

SPW Investment Portfolio ICVC

Annual Long Report for the year
ended 31st October 2022

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SPW Investment Portfolio ICVC

The Company and Head Office

SPW Investment Portfolio ICVC
1 London Wall
London
EC2Y 5EB

Incorporated in Great Britain under registered number IC000690. Authorised and regulated by the Financial Conduct Authority.

Authorised Corporate Director (ACD), Alternative Investment Fund Manager (AIFM)*

Scottish Widows Schroder Personal Wealth (ACD) Limited

Registered Office:

25 Gresham Street
London
EC2V 7HN

Correspondence Address:

PO Box 560
Darlington
DL1 9ZB

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

Investment Adviser*

Schroder Investment Management Limited

Registered Office:

1 London Wall Place
London
EC2Y 5AU

Correspondence Address:

1 London Wall Place
London
EC2Y 5AU

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

Depositary*

State Street Trustees Limited

Registered Office:

20 Churchill Place
Canary Wharf
London
E14 5HJ

Correspondence Address:

20 Churchill Place
Canary Wharf
London
E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

Registrar*

Link Fund Administrators Limited

65 Gresham Street
London
EC2V 7NQ

Independent Auditors*

Deloitte LLP
110 Queen Street
Glasgow
G1 3BX

*The Company names and addresses form part of the Authorised Corporate Director's Report.

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About the Company

Welcome to the Annual Long Report for the SPW Investment Portfolio ICVC (the "Company") covering the year ended 31st October 2022 (the "Report"). The Authorised Corporate Director (the "ACD") and Alternative Investment Fund Manager (the "AIFM") of the Company is Scottish Widows Schroder Personal Wealth (ACD) Limited, a private company limited by shares which was incorporated in England and Wales on 11th December 2018. Its ultimate holding company is Scottish Widows Schroder Wealth Holdings Limited, which is incorporated in England and Wales.

The Company is an Open-Ended Investment Company ("OEIC") with variable capital, incorporated in Great Britain under registration number IC000690 and is authorised and regulated by the Financial Conduct Authority (the "FCA") under regulation 12 of the Open-Ended Investment Companies Regulations 2001 (SI2001/1228) (the "OEIC Regulations"), with effect from 7th August 2008.

Shareholders are not liable for the debts of the Company.

The Company is a non-UCITS retail scheme which complies with Chapter 5 of the Financial Conduct Authority's Collective Investment Schemes Sourcebook (the "COLL Sourcebook") and the Investment Funds Sourcebook (the "FUND Sourcebook").

The Company is structured as an umbrella fund, in that the scheme property of the Company is currently divided among 11 sub-funds, each with different investment objectives. The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to the sub-fund. The investment objective, policies and a review of the investment activities during the year are disclosed in the Investment Markets Overview of the individual sub-funds. New sub-funds may be established from time to time by the ACD with the approval of the FCA and Depositary.

Each sub-fund would, if it were a separate investment company with variable capital, also be a non-UCITS retail scheme which complies with Chapter 5 of the COLL Sourcebook.

The assets of each sub-fund belong exclusively to that sub-fund and 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 sub-fund and shall not be available for such purpose.

Under the OEIC Regulations, the assets of each sub-fund can only be used to meet the liabilities of, or claims against, that sub-fund. This is known as segregated liability. Provisions for segregated liability between funds were introduced in the OEIC Regulations in 2012. Where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would recognise the segregated liability and cross-investments provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a sub-fund will always be completely protected from the liabilities of another sub-fund of the Company in every circumstance.

The Financial Statements have been prepared on an individual basis including the 11 sub-funds in existence during the year covered by this Annual Long Report, as permitted by the OEIC Regulations and the COLL Sourcebook.

The Report of the Authorised Corporate Director is defined as those items highlighted in the contents page in accordance with paragraph 4.5.9 of the COLL Sourcebook.

SPW's Value Assessment is available for review on SPW's website -

https://assets.ctfassets.net/l7z7tzydh3um/1recXaxAME8kQ0XVXYLUk/78ade14d62d1ac3adb060c71192f24b5/AoV_Document_Final_2022.pdf

During the year there have been a number of changes to the Company. These changes are detailed in the section Prospectus changes below.

Prospectus changes

During the year and up to the date of this report, the following changes were made to the Company and therefore the following changes were reflected in the Prospectus of SPW Investment Portfolio ICVC:

From 1st November 2021 the SPW Discovery Solution makes interest distributions to shareholders. All distributions from this date are made as an interest distribution unless notified otherwise. The sub-fund to the year-ending 31st October 2021 paid dividend distributions to shareholders.

The following changes were made to the shareholdings in SPW Investment Portfolio funds:

SPW Discovery Solution	14th March 2022	A Accumulation shares converted to G Accumulation
SPW Cautious Solution	21st March 2022	A Accumulation shares converted to G Accumulation
SPW Balanced Solution	25th April 2022	A Accumulation shares converted to G Accumulation
SPW Adventurous Solution	9th May 2022	A Accumulation shares converted to G Accumulation
SPW Defensive Solution	9th May 2022	A Accumulation shares converted to G Accumulation
SPW Dynamic Solution	9th May 2022	A Accumulation shares converted to G Accumulation

Prospectus changes (continued)

SPW Strategic Solution	9th May 2022	A Accumulation shares converted to G Accumulation
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Post year-end, from 30 November 2022, the sub-funds of the SPW Investment Portfolio ICVC adopted a responsible investment approach. Responsible investing considers environmental, social and governance factors (known as "ESG" factors) when making investment decisions.

The sub-funds' primarily invest in a diversified range of funds, managed by Schroder Investment Management (SIM), which themselves invest in a mix of global equities, global bonds and alternative investments.

A range of ESG factors have been integrated into the investment process when selecting collective investment schemes and other funds for investment. Where the sub-funds invest in collective investment schemes and other funds managed by SIM, funds are selected, where possible, that maintain a higher overall sustainability score* than that of their respective benchmarks. Individual securities held in these funds' portfolios may not, however, necessarily have positive environmental, social or governance characteristics.

At an aggregated level, each sub-fund targets a better sustainability score than that of its benchmark, which is set out in each sub-fund's investment policy.

The sub-funds also seek to exclude derivatives, collective investment schemes and other funds that invest more than 50% of their assets in fossil fuel-based energy securities.

For more detail on how the responsible investment approach adopted by each of the sub-funds, please refer to the SPW Investment Portfolio ICVC Prospectus.

*a sustainability score is a measure of how well a fund's underlying investments are managing their ESG risks and opportunities.

A copy of the Prospectus is available on request.

Coronavirus

While the impact of the Covid-19 pandemic has lessened in the year, the ACD continues to monitor the risks to its operations and supply chains together with any ongoing volatility it may drive in financial markets.

Russian sanctions

The ACD is monitoring the evolving situation in Ukraine and the risks to the funds associated with sanctions being employed by a number of countries against Russia. The ICVC has no direct exposure to Russian investments. Whilst some of the funds in which it invests do, there is no effect on the valuation of the portfolio as at the year-end.

Going concern basis of accounting

The ACD has considered the impact of Covid-19 on the financial resources and operations of the Company, the investment manager and key service providers. The ACD is of the opinion that the Company has sufficient financial resources and robust business continuity plans in place to continue as a going concern and as such, the financial statements have been prepared on a going concern basis.

Sub-fund cross-holdings

As at 31st October 2022 there were no shares in sub-funds of the SPW Investment Portfolio ICVC held by other sub-funds of the Company.

Remuneration disclosures

Aggregate remuneration paid for the year ended 31st December 2021 to senior management and members of staff whose actions have a material impact on the risk profile of the UCITS (Identified Staff)					
	Senior management	Risk Takers	Control staff	Other members of staff with material impact	Total
Fixed remuneration	£2,762,245	£553,011	£599,076	£0	£3,914,332
Variable remuneration	£1,347,582	£201,887	£120,000	£0	£1,669,469
Carried interest	£0	£0	£0	£0	£0
TOTAL	£4,109,827	£754,898	£719,076	£0	£5,583,801
Number of Identified Staff	12	3	5	£0	20

Staff shown in the table above are employed by SPW in relation to activities relating to the management of UCITS funds and are subject to the SPW Remuneration Policy. They also perform other SPW activities; no staff are directly employed by the UCITS funds.

For the purpose of remuneration regulation, SPW is treated as a proportionality level III firm and subject to the Investment Firms Prudential Regime ("IFPR"), Undertakings for Collective Investment in Transferable Securities ("UCITS") and Alternative Investment Fund Managers Directive ("AIFMD") FCA Remuneration Codes. Most of these individuals are subject to more than one regulatory regime.

Remuneration disclosures (continued)

Qualitative remuneration disclosure

Decision-making process for remuneration policy

The SPW Remuneration Policy and the associated Reward Governance Framework define the remuneration policies, procedures and practices which apply in full to all colleagues. The Policy supports the long-term business strategy and recognises the interests of all relevant stakeholders. It supports consistent and effective risk management that accepts risk-taking in line with the risk appetite of SPW.

