SWIP / MULTI-MANAGER (FUND OF FUNDS) ICVC

Annual Short Report for the year ended 31 October 2013

SCOTTISH WIDOWS INVESTMENT PARTNERSHIP

PERFORM

SWIP MULTI-MANAGER (FUND OF FUNDS) ICVC

The Company and Head Office

SWIP Multi-Manager (Fund of Funds) ICVC

Head Office:
33 Old Broad Street
London
EC2N 1HZ

Correspondence Address:
BNY Mellon House
Ingrave Road
Brentwood
Essex
CM15 8TG

Incorporated in Great Britain under registered number IC000594. Authorised and regulated by the Financial Conduct Authority.

Authorised Corporate Director (ACD) and Authorised Fund Manager

SWIP Multi-Manager Funds Limited

Registered and Head Office:
33 Old Broad Street
London
EC2N 1HZ

Correspondence Address:
BNY Mellon House
Ingrave Road
Brentwood
Essex
CM15 8TG

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Management Association.

Investment Adviser

Scottish Widows Investment Partnership Limited

Registered Office:
33 Old Broad Street
London
EC2N 1HZ

Business Address:
Edinburgh One
60 Morrison Street
Edinburgh
EH3 8BE

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Management Association.

Depositary

State Street Trustees Limited

Registered Office:
20 Churchill Place
Canary Wharf
London
E14 5HJ

Head Office:
525 Ferry Road
Edinburgh
EH5 2AW

Authorised and regulated by the Financial Conduct Authority.

Registrar

The Bank of New York Mellon (International) Limited

Registered Office:
One Canada Square
Canary Wharf
London
E14 5AL

Correspondence Address:
BNY Mellon House
Ingrave Road
Brentwood
Essex
CM15 8TG

Independent Auditors

PricewaterhouseCoopers LLP
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

SWIP MULTI-MANAGER (FUND OF FUNDS) ICVC

Contents

Long reports are available on request. If you would like a copy, please telephone us on **0800 33 66 00** or download the financial statements from the website **www.swip.com** which is a website maintained by SWIP Limited.

Prospectus Changes

During the year and up to the date of this report, no changes were made to the Company and therefore no changes where reflected in the Prospectus and/or Instrument of Incorporation of SWIP Multi-Manager (Fund of Funds) ICVC.

A copy of the Prospectus is available on request.

Important Information

From 1 April 2013 the Company and the ACD are authorised and regulated by the UK Financial Conduct Authority (the “FCA”). As the end of the accounting period was after this date all references to the predecessor of the FCA, the UK Financial Services Authority (the “FSA”), have been replaced within these accounts.

The ACD of the Company has reviewed the disclosure wording across its range of Prospectuses to ensure this is consistent and accurately reflects the implication of dilution and its dilution policy for all its Funds. Accordingly the dilution wording in the Prospectus of the Company will be updated and repositioned to improve clarity and to comply with the enhanced disclosures as recommended by the Investment Management Association, the Industry Body of Asset Managers. Further information on the ACD's dilution adjustment policy will also be available on SWIP.com.

Following the implementation of RDR and the Investment Management Associations recommendations on share class conversions the ACD of the Company will update the Prospectus to differentiate between switches and conversions.

Following a review of the ACD's product range as a result of recent regulatory changes regarding absolute return and total return type strategies the investment objective and policy of the SWIP Diversified Assets Fund has been amended to clarify the existing investment strategy of the Fund. There is no change to the existing investment strategy and accordingly no change to the way the Fund will be managed.

At the performance fee year end of 31 December 2012 the SWIP Multi-Manager Optimal Multi-Asset Fund did not outperform the benchmark of the performance fee basis (6% per annum over Sterling 3 month LIBOR) therefore no performance fee was paid for the performance fee year end. However, the SWIP Multi-Manager Optimal Multi-Asset Fund did outperform the benchmark at the Fund’s year end 31 October 2013 and an accrual for £4,757 was incurred at 31 October 2013.

Following FCA approval, as from 2 December 2013, the Company took on protected cell status and the Company’s Prospectus and Instrument of Incorporation were amended accordingly. From this date the new segregated liability regime took effect and the Funds are segregated portfolio of assets with the assets of a Fund belonging exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose. The conversion to Protected Cell status also enables the Funds within the Fund to cross invest in other Funds within the Company subject to certain qualifications in the COLL Sourcebook and the Prospectus has been updated to include this new investment power.

