

THE KING & SHAXSON FUND PLC
(Investment Company with Variable Capital)

REPORT & AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

Registered Number 415070

THE KING & SHAXSON FUND PLC

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THE KING & SHAXSON FUND PLC

MANAGEMENT AND ADMINISTRATION

Registered Office: 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland

Directors

Nicholas Wallis
Lorcan Tiernan*
Jim Ruane*

Independent Auditors

KPMG
Chartered Accountants
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

Investment Manager and Promoter

King & Shaxson Asset Management Limited
6th Floor, Candlewick House
120 Cannon Street
London EC4N 6AS
England

Custodian

HSBC Institutional Trust Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Registrar and Transfer Agent

BNY Mellon Fund Services (Ireland) Limited
Guild House
Guild Street
IFSC
Dublin 1

Legal Advisors

as to English Law:
Macfarlanes
20 Cursitor Street
London EC4A 1LT
United Kingdom

Administrator & Secretary

HSBC Securities Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Legal Advisors

as to Irish Law
Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

Sponsoring Broker

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

All Directors are non-executive

*Independent Director

THE KING & SHAXSON FUND PLC

DIRECTOR'S REPORT

The Directors present to the shareholders their annual report together with the audited financial statements of the King & Shaxson Fund Plc for the year ended 31 March 2009.

General Information

The King & Shaxson Fund Plc (the "Company") is an open ended umbrella type investment company with variable capital and limited liability, incorporated in Ireland on 7 February 2006 under the Companies Acts, 1963 to 2009 with registration number 415070. The Company has been authorised by the Financial Regulator as a UCITS pursuant to the UCITS Regulations.

The Company is structured as an umbrella fund consisting of different Funds, each comprising one or more Classes. There exists segregated liability between the Funds. The Company has established four funds: KS Ethical Green Solutions Fund, KS Ethical Balanced Income Fund, KS Cash Plus Fund and KS Prudential Liquidity Fund. At 31 March 2009, the Company has two Funds, KS Ethical Green Solutions Fund and KS Ethical Balanced Income Fund which offer Euro and Sterling Class Shares. KS Prudential Liquidity Fund closed on 28 August 2007.

Fund	Currency	Launched
KS Ethical Green Solutions Fund – Class B	GBP	15 August 2006
KS Ethical Balanced Income Fund – Class B	GBP	15 August 2006

Results, Activities and Future Developments

The results for the year are shown in the Profit and Loss Account on page 27.

A detailed review of activities and future developments is contained in the Investment Manager's Reports on page 7 to 10. The Directors have directed the affairs of the Company in accordance with the Companies Acts, 1963 to 2009.

Risk Management Objectives and Policies

Investment in the Company involves a number of risks. Details of these risks are contained in the prospectus. Details of the risks associated with financial instruments are included in Note 10 to the financial statements

Directors

The Directors of the Company are detailed on page 2. The following were the Directors during the year under review:

Nicholas Wallis
Lorcan Tiernan
Jim Ruane

Directors' and Secretary's Interests

The Directors and Company Secretary who held office at 31 March 2009 had no interest in the shares of the Company at 31 March 2009. Nicholas Wallis, a director of the company, is an employee of the Investment Manager and promoter, King & Shaxson Asset Management Limited.

THE KING & SHAXSON FUND PLC

**DIRECTOR'S REPORT
(Continued)**

Segregated Liability of Sub Funds

The Company has been established as an umbrella company with segregated liability between Funds. As a result, neither the Company nor any Director, receiver, examiner, liquidator or other person shall apply nor be obliged to apply, the assets of any one Fund in satisfaction of any liability incurred on behalf or attributable to any other Fund.

Dividends

The Company does not expect to pay dividends in respect of KS Ethical Green Solutions Fund.

It is intended the KS Ethical Balanced Income Fund will pursue a distribution policy so that the Fund will be able to obtain certification as a "Distributing Fund" under the United Kingdom Income Corporation Taxes Act, 1988 for the purpose of United Kingdom taxation.

Post Balance Sheet Event

There are no significant events after the balance sheet date.

Principal Risks and Uncertainties

A detailed review of the principal activities is included in the Investment Manager's Reports on pages 7 to 10. The risks that the Company is exposed to are outlined in note 10 to the financial statements.

Accounting Records

The Directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by appointing HSBC Securities Services (Ireland) Limited to carry the administration of the Company. The administration duties include the keeping of all relevant records and accounts of the Company.

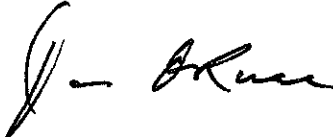
The books of account of the Company are maintained at HSBC Securities Services (Ireland) Limited, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland.

Independent Auditor

KPMG, Chartered Accountants, have expressed their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963 to 2009.

On behalf of the board of Directors

Director 

Director 

Date: 16 July 2009

THE KING & SHAXSON FUND PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Company's Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Company financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

The Company's financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Act 1963 to 2009 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003. They are also responsible for safeguarding the assets of the Company. In this regard, they have entrusted the assets of the Company to the Custodian for safe-keeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Acts.

On behalf of the board of Directors

Director 

Director 

Date: 16 July 2009



Report of the Custodian to the Shareholders

We have enquired into the conduct of The King & Shaxon Fund plc ("the Company") for the year ended 31 March 2009, in our capacity as Custodian to the Company.

This report including the opinion, has been prepared for and solely for the shareholders in the Company as a body, in accordance with the Financial Regulator's UCITS Notice 4 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Custodian

Our duties and responsibilities are outlined in the Financial Regulator's UCITS 4. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed, in that period, in accordance with the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied we as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Custodian Opinion

The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in UCITS Notice 4 and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provision of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003, as amended, ("the Regulations"); and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the Regulations.

On behalf of
HSBC Institutional Trust Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

16 July 2009

HSBC Institutional Trust Services (Ireland) Limited
1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland
Tel: 00353 1 635 6000 Fax: 00353 1 649 7542

Directors: Ronnie Griffin, Gerry Bradley, John Cargill (UK)
Registered in Dublin, Ireland: Reg No. 181767 V.A.T. 6581765H
HSBC Institutional Trust Services (Ireland) Limited is authorised by the Financial Regulator under the Investment Intermediaries Act, 1995.

THE KING & SHAXSON FUND PLC
INVESTMENT MANAGER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2009

Economic Report and Outlook

The dire economic conditions have now been dominating the headlines for over a year, and although recent political events have taken precedence in the headlines, the economic outlook remains bleak for 2009 and 2010. The current economic recession started last year with the financial crisis, as well known high street banks collapsed under concerns about "toxic assets", sub-prime losses and over gearing. This then morphed into a general economic downturn with concern about declining sales and rising unemployment. Whilst there is nothing pleasant about an economic downturn, we can glean some comfort from the signs that we are now beginning to make progress towards economic recovery.

In our report last October we expressed our concern that high interest rates in the UK, driven then by inflation concerns, would deepen the recession. In December we saw some concerted action from the Bank of England with interest rates falling from 5% at the beginning of October to 0.5% in March 2009. These cuts in addition to quantitative easing (i.e. printing more money) and the fiscal stimuli seen over the last six months are unprecedented and we expect them to begin to impact on the economy in early 2010. What form this recovery takes is still too soon to predict. Right now we feel it will be infrastructure and industry led, and this in turn means we expect a slow steady recovery rather than a quick financial and consumer led boom anticipated by some.

As UK rates have fallen to the same level as US rates and to a lower level than European rates, there has been a sharp and rapid decline in Sterling. Whilst this has helped investment performance (we were significantly invested outside of sterling) we also expect it to help UK competitiveness and the export industry. At the time of writing the March UK trade deficit narrowed as exports increased, supporting this view. However, the UK economy is not an island, and the pace of its recovery also depends on the recovery of the global economy. The US economy was the first to decline and both the US government and Federal Reserve responded quickly to the economic crisis and the US economy is expected to be the first to recover, whilst Europe and the Far East, in general, have been much slower to react and we expect them to recover more slowly as a result.

Although there are distinct differences in each economic region there are some economic trends that are truly global. In particular, these are commodity prices and global industries (such as steel and the automobile sector). Only a year ago the oil price was pushing higher and peaked at over \$150 a barrel. At the time this was stoking inflation fears around the world. At the end of March 2009 it was less than \$50 a barrel and oil investment projects around the world are being pulled as the low oil price makes them unprofitable. This is not unique to oil but the same for most commodities.

Outlook

To a large extent the financial crisis is over and we are now in the midst of an economic crisis. A great deal of money and political effort has been thrown at the problem and we are very much in a wait and see period as the stimulus works its way through the system. Although we expect the stimulus to have an effect we feel it would be foolish to try and predict when and how things will eventually pick up. There are signs of recovery in both the UK and US, but this is not a straight and easy path and there will be pitfalls along the way. Uncertain times still lay ahead but we take comfort from the general direction we see the economy taking.

THE KING & SHAXSON FUND PLC
INVESTMENT MANAGER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2009
(Continued)

Market Outlook

Moving into this recession we have seen equity markets collapse over the last twelve months, starting with the banking sector and then moving into consumer, industry and technology sectors. As funding became even more expensive even some of the traditional defensive sectors such as healthcare (also due to a feared change in US policy), energy and utilities suffered as dividend expectations were cut back. In October we saw a very aggressive sell off in equities as geared hedge fund positions were redeemed and both good and bad companies were sold to raise funds for redemptions. Equity markets recovered a little only to be sold off at the beginning of 2009 as many companies reported strong declines in business. Even worse for markets, they also scaled back their outlooks as there was so much economic uncertainty. Over the last month we have begun to see a recovery in equity prices as the economic outlook becomes clearer.

During the market turmoil we have seen the classic flight to safety and an increased investment in government bonds, sending gilt prices higher. At the same time corporate bonds declined in value as the risk premium on even some of the safest AAA bonds, such as state owned railways and development banks, rose in the climate of fear. Property continued to perform badly as concerns about asset values were overtaken by worries about bank covenants as loan to value ratios increased. Whilst there is some good value in property we do not see any recovery potential for this asset class in the short term. Forestry has continued to be stable and gold has increased in value during the period.

