

# Fund Factsheet

## Independently Managed Gilt & Fixed Interest Fund

As at 30 November 2011

### Fund objective

This fund aims to achieve a high level of income with possibility of capital growth, if, for example, interest rates fall.

### Investment approach

The Fund aims to generate a dependable income, while protecting the initial investment. The fund invests in debt or bonds issued by the British government, known as gilts. As the government is responsible for making the interest repayments, together with the loan back at the end of the period, these types of investments tend to be very secure assets. As well as being suited to cautious investors either requiring a reliable income or steady capital growth, in tandem with other investments, gilts can moderate the overall risk of a diversified portfolio.

### Fund managers commentary

Gilt prices are heavily influenced by interest rate movements; therefore we look to enhance performance by managing the portfolio in accordance with our predictions for the direction of interest rates. We also look to add extra value and manage interest rate risk through a flexible range of strategies which may include opportunities in other international government bond markets. (As at 30 November 2011. Source: Schroders Investment Management)

### Fund performance

#### Discrete performance

%	30 Nov 06 30 Nov 07	30 Nov 07 28 Nov 08	28 Nov 08 30 Nov 09	30 Nov 09 30 Nov 10	30 Nov 10 30 Nov 11
Life	0.94	4.26	4.18	1.02	9.04
Pension	1.59	5.48	5.52	1.72	13.06

Basis: % growth, bid to bid in sterling. Returns are shown net of annual management charges only, with net income reinvested for life funds and gross income reinvested for pension funds.

Pension fund returns are calculated using the single priced 2000 pension fund. Life returns are calculated using the single priced life fund.

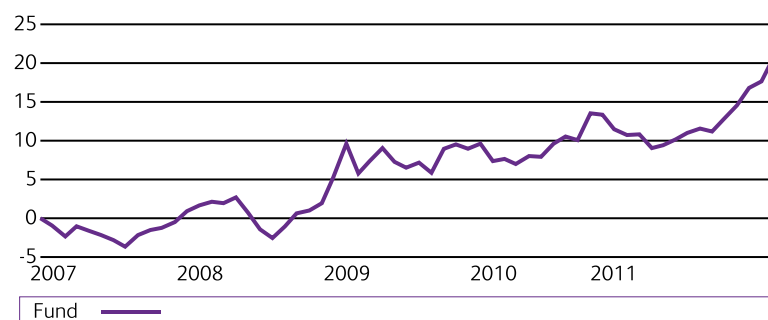
Source all returns: Lipper, a REUTERS company

#### Cumulative performance

%	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5Yrs
Life	2.62	5.39	8.95	9.04	14.76	20.77
Pension	3.30	6.74	12.97	13.06	21.35	30.04
Benchmark	2.11	6.70	13.64	13.50	26.66	41.34

Source all returns: Lipper, a REUTERS company

#### Cumulative investment performance – over 5 years



Basis: % growth, total return (net), bid to bid sterling. Returns are shown net of annual management charges. This figure does not reflect initial charges. Source all returns: Lipper, a REUTERS company Chart start date: 30/11/2006

### Fund facts

Fund management house	Schroders Investment Management
Fund manager	David Scammell
Life fund size (£m)	1.01
Pension fund size (£m)	0.26
Number of holdings	40
<b>Launch date</b>	
Life	18/08/2003
Pension	18/08/2003
<b>Annual management charge</b>	
Life	0.017
Pension	0.50% - 1.75%
ABI Sector	UK Gilt
IMA Sector	-
Benchmark	S&P UT UK Gilt
Availability	Life and Pension

**Contact details:** For further information please contact **Adviser Services** on **0870 607 6771** or visit [www.bankofscotland.co.uk/privateclients](http://www.bankofscotland.co.uk/privateclients)

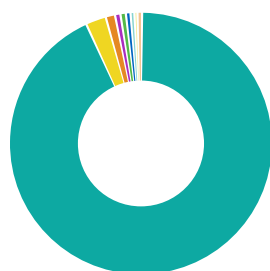
**Important notes:** Past performance is not a guide to future performance. The investment's value and the income from it will fall as well as rise and may be affected by market and currency movements. You may get back less than originally invested. Cash on deposit is more secure, generally more accessible and provides greater certainty of growth.