On 18 November 2013 Lloyds Banking Group plc announced that it has agreed to sell its asset management business Scottish Widows Investment Partnership Group Limited to Aberdeen Asset Management plc. The sale is expected to complete by the end of the first quarter of 2014, subject to obtaining the necessary regulatory and other consents.

SWIP DIVERSIFIED ASSETS FUND

for the year ended 31 October 2013

Fund Profile

Investment Objective & Policy

Over the long term, the Fund aims to achieve a total return in excess of cash (Bank of England Base Rate) with below average risk through investment in a portfolio which gives exposure across a range of asset classes and geographic regions.

The Fund will invest predominantly in collective Investment schemes (which will, in the main, be managed by the Investment Adviser) to obtain exposure to fixed interest securities (including government and supranational bonds, corporate bonds, high yield bonds and emerging markets debt), equities (including UK, overseas and emerging markets), money market instruments, property, private equity, hedge funds and commodities as well as to cash, near cash and deposits.

In addition, the Fund may invest, at the Investment Adviser's discretion, directly or indirectly in warrants, other transferable securities (including closed-end funds), money market instruments, cash, near cash, deposits, permitted derivative contracts and forward contracts.

Use may also be made of stocklending, borrowing and hedging.

Derivatives transactions may be used for the purposes of efficient portfolio management, hedging and to meet the investment objectives of the Fund. Derivatives may be exchange traded or Over the Counter (OTC) derivatives. If derivatives are used for the purpose of meeting the investment objective of the Fund, it is not intended that the use of derivatives would raise the risk profile.

Risk Profile

Equity risk factor: The Fund can invest indirectly in a wide range of asset classes, including collective investment schemes which may themselves invest in a range of other assets. These underlying assets are likely to vary from time to time but each category of asset (which may include, but shall not be limited to, private equity, hedge funds or property) has individual risks associated with them.

Exchange rate risk factor: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of your investment may rise or fall in line with exchange rates.

Interest rate risk factor: Fluctuations in interest rates are likely to affect the capital value of your investment. If long term interest rates rise, the capital value of your investment is likely to fall, and vice versa.

Emerging markets: Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability.

Smaller companies: The Fund may have holdings in smaller companies. Smaller companies may be less well established and carry a higher degree of risk than larger companies.

Investment Manager's Review

The Fund invests in a wide range of assets, including equities, commercial property, fixed income investments, commodities and absolute return funds. During the twelve months under review, the Fund produced an encouraging return of 7.45%.

Although the Fund is highly diversified, its largest exposure is towards equities, which have fared well over the last twelve months. Actions by central banks finally gave investors the confidence to move away from the safe havens of cash and government bonds in favour of assets that carry a slightly higher level of risk. As a result, most equity markets have enjoyed healthy gains.

Investors were also emboldened by signs of improvement in the economy. In the UK, recent economic indicators show that industrial activity hit a 30-month high during August. This rise in activity is feeding through to the labour market and indicators of consumer confidence. But perhaps the mood of UK consumers is best illustrated by looking at the state of the housing market. Tellingly, the spate of property-related television programmes that appear to have been re-commissioned has coincided with data showing house prices are at a seven-year high.

Looking at other asset classes, corporate bonds have also benefited from the rise in investors' appetite for risk. With interest rates still anchored at record lows, investors realised they would have to cast their nets a little further to achieve more than the miserly payouts offered by government bonds or cash. In particular, high yield corporate bonds have performed well. Despite being inherently more risky than "investment grade" corporate bonds, companies have done a lot to improve the state of their balance sheets in recent years and as such, the risk of them failing to pay what they owe to bond holders has diminished.

Government bonds have performed less well. However, with yields on 10-year bonds having plunged to record lows in mid-2012, it is perhaps unsurprising that some of the previous gains have been reversed. At the short-dated end of the yield curve, which represents the lowest level of risk, yields had fallen close to zero. There was, therefore, not much further for the market to go. The Fund's comparative lack of exposure to government bonds over the last year has been one of the most significant positives in terms of performance.