Near the start of the period we increased investment in corporate bonds as there was good value in this asset class. More recently we have begun to take some profits by selling some of the higher quality bonds that are looking over priced. We are less positive on corporate bonds than we were when we wrote our last report in October but still feel they are an important asset class when it comes to income and risk control. A key concern we have is the increased risk of higher inflation in two or three year's time. Anyone who is familiar with diving will know the risk is on the ascent (i.e. coming back up) rather than the descent, and after all the stimuli we have seen in the economy we are worried that excess money may not be reined in fast enough. We recently added a Network Rail index-linked bond to the Balanced Income Fund to mitigate some of this risk.

In equities we still favour large global companies with the cash to weather the current crisis. Given the current weakness of sterling we have also begun to favour UK equities again. We sold some Euro denominated equities earlier in the year. We have also taken advantage of a couple of good opportunities in the higher risk arena. Our stance towards bonds, property and commodities is now neutral.

The Balanced Income Fund

Throughout 2008 we increased our asset allocation in fixed income at the expense of property and equities and by the end of the calendar year we were almost equal in our weighting to fixed income and equities. In the first quarter of 2009 we began to reduce our exposure to fixed income slightly as the flight to quality and search for income increased demand for this asset drove prices to unrealistic levels. We sold our larger holding in KfW, the German development bank and our holdings in the Portman Building Society floating rate notes matured.

We still feel fixed income is an important asset class as corporate bonds still provide a high level of income and offer some security. However, we are becoming concerned about inflation in two to three years time, as this inflation will destroy the real value of bonds, as the principal repayment amount remains fixed. Just before the end of the reporting date we added a Network Rail RPI linked bond to the fund. There is a smaller income of 1.75% but the bonds are linked to the RPI index so we will not lose out should there be a rise in inflation over the coming years.

THE KING & SHAXSON FUND PLC
INVESTMENT MANAGER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2009
(Continued)

The Balanced Income Fund (continued)

Within equities we have reduced our exposure to water utilities slightly by selling Veolia in France. We also became concerned about Philips, one of our top ten holdings, as both the construction and medical industries were put under pressure. We therefore sold this holding in January.

While the medical industries were under pressure we decided to add to the funds exposure in this sector by investing in Fresenius Medical Care, a German dialysis producer, and in Rhoen-Klinikum, a company that owns and operates hospitals in Germany. We also took advantage of weakness in the public transport sector to add to our holdings in Arriva.

At the moment we are holding just below 10% of the fund in cash to enable us to take advantage of investment opportunities in equities as they present themselves.

Below is an ethical commentary on two of our new investments, as full ethical commentary on all our holdings is available on our web-site www.kingandshaxson.com/am/ethical.asp

Network Rail (Solutions based – rail infrastructure)

Network Rail is the son of ill-fated Railtrack. It is an engineering company formed to maintain, improve, and upgrade every aspect of the railway infrastructure, including the track, signaling systems, bridges, viaducts, tunnels, level crossings and stations. All Infrastructure maintenance work is conducted in-house. The company is limited by guarantee and has no shareholders. Instead it is accountable to members and run by a PLC style board who do not receive dividends or share capital. The membership group is drawn from a wide range of industry partners and interested parties, including members of the public. Members have clearly defined and limited powers; they do not run the company. However, the board is directly accountable to Network Rail's members. They oversee the conduct of the business and do not receive any other form of payment.

Fresenius Medical Care (Solutions-based – Healthcare)

This German company is the global leader in dialysis services and dialysis products. It operates throughout the world, with a focus on North America and Europe. Fresenius uses its global presence to offer dialysis equipment for dialysis patients who want to travel abroad. It also runs over 2,000 clinics worldwide. Its products are tested on animals in order to prove their efficacy to the regulators, but only conducts tests where it believes that this is necessary and always under the aegis of an ethical committee on animal testing. The company has excellent environmental credentials, having introduced an 'eco ranking' for products in terms of waste, energy and water. Containers are recycled throughout the company and plastic bags, packaging and infusion products are all recycled. Transport has been much reduced through effective planning and suppliers are expected to conform to environmental standards set by the company.

The Green Solutions Fund

The renewable energy sector is still dominated by wind and solar energy. The wind sector continues to suffer from financing worries as funding for new products becomes scarce. This has had a strong impact on wind turbine manufacturers that have been accustomed to very strong growth over the past few years. We took advantage of this current weakness to increase exposure to the sector by adding Vestas Wind Systems to the fund. On the whole we still prefer to invest in the wind farm operators and remain invested in companies such as Iberdrola Renovables and Novera Energy. We took profit on EDF Energies Neuveaux during the period.

The solar sector has also suffered as silicon prices have collapsed as new production came on stream. We used this weakness to reinvest in Solarworld for the fund to increase exposure to solar. We also added Solar Millennium, a CSP plant-building manager, into this weakness to give a broader spread to the solar sector.

THE KING & SHAXSON FUND PLC
INVESTMENT MANAGER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2009

(Continued)

The Green Solutions Fund (continued)

Over the last few years we have seen many small fuel efficiency and fuel cell companies list on the London AiM market. Of these we chose some time ago to invest in an Australian company called Ceramic Fuel Cells. The company's product has been successfully developed and is being rolled out in key European markets. Unfortunately the company became an unwitting victim of the Icelandic bank failure and was therefore forced to return to the equity markets to raise cash. We increased our investment in this company through this placing of shares to see the company through this key stage of their development.

The waste and recycling sector was hit as prices for recycled products have fallen. This has impacted on some of our key holdings such as Sims Group and LQK. We used this weakness to add Kedco to the fund. This small AiM listed Irish company operates in the waste to energy sector.

Public transport remains a key sector in the fund and we have seen relative stability with our holding of MTR in Hong Kong, whilst in the UK we have seen the public transport sector suffer as fears of a decline in rail travel impact on the operators. We feel these fears are over done in at least two out of three cases and see the sector recovering. This is why we recently added to the holding in Arriva.

As a high risk fund the funds price and value fell very sharply during the period, but it has also been able to strongly outperform during recent bounce in the markets. Although the recession has impacted on certain sectors the case for companies solving the world's environmental and social problems remain compelling.

Below is an ethical commentary on three of our new investments, as full ethical commentary on all our holdings is available on our web-site www.kingandshaxson.com/am/ethical.asp

Ceramic Fuel Cells (Solutions-based – fuel cells)

CFCL is an Australian developer of fuel cell systems based on solid oxide fuel cell (SOFC) technology that deliver reliable, energy efficient, high-quality, low-emission electricity from natural gas, LPG, methane and other alternative and renewable fuels. The company is initially focused on products that can be manufactured into small-scale on-site power generators. A micro Combined Heat and Power unit that co-generates electricity and hot water for domestic use is expected to be one of the first applications of CFCL's SOFC technology. CFCL is initially focused on an existing and growing micro-CHP market in Europe and will then move into other growing micro-CHP markets in Asia and North America.

Solar Millennium (Solutions-based - solar power)

Solar Millennium develops solar thermal plants, and is constructing its first plant in Southern Spain. In contrast to photovoltaics, which are effective for low-power decentralized systems, solar thermal power plants generate electricity on a large scale – between 50 and 250 megawatts. With the integration of thermal storage, this power can then be supplied on demand, thus enabling solar power plants to generate electricity even after sunset. Solar thermal power plants therefore have the potential to replace fossil fuel power plants.

Kedco (Solutions-based – renewable energy)

Kedco was founded in 2005 and is a bioscience energy company operating in the UK and Ireland. Their main areas of operation are anaerobic digestion, gasification technologies, combined heat and power units, and solar and biomass heating systems.

King & Shaxson Asset Management Limited
Date: June 2009

THE KING & SHAXSON FUND PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING & SHAXSON FUND PLC

We have audited the financial statements of King & Shaxson Fund PLC for the year ended 31 March 2009, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares and the Portfolio of Investments, along with the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's shareholders, as a body, in accordance with section 193 of the Companies Act 1990. 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 Directors and Auditor

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts, 1963 to 2009 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003 (as amended). We also report to you whether in our opinion proper books of account have been kept by the Company and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purpose of our audit, and whether the Company's financial statements are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding Directors' remuneration and Directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. The other information is comprised of the Directors' Report, the Custodian's Report and the Investment Manager's Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

THE KING & SHAXSON FUND PLC

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING & SHAXSON FUND PLC (CONTINUED)**

Basis of audit opinion (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Company's affairs as at 31 March 2009, and its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the Directors' Report is consistent with the financial statements.



KPMG
Chartered Accountants
Registered Auditor
1 Harbourmaster Place
IFSC
Dublin 1

Date 16 July 2009

THE KING & SHAXSON FUND PLC

KS ETHICAL GREEN SOLUTIONS FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2009

(expressed in Sterling)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities		
	Equities		
	Basic Materials		
35,000	Plantic Technologies	2,100	0.20
1,000	Precious Woods Holding	18,254	1.72
		20,354	1.92
	Consumer Goods		
4,000	Interface	8,344	0.79
5,000	LKQ	49,709	4.67
75,000	Optare	4,875	0.46
		62,928	5.92
	Consumer Services		
6,000	Arriva	22,230	2.09
6,000	Firstgroup	16,035	1.51
51,000	MTR	85,854	8.07
2,500	National Express Group	3,794	0.36
		127,913	12.03
	Healthcare		
2,000	Brookdale Senior Living	7,046	0.66
4,000	Cranswick	22,960	2.16
220,000	Optiscan Imaging	4,266	0.40
18,485	RPS Group	28,790	2.71
3,000	Stratec Biomedical Systems	29,817	2.80
		92,879	8.73
	Industrial		
2,330	Advanced Vision Technology	4,230	0.40
3,000	Arcadis	25,204	2.37
9,000	Augean	2,565	0.24
2,000	Canadian National Railway Company	49,451	4.65
12,000	Ceco Environmental Corp	24,446	2.30
1,187,500	Ceramic Fuel Cells	20,313	1.91
1,250	Deere & Company	28,604	2.69
25,000	Eaga	36,500	3.43
12,803	Enfis Group	4,481	0.42
60,000	Flora EcoPower Holding	16,673	1.57
15,000	Halma	24,788	2.33
2,500	Headwaters	5,459	0.51

