



MULTI-MANAGER ICVC

ANNUAL LONG REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

SCOTTISH WIDOWS

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Baker Hughes	22,715	628	0.02
Ball	18,862	584	0.02
Bank of America	534,087	10,152	0.39
Bank of New York Mellon	217,851	8,627	0.33
Baxter International	126,695	5,900	0.23
BB&T	43,566	1,507	0.06
Becton Dickinson	12,476	1,805	0.07
Berkshire Hathaway	104,512	14,298	0.55
Best Buy	14,701	624	0.02
Biogen	11,691	2,708	0.11
BlackRock	6,745	2,248	0.09
Boeing	30,788	5,848	0.23
BorgWarner	10,159	382	0.01
Boston Properties**	8,244	756	0.03
Boston Scientific	73,124	1,570	0.06
Brighthouse Financial	5,363	242	0.01
Bristol-Myers Squibb	89,785	4,227	0.16
Brown-Forman	9,807	399	0.02
CA	16,791	414	0.02
Cabot Oil & Gas	25,023	502	0.02
Cadence	15,219	443	0.02
Campbell Soup	10,384	365	0.01
Capital One Financial	25,944	1,630	0.06
Cardinal Health	17,211	861	0.03
CarMax	10,177	577	0.02
Caterpillar	65,172	6,097	0.24
CBOE	6,125	491	0.02
CBRE	16,529	468	0.02
CBS	21,066	896	0.03
Celgene	42,294	4,511	0.17
Centene	9,306	666	0.03
CenterPoint Energy	24,421	532	0.02
CenturyLink	29,352	421	0.02
Cerner	187,942	9,939	0.39
CF Industries	11,355	296	0.01
CH Robinson Worldwide	7,606	429	0.02
Charles Schwab	66,875	2,180	0.08
Charter Communications	42,421	11,437	0.44
Chesapeake Energy	37,538	121	0.00
Chevron	103,454	9,088	0.35
Chipotle Mexican Grill	1,584	375	0.01
Church & Dwight	13,925	501	0.02
Cigna	13,817	1,930	0.07
Cimarex Energy	5,127	438	0.02
Cincinnati Financial	8,031	464	0.02
Cintas	4,964	530	0.02
Cisco Systems	689,763	17,182	0.67
Citigroup	339,948	18,448	0.72
Citizens Financial	27,518	762	0.03
Citrix Systems	8,390	481	0.02
Clorox	6,889	669	0.03
CME	18,260	1,854	0.07
CMS Energy	14,993	519	0.02
Coach	15,903	477	0.02

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Coca-Cola	208,451	6,990	0.27
Cognizant Technology Solutions 'A' Shares	252,056	13,584	0.53
Colgate-Palmolive	281,410	15,378	0.60
Comcast 'A' Shares	440,977	12,458	0.48
Comerica	9,239	521	0.02
Conagra Brands (formerly ConAgra Foods)	22,370	567	0.02
Concho Resources	7,830	771	0.03
ConocoPhillips	66,506	2,484	0.10
Consolidated Edison	16,341	985	0.04
Constellation Brands	9,573	1,425	0.06
Cooper	21,603	3,739	0.14
Corning	51,130	1,144	0.04
Costco Wholesale	24,006	2,940	0.11
Coty	453,765	5,472	0.21
CR Bard	3,920	935	0.04
Crown Castle International**	21,874	1,643	0.06
CSRA	6,904	165	0.01
CSX	50,264	2,016	0.08
Cummins	8,290	1,044	0.04
CVS Health	57,229	3,475	0.13
Danaher	32,730	2,079	0.08
Darden Restaurants	6,936	409	0.02
DaVita	9,190	401	0.02
Deere	17,378	1,606	0.06
Delta Air Lines	36,196	1,307	0.05
Dentsply Sirona	42,903	1,898	0.07
Devon Energy	28,093	768	0.03
Digital Realty Trust**	11,115	964	0.04
Discover Financial Services	21,138	1,016	0.04
Discovery Communications 'A' Shares	7,422	119	0.00
Discovery Communications 'C' Shares	11,547	175	0.01
DISH Network	12,200	483	0.02
Dollar General	13,674	818	0.03
Dollar Tree	12,730	815	0.03
Dominion Energy (formerly Dominion Resources)	35,134	2,022	0.08
Dover	8,657	592	0.02
DowDuPont	126,741	6,537	0.25
DR Horton	18,201	530	0.02
Dr Pepper Snapple	9,893	653	0.03
DTE Energy	9,660	777	0.03
Duke Energy	38,084	2,398	0.09
Duke Realty**	19,286	417	0.02
DXC Technology	15,314	971	0.04
E*TRADE Financial	14,728	475	0.02
Eastman Chemical	7,901	531	0.02
eBay	175,285	4,941	0.19
Ecolab	14,082	1,360	0.05
Edison International	17,493	1,014	0.04
Edwards Lifesciences	66,168	5,382	0.21
Electronic Arts	17,142	1,493	0.06
Eli Lilly	52,148	3,311	0.13
Emerson Electric	34,550	1,622	0.06
Entergy	9,684	552	0.02
Envision Healthcare	6,329	208	0.01

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
EOG Resources	176,868	12,795	0.50
EQT	9,500	462	0.02
Equifax	6,404	509	0.02
Equinix**	4,113	1,357	0.05
Equity Residential**	19,679	968	0.04
Essex Property Trust**	3,472	656	0.03
Estee Lauder	11,921	947	0.04
Eversource Energy	17,034	771	0.03
Exelon	52,632	1,471	0.06
Expedia	6,522	696	0.03
Expeditors International of Washington	10,264	457	0.02
Express Scripts	33,148	1,562	0.06
Extra Space Storage**	7,152	423	0.02
Exxon Mobil	229,858	14,115	0.55
F5 Networks	3,479	316	0.01
Facebook	128,897	16,249	0.63
Fastenal	224,531	7,670	0.30
Federal Realty Investment Trust**	4,001	372	0.01
FedEx	13,127	2,199	0.09
Fidelity National Information Services	17,585	1,226	0.05
Fifth Third Bancorp	40,617	837	0.03
FirstEnergy	22,842	513	0.02
Fiserv	11,706	1,121	0.04
FLIR Systems	6,684	195	0.01
Flowserve	6,596	209	0.01
Fluor	7,760	244	0.01
FMC	7,177	472	0.02
Foot Locker	7,300	190	0.01
Ford Motor	209,653	1,873	0.07
Fortive	16,119	842	0.03
Fortune Brands Home & Security	8,778	441	0.02
Franklin Resources	120,659	4,015	0.16
Freeport-McMoRan	74,414	801	0.03
Gap	10,389	229	0.01
Gartner	4,823	444	0.02
General Dynamics	15,353	2,352	0.09
General Electric	1,198,309	21,694	0.84
General Mills	31,725	1,239	0.05
General Motors	457,559	13,870	0.54
Genuine Parts	7,985	568	0.02
GGP**	31,379	499	0.02
Gilead Sciences	168,269	10,171	0.39
Global Payments	8,340	585	0.02
Goldman Sachs	42,127	7,411	0.29
Goodyear Tire & Rubber	14,031	346	0.01
H&R Block	11,622	237	0.01
Halliburton	46,470	1,591	0.06
Hanesbrands	21,747	398	0.02
Harley-Davidson	54,640	2,006	0.08
Harris	6,739	659	0.03
Hartford Financial Services	20,277	835	0.03
Hasbro	6,023	437	0.02
HCA Healthcare	209,242	12,365	0.48
HCP**	25,073	522	0.02

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Helmerich & Payne	5,365	210	0.01
Henry Schein	8,710	526	0.02
Hershey	7,510	605	0.02
Hess	14,306	497	0.02
Hewlett Packard Enterprise	89,510	974	0.04
Hilton Worldwide	11,115	576	0.02
Hologic	14,988	410	0.02
Home Depot	65,071	7,893	0.31
Honeywell International	131,390	13,800	0.54
Hormel Foods	14,798	351	0.01
Host Hotels & Resorts**	39,784	549	0.02
HP	91,929	1,371	0.05
Humana	7,992	1,449	0.06
Huntington Bancshares	58,277	604	0.02
IDEXX Laboratories	4,834	558	0.02
Illinois Tool Works	16,921	1,861	0.07
Illumina	7,889	1,173	0.05
Incyte	9,403	795	0.03
Intel	257,010	7,268	0.28
Intercontinental Exchange	31,975	1,637	0.06
International Business Machines	47,261	5,143	0.20
International Flavors & Fragrances	4,293	457	0.02
International Paper	22,071	938	0.04
Interpublic	22,952	355	0.01
Intuit	13,061	1,389	0.05
Intuitive Surgical	15,200	11,646	0.45
Iron Mountain**	13,955	405	0.02
Jacobs Engineering	6,983	303	0.01
JB Hunt Transport Services	4,730	385	0.01
JM Smucker	6,243	490	0.02
Johnson & Johnson	244,315	23,623	0.92
JPMorgan	233,948	16,667	0.65
Juniper Networks	20,661	428	0.02
Kansas City Southern	58,815	4,754	0.18
Kellogg	89,715	4,210	0.16
KeyCorp	58,046	809	0.03
Kimberly-Clark	19,234	1,680	0.07
Kimco Realty**	23,529	342	0.01
Kinder Morgan	103,059	1,486	0.06
KLA-Tencor	8,435	661	0.03
Kohl's	8,928	306	0.01
Kraft Heinz	31,995	1,864	0.07
Kroger	50,723	768	0.03
L Brands	12,886	410	0.02
L3 Technologies	4,172	585	0.02
Laboratory Corporation of America	5,512	617	0.02
Lam Research	8,776	1,192	0.05
Leggett & Platt	6,544	234	0.01
Lennar	10,621	414	0.02
Leucadia National	17,564	329	0.01
Level 3 Communications	15,625	627	0.02
Lincoln National	12,312	675	0.03
LKQ	16,989	454	0.02
Lockheed Martin	13,495	3,117	0.12

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Loews	14,820	530	0.02
Lowe's	46,682	2,770	0.11
M&T Bank	8,344	992	0.04
Macerich**	6,569	271	0.01
Macy's	17,555	289	0.01
Marathon Oil	45,524	460	0.02
Marathon Petroleum	28,325	1,174	0.05
Marriott International	35,869	2,948	0.11
Marsh & McLennan	27,653	1,729	0.07
Martin Marietta Materials	3,441	527	0.02
Masco	18,039	523	0.02
MasterCard	157,286	16,469	0.64
Mattel	18,350	206	0.01
McCormick	6,161	468	0.02
McDonald's	44,621	5,251	0.20
McKesson	12,188	1,400	0.05
Merck	148,121	7,113	0.28
MetLife	59,003	2,262	0.09
Mettler-Toledo International	1,450	676	0.03
MGM Resorts International	26,196	633	0.02
Microchip Technology	39,165	2,608	0.10
Micron Technology	60,515	1,716	0.07
Microsoft	603,015	33,273	1.29
Mid-America Apartment Communities**	6,058	480	0.02
Mohawk Industries	3,347	620	0.02
Molson Coors Brewing	9,943	604	0.02
Mondelez International	82,917	2,510	0.10
Monsanto	68,879	6,158	0.24
Monster Beverage	21,728	900	0.03
Moody's	59,223	6,133	0.24
Morgan Stanley	77,450	2,786	0.11
Mosaic	18,859	300	0.01
Motorola Solutions	8,901	557	0.02
NASDAQ	6,257	363	0.01
National Oilwell Varco	59,117	1,568	0.06
Navient	15,736	175	0.01
NetApp	14,836	486	0.02
Netflix	23,673	3,195	0.12
Newell Brands (formerly Newell Rubbermaid)	25,876	811	0.03
Newfield Exploration	10,632	235	0.01
Newmont Mining	28,544	802	0.03
News 'A' Shares	18,452	183	0.01
News 'B' Shares	5,445	56	0.00
NextEra Energy	25,084	2,755	0.11
NIKE	263,965	10,380	0.40
NiSource	17,375	331	0.01
Noble Energy	26,028	551	0.02
Nordstrom	6,016	213	0.01
Norfolk Southern	15,730	1,561	0.06
Northern Trust	11,450	786	0.03
Northrop Grumman	9,461	2,012	0.08
Now	22,743	232	0.01
NRG Energy	17,075	318	0.01
Nucor	17,060	707	0.03

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Nvidia	32,468	4,261	0.17
O'Reilly Automotive	5,085	818	0.03
Occidental Petroleum	41,084	1,994	0.08
Omnicom	50,572	2,805	0.11
ONEOK	20,614	853	0.03
Oracle	789,260	28,347	1.10
PACCAR	18,871	1,021	0.04
Packaging Corporation of America	5,116	442	0.02
Parker-Hannifin	7,201	946	0.04
Patterson	4,456	129	0.01
Paychex	17,324	780	0.03
PayPal	113,898	5,440	0.21
People's United Financial	20,191	271	0.01
PepsiCo	77,953	6,512	0.25
PerkinElmer	5,606	286	0.01
Pfizer	325,930	8,667	0.34
PG&E	27,202	1,383	0.05
Philip Morris International	84,093	7,024	0.27
Phillips 66	23,761	1,629	0.06
Pinnacle West Capital	6,547	415	0.02
Pioneer Natural Resources	9,156	1,009	0.04
PNC Financial Services	26,083	2,620	0.10
PPG Industries	14,183	1,153	0.04
PPL	36,540	1,042	0.04
Praxair	119,117	12,551	0.49
Priceline	4,836	6,546	0.25
Principal Financial	14,334	685	0.03
Procter & Gamble	138,707	9,414	0.37
Progressive	31,172	1,119	0.04
Prologis**	28,386	1,348	0.05
Prudential Financial	23,085	1,828	0.07
Public Service Enterprise	27,191	936	0.04
Public Storage**	8,031	1,276	0.05
PulteGroup	18,074	364	0.01
PVH	4,394	412	0.02
Qorvo	7,073	371	0.01
Qualcomm	79,311	3,065	0.12
Quanta Services	7,727	217	0.01
Quest Diagnostics	7,447	511	0.02
QuintilesIMS	7,449	528	0.02
Ralph Lauren	2,926	194	0.01
Range Resources	11,986	177	0.01
Raymond James Financial	6,919	437	0.02
Raytheon	15,821	2,175	0.08
Realty Income**	15,448	667	0.03
Red Hat	9,641	789	0.03
Regency Centers**	7,481	347	0.01
Regeneron Pharmaceuticals	4,105	1,334	0.05
Regions Financial	66,083	743	0.03
Republic Services	12,460	618	0.02
ResMed	277,187	1,578	0.06
ResMed (Frankfurt Listing)	7,707	438	0.02
Robert Half International	6,864	258	0.01
Rockwell Automation	6,841	906	0.04

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Rockwell Collins	8,778	853	0.03
Roper Technologies (formerly Roper Industries)	5,481	990	0.04
Ross Stores	21,332	1,033	0.04
Royal Caribbean Cruises	8,983	793	0.03
S&P Global	13,915	1,616	0.06
salesforce.com	36,479	2,523	0.10
Sally Beauty	99,139	1,485	0.06
SBA Communications**	6,500	698	0.03
SCANA	7,627	291	0.01
Scripps Networks Interactive	4,767	306	0.01
Sealed Air	11,466	368	0.01
Sempra Energy	13,474	1,153	0.04
Sherwin-Williams	4,322	1,153	0.04
Simon Property**	17,409	2,102	0.08
Skyworks Solutions	9,994	756	0.03
SL Green Realty**	5,698	429	0.02
Snap-on	3,179	350	0.01
Southern	54,439	1,990	0.08
Southwest Airlines	29,917	1,256	0.05
Stanley Black & Decker	8,131	908	0.04
Starbucks	274,838	11,187	0.43
State Street	122,064	8,735	0.34
Stericycle	4,850	260	0.01
Stryker	163,974	17,177	0.67
SunTrust Banks	26,333	1,167	0.05
Symantec	33,488	827	0.03
Synchrony Financial	42,160	983	0.04
Synopsys	8,182	488	0.02
Sysco	27,054	1,092	0.04
T Rowe Price	13,050	879	0.03
Target	30,149	1,327	0.05
Texas Instruments	53,685	3,596	0.14
Thermo Fisher Scientific	100,390	13,982	0.54
Tiffany	6,009	408	0.02
Time Warner	127,588	9,747	0.38
TJX	200,741	11,090	0.43
Torchmark	6,377	380	0.01
Total System Services	8,188	398	0.02
Tractor Supply	75,071	3,539	0.14
TransDigm	2,720	515	0.02
Travelers	15,213	1,396	0.05
TripAdvisor	5,431	164	0.01
Twenty-First Century Fox 'A' Shares	56,829	1,127	0.04
Twenty-First Century Fox 'B' Shares	26,150	508	0.02
Tyson Foods	15,578	762	0.03
UDR**	14,514	413	0.02
Ulta Salon Cosmetics & Fragrance	3,139	532	0.02
Under Armour 'A' Shares	8,376	103	0.00
Under Armour 'C' Shares	8,435	95	0.00
Union Pacific	61,512	5,330	0.21
United Continental	15,471	707	0.03
United Parcel Service	108,464	9,692	0.38
United Rentals	4,596	474	0.02
United Technologies	85,164	7,370	0.29

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
UnitedHealth	52,276	7,660	0.30
Universal Health Services	4,877	400	0.02
Unum	12,488	477	0.02
Urban Outfitters	74,347	1,329	0.05
US Bancorp	85,823	3,429	0.13
Valero Energy	24,325	1,395	0.05
Varex Imaging	519	13	0.00
Varian Medical Systems	5,048	376	0.01
Ventas**	18,995	928	0.04
VeriSign	4,912	388	0.01
Verisk Analytics	8,378	516	0.02
Verizon Communications	220,690	8,146	0.32
Vertex Pharmaceuticals	13,368	1,494	0.06
VF	17,781	844	0.03
Viacom 'B' Shares	18,651	388	0.01
Visa	211,904	16,553	0.64
Vornado Realty Trust**	9,248	534	0.02
Vulcan Materials	7,083	630	0.02
Wal-Mart Stores	80,918	4,770	0.19
Walgreens Boots Alliance	50,007	2,895	0.11
Walt Disney	286,030	20,952	0.81
Waste Management	21,812	1,278	0.05
Waters	28,652	3,826	0.15
WEC Energy	17,001	802	0.03
Wells Fargo	514,874	20,862	0.81
Welltower**	19,509	1,028	0.04
Western Digital	16,383	1,061	0.04
Western Union	26,574	378	0.01
WestRock	13,517	573	0.02
Weyerhaeuser**	40,199	1,021	0.04
Whirlpool	4,002	549	0.02
Williams	43,839	982	0.04
WW Grainger	12,288	1,653	0.06
Wyndham Worldwide	6,176	486	0.02
Wynn Resorts	12,539	1,353	0.05
Xcel Energy	27,266	965	0.04
Xerox	10,303	261	0.01
Xilinx	13,553	711	0.03
Xylem	9,662	451	0.02
Yum! China	49,100	1,464	0.06
Yum! Brands	18,719	1,028	0.04
Zimmer Biomet	93,748	8,100	0.31
Zions Bancorporation	10,901	382	0.01
Zoetis	26,535	1,255	0.05

Multi-Manager International Equity Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
DERIVATIVES (-0.06%*)		99	0.00
Futures Contracts			
S&P 500 E Mini Index Futures December 2017	67	99	0.00
Portfolio of investments		2,520,723	97.82
Net other assets		56,122	2.18
Total net assets		2,576,845	100.00

Collective investment schemes are regulated within the meaning of the FCA rules, equity investment instruments are quoted on a listed securities market, unless otherwise stated. Derivative contracts can be exchange traded on a regulated market or over the counter (OTC).

Stocks shown as ADRs, GDRs and NVDR represent American Depositary Receipts, Global Depositary Receipts and Non Voting Depositary Receipts.

*Comparative figures shown in brackets relate to 30 September 2016.

**Real Estate Investment Trust (REIT).

◇Asset managed by the Investment Adviser or a related party of the Investment Adviser.

#Since the previous report classification headings have been updated by data providers. Comparative figures have been updated where appropriate.

Multi-Manager International Equity Fund

Material Portfolio Changes

for the year ended 30 September 2017

	Cost £000		Proceeds £000
Major purchases		Major sales	
S&P 500 E Mini Index Futures March 2017	83,396	S&P 500 E Mini Index Futures March 2017	84,891
TOPIX Index Futures December 2016	39,632	TOPIX Index Futures December 2016	55,322
TOPIX Index Futures March 2017	37,965	S&P 500 E Mini Index Futures December 2016	41,029
S&P 500 E Mini Index Futures December 2016	37,228	TOPIX Index Futures March 2017	39,182
General Electric	20,272	Mini MSCI Emerging Markets Index Futures December 2016	15,674
Toyota Motor	14,118	JPMorgan	15,363
WPP ADR	13,376	Glencore ADR	15,185
Willis Towers Watson	12,534	Microsoft	11,990
Citigroup	12,196	BNP Paribas	11,971
HCA Healthcare	9,927	CR Bard	11,780

Stocks shown as ADRs represent American Depositary Receipts.

Purchases and sales of Futures have been included at the value of their exposure.

