988 Neil Woodford has become one of the most highly respected UK fund managers. Neil's management of the popular High Income, Income and Managed Distribution Funds, has seen him build an enviable long-term performance track record. Neil has also been recognised for his achievements, winning the Investment Week Income Fund Manager of the year in 2002. The fund aims to achieve a high level of income, together with capital growth. It invests primarily in companies listed in the UK, with the balance invested internationally.

Top 5 Holdings		Top 4 Regions		Top 4 Sectors		Assets	
RJ Reynolds Tobacco	8.0%						
British American Tobacco	7.5%	United Kingdom	88.7%	Consumer Goods	38.6%	Equities	97.2%
National Grid Transco	6.6%	North America	10.8%	Utilities	28.0%	Fixed interest	2.0%
Centrica	5.5%	Luxembourg	3.3%	Telecommunications	9.5%	Cash	0.8%
BT Group	4.7%	Global Markets	0.2%	Financials	8.6%		

Five year performance figures – up 40% over the Period.



UK EQUITY INCOME SECTOR

	3 Months	Position	1 Year	Position	3 Years	Position in Sector
Invesco Perpetual High Income Fund	3.9%	2nd out of 81	20.5%	2nd out of 79	21.0%	5th out of 67
Invesco Perpetual Income Fund	3.3%	10th out of 81	19.9%	3rd out of 79	21.0%	4th out of 67

Figures as at 30/8/04 Bid to Bid basis supplied by S&P. Both funds are managed by Neil Woodford.

The High Income fund has returned 36.3% over the last 5 years and over 10 years 216.2% as compared with the sector averages of 1.0% and 105.7% respectively. (Source Lipper 30/6/04)

Normal sales charge for this fund is 5% reduced to 0% after Seymour Sinclair and Invesco Perpetual Discounts on ISAs.

Total Discounts on lump sum investments. - 5% on ISAs – ISA and PEP transfers and 3.5% on other investments.

Neil Woodford, Manager Invesco Perpetual Income and Higher Income Funds

Fund Strategy as at August 2004 – The portfolio remains defensively positioned due to our concerns over imbalances in the UK and UK economies, with current levels of consumer expenditure being, in the view of Invesco Perpetual, unsustainable in the longer term. The core of the fund remains invested in the Utilities and Tobacco sectors.

During the month, they increased their weighting in selected support services stocks including Bunzl, Rexam and Capita. They believe all these stocks are attractively valued, with Capita in 2004 growing it's outsource business strongly winning a number of public and private sector contracts.

Running some £5bn across various retail and institutional mandates, Neil Woodford maintains his market view has changed little in the past two years, pointing to an atypical economic background since 2000.

Over this period, governments have been adjusting policy settings in what he sees as an attempt to abolish the fluctuation in business cycles.

"Although governments began by cutting interest rates to stimulate growth and stave off inflation, leaving them low for such a prolonged period of time is starting to look a fairly reckless fiscal policy", he said.

"The fact policymakers have failed to rein in this fiscal latitude as markets have recovered has fuelled a major increase in borrowing. And widespread concern about the rate of debt accumulation is evident from the change of pace in fiscal tightening in recent months".

Woodford expects at least two further quarter point rises over the coming months, taking the base rate to 5.25%

Looking across the world, he said, the US consumer has broadly maintained the global recovery in recent years but is rapidly running out of credit as interest rates begin to rise and debt becomes less readily available. He also believes the China story has been somewhat over-done, with growth there due a correction, and that Japan is now more dependent on China than at any point in recent memory.

With this in mind, Woodford sees a fairly prosaic out-look for growth in the future, although he is expecting a slow-down rather than anything approaching recession.

That said, he is concerned over the embedded belief in the market that a new stage of expansion is forthcoming and believes the market is looking fairly vulnerable to external shocks, no longer insulated from harm by a spendthrift global, and particularly US, consumer.

Despite his cautious micro-economic view, Woodford believes the UK market is actually something of a safe haven with several defensive stocks insulated against prevailing economic conditions.

"There has been a significant correction in valuations post 2000, with the result that prices in the UK market are not looking too stretched", he said. "This is in contrast to the US, where I still see some valuation risk in Wall Street".

In terms of the Income and High Income funds, Woodford is continuing to focus on this type of defensive situation, with a much publicised quarter of the portfolios in tobacco stocks plus an overweight position in several utilities.

As for the legislation threat to the former sector, Woodford said, the perception of this issue has been more than reality, pointing to the fact the US tobacco giant Philip Morris has never paid out a penny in compensation claims.

He also noted the fact tobacco companies pay for various education and health programs in several US states, giving the former a powerful ally against potential claimants. (Article by James Smith - Investment week 13/9/04)

FOUR NEW FTSE 100 LINKED PRODUCTS FROM ABBEY, WOOLWICH AND FRIENDS PROVIDENT AND NVESTA

Abbey, Nvesta, Woolwich Plan Managers and Friends Provident are launching structured products offering varying return profiles linked to the FTSE 100.

Woolwich Plan Managers' Accelerated Growth Plan offers the highest upside potential, paying out seven times the rise in the Index over a six year term up to 70% return of capital.

This means the product will pay out its highest possible return if the index is up by 10% or more over the investment period.

Structured as a medium-term note, the product will also return initial capital in full at maturity unless the index falls by 50% or more during the term and fails to recover to its initial level by maturity. If this does occur, the capital will be reduced on a one-for-one basis.