THE KING & SHAXSON FUND PLC
KS ETHICAL GREEN SOLUTIONS FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2009
(expressed in Sterling)
(CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities (continued)		
	Equities (continued)		
	Industrial (continued)		
10,000	Helesi	3,000	0.28
47,000	Hyflux	35,374	3.33
15,000	IFM Power	1,425	0.13
110,200	Kedco	18,374	1.73
14,000	Muehlhan	21,008	1.97
24,111	Nviro Cleantech	1,447	0.13
6,800	Polyfuel	102	0.01
3,500	Renesola	3,903	0.37
25,000	Shanks Group	13,938	1.31
7,200	Sims Metal Management	58,494	5.50
3,500	Solar Millennium	33,750	3.17
5,500	Straight	2,475	0.23
750	Vestas Wind Systems	22,852	2.15
28,090	Vycon	281	0.03
		459,137	43.16
	Oil & Gas		
10,250	D1 Oils	948	0.09
5,000	Gamesa	44,277	4.16
4,000	Solarworld	58,208	5.48
		103,433	9.73
	Technology		
4,450	Init Innovation In Traffic Systems	24,979	2.35
		24,979	2.35
	Utilities		
3,000	3S Industries	18,131	1.70
2,000	Cia de Saneamento Basico do Estado de Sao Paulo	29,302	2.76
15,000	Greenko Group	5,850	0.55
15,000	Iberdrola Renovables	43,351	4.08
31,250	Novera Energy	9,688	0.91
1,500	Ormat Technologies	28,726	2.70
85,000	Polaris Geothermal	18,854	1.77
2,000	Renewable Energy	12,027	1.13

THE KING & SHAXSON FUND PLC
KS ETHICAL GREEN SOLUTIONS FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2009
(expressed in Sterling)
(CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities (continued)		
	Equities (continued)		
	Utilities (continued)		
20,000	Rurelec	2,000	0.19
3,500	Theolia	6,873	0.65
		174,802	16.44
	Total Equities	1,066,425	100.28
	Corporate Bonds		
30,000	Firstgroup 6.125% 18/01/2019	25,980	2.44
	Total Corporate Bonds	25,980	2.44
	Total Transferable Securities	1,092,405	102.72
	Total financial assets at fair value through profit or loss	1,092,405	102.72
	Other net assets and liabilities	(28,934)	(2.72)
	Net assets attributable to holders of redeemable participating shares	1,063,471	100.00

All transferable securities are admitted to official stock exchange listings.

THE KING & SHAXSON FUND PLC

KS ETHICAL GREEN SOLUTIONS FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2008
(expressed in Sterling)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities		
	Equities		
	Basic Materials		
10,000	Plantic Technologies	4,600	0.27
1,000	Precious Woods Holding	57,230	3.36
		61,830	3.63
	Consumer Goods		
4,000	Cranswick	20,500	1.20
4,000	Interface	28,277	1.66
		48,777	2.86
	Consumer Services		
10,000	Arriva	68,500	4.02
6,000	FirstGroup	33,780	1.98
51,000	MTR	88,031	5.17
2,500	National Express	25,100	1.47
		215,411	12.64
	Healthcare		
2,000	Brookdale Senior Living	24,050	1.41
220,000	Optiscan Imaging	24,756	1.45
3,000	Stratec Biomedical Systems	33,724	1.99
1,500	Wellpoint	33,298	1.96
		115,828	6.81
	Industrial		
7,500	Biffa	26,119	1.53
4,000	Advanced Vision Technology	21,271	1.25
1,000	Arcadis	30,320	1.78
9,000	Augean	6,030	0.35
1,500	Canadian National Railway	36,453	2.14
50,000	Ceramic Fuel	10,500	0.62
25,000	Eaga	45,938	2.70
12,803	Enfis Group	14,339	0.84
10,000	Halma	19,325	1.13
2,500	Headwaters	16,591	0.97
47,000	Hyflux	51,820	3.04
15,000	ITM Power	9,337	0.55

THE KING & SHAXSON FUND PLC

KS ETHICAL GREEN SOLUTIONS FUND
 SCHEDULE OF INVESTMENTS
 AS AT 31 MARCH 2008
 (expressed in Sterling)
 (CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
Transferable Securities (continued)			
Equities (continued)			
Industrial (continued)			
14,000	Muehlhan	29,913	1.76
24,111	Nviro Cleantech	10,850	0.64
6,800	Polyfuel	1,360	0.08
3,500	Renesola	9,730	0.57
18,485	RPS Group	59,291	3.48
10,000	Shanks Group	25,850	1.52
5,000	SIG	43,925	2.58
7,200	Sims Group	95,239	5.59
5,500	Straight	2,915	0.17
28,090	Vycon	19,663	1.15
		586,779	34.44
Oil & Gas			
10,250	D1 Oils	4,331	0.25
3,500	Gamesa	80,615	4.73
2,600	Nordex	50,889	2.99
1,400	Solarworld	34,210	2.01
		170,045	9.98
Technology			
4,450	INIT Innovation in Traffic Systems	25,970	1.53
24,200	RM	47,674	2.80
		73,644	4.33
Utilities			
2,000	Cia Saneamento Basico	44,599	2.62
3,500	Consolidated Water	38,531	2.25
15,000	Greenko Group	14,400	0.85
15,000	Iberdrola Renovables	52,619	3.09
31,250	Novera Energy	28,125	1.65
1,500	Ormat Technologies	32,415	1.89
85,000	Polaris Geothermal	42,932	2.52
2,000	Renewable Energy	28,020	1.65
20,000	Rurelec	10,200	0.60
3,000	Theolia	45,898	2.70
		337,739	19.82
Total Equities		1,610,053	94.51

THE KING & SHAXSON FUND PLC
KS ETHICAL GREEN SOLUTIONS FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2008
(expressed in Sterling)
(CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities (continued)		
	Corporate Bonds		
30,000	First Group 6.125% 18/01/2019	27,727	1.63
	Total Corporate Bonds	<u>27,727</u>	<u>1.63</u>
	Total Transferable Securities	1,637,780	96.14
	Warrant		
85,000	Polaris Geothermal	-	-
	Total Warrant	<u>-</u>	<u>-</u>
	Total financial assets at fair value through profit or loss	1,637,780	96.14
	Other net assets and liabilities	65,147	3.86
	Net assets attributable to holders of redeemable participating shares	<u>1,702,927</u>	<u>100.00</u>

All transferable securities are admitted to official stock exchange listings.

THE KING & SHAXSON FUND PLC

KS ETHICAL BALANCED INCOME FUND
 SCHEDULE OF INVESTMENTS
 AS AT 31 MARCH 2009
 (expressed in Sterling)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities		
	Equities		
	Basic Materials		
3,656	Johnson Matthey	38,498	1.30
1,000	Precious Woods Holding	18,254	0.62
		56,752	1.92
	Consumer Services		
18,075	Arriva	66,968	2.27
14,334	Firstgroup	38,308	1.30
15,000	Holidaybreak	30,000	1.01
7,500	National Express Group	11,381	0.38
		146,657	4.96
	Financial		
1,300	Allianz	76,815	2.60
12,000	Aviva	25,950	0.88
70,000	Dawney Day Carpathian	7,000	0.24
4,000	Deutsche Wohnen	41,869	1.42
10,000	Great Lakes Hydro Income	87,115	2.95
170,000	Medicx	117,300	3.96
20,000	Wichford	6,150	0.21
		362,199	12.26
	Healthcare		
2,000	Brookdale Senior Living	7,046	0.24
2,500	Fresenius Medical Care	67,712	2.29
6,750	Rhoen Klinikum	87,847	2.97
		162,605	5.50

THE KING & SHAXSON FUND PLC
KS ETHICAL BALANCED INCOME FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2009
(expressed in Sterling)
(CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities (continued)		
	Equities (continued)		
	Industrial		
2,000	Canadian National Railway	49,451	1.67
1,750	Deere & Company	40,046	1.35
30,000	Halma	49,575	1.68
4,000	Kingspan Group	10,193	0.34
34,750	Shanks Group	19,373	0.66
10,000	Spectris	40,125	1.36
		208,763	7.06
	Oil & Gas		
5,550	Gamesa Corp Tecnologica	49,147	1.66
		49,147	1.66
	Telecommunications		
10,000	Deutsche Telekom	86,701	2.93
70,000	Vodafone	85,680	2.90
11,000	Windstream	61,855	2.09
		234,236	7.92
	Utilities		
40,000	Hera SpA	45,870	1.55
20,000	Iberdrola Renovables	57,801	1.96
12,000	National Grid New	64,140	2.17
8,050	Scottish & Southern Energy	89,033	3.01
8,500	United Utilities Group	41,097	1.39
		297,941	10.08
	Total Equities	1,518,300	51.36
	Corporate Bonds		
75,000	Aviva 5.9021% VRN PERP	16,046	0.54
147,000	Deutsche Bahn Finance 4.75% 14/03/2018	133,778	4.53
65,000	Deutsche Bahn Finance 4.875% 06/07/2009	60,595	2.05
50,000	Dsg International 6.125% 15/11/2012	28,425	0.96
50,000	Firstgroup 6.125% 18/01/2019	43,300	1.46
50,000	Firstgroup 8.125% 19/09/2018	50,436	1.71
100,000	France Telecom 5.625% 23/01/2034	94,428	3.19

THE KING & SHAXSON FUND PLC

KS ETHICAL BALANCED INCOME FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2009
(expressed in Sterling)
(CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
Transferable Securities (continued)			
Corporate Bonds (continued)			
75,000	France Telecom 7.25% 10/11/2020	86,565	2.93
109,000	Kingfisher 5.625% 15/12/2014	90,948	3.08
50,000	National Grid Electricity Transmission 6.5% 27/07/2028	50,887	1.72
50,000	Scottish & Southern Energy 6.25% 27/08/2038	48,131	1.63
175,000	SNCF 5.375% 18/03/2027	191,092	6.46
150,000	Yorkshire Water Finance 5.375% 21/02/2023	132,872	4.50
Total Corporate Bonds		1,027,503	34.76
Government Bonds			
50,000	KFW-Kredit Wiederaufbau 5.75% 12/07/2011	54,500	1.84
Total Government Bonds		54,500	1.84
Supra National Bond			
200,000	IFFIM 5% 14/11/2011	148,031	5.01
Total Supra National Bond		148,031	5.01
Total Transferable Securities		2,748,334	92.97
Closed Ended Investment Fund			
150,000	AXA Property Trust	44,250	1.50
24,950	Close High Income Properties	1,996	0.07
71,300	ISIS Property Ltd	42,067	1.42
80,800	Standard Life Investment Property Income Trust	22,422	0.76
Total Closed Ended Investment Fund		110,735	3.75
Total financial assets at fair value through profit or loss		2,859,069	96.72
Other net assets and liabilities		96,883	3.28
Net assets attributable to holders of redeemable participating shares		2,955,952	100.00

All transferable securities are admitted to official stock exchange listings.