SPW has a strong belief in aligning the remuneration delivered to executives with the successful performance of the business and, through this, the delivery of long-term, superior and sustainable returns to shareholders. It has continued to seek the views of shareholders and other key stakeholders with regard to remuneration policy and seeks to motivate, incentivise and retain talent while being mindful of the economic outlook.

The overarching purpose of the Remuneration Committee is to consider, agree and recommend to the Board an overall remuneration policy and philosophy that is defined by, supports and is closely aligned to its long term business strategy, business objectives, risk appetite and values and recognises the interests of relevant stakeholders.

Governance and risk management

An essential component of the approach to remuneration is the governance process that underpins it. This ensures that the policy is robustly applied and risk is managed appropriately.

In addition to setting the overall remuneration policy and philosophy, the Remuneration Committee ensures that colleagues who could have a material impact on SPW's risk profile are provided with appropriate incentives and reward to encourage them to enhance the performance of SPW and that they are recognised for their individual contribution to the success of the organisation, whilst ensuring that there is no reward for excessive risk taking.

The Remuneration Committee determine whether the proposed bonus pool and proposed long-term incentive plan awards adequately reflect profit and business performance, including the capital adequacy of the business; risk appetite; current and future risks; and has the discretion to adjust the overall bonus or long-term incentive plan pools (upwards or downwards, potentially to nil) to take into account other factors. The Remuneration Committee ensure that the aggregate of the variable remuneration for all colleagues is appropriate and balanced with the interests of shareholders and all other stakeholders.

Composition of the Remuneration Committee

The members of the Committee during 2021 were Adam Seale (chairman), Dena Brumpton, Peter Hall and Stuart Sinclair. Stuart Sinclair retired on 12 May 2022 and Joanne Harris was appointed on 07 October 2022.

Role of the relevant stakeholders

In accordance with the Shareholder Agreement, SPW continues to seek the views of shareholders with regard to Remuneration Policy, which seeks to motivate, incentivise and retain talent.

The SPW remuneration approach has a particular focus to recognise and reward high-performing colleagues who enable great client outcomes. The Committee reviews the policy at least annually.

The Remuneration Committee is made up of independent non-executive directors, as well as non-executive directors of both Lloyds Banking Group ("LBG") and Schroders. The Committee review all compensation decisions for Executive Directors, senior management, senior risk and compliance officers, high earners and any other Material Risk Takers ("MRTs").

Link between pay and performance

SPW's reward package is made up of base salaries, benefits and variable reward. Base salaries reflect the role, responsibility and experience of a colleague. In order to attract and retain talent, our aim is to pay base salaries in line with UK Wealth Market medians. SPW provide a market-aligned benefits package including pension, flex benefits and private medical to encourage and enable saving for retirement, and to support health and wellbeing. SPW maintain a strong belief that variable reward should be driven by individual, regional and business performance. The approach to variable reward is intended to provide a clear link between remuneration and delivery of key strategic objectives. Performance measures are embedded throughout the reward structure which are challenging and reflect overall business performance in addition to personal contribution.

The mix of variable and fixed remuneration is driven by seniority and role. The performance-related elements of pay make up a considerable proportion of the total remuneration package for all colleagues including MRTs.

Design and structure of remuneration processes

The information below summarises the different remuneration elements for Identified Staff.

Base salary

Base salaries are reviewed annually, taking into account individual performance and market information.

Remuneration disclosures (continued)

Benefits

Core benefits for all colleagues include pension, private medical insurance, life assurance and other benefits that may be selected through our flexible benefits scheme. Benefits can be amended or withdrawn if circumstances change.

Short-term variable remuneration arrangements

SPW has an annual discretionary bonus plan. The plan is designed to reflect specific goals linked to the performance of the company. All colleagues are eligible to participate in the bonus plan. Individual bonus awards are based upon individual contribution, regional performance and overall SPW performance. SPW's total bonus outcome is determined by the Remuneration Committee annually based on Financial Performance, Business Balanced Scorecard performance; and any discretionary adjustments to reflect risk matters and/or other factors.

The Remuneration Committee ensure that the aggregate of the variable remuneration for all colleagues is appropriate and balanced with the interests of shareholders and all other stakeholders. Guaranteed variable remuneration is paid only in exceptional circumstances.

Long Term Incentive Plan

SPW's long-term incentive plan for executives is dependent on the extent to which several measures from the business plan are achieved, including a mixture of strategic, financial and conduct metrics. The first year of the performance period was more highly weighted to the delivery of strategic or 'input' measures to reflect the need to transform our business. The second and third years of the performance period have a higher weighting towards financial performance or 'output'. Risk and conduct performance are considered throughout the three-year performance period.

Deferral, vesting and performance adjustment

SPW applies deferral arrangements to bonus and variable pay awards made to colleagues. Bonus awards for Identified Staff are subject to deferral and a holding period in line with regulatory requirements and market practice. Awards for Identified Staff typically include an element of deferral in phantom SPW fund units, to align interests to those of our clients, and to aid retention.

For all colleagues, any deferred variable remuneration amount is subject to malus and clawback in accordance with SPW's Malus and Clawback Policy. The Policy includes a non-exhaustive list of triggers under which the Remuneration Committee may consider the application of malus and/or clawback to be necessary.

Statement of the Authorised Corporate Director's Responsibilities

for the year ended 31st October 2022

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (the "COLL Sourcebook") requires the Authorised Corporate Director ("ACD") of SPW Investment Portfolio ICVC to prepare the Annual Report and Financial Statements for each accounting period which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial affairs of the Company and each of its sub-funds and of its net revenue and the net capital gains/(losses) for the year.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the Prospectus and Instrument of Incorporation and the requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds issued by the Investment Association in May 2014 as amended in June 2017 ("SORP");
- follow United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards and applicable law"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the COLL Sourcebook, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The ACD is responsible for ensuring that, to the best of their knowledge and belief, there is no relevant audit information of which the auditors are unaware. It is the responsibility of the ACD to take all necessary steps as a director to familiarise themselves with any relevant audit information and to establish that the auditors are aware of that information.

The ACD is also responsible for the maintenance and integrity of the website on which the financial statements and auditors' report are published and distributed electronically. Please note that legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Authorised Corporate Director*

In accordance with the requirements of the COLL Sourcebook as issued and amended by the Financial Conduct Authority, I hereby certify the Report on behalf of Scottish Widows Schroder Personal Wealth (ACD) Limited, the Authorised Corporate Director.



Director
Scottish Widows Schroder Personal Wealth (ACD) Limited
24 February 2023

Statement of Depositary's Responsibilities in respect of the Scheme and Report of the Depositary to the Shareholders of the SPW Investment Portfolio ICVC

for the year ended 31st October 2022

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors. The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out;
- the value of shares of the Company are calculated;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AIFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations, the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited

Independent Auditors' Report to the Shareholders of

SPW Investment Portfolio ICVC

for the year ended 31st October 2022

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of SPW Investment Portfolio ICVC (the "Company"):

- give a true and fair view of the financial position of the sub-funds as at 2022 and of the net revenue and the net capital gains/(losses) on the property of the sub-funds for the year ended 31 October 2022; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements which comprise for each of the sub-funds:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the distribution tables; and
- the summary of significant accounting policies, judgements and estimates applicable to all sub-funds and individual notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014, as amended in June 2017 the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the authorised corporate director's (ACD's) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The ACD is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Shareholders of

SPW Investment Portfolio ICVC

(continued)

for the year ended 31st October 2022

Responsibilities of depositary and ACD

As explained more fully in the depositary's responsibilities statement and the ACD's responsibilities statement, the depositary is responsible for the safeguarding the property of the company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the ACD about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Collective Investment Schemes Sourcebook and relevant tax legislations; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's obligations under The Open Ended Investment Companies Regulations 2001.

We discussed among the audit engagement team including relevant internal specialists such as valuations and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of investments due to its significance to the net asset values of the sub-funds. In response we have : involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent sources.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the FCA.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- proper accounting records for the company and the sub-funds have been kept and the financial statements are in agreement with those records;

Independent Auditors' Report to the Shareholders of

SPW Investment Portfolio ICVC

(continued)

for the year ended 31st October 2022

- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information given in the ACD's report for the year ended 31 October 2022 is consistent with the financial statements.

Use of our report

This report is made solely to the company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

Deloitte LLP
Statutory Auditors
Glasgow, United Kingdom
24 February 2023

Summary of Significant Accounting Policies applicable to all sub-funds

for the year ended 31st October 2022

1. Significant accounting basis and distribution policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (IMA) in May 2014 as amended in June 2017, and the Collective Investment Schemes Sourcebook.

As described further on page 3 the financial statements of the sub-funds have been prepared on a going concern basis.

(b) Revenue

Dividend revenue from offshore reporting funds is recognised when the securities are quoted ex-dividend. Non-dividend revenue from offshore reporting funds is recognised when declared, and treated as revenue for taxation and distribution purposes.

Interest on deposits are recognised as earned. Revenue from debt securities is accounted for on an effective yield basis.

Revenue from other authorised collective investment schemes is recognised when the investments are quoted ex-dividend.