Meanwhile, returns from commercial property have lagged those generated by equity markets, with most of these returns coming from rental income in the absence of capital growth. However, there are signs that the long-awaited turnaround in the fortunes of the asset class is finally taking place.

The relative performance of the Fund was affected by the strong performance of equity markets. The diverse nature of the portfolio means it does not participate to the full extent when stock markets climb, although we do have a relatively high weighting in the asset class.

Looking ahead, we still think 10-year Gilt yields will be higher in 12 months' time, although there are likely to be trading opportunities during this period. We recently upgraded our view of high yield bonds. This sub-asset class is expected to outperform government bonds over the medium term.

Overall, we remain cautiously optimistic about the global economy's continuing recovery. This view is reflected in the composition of the portfolio through the comparatively large equity weighting and the corresponding lack of exposure to government bonds.

SWIP DIVERSIFIED ASSETS FUND

Distribution date

XD Date	Payment Date
01/11/13	31/12/13

TER

	31/10/13 %	31/10/12 %
A Accumulation	1.57	1.62
A Income	1.57	1.62
C Accumulation	0.57	0.62
C Income	0.57	0.62
D Accumulation	0.82	0.87
D Income	0.82	0.87
W Accumulation	0.37	0.42
W Income	0.37	0.42
X Accumulation	0.32	0.36
X Income	0.32	0.37

The Total Expense Ratio (TER) is the total expenses paid by each share class in the year against its average net asset value. The TER can fluctuate as underlying costs change.

Details of investments

Investments	31/10/13 %	31/10/12 %
Financials	97.22	98.83
Oil & Gas	0.73	-
Technology	0.29	-
Utilities	0.26	-
Derivatives	0.36	0.12
Net other assets	1.14	1.05
Total net assets	100.00	100.00

Net asset value

	NAV per share 31/10/13 (p)	NAV per share 31/10/12 (p)	NAV percentage change %
A Accumulation	198.91	185.63	7.15
A Income	154.71	146.24	5.79
C Accumulation	113.97	105.52	8.01
C Income	110.57	104.50	5.81
D Accumulation	113.55	105.42	7.71
D Income	110.46	104.50	5.70
W Accumulation	114.23	105.60	8.17
W Income	110.57	104.50	5.81
X Accumulation	114.28	105.62	8.20
X Income	110.57	104.51	5.80

Performance record

	01/11/12 to 31/10/13 %	08/05/12 to 31/10/12 %
Net Return#	7.45	4.57
Sector Average Return~	11.03	5.83
Benchmark Return†	0.50	0.50

#SWIP Diversified Assets Fund A Accumulation share price movement in GBP at valuation point; Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

~Mixed Investment 20-60% Shares. Funds in this sector are required to have a range of different investments. The fund must have between 20% and 60% invested in company shares (equities). At least 30% of the fund must be in fixed income investments (for example, corporate and Government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit. Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

†Bank of England Base Rate in GBP at close of business; Source: Datastream.

Past performance is not a guide to future performance. 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.

Distribution rates

	Final 31/10/13 (p)
A Accumulation	1.5420
A Income	1.2077
C Accumulation	1.3420
C Income	1.3130
D Accumulation	1.2752
D Income	1.2666
W Accumulation	1.4355
W Income	1.4045
X Accumulation	1.4884
X Income	1.4595

Top five holdings

	31/10/13 %		31/10/12 %
1. SWIP Corporate Bond Plus Fund A Inc	11.56	SWIP Corporate Bond Plus Fund A Inc	13.31
2. SWIP Foundation Growth Fund A Acc	9.81	SWIP UK Opportunities Fund A Inc	12.83
3. SWIP Property Trust A Acc	8.60	SWIP Private Equity Fund of Funds II B	10.87
4. SWIP Sterling Liquidity Fund Advisory Shares	6.40	SWIP Sterling Liquidity Fund Advisory Shares	9.07
5. SWIP Private Equity Fund of Funds II B	5.86	SWIP Property Trust A Acc	6.44

Number of holdings: 52

Number of holdings: 50

SWIP MULTI-MANAGER DIVERSITY FUND

for the year ended 31 October 2013

Fund Profile

Investment Objective & Policy

The Fund aims to achieve long-term capital growth in excess of inflation through investment in a portfolio which gives exposure to a wide range of asset classes and geographic regions.