THE KING & SHAXSON FUND PLC

KS ETHICAL BALANCED INCOME FUND
 SCHEDULE OF INVESTMENTS
 AS AT 31 MARCH 2008
 (expressed in Sterling)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
	Transferable Securities		
	Equities		
	Basic Materials		
3,656	Johnson Matthey	73,230	1.95
1,000	Precious Woods Holding	57,230	1.52
		130,460	3.47
	Consumer Goods		
1,700	Continental	87,148	2.32
3,500	Philips Eltn Kon	67,611	1.80
		154,759	4.12
	Consumer Services		
13,075	Arriva	89,564	2.38
60,000	DSG International	37,950	1.01
14,334	FirstGroup	80,700	2.14
30,000	Kingfisher	39,510	1.05
7,500	National Express	75,300	2.00
		323,024	8.58
	Financial		
13,000	Aviva	80,210	2.13
70,000	Dawnay Day Carpathian	51,800	1.38
4,000	Deutsche Wohnen	56,924	1.51
46,150	Friends Provident	57,041	1.52
10,000	Great Lakes Hydro Income	82,039	2.18
170,000	MedicX	138,125	3.67
20,000	Wichford	27,850	0.74
		493,989	13.13
	Healthcare		
2,000	Brookdale Senior Living	24,050	0.64
2,000	Fresenius Medical Care	50,658	1.35
		74,708	1.99

THE KING & SHAXSON FUND PLC

KS ETHICAL BALANCED INCOME FUND
 SCHEDULE OF INVESTMENTS
 AS AT 31 MARCH 2008
 (expressed in Sterling)
 (CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
Transferable Securities (continued)			
Equities (continued)			
Industrial			
15,164	Biffa	52,809	1.40
2,000	Canadian National Railway	48,604	1.29
17,020	Halma	32,891	0.86
4,000	Kingspan Group	27,139	0.72
14,750	Shanks Group	38,129	1.01
6,000	SIG	52,710	1.40
		252,282	6.68
Technology			
3,000	Nokia	47,907	1.27
		47,907	1.27
Telecommunications			
120,000	Vodafone	180,960	4.81
11,000	Windstream	65,972	1.75
		246,932	6.56
Utilities			
20,000	Iberdrola Renovables	70,159	1.86
12,050	Scottish & Southern Energy	169,062	4.49
20,808	United Utilities	143,679	3.82
1,500	Veolia Environnement	52,798	1.40
		435,698	11.57
Total Equities		2,159,759	57.37
Corporate Bonds			
75,000	Aviva 5.902% VRN Perp	59,858	1.59
165,000	British Telecom 5.750% 07/12/2028	138,802	3.69
147,000	Deutsche Bahn Fin 4.750% 14/03/2018	117,560	3.12
65,000	Deutsche Bahn Finance 4.875% 06/07/2009	52,117	1.39
50,000	Dixons Group 6.125% 15/11/2012	44,307	1.18
50,000	First Group 6.125% 18/01/2019	46,212	1.23
100,000	France Telecom 5.625% 23/01/2034	87,708	2.33

THE KING & SHAXSON FUND PLC
KS ETHICAL BALANCED INCOME FUND
SCHEDULE OF INVESTMENTS
AS AT 31 MARCH 2008
(expressed in Sterling)
(CONTINUED)

Holdings	Investment	Fair Value GBP	% of Net Asset Value
Transferable Securities (continued)			
Corporate Bonds (continued)			
109,000	Kingfisher 5.625% 15/12/2014	85,678	2.28
100,000	SNCF 5.375% 18/03/2027	103,988	2.76
150,000	Yorkshire Water Finance 5.375% 21/02/2023	137,407	3.65
Total Corporate Bonds		873,637	23.22
Government Bonds			
125,000	KFW 5.375% 07/12/2011	128,757	3.42
50,000	KFW-Kredit Wiederaufbau 5.750% 07/12/2011	52,079	1.38
Total Government Bonds		180,836	4.80
Supra National Bond			
200,000	IFFIM 5.000% 14/11/11	107,874	2.87
Total Supra National Bond		107,874	2.87
Total Transferable Securities		3,322,106	88.26
Closed Ended Investment Fund			
150,000	AXA Property Trust	103,500	2.75
24,950	Close High Income Properties	13,224	0.35
71,300	Isis Property Trust	75,222	2.00
80,800	Standard Life Investments Property	62,418	1.66
Total Closed Ended Investment Fund		254,364	6.76
Total financial assets at fair value through profit or loss		3,576,470	95.02
Other net assets and liabilities		186,130	4.98
Net assets attributable to holders of redeemable participating shares		3,762,600	100.00

All transferable securities are admitted to official stock exchange listings.

THE KING & SHAXSON FUND PLC

BALANCE SHEET

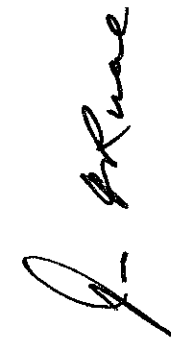
AS AT 31 MARCH 2009

(All amounts expressed in Sterling)

	Notes	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
ASSETS				
Cash and cash equivalents	14	62,349	282,656	345,005
Financial assets at fair value through profit or loss	2	1,092,405	2,859,069	3,951,474
Due from shareholder		9,228	38,400	47,628
Due from broker		-	-	-
Other receivables		5,113	30,414	35,527
TOTAL ASSETS		1,169,095	3,210,539	4,379,634
LIABILITIES				
Investment management fee payable	7	65,414	146,091	211,505
Administration fee payable	7	6,378	7,993	14,371
Audit fee payable		6,988	13,152	20,140
Directors fee payable	7	11,562	24,154	35,716
Custodian fee payable	7	1,973	1,973	3,946
Due to broker		11,000	37,214	48,214
Due to shareholder		-	13,028	13,028
Other accrued expenses		2,309	10,982	13,291
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES)		105,624	254,587	360,211
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES		1,063,471	2,955,952	4,019,423
Shares in issue		1,938,949	4,244,971	
NAV per share		£0.55	£0.70	

On behalf of the board of Directors

Director 



Director

Date 16/7/09

The accompanying notes form an integral part of the financial statements

THE KING & SHAXSON FUND PLC

BALANCE SHEET
AS AT 31 MARCH 2008
 (All amounts expressed in Sterling)

	Notes	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	KS Prudential Liquidity Fund 2008 GBP	Total 2008 GBP
ASSETS					
Cash and cash equivalents	14	139,125	282,907	43,977	466,009
Financial assets at fair value through profit or loss	2	1,637,780	3,576,470	-	5,214,250
Due from broker		-	76,490	-	76,490
Other receivables		5,908	28,821	-	34,729
TOTAL ASSETS		1,782,813	3,964,688	43,977	5,791,478
LIABILITIES					
Investment management fee payable	7	46,191	89,064	35,361	170,616
Administration fee payable	7	3,115	3,510	-	6,625
Audit fee payable		15,518	15,334	3,489	34,341
Directors fee payable	7	6,019	4,628	3,527	14,174
Custodian fee payable	7	1,019	1,019	-	2,038
Due to shareholder		-	79,184	-	79,184
Other accrued expenses		8,024	9,349	1,600	18,973
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES)		79,886	202,088	43,977	325,951
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES		1,702,927	3,762,600	-	5,465,527
Shares in issue		1,655,108	3,919,010	-	-
NAV per share		£1.03	£0.96	£0.00	-

The accompanying notes form an integral part of the financial statements

THE KING & SHAXSON FUND PLC

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**
(All amounts expressed in Sterling)

	Note	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
INCOME				
Interest income	4	4,836	85,370	90,206
Dividend income	4	17,894	87,511	105,405
Other income		4,301	-	4,301
Losses on financial assets at fair value through profit or loss	6	(818,812)	(996,864)	(1,815,676)
TOTAL INVESTMENT LOSS		(791,781)	(823,983)	(1,615,764)
EXPENSES				
Investment management fee	7	(27,295)	(69,228)	(96,523)
Administration fee	7	(36,320)	(42,913)	(79,233)
Audit fee		867	(5,481)	(4,614)
Directors fees	7	(16,916)	(37,570)	(54,486)
Custodian fee	7	(12,212)	(12,369)	(24,581)
Other expenses		(9,285)	(18,659)	(27,944)
OPERATING EXPENSES BEFORE FINANCE COSTS		(101,161)	(186,220)	(287,381)
FINANCE COSTS				
Distributions to redeemable participating shareholders	11	-	(89,728)	(89,728)
Interest expense	5	-	(19)	(19)
Withholding tax		(280)	(1,205)	(1,485)
TOTAL FINANCE COSTS		(280)	(90,952)	(91,232)
DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEMABLE PARTICIPATING SHARES FROM OPERATIONS		(893,222)	(1,101,155)	(1,994,377)

The Company has no recognised gains or losses in the financial year other than those dealt with in the profit and loss account. Results in respect of KS Ethical Green Solutions Fund and KS Ethical Balanced Income Fund are from continuing operations.