Multi-Manager International Equity Fund

Securities Financing Transactions (SFT)

as at 30 September 2017

1) Global Data

Proportion of securities and commodities on loan as at 30 September 2017	£000	%
Total lendable assets excluding cash and cash equivalents:	2,344,172	
Securities and commodities on loan	138,048	5.89%

Assets engaged in SFTs and total return swaps as at 30 September 2017	£000	%
Fund assets under management (AUM)	2,595,837	
Absolute value of assets engaged in:		
Securities lending	138,048	5.32%

2) Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received as at 30 September 2017	£000
Cash Collateral	44,967
United States of America Treasury	11,381
Government of United Kingdom	4,484
Republic of France	3,728
ING	2,813
Nestle	2,728
Federal Republic of Germany	2,374
Time Warner	1,508
Novartis	1,385
UBS	1,336

Top 10 Counterparties

Name and value of outstanding transactions as at 30 September 2017	£000
Securities lending	
MUFG Securities EMEA	34,284
Deutsche Bank	27,282
Societe Generale	21,301
Barclays Capital Securities	17,400
UBS	16,387
Morgan Stanley International	8,850
JP Morgan Securities	5,967
Barclays Bank	3,154
ING Bank	1,273
HSBC Bank	827

Multi-Manager International Equity Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

3) Aggregate Transaction Data

Type, Quality and Currency of Collateral as at 30 September 2017

Type	Quality	Currency	£000
Securities lending			
Equity	Traded on recognised exchange	Sterling	5,494
Equity	Traded on recognised exchange	Australian dollar	2,164
Equity	Traded on recognised exchange	Canadian dollar	392
Equity	Traded on recognised exchange	Chinese yuan	1,212
Equity	Traded on recognised exchange	Danish krone	340
Equity	Traded on recognised exchange	Euro	16,765
Equity	Traded on recognised exchange	Hong Kong dollar	13,480
Equity	Traded on recognised exchange	Japanese yen	3,264
Equity	Traded on recognised exchange	New Zealand dollar	100
Equity	Traded on recognised exchange	Norwegian krone	1,139
Equity	Traded on recognised exchange	Singapore dollar	91
Equity	Traded on recognised exchange	South African rand	6
Equity	Traded on recognised exchange	Swedish krona	863
Equity	Traded on recognised exchange	Swiss franc	9,744
Equity	Traded on recognised exchange	US dollar	27,271
Fixed Income	Investment Grade	Sterling	4,484
Fixed Income	Investment Grade	Canadian dollar	1,048
Fixed Income	Investment Grade	Euro	8,292
Fixed Income	Investment Grade	US dollar	11,381
Cash	Cash Collateral	US dollar	44,967
Total collateral held			<u>152,497</u>

Maturity Tenor of Collateral (remaining period to maturity) as at 30 September 2017

Type	Less than	One day to	One week	One to	Three	Above one	Open	Total
	one day	one week	to one	three	months to	year	maturity	
	£000	£000	£000	£000	£000	£000	£000	£000
Securities lending	44,967	727	133	3,087	1,861	19,397	82,325	152,497
	<u>44,967</u>	<u>727</u>	<u>133</u>	<u>3,087</u>	<u>1,861</u>	<u>19,397</u>	<u>82,325</u>	<u>152,497</u>

Counterparty details as at 30 September 2017

Type	Country of counterparty establishment	Settlement and clearing	£000
Securities lending	Germany	Bi-lateral	608
Securities lending	Switzerland	Bi-lateral	3,587
Securities lending	United Kingdom	Bi-lateral	49,375
Securities lending	France	Tri-party	25,439
Securities lending	Germany	Tri-party	31,429
Securities lending	Netherlands	Tri-party	1,391
Securities lending	Switzerland	Tri-party	14,009
Securities lending	United Kingdom	Tri-party	26,659
Total collateral held			<u>152,497</u>

Multi-Manager International Equity Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity) as at 30 September 2017

Type	Less than one day £000	One day to one week £000	One week to one month £000	One to three months £000	Three months to one year £000	Above one year £000	Open maturity £000	Total £000
Securities lending	-	-	-	-	-	-	138,048	138,048
	-	-	-	-	-	-	138,048	138,048

4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 30 September 2017

Names and value of custodians safekeeping collateral as at 30 September 2017	£000
Bank of New York	62,132
State Street	53,570
JP Morgan	36,764
Crest	31

Number of custodians safekeeping collateral

4

6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

7) Return and Cost

for the year ended 30 September 2017

	Collective Investment Undertaking £000	Manager of Collective Investment Undertaking £000	Third Parties (e.g. lending agent) £000	Total £000
Securities lending				
Gross return	249	17	67	333
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

*All direct costs from securities lending are borne by lending agent.

Multi-Manager International Equity Fund

Comparative Table

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	277.76	215.25	218.76
Return before operating charges*	48.86	66.48	0.31
Operating charges	(5.02)	(3.97)	(3.82)
Return after operating charges*	43.84	62.51	(3.51)
Distributions	(0.93)	(1.04)	(0.86)
Retained distributions on accumulation shares	0.93	1.04	0.86
Closing net asset value per share	321.60	277.76	215.25
*after direct transaction costs of:~	0.12	0.10	0.09
Performance			
Return after charges^	15.78%	29.04%	(1.60)%
Other information			
Closing net asset value (£000)	279,446	268,348	218,010
Closing number of shares	86,892,181	96,610,349	101,281,990
Operating charges#	1.62%	1.63%	1.63%
Direct transaction costs~	0.04%	0.04%	0.04%
Prices**			
Highest share price	328.50	282.10	253.40
Lowest share price	282.10	211.00	212.10

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This is different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager International Equity Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	305.68	235.00	237.08
Return before operating charges*	53.88	72.92	0.03
Operating charges	(2.80)	(2.24)	(2.11)
Return after operating charges*	51.08	70.68	(2.08)
Distributions	(3.80)	(3.35)	(2.92)
Retained distributions on accumulation shares	3.80	3.35	2.92
Closing net asset value per share	356.76	305.68	235.00
*after direct transaction costs of:~	0.13	0.11	0.10
Performance			
Return after charges	16.71%	30.08%	(0.88)%
Other information			
Closing net asset value (£000)	46,542	32,097	13,264
Closing number of shares	13,045,653	10,500,332	5,644,237
Operating charges#	0.82%	0.83%	0.83%
Direct transaction costs~	0.04%	0.04%	0.04%
Prices**			
Highest share price	364.10	310.40	275.60
Lowest share price	310.60	231.10	231.40

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager International Equity Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class C - Accumulation			
Change in net assets per share			
Opening net asset value per share	180.81	139.46	141.03
Return before operating charges*	32.16	43.18	0.13
Operating charges	(2.24)	(1.83)	(1.70)
Return after operating charges*	29.92	41.35	(1.57)
Distributions	(1.68)	(1.41)	(1.27)
Retained distributions on accumulation shares	1.68	1.41	1.27
Closing net asset value per share	210.73	180.81	139.46
*after direct transaction costs of:~	0.08	0.06	0.06
Performance			
Return after charges	16.55%	29.65%	(1.11)%
Other information			
Closing net asset value (£000)	12	2	2
Closing number of shares	5,500	1,281	1,281
Operating charges#	1.10%	1.16%	1.13%
Direct transaction costs~	0.04%	0.04%	0.04%
Prices**			
Highest share price	215.10	183.60	163.80
Lowest share price	183.70	137.00	137.40

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager International Equity Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class P - Income			
Change in net assets per share			
Opening net asset value per share	271.74	211.27	215.63
Return before operating charges*	47.88	65.43	0.09
Operating charges	(2.06)	(1.66)	(1.60)
Return after operating charges*	45.82	63.77	(1.51)
Distributions	(3.79)	(3.30)	(2.85)
Closing net asset value per share	313.77	271.74	211.27
*after direct transaction costs of:~	0.12	0.09	0.09
Performance			
Return after charges	16.86%	30.18%	(0.70)%
Other information			
Closing net asset value (£000)	887,376	795,203	608,604
Closing number of shares	282,807,697	292,632,275	288,071,906
Operating charges#	0.68%	0.69%	0.69%
Direct transaction costs~	0.04%	0.04%	0.04%
Prices**			
Highest share price	322.80	278.30	250.00
Lowest share price	276.10	207.80	210.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager International Equity Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	271.76	211.27	215.63
Return before operating charges*	47.90	65.45	0.07
Operating charges	(1.76)	(1.42)	(1.37)
Return after operating charges*	46.14	64.03	(1.30)
Distributions	(4.10)	(3.54)	(3.06)
Closing net asset value per share	313.80	271.76	211.27
*after direct transaction costs of:~	0.12	0.09	0.09
Performance			
Return after charges	16.98%	30.31%	(0.60)%
Other information			
Closing net asset value (£000)	1,311,925	1,252,377	1,105,252
Closing number of shares	418,078,814	460,846,210	523,152,890
Operating charges#	0.58%	0.59%	0.59%
Direct transaction costs~	0.04%	0.04%	0.04%
Prices**			
Highest share price	322.90	278.50	250.00
Lowest share price	276.10	207.90	210.10

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager International Equity Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	318.08	243.70	245.10
Return before operating charges*	56.11	75.75	(0.11)
Operating charges	(1.70)	(1.37)	(1.29)
Return after operating charges*	54.41	74.38	(1.40)
Distributions	(5.17)	(4.37)	(3.73)
Retained distributions on accumulation shares	5.17	4.37	3.73
Closing net asset value per share	372.49	318.08	243.70
*after direct transaction costs of:~	0.14	0.11	0.10
Performance			
Return after charges	17.11%	30.52%	(0.57)%
Other information			
Closing net asset value (£000)	51,544	48,094	39,722
Closing number of shares	13,837,600	15,119,834	16,299,370
Operating charges#	0.48%	0.49%	0.49%
Direct transaction costs~	0.04%	0.04%	0.04%
Prices**			
Highest share price	380.10	323.00	285.40
Lowest share price	323.20	239.90	239.90

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Prices for Share Class X are not published externally, as this is an internal share class.

Multi-Manager International Equity Fund

Statement of Total Return

for the year ended 30 September 2017

	Notes	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
		£000	£000	£000	£000
Income					
Net capital gains	2		362,033		546,289
Revenue	3	55,203		49,818	
Expenses	4	(18,482)		(15,958)	
Interest payable and similar charges		(16)		(14)	
Net revenue before taxation		36,705		33,846	
Taxation	5	(6,164)		(5,169)	
Net revenue after taxation			30,541		28,677
Total return before distributions			392,574		574,966
Distributions	6		(30,602)		(28,692)
Change in net assets attributable to shareholders from investment activities			361,972		546,274

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 30 September 2017

	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		2,396,121		1,984,854
Amounts receivable on creation of shares	29,900		95,039	
Less: Amounts payable on cancellation of shares	(213,308)		(232,225)	
		(183,408)		(137,186)
Dilution adjustment		149		165
Change in net assets attributable to shareholders from investment activities		361,972		546,274
Retained distributions on accumulation shares		2,011		2,014
Closing net assets attributable to shareholders		2,576,845		2,396,121

Notes to the Financial Statements are on pages 92 to 100.

Multi-Manager International Equity Fund

Balance Sheet

as at 30 September 2017

	Notes	30/09/17 £000	30/09/16 £000
Assets			
Fixed assets			
Investments		2,520,723	2,328,677
Current assets			
Debtors	8	29,346	13,830
Cash and bank balances	9	51,002	89,125
Total assets		2,601,071	2,431,632
Liabilities			
Investment liabilities		-	(1,616)
Creditors			
Bank overdrafts		-	(4)
Distribution payable		(18,236)	(18,053)
Other creditors	10	(5,990)	(15,838)
Total liabilities		(24,226)	(35,511)
Net assets attributable to shareholders		2,576,845	2,396,121

Notes to the Financial Statements are on pages 92 to 100.

Multi-Manager International Equity Fund

Notes to the Financial Statements

for the year ended 30 September 2017

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Non-derivative securities	356,728	556,566
Futures contracts	6,935	2,088
Forward currency contracts	526	(13,108)
Currency (losses)/gains	(2,812)	725
Transaction charges	(156)	(129)
Dealing cost reimbursement	142	107
Breach compensation	-	40
US REIT's capital gains	670	-
Net capital gains	<u>362,033</u>	<u>546,289</u>

3. Revenue

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
UK dividends	1,774	1,471
Overseas taxable revenue	935	897
Overseas non-taxable revenue	49,730	44,747
Property revenue from overseas REITs - taxable	448	468
Property revenue from overseas REITs - non-taxable	-	33
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	-	15
Offshore distribution non-taxable	88	47
Bank interest	6	26
Fokus Bank interest	20	117
Interest on capital	157	111
Interest on short term deposits	6	-
Underwriting commission	-	2
Overseas scrip dividends taxable	-	15
Overseas scrip dividends non-taxable	1,703	1,461
Stock lending revenue	250	375
UK scrip dividends non-taxable	86	33
Total revenue	<u>55,203</u>	<u>49,818</u>

4. Expenses

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>7,728</u>	<u>6,503</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	278	211
Revenue collection charges	72	63
Safe custody fees	<u>323</u>	<u>286</u>
	<u>673</u>	<u>560</u>

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

Other expenses:

Audit fee	12	12
Out of pocket expenses	-	3
Sub advisers' fees	8,724	7,775
Professional fees†	109	21
Registration fees	2,570	2,174
Fees paid to PwC for non-audit services*	-	77
Expense capping adjustment‡	(1,334)	(1,167)
	<u>10,081</u>	<u>8,895</u>
Total expenses	<u>18,482</u>	<u>15,958</u>

Expenses include irrecoverable VAT.

*Fees paid during the prior year are in relation to Fokus Bank tax reclaims.

†Current year professional fees are in relation to distribution charges, Ernst & Young and KPMG fees. Prior year fees relate to Taiwan Taxation Agent fees.

‡From 25 July 2014 within the Q share class no registration fee will be deducted and this will be borne by the ACD.

5. Taxation

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	6,103	5,169
Tax on US REIT's taken to capital	61	-
Total current tax	<u>6,164</u>	<u>5,169</u>
Total taxation (note 5b)	<u>6,164</u>	<u>5,169</u>

(b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2016: 20%). The differences are explained below:

Net revenue before taxation	36,705	33,846
Corporation tax of 20% (2016: 20%)	7,341	6,769
Effects of:		
Franked UK income*	(355)	(297)
Non-taxable scrip dividends*	(358)	(299)
Overseas non-taxable revenue*	(9,963)	(8,965)
Double tax relief	(2)	-
Revenue taxable in different periods	-	(1)
Movement in excess management expenses	3,230	2,808
Irrecoverable overseas tax	6,103	5,169
Overseas tax expensed	(27)	(15)
Tax on US REITs taken to capital	61	-
Gains on US REITs subject to taxation	134	-
Total tax charge for year (note 5a)	<u>6,164</u>	<u>5,169</u>

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £25,440,652 (30/09/16: £22,212,736) relating to surplus management expenses. No deferred tax asset has been recognised in either year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Interim	10,328	8,496
Final	19,839	19,760
	<u>30,167</u>	<u>28,256</u>
Add: Revenue deducted on cancellation of shares	496	603
Deduct: Revenue received on creation of shares	(61)	(167)
Net distributions for the year	<u>30,602</u>	<u>28,692</u>

Details of the distribution per share is set out in the Distribution Tables on pages 101 to 102.

7. Movement between net revenue and net distributions

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Net revenue after taxation	30,541	28,677
Tax on US REITs	61	-
Movement in net income as a result of conversions	-	15
Net distributions for the year	<u>30,602</u>	<u>28,692</u>

8. Debtors

	30/09/17 £000	30/09/16 £000
Sales awaiting settlement	23,108	8,390
Amounts receivable for issue of shares	194	-
Accrued revenue	4,367	3,701
Overseas tax recoverable	1,541	1,636
Expense capping adjustment	136	103
Total debtors	<u>29,346</u>	<u>13,830</u>

9. Cash and bank balances

	30/09/17 £000	30/09/16 £000
Cash and bank balances	50,867	87,895
Amounts held at futures clearing houses and brokers	135	1,230
Total cash and bank balances	<u>51,002</u>	<u>89,125</u>

10. Other creditors

	30/09/17 £000	30/09/16 £000
Purchases awaiting settlement	1,080	10,423
Amounts payable for cancellation of shares	2,523	2,625
Accrued expenses	2,387	2,790
Total other creditors	<u>5,990</u>	<u>15,838</u>

11. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund. Lloyds Banking Group, as the parent company of the ACD is the ultimate controlling party of the Fund. As such any member company of Lloyds Banking Group is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the year end are included in the Balance Sheet.

for the year ended 30 September 2017

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD and registration fees (Registrar has changed from Bank of New York Mellon (International) Limited to Scottish Widows Unit Trust Managers Limited in the current period) are disclosed in note 4, with £691,510 (30/09/16: £580,384) due at the year end.

Shares held by associates of the ACD

On 30 September 2017, shares held as a percentage of the Fund's value were:

	30/09/17	30/09/16
	%	%
ACD and associates of the ACD*	42.85	42.08

*Prior year figures have been restated to reflect the LBG ownership as a percentage of the Funds' values, not shares.

12. Share classes

The Fund has six share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.14
Share Class B - Accumulation:	0.34
Share Class C - Accumulation:	0.64
Share Class P - Income:	0.20
Share Class Q - Income:	0.20
Share Class X - Accumulation:	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 84 to 89.

The distributions per share class are given in the Distribution Tables on pages 101 to 102.

Reconciliation of the shares movement in the year:

	01/10/16			30/09/17	
	Opening shares in issue	Creations	Cancellations	Shares converted*	Closing shares in issue
Share Class A - Accumulation	96,610,349	21,800	(9,739,968)	-	86,892,181
Share Class B - Accumulation	10,500,332	8,140,911	(6,826,515)	1,230,925	13,045,653
Share Class C - Accumulation	1,281	5,500	(1,281)	-	5,500
Share Class P - Income	292,632,275	79,501	(9,898,965)	(5,114)	282,807,697
Share Class Q - Income	460,846,210	47,516	(41,435,584)	(1,379,328)	418,078,814
Share Class X - Accumulation	15,119,834	544,378	(1,826,613)	-	13,837,600

*Share conversions during the year relate to the restructure of a large client portfolio from an institutional share class to a retail share class.

13. Capital commitments and contingent liabilities

On 30 September 2017, the Fund had no capital commitments (30/09/16: £nil) and no contingent liabilities (30/09/16: £nil).

14. Securities on loan

The aggregate value of securities on loan at 30 September 2017 is £138,048,465 (30/09/16: £236,411,527). The identities of these counterparties are listed in the counterparties table below. Securities on loan are included in the portfolio statement and no account is taken of any collateral held. The aggregate value of collateral held at 30 September 2017 is £152,497,426 (30/09/16: £258,338,057). This collateral is listed in the collateral held table below.

The gross earnings and fees paid for the year are £332,869 (30/09/16: £497,577) and £83,282 (30/09/16: £122,431).

Multi-Manager International Equity Fund

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

	30/09/17	30/09/16
	£000	£000
Counterparties		
Barclays Bank	3,154	-
Barclays Capital Securities	17,400	-
Citigroup Global Markets (UK)	176	5,876
Credit Suisse Securities (Europe)	425	18,567
Deutsche Bank	27,282	40,390
HSBC Bank	827	11,175
ING Bank	1,273	678
JP Morgan Securities	5,967	14,669
Merrill Lynch	722	5,716
Morgan Stanley International	8,850	-
MUFG Securities EMEA	34,284	-
Societe Generale	21,301	60,427
UBS	16,387	78,914
Total securities on loan	<u>138,048</u>	<u>236,412</u>
	30/09/17	30/09/16
	£000	£000
Collateral held		
Bonds	25,205	63,062
Equities	82,325	183,717
Cash	44,967	11,559
Total collateral held	<u>152,497</u>	<u>258,338</u>

15. Risk management policies, derivatives and other financial instruments

A statement of the Fund's objective and the policy for achieving it has been included on page 60. The risks inherent in the Fund's investment portfolio are as follows:

(a) Currency risk

A significant proportion of the Fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

The Fund hedges the initial investment but not the subsequent gains/losses on the settling value of investments that are denominated in foreign currencies.

As at 30 September 2017, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the Fund would have been an increase or decrease of approximately £25,228,191 (30/09/16: £22,856,474).

As at 30 September the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 30/09/17	Currency exposure 30/09/16
	£000	£000
Currency		
Australian dollar	21,301	21,574
Brazilian real	8,864	7,241
Canadian dollar	12,339	7,409
Chinese yuan	161	-
Czech Republic koruna	41	578
Danish krone	14,969	13,037
Euro	291,417	246,316
Hong Kong dollar	76,442	78,909
Hungarian forint	2,105	1,501
Indian rupee	25,791	19,705
Indonesian rupiah	8,778	6,783
Japanese yen	246,854	187,350
Malaysian ringgit	2,492	2,491
Mexican peso	4,464	2,598
Norwegian krone	-	10
Philippine peso	5,136	5,279
Polish zloty	3,389	1,922

Multi-Manager International Equity Fund

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

Russian ruble	-	4
Singapore dollar	20,773	20,027
South African rand	5,350	4,778
South Korean won	26,254	25,849
Swedish krona	16,713	19,175
Swiss franc	145,470	135,128
Taiwanese dollar	12,081	12,140
Thai baht	5,705	4,549
Turkish lira	2,342	2,446
UAE dirham	1,435	1,324
US dollar	1,562,153	1,457,524
Total	<u>2,522,819</u>	<u>2,285,647</u>

(b) *Interest rate risk profile of financial assets and liabilities*

The Fund receives revenue from holdings in equities. The cashflow from these investments may fluctuate depending upon the particular decisions made by each company. Given that the Fund's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Fund's net cash holding of £50,946,291 (30/09/16: holding £87,887,760) is held in a floating rate deposit account whose interest rates are based on LIBOR or its international equivalent.

The Fund holds net cash at futures brokers of £135,304 (30/09/16: cash £1,230,818), whose rates are on based on LIBOR or its international equivalent.

The interest rate exposure for the Fund is not deemed to be significant and on that basis no sensitivity analysis is presented.

The Fund did not have any long term financial liabilities.

(c) *Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the Fund for the purpose of efficient portfolio management (EPM). EPM requires that the purpose of the derivative contract must be to achieve; a reduction of the risk, or a reduction of cost, or the generation of additional capital, or revenue for the Fund with an acceptably low level of risk. The ACD monitors the use of derivative contracts to ensure that the requirements of EPM are satisfied. All derivative contracts with exception to forward currency contracts were traded on an eligible derivatives exchange.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets. At the year end, as the sensitivity analysis or value at risk are not significant, no additional disclosure has been shown.

Financial derivative instrument exposure - fair value	Value (£)	Value (£)
	30/09/17	30/09/16
Exchange traded derivatives	98,838	128,303
Forward currency contracts	-	87,906
Total Financial derivative instrument exposure	<u>98,838</u>	<u>216,209</u>

Financial derivative instrument exposure - notional	Value (£)	Value (£)
	30/09/17	30/09/16
Exchange traded derivatives	6,274,994	34,658,023
Forward currency contracts	-	41,012,001
Total Financial derivative instrument exposure	<u>6,274,994</u>	<u>75,670,024</u>

The financial derivative instruments exposure represents the value of what is "economically commanded" by the instrument and is calculated as the sum of the notional value of the instrument, i.e. the number of contracts multiplied by the relevant index or spot price.

