



Share Class (Principal series)	NAV	April 2007		Since Inception*	
		Fund (%)	Cash (%)*	Fund (%)	Cash (%)*
Class A - US\$	US\$112.13	+0.59	+0.44	+12.09	+8.45
Class B - £	£111.61	+0.59	+0.45	+11.58	+8.20
Class C - €	€108.75	+0.48	+0.31	+8.75	+4.97

*Cash rates used are Citigroup 3-Month "Eurodeposit" - Source: Citigroup

†1st September 2005

Even though last month's gains are respectable and lift returns in the US\$ and £ share classes to more than 5% over the last five months, we are a little disappointed internally with the performance of Absolute Focus Fund in April. This was a month in which we believe we could have made more than 1% and, such is our fixation with knowing where every basis point of performance comes from or is lost, we have analysed to find out why we didn't.

In March's Monthly Report, we wrote about the changes we are making within Absolute Focus Fund in order to raise returns by taking a bit more risk. Although much progress has been made, this process is not entirely complete because of the redemption dates and notice periods of a few underlying funds. In last month's buoyant equity markets, allocations to defensive funds, which we are in the process of scaling back, were a drag on performance. In addition, three funds in other strategies (ELS3 in Europe, JLS5 in Japan and DHY3 in Distressed Securities) lost money in April. In a concentrated fund such as Absolute Focus, there is always the possibility that the performance of even one underlying investment can affect the performance of the whole portfolio. However, to lose money on three funds in three different strategies in generally benign market conditions is unusual. Having made almost 8% in March, ELS3's manager can be forgiven for having taken profits and starting April net short in market exposure, which turned out to be the wrong decision. We have decided to redeem, at least temporarily, from JLS5. Although we continue to believe that Japan should be fertile ground for hedge fund managers, we are pragmatic too and realise that until investor interest in Japan improves we are swimming against the tide. JLS4, which is Focus's other investment in Japan, has continued to deliver despite the general market malaise and will be retained. DHY3 has always been a volatile component of Absolute Focus Fund but was its most successful investment in 2006. The volatility of monthly returns remains higher than we would like but DHY3 is now accounts for less than 3% of the Absolute Focus portfolio following a series of distributions. The final reason we have identified for April's subdued performance is the absence of big winners other than activist fund ED8. We would have expected more than two funds to make more than 3% last month.

We are, however, very excited about the new funds which we are going to add to Absolute Focus when the cash from the last few outstanding redemptions is received in the next few weeks. To demonstrate my confidence in Absolute Focus's revised investment strategy, I will be investing personally through my pension on 1st July and Andrew Wheeler, who joins me on 1st June, will be doing the same.

Charles Hovenden

STRATEGY	Contribution Apr 2007 %	Weighting Apr 2007 %
US Equity Long/Short	0.14	6.8
Japan Equity Long/Short	(0.01)	11.2
European Equity Long/Short	0.16	20.4
Event-driven	0.59	24.4
Convertible Bond Arbitrage	(0.07)	12.9
Fixed Income and Credit Arb	(0.00)	5.8
Distressed Securities	(0.04)	9.2
Global Macro	0.16	4.7
Short-bias Equity & Credit	(0.12)	5.7

Best 3 Funds	%	Strategy	Apr	YTD
ED8	7.1	Event-Driven	+5.5	+17.2
GM1	4.7	European Equity L/S	+3.5	(2.3)
USLS5	1.2	US Equity L/S	+3.0	+4.1

Worst 3 Funds	%	Strategy	Apr	YTD
DHY3	2.9	Distressed Securities	(4.5)	(6.9)
SBE6	5.7	Short Bias Equity	(2.2)	(2.5)
ELS3	6.2	European Equity L/S	(1.9)	+4.3

FUND DATA

Size of Fund: US\$17.5m
 No. of Holdings: 19
 Share Classes: \$, € & £
 Basic Fee: None
 Performance Fee: 15% of profits
 High Water Mark: Yes, monthly
 Dealing: Monthly
 Notice Period: 35 days
 Min. Investment: US\$100,000
 Fund Domicile: Cayman Islands
 Listing: Irish Stock Exchange
 Class A (\$) SEDOL: BOHTJF7
 Class B (£) SEDOL: BOHTJG8
 Class C (€) SEDOL: BOHTJH9

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Class B £ Track Record	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005									0.98	(0.05)	0.77	1.83	3.57
2006	2.13	(0.19)	0.94	0.99	0.25	(0.99)	(1.61)	0.88	0.32	(0.36)	0.30	1.86	4.55
2007	0.23	1.12	1.08	0.59									3.05
Annual Rate of Return			6.80	Sharpe Ratio (@ 5% risk free)			0.56		Biggest Monthly Loss			(1.61)	
Standard Deviation			3.20	Correlation FT World Index (Local)			0.36		Biggest Peak-to-Trough Drawdown			(2.58)	

Source: Absolute Fund Management

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