On behalf of the board of Directors

Director 

Director

Date 17/09

The accompanying notes form an integral part of the financial statements

THE KING & SHAXSON FUND PLC

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED TO 31 MARCH 2008**
(All amounts expressed in Sterling)

	Note	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	KS Prudential Liquidity Fund 2008 GBP	Total 2008 GBP
INCOME					
Interest income	4	4,457	85,516	1,209,171	1,299,144
Dividend income	4	21,379	96,176	-	117,555
Other income		367	18,653	-	19,020
Losses on financial assets at fair value through profit or loss	6	(50,783)	(387,297)	(123,764)	(561,844)
TOTAL INVESTMENT (LOSS) / INCOME		(24,580)	(186,952)	1,085,407	873,875
EXPENSES					
Investment management fee	7	(34,545)	(67,536)	18,920	(83,161)
Administration fee	7	(35,350)	(35,704)	(13,005)	(84,059)
Audit fee		(14,524)	(14,524)	(4,132)	(33,180)
Directors fees	7	(10,561)	(11,429)	(6,695)	(28,685)
Custodian fee	7	(11,489)	(11,623)	(6,033)	(29,145)
Other expenses		(26,949)	(30,017)	(72,284)	(129,250)
OPERATING EXPENSES BEFORE FINANCE COSTS		(133,418)	(170,833)	(83,229)	(387,480)
FINANCE COSTS					
Distributions to redeemable participating shareholders	11	-	(165,744)	-	(165,744)
Interest expense	5	-	(19)	(209,735)	(209,754)
Withholding tax		(610)	(1,456)	-	(2,066)
TOTAL FINANCE COSTS		(610)	(167,219)	(209,735)	(377,564)
(DECREASE) / INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS		(158,608)	(525,004)	792,443	108,831

The Company has no recognised gains or losses in the financial year other than those dealt with in the profit and loss account. Results in respect of KS Ethical Green Solutions Fund and KS Ethical Balanced Income Fund are from continuing operations. Results in respect of KS Prudential Liquidity Fund are in respect of discontinuing operations as this Fund was terminated on 28 August 2007.

The accompanying notes form an integral part of the financial statements

THE KING & SHAXSON FUND PLC

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 MARCH 2009**
(All amounts expressed in Sterling)

	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT BEGINNING OF THE YEAR	1,702,927	3,762,600	5,465,527
Proceeds on the issuance of redeemable shares during the year	336,957	527,589	864,546
Payments on redemption of redeemable shares during the year	(83,191)	(233,082)	(316,273)
NET INCREASE FROM SHARE TRANSACTIONS	<u>1,956,693</u>	<u>4,057,107</u>	<u>6,013,800</u>
Change in net assets attributable to holders of redeemable participating shares from operations	(893,222)	(1,101,155)	(1,994,377)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT END OF THE YEAR	<u>1,063,471</u>	<u>2,955,952</u>	<u>4,019,423</u>

The accompanying notes form an integral part of the financial statements

THE KING & SHAXSON FUND PLC

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 MARCH 2008**
(All amounts expressed in Sterling)

	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	KS Prudential Liquidity Fund 2008 GBP	Total 2008 GBP
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT BEGINNING OF THE YEAR				
Proceeds on the issuance of redeemable shares during the year	1,534,011	3,418,738	39,153,083	44,105,832
Payments on redemption of redeemable shares during the year	347,093	1,115,711	-	1,462,804
	(19,569)	(246,845)	(39,945,526)	(40,211,940)
NET INCREASE FROM SHARE TRANSACTIONS	<u>1,861,535</u>	<u>4,287,604</u>	<u>(792,443)</u>	<u>5,356,696</u>
Change in net assets attributable to holders of redeemable participating shares from operations	(158,608)	(525,004)	792,443	108,831
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT END OF THE YEAR	<u>1,702,927</u>	<u>3,762,600</u>	<u>-</u>	<u>5,465,527</u>

The accompanying notes form an integral part of the financial statements

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1. General information

The King & Shaxson Fund Plc (the “Company”) is an open ended umbrella type investment company with variable capital and limited liability, incorporated in Ireland on 7 February 2006 under the Companies Acts, 1963 to 2009 with registration number 415070. The Company has been authorised by the Financial Regulator as a UCITS (Undertaking for Collective Investments in Transferable Securities) pursuant to the UCITS Regulations.

The Company is structured as an umbrella fund consisting of different Funds, each comprising one or more Classes. There exists segregated liability between the Funds. The Company has established four funds: KS Ethical Green Solutions Fund, KS Ethical Balanced Income Fund, KS Cash Plus Fund and KS Prudential Liquidity Fund at 31 March 2008, the Company has two Funds, KS Ethical Green Solutions Fund and KS Ethical Balanced Income Fund which offer Euro and Sterling Class Shares. KS Prudential Liquidity Fund closed on 28 August 2007.

Fund	Currency	Launched
KS Ethical Green Solutions Fund – Class B	GBP	15 August 2006
KS Ethical Balanced Income Fund – Class B	GBP	15 August 2006

The investment objective of KS Ethical Green Solutions Fund is to provide investors with long term capital growth by investing in a wide range of different assets types and investments, which focus on companies that are of direct social or environmental benefit.

The investment objective of KS Ethical Balanced Income Fund is to provide investors with an income by investing in a diversified portfolio of listed equities, government and non-government fixed income securities, investment trusts or companies that can invest in real estate or companies.

2. Significant accounting policies

(a) Basis of preparation

The financial statements are prepared in accordance with Generally Accepted Accounting Practice in Ireland and in accordance with the Companies Acts, 1963 to 2009 and all regulations to be construed as one with those Acts and the European Communities (Undertaking for Collective Investments in Transferable Securities) Regulations, 2003. Fair value accounting has been applied to derivatives and also to other financial assets designated at fair value through profit or loss, as permitted under company law. All other assets and liabilities are stated at cost or amortised cost as appropriate or redemption amount (redeemable shares).

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Company has availed of the exemption available to open-ended investment funds under FRS 1 not to prepare a cash flow statement.

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009 (CONTINUED)

2. Significant accounting policies (continued)

(b) Foreign currency translation

The functional currency of the Company is Sterling (“GBP”) as the Directors have determined that this reflects the Company’s primary economic environment. The presentation currency of the Company is also GBP. Transactions in foreign currencies are translated at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to GBP at the foreign currency closing exchange rate ruling at the balance sheet date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in the Profit and Loss Account.

Non monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to GBP at the foreign currency exchange rates ruling at the dates that the values were determined. Foreign currency exchange differences relating to investments at fair value through profit or loss are included in gains and losses on investments. All other foreign currency exchange differences relating to monetary items, including cash are presented in the Profit and Loss Account.

(c) Financial instruments

(i) Classification

In accordance with FRS25 and FRS26 the Company has designated its equity and bond investments into the financial assets at fair value through profit or loss category. Deposits are classified as loans and receivables.

Financial assets that are classified as loans and receivables include balances due from brokers, deposits and accounts receivable.

Financial liabilities that are not at fair value through profit or loss include balances due to brokers, accounts payable and financial liabilities arising on redeemable shares.

(ii) Measurement

Financial instruments are measured initially at fair value (transaction price) plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the profit and loss account.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate. Financial liabilities arising from the redeemable shares issued by the Company are carried at the redemption amount representing the investors’ right to a residual interest in the Company’s assets.

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(iii) Fair value measurement principles

The fair value of financial instruments is based on their quoted market prices at the balance sheet date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

If a quoted market price is not available on a recognised stock exchange or from a broker / dealer for non- exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the balance sheet date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the balance sheet date. Fair values for unquoted equity investments are estimated, if possible, using applicable price earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Commercial paper is valued on an amortised cost basis with reference to the maturity date of the instruments. Deposits with credit institutions are valued at par.

(iv) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the profit and loss account as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the profit and loss account.

(v) Recognition and derecognition

The Fund recognises financial assets and financial liabilities when all significant rights and access to the benefits from the assets and the exposure to the risks inherent in those benefits are transferred to the Fund. The Fund derecognises financial assets and financial liabilities when all such benefits and risks are transferred from the Fund.

(vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

(vii) Specific instruments

Cash and Cash Equivalents

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009 (CONTINUED)

2. Significant accounting policies (continued)

(d) Interest income

All interest income and expense is recognised in the profit and loss account as it accrues, using the original effective interest rate of the instrument calculated at the acquisition or origination date.

Interest income includes the amortisation of any discount or premium and any other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Interest income on debt instruments at fair value through profit or loss is accrued using the original effective interest rate and classified to the interest income line item within the profit and loss account. Interest income is recognised on a gross basis, including withholding tax, if any.

(e) Dividend income

Dividend income relating to exchange-traded equity investments is recognised in the profit and loss account on the ex-dividend date.

In some cases, the Company may receive or choose to receive dividends in the form of additional shares rather than cash. In such cases the Company recognises the dividend income for the amount of the cash dividend alternative with the corresponding debit treated as an additional investment.

(f) Expenses

All expenses, including management fees and custodian fees, are recognised in the profit and loss account on an accruals basis. Included in other operating expenses are legal and advisory fees.

(g) Gains and losses on investments

Realised gains and losses on sales of investments are calculated on a first in first out basis. Unrealised gains and losses on investments arising during the year are taken to the profit and loss account, in accordance with EU Fair Value Regulations.

(h) Taxation

Dividend and interest income received by the Company may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes.

(i) Redeemable shares

All redeemable shares issued by the fund provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Fund's net assets at the redemption date. In accordance with FRS 25 such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the issue prospectus the Fund is contractually obliged to redeem shares at mid-market prices. Due to the fact that in accordance with FRS 26 the best measure of fair value of a financial asset is usually the current bid price, the redeemable shares need to be adjusted to bid-market prices to balance the balance sheet.

(j) Share capital

Non participating shares are not redeemable, do not participate in the net income or dividends of the Company and are classified as equity, as per the Company's articles of association.

(k) Due from and to broker

Amounts due from and to broker represent payables for securities purchased and receivables for securities sold that have been contracted for but not yet delivered by the end of the year.

(l) Cashflow statement

The Company has availed of the exemption available to open-ended investment funds under FRS 1 not to prepare a cash flow statement.

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

3. Taxation

The Company is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997. Therefore, the Company will not be liable to tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation; transfer of shares or on the ending of a "Relevant Period". A "Relevant Period" is an eight year period beginning with the acquisition of the shares by the shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

A chargeable event does not include:

- (i) any transaction in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- (ii) an exchange of units representing one Sub-fund for another Sub-fund of the Company; or
- (iii) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another company; or
- (iv) certain exchanges of Shares between spouses and former spouses.

A chargeable event will not occur in respect of shareholders who are neither resident nor ordinarily resident in Ireland and who have provided the Company with a relevant declaration to that effect.

In the absence of an appropriate signed declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the year under review.

Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders.