Multi-Manager International Equity Fund

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

Efficient portfolio management techniques	Value (£)	Value (£)
	30/09/17	30/09/16
Gross revenues arising from efficient portfolio management techniques	332,869	497,577
Direct operational costs and fees incurred	(66,639)	(97,945)
Indirect operational costs and fees incurred	(16,644)	(24,486)
Net revenue generated for Fund during the annual accounting period	249,586	375,146
Underlying exposure obtained through EPM techniques	6,274,994	75,670,024

Counterparties to financial derivative instruments and efficient portfolio management techniques

	Value (£)	Value (£)
	30/09/17	30/09/16
BNP Paribas - Forward currency contracts	-	53,634
State Street Bank and Trust Company - Forward currency contracts	(147)	(1,337,227)
Barclays - Futures contracts	98,838	(12,131)
Merrill Lynch - Futures contracts	-	(104,945)
Total uncollateralised counterparty exposure	98,691	(1,400,669)

The counterparty exposure represents the amount that the Fund could lose (or gain) if the counterparty defaulted. This is calculated as the unrealised profit (or loss) on the trade. It is therefore a different amount to the value of the sum of the notionals.

Collateral	Value (£)	Value (£)
	30/09/17	30/09/16
The type and amount of collateral received to reduce counterparty exposure:		
GBP Cash - Merrill Lynch	-	169,143
JPY Cash - Merrill Lynch	-	985,520
USD Cash - Barclays	135,304	76,964
USD Cash - Merrill Lynch	-	(809)

(d) Liquidity risk

All of the Fund's financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. In general, the Investment Adviser manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

All of the Fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(e) Market price risk and fair value of financial assets and liabilities

The Fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the Fund's objectives. In addition, the management of the Fund complies with the Financial Conduct Authority COLL Sourcebook, which includes rules prohibiting a holding greater than 20% of assets in any one fund.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 30 September 2017, if the price of investments held by the Funds increased or decreased by 1%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 1%; which for this Fund would equate to £25,207,225 (30/09/16: £23,270,613).

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

(f) Credit risk

The Fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

16. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/10/16 to 30/09/17	01/10/15 to 30/09/16	01/10/16 to 30/09/17	01/10/15 to 30/09/16
	£000	£000	£000	£000
Collective Investment Schemes	4,936	3,234	12,228	3,030
Equities	729,283	389,425	885,761	555,118
Trades in the year before transaction costs	734,219	392,659	897,989	558,148
Commissions				
Collective Investment Schemes~	-	-	0	0
Equities	374	300	(467)	(406)
Futures	4	8	(6)	(8)
Total commissions	378	308	(473)	(414)
Taxes				
Collective Investment Schemes~	-	-	0	0
Equities	157	129	(86)	(87)
Total taxes	157	129	(86)	(87)
Total costs	535	437	(559)	(501)
Total net trades in the year after transaction costs	734,754	393,096	897,430	557,647

~ The value of transaction costs is below £500 and is therefore rounded down to £0.

Total transaction cost expressed as a percentage of asset class trades

	Purchases		Sales	
	01/10/16 to 30/09/17	01/10/15 to 30/09/16	01/10/16 to 30/09/17	01/10/15 to 30/09/16
	%	%	%	%
Commissions				
Collective Investment Schemes	-	-	0.00	-
Equities	0.05	0.08	0.05	0.07
Taxes				
Collective Investment Schemes	-	-	0.00	-
Equities	0.02	0.03	0.01	0.02

Total transaction cost expressed as a percentage of average net asset value

	01/10/16 to 30/09/17	01/10/15 to 30/09/16
	%	%
Commissions	0.03	0.03
Taxes	0.01	0.01
Total costs	0.04	0.04

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities and futures contracts, broker commissions and transfer taxes may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts is not shown in the analysis of total trade costs above. Collective investment schemes have no separately identifiable transaction costs and these costs form part of the dealing spread. Exchange traded funds are included within collective investment schemes. Broker commissions and transfer taxes may be paid on these transactions.

for the year ended 30 September 2017

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.06% (30/09/16: 0.08%).

17. Fair value

Valuation technique	30/09/17		30/09/16	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	2,511,022	-	2,314,879	(245)
Level 2	9,701	-	13,798	(1,371)
Level 3	-	-	-	-
Total fair value	<u>2,520,723</u>	<u>-</u>	<u>2,328,677</u>	<u>(1,616)</u>

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

The Fund early adopted the FRS102 update made in March 2016.

Multi-Manager International Equity Fund

Distribution Tables

for the year ended 30 September 2017

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 October 2016

Final Shares purchased prior to 1 April 2017

Group 2 Interim Shares purchased on or between 1 October 2016 and 31 March 2017

Final Shares purchased on or between 1 April 2017 and 30 September 2017

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.9278	-	0.9278	1.0371
Group 2	(p)	(p)	(p)	(p)
Interim	-	-	-	-
Final	0.7511	0.1767	0.9278	1.0371

Share Class B - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.2159	-	1.2159	0.9234
Final	2.5828	-	2.5828	2.4220
Group 2	(p)	(p)	(p)	(p)
Interim	1.1832	0.0327	1.2159	0.9234
Final	1.6439	0.9389	2.5828	2.4220

Share Class C - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	0.2732
Final	-	-	-	1.1375
Group 2	(p)	(p)	(p)	(p)
Interim	0.4467	-	0.4467	-
Final	1.2300	-	1.2300	-

Share Class P - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.2840	-	1.2840	0.9787
Final	2.5079	-	2.5079	2.3179
Group 2	(p)	(p)	(p)	(p)
Interim	0.9922	0.2918	1.2840	0.9787
Final	1.9095	0.5984	2.5079	2.3179

Multi-Manager International Equity Fund

Distribution Tables

(continued)

for the year ended 30 September 2017

Share Class Q - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.4321	-	1.4321	1.0924
Final	2.6654	-	2.6654	2.4455
Group 2	(p)	(p)	(p)	(p)
Interim	1.2652	0.1669	1.4321	1.0924
Final	0.8405	1.8249	2.6654	2.4455

Share Class X - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.8494	-	1.8494	1.3910
Final	3.3205	-	3.3205	2.9824
Group 2	(p)	(p)	(p)	(p)
Interim	0.8721	0.9773	1.8494	1.3910
Final	1.6006	1.7199	3.3205	2.9824

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend, is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Multi-Manager UK Equity Focus Fund

Investment Markets Overview

for the year ended 30 September 2017

Investment Objective and Policy

The Fund's aim is to provide a combination of income and growth of capital by investing at least two-thirds of the Fund's total assets in shares and other equity instruments issued by companies domiciled in or carrying on a preponderant part of their business activities in the UK.

The Fund may also invest the remaining portion of its assets in other equities, in new issues for which application for listing on a stock exchange will be sought, in other transferable securities and in convertibles, warrants, money market instruments, deposits and in collective investment schemes. The investments will be selected with a view to achieving the Fund's objective of providing a combination of income and growth of capital and using focused stock selection.

The assets of the Fund will at all times be managed by at least three managers.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 May 2017.</p>	←			→			
	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	1	2	3	4	5	6	7

Investment Review

Performance	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %	01/11/14 to 30/09/15 %	01/10/13 to 31/10/14 %	01/10/12 to 30/09/13 %
Multi-Manager UK Equity Focus Fund A Accumulation	14.44	10.59	2.02	3.72	17.38
UK All Companies Sector Average Return	13.45	11.69	2.73	5.12	22.70

Source: Lipper for Multi-Manager UK Equity Focus Fund and UK All Companies (funds which invest at least 80% of their assets in UK equities which have a primary objective of achieving capital growth).

Basis: Revenue (net of tax) reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Although wider UK equity markets made gains over the 12 months, they were outpaced by their counterparts in other developed countries.

Sterling weakness remained a key theme over the year due to uncertainty about the effects of Brexit. Sterling dropped sharply in the wake of the recent snap general election in June, falling by more than 2% against the US dollar in the morning after the result.

Aside from benefitting some of the largest companies in the UK, some of which earn the bulk of their profits overseas, the other main effect of sterling weakness has been a rise in inflation due to the increasing cost of imports. This is leading to expectations that the Bank of England might raise interest rates soon. Recent inflation figures showed prices rising at 3% per year, compared to the Bank's target inflation rate of 2% with hints from governor Carney that rates could rise; possibly as soon as November.

With wage growth lagging price rises and rising levels of consumer debt, there are concerns that UK consumer spending will not be able to continue propping up the economy. However, there has been some positive news on the jobs front: UK unemployment falling to its lowest level since the 1970s.

The Fund produced an encouraging return of 14.44% over the twelve months to the end of September.

The performance of the underlying managers was generally very good. The returns from JO Hambro and Lindsell Train were particularly strong, both driven by positive asset allocation, although stock selection was also positive. However, the holdings that invest more 'value' stocks, rather than focusing on growth, such as Majedie and Jupiter, performed less well.

for the year ended 30 September 2017

Investment Review (continued)

Transactions included a reduction in the holdings of JO Hambro, Jupiter and Lindsell Train and an increase in the allocation to Majedie. We also added a new position in Threadneedle UK Equity, which augments the portfolio's growth-based holdings and further diversifies the overall blend.

There remains a mix of views amongst the sub managers within the portfolio. In aggregate, a cautious stance has been maintained. Jupiter changed to a very bearish outlook given their view that valuations are now very elevated. Majedie stick with their moderate bearish assessment and defensive footing within their portfolio. Threadneedle rate their outlook as cautiously optimistic, JO Hambro are neutral, and Lindsell Train still 'raging bulls'; a stance held by the manager for the past four years.

Overall, we remain of the opinion that our range of managers possess the experience and talent to select companies that will thrive in both conditions of economic improvement and also during more challenging periods, which we are mindful could surface again at any time.

Aberdeen Investment Solutions Limited

October 2017

Multi-Manager UK Equity Focus Fund

Portfolio Statement

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (6.05%*)		70,509	5.85
Chemicals			
Elementis	1,687,263	4,540	0.38
Johnson Matthey	104,461	3,579	0.30
Forestry & Paper			
Mondi	164,473	3,288	0.27
Mining			
Acacia Mining	241,347	451	0.04
Anglo American	1,658,283	22,097	1.83
Barrick Gold	347,888	4,211	0.35
BHP Billiton	161,019	2,131	0.18
Fresnillo	51,005	721	0.06
Gold Fields ADR	377,007	1,214	0.10
Goldcorp	131,863	1,257	0.10
Hochschild Mining	327,070	742	0.06
KAZ Minerals	506,968	3,855	0.32
Lonmin	649,768	460	0.04
Polymetal International	77,631	651	0.05
Rio Tinto	352,059	12,241	1.02
South32	4,700,000	9,071	0.75
CONSUMER GOODS (12.84%*)		148,203	12.30
Automobiles & Parts			
GKN	759,442	2,633	0.22
Beverages			
A.G.Barr	1,053,236	6,493	0.54
Britvic	812,986	6,065	0.50
Diageo	1,217,202	29,980	2.49
Heineken	169,533	11,796	0.98
Stock Spirits	1,711,824	4,108	0.34
Food Producers			
Associated British Foods	45,418	1,448	0.12
IFR Capital**	1,220,677	-	0.00
Mondelez International	289,491	8,764	0.73
Household Goods & Home Construction			
Bellway	32,542	1,063	0.09
Crest Nicholson	434,356	2,354	0.20
Headlam	121,427	706	0.06
McBride	2,722,381	5,697	0.47
Reckitt Benckiser	34,560	2,362	0.20
Personal Goods			
Burberry	1,175,525	20,725	1.72
Kao	12,526	551	0.05
PZ Cussons	202,654	643	0.05
Unilever	675,527	29,230	2.42
Tobacco			
British American Tobacco	88,342	4,139	0.34
Imperial Brands (formerly Imperial Tobacco)	296,945	9,446	0.78

Multi-Manager UK Equity Focus Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
CONSUMER SERVICES (19.13%*)		231,319	19.19
Food & Drug Retailers			
Booker	540,368	1,107	0.09
J Sainsbury	1,481,633	3,546	0.29
Tesco	11,620,946	21,778	1.81
WM Morrison Supermarkets	8,371,314	19,790	1.64
General Retailers			
Card Factory	577,957	1,731	0.14
Dixons Carphone	563,739	1,069	0.09
Dunelm	44,227	310	0.03
H&R Block	220,000	4,478	0.37
Halfords	1,000,000	3,486	0.29
Inchcape	146,773	1,265	0.11
Kingfisher	930,997	2,777	0.23
Majestic Wine	930,927	3,277	0.27
Marks & Spencer	5,521,045	19,583	1.62
Next	9,405	496	0.04
Rakuten	61,800	504	0.04
Saga	3,293,372	6,455	0.54
Media			
Ascential	535,276	1,865	0.15
Daily Mail & General Trust	2,923,741	18,303	1.52
Euromoney Institutional Investor	470,195	5,473	0.45
Informa	286,615	1,909	0.16
ITE	1,849,362	3,333	0.28
ITV	1,449,001	2,511	0.21
Pearson	2,628,522	16,021	1.33
RELX	1,628,778	26,582	2.21
Sky	154,716	1,414	0.12
Walt Disney	82,229	6,023	0.50
Travel & Leisure			
Carnival	43,947	2,095	0.17
Compass	144,838	2,299	0.19
Ei Group (formerly Enterprise Inns)	561,865	782	0.07
FirstGroup	7,399,302	8,731	0.72
Fuller Smith & Turner	158,639	1,586	0.13
Greene King	349,858	1,935	0.16
GVC	144,627	1,188	0.10
InterContinental Hotels	70,818	2,785	0.23
Ladbrokes	4,626,353	5,681	0.47
Manchester United	317,659	4,201	0.35
Merlin Entertainments	373,036	1,668	0.14
National Express	1,595,006	5,646	0.47
Restaurant	2,312,710	6,998	0.58
Ryanair	237,570	3,362	0.28
Stagecoach	986,323	1,679	0.14
Whitbread	38,920	1,464	0.12
William Hill	448,100	1,130	0.09
Young & Co's Brewery 'A' Shares	129,243	1,732	0.14
Young & Co's Brewery (Non-Voting)	125,112	1,271	0.11

Multi-Manager UK Equity Focus Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (24.21%*)		306,193	25.40
Banks			
Barclays	12,527,906	24,054	2.00
First Republic Bank	9,841	762	0.06
HSBC	4,336,476	31,812	2.64
Lloyds Banking†	17,355,908	11,713	0.97
Royal Bank of Scotland	5,608,319	15,025	1.25
Standard Chartered	2,243,231	16,616	1.38
Equity Investment Instruments			
LMS Capital Fund	26,599	12	0.00
Financial Services			
3i	1,208,479	11,052	0.92
Ashmore	1,718,612	5,817	0.48
CMC Markets	1,078,676	1,750	0.15
Hargreaves Lansdown	1,324,124	19,398	1.61
ICG	195,384	1,810	0.15
London Stock Exchange	735,679	28,037	2.33
Man	3,219,233	5,363	0.44
NEX	382,379	2,524	0.21
Numis	1,268,661	3,533	0.29
PayPal	178,157	8,508	0.71
Rathbone Brothers	484,667	12,432	1.03
Schroders	475,661	15,840	1.31
Schroders (Non-Voting)	57,496	1,380	0.11
TP ICAP (formerly Tullett Prebon)	1,685,034	8,737	0.72
Life Insurance			
Aviva	5,099,646	26,340	2.19
Legal & General	1,326,397	3,459	0.29
Prudential	303,408	5,417	0.45
St James's Place	221,735	2,550	0.21
Non-Equity Investment Instruments			
Majedie UK Smaller Companies Fund 'B' Shares	6,835,015	24,264	2.01
Non-Life Insurance			
Jardine Lloyd Thompson	48,512	591	0.05
RSA Insurance	582,629	3,641	0.30
Real Estate Investment & Services			
Grainger	467,529	1,240	0.10
Purplebricks	80,437	300	0.03
St Modwen Properties	1,064,651	3,978	0.33
Urban & Civic	2,231,112	5,689	0.47
Real Estate Investment Trusts			
Derwent London	36,612	1,017	0.08
Land Securities	156,690	1,532	0.13
HEALTH CARE (4.60%*)		45,301	3.76
Health Care Equipment & Services			
Smith & Nephew	360,687	4,884	0.40
Pharmaceuticals & Biotechnology			
AstraZeneca	241,679	11,895	0.99
GlaxoSmithKline	1,909,747	28,522	2.37

Multi-Manager UK Equity Focus Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
INDUSTRIALS (10.50%*)		136,013	11.28
Aerospace & Defence			
BAE Systems	602,381	3,813	0.32
Chemring	2,392,670	4,307	0.36
Cobham	4,555,655	6,660	0.55
QinetiQ	6,087,048	15,169	1.26
Rolls-Royce	273,749	2,442	0.20
Construction & Materials			
Balfour Beatty	2,627,092	7,054	0.59
Breedon	1,037,995	877	0.07
CRH	99,610	2,810	0.23
Marshalls	274,987	1,199	0.10
Melrose Industries	823,931	1,746	0.14
Electronic & Electrical Equipment			
TT electronics	2,535,835	5,731	0.48
Xaar	825,787	3,782	0.31
General Industrials			
DS Smith	1,146,447	5,682	0.47
Smiths	780,844	12,330	1.02
Industrial Engineering			
CNH Industrial	124,598	1,114	0.09
Rotork	344,078	887	0.07
Severfield	2,332,449	1,551	0.13
Industrial Transportation			
AP Moeller - Maersk 'B' Shares	531	758	0.06
Royal Mail	300,017	1,154	0.10
Support Services			
Aggreko	708,296	6,662	0.55
Capita	550,000	3,113	0.26
De La Rue	789,621	5,065	0.42
Electrocomponents	2,518,928	15,630	1.30
Ferguson (formerly Wolseley)	44,050	2,156	0.18
Essentra (formerly Filtrona)	677,944	3,688	0.31
Hays	645,747	1,231	0.10
Howden Joinery	251,486	1,086	0.09
Mears	272,047	1,238	0.10
Northgate	388,136	1,671	0.14
Rentokil Initial	1,962,222	5,869	0.49
Robert Walters	338,858	1,879	0.16
Serco	2,353,415	2,768	0.23
SIG	1,714,054	3,049	0.25
Travis Perkins	126,344	1,842	0.15
OIL & GAS (7.63%*)		99,806	8.28
Oil & Gas Producers			
BP	10,087,530	48,249	4.00
Royal Dutch Shell 'B' Shares	1,969,756	45,216	3.75
Tullow Oil	748,112	1,394	0.12
Oil Equipment, Services & Distribution			
AMEC	237,637	1,215	0.10
Hunting	136,721	650	0.05
John Wood	451,584	3,082	0.26

Multi-Manager UK Equity Focus Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
TECHNOLOGY (7.50%*)		66,271	5.50
Software & Computer Services			
FDM	219,044	2,105	0.18
Fidessa	364,191	8,096	0.67
Nintendo	51,300	14,164	1.18
Sage	3,178,427	22,169	1.84
SDL	1,109,741	5,216	0.43
Tencent	52,800	1,698	0.14
Technology Hardware & Equipment			
Cisco Systems	290,000	7,224	0.60
Telefonaktiebolaget LM Ericsson 'B' Shares	1,300,000	5,599	0.46
TELECOMMUNICATIONS (3.70%*)		47,332	3.93
Fixed Line Telecommunications			
BT	4,523,582	12,867	1.07
Koninklijke KPN	1,069,216	2,731	0.23
Orange	545,499	6,659	0.55
Telecom Italia	4,326,905	3,027	0.25
Mobile Telecommunications			
Deutsche Telekom	24,789	344	0.03
Vodafone	10,429,591	21,704	1.80
UTILITIES (1.32%*)		17,276	1.43
Electricity			
SSE	54,248	759	0.06
Gas, Water & Multiutilities			
Centrica	8,497,789	15,891	1.32
National Grid	67,570	626	0.05
Portfolio of investments		1,168,223	96.92
Net other assets		37,158	3.08
Total net assets		1,205,381	100.00

Equity investment instruments are quoted on a listed securities market, unless otherwise stated.

Stocks shown as ADRs represent American Depositary Receipts.

*Comparative figures shown in brackets relate to 30 September 2016.

**Unlisted securities.

†This investment is a related party (see note 10).

Multi-Manager UK Equity Focus Fund

Material Portfolio Changes

for the year ended 30 September 2017

	Cost £000		Proceeds £000
Major purchases		Major sales	
FTSE 100 Index Futures March 2017	95,949	FTSE 100 Index Futures March 2017	96,873
FTSE 100 Index Futures June 2017	39,239	FTSE 100 Index Futures June 2017	38,434
FTSE 100 Index Futures September 2017	36,572	FTSE 100 Index Futures September 2017	36,865
Royal Dutch Shell 'B' Shares	19,980	HSBC	25,853
Barclays	16,598	BAE Systems	18,759
GlaxoSmithKline	15,369	Anglo American	17,198
BP	15,253	London Stock Exchange	15,907
Marks & Spencer	14,877	AstraZeneca	13,327
HSBC	11,599	BP	12,728
Centrica	10,497	Unilever	12,378

Purchases and sales of Futures have been included at the value of their exposure.