The Fund will predominantly invest in collective investment schemes, but where appropriate it may also invest directly or indirectly in transferable securities (including closed end funds), depositary receipts, money market instruments, cash, near cash, deposits, derivatives and other regulated vehicles. Use may also be made of unregulated collective investment schemes, stocklending, borrowing, hedging and other techniques permitted by FCA rules.

The portfolio will normally be fully invested however the ACD may at its discretion invest all or part of the assets of the Fund in cash, deposits, and/or money market instruments in the interests of efficient fund management.

It is not currently intended that derivatives will be used for any purpose other than hedging where it is appropriate to do so and the efficient portfolio management of the Fund, although derivatives may, subject to the ACD obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective as well as hedging in the future. If derivatives are used for the purpose of meeting the investment objective of the Fund as well as hedging it is not intended that the use of derivatives would raise the risk profile.

Risk Profile

Equity risk factor: Equities are generally more risky than fixed interest securities. Considerable fluctuations in equity prices may mean that you do not get all your money back.

Exchange rate risk factor: Exchange rate changes may cause the value of any overseas investments, and any income from them, to go up or down.

Investment Manager's Review

The Fund invests in a wide range of assets, including equities, commercial property, fixed income investments, commodities and absolute return funds. During the twelve months under review, the Fund produced an encouraging return of 9.80%.

The Fund's largest exposure is towards equities, which have fared well over the last twelve months. Actions by central banks finally gave investors the confidence to move away from the safe havens of cash and government bonds in favour of assets that carry a slightly higher level of risk. As a result, most equity markets have enjoyed healthy gains. with smaller and medium-sized businesses tending to outperform larger companies.

Investors were also emboldened by signs of improvement in the economy. In the UK, recent economic indicators show that industrial activity hit a 30-month high during August. This rise in activity is feeding through to the labour market and indicators of consumer confidence. But perhaps the mood of UK consumers is best illustrated by looking at the state of the housing market. Tellingly, the spate of property-related television programmes that appear to have been re-commissioned has coincided with data showing house prices are at a seven-year high.

Looking at other asset classes, corporate bonds have also benefited from the rise in investors' appetite for risk. With interest rates still anchored at record lows, investors realised they would have to cast their nets a little further to achieve more than the miserly payouts offered by government bonds or cash. In particular, high yield corporate bonds have performed well. Despite being inherently more risky than "investment grade" corporate bonds, companies have done a lot to improve the state of their balance sheets in recent years and as such, the risk of them failing to pay what they owe to bond holders has diminished.

Government bonds have performed less well. However, with yields on 10-year bonds having plunged to record lows in mid-2012, it is perhaps unsurprising that some of the previous gains have been reversed. At the short-dated end of the yield curve, which represents the lowest level of risk, yields had fallen close to zero. There was, therefore, not much further for the market to go.

Meanwhile, returns from commercial property have lagged those generated by equity markets, with most of these returns coming from rental income in the absence of capital growth. However, there are signs that the long-awaited turnaround in the fortunes of the asset class is finally taking place.

The relative performance of the Fund was affected by the strong performance of equity markets. The diverse nature of the portfolio means it does not participate to the full extent when stock markets climb, although we do have a relatively high weighting in the asset class. During the first part of the review period, the Fund's comparative lack of exposure to commercial property was also positive.

The Fund's commodity holdings have been less positive for performance, as commodities prices have, on the whole, declined in recent months.

Overall, we believe that the Fund's current positioning leaves it well positioned to participate in any future market gains, while helping protect investors' capital via the highly diversified portfolio.

SWIP MULTI-MANAGER DIVERSITY FUND

Distribution date

XD Date	Payment Date
01/11/13	31/12/13

TER

	31/10/13 %	31/10/12 %
A Accumulation	2.24	2.26
B Accumulation	1.74	1.78
D Accumulation	1.49	1.47
X Accumulation	0.99	0.99

The Total Expense Ratio (TER) is the total expenses paid by each share class in the year against its average net asset value. The TER can fluctuate as underlying costs change.