Where accumulation units or shares are held in another authorised collective investment scheme, the accumulation of revenue relating to the holding is recognised in the revenue account including any withholding taxes but excluding tax credits.

Equalisation on distributions received is deducted from the cost of the investment.

Revenue is allocated when earned in the proportion of the Net Asset Value of each share class to the total Net Asset Value of the sub-fund.

(c) Expenses

The underlying sub-funds may currently have up to five share classes; Class A, Class G, Class P, Class Q and Class X. Each share class suffers a different Authorised Corporate Director ("ACD") fee. Consequently the level of expenses attributable to each share class will differ.

All expenses other than those relating to the purchase and sale of investments are included in expenses in the Statement of Total Return. The only exception is interest on borrowing which is included in interest payable and similar charges in the Statement of Total Return.

The ACD's annual fee is charged to the revenue property of the respective sub-funds. Rebates are applied where ACD's fees are incurred by the underlying investments. Internal management fee rebates (rebates from Scottish Widows Schroder Wealth Holdings companies) are offset against the ACD's periodic charge, meaning in some circumstances the accrued ACD fee will be negative due to rebates received.

Where it is the policy of the underlying investment to charge its management fees to capital in determining its distribution, the Fund recognises such management rebates as capital within note 2 - Net capital gains/(losses) on an accruals basis. Otherwise the rebate is recognised as revenue on an accruals basis within note 3 - revenue, or note 4 - expenses if internal, and forms part of the distribution.

Expenses incurred in respect of, or attributable to, the sub-funds as a whole are allocated when incurred in the proportion of the Net Asset Value of each share class to the total Net Asset Value of the sub-fund.

(d) Distribution policy

The revenue from the sub-funds' investments accumulates during each accounting period. If revenue exceeds expenses during the period, the net revenue of the sub-funds is available for distribution (or re-investment) at share class level to the shareholders in accordance with the OEIC Regulations. If expenses exceed revenue during the period, the net revenue shortfall may be funded from capital.

In accordance with the S2006/964 tax regulation, the following sub-funds satisfied the qualifying investments test of holding over 60% of interest bearing assets throughout the period:

- SPW Cautious Solution,
- SPW Defensive Solution,
- SPW Discovery Solution,
- SPW IPS Strategic Income Portfolio,
- SPW IPS Income Portfolio.

All distributions were therefore made as interest distributions.

All other sub-funds make dividend distributions.

Under the IMA SORP 2014 section 3.71, it is now acceptable not to take into account marginal tax relief in determining the distribution.

(e) Taxation

Provision is made for corporation tax at the current rate on the excess of taxable income over allowable expenses. UK dividend revenue is disclosed net of any related tax credit. Overseas dividends continue to be disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the taxation note.

Summary of Significant Accounting Policies applicable to all sub-funds

(continued)

for the year ended 31st October 2022

1. Significant accounting basis and distribution policies (continued)

(e) Taxation (continued)

Deferred taxation is provided on all timing differences that have originated but not reversed by the Balance Sheet date other than those differences regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent that it is regarded more likely than not that there will be taxable profits against which the reversal of underlying timing differences can be offset.

(f) Valuation of investments

The listed investments of the Company have been valued at market value on 31st October 2022 at 8:00am for the SPW Solution Funds, 12:00 (noon) for all Funds (other than the SPW Solution Funds (the "Valuation Point"). Market value is defined by the SORP as fair value, which is generally the bid value of each security. Where applicable, illiquid, unlisted, delisted, unapproved or suspended securities are based on the ACD's assessment of their net realisable value.

Open forward currency contracts are shown in the Portfolio Statement and are valued using contracted forward rates. The net gains/(losses) are reflected in "Forward currency contracts" in Net capital gains/(losses).

Open futures contracts are shown in the Portfolio Statement and are valued at their fair value as at balance sheet date. The fair value of long positions is the quoted bid price and fair value of short positions is the quoted offer price. The returns are either reflected in "Futures contracts" within Net capital gains/(losses) or are included within Revenue depending upon the nature of the transaction as per the accounting policy of derivatives (k).

For debt security investments where no independent price is readily available, an internal model price methodology is used. Credit spreads are often used as inputs into fair value modelling.

A review of all illiquid assets and prices obtained or calculated is conducted by the Investment Adviser on a monthly basis.

(g) Unquoted debt securities

In order to ensure that a fair value is recognised for unquoted or illiquid debt securities, there are primary, secondary and tertiary price sources in the first instance and an independent broker will be used if necessary. The primary, secondary and tertiary price sources are regularly compared with one another to ensure accuracy. A formal review is then carried out by the ACD which challenges the external valuation and includes consideration of the impact of any relevant movements in underlying variables such as:

- underlying movements in the relevant markets, for example credit spreads;
- how current transactions are being priced in the market;
- how the security is structured; and
- any supporting quantitative analysis as appropriate, for example with reference to Bloomberg or internal models.

Investments in collective investment schemes have been valued at the single price as at the last business day of the year.

Investments in other collective investment schemes have been valued at bid price for dual priced funds and at the single price for single priced funds as at the last business day of the year.

(h) Exchange rates

All transactions in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of such transactions. Foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates applicable at the end of the accounting year at the appropriate valuation point.

(i) Dilution adjustment

In certain circumstances (as detailed in the Prospectus) the ACD may charge a dilution adjustment on the creation or cancellation of shares, which is paid into the capital of the relevant sub-fund on an accruals basis. The adjustment is intended to cover certain dealing charges not included in the mid-market value of the sub-fund used in calculating the share price, which could have a diluting effect on the sub-fund.

(j) Equalisation

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of all group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

(k) Derivatives

Some of the sub-funds may enter into permitted transactions such as derivative contracts or forward foreign currency contracts. The treatment of the returns from derivatives depends upon the nature of the transaction. Both motives and circumstances are used to determine whether returns should be treated as capital or revenue.

Summary of Significant Accounting Policies applicable to all sub-funds

(continued)

for the year ended 31st October 2022

1. Significant accounting basis and distribution policies (continued)

(k) Derivatives (continued)

Where positions are undertaken to protect or enhance capital, and the circumstances support this, the returns are capital and included within gains/(losses) on investments in the Statement of Total Return. Similarly where they are for generating or protecting revenue, and the circumstances support this, the returns are revenue and included within net revenue in the Statement of Total Return. Where positions generate total returns it will generally be appropriate to apportion such returns between capital and revenue to properly reflect the nature of the transaction. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value.

(l) Securities Financing Transactions

Please note there have been no Securities Financing Transactions, therefore no Securities Financing Transactions disclosure is presented.

2. Significant accounting judgements and estimates

The sub-funds make judgements and estimates when applying its significant accounting policies which affect the amounts of income and expenses recognised during the financial period and the amounts of assets and liabilities reported at the end of the financial period.

Estimates are continually assessed based on historical experience and other factors, including expectations of future events, in order to ensure they are reasonable under the circumstances.

(a) Judgements

In the process of applying the sub-funds' accounting policies, the ACD has not made any judgements which have a significant effect on the amounts recognised within the financial statements.

(b) Estimates

In the process of applying the sub-funds' accounting policies, the ACD has not made any estimates which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements.

SPW Adventurous Solution

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 44.8% MSCI North America (Net Total Return) index, 9.7% MSCI Europe ex UK (Net Total Return) index, 5.1% MSCI Japan (Net Total Return) index, 5.7% MSCI AC Asia Pacific ex Japan (Net Total Return) index, 5.7% MSCI Emerging Markets (Net Total Return) index, 18% MSCI UK IMI (Gross Total Return) index, 1% Bloomberg Global High Yield Corporate Value GBP Hedged index, 1% Bloomberg Emerging Market Debt Value GBP Hedged index, 5% MSCI World IMI Core Real Estate (Net Total Return) index, 2% SONIA and 2% Bloomberg Commodity Total Return index.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities: 60% – 100%

Fixed and floating rate securities: 0% – 20%

Alternative assets: 0% – 20%

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

Further Information

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

As this Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 5* because, based on simulated data, it would have experienced medium to high levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 8th November 2022.	←						
	Typically lower rewards, lower risks				Typically higher rewards, higher risks		
	1	2	3	4	5	6	7

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Adventurous Solution A Accumulation	n/a	31.34	(11.24)	n/a
SPW Adventurous Solution G Accumulation	(5.76)	n/a	n/a	n/a

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

As the Fund was launched on 16th September 2019, there is insufficient data available to provide a useful indication of performance to investors for the year ended 31st October 2019.