This document is provided for the purpose of information only. This factsheet is intended for individuals who are familiar with investment terminology. Please contact your financial adviser if you need an explanation of the terms used. This material should not be relied upon as sufficient information to support an investment decision

# Independently Managed Gilt & Fixed Interest Fund

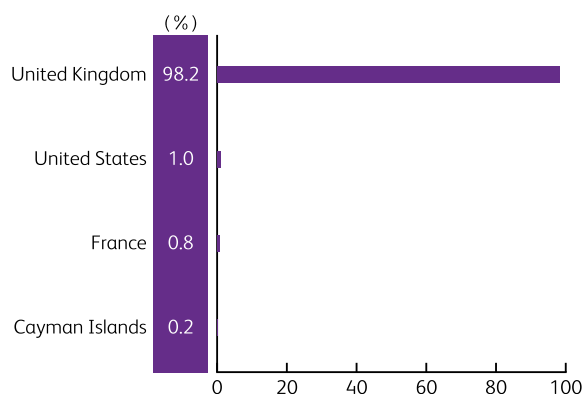
As at 30 November 2011

## Fund sector breakdown



Treasuries	95.7%
Financial Institutions	2.3%
Utility	0.9%
CMBS	0.4%
Industrial	0.4%
Cash Equivalents	0.3%
Agencies	0.2%
Derivatives	0.1%
Other	-0.3%

## Geographic distribution



## Top holdings

	%
United Kingdom Gilt Bond 2.00 % 22/01/2016	8.0
United Kingdom Gilt Bond 5.00 % 07/03/2018	6.1
United Kingdom Gilt Bond 4.75 % 07/09/2015	5.9
United Kingdom Gilt Bond 4.50 % 07/03/2013	5.8
United Kingdom Gilt Bond 4.25 % 07/12/2055	5.2
United Kingdom Gilt Bond 4.25 % 07/03/2036	5.1
United Kingdom Gilt Bond 4.50 % 07/12/2042	4.5
United Kingdom Gilt Bond 2.25 % 07/03/2014	4.5
United Kingdom Gilt Bond 2.75 % 22/01/2015	4.3
United Kingdom Gilt Bond 4.00 % 07/03/2022	4.2
	53.6

## Glossary

**ABI Sector** – The Association of British Insurers classification scheme for life and pension funds that share similar characteristics, e.g. Balanced Managed

**Annual management charge** – A charge taken from the fund sometimes referred to as yearly management charge. The charge is expressed as a percentage per annum but is normally taken daily from the fund

**Asset allocation** – The process of dividing investments among different kinds of asset classes such as stocks, bonds, property and cash

**Benchmark** – A measure against which the performance of a fund is compared. The benchmark could be an index for example the FTSE 100, or a sector average

**Bid price** – The price at which you can sell units of a fund

**Bonds (Fixed Interest Securities)** – A bond can be issued by either a company (corporate bond) or a government (gilt) and is a way of raising capital. Most bonds promise to pay a fixed rate of interest for a given period of time, at the end of which the holders are repaid the capital sum

**Cumulative Performance** – Represents total return over a given period

**Discrete Performance** – Represents individual yearly performance

**Dividends** – A portion of a company's profit paid to the shareholders

**Equities** – Commonly used term for shares in a company

**IMA Sector** – The Investment Management Association classification scheme for OEIC/ISA funds that share similar characteristics, e.g. Cautious Managed

**Net Asset Value (NAV)** – The value of an entity's assets less the value of its liabilities

**OEIC (Open Ended Investment Company)** – An OEIC is a pooled investment fund of variable size set up as a company. It owns investment assets, for example stocks and shares, gilts, bonds and other financial instruments. The size of an OEIC varies reflecting the market value of its underlying investments

**Offer Price** – The price at which you can buy units of a fund

**Sector Average** – The average performance of all the funds within a particular sector, for example the IMA Balanced Managed sector

**Underweight/Overweight** – Funds have a target allocation to a particular sector or asset type, for example a managed fund may have a target allocation to equities of 50%. If the fund holds 52% in equities it is said to be overweight equities. Similarly if the fund holds 48% in equities it is said to be underweight equities

**Yield (Historical)** – reflects distribution declared over the past twelve months as a percentage of the mid market unit price, as at the date shown.

**Yield (Distribution)** – reflects the amount that may be expected to be distributed over the next twelve months as a percentage of the mid-market price of the fund as at the date shown. It is based on the snapshot of the portfolio on that day.