Details of investments

Investments	31/10/13 %	31/10/12 %
Financials	94.96	99.54
Derivatives	-	(0.02)
Net other assets	5.04	0.48
Total net assets	100.00	100.00

Net asset value

	NAV per share 31/10/13 (p)	NAV per share 31/10/12 (p)	NAV percentage change %
A Accumulation	119.61	109.20	9.53
B Accumulation	130.00	118.24	9.95
D Accumulation	114.42	103.86	10.17
X Accumulation	126.72	114.54	10.63

Performance record

	01/11/12 to 31/10/13 %	01/11/11 to 31/10/12 %	01/11/10 to 31/10/11 %	01/11/09 to 31/10/10 %	01/11/08 to 31/10/09 %
Net Return#	9.80	1.58	(0.65)	8.62	15.64
Sector Average Return~	11.03	5.83	0.70	9.23	24.14
Benchmark Return†	2.19	3.38	4.39	3.15	2.40

#SWIP Multi-Manager Diversity A Accumulation share price movement in GBP at valuation point; Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

~Mixed Investment 20-60% Shares. Funds in this sector are required to have a range of different investments. The fund must have between 20% and 60% invested in company shares (equities). At least 30% of the fund must be in fixed income investments (for example, corporate and Government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit. Effective from 1 January 2012 the Investment Management Association (IMA) changed the name of the Cautious Managed Sector to the Mixed Investment 20-60% Shares, the sector definition has also been updated. Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

†Consumer Price Index in GBP at close of business; Revenue (gross of tax) reinvested and gross of expenses; Source: Datastream.

Past performance is not a guide to future performance. 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.

Distribution rates

	Final 31/10/13 (p)
A Accumulation	0.3384
B Accumulation	0.6113
D Accumulation	0.6713
X Accumulation	0.9886

Top five holdings

	31/10/13 %		31/10/12 %
1. BH Macro	7.39	BH Macro	9.26
2. JOHCM UK Opportunities Fund A Acc	7.26	PIMCO Total Return Bond Fund Institutional Inc	9.04
3. Absolute Insight UK Equity Market Neutral Fund B2P GBP Acc	6.29	M&G Optimal Income Fund I Inc	8.87
4. Legal & General Dynamic Bond Trust I Inc	6.11	Legal & General Dynamic Bond Trust I Inc	8.82
5. M&G Global Macro Bond Fund I GBP Inc	6.05	Fundsmith Equity Fund I Inc	5.83

Number of holdings: 22

Number of holdings: 24

SWIP MULTI-MANAGER OPTIMAL MULTI-ASSET FUND

for the year ended 31 October 2013

Fund Profile

Investment Objective & Policy

The Fund aims to achieve long-term capital growth in excess of cash through investment in a portfolio which gives exposure to a wide range of asset classes and geographic regions as well as specialist investment management companies providing exposure in areas such as commodities, commercial property, hedge funds, currency and private equity.

The Fund will predominantly invest in collective investment schemes, but where appropriate it may also invest directly or indirectly in transferable securities (including closed end funds), depositary receipts, money market instruments, cash, near cash, deposits, derivatives and other regulated vehicles. Use may also be made of unregulated collective investment schemes, stocklending, borrowing, hedging and other techniques permitted by FCA rules.

The portfolio will normally be fully invested however the ACD may at its discretion invest all or part of the assets of the Fund in cash, deposits, and/or money market instruments in the interests of efficient fund management.

It is not currently intended that derivatives will be used for any purpose other than hedging where it is appropriate to do so and the efficient portfolio management of the Fund, although derivatives may, subject to the ACD obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective as well as hedging in the future. If derivatives are used for the purpose of meeting the investment objective of the Fund as well as hedging it is not intended that the use of derivatives would raise the risk profile.

Risk Profile

Equity risk factor: Equities are generally more risky than fixed interest securities. Considerable fluctuations in equity prices may mean that you do not get all your money back.

Exchange rate risk factor: Exchange rate changes may cause the value of any overseas investments, and any income from them, to go up or down.

Investment Manager's Review

The Fund invests in a range of assets, including equities, commercial property, commodities, absolute return funds and fixed income investments. The period under review was positive for most asset classes and the Fund generated an encouraging return of 13.04% during the review period.

Some of the best returns were provided by the Fund's holdings in equities. In the UK, recent months have seen an improvement in economic news, although the recovery has been tentative at best. Positive sentiment towards the global economy, however, was the main factor that underpinned the rise in the UK equity market.