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -6.5% in the 12 months to 31 October 2022. The benchmark returned -7.0% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.5% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Adventurous Solution

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.16%, 31/10/21 127.26%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	19,094	288	1.99
iShares North America Index Fund S Acc GBP	176,442	1,828	12.64
Schroder Sterling Liquidity Fund X Inc†#∅	701,218	701	4.85
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	2,127,916	1,624	11.23
SPW Multi-Manager European ex UK Equity Fund X Acct	1,532,412	1,391	9.62
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	292,862	271	1.87
SPW Multi-Manager Global Real Estate Securities Fund X Acct	239,517	710	4.91
SPW Multi-Manager Japanese Equity Fund X Acct	742,034	705	4.88
SPW Multi-Manager North American Equity Fund X Acct	4,224,822	4,723	32.67
SPW Multi-Manager UK Equity Fund X Acct	719,266	1,816	12.56
		14,057	97.22
Exchange Traded Funds			
iShares USD High Yield Corp Bond	1,828	143	0.99
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	6,056	137	0.95
		280	1.94
TOTAL FINANCIALS		14,337	99.16
DERIVATIVES (-0.18%, 31/10/21 0.21%)			
Forward Currency Contracts			
Bought AUD21,000 for GBP11,803 Settlement 29/11/2022~		0	0.00
Bought EUR23,250 for GBP20,295 Settlement 29/11/2022~		0	0.00
Bought EUR33,102 for GBP28,907 Settlement 29/11/2022~		0	0.00
Bought EUR33,102 for GBP28,890 Settlement 29/11/2022~		0	0.00
Bought EUR32,608 for GBP28,502 Settlement 29/11/2022		(1)	0.00
Bought EUR32,938 for GBP28,797 Settlement 29/11/2022		(1)	(0.01)
Bought EUR114,000 for GBP98,884 Settlement 29/11/2022		(1)	(0.01)
Bought EUR65,000 for GBP56,650 Settlement 29/11/2022		(1)	(0.01)
Bought USD108,000 for GBP95,603 Settlement 29/11/2022		(2)	(0.01)
Sold CAD18,000 for GBP11,679 Settlement 29/11/2022~		0	0.00
Sold EUR7,000 for GBP6,144 Settlement 29/11/2022~		0	0.00
Sold USD35,294 for GBP31,474 Settlement 29/11/2022		1	0.00
Sold USD23,331 for GBP20,890 Settlement 29/11/2022		1	0.01
Sold USD33,811 for GBP30,341 Settlement 29/11/2022		1	0.01
Sold USD16,653 for GBP14,954 Settlement 29/11/2022		1	0.01
Sold USD12,616 for GBP11,340 Settlement 29/11/2022~		0	0.00
		(2)	(0.01)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(5)	(3)	(0.02)
FTSE 100 Index Futures December 2022	10	(24)	(0.17)
S&P 500 E Mini Index Futures December 2022	8	3	0.02
		(24)	(0.17)
TOTAL DERIVATIVES		(26)	(0.18)
Portfolio of investments[^]		14,311	98.98
Net other assets		148	1.02
Total net assets		14,459	100.00

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

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

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

[~]The market value of the holding is below £500 and is therefore rounded down to £0.

SPW Adventurous Solution

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡	1,452	Schroder Sterling Liquidity Fund X Inct‡	5,835
iShares North America Index Fund S Acc GBP	677	SPW Multi-Manager North American Equity Fund X Acct	1,166
SPW Multi-Manager North American Equity Fund X Acct	637	SPW Multi-Manager UK Equity Fund A Acct	1,070
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	485	iShares North America Index Fund S Acc GBP	454
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	295	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	407
SPW Multi-Manager UK Equity Fund A Acct	249	SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	214
iShares J.P. Morgan USD Bond#	149	iShares J.P. Morgan USD Bond#	141
iShares USD High Yield Corp Bond#	144	SPW Multi-Manager Global Real Estate Securities Fund A Acct	91
SPW Multi-Manager European ex UK Equity Fund X Acct	143	SPW Multi-Manager Japanese Equity Fund X Acct	51
SPW Multi-Manager Japanese Equity Fund X Acct	20	Structured Investments SICAV - GSQuartix Modified Strategy on the BB	50

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

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

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange Traded Fund.

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	253.25	192.70	217.12
Return before operating charges*	(2.70)	63.86	(20.77)
Operating charges	(1.75)	(3.31)	(3.65)
Return after operating charges*	(4.45)	60.55	(24.42)
Distributions	-	(0.20)	(1.86)
Retained distributions on accumulation shares	-	0.20	1.86
Return to shareholder as a result of class closure	(248.80)	-	-
Closing net asset value per share	-	253.25	192.70
*after direct transaction cost of:	0.01	0.03	0.01
Performance			
Return after charges	(1.76)%	31.42%	(11.25)%
Other information			
Closing net asset value (£000)	-	5,531	4,498
Closing number of shares	-	2,184,002	2,334,353
Operating charges#	1.31%	1.41%	1.80%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	262.60	254.40	228.50
Lowest share price	237.30	192.90	162.30

#Operating charges are representative of the ongoing charges figure.

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

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	205.05	156.02	175.27
Return before operating charges*	(6.80)	51.68	(16.93)
Operating charges	(2.83)	(2.65)	(2.32)
Return after operating charges*	(9.63)	49.03	(19.25)
Distributions	(1.24)	(0.14)	(2.05)
Retained distributions on accumulation shares	1.24	0.14	2.05
Closing net asset value per share	195.42	205.05	156.02
*after direct transaction cost of:	0.01	0.02	0.01
Performance			
Return after charges^	(4.70)%	31.43%	(10.98)%
Other information			
Closing net asset value (£000)	14,459	9,949	9,234
Closing number of shares	7,398,841	4,852,376	5,918,817
Operating charges#	1.40%	1.40%	1.41%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	212.60	206.00	184.60
Lowest share price	188.60	156.20	131.20

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 14 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/20 (p)
Share Class X - Accumulation	
Change in net assets per share	
Opening net asset value per share	261.38
Return before operating charges*	(40.76)
Operating charges	(0.27)
Return after operating charges*	(41.03)
Distributions	(1.95)
Retained distributions on accumulation shares	1.95
Return to shareholder as a result of class closure	(220.35)
Closing net asset value per share	-
*after direct transaction cost of:	0.00
Performance	
Return after charges	(15.70)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.23%
Direct transaction costs	0.00%
Prices**	
Highest share price	275.90
Lowest share price	196.40

#Operating charges are representative of the ongoing charges figure.

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

Share Class X Accumulation was closed on 24th April 2020.

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(814)	4,132
Revenue	3	225	113
Expenses	4	(133)	(97)
Interest payable and similar charges		-	(3)
Net revenue before taxation		92	13
Taxation	5	-	(2)
Net revenue after taxation		92	11
Total return before distributions		(722)	4,143
Distributions	6	(92)	(11)
Change in net assets attributable to shareholders from investment activities		(814)	4,132

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	15,480	13,732
Amounts receivable on creation of shares	503	386
Less: Amounts payable on cancellation of shares	(805)	(2,781)
	(302)	(2,395)
Dilution adjustment	3	-
Change in net assets attributable to shareholders from investment activities	(814)	4,132
Retained distributions on accumulation shares	92	11
Closing net assets attributable to shareholders	14,459	15,480

Notes to the Financial Statements are on pages 24 to 30.

SPW Adventurous Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		13,643	14,654
Current assets			
Debtors	7	207	62
Cash and bank balances	8	121	648
Cash equivalents‡		701	5,084
Total assets		14,672	20,448
Liabilities			
Investment liabilities		(33)	(6)
Creditors			
Bank overdrafts		-	(2)
Other creditors	9	(180)	(4,960)
Total liabilities		(213)	(4,968)
Net assets attributable to shareholders		14,459	15,480

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 24 to 30.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Non-derivative securities	(661)	2,702
Futures contracts	(161)	1,529
Forward currency contracts	24	(124)
ACD's periodic charge rebates taken to capital	8	9
Currency (losses)/gains	(17)	30
Transaction charges	(7)	(14)
Net capital (losses)/gains*	<u>(814)</u>	<u>4,132</u>

*Includes realised gains of £128,000 and unrealised losses of £942,000 (31/10/21: realised gains of £2,355,000 and unrealised gains of £1,777,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Distributions from Regulated Collective Investment Schemes:		
Investment income	200	97
Interest distributions	17	7
Offshore distributions	8	8
Fund of funds rebates	-	1
Total revenue	<u>225</u>	<u>113</u>

4. Expenses

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>137</u>	<u>109</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	<u>2</u>	<u>1</u>
Other expenses:		
Audit fee	14	10
Expense capping adjustment‡	(20)	(23)
	<u>(6)</u>	<u>(13)</u>
Total expenses	<u>133</u>	<u>97</u>

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Irrecoverable overseas tax	-	2

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	92	13
Corporation tax of 20% (2021: 20%)	18	3
Effects of:		
Non-taxable UK dividends*	(39)	(17)
Taxable income taken to capital	2	2
Irrecoverable overseas tax	-	2
Movement in excess management expenses	19	12
Total tax charge for year (note 5a)	-	2

*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 £31,000 (31/10/21: £12,206) 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 distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Final	92	11
Add: Revenue deducted on cancellation of shares	4	-
Deduct: Revenue received on creation of shares	(4)	-
Net distribution for the year	92	11

Details of the distributions per share are set out in the Distribution Tables on page 31.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

7. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	197	53
Amounts receivable for issue of shares	1	-
Accrued revenue	2	-
Fund of funds rebates receivable	-	1
Income tax receivable	2	1
Expense capping adjustment receivable	5	7
Total debtors	<u>207</u>	<u>62</u>

8. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	29	484
Amounts held at futures clearing houses and brokers	92	164
Total cash and bank balances	<u>121</u>	<u>648</u>

9. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	143	4,756
Amounts payable for cancellation of shares	10	179
Accrued expenses	27	25
Total other creditors	<u>180</u>	<u>4,960</u>

10. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited, which amount to £7,768 (31/10/21: £9,194).