4. Interest and dividend income

The following table details the interest income earned by the Company during the period:

	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
Interest income from debt securities designated at fair value through profit or loss	3,171	58,824	61,995
Interest income for financial assets that are not at fair value through profit or loss	1,665	26,546	28,211
Total interest income	4,836	85,370	90,206

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

4. Interest and dividend income (continued)

	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	KS Prudential Liquidity Fund 2008 GBP	Total 2008 GBP
Interest income from debt securities designated at fair value through profit or loss	2,199	65,145	786,519	853,863
Interest income for financial assets that are not at fair value through profit or loss	2,258	20,371	422,652	445,281
Total interest income	4,457	85,516	1,209,171	1,299,144

The following table details the dividend income earned by the Company during the year:

	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
Dividend income from equity securities designated at fair value through profit or loss	17,894	87,511	105,405
Total dividend income	17,894	87,511	105,405

	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	Total 2008 GBP
Dividend income from equity securities designated at fair value through profit or loss	21,379	96,176	117,555
Total dividend income	21,379	96,176	117,555

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

5. Interest expense

The following table details the interest expense incurred by the Company during the period:

	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP	
Interest expense on financial liabilities that are not at fair value through profit or loss	-	(19)	(19)	
Total interest expense	-	(19)	(19)	
	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	KS Prudential Liquidity Fund 2008 GBP	Total 2008 GBP
Interest expense on financial liabilities that are not at fair value through profit or loss	-	(19)	(209,735)	(209,754)
Total interest expense	-	(19)	(209,735)	(209,754)

6. Net gains/losses on financial assets at fair value through profit or loss

	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
Realised gain/(loss)			
Net realised loss on investments	(81,591)	(308,779)	(390,370)
Net realised gain/(loss) on currency transactions	3,616	(1,036)	2,580
Net realised loss	(77,975)	(309,815)	(387,790)
Unrealised gain/(loss)			
Net unrealised loss on investments	(741,380)	(685,191)	(1,426,571)
Net unrealised gain/(loss) on currency transactions	543	(1,858)	(1,315)
Net unrealised loss	(740,837)	(687,049)	(1,427,886)
Net losses on financial assets at fair value through profit or loss	(818,812)	(996,864)	(1,815,676)

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

6. Net gains/losses on financial assets at fair value through profit or loss (continued)

	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	KS Prudential Liquidity Fund 2008 GBP	Total 2008 GBP
Realised gain/(loss)				
Net realised gain on investments	144,118	196,948	39,773	380,839
Net realised gain/(loss) on currency transactions	3,385	3,425	(370)	6,440
Net realised gain	<u>147,503</u>	<u>200,373</u>	<u>39,403</u>	<u>387,279</u>
Unrealised gain/(loss)				
Net unrealised loss on investments	(197,125)	(589,890)	(163,167)	(950,182)
Net unrealised (loss)/gain on currency transactions	(1,161)	2,220	-	1,059
Net unrealised loss	<u>(198,286)</u>	<u>(587,670)</u>	<u>(163,167)</u>	<u>(949,123)</u>
Net losses on financial assets at fair value through profit or loss	<u><u>(50,783)</u></u>	<u><u>(387,297)</u></u>	<u><u>(123,764)</u></u>	<u><u>(561,844)</u></u>

7. Related parties

Investment manager

The Company's investment activity is managed by King & Shaxson Asset Management Limited ("the Investment Manager"). The Investment Manager is entitled to receive an annual fee of 1.50 % of the Net Asset Value for Class B shares for the KS Ethical Green Solutions Fund. The Investment Manager is entitled to receive an annual fee of 1.50 % of the Net Asset Value for Class B shares for the KS Ethical Balanced Income Fund. The Investment Manager fees for the year amounted to £96,523 (2008: £83,161) and is included in £211,505 (2008: £170,616) that is payable at 31 March 2009.

Administrator

The Manager has engaged HSBC Securities Services (Ireland) Limited ("the Administrator") on behalf of the Company to act as the administrator. The Company shall pay to the Administrator out of the assets of the Company an annual fee, accrued at each valuation point and payable monthly in arrears at a rate which shall not exceed 8 basis points per annum of the Net Asset Value of the KS Ethical Green Solutions Fund and KS Ethical Balanced Income Fund. The administrator is also entitled to be repaid out of the assets of the Company all of its reasonable out of pocket expenses. The administrator fees for the year amounted to £79,233 (2008: £84,059) of which £14,371 (2008: £6,625) was payable at 31 March 2009.

Custodian

The Company has appointed HSBC Institutional Trust Services (Ireland) Limited ("the Custodian") to act as Custodian of the Company. The Custodian is entitled to receive out of the assets of the Company an annual fee, accrued at each valuation point and payable monthly in arrears, which shall not exceed 2 basis points per annum of the KS Ethical Green Solutions Fund and KS Ethical Balanced Income Fund.

The Custodian shall be entitled to be repaid all of its disbursements out of the assets of the relevant Fund. The custodian fees for the year amounted to £24,581 (2008: £29,145) of which £3,946 (2008: £2,038) was payable at 31 March 2008.

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

7. Related parties (continued)

Directors' fees

The Articles of Association authorise the Directors to charge a fee for their services at a rate determined by the Directors up to a maximum fee per Director of €20,000 per annum. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties. The director's fees for the year amounted to £54,486 (2008: £28,685) of which £35,716 (2008: £14,174) was payable at 31 March 2009.

Nicholas Wallis, a director of the company, is an employee of the Manager, King & Shaxson Asset Management Limited.

Lorcan Tiernan, a director of the Company, is a consultant to Dillon Eustace, legal advisor to the Company.

8. Share capital

The authorised capital of the Company is €300,000 divided into 300,000 Non-Participating Shares of One Euro (€1) each and 500,000,000,000 Shares of no par value each. Non-participating shares do not entitle the shareholders thereof to any dividend and on winding up entitle the holders to receive the amount paid up but do not entitle them to the Assets of the Company. These shares are dealt with by way of this note only. The fund is not subject to any regulatory capital requirements.

KS Ethical Green Solutions Fund	Number	Number
	Class B Shares	Class B Shares
	2009	2008
Issued and fully paid:		
Opening number of shares	1,655,108	1,371,396
Subscriptions during the year	375,363	283,712
Redemptions during the year	(91,522)	-
Closing number of shares	1,938,949	1,655,108
KS Ethical Balanced Income Fund	Number	Number
	Class B Shares	Class B Shares
	2009	2008
Class B shares issued and fully paid:		
Opening number of shares	3,919,010	3,124,446
Subscriptions during the year	615,498	794,564
Redemptions during the year	(289,537)	-
Closing number of shares	4,244,971	3,919,010
KS Prudential Liquidity Fund	Number	Number
	Institutional Shares	Institutional Shares
	2009	2008
Issued and fully paid:		
Opening number of shares	-	37,992,599
Subscriptions during the year	-	-
Redemptions during the year	-	(37,992,599)
Closing number of shares	-	-

Other than the minimum capital requirement of €300,000, the Company does not have any externally imposed capital requirements.

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

9. Net asset value

The Net Asset Value per Share as per the Financial Statements at 31 March 2009 is:

KS Ethical Green Solutions Fund

	2009	2008
Net Asset Value	£1,063,471	£1,702,927
Number of shares outstanding	1,938,949	1,655,108
NAV per share	£0.55	£1.03

KS Ethical Balanced Income Fund

	2009	2008
Net Asset Value	£2,955,952	£3,762,600
Number of shares outstanding	4,244,971	3,919,010
NAV per share	£0.70	£0.96

10. Financial instrument risk

Financial instruments and associated risks

The Funds' risks are those set out in the Prospectus and Supplements and any consideration of risk here should be viewed in the context of the Prospectus and Supplements which is the primary documentation governing the operation of the Funds and any subscriptions and redemptions. The Funds invest in equities and bonds in different regions and different sectors. The Directors consider three financial types of risks that are relevant and material for the Funds: Market Risk, Credit Risk and Liquidity Risk. The Fund has delegated the risk management function to the Investment Manager. The Investment Manager's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Funds' financial performance. The investment objective of KS Ethical Green Solutions Fund is to provide investors with long term capital growth by investing in a wide range of different asset types and investments, which focus on companies that are of direct social or environmental benefit. The investment objective of KS Ethical Balanced Income Fund is to provide investors with an income by investing in a diversified portfolio of listed equities, government and non-government fixed income securities, investment trusts or companies that can invest in real estate or companies.

Market risk

Market risk embodies the potential for both loss and gains and includes market price risk, currency risk and interest rate risk.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held, which are classified as financial assets at fair value through profit or loss. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. Market price risk represents the potential loss that can be caused by a change in the market value of the Company's investments. The Company's exposure to market price risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Investment Manager monitors the Company's exposure to market price risk.

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

10. Financial instrument risk (continued)

Market price risk (continued)

As at 31 March 2009, had the equity prices of the Fund strengthened by 5%, with all other variables held constant, net assets attributable to holders of redeemable shares and the change in net assets attributable to holders of redeemable shares per the income statement would have increased by the amounts shown below, an equal change in the opposite direction would have decreased the net assets attributable to holder of redeemable shares by an equal but opposite amount.

	2009	2008
	GBP	GBP
KS Ethical Green Solutions Fund	53,321	80,503
KS Ethical Balanced Fund	82,573	120,706

Currency risk

The Company may invest in assets denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of this currency relative to other currencies may change in a manner, which may have a favourable or unfavourable effect on the value of that portion of the Company's assets. The monetary, or at fair value through profit or loss assets and liabilities denominated in currencies other than the GBP to which the Company has an exposure at March 31, 2009 and 2008 are detailed below. All amounts are stated in GBP.