The Fund's largest exposure is towards equities, which have fared well over the last twelve months. Actions by central banks finally gave investors the confidence to move away from the safe havens of cash and government bonds in favour of assets that carry a slightly higher level of risk. As a result, most equity markets have enjoyed healthy gains. with smaller and medium-sized businesses tending to outperform larger companies.

Investors were also emboldened by signs of improvement in the economy. In the UK, recent economic indicators show that industrial activity hit a 30-month high during August. This rise in activity is feeding through to the labour market and indicators of consumer confidence. But perhaps the mood of UK consumers is best illustrated by looking at the state of the housing market. Tellingly, the spate of property-related television programmes that appear to have been re-commissioned has coincided with data showing house prices are at a seven-year high.

Looking at other asset classes, corporate bonds have also benefited from the rise in investors' appetite for risk. With interest rates still anchored at record lows, investors realised they would have to cast their nets a little further to achieve more than the miserly payouts offered by government bonds or cash. In particular, high yield corporate bonds have performed well. Despite being inherently more risky than "investment grade" corporate bonds, companies have done a lot to improve the state of their balance sheets in recent years and as such, the risk of them failing to pay what they owe to bond holders has diminished. The Fund has minimal exposure to government bonds, which underperformed over the last year, producing negative returns.

Returns from commercial property have lagged those generated by equity markets, with most of these returns coming from rental income in the absence of capital growth. However, there are signs that the long-awaited turnaround in the fortunes of the asset class is finally taking place, with capital growth finally emerging towards the end of the reporting period.

Overall, we believe that the Fund's current positioning leaves it well positioned to participate in any future market gains, while providing a degree of diversification.

SWIP MULTI-MANAGER OPTIMAL MULTI-ASSET FUND

Distribution date

XD Date	Payment Date
01/11/13	31/12/13

TER

	31/10/13 %	31/10/12 %
F Accumulation	2.73	2.72
N Accumulation	2.23	2.24
X Accumulation	1.38	1.38

The Total Expense Ratio (TER) is the total expenses paid by each share class in the year against its average net asset value. The TER can fluctuate as underlying costs change.

Details of investments

Investments	31/10/13 %	31/10/12 %
Financials	96.65	98.21
Derivatives	-	(0.02)
Net other assets	3.35	1.81
Total net assets	100.00	100.00

Net asset value

	NAV per share 31/10/13 (p)	NAV per share 31/10/12 (p)	NAV percentage change %
F Accumulation	123.61	109.39	13.00
N Accumulation	119.39	104.80	13.92
X Accumulation	130.13	113.47	14.68

Performance record

	01/11/12 to 31/10/13 %	01/11/11 to 31/10/12 %	01/11/10 to 31/10/11 %	22/12/09* to 31/10/10 %
Net Return#	13.04	3.59	(2.13)	8.20
Sector Average Return~	16.81	5.99	0.21	9.10
Benchmark Return+	0.51	0.92	0.83	N/A
Benchmark Return†	N/A	N/A	N/A	5.72

#SWIP Multi-Manager Optimal Multi-Asset F Accumulation share price movement in GBP at valuation point; Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

~Mixed Investment 40-85% Shares. Funds in this sector are required to have a range of different investments. However, there is scope for funds to have a high proportion in company shares (equities). The fund must have between 40% and 85% invested in company shares. Effective from 1 January 2012 the Investment Management Association (IMA) changed the name of the Balanced Managed Sector to the Mixed Investment 40-85% Shares Sector, the sector definition has also been updated. Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

+3 Month LIBOR in GBP at close of business; Revenue (gross of tax) reinvested and gross of expenses; Source: Datastream.

†The benchmark was amended from LIBOR +6% from 1 November 2010. The new benchmark is a more accurate representation of the Fund's portfolio.

*On 18 December 2009 SWIP Multi-Manager Optimal Multi-Asset Fund was launched with Share Class X Accumulation. On 22 December 2009 the F Accumulation Share Class was launched.

Past performance is not a guide to future performance. 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.