Multi-Manager UK Equity Focus Fund

Securities Financing Transactions (SFT)

as at 30 September 2017

1) Global Data

Proportion of securities and commodities on loan as at 30 September 2017	£000	%
Total lendable assets excluding cash and cash equivalents:	1,041,266	
Securities and commodities on loan	120,704	11.59%

Assets engaged in SFTs and total return swaps as at 30 September 2017	£000	%
Fund assets under management (AUM)	1,219,786	
Absolute value of assets engaged in:		
Securities lending	120,704	9.90%

2) Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received as at 30 September 2017	£000
United States of America Treasury	15,258
Government of United Kingdom	12,924
Federal Republic of Germany	7,505
Republic of France	7,307
Kingdom of Belgium	4,460
Kingdom of Netherlands	3,933
Government of Canada	3,463
Republic of Austria	2,734
HSBC	2,482
Banco Santander	2,454

Top 10 Counterparties

Name and value of outstanding transactions as at 30 September 2017	£000
Securities lending	
UBS	29,401
JP Morgan Securities	23,424
HSBC Bank	18,609
Morgan Stanley International	16,495
Deutsche Bank	13,521
Societe Generale	6,452
Barclays Capital Securities	6,445
Citigroup Global Markets (UK)	2,724
Credit Suisse Securities (Europe)	1,901
ING Bank	1,330

Multi-Manager UK Equity Focus Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

3) Aggregate Transaction Data

Type, Quality and Currency of Collateral as at 30 September 2017

Type	Quality	Currency	£000
Securities lending			
Equity	Traded on recognised exchange	Sterling	21,443
Equity	Traded on recognised exchange	Australian dollar	394
Equity	Traded on recognised exchange	Canadian dollar	190
Equity	Traded on recognised exchange	Chinese yuan	726
Equity	Traded on recognised exchange	Danish krone	314
Equity	Traded on recognised exchange	Euro	18,088
Equity	Traded on recognised exchange	Hong Kong dollar	2,669
Equity	Traded on recognised exchange	Japanese yen	769
Equity	Traded on recognised exchange	Norwegian krone	1,349
Equity	Traded on recognised exchange	Singapore dollar	764
Equity	Traded on recognised exchange	South African rand	2
Equity	Traded on recognised exchange	Swedish krona	1,169
Equity	Traded on recognised exchange	Swiss franc	1,581
Equity	Traded on recognised exchange	US dollar	20,214
Fixed Income	Investment Grade	Sterling	12,924
Fixed Income	Investment Grade	Canadian dollar	3,464
Fixed Income	Investment Grade	Euro	27,235
Fixed Income	Investment Grade	Swedish krona	3
Fixed Income	Investment Grade	US dollar	15,258
Cash	Cash Collateral	US dollar	852
Total collateral held			<u><u>129,408</u></u>

Maturity Tenor of Collateral (remaining period to maturity) as at 30 September 2017

Type	Less than	One day to	One week	One to	Three	Above one	Open	Total
	one day	one week	to one	three	months to	year	maturity	
	£000	£000	£000	£000	£000	£000	£000	£000
Securities lending	852	-	349	11,788	6,187	40,560	69,672	129,408
	<u>852</u>	<u>-</u>	<u>349</u>	<u>11,788</u>	<u>6,187</u>	<u>40,560</u>	<u>69,672</u>	<u>129,408</u>

Counterparty details as at 30 September 2017

Type	Country of counterparty establishment	Settlement and clearing	£000
Securities lending	Germany	Bi-lateral	427
Securities lending	Switzerland	Bi-lateral	2,240
Securities lending	United Kingdom	Bi-lateral	5,851
Securities lending	France	Tri-party	6,967
Securities lending	Germany	Tri-party	14,387
Securities lending	Netherlands	Tri-party	1,426
Securities lending	Switzerland	Tri-party	29,481
Securities lending	United Kingdom	Tri-party	68,629
Total collateral held			<u><u>129,408</u></u>

Multi-Manager UK Equity Focus Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity) as at 30 September 2017

Type	Less than one day £000	One day to one week £000	One week to one month £000	One to three months £000	Three months to one year £000	Above one year £000	Open maturity £000	Total £000
Securities lending	-	-	-	-	-	-	120,704	120,704
	-	-	-	-	-	-	120,704	120,704

4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 30 September 2017

Names and value of custodians safekeeping collateral as at 30 September 2017	£000
Bank of New York	61,594
JP Morgan	40,153
Crest	19,143
State Street	8,518

Number of custodians safekeeping collateral 4

6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

7) Return and Cost

for the year ended 30 September 2017

	Collective Investment Undertaking £000	Manager of Collective Investment Undertaking £000	Third Parties (e.g. lending agent) £000	Total £000
Securities lending				
Gross return	180	12	48	240
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

*All direct costs from securities lending are borne by lending agent.

Multi-Manager UK Equity Focus Fund

Comparative Table

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	201.58	182.30	178.45
Return before operating charges*	32.77	22.28	6.85
Operating charges	(3.71)	(3.00)	(3.00)
Return after operating charges*	29.06	19.28	3.85
Distributions	(3.33)	(2.74)	(2.10)
Retained distributions on accumulation shares	3.33	2.74	2.10
Closing net asset value per share	230.64	201.58	182.30
*after direct transaction costs of:~	0.34	0.51	0.24
Performance			
Return after charges^	14.42%	10.58%	2.16%
Other information			
Closing net asset value (£000)	314,280	220,520	217,072
Closing number of shares	136,263,075	109,394,348	119,076,380
Operating charges#	1.68%	1.61%	1.56%
Direct transaction costs~	0.15%	0.27%	0.13%
Prices**			
Highest share price	232.30	204.00	206.40
Lowest share price	201.50	166.30	174.40

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This is different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Focus Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	114.74	102.93	100.02
Return before operating charges*	18.70	12.67	3.74
Operating charges	(1.11)	(0.86)	(0.83)
Return after operating charges*	17.59	11.81	2.91
Distributions	(2.91)	(2.43)	(2.04)
Retained distributions on accumulation shares	2.91	2.43	2.04
Closing net asset value per share	132.33	114.74	102.93
*after direct transaction costs of:~	0.19	0.29	0.14
Performance			
Return after charges	15.33%	11.47%	2.91%
Other information			
Closing net asset value (£000)	12,998	9,025	3,999
Closing number of shares	9,822,347	7,865,594	3,885,574
Operating charges#	0.88%	0.81%	0.76%
Direct transaction costs~	0.15%	0.27%	0.13%
Prices**			
Highest share price	133.10	116.10	116.20
Lowest share price	114.80	94.16	97.84

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Focus Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class P - Income			
Change in net assets per share			
Opening net asset value per share	172.04	157.72	156.18
Return before operating charges*	27.98	19.28	5.88
Operating charges	(1.44)	(1.10)	(1.08)
Return after operating charges*	26.54	18.18	4.80
Distributions	(4.56)	(3.86)	(3.26)
Closing net asset value per share	194.02	172.04	157.72
*after direct transaction costs of:~	0.29	0.44	0.21
Performance			
Return after charges	15.43%	11.53%	3.07%
Other information			
Closing net asset value (£000)	389,819	275,007	333,190
Closing number of shares	200,917,959	159,854,704	211,258,130
Operating charges#	0.76%	0.68%	0.64%
Direct transaction costs~	0.15%	0.27%	0.13%
Prices**			
Highest share price	198.10	176.60	180.40
Lowest share price	172.10	144.40	152.80

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Focus Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	172.04	157.71	156.18
Return before operating charges*	27.98	19.30	5.85
Operating charges	(1.24)	(0.95)	(0.91)
Return after operating charges*	26.74	18.35	4.94
Distributions	(4.75)	(4.02)	(3.41)
Closing net asset value per share	194.03	172.04	157.71
*after direct transaction costs of:~	0.29	0.44	0.21
Performance			
Return after charges	15.54%	11.64%	3.16%
Other information			
Closing net asset value (£000)	476,685	499,737	578,378
Closing number of shares	245,681,265	290,483,111	366,728,335
Operating charges#	0.66%	0.58%	0.54%
Direct transaction costs~	0.15%	0.27%	0.13%
Prices**			
Highest share price	198.20	176.70	180.50
Lowest share price	172.20	144.40	152.80

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Focus Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	194.14	173.61	168.20
Return before operating charges*	31.68	21.40	6.21
Operating charges	(1.20)	(0.87)	(0.80)
Return after operating charges*	30.48	20.53	5.41
Distributions**	(5.60)	(4.63)	(3.86)
Retained distributions on accumulation shares	5.60	4.63	3.86
Closing net asset value per share	224.62	194.14	173.61
*after direct transaction costs of:~	0.33	0.49	0.23
Performance			
Return after charges	15.70%	11.83%	3.22%
Other information			
Closing net asset value (£000)	11,599	10,945	10,975
Closing number of shares	5,164,141	5,637,839	6,321,687
Operating charges#	0.56%	0.49%	0.44%
Direct transaction costs~	0.15%	0.27%	0.13%
Prices**			
Highest share price	225.80	196.40	195.70
Lowest share price	194.20	159.00	164.60

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Prices for Share Class X are not published externally, as this is an internal share class.

Multi-Manager UK Equity Focus Fund

Statement of Total Return

for the year ended 30 September 2017

	Notes	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
		£000	£000	£000	£000
Income					
Net capital gains	2		130,055		91,529
Revenue	3	36,628		34,834	
Expenses	4	(10,493)		(9,161)	
Interest payable and similar charges		-		-	
Net revenue before taxation		26,135		25,673	
Taxation	5	(135)		(237)	
Net revenue after taxation			26,000		25,436
Total return before distributions			156,055		116,965
Distributions	6		(26,020)		(25,438)
Change in net assets attributable to shareholders from investment activities			130,035		91,527

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 30 September 2017

	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		1,015,234		1,143,614
Amounts receivable on creation of shares	206,887		78,164	
Less: Amounts payable on cancellation of shares	(152,863)		(302,067)	
		54,024		(223,903)
Dilution adjustment		1,105		491
Change in net assets attributable to shareholders from investment activities		130,035		91,527
Retained distributions on accumulation shares		4,983		3,505
Closing net assets attributable to shareholders		1,205,381		1,015,234

Notes to the Financial Statements are on pages 121 to 128.

Multi-Manager UK Equity Focus Fund

Balance Sheet

as at 30 September 2017

	Notes	30/09/17 £000	30/09/16 £000
Assets			
Fixed assets			
Investments		1,168,223	989,613
Current assets			
Debtors	8	17,716	2,159
Cash and bank balances		35,743	46,893
Total assets		1,221,682	1,038,665
Liabilities			
Creditors			
Distribution payable		(13,656)	(11,602)
Other creditors	9	(2,645)	(11,829)
Total liabilities		(16,301)	(23,431)
Net assets attributable to shareholders		1,205,381	1,015,234

Notes to the Financial Statements are on pages 121 to 128.

Multi-Manager UK Equity Focus Fund

Notes to the Financial Statements

for the year ended 30 September 2017

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Non-derivative securities	129,446	90,014
Futures contracts	407	448
Forward currency contracts	-	608
Currency (losses)/gains	(85)	455
Transaction charges	(38)	(19)
Dealing cost reimbursement	-	23
US REIT's capital gains	325	-
Net capital gains	<u>130,055</u>	<u>91,529</u>

3. Revenue

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
UK dividends	33,904	32,194
Overseas taxable revenue*	(5)	(8)
Overseas non-taxable revenue	1,760	2,163
Property revenue from UK REITs - PID	65	75
Property revenue from UK REITs - Non PID	-	50
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	444	-
Unfranked investment income	6	-
Bank interest	5	26
Stock lending revenue	180	334
UK scrip dividends non-taxable	269	-
Total revenue	<u>36,628</u>	<u>34,834</u>

*Overseas taxable revenue includes currency gains or losses arising from the repatriation of foreign dividends therefore may be negative.

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

4. Expenses

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	4,637	4,272
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	122	109
Safe custody fees	15	15
	<u>137</u>	<u>124</u>
Other expenses:		
Audit fee	10	10
Sub advisers' fees	5,051	4,157
Professional fees†	13	1
Registration fees	1,132	1,130
Fees paid to PwC for non-audit services*	-	24
Expense capping adjustment‡	(487)	(557)
	<u>5,719</u>	<u>4,765</u>
Total expenses	<u>10,493</u>	<u>9,161</u>

Expenses include irrecoverable VAT.

*Fees paid during the prior year are in relation to Fokus Bank tax reclaims.

†Current year figure relates to professional fees paid to Ernst & Young, where prior year figure relates to distribution charges.

‡From 25 July 2014 within the Q share class no registration fee will be deducted and this will be borne by the ACD.

5. Taxation

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	115	237
Tax on US REIT's taken to capital	20	-
Total taxation (note 5b)	<u>135</u>	<u>237</u>
(b) Factors affecting total tax charge for the year:		
The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2016: 20%). The differences are explained below:		
Net revenue before taxation	26,135	25,673
Corporation tax of 20% (2016: 20%)	5,227	5,135
Effects of:		
Franked UK income*	(6,869)	(6,439)
Non-taxable scrip dividends*	(54)	-
Overseas non-taxable revenue*	(352)	(433)
Movement in excess management expenses	1,983	1,747
Irrecoverable overseas tax	115	237
Property revenue from UK REITs - Non PID	-	(10)
Tax on US REITs taken to capital	20	-
Gains on US REITs subject to taxation	65	-
Total tax charge for year (note 5a)	<u>135</u>	<u>237</u>

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

for the year ended 30 September 2017

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £22,402,061 (30/09/16: £20,418,910) relating to surplus management expenses. No deferred tax asset has been recognised in either year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Interim	9,003	8,971
Final	17,421	14,133
	<hr/>	<hr/>
	26,424	23,104
Add: Revenue deducted on cancellation of shares	706	2,664
Deduct: Revenue received on creation of shares	(1,110)	(330)
	<hr/>	<hr/>
Net distributions for the year	26,020	25,438

Details of the distribution per share is set out in the Distribution Tables on pages 129 to 130.

7. Movement between net revenue and net distributions

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Net revenue after taxation	26,000	25,436
Tax on US REITs taken to capital	20	-
Movement in net income as a result of conversions	-	2
	<hr/>	<hr/>
Net distributions for the year	26,020	25,438

8. Debtors

	30/09/17 £000	30/09/16 £000
Sales awaiting settlement	15,223	376
Amounts receivable for issue of shares	93	201
Accrued revenue	2,323	1,497
Income tax recoverable	1	-
Overseas tax recoverable	27	42
Expense capping adjustment	49	43
	<hr/>	<hr/>
Total debtors	17,716	2,159

9. Other creditors

	30/09/17 £000	30/09/16 £000
Purchases awaiting settlement	440	1,669
Amounts payable for cancellation of shares	1,004	8,886
Accrued expenses	1,201	1,274
	<hr/>	<hr/>
Total other creditors	2,645	11,829

for the year ended 30 September 2017

10. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund. Lloyds Banking Group, as the parent company of the ACD is the ultimate controlling party of the Fund. As such any member company of Lloyds Banking Group is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the year end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD and registration fees (Registrar has changed from Bank of New York Mellon (International) Limited to Scottish Widows Unit Trust Managers Limited in the current period) are disclosed in note 4, with £466,231 (30/09/16: £342,811) due at the year end.

The Fund has a related party holding of 17,355,908 shares (30/09/16: 17,257,531 shares) and value of £11,713,502 (30/09/16: £9,329,421) held at the year end within the Lloyds Banking Group.

Revenue disclosed in note 3 includes amounts received from Lloyds Banking Group investments. The total revenue received amounts to £587,839 (30/09/16: £564,521).

Shares held by associates of the ACD

On 30 September 2017, shares held as a percentage of the Fund's value were:

	30/09/17	30/09/16
	%	%
ACD and associates of the ACD*	54.33	44.11

*Prior year figures have been restated to reflect the LBG ownership as a percentage of the Funds' values, not shares.

11. Share classes

The Fund has five share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.12
Share Class B - Accumulation:	0.32
Share Class P - Income:	0.20
Share Class Q - Income:	0.20
Share Class X - Accumulation:	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 114 to 118.

The distributions per share class are given in the Distribution Tables on pages 129 to 130.

Reconciliation of the shares movement in the year:

	01/10/16			30/09/17	
	Opening shares in issue	Creations	Cancellations	Shares converted*	Closing shares in issue
Share Class A - Accumulation	109,394,348	32,847,500	(5,978,773)	-	136,263,075
Share Class B - Accumulation	7,865,594	4,162,041	(3,354,562)	1,149,274	9,822,347
Share Class P - Income	159,854,704	64,772,379	(23,716,774)	7,650	200,917,959
Share Class Q - Income	290,483,111	4,916,049	(48,943,633)	(774,262)	245,681,265
Share Class X - Accumulation	5,637,839	192,300	(665,998)	-	5,164,141

*Share conversions during the year relate to the restructure of a large client portfolio from an institutional share class to a retail share class.

12. Capital commitments and contingent liabilities

On 30 September 2017, the Fund had no capital commitments (30/09/16: £nil) and no contingent liabilities (30/09/16: £nil).

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

13. Securities on loan

The aggregate value of securities on loan at 30 September 2017 is £120,703,986 (30/09/16: £91,310,631). The identities of these counterparties are listed in the counterparties table below. Securities on loan are included in the portfolio statement and no account is taken of any collateral held. The aggregate value of collateral held at 30 September 2017 is £129,407,658 (30/09/16: £98,564,432). This collateral is listed in the collateral held table below.

The gross earnings and fees paid for the year are £240,264 (30/09/16: £445,025) and £60,098 (30/09/16: £110,972).

	30/09/17	30/09/16
	£000	£000
Counterparties		
Barclays Capital Securities	6,445	-
Citigroup Global Markets (Europe)	-	4,644
Citigroup Global Markets (UK)	2,724	-
Credit Suisse Securities (Europe)	1,901	19,715
Deutsche Bank	13,521	12,494
HSBC Bank	18,609	8,532
ING Bank	1,330	15
JP Morgan Securities	23,424	17,223
Merrill Lynch International	402	5,292
Morgan Stanley International	16,495	-
Societe Generale	6,452	2,095
UBS	29,401	21,301
Total securities on loan	<u>120,704</u>	<u>91,311</u>
	30/09/17	30/09/16
	£000	£000
Collateral held		
Bonds	58,884	40,619
Equities	69,672	57,895
Cash	852	50
Total collateral held	<u>129,408</u>	<u>98,564</u>

14. Risk management policies, derivatives and other financial instruments

A statement of the Fund's objective and the policy for achieving it has been included on page 103. The risks inherent in the Fund's investment portfolio are as follows:

(a) *Currency risk*

A portion of the Fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

The Fund hedges the initial investment but not the subsequent gains/losses on the settling value of investments that are denominated in foreign currencies.

As at 30 September 2017, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the Fund would have been an increase or decrease of approximately £1,020,925 (30/09/16: £956,268).

As at 30 September the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 30/09/17	Currency exposure 30/09/16
	£000	£000
Currency		
Danish krone	774	371
Euro	29,670	27,104
Hong Kong dollar	1,753	-
Japanese yen	15,235	20,259
Swedish krona	5,599	-
US dollar	49,062	47,893
Total	<u>102,093</u>	<u>95,627</u>

for the year ended 30 September 2017

(b) *Interest rate risk profile of financial assets and liabilities*

The Fund receives revenue from holdings in equities. The cashflow from these investments may fluctuate depending upon the particular decisions made by each company. Given that the Fund's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Fund's net cash holding of £35,748,265 (30/09/16: holding £46,891,977) is held in a floating rate deposit account whose interest rates are based on LIBOR or its international equivalent.

The Fund holds net overdraft at futures brokers of £2 (30/09/16: cash £8), whose rates are on based on LIBOR or its international equivalent.

The interest rate exposure for the Fund is not deemed to be significant and on that basis no sensitivity analysis is presented.

The Fund did not have any long term financial liabilities.

(c) *Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the Fund for the purpose of efficient portfolio management (EPM). EPM requires that the purpose of the derivative contract must be to achieve; a reduction of the risk, or a reduction of cost, or the generation of additional capital, or revenue for the Fund with an acceptably low level of risk. The ACD monitors the use of derivative contracts to ensure that the requirements of EPM are satisfied. All derivative contracts with exception to forward currency contracts were traded on an eligible derivatives exchange.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets. At the year end, as the sensitivity analysis or value at risk are not significant, no additional disclosure has been shown.

Efficient portfolio management techniques	Value (£)	Value (£)
	30/09/17	30/09/16
Gross revenues arising from efficient portfolio management techniques	240,264	445,025
Direct operational costs and fees incurred	(48,085)	(88,778)
Indirect operational costs and fees incurred	(12,013)	(22,194)
Net revenue generated for Fund during the annual accounting period	180,166	334,053
Underlying exposure obtained through EPM techniques	-	-

Counterparties to financial derivative instruments and efficient portfolio management techniques as at 30 September 2017

No uncollateralised counterparty exposure.

Collateral	Value (£)	Value (£)
	30/09/17	30/09/16
The type and amount of collateral received to reduce counterparty exposure:		
GBP Cash - Merrill Lynch	(2)	8

(d) *Liquidity risk*

All of the Fund's financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. In general, the Investment Adviser manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

All of the Fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

for the year ended 30 September 2017

(e) Market price risk and fair value of financial assets and liabilities

The Fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the Fund's objectives. In addition, the management of the Fund complies with the Financial Conduct Authority COLL Sourcebook, which includes rules prohibiting a holding greater than 20% of assets in any one fund.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 30 September 2017, if the price of investments held by the Funds increased or decreased by 1%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 1%; which for this Fund would equate to £11,682,232 (30/09/16: £9,896,134).

(f) Credit risk

The Fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Collective Investment Schemes	7,600	12,990	925	2,451
Equities	531,151	689,756	491,539	898,362
Trades in the year before transaction costs	538,751	702,746	492,464	900,813
Commissions				
Collective Investment Schemes~	-	0	0	(4)
Equities	295	393	(317)	(576)
Futures	3	1	(3)	(1)
Total commissions	298	394	(320)	(581)
Taxes				
Collective Investment Schemes~	-	0	-	0
Equities	2,029	2,338	(2)	(3)
Total taxes	2,029	2,338	(2)	(3)
Total costs	2,327	2,732	(322)	(584)
Total net trades in the year after transaction costs	541,078	705,478	492,142	900,229

~ The value of transaction costs is below £500 and is therefore rounded down to £0.

Total transaction cost expressed as a percentage of asset class trades

	Purchases		Sales	
	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %
Commissions				
Collective Investment Schemes	-	0.00	0.00	0.16
Equities	0.06	0.06	0.06	0.06
Taxes				
Collective Investment Schemes	-	0.00	-	0.00
Equities	0.38	0.34	0.00	0.00

for the year ended 30 September 2017

Total transaction cost expressed as a percentage of average net asset value

	01/10/16 to 30/09/17	01/10/15 to 30/09/16
	%	%
Commissions	0.05	0.08
Taxes	0.18	0.21
Total costs	<u>0.23</u>	<u>0.29</u>

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities and futures contracts, broker commissions and transfer taxes may be paid on each transaction. Other types of investments such as collective investment schemes have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to non-equity investment instruments. Exchange traded funds are included within collective investment schemes. Broker commissions and transfer taxes may be paid on these transactions.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.13% (30/09/16: 0.16%).