2009 - KS Ethical Green Solutions Fund

Currency	Assets	Liabilities	Net Exposure
Australian Dollar	63,737	-	63,737
Canadian Dollar	19,134	-	19,134
Swiss Franc	36,385	-	36,385
Danish Krone	22,852	-	22,852
Euro	374,435	(12,625)	361,810
Hong Kong Dollar	85,854	-	85,854
Norwegian Krone	12,027	-	12,027
Singapore Dollar	35,374	-	35,374
United States Dollar	233,387	-	233,387
Total	883,185	(12,625)	870,560

2009 - KS Ethical Balanced Income Fund

Currency	Assets	Liabilities	Net Exposure
Canadian Dollar	91,006	-	91,006
Euro	723,544	(33,020)	690,524
Swedish Krona	31	-	31
Swiss Franc	18,689	-	18,689
United States Dollar	308,928	-	308,928
Total	1,142,198	(33,020)	1,109,178

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

10. Financial instrument risk (continued)

Currency risk

2008 - KS Ethical Green Solutions Fund

Currency	Assets	Liabilities	Net Exposure
Australian Dollar	121,814	-	121,814
Canadian Dollar	42,932	-	42,932
Danish Krone	60,057	-	60,057
Euro	405,880	(27,698)	378,181
Hong Kong Dollar	88,031	-	88,031
Norwegian Krone	28,020	-	28,020
Singapore Dollar	51,820	-	51,820
Swiss Franc	57,591	-	57,591
United States Dollar	256,043	-	256,043
Total	1,112,188	(27,698)	1,084,490

2008 - KS Ethical Balanced Income Fund

Currency	Assets	Liabilities	Net Exposure
Canadian Dollar	84,082	-	84,082
Euro	842,983	(26,550)	816,433
Swedish Krona	76,500	-	76,500
Swiss Franc	57,591	-	57,591
United States Dollar	248,506	-	248,506
Total	1,309,662	(26,550)	1,283,112

As at 31 March 2009, had Sterling strengthened by 5% in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable shares and the change in net assets attributable to holders of redeemable shares per the income statement would have decreased by the amounts shown below. The analysis is performed on the same basis for 2008.

	2009	2008
	GBP	GBP
KS Ethical Green Solutions Fund	43,528	54,224
KS Ethical Balanced Income Fund	55,459	64,156

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

10. Financial instrument risk (continued)

Interest rate risk

The majority of the Portfolios' financial assets and liabilities are non-interest bearing and as a result, the Portfolios are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Cash at brokers and counterparties comprise current accounts which bear interest at short term market rates and therefore are not exposed to significant amounts of interest rate risk. The sensitivity to interest changes and the consequent impact arising from these items on net assets and profit is considered as not material.

The Fund also invests in interest bearing instruments. The Funds' interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The majority of interest bearing instruments are fixed rate investments. The table below summarises the Fund's exposure to interest rate risks. It includes the Funds' assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity date.

KS Ethical Green Solutions Fund

At 31 March 2009	Less than 1 month GBP	1 month - 1 year GBP	1 year - 5 year GBP	5 year and above GBP	Non-interest bearing GBP	Total GBP
Assets						
Financial assets at fair value through profit or loss	-	-	-	25,980	1,066,425	1,092,405
Due from shareholders	9,228	-	-	-	-	9,228
Other receivables and prepayments	-	-	-	-	5,113	5,113
Cash at bank	62,349	-	-	-	-	62,349
Total assets	71,577	-	-	25,980	1,071,538	1,169,095
Liabilities						
Accrued expenses	-	-	-	-	94,624	94,624
Due to broker	-	-	-	-	11,000	11,000
Total liabilities	-	-	-	-	105,624	105,624
Total interest sensitivity gap	71,577	-	-	25,980		

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

10. Financial instrument risk (continued)

Interest rate risk (continued)

At 31 March 2008	Less than 1 month GBP	1 month -1 year GBP	1 year – 5 year GBP	5 year and above GBP	Non-interest bearing GBP	Total GBP
Assets						
Financial assets at fair value through profit or loss	-	-	-	27,727	1,610,053	1,637,780
Other receivables and prepayments	-	-	-	-	5,908	5,908
Cash at bank	139,125	-	-	-	-	139,125
Total assets	139,125	-	-	27,727	1,615,961	1,782,813
Liabilities						
Accrued expenses	-	-	-	-	79,886	79,886
Redeemable shares	-	-	-	-	-	-
Total liabilities	-	-	-	-	79,886	79,886
Total interest sensitivity gap	139,125	-	-	27,727		

KS Ethical Balanced Income Fund

At 31 March 2009	Less than 1 month GBP	1 month -1 year GBP	1 year – 5 year GBP	5 year and above GBP	Non-interest bearing GBP	Total GBP
Assets						
Financial assets at fair value through profit or loss	-	60,595	230,956	922,437	1,645,081	2,859,069
Due from shareholders	-	-	-	-	38,400	38,400
Other receivables and prepayments	-	-	-	-	30,414	30,414
Cash at bank	282,656	-	-	-	-	282,656
Total assets	282,656	60,595	230,956	922,437	1,713,895	3,210,539
Liabilities						
Accrued expenses	-	-	-	-	204,345	204,345
Due to broker	-	-	-	-	37,214	37,214
Due to shareholders	-	-	-	-	13,028	13,028
Total liabilities	-	-	-	-	254,587	254,587
Total interest sensitivity gap	282,656	60,595	230,956	922,437		

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

10. Financial instrument risk (continued)

Interest rate risk (continued)

KS Ethical Balanced Income Fund (continued)

At 31 March 2008	Less than 1 month GBP	1month -1 year GBP	1 year – 5 year GBP	5 year and above GBP	Non- interest bearing GBP	Total GBP
Assets						
Financial assets at fair value through profit or loss	-	-	385,134	777,213	2,414,123	3,576,470
Due from broker	-	-	-	-	76,490	76,490
Other receivables and prepayments	-	-	-	-	28,821	28,821
Cash at bank	282,907	-	-	-	-	282,907
Total assets	282,907	-	385,134	777,213	2,519,434	3,964,688
Liabilities						
Accrued expenses	-	-	-	-	122,904	122,904
Due to shareholders	-	-	-	-	79,184	79,184
Total liabilities	-	-	-	-	202,088	202,088
Total interest sensitivity gap	282,907	-	385,134	777,213		

The weighted average year to maturity as at 31 March 2009 of the Interest bearing financial assets are detailed in the table below.

	KS Ethical Green Solutions Fund	KS Ethical Balanced Income Fund
Weighted Average to Maturity 2009	9.81 years	10.55 years
Weighted Average to Maturity 2008	7.90 years	7.73 years

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

10. Financial instrument risk (continued)

Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Company's Investment Manager has a credit risk policy in place and the exposure to credit risk is monitored on an ongoing basis.

At 31 March 2009, the following funds' financial assets were directly exposed to credit risk amounting to:

	KS Ethical Green Solutions Fund 2009 GBP	KS Ethical Balanced Income Fund 2009 GBP	Total 2009 GBP
Investments in debt instruments	25,980	1,230,034	1,256,014
Cash and cash equivalents	62,349	282,656	345,005
Due from shareholders	9,228	38,400	47,628
Other receivables	5,113	30,414	35,527
	102,670	1,581,504	1,684,174

	KS Ethical Green Solutions Fund 2008 GBP	KS Ethical Balanced Income Fund 2008 GBP	Total 2008 GBP
Investments in debt instruments	27,727	1,162,347	1,190,074
Cash and cash equivalents	139,125	282,907	422,032
Due from broker	-	76,490	76,490
Other receivables	5,908	28,821	34,729
	172,760	1,550,565	1,723,325

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved.

As at the year end, the Custodian held 98.10% (2008: 96.81%) of the total assets of the Funds. Substantially all of the assets, including cash, of the fund are held by the custodian, HSBC Institutional Trust Services (Ireland) Limited. Bankruptcy or insolvency of the custodian may cause the Fund's rights with respect to securities and cash held by the custodian to be delayed or limited or curtailed. The Fund monitors its credit risk exposure to the custodian by monitoring the credit quality and financial positions of the custodian the Fund uses.

Credit risk arising on debt instruments is mitigated by investing primarily in rated instruments or instruments issued by rated counterparties of credit ratings of at least BB or better. At 31 March 2009, the Company invested in debt securities with the following credit quality.

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

10. Financial instrument risk (continued)

Credit risk (continued)

The table details the fair value of debt instruments and their associated credit rating:

Rating	KS Ethical Green Solutions Fund 2009 Fitch GBP	KS Ethical Green Solutions Fund 2008 Fitch GBP	KS Ethical Balanced Income Fund 2009 Fitch GBP	KS Ethical Balanced Income Fund 2008 Fitch GBP
AAA	-	-	202,531	392,698
AAA /*-	-	-	191,092	-
AA	-	-	194,373	169,677
A+	-	-	48,131	-
A	-	-	50,887	284,973
A /*-	-	-	132,872	-
A-	-	-	180,993	-
BBB+	-	-	16,046	-
BBB	25,980	27,727	93,736	314,999
BBB-	-	-	90,948	-
BB-	-	-	28,425	-
TOTAL	25,980	27,727	1,230,034	1,162,347

Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable shares. They therefore invest the majority of their assets in investments that are traded in an active market and can be readily disposed of. As at 31 March 2009 they do not have any investments which are not actively traded on a stock exchange (2008: Nil). The Funds' listed securities are considered readily realisable, as they are listed on stock exchanges. The Funds have the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the year.

The Funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer. No such investments were held at the balance sheet date.

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

10. Financial instrument risk (continued)

The table below analyses the Funds' financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

2009	Less than	3 months	1 year	No stated
KS Ethical Green Solution Fund	3 months	to 1 year	and above	maturity
	GBP	GBP	GBP	GBP
Investment management fee payable	65,414	-	-	-
Administration fee payable	6,378	-	-	-
Audit fee payable	6,988	-	-	-
Director fee payable	11,562	-	-	-
Custodian fee payable	1,973	-	-	-
Due to broker	11,000	-	-	-
Other accrued expenses	2,309	-	-	-
Net assets attributable to holders of redeemable participating shares	1,063,471	-	-	-
	1,169,095	-	-	-

2009	Less than	3 months	1 year	No stated
KS Ethical Balanced Income Fund	3 months	to 1 year	and above	maturity
	GBP	GBP	GBP	GBP
Investment management fee payable	146,091	-	-	-
Administration fee payable	7,993	-	-	-
Audit fee payable	13,152	-	-	-
Director fee payable	24,154	-	-	-
Custodian fee payable	1,973	-	-	-
Due to brokers	37,214	-	-	-
Due to shareholders	13,028	-	-	-
Other accrued expenses	10,982	-	-	-
Net assets attributable to holders of redeemable participating shares	2,955,952	-	-	-
	3,210,539	-	-	-

2008	Less than	3 months	1 year	No stated
KS Ethical Green Solution Fund	3 months	to 1 year	and above	maturity
	GBP	GBP	GBP	GBP
Investment management fee payable	46,191	-	-	-
Administration fee payable	3,115	-	-	-
Audit fee payable	15,518	-	-	-
Director fee payable	6,019	-	-	-
Custodian fee payable	1,019	-	-	-
Other accrued expenses	8,024	-	-	-
Net assets attributable to holders of redeemable participating shares	1,702,927	-	-	-
	1,782,813	-	-	-

THE KING & SHAXSON FUND PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)

10. Financial instrument risk (continued)

Liquidity risk (continued)

2008 KS Ethical Balanced Income Fund	Less than 3 months GBP	3 months to 1 year GBP	1 year and above GBP	No stated maturity GBP
Investment management fee payable	89,064	-	-	-
Administration fee payable	3,510	-	-	-
Audit fee payable	15,334	-	-	-
Director fee payable	4,628	-	-	-
Custodian fee payable	1,019	-	-	-
Due to shareholders	79,184	-	-	-
Other accrued expenses	9,349	-	-	-
Net assets attributable to holders of redeemable participating shares	3,762,600	-	-	-
	3,964,688	-	-	-

2008 KS Prudential Liquidity Fund	Less than 3 months GBP	3 months to 1 year GBP	1 year and above GBP	No stated maturity GBP
Investment management fee payable	35,361	-	-	-
Audit fee payable	3,489	-	-	-
Director fee payable	3,527	-	-	-
Other accrued expenses	1,600	-	-	-
	43,977	-	-	-

11. Distributions

The Company does not expect to pay dividends in respect of KS Ethical Green Solutions Fund.