Distribution rates

	Final 31/10/13 (p)
F Accumulation	-
N Accumulation	0.3335
X Accumulation	0.7930

Top five holdings

	31/10/13 %		31/10/12 %
1. Findlay Park American Fund USD Inc	7.43	BH Macro	8.38
2. BH Macro	7.31	Findlay Park American Fund USD Inc	7.05
3. Odey OEI MAC B Inc	6.94	Old Mutual UK Select Smaller Companies Trust A Inc	6.41
4. Aberdeen Emerging Markets Fund A Acc	6.19	Threadneedle Enhanced Commodities Fund (1) IGH	5.83
5. RWC Europe Absolute Alpha Fund B GBP	6.07	JOHCM UK Opportunities Fund A Acc	5.28
Number of holdings: 24		Number of holdings: 26	

SWIP MULTI-MANAGER SELECT BOUTIQUES FUND

for the year ended 31 October 2013

Fund Profile

Investment Objective & Policy

The Fund aims to achieve long-term capital growth through investment in a portfolio which gives exposure to equity markets and sectors in the UK and throughout the world.

The Fund will predominantly invest in collective investment schemes, the majority of which will be managed on an absolute return basis by specialist and/or boutique investment management companies as determined by the ACD.

Where appropriate it may also invest directly or indirectly in transferable securities (including closed end funds), depositary receipts, money market instruments, cash, near cash, deposits, derivatives and other regulated vehicles. Use may also be made of unregulated collective investment schemes, stocklending, borrowing, hedging and other techniques permitted by FCA rules.

The portfolio will normally be fully invested however the ACD may at its discretion invest all or part of the assets of the Fund in cash, deposits, and/or money market instruments in the interests of efficient fund management.

In assessing whether a collective investment scheme is considered to be boutique in nature, the ACD will take into account one or more of a variety of factors including, without limitation: the ability of the manager of the collective investment scheme to pursue an investment style or approach unhindered by an institutional-style centralised asset allocation and investment process; the size, funds under management, culture or specialisation of the manager of the collective investment scheme or group of individual portfolio managers within the manager of the collective investment scheme; whether the management of the collective investment scheme has been outsourced to a specialist manager or adviser; enhanced alignment of the individual portfolio manager's interests with the collective investment scheme through personal investment or concentration of the individual portfolio manager's time on one or a small number of collective investment schemes; or smaller specialist collective investment schemes which may not be actively marketed to retail investors.

It is not currently intended that derivatives will be used for any purpose other than hedging where it is appropriate to do so and the efficient portfolio management of the Fund, although derivatives may, subject to the ACD obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective as well as hedging in the future. If derivatives are used for the purpose of meeting the investment objective of the Fund as well as hedging it is not intended that the use of derivatives would raise the risk profile.

Risk Profile

Equity risk factor: Equities are generally more risky than fixed interest securities. Considerable fluctuations in equity prices may mean that you do not get all your money back.

Exchange rate risk factor: Exchange rate changes may cause the value of any overseas investments, and any income from them, to go up or down.

Investment Manager's Review

The Fund invests in UK and global equities. Most major equity markets produced strong returns over the twelve months under review, helping the Fund generate an encouraging return of 21.82%.

The Fund's largest exposure it towards the UK, where share prices benefited from growing indications that an economic rebound is gaining momentum. Official data from the Office for National Statistics recorded 0.7% growth in the second quarter (up from 0.6%), mainly as a result of stronger growth from the construction and manufacturing sectors. Indeed, the latter rose at its fastest pace since 1994, according to the Purchasing Managers' Index. Activity in August for industry was at a 30-month high.

House prices are at a seven-year high, thanks in part to the government's Funding for Lending and Help to Buy schemes. This, though, has lead some commentators to worry that we are entering an unsustainable debt-led recovery.

However, most focus has been on the US and whether the US Federal Reserve will "taper" its asset purchasing scheme. This $85 billion-a-month stimulus has supported risk assets around the world and the likelihood of it slowing has unsettled investors.

This hasn't prevented US equities enjoying strong double-digit gains. Nor did political stalemate over the US budget, which to a partial shutdown of the US government and fears that politicians would fail to reach an agreement to increase the country's debt ceiling (the amount that the government can borrow by way of issuing bonds, currently $16.7 trillion), leaving it potentially unable to fulfil debt obligations. A temporary extension to the limit was finally agreed in mid October.

European equities had a fruitful 12 months – although there were bumps along the way. Primarily driving returns was the ongoing extraordinary support from the world's central banks. The European Central Bank has kept interest rates on hold and promised to buy government bonds should the need arise. The outlook for the eurozone economy has also improved after years in the doldrums. Forward-looking indicators have picked up and, while unemployment remain historically high, the rate has started to slow.