16. Fair value

Valuation technique	30/09/17		30/09/16	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	1,143,959	-	975,278	-
Level 2	24,264	-	14,335	-
Level 3	-	-	-	-
Total fair value	<u>1,168,223</u>	<u>-</u>	<u>989,613</u>	<u>-</u>

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

The Fund early adopted the FRS102 update made in March 2016.

Multi-Manager UK Equity Focus Fund

Distribution Tables

for the year ended 30 September 2017

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 October 2016

Final Shares purchased prior to 1 April 2017

Group 2 Interim Shares purchased on or between 1 October 2016 and 31 March 2017

Final Shares purchased on or between 1 April 2017 and 30 September 2017

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	0.8421	-	0.8421	0.6960
Final	2.4844	-	2.4844	2.0441
Group 2	(p)	(p)	(p)	(p)
Interim	0.5414	0.3007	0.8421	0.6960
Final	-	2.4844	2.4844	2.0441

Share Class B - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	0.9651	-	0.9651	0.8160
Final	1.9410	-	1.9410	1.6092
Group 2	(p)	(p)	(p)	(p)
Interim	0.9647	0.0004	0.9651	0.8160
Final	1.4379	0.5031	1.9410	1.6092

Share Class P - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.5533	-	1.5533	1.3354
Final	3.0043	-	3.0043	2.5227
Group 2	(p)	(p)	(p)	(p)
Interim	0.7797	0.7736	1.5533	1.3354
Final	1.7867	1.2176	3.0043	2.5227

Share Class Q - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.6442	-	1.6442	1.4154
Final	3.1017	-	3.1017	2.6058
Group 2	(p)	(p)	(p)	(p)
Interim	0.5944	1.0498	1.6442	1.4154
Final	1.1452	1.9565	3.1017	2.6058

Distribution Tables

(continued)

for the year ended 30 September 2017

Share Class X - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.9583	-	1.9583	1.6459
Final	3.6430	-	3.6430	2.9871
Group 2	(p)	(p)	(p)	(p)
Interim	0.4905	1.4678	1.9583	1.6459
Final	1.3497	2.2933	3.6430	2.9871

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend, is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Multi-Manager UK Equity Growth Fund

Investment Markets Overview

for the year ended 30 September 2017

Investment Objective and Policy

The Fund's aim is to provide a combination of income and growth of capital by investing at least two-thirds of the Fund's total assets in shares and other equity instruments issued by companies domiciled in or carrying on a preponderant part of their business activities in the UK.

The Fund may also invest the remaining portion of its assets in other equities, in new issues for which application for listing on a stock exchange will be sought, in other transferable securities and in convertibles, warrants, money market instruments, deposits and in collective investment schemes. The investments will be selected with a view to achieving the Fund's objective of providing a combination of income and growth of capital.

The assets of the Fund will at all times be managed by at least three managers.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 May 2017.</p>	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	←				→		
	1	2	3	4	5	6	7

Investment Review

Performance	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %	01/11/14 to 30/09/15 %	01/10/13 to 31/10/14 %	01/10/12 to 30/09/13 %
Multi-Manager UK Equity Growth Fund A Accumulation	14.36	6.60	0.33	5.74	20.96
UK All Companies Sector Average Return	13.45	11.69	2.73	5.12	22.70

Source: Lipper for Multi-Manager UK Equity Growth Fund and UK All Companies Sector Average Return (funds which invest at least 80% of their assets in UK equities which have a primary objective of achieving capital growth).

Basis: Revenue (net of tax) reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The FTSE All Share Index brought a strong 2016 to a close with a 3.9% climb in the final quarter of 2016. Healthy December performance outweighed November's fall, aided by the oil price surge as OPEC members agreed on cutting production. The FTSE All Share Index recovered from its negative January performance to climb 4.0% in the first quarter of 2017. The weak value of sterling against the US dollar continued to help dollar-exporters, evidenced in select corporate earnings updates. Investor hopes of a "soft" Brexit subsided over the quarter. The FTSE All Share edged 1.4% higher in the second quarter. Most of this increase came in May, prior to the general election in early June. Investors were surprised as UK Prime Minister Theresa May lost her Parliamentary majority. The FTSE All Share Index edged 2.1% higher in the third quarter of 2017. The market extended its positive 2017 performance but lagged other developed markets. Parliament successfully passed legislation that prepares the UK to withdraw from the European Union (EU). Prime Minister Theresa May also announced the UK would honour its EU budget commitments and other contributions during a possible two-year Brexit transition period after 2019.

The Fund outperformed the FTSE All Share Index in the fourth quarter of 2016. The Fund's cyclical positioning suited the market environment. Effective stock selection underpinned excess returns, particularly within the information technology sector.

The Fund outperformed the FTSE All Share Index return in the first quarter of 2017. The Fund's overweight to small and mid-cap stocks was rewarded this period as large cap stocks lagged behind. Effective stock selection underpinned positive relative returns, and was strongest within stocks with low momentum scores.

for the year ended 30 September 2017

Investment Review (continued)

The Fund outperformed the benchmark in the second quarter of 2017. The strategic overweight to small cap stocks was rewarded as large cap stocks continued to lag behind. Baillie Gifford was the strongest-performing strategy for the second successive quarter. Investec was the sole underperforming strategy this period.

The Fund outperformed over the third quarter of 2017. The Fund was effectively positioned and benefited from its exposure towards high momentum and small-mid cap stocks.

Uncertainty around the outcome of the Brexit negotiations is weighing on parts of the UK stock market, providing opportunities for selective bottom up stock pickers.

Overall, we maintain a somewhat pro-cyclical stance, but are conscious about not adding too much risk in an environment with heightened political uncertainty.

Aberdeen Investment Solutions Limited

October 2017

Multi-Manager UK Equity Growth Fund

Portfolio Statement

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (5.06%*)		7,308	7.21
Chemicals			
Bayer	3,294	331	0.33
Elementis	155,437	418	0.41
Johnson Matthey	18,034	618	0.61
Forestry & Paper			
Mondi	12,988	260	0.26
Mining			
Anglo American	60,267	803	0.79
Barrick Gold	4,303	52	0.05
BHP Billiton	62,333	825	0.81
Coeur Mining	16,431	113	0.11
Fresnillo	3,040	43	0.04
Glencore	150,226	516	0.51
Hochschild Mining	83,342	189	0.19
Kinross Gold	8,664	28	0.03
Newmont Mining	2,671	75	0.08
Pan American Silver	8,886	114	0.11
Randgold Resources	3,440	253	0.25
Rio Tinto	72,109	2,507	2.47
SSR Mining	11,696	95	0.09
Tahoe Resources	17,626	68	0.07
CONSUMER GOODS (8.10%*)		8,227	8.11
Beverages			
Britvic	101,423	757	0.75
Coca-Cola HBC	9,992	251	0.25
Diageo	45,118	1,111	1.09
Stock Spirits	157,340	378	0.37
Food Producers			
Glanbia	17,106	244	0.24
Household Goods & Home Construction			
Bovis Homes	5,677	61	0.06
Cairn Homes	107,406	162	0.16
McBride	261,260	547	0.54
Taylor Wimpey	110,806	214	0.21
Welbilt	12,533	216	0.21
Personal Goods			
Avon Products	39,955	71	0.07
Burberry	21,552	380	0.37
Unilever	19,408	840	0.83
Tobacco			
British American Tobacco	50,818	2,381	2.35
Imperial Brands (formerly Imperial Tobacco)	19,315	614	0.61
CONSUMER SERVICES (17.96%*)		16,694	16.46
Food & Drug Retailers			
Booker	102,994	211	0.21
Greggs	11,450	142	0.14
Ocado	93,817	274	0.27
Tesco	358,604	672	0.66
WM Morrison Supermarkets	679,798	1,607	1.59

Multi-Manager UK Equity Growth Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
General Retailers			
ASOS	9,995	589	0.58
Carpetright	86,895	168	0.17
Dunelm	15,132	106	0.11
Kingfisher	63,656	190	0.19
Majestic Wine	82,948	292	0.29
Marks & Spencer	341,983	1,213	1.20
N Brown	46,849	165	0.16
Next	13,356	704	0.69
Saga	228,718	448	0.44
Signet Jewelers	7,233	363	0.36
Topps Tiles	167,902	126	0.12
Media			
Ascential	102,960	359	0.35
Auto Trader	234,090	917	0.90
Daily Mail & General Trust	23,147	145	0.14
Euromoney Institutional Investor	19,700	229	0.23
Informa	84,411	562	0.55
ITE	160,221	289	0.28
Moneysupermarket.com	46,946	150	0.15
Rightmove	22,273	901	0.89
Sky	38,152	349	0.34
Travel & Leisure			
Carnival	20,646	984	0.97
Dalata Hotel	65,102	318	0.31
easyJet	35,225	431	0.42
Go-Ahead	14,265	242	0.24
GVC	62,293	512	0.51
International Consolidated Airlines	55,425	331	0.33
JD Wetherspoon	6,917	87	0.09
Ladbrokes	253,387	311	0.31
National Express	146,373	518	0.51
On the Beach	54,973	218	0.21
Playtech	19,332	176	0.17
Restaurant	232,980	705	0.70
Ryanair	21,796	309	0.30
SSP	40,599	220	0.22
William Hill	63,941	161	0.16
FINANCIALS (21.25%*)		22,396	22.08
Banks			
Bank of Ireland	41,264	250	0.25
Barclays	1,210,854	2,325	2.29
BGEO	3,776	123	0.12
Citigroup	11,451	621	0.61
HSBC	769,952	5,648	5.57
Lloyds Banking†	2,161,955	1,459	1.44
Royal Bank of Scotland	369,953	991	0.98
Standard Chartered	59,314	439	0.43
Virgin Money	49,927	143	0.14

Multi-Manager UK Equity Growth Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Financial Services			
3i	99,097	906	0.89
Ashmore	39,526	134	0.13
Brewin Dolphin	34,023	118	0.12
CMC Markets	88,924	144	0.14
Hargreaves Lansdown	44,408	651	0.64
International Personal Finance	52,341	109	0.11
IP	82,174	107	0.10
Jupiter Fund Management	75,203	411	0.40
Man	278,596	464	0.46
Numis	119,492	333	0.33
PureTech Health	138,988	179	0.18
Rathbone Brothers	22,414	575	0.57
Schroders	19,803	476	0.47
TP ICAP (formerly Tullett Prebon)	76,136	395	0.39
Life Insurance			
Aviva	275,334	1,422	1.40
Old Mutual	181,429	351	0.35
Prudential	35,190	628	0.62
St James's Place	44,611	513	0.51
Nonlife Insurance			
Admiral	11,495	208	0.20
Beazley	36,969	176	0.17
Real Estate Investment & Services			
Countrywide	157,513	168	0.17
Helical (formerly Helical Bar)	53,640	161	0.16
Land Securities	32,689	320	0.32
LSL Property Services	34,480	82	0.08
St Modwen Properties	93,588	350	0.34
Urban & Civic	198,468	506	0.50
Real Estate Investment Trusts			
British Land	24,183	146	0.14
UNITE	53,562	364	0.36
HEALTH CARE (7.35%*)		6,944	6.85
Health Care Equipment & Services			
Smith & Nephew	23,343	316	0.31
Pharmaceuticals & Biotechnology			
Abcam	52,985	539	0.53
AstraZeneca	33,242	1,636	1.61
Genus	11,446	238	0.24
GlaxoSmithKline	234,014	3,495	3.45
Roche	1,144	217	0.21
Shire	13,241	503	0.50
INDUSTRIALS (14.90%*)		15,652	15.44
Aerospace & Defence			
Chemring	256,687	462	0.46
Meggitt	45,377	238	0.23
QinetiQ	458,106	1,142	1.13

Multi-Manager UK Equity Growth Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Construction & Materials			
Balfour Beatty	102,669	276	0.27
CRH	42,696	1,204	1.19
Forterra	55,696	152	0.15
Keller	24,328	200	0.20
Kingspan	18,335	577	0.57
Electronic & Electrical Equipment			
Oxford Instruments	44,758	422	0.42
Renishaw	15,993	763	0.75
Spectris	12,741	305	0.30
TT electronics	225,898	510	0.50
Xaar	46,056	211	0.21
General Industrials			
DS Smith	79,170	392	0.39
Smiths	17,953	283	0.28
Smurfit Kappa	7,912	187	0.18
Industrial Engineering			
IMI	16,779	208	0.21
Severfield	208,287	138	0.14
Weir	15,028	294	0.29
Industrial Transportation			
BBA Aviation	77,172	231	0.23
Support Services			
Aggreko	53,051	499	0.49
Ashtead	26,604	480	0.47
Capita	47,221	267	0.26
DCC	5,574	402	0.40
De La Rue	56,574	363	0.36
Electrocomponents	156,667	972	0.96
Experian	16,532	249	0.25
Essentra (formerly Filtrona)	84,702	461	0.45
Grafton	124,473	1,033	1.02
HomeServe	29,767	248	0.24
Intertek	8,009	399	0.39
Northgate	30,560	132	0.13
PayPoint	9,336	89	0.09
Robert Walters	38,348	213	0.21
SIG	584,059	1,039	1.02
Smart Metering Systems	15,476	106	0.10
Travis Perkins	34,609	505	0.50
OIL & GAS (8.99%*)		10,661	10.51
Oil & Gas Producers			
BP	727,751	3,481	3.43
Galp Energia	22,892	303	0.30
Royal Dutch Shell 'B' Shares	280,673	6,443	6.35
Oil Equipment, Services & Distribution			
AMEC	32,591	167	0.16
John Wood	23,403	160	0.16
NOW	10,514	107	0.11

Multi-Manager UK Equity Growth Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
TECHNOLOGY (2.33%*)		1,700	1.68
Software & Computer Services			
AVEVA	25,881	632	0.62
Computacenter	27,743	270	0.27
Fidessa	4,524	101	0.10
SDL	107,265	504	0.50
Technology Hardware & Equipment			
Imagination Technologies	116,352	193	0.19
TELECOMMUNICATIONS (3.94%*)		3,667	3.62
Fixed Line Telecommunications			
BT	275,723	784	0.77
Telecom Plus	23,561	256	0.25
Mobile Telecommunications			
Inmarsat	28,047	178	0.18
Vodafone	1,176,933	2,449	2.42
UTILITIES (3.67%*)		1,850	1.82
Electricity			
Drax	115,607	359	0.35
SSE	31,645	443	0.44
Gas, Water & Multiutilities			
Centrica	417,642	781	0.77
Severn Trent	12,216	267	0.26
DERIVATIVES (0.12%*)		(3)	(0.01)
Futures Contracts			
FTSE 100 Index Futures December 2017	106	(38)	(0.04)
Forward Currency Contracts			
Euro			
Sold EUR1,092,000 for GBP999,016 Settlement 24/10/2017		35	0.03
Portfolio of investments[^]		95,096	93.77
Net other assets		6,316	6.23
Total net assets		101,412	100.00

Equity investment instruments are quoted on a listed securities market, unless otherwise stated. Derivative contracts can be exchange traded on a regulated market or over the counter (OTC).

*Comparative figures shown in brackets relate to 30 September 2016.

[^]Including investment liabilities.

†This investment is a related party (see note 10).

Multi-Manager UK Equity Growth Fund

Material Portfolio Changes

for the year ended 30 September 2017

	Cost £000		Proceeds £000
Major purchases		Major sales	
FTSE 100 Index Futures March 2017	46,247	FTSE 100 Index Futures March 2017	46,931
FTSE 100 Index Futures June 2017	24,148	FTSE 100 Index Futures December 2016	29,815
FTSE 100 Index Futures September 2017	21,148	FTSE 100 Index Futures June 2017	24,550
FTSE 100 Index Futures December 2016	8,823	FTSE 100 Index Futures September 2017	21,076
FTSE 100 Index Futures December 2017	8,545	HSBC	8,372
FTSE 250 Index Futures December 2016	6,637	Royal Dutch Shell 'B' Shares	7,819
HSBC	4,424	GlaxoSmithKline	7,264
FTSE 250 Index Futures June 2017	4,124	BP	6,431
GlaxoSmithKline	3,463	Barclays	5,891
Royal Dutch Shell 'B' Shares	3,414	Lloyds Banking†	5,532

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party (see note 10).

Multi-Manager UK Equity Growth Fund

Securities Financing Transactions (SFT)

as at 30 September 2017

1) Global Data

Proportion of securities and commodities on loan as at 30 September 2017	£000	%
Total lendable assets excluding cash and cash equivalents:	87,738	
Securities and commodities on loan	9,597	10.94%
Assets engaged in SFTs and total return swaps as at 30 September 2017	£000	%
Fund assets under management (AUM)	101,541	
Absolute value of assets engaged in:		
Securities lending	9,597	9.45%

2) Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received as at 30 September 2017	£000
United States of America Treasury	916
Government of United Kingdom	470
Republic of France	357
Federal Republic of Germany	284
Government of Canada	279
Kingdom of Belgium	256
British American Tobacco	191
HSBC	186
Monsanto	168
Honeywell	168

Top 10 Counterparties

Name and value of outstanding transactions as at 30 September 2017	£000
Securities lending	
Barclays Capital Securities	2,118
HSBC Bank	1,884
Deutsche Bank	1,708
UBS	1,602
JP Morgan Securities	1,138
Bank of Nova Scotia	685
Societe Generale	456
Credit Suisse Securities (Europe)	6

Multi-Manager UK Equity Growth Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

3) Aggregate Transaction Data

Type, Quality and Currency of Collateral as at 30 September 2017

Type	Quality	Currency	£000
Securities lending			
Equity	Traded on recognised exchange	Sterling	2,317
Equity	Traded on recognised exchange	Australian dollar	22
Equity	Traded on recognised exchange	Canadian dollar	19
Equity	Traded on recognised exchange	Chinese yuan	50
Equity	Traded on recognised exchange	Danish krone	16
Equity	Traded on recognised exchange	Euro	1,221
Equity	Traded on recognised exchange	Hong Kong dollar	172
Equity	Traded on recognised exchange	Japanese yen	52
Equity	Traded on recognised exchange	Norwegian krone	77
Equity	Traded on recognised exchange	Singapore dollar	43
Equity	Traded on recognised exchange	Swedish krona	63
Equity	Traded on recognised exchange	Swiss franc	120
Equity	Traded on recognised exchange	US dollar	3,232
Fixed Income	Investment Grade	Sterling	470
Fixed Income	Investment Grade	Canadian dollar	279
Fixed Income	Investment Grade	Euro	1,051
Fixed Income	Investment Grade	US dollar	916
Cash	Cash Collateral	US dollar	164
Total collateral held			<u><u>10,284</u></u>

Maturity Tenor of Collateral (remaining period to maturity) as at 30 September 2017

Type	Less than one day £000	One day to one week £000	One week to one month £000	One to three months £000	Three months to one year £000	Above one year £000	Open maturity £000	Total £000
Securities lending	164	-	26	559	110	2,021	7,404	10,284
	<u>164</u>	<u>-</u>	<u>26</u>	<u>559</u>	<u>110</u>	<u>2,021</u>	<u>7,404</u>	<u>10,284</u>

Counterparty details as at 30 September 2017

Type	Country of counterparty establishment	Settlement and clearing	£000
Securities lending	Germany	Bi-lateral	310
Securities lending	Switzerland	Bi-lateral	161
Securities lending	United Kingdom	Bi-lateral	262
Securities lending	Canada	Tri-party	738
Securities lending	France	Tri-party	492
Securities lending	Germany	Tri-party	1,525
Securities lending	Switzerland	Tri-party	1,567
Securities lending	United Kingdom	Tri-party	5,229
Total collateral held			<u><u>10,284</u></u>

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity) as at 30 September 2017

Type	Less than one day £000	One day to one week £000	One week to one month £000	One to three months £000	Three months to one year £000	Above one year £000	Open maturity £000	Total £000
Securities lending	-	-	-	-	-	-	9,597	9,597
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,597</u>	<u>9,597</u>

Multi-Manager UK Equity Growth Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 30 September 2017

	£000
Bank of New York	4,340
JP Morgan	3,487
Crest	1,724
State Street	733

Number of custodians safekeeping collateral	4
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6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

7) Return and Cost

for the year ended 30 September 2017

	Collective Investment Undertaking £000	Manager of Collective Investment Undertaking £000	Third Parties (e.g. lending agent) £000	Total £000
Securities lending				
Gross return	34	2	9	45
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

*All direct costs from securities lending are borne by lending agent.