Amounts paid to/from the ACD in respect of ACD fees are disclosed in notes 2 and 4, with £6,257 (31/10/21: £3,744) due at the year end (inclusive of the expense reimbursement in note 7).

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 3,011,166 shares (31/10/21: 10,769,498 shares) with a cost of £3,248,217 (31/10/21: £16,006,976) and sales of 7,739,664 shares (31/10/21: 6,167,005 shares) with sales proceeds of £8,510,142 (31/10/21: £13,172,673).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 10,580,046 shares (31/10/21: 15,399,404 shares) and value of £11,940,955 (31/10/21: £17,789,029) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £170,598 (31/10/21: £104,770).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

11. Share classes

The sub-fund has one share classes in issue (31/10/2021: two).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Share classes (continued)

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

	31/10/22
	%
Share Class G - Accumulation:	1.15

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 (unaudited) on pages 19 to 21.

The distributions per share class are given in the Distribution Tables on page 31.

Reconciliation of the shares movement in the year:

	01/11/21			Shares	31/10/22
	Opening shares	Creations	Cancellations	converted	Closing shares
	in issue				in issue
Share Class A - Accumulation	2,184,002	35,508	(47,129)	(2,172,381)	-
Share Class G - Accumulation	4,852,376	207,888	(344,566)	2,683,143	7,398,841

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

12. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

13. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 14. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 31st October 2022, 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 £5,493 (31/10/21: £34,230).

As at 31st October the Fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Australian dollar	12	-
Canadian dollar	(12)	-
Euro	274	27
Japanese yen	-	377
Swiss franc	-	148
US dollar	275	2,871
Total	<u>549</u>	<u>3,423</u>

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

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing long term capital growth.

The sub-fund's net cash holding of £29,462 (31/10/21: cash holding £484,399) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

13. Risk management policies, derivatives and other financial instruments (continued)

The sub-fund holds net cash at futures brokers of £91,592 (31/10/21: cash £161,536), whose rates are based on SONIA or its international equivalent.

The interest rate exposure for the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

The fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the Fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the Fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

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 use of derivatives is not significant, no sensitivity analysis or value at risk disclosure has been shown.

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	3	29
Forward currency contracts	4	9
Total Financial derivative instrument exposure	7	38

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques

	31/10/22	31/10/21
	£000	£000
BNP Paribas - Forward currency contracts	(1)	-
Morgan Stanley - Forward currency contracts	2	5
Citibank - Forward currency contracts	(2)	-
Goldman Sachs - Forward currency contracts	-	1
Bank of America - Forward currency contracts	1	2
JP Morgan - Forward currency contracts	(2)	-
Canadian Imperial Bank - Forward currency contracts	(1)	-
Merrill Lynch - Futures contracts	(23)	24
Total counterparty exposure	(26)	32

Counterparty risk is limited to the profit (or loss) on a contract, not the notional value. The counterparty exposures above represent the net profit (or loss) of all open positions that would be at risk should the counterparty default.

Collateral	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	93	(2)
EUR Cash - Merrill Lynch	(3)	17
JPY Cash - Merrill Lynch	-	11
USD Cash - Merrill Lynch	2	136

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

for the year ended 31st October 2022

13. Risk management policies, derivatives and other financial instruments (continued)

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £143,107 (31/10/21: £197,319).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	103.89	164.21
Commitment leverage	6.07	17.78

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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.

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	4,645	18,129	9,562	14,660
Total Taxes	-	-	-	-
Total net trades in the year	4,645	18,129	9,562	14,660

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Portfolio transaction costs (continued)**Total transaction cost expressed as a percentage of average net asset value**

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.00	0.01

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, 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.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.01%).

15. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	283	(27)	185	(5)
Level 2	14,061	(6)	19,553	(1)
Level 3	-	-	-	-
Total fair value	14,344	(33)	19,738	(6)

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.

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 Final Shares purchased prior to 1st November 2021

Group 2 Final Shares purchased on or between 1st November 2021 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	-	-	-	0.2019
Group 2	(p)	(p)	(p)	(p)
Final	-	-	-	0.2019

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Share Class G - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	1.2407	-	1.2407	0.1386
Group 2	(p)	(p)	(p)	(p)
Final	1.1333	0.1074	1.2407	0.1386

Corporate shareholder information (unaudited) for all share classes

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

Final - 100.00% of the dividend is received as non-taxable income.

Final - 0.00% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

SPW Asset Allocator Fund

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income by investing in a diversified range of assets and markets worldwide.

Investment Policy

The Fund is actively managed and invests at least 80% of its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds to gain exposure to equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Exposure to alternative assets including real estate, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest in these assets. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities, fixed and floating rate securities, money market instruments and may hold cash.

The Fund may use derivatives with the aim of reducing risk, managing the Fund more efficiently (often referred to as 'efficient portfolio management') or for investment purposes. The Fund may take long and short positions in markets and securities through derivative contracts. The use of derivatives has the potential to increase the Fund's risk profile and could result in increased price volatility.

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.

<p>The fund is ranked at 4* because, based on historical data, it would have experienced medium levels of volatility over the past five years.</p> <p>*As disclosed in the key investor information document dated 4th August 2022.</p>	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	←	→	→	→	→	→	→
	1	2	3	4	5	6	7

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	01/11/18 to 31/10/19 %	01/11/17 to 31/10/18 %
SPW Asset Allocator Fund A Accumulation	(10.15)	20.87	(7.02)	5.47	(4.15)

Source: Lipper. Basis: Net revenue 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 Fund returned -9.8% in the 12 months to 31 October 2022. The benchmark returned -8.8% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

Investment Markets Overview**(continued)**

for the year ended 31st October 2022

Investment Review (continued)

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.5% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Asset Allocator Fund

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.37%, 31/10/21 98.75%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	5,679,230	85,563	4.73
iShares North America Index Fund S Acc GBP	5,126,746	53,113	2.94
Schroder Sterling Liquidity Fund X Inct#0	98,891,612	98,892	5.47
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inct	107,492,231	80,340	4.44
SPW Multi-Manager European ex UK Equity Fund Q Inct	83,117,533	73,517	4.06
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inct	239,463,000	181,297	10.02
SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	339,145,799	270,299	14.94
SPW Multi-Manager Global Sovereign Bond Fund Q Inct	209,365,685	182,358	10.08
SPW Multi-Manager Japanese Equity Fund Q Inct	41,244,838	38,184	2.11
SPW Multi-Manager North American Equity Fund Q Inct	268,751,816	296,702	16.40
SPW Multi-Manager UK Equity Fund P Inct	88,545,125	166,819	9.22
Vanguard Global Corporate Bond Index Fund GBP (Hedged)	2,293,230	180,521	9.98
		1,707,605	94.39
Exchange Traded Funds			
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	3,989,534	90,061	4.98
		90,061	4.98
TOTAL FINANCIALS		1,797,666	99.37
DERIVATIVES (0.20%, 31/10/21 0.24%)			
Forward Currency Contracts			
Bought USD95,302,000 for GBP84,182,874 Settlement 29/11/2022		(1,640)	(0.09)
Sold USD24,356,608 for GBP21,857,233 Settlement 29/11/2022		762	0.04
Sold USD25,425,460 for GBP22,673,913 Settlement 29/11/2022		652	0.03
Sold USD16,807,106 for GBP15,048,696 Settlement 29/11/2022		492	0.03
Sold USD11,996,539 for GBP10,772,290 Settlement 29/11/2022		382	0.02
Sold USD9,088,287 for GBP8,168,865 Settlement 29/11/2022		297	0.02
		945	0.05

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(2,053)	(1,841)	(0.10)
FTSE 100 Index Futures December 2022	(369)	1,195	0.07
S&P 500 E Mini Index Futures December 2022	439	3,248	0.18
		<u>2,602</u>	<u>0.15</u>
TOTAL DERIVATIVES		<u>3,547</u>	<u>0.20</u>
Portfolio of investments[^]		<u>1,801,213</u>	<u>99.57</u>
Net other assets		<u>7,851</u>	<u>0.43</u>
Total net assets		<u><u>1,809,064</u></u>	<u><u>100.00</u></u>

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 11).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

SPW Asset Allocator Fund

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct ‡	719,478	Schroder Sterling Liquidity Fund X Inct ‡	889,195
Vanguard Global Corporate Bond Index Fund	241,295	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	181,971
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	232,021	SPW Multi-Manager North American Equity Fund Q Inct	102,603
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inct	62,510	SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	73,988
iShares North America Index Fund S Acc GBP	55,074	Vanguard Global Corporate Bond Index Fund	49,857
Goldman Sachs Structured Investments GSQuatrix Modified Strategy Bloomberg Commodity	53,662	iShares Diversified Commodity Swap UCITS#	48,799
SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	42,856	Goldman Sachs Structured Investments GSQuatrix Modified Strategy Bloomberg Commodity	42,308
SPW Multi-Manager Global Sovereign Bond Fund Q Inct	36,909	SPW Multi-Manager UK Equity Fund P Inct	23,043
SPW Multi-Manager North American Equity Fund Q Inct	36,748	SPW Multi-Manager Global Sovereign Bond Fund Q Inct	17,723
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inct	18,459	SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inct	15,702

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 11).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange Traded Fund.