Japanese equity markets made extraordinary gains over the reporting period, with particularly strong progress being made from December 2012 onwards. The increase was driven by the victory of Shinzo Abe and the Liberal Democratic Party (LDP) in the Japanese general election on 16 December. More recently, Tokyo stocks have benefitted from the successful bid to hold the 2020 Olympics.

In terms of positioning, the Fund benefited from our decision to increase exposure to Japanese equities mid-way through the reporting period. Overall, we believe that the portfolio's current position leaves it well placed to take advantage of further stock market gains. The Fund invests in experienced managers that are able to take advantage of opportunities as they arise in coming months and in the longer term.

SWIP MULTI-MANAGER SELECT BOUTIQUES FUND

Distribution date

XD Date	Payment Date
01/11/13	31/12/13

TER

	31/10/13 %	31/10/12 %
A Accumulation	2.31	2.26
B Accumulation	1.81	1.78
D Accumulation	1.56	1.47
X Accumulation	1.06	1.01

The Total Expense Ratio (TER) is the total expenses paid by each share class in the year against its average net asset value. The TER can fluctuate as underlying costs change.

Details of investments

Investments	31/10/13 %	31/10/12 %
Financials	95.02	99.47
Derivatives	-	(0.01)
Net other assets	4.98	0.54
Total net assets	100.00	100.00

Net asset value

	NAV per share 31/10/13 (p)	NAV per share 31/10/12 (p)	NAV percentage change %
A Accumulation	128.03	104.98	21.96
B Accumulation	131.36	107.15	22.59
D Accumulation	130.68	106.31	22.92
X Accumulation	136.69	110.73	23.44

Performance record

	01/11/12 to 31/10/13 %	01/11/11 to 31/10/12 %	01/11/10 to 31/10/11 %	01/11/09 to 31/10/10 %	01/11/08 to 31/10/09 %
Net Return#	21.82	4.15	(2.50)	14.51	22.02
Sector Average Return~	17.57	4.76	(0.39)	13.70	24.14
Benchmark Return†	21.72	15.83	0.68	15.90	20.14

#SWIP Multi-Manager Select Boutiques A Accumulation share price movement in GBP at valuation point; Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

~Flexible Investment. Funds in this sector are expected to have a range of different investments with scope for funds to have a high proportion of shares. However, as the fund manager is accorded a significant degree of discretion over asset allocation, it is permitted to invest up to 100% in equities as there is no minimum or maximum requirement for investment in company shares (equities). Effective from 1 January 2012 the Investment Management Association (IMA) changed the name of the Active Managed Sector to the Flexible Investment Sector, and the sector definition has also been updated. Revenue (net of tax) reinvested and net of expenses; Source: Lipper.

†50% FTSE All-Share/40% FTSE World ex UK/10% LIBOR 3M index in GBP at close of business; Revenue (gross of tax) reinvested and gross of expenses; Source: SWIP.

Past performance is not a guide to future performance. 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.

Distribution rates

	Final 31/10/13 (p)
A Accumulation	0.1623
B Accumulation	0.5058
D Accumulation	0.6631
X Accumulation	0.9783

Top five holdings

	31/10/13 %		31/10/12 %
1. Findlay Park American Fund USD Inc	11.83	Findlay Park American Fund USD Inc	12.19
2. CF Odey Opus Fund Inc	9.06	BNY Mellon Long Term Global Equity Institutional Acc	11.05
3. JOHCM UK Opportunities Fund A Acc	8.47	Fundsmith Equity Fund I Inc	10.91
4. Liontrust Macro Equity Income Fund Retail Inc	8.42	Liontrust Macro Equity Income Fund Retail Inc	10.27
5. CF Lindsell Train UK Equity Fund	8.38	JOHCM UK Opportunities Fund A Acc	9.60

Number of holdings: 15

Number of holdings: 17

SWIP Multi-Manager Funds Limited.
Registered Office: 33 Old Broad Street, London EC2N 1HZ.
Registered in England and Wales, number 5582499. Telephone: +44 (0)131 655 8500.
Authorised and regulated by the Financial Conduct Authority and entered on their register under number 455821 (www.fca.org.uk).

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