



Family Investments Child Trust Fund

Interim Short Report 1st April 2016 to 30th September 2016

The information in this report is designed to enable unitholders to make an informed judgement on the activities of the Trust during the period it covers, and the results of those activities. For more information about the activities and performance of the Trust for this and previous periods, please contact OneFamily's Customer Service Team on 0344 8 920 920 (calls may be monitored or recorded for training purposes).

Trust performance

This report covers the period from 1st April 2016 to 30th September 2016. During this time, the Family Investments Child Trust Fund returned 14.1% while, over the same period, the benchmark returned 15.1%. The difference in performance between the Family Child Trust Fund and the benchmark is largely due to the management charge being taken from the Trust.

6 months 01/04/2016 - 30/09/2016	
Family Investments Child Trust Fund*	14.1%
FTSE 350 Ex Investment Trusts TR Share Index	12.9%
FTSE All World Developed Europe Ex UK TR Index	14.0%
FTSE All World Developed Japan TR Index	21.9%
FTSE All World Developed Asia Pacific Ex Japan TR Index	21.1%
FTSE All World Developed North America TR Index	18.1%
Benchmark **	15.1%

Source: Family Investments Child Trust Fund data sourced from OneFamily, basis bid to bid net of tax on dividend. Index data sourced from State Street Global Advisors (SSGA).

* Trust performance is based on price movement calculated using a nominal price at close, which will include all charges payable.

** Benchmark: 55% FTSE 350 Ex Investment Trusts Total Return Share Index/15% FTSE All World Developed Europe Ex UK Total Return Index/7.5% FTSE All World Developed Japan Total Return Index/7.5% FTSE All World Developed Asia Pacific Ex Japan Total Return Index/15% FTSE All World Developed North America Total Return Index.

Market background

The British referendum on membership of the European Union was perhaps the main event of the second quarter of this year. The results announced on 24th June revealed the UK had voted by a majority of 52% to 48% to leave the European Union. The initial reactions in markets were pronounced: sterling fell dramatically, government bonds rallied and risk assets were marked lower.

Equity markets generally staged a recovery in the final days of the quarter, supported by expectations that US interest rates would stay lower for longer coupled with increased possibility of the Bank of England cutting rates.

Prior to these events, economic data generally painted a picture of continued moderate growth with limited inflationary pressures. Global developed equities continued to make modest gains in April and May whilst at the same time bond yields fell.

The third quarter was generally positive for financial markets. A large part of the shock surrounding the Brexit result and its associated uncertainty was absorbed early on in the period and volatility across both equities and fixed income was markedly lower compared to recent quarters.

US equities advanced and expectations rose that the Federal Reserve (Fed) would increase rates again before the end of 2016. With the end of the quarter dominated by an even stronger focus on central bank activity, investors remained in wait-and-see mode. The Fed kept rates unchanged while the Bank of Japan expanded easing measures to include yield curve control

along with commitments to overshoot the inflation target. The European Central Bank kept their policy unchanged; despite its already sizeable asset purchase programme, this was seen by the market as slightly disappointing.

In the UK, markets felt a degree of reassurance with the Bank of England (BoE) cutting rates by 25 bps to 0.25% and also announcing an additional series of measures by boosting gilt and corporate bond purchases.

Meanwhile, Eurozone equities advanced given a broadly positive second-quarter reporting season; however, macroeconomic data failed to provide an indication of significant growth prospects

Activity

Below is the market capitalisation split of the Trust.

Index	Family Investments Child Trust Fund September 2016 %	Composite Index September 2016 %
FTSE 350 Ex Investment Trusts TR Share Index	53.9%	55.0%
FTSE All World Developed Europe Ex UK TR Index	14.3%	15.0%
FTSE All World Developed Japan TR Index	7.5%	7.5%
FTSE All World Developed Asia Pacific Ex Japan TR Index	7.1%	7.5%
FTSE All World Developed North America TR Index	14.9%	15.0%
Cash	2.3%	—

During the period under review, there was a steady stream of daily cash flows into the portfolio. The cash flows were invested in line with the tactical asset allocation views of the Investment Solutions Group team.