SPW Asset Allocator Fund

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	142.66	119.29	129.23
Return before operating charges*	(12.29)	25.31	(7.56)
Operating charges	(2.03)	(1.94)	(2.38)
Return after operating charges*	(14.32)	23.37	(9.94)
Distributions	(1.12)	(0.14)	(1.05)
Retained distributions on accumulation shares	1.12	0.14	1.05
Closing net asset value per share	128.34	142.66	119.29
*after direct transaction cost of:	0.02	0.02	0.02
Performance			
Return after charges^	(10.04)%	19.59%	(7.69)%
Other information			
Closing net asset value (£000)	33	62	83
Closing number of shares	26,000	43,700	69,660
Operating charges#	1.47%	1.43%	1.89%
Direct transaction costs	0.01%	0.01%	0.01%
Prices**			
Highest share price	145.60	143.90	134.80
Lowest share price	126.70	119.50	108.20

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 32 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class P - Income			
Change in net assets per share			
Opening net asset value per share	133.51	111.77	122.22
Return before operating charges*	(11.73)	23.59	(7.63)
Operating charges	(0.86)	(0.79)	(0.70)
Return after operating charges*	(12.59)	22.80	(8.33)
Distributions	(1.87)	(1.06)	(2.12)
Closing net asset value per share	119.05	133.51	111.77
*after direct transaction cost of:	0.02	0.02	0.01
Performance			
Return after charges	(9.43)%	20.40%	(6.82)%
Other information			
Closing net asset value (£000)	132,898	141,595	117,497
Closing number of shares	111,631,345	106,056,919	105,124,762
Operating charges#	0.67%	0.62%	0.60%
Direct transaction costs	0.01%	0.01%	0.01%
Prices**			
Highest share price	136.30	135.20	127.80
Lowest share price	118.70	112.00	102.80

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	133.52	111.78	122.24
Return before operating charges*	(11.74)	23.57	(7.66)
Operating charges	(0.75)	(0.70)	(0.62)
Return after operating charges*	(12.49)	22.87	(8.28)
Distributions	(1.97)	(1.13)	(2.18)
Closing net asset value per share	119.06	133.52	111.78
*after direct transaction cost of:	0.02	0.02	0.01
Performance			
Return after charges	(9.35)%	20.46%	(6.77)%
Other information			
Closing net asset value (£000)	1,676,133	1,760,375	1,295,914
Closing number of shares	1,407,782,939	1,318,397,664	1,159,356,639
Operating charges#	0.58%	0.55%	0.54%
Direct transaction costs	0.01%	0.01%	0.01%
Prices**			
Highest share price	136.30	135.30	127.90
Lowest share price	118.70	112.00	102.80

#Operating charges are representative of the ongoing charges figure.

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

SPW Asset Allocator Fund

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(214,902)	282,617
Revenue	3	36,036	20,541
Expenses	4	(2,245)	(2,237)
Interest payable and similar charges		-	(1,104)
Net revenue before taxation		33,791	17,200
Taxation	5	(4,980)	(2,163)
Net revenue after taxation		28,811	15,037
Total return before distributions		(186,091)	297,654
Distributions	6	(29,242)	(15,338)
Change in net assets attributable to shareholders from investment activities		(215,333)	282,316

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	1,902,032	1,413,494
Amounts receivable on creation of shares	154,908	234,107
Less: Amounts payable on cancellation of shares	(32,545)	(27,896)
	122,363	206,211
Dilution adjustment	2	11
Change in net assets attributable to shareholders from investment activities	(215,333)	282,316
Closing net assets attributable to shareholders	1,809,064	1,902,032

Notes to the Financial Statements are on pages 42 to 49.

SPW Asset Allocator Fund

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		1,705,802	1,618,360
Current assets			
Debtors	8	23,425	22,611
Cash and bank balances	9	9,008	28,876
Cash equivalents‡		98,892	268,608
Total assets		1,837,127	1,938,455
Liabilities			
Investment liabilities		(3,481)	(4,090)
Creditors			
Bank overdrafts		(936)	(2,992)
Distribution payable		(18,848)	(10,218)
Other creditors	10	(4,798)	(19,123)
Total liabilities		(28,063)	(36,423)
Net assets attributable to shareholders		1,809,064	1,902,032

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 42 to 49.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(139,018)	188,360
Futures contracts	(74,948)	71,038
Forward currency contracts	(1,836)	20,172
ACD's periodic charge rebates taken to capital	2,076	1,403
Fund of funds rebates taken to capital	79	104
Currency (losses)/gains	(1,247)	1,549
Transaction charges	(8)	(11)
Compensation~	-	2
Net capital (losses)/gains*	<u>(214,902)</u>	<u>282,617</u>

~Compensation received from Schroder Investment Management with regards to the trading error.

*Includes realised gains of £17,118,000 and unrealised losses of £232,020,000 (31/10/21: realised gains of £121,292,000 and unrealised gains of £161,325,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	11,009	7,890
Interest distributions	20,480	8,880
Offshore distributions	4,105	3,718
Bank interest	1	53
Futures income	441	-
Total revenue	<u>36,036</u>	<u>20,541</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>1,879</u>	<u>1,927</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	206	185
Safe custody fees	18	16
	<u>224</u>	<u>201</u>
Other expenses:		
Audit fee	15	14
Registration fees	1,725	1,210
Expense capping adjustment‡	(1,598)	(1,115)
	<u>142</u>	<u>109</u>
Total expenses	<u>2,245</u>	<u>2,237</u>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

4. Expenses (continued)

Expenses include irrecoverable VAT.

‡Within the Q Income share class no registration fee has been deducted and this has been borne by the ACD.

The Deloitte LLP audit fee for the year, exclusive of VAT is £13,000 (31/10/21: £12,250).

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Corporation tax	4,980	2,163

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue before taxation	33,791	17,200
Corporation tax of 20% (2021: 20%)	6,758	3,440
Effects of:		
Non-taxable UK dividends*	(2,202)	(1,578)
Overseas non-taxable revenue*	(7)	-
Taxable income taken to capital	431	301
Total tax charge for year (note 5a)	4,980	2,163

*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.

6. Distributions

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Interim	10,653	5,439
Final	18,848	10,218
	29,501	15,657
Add: Revenue deducted on cancellation of shares	106	61
Deduct: Revenue received on creation of shares	(365)	(380)
Net distributions for the year	29,242	15,338

Details of the distributions per share are set out in the Distribution Tables on page 50.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	28,811	15,037
Tax charge on rebates taken to capital	431	301
Net distributions for the year	<u>29,242</u>	<u>15,338</u>

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	7,895	11,202
Amounts receivable for issue of shares	1,614	3,012
Accrued revenue	13,760	8,167
Fund of funds rebates receivable	26	105
Expense capping adjustment receivable	130	125
Total debtors	<u>23,425</u>	<u>22,611</u>

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	-	6,059
Amounts held at futures clearing houses and brokers	9,008	22,817
Total cash and bank balances	<u>9,008</u>	<u>28,876</u>

10. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	3,648	18,695
Amounts payable for cancellation of shares	7	132
Accrued expenses	195	145
Corporation tax payable	948	151
Total other creditors	<u>4,798</u>	<u>19,123</u>

11. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £2,075,676 (31/10/21: £1,403,251).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD and registration fees are disclosed in notes 2 and 4, with £142,889 (31/10/21: £97,646) due at the year end.

Amounts paid by Scottish Widows Schroder Personal Wealth Limited in respect of the Expense capping adjustments are disclosed in note 4 with £130,224 (31/10/21: £125,393) due at the year end.

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 943,632,858 shares (31/10/21: 1,902,241,382 shares) with a cost of £934,725,978 (31/10/21: £1,964,857,627) and sales of 1,117,321,368 shares (31/10/21: 1,170,608,379 shares) with sales proceeds of £1,128,972,011 (31/10/21: £1,197,302,306).

for the year ended 31st October 2022

11. Related party transactions (continued)

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 1,476,017,638 shares (31/10/21: 1,653,894,294 shares) and value of £1,388,408,404 (31/10/21: £1,765,107,000) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £24,574,662 (31/10/21: £16,846,084).

Shares held by associates of the ACD

On 31st October, shares held as a percentage of the sub-fund's value were:

	31/10/22	31/10/21
	%	%
ACD and associates of the ACD	0.00	0.01

12. Share classes

The sub-fund has three share classes in issue (31/10/2021: three).

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

	31/10/22
	%
Share Class A - Accumulation:	1.00
Share Class P - Income:	0.20
Share Class Q - Income:	0.20

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 (unaudited) on pages 37 to 39.

The distributions per share class are given in the Distribution Tables on page 50.