Multi-Manager UK Equity Growth Fund

Comparative Table

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	197.14	184.95	184.20
Return before operating charges*	32.20	15.60	4.31
Operating charges	(3.90)	(3.41)	(3.56)
Return after operating charges*	28.30	12.19	0.75
Distributions	(3.57)	(3.28)	(2.43)
Retained distributions on accumulation shares	3.57	3.28	2.43
Closing net asset value per share	225.44	197.14	184.95
*after direct transaction costs of:~	0.62	0.92	0.11
Performance			
Return after charges^	14.36%	6.59%	0.41%
Other information			
Closing net asset value (£000)	81,700	191,630	205,152
Closing number of shares	36,239,323	97,204,784	110,920,273
Operating charges#	1.83%	1.83%	1.82%
Direct transaction costs~	0.29%	0.49%	0.05%
Prices**			
Highest share price	227.00	200.80	210.00
Lowest share price	194.80	164.20	178.20

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This is different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Growth Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	112.29	104.48	103.39
Return before operating charges*	18.43	8.90	2.21
Operating charges	(1.28)	(1.09)	(1.12)
Return after operating charges*	17.15	7.81	1.09
Distributions	(3.02)	(2.73)	(2.15)
Retained distributions on accumulation shares	3.02	2.73	2.15
Closing net asset value per share	129.44	112.29	104.48
*after direct transaction costs of:~	0.36	0.52	0.06
Performance			
Return after charges	15.27%	7.48%	1.05%
Other information			
Closing net asset value (£000)	27	15	2
Closing number of shares	20,645	13,514	1,695
Operating charges#	1.04%	1.03%	1.04%
Direct transaction costs~	0.29%	0.49%	0.05%
Prices**			
Highest share price	130.00	114.30	118.30
Lowest share price	111.00	93.03	100.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Growth Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	140.53	134.11	135.32
Return before operating charges*	22.98	11.26	3.10
Operating charges	(1.58)	(1.39)	(1.47)
Return after operating charges*	21.40	9.87	1.63
Distributions	(3.76)	(3.45)	(2.84)
Closing net asset value per share	158.17	140.53	134.11
*after direct transaction costs of:~	0.45	0.66	0.08
Performance			
Return after charges	15.23%	7.36%	1.20%
Other information			
Closing net asset value (£000)	3,895	4,011	4,091
Closing number of shares	2,462,514	2,853,954	3,050,384
Operating charges#	1.04%	1.03%	1.02%
Direct transaction costs~	0.29%	0.49%	0.05%
Prices**			
Highest share price	161.10	145.10	153.80
Lowest share price	138.90	119.40	131.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Growth Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class P - Income			
Change in net assets per share			
Opening net asset value per share	165.09	157.52	159.08
Return before operating charges*	26.84	13.25	3.43
Operating charges	(1.42)	(1.26)	(1.37)
Return after operating charges*	25.42	11.99	2.06
Distributions	(4.87)	(4.42)	(3.62)
Closing net asset value per share	185.64	165.09	157.52
*after direct transaction costs of:~	0.53	0.78	0.09
Performance			
Return after charges	15.40%	7.61%	1.29%
Other information			
Closing net asset value (£000)	12	2	2
Closing number of shares	6,500	1,257	1,257
Operating charges#	0.78%	0.80%	0.81%
Direct transaction costs~	0.29%	0.49%	0.05%
Prices**			
Highest share price	189.20	170.60	180.80
Lowest share price	163.30	140.40	154.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Growth Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	162.79	155.33	156.75
Return before operating charges*	26.60	13.08	3.52
Operating charges	(1.18)	(1.07)	(1.12)
Return after operating charges*	25.42	12.01	2.40
Distributions	(4.98)	(4.55)	(3.82)
Closing net asset value per share	183.23	162.79	155.33
*after direct transaction costs of:~	0.51	0.77	0.09
Performance			
Return after charges	15.62%	7.73%	1.53%
Other information			
Closing net asset value (£000)	286	1,522	2,570
Closing number of shares	156,055	935,329	1,654,777
Operating charges#	0.67%	0.68%	0.67%
Direct transaction costs~	0.29%	0.49%	0.05%
Prices**			
Highest share price	186.80	168.30	178.30
Lowest share price	161.00	138.50	151.90

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Growth Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	193.01	178.83	176.07
Return before operating charges*	31.72	15.23	3.83
Operating charges	(1.24)	(1.05)	(1.07)
Return after operating charges*	30.48	14.18	2.76
Distributions	(6.15)	(5.46)	(4.49)
Retained distributions on accumulation shares	6.15	5.46	4.49
Closing net asset value per share	223.49	193.01	178.83
*after direct transaction costs of:~	0.62	0.89	0.10
Performance			
Return after charges	15.79%	7.93%	1.57%
Other information			
Closing net asset value (£000)	15,492	15,636	15,637
Closing number of shares	6,932,030	8,101,062	8,744,551
Operating charges#	0.59%	0.58%	0.57%
Direct transaction costs~	0.29%	0.49%	0.05%
Prices**			
Highest share price	224.10	196.40	202.20
Lowest share price	190.90	159.50	170.60

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Prices for Share Class X are not published externally, as this is an internal share class.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Growth Fund

Statement of Total Return

for the year ended 30 September 2017

	Notes	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
		£000	£000	£000	£000
Income					
Net capital gains	2		19,309		9,436
Revenue	3	4,868		7,928	
Expenses	4	(2,398)		(3,796)	
Interest payable and similar charges		(4)		-	
Net revenue before taxation		2,466		4,132	
Taxation	5	(3)		8	
Net revenue after taxation			2,463		4,140
Total return before distributions			21,772		13,576
Distributions	6		(2,463)		(4,140)
Change in net assets attributable to shareholders from investment activities			19,309		9,436

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 30 September 2017

	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		212,816		227,454
Amounts receivable on creation of shares	1,302		12,452	
Less: Amounts payable on cancellation of shares	(134,099)		(40,435)	
		(132,797)		(27,983)
Dilution adjustment		127		128
Change in net assets attributable to shareholders from investment activities		19,309		9,436
Retained distributions on accumulation shares		1,957		3,781
Closing net assets attributable to shareholders		101,412		212,816

Notes to the Financial Statements are on pages 150 to 157.

Multi-Manager UK Equity Growth Fund

Balance Sheet

as at 30 September 2017

	Notes	30/09/17 £000	30/09/16 £000
Assets			
Fixed assets			
Investments		95,134	199,337
Current assets			
Debtors	7	318	611
Cash and bank balances	8	6,351	13,746
Total assets		101,803	213,694
Liabilities			
Investment liabilities		(38)	-
Creditors			
Distribution payable		(61)	(81)
Other creditors	9	(292)	(797)
Total liabilities		(391)	(878)
Net assets attributable to shareholders		101,412	212,816

Notes to the Financial Statements are on pages 150 to 157.

Multi-Manager UK Equity Growth Fund

Notes to the Financial Statements

for the year ended 30 September 2017

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Non-derivative securities	18,401	9,704
Futures contracts	1,018	(239)
Forward currency contracts	(102)	-
Currency gains/(losses)	6	(6)
Transaction charges	(14)	(30)
Dealing cost reimbursement	-	6
Breach compensation~	-	1
Net capital gains	19,309	9,436

~Monies received from Aberdeen Investment Solutions Limited to compensate the Fund.

3. Revenue

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
UK dividends	4,531	7,395
Overseas taxable revenue	3	-
Overseas non-taxable revenue	228	393
Property revenue from UK REITs - PID	39	54
Property revenue from UK REITs - Non PID	5	18
Bank interest	2	7
Fokus Bank interest	-	12
Stock lending revenue	34	49
UK scrip dividends non-taxable	26	-
Total revenue	4,868	7,928

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

4. Expenses

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,571	2,533
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	16	22
Safe custody fees	1	2
	<u>17</u>	<u>24</u>
Other expenses:		
Audit fee	10	10
Sub advisers' fees	652	1,002
Professional fees*	4	-
Registration fees	145	222
Fees paid to PwC for non-audit services**	-	7
Expense capping adjustment‡	(1)	(2)
	<u>810</u>	<u>1,239</u>
Total expenses	<u>2,398</u>	<u>3,796</u>

Expenses include irrecoverable VAT.

*Relating to professional fees paid to Ernst & Young for taxation services.

**Fees paid during the prior year are in relation to Fokus Bank tax reclaims.

‡From 25 July 2014 within the Q share class no registration fee will be deducted and this will be borne by the ACD.

5. Taxation

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	3	(8)
(b) Factors affecting total tax charge for the year:		
The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2016: 20%). The differences are explained below:		
Net revenue before taxation	2,466	4,132
Corporation tax of 20% (2016: 20%)	493	826
Effects of:		
Franked UK income*	(906)	(1,479)
Non-taxable scrip dividends*	(5)	-
Overseas non-taxable revenue*	(46)	(79)
Movement in excess management expenses	465	735
Irrecoverable overseas tax	3	(8)
Property revenue from UK REITs - Non PID*	(1)	(3)
Total tax charge for year (note 5a)	<u>3</u>	<u>(8)</u>

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £9,682,765 (30/09/16: £9,217,825) relating to surplus management expenses. No deferred tax asset has been recognised in either year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

for the year ended 30 September 2017

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/10/16 to 30/09/17	01/10/15 to 30/09/16
	£000	£000
Interim	905	1,667
Final	1,160	2,267
	<u>2,065</u>	<u>3,934</u>
Add: Revenue deducted on cancellation of shares	405	274
Deduct: Revenue received on creation of shares	(7)	(68)
Net distributions for the year	<u>2,463</u>	<u>4,140</u>

Details of the distribution per share is set out in the Distribution Tables on pages 158 to 159.

7. Debtors

	30/09/17	30/09/16
	£000	£000
Sales awaiting settlement	74	146
Accrued revenue	241	464
Overseas tax recoverable	3	1
Total debtors	<u>318</u>	<u>611</u>

8. Cash and bank balances

	30/09/17	30/09/16
	£000	£000
Cash and bank balances	5,013	12,267
Amounts held at futures clearing houses and brokers	1,338	1,479
Total cash and bank balances	<u>6,351</u>	<u>13,746</u>

9. Other creditors

	30/09/17	30/09/16
	£000	£000
Purchases awaiting settlement	76	142
Amounts payable for cancellation of shares	20	151
Accrued expenses	196	504
Total other creditors	<u>292</u>	<u>797</u>

10. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund. Lloyds Banking Group, as the parent company of the ACD is the ultimate controlling party of the Fund. As such any member company of Lloyds Banking Group is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the year end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD and registration fees (Registrar has changed from Bank of New York Mellon (International) Limited to Scottish Widows Unit Trust Managers Limited in the current period) are disclosed in note 4, with £89,792 (30/09/16: £206,400) due at the year end.

The Fund has a related party holding of 2,161,955 shares (30/09/16: 8,926,141 shares) and value of £1,459,103 (30/09/16: £4,825,472) held at the year end within the Lloyds Banking Group.

Revenue disclosed in note 3 includes amounts received from Lloyds Banking Group investments. The total revenue received amounts to £129,148 (30/09/16: £225,982).

for the year ended 30 September 2017

Shares held by associates of the ACD

On 30 September 2017, shares held as a percentage of the Fund's value were:

	30/09/17	30/09/16
	%	%
ACD and associates of the ACD*	97.98	99.85

*Prior year figures have been restated to reflect the LBG ownership as a percentage of the Funds' values, not shares.

11. Share classes

The Fund has five share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.25
Share Class B - Accumulation:	0.45
Share Class B - Income:	0.45
Share Class P - Income:	0.20
Share Class Q - Income:	0.20
Share Class X - Accumulation:	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 142 to 147.

The distributions per share class are given in the Distribution Tables on pages 158 to 159.

Reconciliation of the shares movement in the year:

	01/10/16				30/09/17
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation	97,204,784	405,091	(61,370,552)	-	36,239,323
Share Class B - Accumulation	13,514	9,000	(1,869)	-	20,645
Share Class B - Income	2,853,954	7,500	(398,940)	-	2,462,514
Share Class P - Income	1,257	6,500	(1,257)	-	6,500
Share Class Q - Income	935,329	6,500	(785,774)	-	156,055
Share Class X - Accumulation	8,101,062	180,500	(1,349,532)	-	6,932,030

12. Capital commitments and contingent liabilities

On 30 September 2017, the Fund had no capital commitments (30/09/16: £nil) and no contingent liabilities (30/09/16: £nil).

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

13. Securities on loan

The aggregate value of securities on loan at 30 September 2017 is £9,597,126 (30/09/16: £13,961,095). The identities of these counterparties are listed in the counterparties table below. Securities on loan are included in the portfolio statement and no account is taken of any collateral held. The aggregate value of collateral held at 30 September 2017 is £10,284,174 (30/09/16: £15,052,193). This collateral is listed in the collateral held table below.

The gross earnings and fees paid for the year are £45,494 (30/09/16: £65,171) and £11,391 (30/09/16: £16,189).

	30/09/17	30/09/16
	£000	£000
Counterparties		
Bank of Nova Scotia	685	-
Barclays Capital Securities	2,118	-
Citigroup Global Markets (Europe)	-	833
Credit Suisse Securities (Europe)	6	1,173
Deutsche Bank	1,708	3,796
HSBC Bank	1,884	1,093
ING Bank	-	605
JP Morgan Securities	1,138	1,313
Merrill Lynch International	-	670
Societe Generale	456	70
UBS	1,602	4,408
Total securities on loan	<u>9,597</u>	<u>13,961</u>
	30/09/17	30/09/16
	£000	£000
Collateral held		
Bonds	2,716	5,669
Equities	7,404	9,375
Cash	164	8
Total collateral held	<u>10,284</u>	<u>15,052</u>

14. Risk management policies, derivatives and other financial instruments

A statement of the Fund's objective and the policy for achieving it has been included on page 131. The risks inherent in the Fund's investment portfolio are as follows:

(a) Currency risk

A portion of the Fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

The Fund hedges the initial investment but not the subsequent gains/losses on the settling value of investments that are denominated in foreign currencies.

The ACD seeks to manage the portfolio exposure to currency movements by using forward currency contracts. The forward currency contracts are shown in the portfolio statement.

As at 30 September 2017, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the Fund would have been an increase or decrease of approximately £37,583 (30/09/16: £70,858).

As at 30 September the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 30/09/17	Currency exposure 30/09/16
	£000	£000
Currency		
Canadian dollar	150	409
Danish krone	2	-
Euro	1,589	1,381
Swiss franc	234	-
US dollar	1,783	5,296
Total	<u>3,758</u>	<u>7,086</u>

for the year ended 30 September 2017

(b) *Interest rate risk profile of financial assets and liabilities*

The Fund receives revenue from holdings in equities. The cashflow from these investments may fluctuate depending upon the particular decisions made by each company. Given that the Fund's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Fund's net cash holding of £5,013,166 (30/09/16: holding £12,267,070) is held in a floating rate deposit account whose interest rates are based on LIBOR or its international equivalent.

The Fund holds net cash at futures brokers of £1,337,787 (30/09/16: cash £1,478,664), whose rates are on based on LIBOR or its international equivalent.

The interest rate exposure for the Fund is not deemed to be significant and on that basis no sensitivity analysis is presented.

The Fund did not have any long term financial liabilities.

(c) *Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the Fund for the purpose of efficient portfolio management (EPM). EPM requires that the purpose of the derivative contract must be to achieve; a reduction of the risk, or a reduction of cost, or the generation of additional capital, or revenue for the Fund with an acceptably low level of risk. The ACD monitors the use of derivative contracts to ensure that the requirements of EPM are satisfied. All derivative contracts with exception to forward currency contracts were traded on an eligible derivatives exchange.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets. At the year end, as the sensitivity analysis or value at risk are not significant, no additional disclosure has been shown.

Financial derivative instrument exposure - fair value	Value (£)	Value (£)
	30/09/17	30/09/16
Exchange traded derivatives	-	269,780
Forward currency contracts	34,744	-
Total Financial derivative instrument exposure	34,744	269,780

Financial derivative instrument exposure - notional	Value (£)	Value (£)
	30/09/17	30/09/16
Exchange traded derivatives	7,774,040	27,328,480
Forward currency contracts	964,272	-
Total Financial derivative instrument exposure	8,738,312	27,328,480

The financial derivative instruments exposure represents the value of what is "economically commanded" by the instrument and is calculated as the sum of the notional value of the instrument, i.e. the number of contracts multiplied by the relevant index or spot price.

Efficient portfolio management techniques	Value (£)	Value (£)
	30/09/17	30/09/16
Gross revenues arising from efficient portfolio management techniques	45,494	65,171
Direct operational costs and fees incurred	(9,116)	(12,951)
Indirect operational costs and fees incurred	(2,275)	(3,238)
Net revenue generated for Fund during the annual accounting period	34,103	48,982

Underlying exposure obtained through EPM techniques	8,738,312	27,328,480
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Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

Counterparties to financial derivative instruments and efficient portfolio management techniques

	Value (£)	Value (£)
	30/09/17	30/09/16
Morgan Stanley - Futures contracts	(38,309)	269,780
Total uncollateralised counterparty exposure	(38,309)	269,780

The counterparty exposure represents the amount that the Fund could lose (or gain) if the counterparty defaulted. This is calculated as the unrealised profit (or loss) on the trade. It is therefore a different amount to the value of the sum of the notionals.

Collateral	Value (£)	Value (£)
	30/09/17	30/09/16

The type and amount of collateral received to reduce counterparty exposure:

GBP Cash - Morgan Stanley	1,337,787	1,478,664
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(d) Liquidity risk

All of the Fund's financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. In general, the Investment Adviser manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

All of the Fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(e) Market price risk and fair value of financial assets and liabilities

The Fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the Fund's objectives. In addition, the management of the Fund complies with the Financial Conduct Authority COLL Sourcebook, which includes rules prohibiting a holding greater than 20% of assets in any one fund.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 30 September 2017, if the price of investments held by the Funds increased or decreased by 1%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 1%; which for this Fund would equate to £950,961 (30/09/16: £1,993,370).

(f) Credit risk

The Fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Equities	80,294	468,103	203,098	488,282
Commissions				
Equities	47	129	(123)	(146)
Futures	4	4	(4)	(5)
Total commissions	51	133	(127)	(151)
Taxes				
Equities	301	878	(2)	(1)
Total costs	352	1,011	(129)	(152)
Total net trades in the year after transaction costs	80,646	469,114	202,969	488,130

for the year ended 30 September 2017

Total transaction cost expressed as a percentage of asset class trades

	Purchases		Sales	
	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %
Commissions				
Equities	0.06	0.03	0.06	0.03
Taxes				
Equities	0.37	0.19	0.00	0.00

Total transaction cost expressed as a percentage of average net asset value

	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %
Commissions	0.12	0.12
Taxes	0.21	0.40
Total costs	0.33	0.52

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities and futures contracts, broker commissions and transfer taxes may be paid on each transaction.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.15% (30/09/16: 0.09%).

16. Fair value

Valuation technique	30/09/17		30/09/16	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	95,099	(38)	199,337	-
Level 2	35	-	-	-
Level 3	-	-	-	-
Total fair value	95,134	(38)	199,337	-

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

The Fund early adopted the FRS102 update made in March 2016.

Multi-Manager UK Equity Growth Fund

Distribution Tables

for the year ended 30 September 2017

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 October 2016

Final Shares purchased prior to 1 April 2017

Group 2 Interim Shares purchased on or between 1 October 2016 and 31 March 2017

Final Shares purchased on or between 1 April 2017 and 30 September 2017

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.2402	-	1.2402	1.2866
Final	2.3291	-	2.3291	1.9911
Group 2	(p)	(p)	(p)	(p)
Interim	1.2402	-	1.2402	1.2866
Final	1.1958	1.1333	2.3291	1.9911

Share Class B - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.1849	-	1.1849	1.1674
Final	1.8385	-	1.8385	1.5643
Group 2	(p)	(p)	(p)	(p)
Interim	1.1849	-	1.1849	1.1674
Final	1.8241	0.0144	1.8385	1.5643

Share Class B - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	1.4782	-	1.4782	1.4672
Final	2.2817	-	2.2817	1.9824
Group 2	(p)	(p)	(p)	(p)
Interim	1.4782	-	1.4782	1.4672
Final	2.2804	0.0013	2.2817	1.9824

Share Class P - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	-	-	-	1.9101
Final	-	-	-	2.5123
Group 2	(p)	(p)	(p)	(p)
Interim	1.9453	-	1.9453	-
Final	2.9235	-	2.9235	-

Multi-Manager UK Equity Growth Fund

Distribution Tables

(continued)

for the year ended 30 September 2017

Share Class Q - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	2.0113	-	2.0113	1.9710
Final	2.9641	-	2.9641	2.5751
Group 2	(p)	(p)	(p)	(p)
Interim	2.0113	-	2.0113	-
Final	2.9641	-	2.9641	-

Share Class X - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
Interim	2.4897	-	2.4897	2.3585
Final	3.6650	-	3.6650	3.0970
Group 2	(p)	(p)	(p)	(p)
Interim	1.0979	1.3918	2.4897	2.3585
Final	1.4950	2.1700	3.6650	3.0970

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Interim - 100.00% of the dividend, is received as franked investment income.

Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Multi-Manager UK Equity Income Fund

Investment Markets Overview

for the year ended 30 September 2017

Investment Objective and Policy

The Fund's aim is to provide an income by investing at least two-thirds of the Fund's total assets in shares and other equity instruments issued by companies domiciled in or carrying on a preponderant part of their business activities in the UK.

The Fund may also invest the remaining portion of its assets in other equities, in new issues for which application for listing on a stock exchange will be sought, in other transferable securities and in convertibles, warrants, money market instruments, deposits and in collective investment schemes. The investments will be selected with a view to achieving the Fund's objective of providing an income above the average for UK equity funds such as by investing in shares and other equity instruments with a high dividend paying ratio and longer-term capital growth.

The assets of the Fund will at all times be managed by at least three managers.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 May 2017.</p>	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	←				→		
	1	2	3	4	5	6	7

Investment Review

Performance	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %	01/11/14 to 30/09/15 %	01/10/13 to 31/10/14 %	01/10/12 to 30/09/13 %
Multi-Manager UK Equity Income Fund A Accumulation	9.88	13.02	1.78	8.22	16.11
UK Equity Income Sector Average Return	10.28	10.66	3.75	6.98	20.94

Source: Lipper for Multi-Manager UK Equity Income Fund and UK Equity Income Sector Average Return (funds which invest at least 80% of their assets in UK equities and which intend to achieve a historic yield on the distributable income in excess of 110% of the FTSE All-Share yield at the fund's year end).

Basis: Revenue (net of tax) reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Although wider UK equity markets made gains over the 12 months, they were outpaced by their counterparts in other developed countries.

Sterling weakness remained a key theme over the year due to uncertainty about the effects of Brexit. Sterling dropped sharply in the wake of the recent snap general election in June, falling by more than 2% against the US dollar in the morning after the result.

Aside from benefitting some of the largest companies in the UK, some of which earn the bulk of their profits overseas, the other main effect of sterling weakness has been a rise in inflation due to the increasing cost of imports. This is leading to expectations that the Bank of England might raise interest rates soon. Recent inflation figures showed prices rising at 3% per year, compared to the Bank's target inflation rate of 2% with hints from governor Carney that rates could rise; possibly as soon as November.

With wage growth lagging price rises and rising levels of consumer debt, there are concerns that UK consumer spending will not be able to continue propping up the economy. However, there has been some positive news on the jobs front: UK unemployment has fallen to its lowest level since the 1970s.

The Fund produced a return of 9.88% over the twelve months under review.

Given the income requirement, the Fund remains skewed towards companies that pay higher yields. However, over the year growth stocks, which often pay a lower yield, outperformed. On the upside, the outperformance of small and medium-size companies provided a boost to performance given the tilt towards these stocks in the portfolio.

for the year ended 30 September 2017

Investment Review (continued)

Looking at the underlying managers, Royal London and Threadneedle were among the Fund's best performers. Transactions during the period mainly involved trimming holdings across all four managers to cover cashflow requirements.