Outlook

Equity markets have so far more or less shrugged off political noise broadcast from the upcoming US presidential election, but the ongoing election risks coupled with continued uncertainty around the direction of global central bank policy may introduce a new regime of interest rate volatility that challenges the long running 'lower for longer' thematic. With the efficacy of unconventional monetary policy receiving more and more scrutiny, perhaps we are approaching a new environment beyond the reach for yield we have become accustomed where markets will need new catalysts to move higher.

Looking forward to the remainder of 2016 in our tactical positioning, we continue to view equity markets with caution. Within growth oriented assets, REITs continue to look attractive and we maintain an overweight allocation.

Given still elevated levels of uncertainty and volatility, we are currently modestly underweight growth oriented assets overall with an overweight to cash and gold - assets that exhibit very different, yet largely defensive, properties.

Investment objective and policy

To achieve long-term capital growth, whilst maintaining some stability, by investing in a global managed portfolio of equities and fixed interest securities. The Manager may also move wholly into, or significantly increase holdings in equities, money market instruments, deposits and/ or collective investment schemes. Derivatives and Forward Transactions may be used for Efficient Portfolio Management purposes (including hedging) .

Currently, the Trust invests wholly in UK and overseas equities, direct or via other collectives, and will closely follow the performance of the following stock market indices:

- FTSE 350 Excluding Investment Trusts Total Return Share Index
- FTSE All World Developed Europe Excluding UK Total Return Index
- FTSE All World Developed Japan Total Return Index
- FTSE All World Developed Asia Pacific Excluding Japan Total Return Index
- FTSE All World Developed North America Total Return Index

The Indices followed, and how much of the Trust follows each Index, is regularly considered and reviewed. The Indices followed may change.

No fixed interest investments are currently held, but could be in the future.

Trust facts

Sector:		IA Flexible Investment
Trust size:	At Sep 30th 2016	£839
(millions)	At Mar 31st 2016	£722
Initial charge:		5%
No initial charge is deducted if investment is via a CTF		
Annual management charge:		1.5%
Accounting dates:	Interim 30th September	
	Final 31st March	
Distribution due dates:	Interim N/A	
	Final 31st May	

Risk profile

The main risks arising from the Trust's financial instruments are market price, liquidity and currency rate risks. The Manager reviews (and agrees with the Trustee) policies for managing each of these risks. The value of investments and the income from them is not guaranteed and can go down as well as up.

Net asset value per unit and comparative table

Trust size

At period ended	Net asset value (£)	No. of units in issue	Net asset value per unit (pence)
Sept 2014	664,976,865	214,937,007.7956	309.38
Sept 2015	674,080,520	224,596,397.1865	300.13
Mar 2016	722,485,557	229,234,038.2739	315.17
Sept 2016	839,375,274	233,479,239.7159	359.51
Mid valuation basis			