The product is available until 5th November and the strike date is 15th November. The minimum investment is £3,000 and £500,000 max. No income will be paid.

The six-year Abbey product offers lower return profile, with 100% of the index growth capped at 56%, although the product will return initial capital in full at maturity regardless of market movements.

In addition, the minimum capital return at maturity will also be increased to 128% of capital if the FTSE 100 rises by 28% from its start at any point during the term.

Available until 29th October, the strike date is 12th November and the final index level is taken as the average of daily readings over the final year. The vehicle also has a second option, with a fixed rate deposit paying 28% growth.

The Friends Provident International Capital Plus Account is an offshore life bond offering 100% capital protection over five-and-a-half year term plus 100% of the rise in the FTSE over the term.

The product has an early kick out facility after three years, paying out 130% of initial capital if the index is up 30% or more by that stage.

Available from 1st October to 30th November, the strike date on this product is 1st December and final index level is calculated as the average of monthly readings taken over the last year of investment. The minimum investment for this plan is £25,000.

Nvesta have launched their Secure Multi Tracker Plan. This plan offers 110% of the average rise in three of the world's global economies. The FTSE 100, S&P 500 and the Nikkei 225 Indices, with no maximum growth potential.

100% of capital will be returned at the maturity date in six years time regardless of the performance of the indices.

The plan can be taken out as an ISA, PEP or Plan with a minimum investment of £3,000. The closing date is 22nd October and the strike date is 29th October.

Interest will be credited at a rate of 4% p.a. on all investments cleared before the strike date.

All investments available as ISA's ISA/PEP Transfers or as a Direct Plan investment.

Apply to us for full details, brochures and applications.

Seymour Sinclair Bonus on these bonds: 2% cash-back on the Abbey, Nvesta and Woolwich Plans and 3% on the Friends Provident.

THE POLISH PRIVATISATION SERVICE FROM KEYDATA

In the UK millions of investors bought shares in such companies as BT, BP, British Gas, Water and Electricity companies through a privatisation program that lasted over 15 years. Crucially, it also acted as a catalyst for countries all over the world to sell state-owned companies to raise money, reduce government spending and increase private ownership of shares.

Poland started a program of privatisation in the 1990s and gas raised over £12 billion in the process. In May 2004, Poland joined the European Union which recognised the enormous progress it had made in transforming its economy over the past decade.

Stock market gains have increased this year by 73% over the first quarter supporting longer-term economic predictions. It is predicted that Poland's GDP will outstrip the UK's by over 2% this year and again in 2005. Exports were up 38% in the first six months compared with 2003 and Foreign Direct Investment is due to increase by 25% to US$8bn this year and then US$10bn in 2005. (PriceWaterhouseCoopers Aug 2004)

Importantly, because Poland is now a member of the European Union, it is possible for you to buy shares in Poland's privatisation programme on the same basis as an equivalent Polish investor.

Despite the attractions, applying for shares in Poland is difficult and expensive. Keydata Investment Services provides the only UK based service that allows you, and your family, to apply for shares in the retail offer of forthcoming Polish privatisations.

You can invest as little as £2,150 into the service to buy shares.

Seymour Sinclair Cash-Back Bonus is 2%.
Apply to us for full details brochures and application forms.

Keydata is one of the fastest growing investment solutions boutiques in the UK. Since launching its first product in 2001 it has attracted over £650 million of assets, launching over 30 investment products in the process. Keydata has also established one of the UK's most successful third party administration services supporting many of the UK's leading fund and asset managers. Keydata has a reputation for innovation and integrity and is committed to producing investments offering attractive returns within clearly defined risk parameters.

GUARANTEED INCOME AND GROWTH BONDS

Guaranteed Bonds continue to be very popular with our investors as an alternative to deposit accounts. Although there has been a recent reduction in the rates they still are competitive with deposit rates when you consider these are Net rates. The rates shown below are the current rates available with our enhancement bonus added. The returns are Net of Basic Rate Tax.

AMOUNT	ANNUAL	MONTHLY	GROWTH
1 Year	1 Year	1 Year	1 Year
£5,000.00	3.43%	3.36%	3.43%
£10,000.00	3.98%	3.91%	3.98%
£20,000.00	4.22%	4.13%	4.22%
£50,000.00	4.33%	4.25%	4.33%
2 years	2 years	2 years	2 years
£5,000.00	3.83%	3.72%	7.79%
£10,000.00	4.23%	4.15%	8.62%
£20,000.00	4.38%	4.29%	8.94%
£50,000.00	4.48%	4.39%	9.14%
3 years	3 years	3 years	3 years
£5,000.00	4.32%	4.24%	13.50%
£10,000.00	4.30%	4.33%	13.82%
£20,000.00	4.47%	4.38%	13.99%
£50,000.00	4.62%	4.48%	14.45%
4 years	4 years	4 years	4 years
£5,000.00	4.31%	4.23%	18.35%
£10,000.00	4.46%	4.37%	19.03%
£20,000.00	4.61%	4.42%	19.45%
£50,000.00	4.71%	4.52%	19.71%
5 years	5 years	5 years	5 years
£5,000.00	4.25%	4.17%	23.11%
£10,000.00	4.45%	4.36%	24.29%
£20,000.00	4.60%	4.46%	25.07%
£50,000.00	4.65%	4.55%	25.47%

Guaranteed Income Bond rates can alter any time. These rates are correct at the time of going to press. Higher rates of return are available for investments over £100,000.