Reconciliation of the shares movement in the year:

	01/11/21			31/10/22
	Opening shares	Creations	Cancellations	Closing shares
	in issue			in issue
Share Class A - Accumulation	43,700	-	(17,700)	26,000
Share Class P - Income	106,056,919	8,688,172	(3,113,746)	111,631,345
Share Class Q - Income	1,318,397,664	111,679,478	(22,294,203)	1,407,782,939

There are no conversions in the year to report.

13. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

14. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 32. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

The sub-fund's financial assets and liabilities are currently invested in multi-manager regulated collective investment schemes managed within the Schroder Investment Management Limited and the Scottish Widows Schroder Wealth Holdings Limited whose prices are quoted in Sterling. As a result, the sub-fund does not have any direct exposure to foreign currency movements. However, some of the sub-fund's investments will be affected by movements in exchange rates and ultimately their Sterling values as a result of holdings in investments outside the UK by the sub-funds in which it invests. As a result, movements in exchange rates may affect the Sterling value of the portfolio investments.

As at 31st October 2022, 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 sub-fund would have been a decrease or increase of approximately £977,070 (31/10/21: £818,095).

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Euro	(2,528)	1,149
Japanese yen	-	41
US dollar	100,235	80,620
Total	97,707	81,810

The sub-fund is not required to hedge its foreign currency risk, although it may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that the sub-fund does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the Sub-fund's assets and revenue could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the sub-fund in circumstances where no such hedging transactions are undertaken.

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

The sub-fund receives revenue from holdings in collective investment schemes and exchange traded funds. The cashflow from the sub-fund's investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing long term capital growth.

The sub-fund's net cash overdraft of £935,499 (31/10/21: holding £6,059,035) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £9,007,524 (31/10/21: cash £19,825,256), whose rates are based on SONIA or its international equivalent.

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

The sub-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 sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

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 sub-fund's exposure by the use of derivatives rather than through the sale and purchase by the sub-fund of transferable securities.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	4,443	8,726
Forward currency contracts	2,585	44
Total Financial derivative instrument exposure	7,028	8,770

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques	31/10/22	31/10/21
	£000	£000
Bank of America - Forward currency contracts	762	-
Morgan Stanley - Forward currency contracts	1,823	13
JP Morgan - Forward currency contracts	(1,640)	31
Merrill Lynch - Futures contracts	2,602	4,636
Total counterparty exposure	3,547	4,680

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	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	9,375	21,692
EUR Cash - Merrill Lynch	(687)	1,084
JPY Cash - Merrill Lynch	-	41
USD Cash - Merrill Lynch	320	(2,992)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of Collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £18,012,128 (31/10/21: £18,828,782).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)*(f) Leverage*

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	108.23	123.35
Commitment leverage	6.32	51.39

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	1,516,778	2,335,767	1,456,735	2,047,069
Total Taxes	-	-	-	-
Total net trades in the year	<u>1,516,778</u>	<u>2,335,767</u>	<u>1,456,735</u>	<u>2,047,069</u>

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.01	0.01
Taxes	-	0.00
Total costs	<u>0.01</u>	<u>0.01</u>

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of futures contracts, broker commissions and transfer taxes may be paid on each transaction. Other types of investments such as collective investment schemes and fixed income have no separately identifiable transaction costs and these costs form part of the dealing spread. Transaction costs disclosed on collective investment schemes relate to exchange traded funds. 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 0.01% (31/10/21: 0.00%).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

16. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	94,504	(1,841)	56,531	(4,090)
Level 2	1,710,190	(1,640)	1,830,437	-
Level 3	-	-	-	-
Total fair value	<u>1,804,694</u>	<u>(3,481)</u>	<u>1,886,968</u>	<u>(4,090)</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.

SPW Asset Allocator Fund

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1st November 2021

Final Shares purchased prior to 1st May 2022

Group 2 Interim Shares purchased on or between 1st November 2021 and 30th April 2022

Final Shares purchased on or between 1st May 2022 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Interim	0.2717	-	0.2717	-
Final	0.8458	-	0.8458	0.1351
Group 2	(p)	(p)	(p)	(p)
Interim	0.2717	-	0.2717	-
Final	0.8458	-	0.8458	0.1351

Share Class P - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Interim	0.6756	-	0.6756	0.3811
Final	1.1974	-	1.1974	0.6780
Group 2	(p)	(p)	(p)	(p)
Interim	0.4786	0.1970	0.6756	0.3811
Final	0.7772	0.4202	1.1974	0.6780

Share Class Q - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Interim	0.7221	-	0.7221	0.4117
Final	1.2439	-	1.2439	0.7205
Group 2	(p)	(p)	(p)	(p)
Interim	0.4838	0.2383	0.7221	0.4117
Final	0.8739	0.3700	1.2439	0.7205

Corporate shareholder information (unaudited) for all share classes

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

Interim - 30.84% of the dividend is received as non-taxable income.

Interim - 69.16% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 38.51% of the dividend is received as non-taxable income.

Final - 61.49% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 19.5% MSCI North America (Net Total Return) index, 4.3% MSCI Europe ex UK (Net Total Return) index, 2.2% MSCI Japan (Net Total Return) index, 2.5% MSCI AC Asia ex Japan (Net Total Return) index, 2.5% MSCI Emerging Markets (Net Total Return) index, 14% MSCI UK IMI (Gross Total Return) index, 7% Bloomberg Global Treasury Value GBP Hedged index, 26% Bloomberg Global Aggregate Corporate Value GBP Hedged index, 2.5% Bloomberg Global High Yield Corporate Value GBP Hedged index, 2.5% Bloomberg Emerging Market Debt Value GBP Hedged index, 4% MSCI World IMI Core Real Estate (Net Total Return) index, 6% SONIA plus 2%, 4% SONIA and 3% Bloomberg Commodity Total Return index.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities: 20% – 70%

Fixed and floating rate securities: 10% – 60%

Alternative assets: 0% – 30%

The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

<p>As this Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 4* because, based on simulated data, it would have experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 5th August 2022.</p>	<p>← Typically lower rewards, lower risks Typically higher rewards, higher risks →</p>						
	1	2	3	4	5	6	7

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Balanced Solution A Accumulation	n/a	17.44	(7.71)	n/a
SPW Balanced Solution G Accumulation	(9.21)	n/a	n/a	n/a

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

As the Fund was launched on 16th September 2019, there is insufficient data available to provide a useful indication of performance to investors for the year ended 31st October 2019.

On 25th April 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -9.3% in the 12 months to 31 October 2022. The benchmark returned -9.1% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Balanced Solution

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.61%, 31/10/21 98.15%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	740,360	11,154	2.91
iShares North America Index Fund S Acc GBP	722,773	7,488	1.95
iShares UK Equity Index Fund D Acc	4,476,161	10,970	2.86
Nordea 1 Diversified Return Fund BD GBP Acc	109,274	13,659	3.57
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ◊	97,941	10,078	2.63
Schroder Sterling Liquidity Fund X Inc†‡◊	12,293,943	12,294	3.21
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	24,784,436	18,913	4.94
SPW Multi-Manager European ex UK Equity Fund X Acct	18,038,405	16,372	4.27
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	21,044,355	19,497	5.09
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	96,165,738	89,598	23.39
SPW Multi-Manager Global Real Estate Securities Fund X Acct	4,957,656	14,689	3.83
SPW Multi-Manager Global Sovereign Bond Fund X Acct	21,837,378	21,007	5.48
SPW Multi-Manager Japanese Equity Fund X Acct	8,565,368	8,141	2.13
SPW Multi-Manager North American Equity Fund X Acct	61,045,790	68,249	17.82
SPW Multi-Manager UK Equity Fund X Acct	14,572,777	36,782	9.60
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	601,495	5,524	1.44
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	104,098	9,723	2.54
		374,138	97.66
Exchange Traded Funds			
iShares USD High Yield Corp Bond	48,832	3,835	1.00
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	161,735	3,653	0.95
		7,488	1.95
TOTAL FINANCIALS		381,626	99.61
DERIVATIVES (-0.05%, 31/10/21 0.21%)			
Forward Currency Contracts			
Bought EUR664,800 for GBP580,306 Settlement 29/11/2022		(10)	0.00
Bought EUR946,510 for GBP826,073 Settlement 29/11/2022		(13)	0.00
Bought EUR946,509 for GBP826,552 Settlement 29/11/2022		(14)	0.00
Bought EUR941,799 for GBP823,383 Settlement 29/11/2022		(15)	(0.01)
Bought EUR932,382 for GBP814,969 Settlement 29/11/2022		(15)	0.00
Bought EUR2,571,000 for GBP2,230,084 Settlement 29/11/2022		(23)	(0.01)
Bought EUR1,941,000 for GBP1,691,649 Settlement 29/11/2022		(25)	(0.01)
Bought USD962,000 for GBP831,482 Settlement 29/11/2022		4	0.00
Bought USD2,514,000 for GBP2,225,415 Settlement 29/11/2022		(42)	(0.01)
Sold EUR100,000 for GBP87,777 Settlement 29/11/2022		2	0.00
Sold USD849,539 for GBP762,363 Settlement 29/11/2022		24	0.01
Sold USD886,820 for GBP790,848 Settlement 29/11/2022		21	0.01
Sold USD586,219 for GBP524,887 Settlement 29/11/2022		16	0.00
Sold USD418,430 for GBP375,729 Settlement 29/11/2022		12	0.00
Sold USD316,992 for GBP284,923 Settlement 29/11/2022		10	0.00
		(68)	(0.02)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(129)	(87)	(0.02)
FTSE 100 Index Futures December 2022	52	(150)	(0.04)
S&P 500 E Mini Index Futures December 2022	20	105	0.03
		(132)	(0.03)
TOTAL DERIVATIVES		(200)	(0.05)
Portfolio of investments[^]		381,426	99.56
Net other assets		1,680	0.44
Total net assets		383,106	100.00

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds are quoted on a listed securities market, unless otherwise stated.