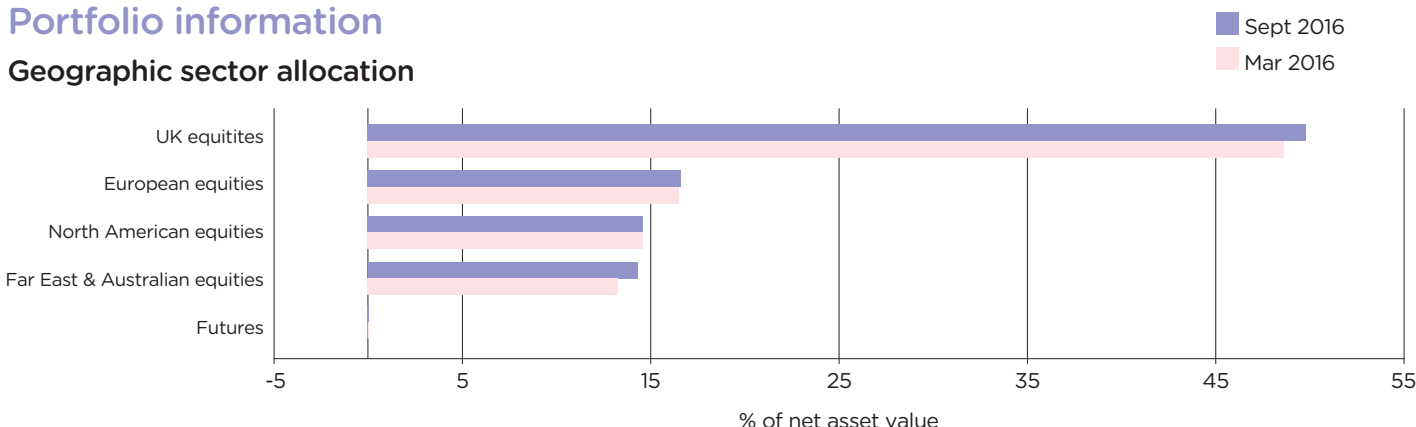
Unit price range and income history

Accounting Period	Unit prices		Annual income (net allocations)
	Highest buying (pence)	Lowest selling (pence)	Per unit (pence)
2012	263.60	216.60	3.2540
2013	394.30	231.80	3.4663
2014	310.90	275.70	3.5232
2015	342.90	291.40	3.8940
2016	347.40	281.80	4.7765
2017*	362.10	308.40	-

* to the 30th September 2016 only

Portfolio information

Geographic sector allocation

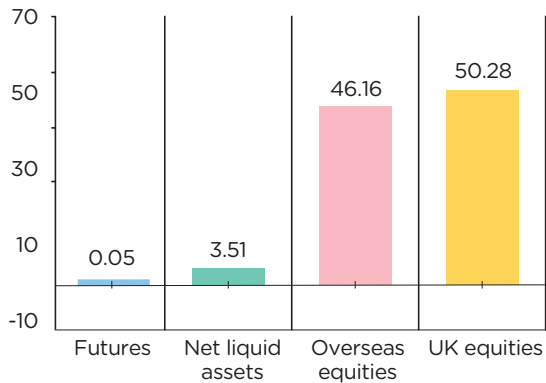


Major holdings

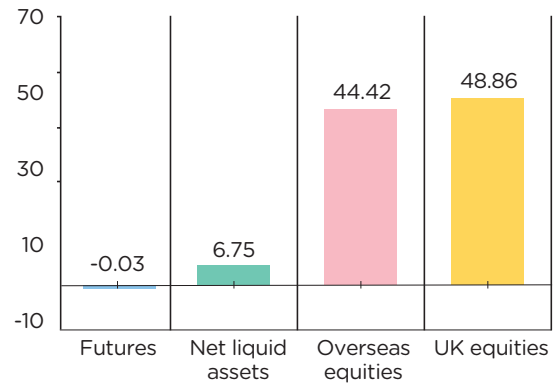
Holding	% of net asset value as at 30/09/16
HSBC Holdings	2.94
British American Tobacco	2.36
BP	2.17
Royal Dutch Shell 'A'	2.12
GlaxoSmithKline	2.05

Holding	% of net asset value as at 31/03/16
HSBC Holdings	2.33
British American Tobacco	2.10
GlaxoSmithKline	1.89
Royal Dutch Shell 'A'	1.87
BP	1.78