Our managers remain cautiously optimistic on the outlook for UK equities and their portfolios. The managers recognise the presence of global synchronous growth and expect central banks to tighten policy. In this environment, they are not engaging in excessive amounts of trading.

Overall, we remain confident that our chosen managers bring the right blend of experience and stock-picking ability to continue generating attractive levels of income, even if market conditions become more challenging.

Aberdeen Investment Solutions Limited

October 2017

Multi-Manager UK Equity Income Fund

Portfolio Statement

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (4.17%*)		55,454	6.59
Chemicals			
Croda International	113,000	4,263	0.51
Elementis	855,424	2,302	0.27
Johnson Matthey	456,882	15,653	1.86
Victrex	180,000	4,253	0.51
Mining			
Anglo Pacific	3,736,497	4,970	0.59
BHP Billiton	305,000	4,037	0.48
Glencore	1,230,000	4,222	0.50
Rio Tinto	453,095	15,754	1.87
CONSUMER GOODS (9.56%*)		72,645	8.63
Automobiles & Parts			
GKN	963,637	3,341	0.40
Beverages			
Diageo	170,000	4,187	0.50
Food Producers			
Tate & Lyle	1,240,416	8,038	0.95
Household Goods & Home Construction			
Barratt Developments	439,147	2,683	0.32
McCarthy & Stone	3,256,800	4,866	0.58
Persimmon	6,037	156	0.02
Taylor Wimpey	1,907,340	3,685	0.44
Telford Homes	377,969	1,468	0.17
Personal Goods			
Unilever	366,244	15,847	1.88
Tobacco			
British American Tobacco	188,200	8,818	1.05
Imperial Brands (formerly Imperial Tobacco)	614,770	19,556	2.32
CONSUMER SERVICES (15.49%*)		135,112	16.04
Food & Drug Retailers			
Booker	2,404,154	4,924	0.58
WM Morrison Supermarkets	4,898,036	11,579	1.38
General Retailers			
Dunelm	687,900	4,826	0.57
Marks & Spencer	2,400,696	8,515	1.01
Saga	5,692,481	11,157	1.32
WH Smith	262,100	5,386	0.64
Media			
Bloomsbury Publishing	1,302,077	2,057	0.24
Daily Mail & General Trust	776,500	4,861	0.58
Informa	801,600	5,339	0.63
ITV	9,070,932	15,720	1.87
Pearson	942,390	5,744	0.68
RELX	863,900	14,099	1.67
UBM	607,000	4,109	0.49
Travel & Leisure			
Carnival	26,856	1,280	0.15
Cineworld	730,824	4,875	0.58

Multi-Manager UK Equity Income Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
Compass	759,084	12,047	1.43
Go-Ahead	136,659	2,316	0.28
Greene King	799,600	4,422	0.53
JD Wetherspoon	264,583	3,323	0.39
Rank	1,466,182	3,183	0.38
Restaurant	965,900	2,923	0.35
Stagecoach	1,425,929	2,427	0.29
FINANCIALS (24.07%*)		195,661	23.23
Banks			
Close Brothers	451,502	6,655	0.79
HSBC	3,190,143	23,403	2.78
JPMorgan Chase	58,400	4,161	0.49
Virgin Money	446,590	1,276	0.15
Wells Fargo	98,000	3,971	0.47
Financial Services			
3i	1,484,060	13,572	1.61
Brewin Dolphin	1,765,555	6,107	0.73
CME	44,000	4,466	0.53
Hargreaves Lansdown	441,497	6,468	0.77
IG	795,600	5,088	0.60
ICG	609,106	5,643	0.67
Investec	947,500	5,135	0.61
Jupiter Fund Management	100,733	551	0.07
Paragon	984,900	4,302	0.51
River & Mercantile	199,705	629	0.07
Schroders	16,871	562	0.07
Sherborne Investors (Guernsey) 'B' Shares	2,271,038	1,067	0.13
Sherborne Investors (Guernsey) 'C' Shares	2,857,834	2,972	0.35
TP ICAP (formerly Tullett Prebon)	950,000	4,926	0.58
Life Insurance			
Aviva	3,358,231	17,345	2.06
Chesnara	1,651,401	6,428	0.76
Legal & General	7,626,692	19,890	2.36
Phoenix	2,008,865	15,117	1.79
Prudential	418,594	7,474	0.89
Prudential Financial	13,934	1,104	0.13
Non-Life Insurance			
Direct Line Insurance	663,295	2,428	0.29
Personal	207,100	812	0.10
RSA Insurance	1,590,420	9,940	1.18
Real Estate Investment & Services			
Grainger	148,645	394	0.05
LEG Immobilien	6,681	501	0.06
TAG Immobilien	57,442	717	0.09
Vonovia	19,450	615	0.07
Real Estate Investment Trusts			
British Land	220,518	1,335	0.16
Intu Properties	1,957,000	4,527	0.54
Primary Health Properties	641,546	784	0.09
Segro	992,600	5,296	0.63

Multi-Manager UK Equity Income Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
HEALTH CARE (11.82%*)		74,212	8.81
Pharmaceuticals & Biotechnology			
AbbVie	24,693	1,641	0.20
AstraZeneca	621,776	30,604	3.63
GlaxoSmithKline	2,324,279	34,713	4.12
Merck	49,439	2,374	0.28
Pfizer	180,820	4,808	0.57
Vectura	67,689	72	0.01
INDUSTRIALS (15.68%*)		168,509	20.01
Aerospace & Defence			
BAE Systems	2,967,976	18,787	2.23
Cobham	4,057,433	5,932	0.70
Rolls-Royce	255,947	2,283	0.27
Construction & Materials			
Forterra	465,855	1,272	0.15
Ibstock	216,773	494	0.06
Kier	341,602	3,908	0.46
Marshalls	1,049,462	4,576	0.54
Melrose Industries	3,895,531	8,255	0.98
Morgan Sindall	165,403	2,335	0.28
Electronic & Electrical Equipment			
Halma	664,900	7,380	0.88
Morgan Crucible	742,032	2,303	0.27
Oxford Instruments	200,876	1,896	0.22
Spectris	202,800	4,861	0.58
General Industrials			
DS Smith	2,171,284	10,761	1.28
General Electric	207,000	3,747	0.44
Honeywell International	39,000	4,096	0.49
Smiths	1,053,300	16,632	1.97
Smurfit Kappa	47,407	1,121	0.13
Industrial Engineering			
IMI	575,371	7,123	0.85
Spirax-Sarco Engineering	69,900	3,848	0.46
Vitec	192,000	2,079	0.25
Industrial Transportation			
BBA Aviation	2,174,800	6,507	0.77
Stobart	898,500	2,410	0.29
Wincanton	936,339	2,207	0.26
Support Services			
De La Rue	365,000	2,341	0.28
Diploma	388,003	4,132	0.49
Electrocomponents	1,734,858	10,765	1.28
Ferguson (formerly Wolseley)	98,529	4,822	0.57
Hays	1,965,763	3,749	0.45
Rentokil Initial	4,660,610	13,940	1.66
Ricardo	244,400	1,980	0.24
Renewi (formerly Shanks)	1,986,900	1,967	0.23

Multi-Manager UK Equity Income Fund

Portfolio Statement

(continued)

as at 30 September 2017

	Holdings	Market Value £000	Total Net Assets %
OIL & GAS (4.53%*)		43,828	5.21
Oil & Gas Producers			
BP	2,994,100	14,321	1.70
Royal Dutch Shell 'A' Shares	189,000	4,258	0.51
Royal Dutch Shell 'B' Shares	1,099,950	25,249	3.00
TECHNOLOGY (2.16%*)		19,446	2.31
Software & Computer Services			
Micro Focus International	274,937	6,615	0.79
Microsoft	78,000	4,304	0.51
Sage	620,000	4,325	0.51
Technology Hardware & Equipment			
Apple	36,700	4,202	0.50
TELECOMMUNICATIONS (7.10%*)		37,005	4.39
Fixed Line Telecommunications			
AT&T	168,858	4,924	0.58
BT	5,952,511	16,932	2.01
Verizon Communications	122,058	4,505	0.54
Mobile Telecommunications			
Vodafone	5,114,961	10,644	1.26
UTILITIES (3.80%*)		26,022	3.09
Gas, Water & Multiutilities			
Centrica	4,338,447	8,113	0.96
Pennon	833,818	6,629	0.79
Severn Trent	193,000	4,211	0.50
United Utilities	823,433	7,069	0.84
Portfolio of investments		827,894	98.31
Net other assets		14,255	1.69
Total net assets		842,149	100.00

Equity investment instruments are quoted on a listed securities market, unless otherwise stated.

*Comparative figures shown in brackets relate to 30 September 2016.

Multi-Manager UK Equity Income Fund

Material Portfolio Changes

for the year ended 30 September 2017

	Cost £000		Proceeds £000
Major purchases		Major sales	
FTSE 100 Index Futures December 2016	23,534	AstraZeneca	29,077
HSBC	10,290	GlaxoSmithKline	27,439
BHP Billiton	7,579	FTSE 100 Index Futures December 2016	24,524
Rio Tinto	7,149	Aviva	21,490
ITV	6,965	BT	19,818
McCarthy & Stone	6,932	WS Atkins	19,700
Pfizer	6,883	Legal & General	17,112
Exxon Mobil	6,827	Rio Tinto	16,458
Taylor Wimpey	6,713	British Land*	15,854
General Electric	6,705	Merck	15,034

Purchases and sales of Futures have been included at the value of their exposure.

*Real Estate Investment Trust (REIT).

Multi-Manager UK Equity Income Fund

Securities Financing Transactions (SFT)

as at 30 September 2017

1) Global Data

Proportion of securities and commodities on loan as at 30 September 2017	£000	%
Total lendable assets excluding cash and cash equivalents:	786,978	
Securities and commodities on loan	52,957	6.73%
Assets engaged in SFTs and total return swaps as at 30 September 2017	£000	%
Fund assets under management (AUM)	848,080	
Absolute value of assets engaged in:		
Securities lending	52,957	6.24%

2) Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received as at 30 September 2017	£000
Republic of France	9,044
United States of America Treasury	7,991
Government of United Kingdom	6,221
Federal Republic of Germany	4,565
Kingdom of Netherlands	3,497
Republic of Austria	3,254
Kingdom of Belgium	2,441
Republic of Finland	1,543
HSBC	1,037
Banco Santander	1,002

Top 10 Counterparties

Name and value of outstanding transactions as at 30 September 2017	£000
Securities lending	
JP Morgan Securities	15,954
Morgan Stanley International	15,591
UBS	14,074
Deutsche Bank	4,150
HSBC Bank	2,396
Credit Suisse Securities (Europe)	495
Merrill Lynch	202
Bank of Nova Scotia	73
Citigroup Global Markets (UK)	16
ING Bank	6

Multi-Manager UK Equity Income Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

3) Aggregate Transaction Data

Type, Quality and Currency of Collateral as at 30 September 2017

Type	Quality	Currency	£000
Securities lending			
Equity	Traded on recognised exchange	Sterling	4,424
Equity	Traded on recognised exchange	Australian dollar	182
Equity	Traded on recognised exchange	Canadian dollar	49
Equity	Traded on recognised exchange	Chinese yuan	298
Equity	Traded on recognised exchange	Danish krone	54
Equity	Traded on recognised exchange	Euro	5,125
Equity	Traded on recognised exchange	Hong Kong dollar	1,144
Equity	Traded on recognised exchange	Japanese yen	251
Equity	Traded on recognised exchange	Norwegian krone	428
Equity	Traded on recognised exchange	Singapore dollar	341
Equity	Traded on recognised exchange	Swedish krona	224
Equity	Traded on recognised exchange	Swiss franc	90
Equity	Traded on recognised exchange	US dollar	4,744
Fixed Income	Investment Grade	Sterling	6,221
Fixed Income	Investment Grade	Canadian dollar	575
Fixed Income	Investment Grade	Euro	24,343
Fixed Income	Investment Grade	US dollar	7,991
Total collateral held			<u>56,484</u>

Maturity Tenor of Collateral (remaining period to maturity) as at 30 September 2017

Type	Less than one day £000	One day to one week £000	One week to one month £000	One to three months £000	Three months to one year £000	Above one year £000	Open maturity £000	Total £000
Securities lending	-	484	85	5,712	6,896	25,953	17,354	56,484
	-	484	85	5,712	6,896	25,953	17,354	56,484

Counterparty details as at 30 September 2017

Type	Country of counterparty establishment	Settlement and clearing	£000
Securities lending	Germany	Bi-lateral	320
Securities lending	Switzerland	Bi-lateral	1,363
Securities lending	United Kingdom	Bi-lateral	4,361
Securities lending	Canada	Tri-party	79
Securities lending	Germany	Tri-party	4,156
Securities lending	Netherlands	Tri-party	7
Securities lending	Switzerland	Tri-party	13,823
Securities lending	United Kingdom	Tri-party	32,375
Total collateral held			<u>56,484</u>

Maturity Tenor of SFTs and Total Return Swaps (remaining period to maturity) as at 30 September 2017

Type	Less than one day £000	One day to one week £000	One week to one month £000	One to three months £000	Three months to one year £000	Above one year £000	Open maturity £000	Total £000
Securities lending	-	-	-	-	-	-	52,957	52,957
	-	-	-	-	-	-	52,957	52,957

Multi-Manager UK Equity Income Fund

Securities Financing Transactions (SFT)

(continued)

as at 30 September 2017

4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 30 September 2017

	£000
Bank of New York	30,452
JP Morgan	17,479
State Street	6,044
Crest	2,509

Number of custodians safekeeping collateral	4
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6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

7) Return and Cost

for the year ended 30 September 2017

	Collective Investment Undertaking £000	Manager of Collective Investment Undertaking £000	Third Parties (e.g. lending agent) £000	Total £000
Securities lending				
Gross return	182	12	48	242
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

*All direct costs from securities lending are borne by lending agent.

Multi-Manager UK Equity Income Fund

Comparative Table

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	213.55	187.72	185.42
Return before operating charges*	24.94	29.11	5.59
Operating charges	(3.76)	(3.28)	(3.29)
Return after operating charges*	21.18	25.83	2.30
Distributions	(9.95)	(8.43)	(7.16)
Retained distributions on accumulation shares	9.95	8.43	7.16
Closing net asset value per share	234.73	213.55	187.72
*after direct transaction costs of:~	0.24	0.20	0.19
Performance			
Return after charges^	9.92%	13.76%	1.24%
Other information			
Closing net asset value (£000)	107,980	123,292	122,110
Closing number of shares	46,001,626	57,735,364	65,048,075
Operating charges#	1.67%	1.66%	1.66%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	239.00	216.10	210.60
Lowest share price	207.40	178.50	182.30

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This is different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class A - Income			
Change in net assets per share			
Opening net asset value per share	115.51	105.93	108.57
Return before operating charges*	13.35	16.09	3.40
Operating charges	(2.00)	(1.83)	(1.90)
Return after operating charges*	11.35	14.26	1.50
Distributions	(5.30)	(4.68)	(4.14)
Closing net asset value per share	121.56	115.51	105.93
*after direct transaction costs of:~	0.13	0.11	0.11
Performance			
Return after charges	9.83%	13.46%	1.38%
Other information			
Closing net asset value (£000)	57,811	102,283	97,508
Closing number of shares	47,558,998	88,547,360	92,049,144
Operating charges#	1.67%	1.66%	1.66%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	127.10	118.10	122.10
Lowest share price	112.20	99.94	106.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	123.10	107.34	105.28
Return before operating charges*	14.43	16.74	3.03
Operating charges	(1.13)	(0.98)	(0.97)
Return after operating charges*	13.30	15.76	2.06
Distributions	(5.76)	(4.85)	(4.09)
Retained distributions on accumulation shares	5.76	4.85	4.09
Closing net asset value per share	136.40	123.10	107.34
*after direct transaction costs of:~	0.14	0.11	0.11
Performance			
Return after charges	10.80%	14.68%	1.96%
Other information			
Closing net asset value (£000)	215	192	156
Closing number of shares	157,336	155,847	145,524
Operating charges#	0.86%	0.86%	0.85%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	138.50	124.60	120.10
Lowest share price	119.60	102.40	103.60

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class B - Income			
Change in net assets per share			
Opening net asset value per share	109.94	100.01	101.75
Return before operating charges*	12.74	15.27	3.09
Operating charges	(1.00)	(0.90)	(0.93)
Return after operating charges*	11.74	14.37	2.16
Distributions	(5.06)	(4.44)	(3.90)
Closing net asset value per share	116.62	109.94	100.01
*after direct transaction costs of:~	0.12	0.10	0.10
Performance			
Return after charges	10.68%	14.37%	2.12%
Other information			
Closing net asset value (£000)	7,415	5,365	3,686
Closing number of shares	6,358,139	4,879,847	3,685,339
Operating charges#	0.87%	0.86%	0.86%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	121.60	112.40	114.80
Lowest share price	106.80	94.62	100.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class C - Accumulation			
Change in net assets per share			
Opening net asset value per share	125.19	109.51	107.67
Return before operating charges*	14.66	17.02	3.18
Operating charges	(1.55)	(1.34)	(1.34)
Return after operating charges*	13.11	15.68	1.84
Distributions	(5.85)	(4.93)	(4.17)
Retained distributions on accumulation shares	5.85	4.93	4.17
Closing net asset value per share	138.30	125.19	109.51
*after direct transaction costs of:~	0.14	0.11	0.11
Performance			
Return after charges	10.47%	14.32%	1.71%
Other information			
Closing net asset value (£000)	219	146	116
Closing number of shares	158,477	116,705	105,982
Operating charges#	1.17%	1.16%	1.16%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	140.60	126.70	122.60
Lowest share price	121.60	104.30	105.90

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class C - Income			
Change in net assets per share			
Opening net asset value per share	110.08	100.44	102.47
Return before operating charges*	12.74	15.30	3.15
Operating charges	(1.34)	(1.21)	(1.26)
Return after operating charges*	11.40	14.09	1.89
Distributions	(5.06)	(4.45)	(3.92)
Closing net asset value per share	116.42	110.08	100.44
*after direct transaction costs of:~	0.12	0.10	0.10
Performance			
Return after charges	10.36%	14.03%	1.84%
Other information			
Closing net asset value (£000)	104,399	108,269	106,952
Closing number of shares	89,672,075	98,354,794	106,481,403
Operating charges#	1.17%	1.16%	1.16%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	121.50	112.60	115.50
Lowest share price	107.00	94.93	100.50

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class P - Income			
Change in net assets per share			
Opening net asset value per share	145.80	132.34	134.37
Return before operating charges*	16.90	20.22	4.03
Operating charges	(0.98)	(0.88)	(0.91)
Return after operating charges*	15.92	19.34	3.12
Distributions	(6.72)	(5.88)	(5.15)
Closing net asset value per share	155.00	145.80	132.34
*after direct transaction costs of:~	0.16	0.14	0.13
Performance			
Return after charges	10.92%	14.61%	2.32%
Other information			
Closing net asset value (£000)	147,447	309,294	371,163
Closing number of shares	95,124,647	212,140,693	280,466,334
Operating charges#	0.65%	0.64%	0.64%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	161.60	149.10	151.70
Lowest share price	141.70	125.30	132.30

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	146.12	132.50	134.41
Return before operating charges*	16.97	20.26	4.01
Operating charges	(0.84)	(0.75)	(0.77)
Return after operating charges*	16.13	19.51	3.24
Distributions	(6.74)	(5.89)	(5.15)
Closing net asset value per share	155.51	146.12	132.50
*after direct transaction costs of:~	0.16	0.14	0.13
Performance			
Return after charges	11.04%	14.72%	2.41%
Other information			
Closing net asset value (£000)	289,123	543,954	536,847
Closing number of shares	185,925,249	372,263,204	405,174,017
Operating charges#	0.55%	0.54%	0.54%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	162.10	149.40	151.80
Lowest share price	142.10	125.50	132.30

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Comparative Table

(continued)

as at 30 September 2017

	30/09/17 (p)	30/09/16 (p)	30/09/15 (p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	205.94	178.84	174.69
Return before operating charges*	24.18	27.94	4.98
Operating charges	(0.98)	(0.84)	(0.83)
Return after operating charges*	23.20	27.10	4.15
Distributions	(9.66)	(8.09)	(6.79)
Retained distributions on accumulation shares	9.66	8.09	6.79
Closing net asset value per share	229.14	205.94	178.84
*after direct transaction costs of:~	0.24	0.19	0.18
Performance			
Return after charges	11.27%	15.15%	2.38%
Other information			
Closing net asset value (£000)	127,540	119,293	101,706
Closing number of shares	55,659,669	57,925,908	56,869,367
Operating charges#	0.45%	0.44%	0.44%
Direct transaction costs~	0.11%	0.10%	0.09%
Prices**			
Highest share price	232.50	208.40	199.70
Lowest share price	200.20	170.80	172.00

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest prices are based on published prices. The opening and closing net asset value per share include accounting adjustments, therefore they may appear higher or lower as a result.

Prices for Share Class X are not published externally, as this is an internal share class.

The period to 30 September 2015 covered eleven months.

Multi-Manager UK Equity Income Fund

Statement of Total Return

for the year ended 30 September 2017

	Notes	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
		£000	£000	£000	£000
Income					
Net capital gains	2		85,592		134,160
Revenue	3	48,565		58,486	
Expenses	4	(8,991)		(10,791)	
Interest payable and similar charges		(1)		-	
Net revenue before taxation		39,573		47,695	
Taxation	5	(479)		(471)	
Net revenue after taxation			39,094		47,224
Total return before distributions			124,686		181,384
Distributions	6		(48,085)		(58,015)
Change in net assets attributable to shareholders from investment activities			76,601		123,369

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 30 September 2017

	01/10/16 to 30/09/17		01/10/15 to 30/09/16	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		1,312,088		1,340,244
Amounts receivable on creation of shares	32,974		94,037	
Less: Amounts payable on cancellation of shares	(590,240)		(255,750)	
		(557,266)		(161,713)
Dilution adjustment		621		436
Change in net assets attributable to shareholders from investment activities		76,601		123,369
Retained distributions on accumulation shares		10,102		9,752
Unclaimed distributions		3		-
Closing net assets attributable to shareholders		842,149		1,312,088

Notes to the Financial Statements are on pages 181 to 188.