It is intended the KS Ethical Balanced Fund will pursue a distribution policy so that the Fund will be able to obtain certification as a "Distributing Fund" under the United Kingdom Income Corporation Taxes Act, 1988 for the purpose of United Kingdom taxation. The Director's current intention is to distribute in respect of each accounting period substantially the whole of the net income (including interest and dividends) of the Fund.

In addition, the Directors may distribute such part of any realised and unrealised capital gains less realised and unrealised capital losses attributable to the Fund as, in their opinion, is appropriate to maintain a satisfactory level of distribution for the Fund. Otherwise all income and gains of the Fund will be accumulated within the Fund.

The following distributions were paid out of the KS Ethical Balanced Fund as at 31 March 2009:

Ex Date	Pay Date	Shares in Issue	Dividend Rate	Dividend Amount
15 May 2008	16 May 2008	3,987,888.89	£0.0225	£89,728

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

11. Distributions (continued)

The following distributions were paid out of the KS Ethical Balanced Fund as at 31 March 2008:

Ex Date	Pay Date	Shares in Issue	Dividend Rate	Dividend Amount
9 Nov 2007	12 Nov 2007	3,915,981.74	£0.0225	£88,109

Ex Date	Pay Date	Shares in Issue	Dividend Rate	Dividend Amount
8 May 2007	11 May 2007	3,450,433.98	£0.0225	£77,635

12. Reconciliation of net asset value

The published net asset value per share differs from that presented in these financial statements. The difference is between the Prospectus policy adopted for valuation (at “mid prices”) and the valuation method (at “bid prices”) required by the Financial Reporting Standards.

A reconciliation of the net asset value as at 31 March 2009 is as follows:

	KS Ethical Green Solutions	KS Ethical Balanced Income
As at 31 March 2009		
As per valuation in accordance with prospectus	1,086,182	2,991,629
Adjustment for due to shareholders	-	(3,000)
Adjustment for bid pricing	(15,792)	(22,302)
Adjustment for organisational costs	(6,919)	(10,375)
Financial statement net asset value	<u>1,063,471</u>	<u>2,955,952</u>

A reconciliation of the net asset value as at 31 March 2008 is as follows:

	KS Ethical Green Solutions	KS Ethical Balanced Income
As at 31 March 2008		
As per valuation in accordance with prospectus	1,725,906	3,791,464
Adjustment for bid pricing	(12,264)	(15,188)
Adjustment for organisational costs	(10,715)	(13,676)
Financial statement net asset value	<u>1,702,927</u>	<u>3,762,600</u>

13. Fair value information

Many of the Fund’s financial instruments are carried at fair value on the balance sheet. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including amounts due from / to brokers, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

The carrying amounts of all the Funds’ financial assets and financial liabilities at the balance sheet date approximated their fair values.

14. Cash and cash equivalents

All cash amounts are deposited with HSBC Bank plc (AA-).

THE KING & SHAXSON FUND PLC

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**

15. Exchange rates

The following exchange rate was used at the year end to translate assets and liabilities into the measurement currency (GBP):

	2009	2008
Australian Dollar	2.0630	2.1773
Canadian Dollar	1.8034	2.0393
Danish Krone	8.0409	9.3537
Euro	1.0796	1.2543
Hong Kong Dollar	11.1085	15.4684
Norwegian Krone	9.6781	10.1000
Singapore Dollar	2.1790	2.7391
Swedish Krone	11.8499	11.7858
Swiss Franc	1.6298	1.9657
United States Dollar	1.4334	1.9875

16. Soft commission arrangements

There were no soft commission arrangements affecting the company during the year ended 31 March 2009 or the year ended 31 March 2008.

17. Cross liability among classes

Where the assets of a class are insufficient to meet that class's liabilities, any liabilities which remain un-discharged will attach to the Fund as a whole and will be allocated amongst the other classes.

18. Comparative figures

The comparative figures are for the year ended 31 March 2008.

19. Events before balance sheet date

There were no significant events before the balance sheet date which require disclosures.

20. Post balance sheet events

There are no significant events after the balance sheet date.

21. Authorisation of the financial statements

The Financial Statements were authorised for issue by the Directors on 16 July 2009.

THE KING & SHAXSON FUND PLC

KS ETHICAL GREEN SOLUTIONS FUND

UNAUDITED PORTFOLIO MOVEMENTS

20 LARGEST PURCHASES AND SALES (AMALGAMATED BY SECURITY)

DURING THE YEAR

(expressed in Sterling)

	Number of Shares	Cost/Proceeds GBP
Largest Purchases		
Roth & Rau	3,000	128,017
Manz Automation	900	110,051
Solarworld	7,500	107,056
Solar Millenium	5,500	91,712
Centroherm Photovoltaics	1,500	56,996
Solon AG Fuer Solartechnik	1,500	55,918
CECO Enviornmental	12,000	54,670
Theolia	3,500	53,461
Deere & Company	1,250	53,083
Flora EcoPower New	240,000	52,072
Canadian National Railway Company	2,000	51,522
LKQ	5,000	48,724
Applied Mats	5,000	47,043
EDF Energies Nouvelles	3,000	46,065
Vossloh	1,000	45,650
Vestas Windsystems	750	45,637
Shanks Group	15,000	33,927
Halma	15,000	27,890
3S Industries	3,000	27,346
Ceramic Fuel Cells	1,200,000	26,000
Largest Sales		
Solarworld	4,900	99,019
Roth & Rau	2,500	93,730
Manz Automation	900	77,388
Centroherm Photovoltaics	1,500	61,923
SolonFuer Solartechnik	1,500	56,800
Theolia	3,000	55,263
RM	24,200	50,717
Nordex	2,600	49,640
Vossloh	1,000	47,341
SIG	5,000	45,438
Canadian National Railway Company	1,500	42,060
EDF Energies Nouvelles	1,500	40,836
Wellpoint	1,500	39,071
Solar Millenium	2,000	37,900
Consolidated Water	3,500	34,326
Applied Mats	5,000	33,919
Arriva	4,000	31,403

THE KING & SHAXSON FUND PLC

KS ETHICAL GREEN SOLUTIONS FUND

UNAUDITED PORTFOLIO MOVEMENTS

20 LARGEST PURCHASES AND SALES (AMALGAMATED BY SECURITY)

DURING THE YEAR

(expressed in Sterling)

	Number of Shares	Cost/Proceeds GBP
Largest Sales (continued)		
Biffa	7,500	26,250
Halma	10,000	21,356
Advanced Vision Technology	1,670	7,444

THE KING & SHAXSON FUND PLC

KS ETHICAL BALANCED INCOME FUND

PORTFOLIO MOVEMENTS

20 LARGEST PURCHASES AND SALES (AMALGAMATED BY SECURITY) DURING THE YEAR

(expressed in Sterling)

	Number of Shares	Cost/Proceeds GBP
Largest Purchases		
Deutsche Telekom	23,000	206,215
Fresenius Medical Care	6,500	178,869
Spectris	16,000	126,044
Halma	66,000	123,651
Johnson Matthey	15,000	115,392
Allianz	1,300	104,306
Gamesa	5,550	102,842
Portman Building Society FRN	100,000	101,095
Rhoen-Klinikum	6,750	91,660
National Grid New	12,000	83,501
France Telecom 7.25% 10/11/2020	75,000	82,111
SNCF 5.375% 18/03/2027	75,000	78,029
Severn Trent	5,000	74,415
Deere & Company	1,750	74,317
Friends Provident	60,000	71,335
Dexia	5,400	70,586
Philips Eltn Kon	3,500	69,434
Holidaybreak	15,000	66,652
Vodafone Group	50,000	65,380
Hera SpA	40,000	64,204
Largest Sales		
Fresenius Medical Care	6,000	172,006
Vodafone Group Ord	100,000	149,948
British Telecom 5.75% 07/12/2028	165,000	139,784
KFW 5.375% 07/12/2011	125,000	137,006
Johnson Matthey	15,000	127,781
Deutsche Telekom	13,000	124,771
Halma	53,020	110,809
Friends Provident	106,150	105,019
Portman Building Society FRN	100,000	100,751
Philips Eltn Kon	7,000	96,533
Continental	1,700	91,246
Severn Trent	5,000	69,560
Nokia	6,000	66,272
Scottish & Southern Energy	4,000	60,637
United Utilities Group	8,351	59,631
Aviva Ord	18,000	57,439
Canadian National Railway Company	2,000	56,079

THE KING & SHAXSON FUND PLC

**KS ETHICAL BALANCED INCOME FUND
PORTFOLIO MOVEMENTS**

**20 LARGEST PURCHASES AND SALES (AMALGAMATED BY SECURITY) DURING THE YEAR
(expressed in Sterling)**

	Number of Shares	Cost/Proceeds GBP
Largest Sales (continued)		
SIG	6,000	54,526
Spectris	6,000	46,908
Applied Mats	6,000	40,702
Hennes & Mauritz	2,500	75,398