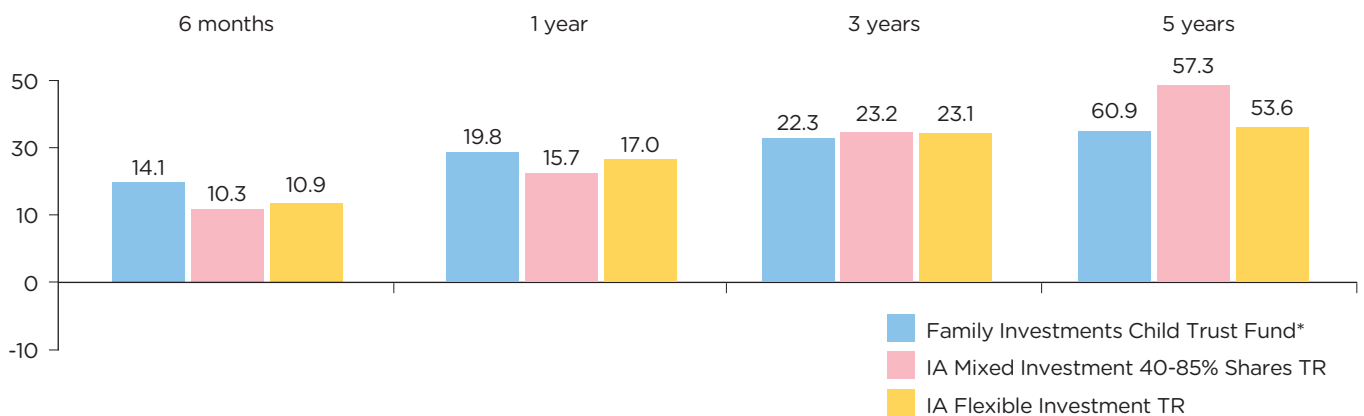
September 2016



March 2016



Cumulative trust performance at 30th September 2016



Source: Family Investments Child Trust Fund data sourced from OneFamily, basis bid to bid net of tax on dividend. IA sector data sourced from Lipper.

Discrete annual performance

	30/09/11 to 28/09/12	28/09/12 to 30/09/13	30/09/13 to 30/09/14	30/09/14 to 30/09/15	30/09/15 to 30/09/16
Family Investments Child Trust Fund*	13.3%	16.1%	5.2%	(3.0)%	19.8%

* Trust returns from the two tables above are net of fees (currently 1.5% pa) calculated using a nominal price at close, which includes all charges payable.

Source: OneFamily, bid to bid price.

Past performance should not be seen as an indication of future performance.

Investors are reminded that the price of units and the income from them is not guaranteed and may go down as well as up.

Risk and reward profile



1	2	3	4	5	6	7
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The risk and reward profile is designed to give you a guide to the Trust's level of risk and potential for growth. The higher the number, the greater the potential for growth but the greater the risk.

The Trust has a category of five; this is due to the fact that the risk and reward profile is based on volatility of price movement over a five-year period. Therefore the more the price moves during that period the higher the risk and reward profile will be. The risk and reward profile is a measure of the Trust's past volatility in returns, and is therefore not an indicator of future performance.

Ongoing charges figure (OCF)

At period ended	OCF %
September 2016* *Annualised	1.48

The OCF is a measure of the Trust's ongoing charges. Apart from the initial charge, all other expenses are included in the OCF. The OCF is an accepted standard for the comparison of cost for authorised trusts, recognised throughout Europe.

Significant Changes

The obligation to produce and publish short reports will cease to apply from 22 November 2016, this will be the last short report distributed for Family Investments Child Trust Fund. The annual and half yearly full report and accounts for Family Investments Child Trust Fund will still be published and can be found on our website at www.onefamily.com or by calling us on the number detailed at the front of this report.

Report and Accounts

Copies of the annual and half yearly full Report and Accounts of the Family Investments Child Trust Fund are available free of charge on request to the Manager. They are also available in the "Our Story" section of our website www.onefamily.com

Manager and Registrar

Family Investment Management Limited

16 West Street
Brighton BN1 2RE
Tel: 01273 724570
Fax: 01273 736958

Registered in England No. 1915516

The Manager is authorised and regulated by the Financial Conduct Authority.

The Manager is a member of the Investment Association.

This report is issued and approved by the Manager.

Investment Advisor

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Authorised and regulated by the Financial Conduct Authority.

Trustee

State Street Trustees Limited
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Auditor

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