Multi-Manager UK Equity Income Fund

Balance Sheet

as at 30 September 2017

	Notes	30/09/17 £000	30/09/16 £000
Assets			
Fixed assets			
Investments		827,894	1,290,858
Current assets			
Debtors	8	2,980	5,889
Cash and bank balances		19,315	31,717
Total assets		850,189	1,328,464
Liabilities			
Creditors			
Distribution payable		(5,504)	(11,166)
Other creditors	9	(2,536)	(5,210)
Total liabilities		(8,040)	(16,376)
Net assets attributable to shareholders		842,149	1,312,088

Notes to the Financial Statements are on pages 181 to 188.

Multi-Manager UK Equity Income Fund

Notes to the Financial Statements

for the year ended 30 September 2017

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14.

2. Net capital gains

The net capital gains during the year comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Non-derivative securities	84,540	131,630
Futures contracts	990	732
Forward currency contracts	(26)	1,563
Currency gains	82	34
Transaction charges	(30)	1
Dealing cost reimbursement	-	170
Breach compensation	-	2
Underwriting commission	36	28
Net capital gains	<u>85,592</u>	<u>134,160</u>

3. Revenue

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
UK dividends	38,842	50,626
Overseas taxable revenue*	(123)	3
Overseas non-taxable revenue	8,559	5,459
Property revenue from UK REITs - PID	894	1,144
Property revenue from UK REITs - Non PID	189	637
Bank interest	2	16
Fokus Bank interest	-	15
Underwriting commission	20	-
Stock lending revenue	182	586
Total revenue	<u>48,565</u>	<u>58,486</u>

*Overseas taxable revenue includes currency gains or losses arising from the repatriation of foreign dividends therefore may be negative.

4. Expenses

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	4,530	5,332
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	120	132
Safe custody fees	12	16
	<u>132</u>	<u>148</u>
Other expenses:		
Audit fee	10	11
Sub advisers' fees	3,663	4,458
Professional fees	10	-
Registration fees	1,112	1,363
Fees paid to PwC for non-audit services*	-	24
Expense capping adjustment‡	(466)	(545)
	<u>4,329</u>	<u>5,311</u>
Total expenses	<u>8,991</u>	<u>10,791</u>

Expenses include irrecoverable VAT.

‡From 25 July 2014 within the Q share class no registration fee will be deducted and this will be borne by the ACD.

*Fees paid during the prior year are in relation to Fokus Bank tax reclaims.

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

5. Taxation

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	479	471
(b) Factors affecting total tax charge for the year:		
The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2016: 20%). The differences are explained below:		
Net revenue before taxation	39,573	47,695
Corporation tax of 20% (2016: 20%)	7,915	9,539
Effects of:		
Franked UK income*	(7,768)	(10,125)
Overseas non-taxable revenue*	(1,712)	(1,092)
Movement in excess management expenses	1,603	1,803
Irrecoverable overseas tax	479	471
Property revenue from UK REITs - Non PID*	(38)	(127)
Overseas tax expensed	-	2
Total tax charge for year (note 5a)	479	471

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £22,006,957 (30/09/16: £20,403,273) relating to surplus management expenses. No deferred tax asset has been recognised in either year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
First interim	11,530	11,811
Second interim	9,291	11,855
Third interim	15,328	19,445
Final	7,627	13,677
	43,776	56,788
Add: Revenue deducted on cancellation of shares	4,485	1,606
Deduct: Revenue received on creation of shares	(176)	(379)
Net distributions for the year	48,085	58,015

Details of the distributions per share are set out in the Distribution Tables on pages 189 to 192.

Notes to the Financial Statements

(continued)

for the year ended 30 September 2017

7. Movement between net revenue and net distributions

	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Net revenue after taxation	39,094	47,224
ACD's periodic charge taken to capital	4,530	5,332
Other expenses paid from capital†	4,461	5,459
Net distributions for the year	<u>48,085</u>	<u>58,015</u>

† Comprised of registration, depositary, sub-advisers', FCA, safe custody, audit fees, distribution charges and fees paid to PwC for non-audit services.

8. Debtors

	30/09/17 £000	30/09/16 £000
Sales awaiting settlement	346	1,088
Amounts receivable for issue of shares	144	472
Accrued revenue	2,438	4,264
Overseas tax recoverable	18	19
Expense capping adjustment	34	46
Total debtors	<u>2,980</u>	<u>5,889</u>

9. Other creditors

	30/09/17 £000	30/09/16 £000
Purchases awaiting settlement	449	723
Amounts payable for cancellation of shares	1,070	2,767
Accrued expenses	1,017	1,720
Total other creditors	<u>2,536</u>	<u>5,210</u>

10. Related party transactions

Scottish Widows Unit Trust Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund. Lloyds Banking Group, as the parent company of the ACD is the ultimate controlling party of the Fund. As such any member company of Lloyds Banking Group is also a related party.

Scottish Widows Unit Trust Managers Limited act as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Scottish Widows Unit Trust Managers Limited in respect of share transactions at the year end are included in the Balance Sheet.

Amounts paid to Scottish Widows Unit Trust Managers Limited in respect of ACD and registration fees (Registrar has changed from Bank of New York Mellon (International) Limited to Scottish Widows Unit Trust Managers Limited in the current period) are disclosed in note 4, with £324,299 (30/09/16: £436,620) due at the year end.

The Fund has a related party holding of nil (30/09/16: 3,650,000 shares) and value of £nil (30/09/16: £1,973,190) held at the year end within the Lloyds Banking Group.

Revenue disclosed in note 3 includes amounts received from Lloyds Banking Group investments. The total revenue received amounts to £nil (30/09/16: £295,425).

Shares held by associates of the ACD

On 30 September 2017, shares held as a percentage of the Fund's value were:

	30/09/17 %	30/09/16 %
ACD and associates of the ACD*	47.34	46.84

*Prior year figures have been restated to reflect the LBG ownership as a percentage of the Funds' values, not shares.

for the year ended 30 September 2017

11. Share classes

The Fund has six share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation:	1.22
Share Class A - Income:	1.22
Share Class B - Accumulation:	0.42
Share Class B - Income:	0.42
Share Class C - Accumulation:	0.72
Share Class C - Income:	0.72
Share Class P - Income:	0.20
Share Class Q - Income:	0.20
Share Class X - Accumulation:	-

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 170 to 178.

The distributions per share class are given in the Distribution Tables on pages 189 to 192.

Reconciliation of the shares movement in the year:

	01/10/16				30/09/17
	Opening shares in issue	Creations	Cancellations	Shares converted*	Closing shares in issue
Share Class A - Accumulation	57,735,364	2,067,210	(13,800,948)	-	46,001,626
Share Class A - Income	88,547,360	632,650	(41,621,012)	-	47,558,998
Share Class B - Accumulation	155,847	254,605	(253,116)	-	157,336
Share Class B - Income	4,879,847	3,073,100	(2,722,588)	1,127,780	6,358,139
Share Class C - Accumulation	116,705	16,000	(2,256)	28,028	158,477
Share Class C - Income	98,354,794	432,105	(9,082,931)	(31,893)	89,672,075
Share Class P - Income	212,140,693	7,894,790	(124,886,264)	(24,572)	95,124,647
Share Class Q - Income	372,263,204	3,404,149	(188,918,583)	(823,521)	185,925,249
Share Class X - Accumulation	57,925,908	2,867,921	(5,134,160)	-	55,659,669

*Share conversions during the year relate to the restructure of a large client portfolio from an institutional share class to a retail share class.

12. Capital commitments and contingent liabilities

On 30 September 2017, the Fund had no capital commitments (30/09/16: £nil) and no contingent liabilities (30/09/16: £nil).

13. Securities on loan

The aggregate value of securities on loan at 30 September 2017 is £52,957,067 (30/09/16: £66,182,331). The identities of these counterparties are listed in the counterparties table below. Securities on loan are included in the portfolio statement and no account is taken of any collateral held. The aggregate value of collateral held at 30 September 2017 is £56,484,490 (30/09/16: £71,808,257). This collateral is listed in the collateral held table below.

The gross earnings and fees paid for the year are £242,095 (30/09/16: £781,228) and £60,538 (30/09/16: £195,336).

for the year ended 30 September 2017

	30/09/17	30/09/16
Counterparties	£000	£000
Bank of Nova Scotia	73	-
Citigroup Global Markets (UK)	16	1,395
Credit Suisse Securities (Europe)	495	8,289
Deutsche Bank	4,150	29,031
HSBC Bank	2,396	503
ING Bank	6	289
JP Morgan Securities	15,954	15,121
Merrill Lynch	202	2,969
Morgan Stanley International	15,591	-
Societe General	-	2,702
UBS	14,074	5,883
Total securities on loan	<u>52,957</u>	<u>66,182</u>
	30/09/17	30/09/16
Collateral held	£000	£000
Bonds	39,130	28,577
Equities	17,354	42,819
Cash	-	412
Total collateral held	<u>56,484</u>	<u>71,808</u>

14. Risk management policies, derivatives and other financial instruments

A statement of the Fund's objective and the policy for achieving it has been included on page 160. The risks inherent in the Fund's investment portfolio are as follows:

(a) Currency risk

A portion of the Fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the Sterling value of the portfolio, cash and investment purchases and sales.

The Fund hedges the initial investment but not the subsequent gains/losses on the settling value of investments that are denominated in foreign currencies.

As at 30 September 2017, if the value of Sterling increased or decreased by 1% against all currencies, the resulting change in the net assets attributable to shareholders of the Fund would have been an increase or decrease of approximately £503,594 (30/09/16: £1,007,602).

As at 30 September the Fund had the following net currency exposure (excluding Sterling):

	Currency exposure 30/09/17	Currency exposure 30/09/16
Currency	£000	£000
Euro	1,843	-
Swiss franc	-	19
US dollar	48,516	100,741
Total	<u>50,359</u>	<u>100,760</u>

(b) Interest rate risk profile of financial assets and liabilities

The Fund receives revenue from holdings in equities. The cashflow from these investments may fluctuate depending upon the particular decisions made by each company. Given that the Fund's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Fund's net cash holding of £19,315,171 (30/09/16: holding £31,716,963) is held in a floating rate deposit account whose interest rates are based on LIBOR or its international equivalent.

The Fund holds net cash at futures brokers of £nil (30/09/16: cash £2), whose rates are on based on LIBOR or its international equivalent.

The interest rate exposure for the Fund is not deemed to be significant and on that basis no sensitivity analysis is presented.

The Fund did not have any long term financial liabilities.

for the year ended 30 September 2017

(c) *Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the Fund for the purpose of efficient portfolio management (EPM). EPM requires that the purpose of the derivative contract must be to achieve; a reduction of the risk, or a reduction of cost, or the generation of additional capital, or revenue for the Fund with an acceptably low level of risk. The ACD monitors the use of derivative contracts to ensure that the requirements of EPM are satisfied. All derivative contracts with exception to forward currency contracts were traded on an eligible derivatives exchange.

Exposure to the various markets may be balanced through tactical asset allocation of futures contracts. Tactical asset allocation is a technique which allows the ACD to undertake a switch in the Fund's exposure by the use of derivatives rather than through the sale and purchase by the Fund of transferable securities.

Due to the use of derivatives, the percentage movements in the value of the Fund will be different from the percentage movements in the markets. At the year end, as the sensitivity analysis or value at risk are not significant, no additional disclosure has been shown.

Efficient portfolio management techniques	Value (£) 30/09/17	Value (£) 30/09/16
Gross revenues arising from efficient portfolio management techniques	242,095	781,228
Direct operational costs and fees incurred	(48,433)	(156,269)
Indirect operational costs and fees incurred	(12,105)	(39,067)
Net revenue generated for Fund during the annual accounting period	<u>181,557</u>	<u>585,892</u>

Counterparties to financial derivative instruments and efficient portfolio management techniques as at 30 September 2017

No uncollateralised counterparty exposure.

Collateral	Value (£) 30/09/17	Value (£) 30/09/16
The type and amount of collateral received to reduce counterparty exposure:		
GBP Cash - Merrill Lynch	-	2

(d) *Liquidity risk*

All of the Fund's financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. In general, the Investment Adviser manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

All of the Fund's financial liabilities are payable on demand or in less than one year.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

(e) *Market price risk and fair value of financial assets and liabilities*

The Fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the Fund's objectives. In addition, the management of the Fund complies with the Financial Conduct Authority COLL Sourcebook, which includes rules prohibiting a holding greater than 20% of assets in any one fund.

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

As at 30 September 2017, if the price of investments held by the Funds increased or decreased by 1%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 1%; which for this Fund would equate to £8,278,944 (30/09/16: £12,908,577).

(f) *Credit risk*

The Fund enters into transactions in financial instruments which expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its obligations. The Fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable. These are reviewed on an ongoing basis.

for the year ended 30 September 2017

15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000	01/10/16 to 30/09/17 £000	01/10/15 to 30/09/16 £000
Equities	216,429	275,361	763,865	425,470
Commissions				
Equities	178	203	(426)	(222)
Futures~	0	1	0	(1)
Total commissions	178	204	(426)	(223)
Taxes				
Equities	831	1,161	(5)	(2)
Total taxes	831	1,161	(5)	(2)
Total costs	1,009	1,365	(431)	(225)
Total net trades in the year after transaction costs	217,438	276,726	763,434	425,245

~ The value of transaction costs is below £500 and is therefore rounded down to £0.

Total transaction cost expressed as a percentage of asset class trades

	Purchases		Sales	
	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %
Commissions				
Equities	0.08	0.07	0.06	0.05
Taxes				
Equities	0.38	0.42	0.00	0.00

Total transaction cost expressed as a percentage of average net asset value

	01/10/16 to 30/09/17 %	01/10/15 to 30/09/16 %
Commissions	0.05	0.03
Taxes	0.08	0.09
Total costs	0.13	0.12

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities and futures contracts, broker commissions and transfer taxes may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts is not shown in the analysis of total trade costs above.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.11% (30/09/16: 0.17%).

for the year ended 30 September 2017

16. Fair value

Valuation technique	30/09/17		30/09/16	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	827,894	-	1,290,858	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	<u>827,894</u>	<u>-</u>	<u>1,290,858</u>	<u>-</u>

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

The Fund early adopted the FRS102 update made in March 2016.

Multi-Manager UK Equity Income Fund

Distribution Tables

for the year ended 30 September 2017

Distribution in pence per share

- Group 1 First Interim Shares purchased prior to 1 October 2016
 Second Interim Shares purchased prior to 1 January 2017
 Third Interim Shares purchased prior to 1 April 2017
 Final Shares purchased prior to 1 July 2017
- Group 2 First Interim Shares purchased on or between 1 October 2016 and 31 December 2016
 Second Interim Shares purchased on or between 1 January 2017 and 31 March 2017
 Third Interim Shares purchased on or between 1 April 2017 and 30 June 2017
 Final Shares purchased on or between 1 July 2017 and 30 September 2017

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.9453	-	1.9453	1.6447
Second Interim	1.8431	-	1.8431	1.6678
Third Interim	4.0453	-	4.0453	2.9108
Final	2.1142	-	2.1142	2.2094
Group 2	(p)	(p)	(p)	(p)
First Interim	1.9453	-	1.9453	-
Second Interim	1.8283	0.0148	1.8431	1.6678
Third Interim	4.0453	-	4.0453	2.9108
Final	0.5808	1.5334	2.1142	2.2094

Share Class A - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.0524	-	1.0524	0.9279
Second Interim	0.9881	-	0.9881	0.9334
Third Interim	2.1515	-	2.1515	1.6151
Final	1.1050	-	1.1050	1.2077
Group 2	(p)	(p)	(p)	(p)
First Interim	0.9874	0.0650	1.0524	0.9279
Second Interim	0.8547	0.1334	0.9881	0.9334
Third Interim	0.7057	1.4458	2.1515	1.6151
Final	0.9670	0.1380	1.1050	1.2077

Share Class B - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.1228	-	1.1228	0.9417
Second Interim	1.0662	-	1.0662	0.9572
Third Interim	2.3432	-	2.3432	1.6735
Final	1.2290	-	1.2290	1.2728
Group 2	(p)	(p)	(p)	(p)
First Interim	1.1217	0.0011	1.1228	0.9417
Second Interim	1.0647	0.0015	1.0662	-
Third Interim	2.3408	0.0024	2.3432	1.6735
Final	1.2290	-	1.2290	-

Multi-Manager UK Equity Income Fund

Distribution Tables

(continued)

for the year ended 30 September 2017

Share Class B - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.0026	-	1.0026	0.8772
Second Interim	0.9435	-	0.9435	0.8839
Third Interim	2.0578	-	2.0578	1.5326
Final	1.0591	-	1.0591	1.1483
Group 2	(p)	(p)	(p)	(p)
First Interim	0.9963	0.0063	1.0026	0.8772
Second Interim	0.4590	0.4845	0.9435	0.8839
Third Interim	0.3851	1.6727	2.0578	1.5326
Final	0.9655	0.0936	1.0591	1.1483

Share Class C - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.1410	-	1.1410	0.9598
Second Interim	1.0825	-	1.0825	0.9746
Third Interim	2.3788	-	2.3788	1.7029
Final	1.2448	-	1.2448	1.2944
Group 2	(p)	(p)	(p)	(p)
First Interim	1.1349	0.0061	1.1410	0.9598
Second Interim	1.0797	0.0028	1.0825	0.9746
Third Interim	2.2275	0.1513	2.3788	1.7029
Final	1.2448	-	1.2448	1.2944

Share Class C - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.0034	-	1.0034	0.8805
Second Interim	0.9435	-	0.9435	0.8867
Third Interim	2.0566	-	2.0566	1.5361
Final	1.0576	-	1.0576	1.1502
Group 2	(p)	(p)	(p)	(p)
First Interim	0.8418	0.1616	1.0034	0.8805
Second Interim	0.2980	0.6455	0.9435	0.8867
Third Interim	0.8174	1.2392	2.0566	1.5361
Final	0.4357	0.6219	1.0576	1.1502

Multi-Manager UK Equity Income Fund

Distribution Tables

(continued)

for the year ended 30 September 2017

Share Class P - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.3296	-	1.3296	1.1606
Second Interim	1.2523	-	1.2523	1.1707
Third Interim	2.7323	-	2.7323	2.0303
Final	1.4074	-	1.4074	1.5224
Group 2	(p)	(p)	(p)	(p)
First Interim	0.7409	0.5887	1.3296	1.1606
Second Interim	1.0356	0.2167	1.2523	1.1707
Third Interim	1.1739	1.5584	2.7323	2.0303
Final	0.7806	0.6268	1.4074	1.5224

Share Class Q - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.3328	-	1.3328	1.1621
Second Interim	1.2556	-	1.2556	1.1726
Third Interim	2.7398	-	2.7398	2.0340
Final	1.4116	-	1.4116	1.5256
Group 2	(p)	(p)	(p)	(p)
First Interim	0.9018	0.4310	1.3328	1.1621
Second Interim	0.8829	0.3727	1.2556	1.1726
Third Interim	1.0215	1.7183	2.7398	2.0340
Final	0.5059	0.9057	1.4116	1.5256

Share Class X - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/11/2017	Distributions paid to 30/11/2016
Group 1	(p)	(p)	(p)	(p)
First Interim	1.8785	-	1.8785	1.5689
Second Interim	1.7859	-	1.7859	1.5964
Third Interim	3.9303	-	3.9303	2.7937
Final	2.0607	-	2.0607	2.1275
Group 2	(p)	(p)	(p)	(p)
First Interim	1.5660	0.3125	1.8785	1.5689
Second Interim	1.3450	0.4409	1.7859	1.5964
Third Interim	1.2698	2.6605	3.9303	2.7937
Final	1.3415	0.7192	2.0607	2.1275

for the year ended 30 September 2017

Corporate shareholder information (unaudited) for all share classes

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

First Interim - 100.00% of the dividend, is received as franked investment income.

First Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

First Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Second Interim - 100.00% of the dividend, is received as franked investment income.

Second Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Second Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Third Interim - 100.00% of the dividend, is received as franked investment income.

Third Interim - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Third Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

General Information

About OEICs

The Multi-Manager ICVC (the "Company") is an umbrella Open Ended Investment Company ("OEIC"). An OEIC is a collective investment vehicle with variable capital in which your funds are pooled with a portfolio of investments in accordance with its Prospectus and the Collective Investment Schemes Sourcebook (COLL Sourcebook).

Scottish Widows is committed to being a responsible investor on behalf of our customers, with particular focus on Stewardship, Ethical investment and Environmental, Social and Governance (ESG) issues. Our commitment to responsible investment is explained in more detail through this link: www.scottishwidows.co.uk/about_us/responsibleinvestment

It should be remembered that the value of your shares will be affected by fluctuations in the relevant markets and foreign currency exchange rates (where applicable) and may, therefore, go down as well as up. You should view your investment over the medium to long-term.

Please contact us on 0345 300 2244 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as UCITS schemes which comply with Chapter 5 of the COLL Sourcebook.

The base currency of the Company is Sterling, but a class of shares in respect of any sub-fund may be designated in any currency other than Sterling.

Shares

The Company currently offers seven share classes; Class A, Class B, Class C, Class P, Class Q, Class S and Class X. Each share class has a different ACD fee.

Prices and Dealing Times

The price used for either the purchase or sale of shares is normally the next price calculated after your instructions are received and accepted at our Edinburgh Office. Advisers have no authority to guarantee applications or prices.

The latest prices are obtainable from the Dealing Desk on 0345 845 0066.

Shares may be bought or sold between 9:00am and 5:00pm on Mondays to Fridays inclusive.

Liability

Shareholders are not liable for the debts of the Company.

Prospectus

The Prospectus, which is available from the ACD free of charge, outlines how the Company is managed and gives details of the types of assets in which each sub-fund may invest. The Prospectus and (where applicable) the Instrument of Incorporation have been amended during the year to 30 September 2017 (as noted on pages 2 to 3). Full terms and conditions are available from the ACD.

Personal Taxation

Unless your shares are held within an ISA, if you sell your shares or switch your shares to a different sub-fund, this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisors if they are in any doubt about their position.

Queries

If you have any queries about the operation of your sub-fund you should in the first instance contact the ACD. Please supply details of your holding (including surname, initials and account number).

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