Derivative can be exchange traded or over the counter (OTC) contracts. The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 11).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

SPW Balanced Solution

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡	69,828	Schroder Sterling Liquidity Fund X Inct‡	87,884
iShares UK Equity Index D GBP Acc	12,941	SPW Multi-Manager North American Equity Fund X Acct	23,445
Lyxor Commodities Refinitiv/CoreCommodity CRB TR#	10,143	Lyxor Commodities Refinitiv/CoreCommodity CRB TR#	17,281
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	9,045	SPW Multi-Manager UK Equity Fund X Acct	11,426
SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	8,647	SPW Multi-Manager Global Investment Grade Bond Fund X Acct	6,326
SPW Multi-Manager North American Equity Fund X Acct	8,476	SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	5,251
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	5,705	Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	4,938
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	5,608	iShares J.P. Morgan USD Bond#	3,864
iShares North America Index Fund S Acc GBP	4,146	Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	3,509
iShares J.P. Morgan USD Bond#	4,071	SPW Multi-Manager Global Real Estate Securities Fund A Acct	2,948

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 11).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange Traded Fund.

SPW Balanced Solution

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	189.65	161.69	175.22
Return before operating charges*	(2.83)	27.96	(10.54)
Operating charges	(2.32)	-	(2.99)
Return after operating charges*	(5.15)	27.96	(13.53)
Distributions	-	(0.93)	(1.99)
Retained distributions on accumulation shares	-	0.93	1.99
Return to shareholder as a result of class closure	(184.50)	-	-
Closing net asset value per share	-	189.65	161.69
*after direct transaction cost of:	0.01	0.01	0.01
Performance			
Return after charges	(2.72)%	17.29%	(7.72)%
Other information			
Closing net asset value (£000)	-	101,253	92,029
Closing number of shares	-	53,390,649	56,917,143
Operating charges#	1.23%	1.46%	1.80%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	193.70	191.20	180.40
Lowest share price	181.00	161.30	142.20

#Operating charges are representative of the ongoing charges figure.

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

On 25th April 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	159.44	135.94	146.87
Return before operating charges*	(11.71)	23.50	(8.95)
Operating charges	(2.02)	-	(1.98)
Return after operating charges*	(13.73)	23.50	(10.93)
Distributions	(1.60)	(0.78)	(2.09)
Retained distributions on accumulation shares	1.60	0.78	2.09
Closing net asset value per share	145.71	159.44	135.94
*after direct transaction cost of:	0.01	0.01	0.01
Performance			
Return after charges^	(8.61)%	17.29%	(7.44)%
Other information			
Closing net asset value (£000)	382,218	351,470	322,189
Closing number of shares	262,308,638	220,444,024	237,015,692
Operating charges†#	1.34%	1.46%	1.42%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	162.90	160.80	151.40
Lowest share price	143.10	135.60	119.30

†During the period, the ACD's periodic charge changed from 1.15% to 1.05%. As such, 1.31% is a more representative figure for the ongoing charges figure.

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 51 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	232.99	196.83	210.72
Return before operating charges*	(17.66)	36.16	(13.45)
Operating charges	(0.58)	-	(0.44)
Return after operating charges*	(18.24)	36.16	(13.89)
Distributions	(4.28)	(3.20)	(4.87)
Retained distributions on accumulation shares	4.28	3.20	4.87
Closing net asset value per share	214.75	232.99	196.83
*after direct transaction cost of:	0.01	0.01	0.01
Performance			
Return after charges	(7.83)%	18.37%	(6.59)%
Other information			
Closing net asset value (£000)	888	964	814
Closing number of shares	413,568	413,568	413,568
Operating charges#	0.25%	0.31%	0.21%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	238.10	234.60	217.60
Lowest share price	210.90	196.40	171.90

#Operating charges are representative of the ongoing charges figure.

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

SPW Balanced Solution

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(41,456)	68,236
Revenue	3	8,364	6,117
Expenses	4	(3,932)	(3,693)
Interest payable and similar charges		-	(109)
Net revenue before taxation		4,432	2,315
Taxation	5	(235)	(128)
Net revenue after taxation		4,197	2,187
Total return before distributions		(37,259)	70,423
Distributions	6	(4,279)	(2,264)
Change in net assets attributable to shareholders from investment activities		(41,538)	68,159

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	453,687	415,032
Amounts receivable on creation of shares	646	1,898
Less: Amounts payable on cancellation of shares	(33,792)	(33,628)
	(33,146)	(31,730)
Dilution adjustment	(100)	1
Change in net assets attributable to shareholders from investment activities	(41,538)	68,159
Retained distributions on accumulation shares	4,203	2,225
Closing net assets attributable to shareholders	383,106	453,687

Notes to the Financial Statements are on pages 61 to 67.

SPW Balanced Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		369,526	416,107
Current assets			
Debtors	8	4,752	28,837
Cash and bank balances	9	1,005	3,026
Cash equivalents‡		12,294	30,350
Total assets		387,577	478,320
Liabilities			
Investment liabilities		(394)	(193)
Creditors			
Bank overdrafts		-	(286)
Other creditors	10	(4,077)	(24,154)
Total liabilities		(4,471)	(24,633)
Net assets attributable to shareholders		383,106	453,687

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 61 to 67.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(40,761)	61,592
Futures contracts	(1,622)	6,709
Forward currency contracts	565	(724)
ACD's periodic charge rebates taken to capital	407	506
Fund of funds rebates taken to capital	9	19
Currency (losses)/gains	(45)	145
Transaction charges	(9)	(11)
Net capital (losses)/gains*	<u>(41,456)</u>	<u>68,236</u>

*Includes realised gains of £7,073,000 and unrealised losses of £48,529,000 (31/10/21: realised gains of £25,343,000 and unrealised gains of £42,893,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	3,636	2,714
Interest distributions	3,918	1,829
Offshore distributions	805	1,340
HM Revenue and Customs interest	4	-
Futures income	1	-
Fund of funds rebates	-	234
Total revenue	<u>8,364</u>	<u>6,117</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>3,868</u>	<u>3,631</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	46	49
Safe custody fees	4	3
	<u>50</u>	<u>52</u>
Other expenses:		
Audit fee	14	10
Total expenses	<u>3,932</u>	<u>3,693</u>

Expenses include irrecoverable VAT.

The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Corporation tax	235	128
Double tax relief	(6)	(49)
Irrecoverable overseas tax	6	49
Total current tax	<u>235</u>	<u>128</u>
Total taxation (note 5b)	<u>235</u>	<u>128</u>

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	4,432	2,315
Corporation tax of 20% (2021: 20%)	<u>886</u>	<u>463</u>
Effects of:		
Non-taxable UK dividends*	(701)	(430)
Overseas non-taxable revenue*	(33)	(10)
Non-taxable income taken to capital*	-	29
Taxable income taken to capital	81	76
Irrecoverable overseas tax	6	49
Double tax relief	(6)	(49)
Expenses not deductible for tax purposes	2	-
Total tax charge for year (note 5a)	<u>235</u>	<u>128</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.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Final	4,203	2,225
Add: Revenue deducted on cancellation of shares	355	41
Deduct: Revenue received on creation of shares	(279)	(2)
Net distribution for the year	<u>4,279</u>	<u>2,264</u>

Details of the distributions per share are set out in the Distribution Table on page 68.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	4,197	2,187
Tax charge on rebates taken to capital	82	77
Net distribution for the year	<u>4,279</u>	<u>2,264</u>

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	4,580	28,126
Amounts receivable for issue of shares	-	12
Accrued revenue	24	2
Fund of funds rebates receivable	8	21
Corporation tax recoverable	120	613
Income tax receivable	20	63
Total debtors	<u>4,752</u>	<u>28,837</u>

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	108	428
Amounts held at futures clearing houses and brokers	897	2,598
Total cash and bank balances	<u>1,005</u>	<u>3,026</u>

10. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	3,220	23,431
Amounts payable for cancellation of shares	537	410
Accrued expenses	320	313
Total other creditors	<u>4,077</u>	<u>24,154</u>

11. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £407,017 (31/10/21: £506,047).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD fees are disclosed in note 2 and 4, with £298,189 (31/10/21: 293,118) due at the year end.

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 100,114,654 shares (31/10/21: 325,746,095 shares) with a cost of £100,692,827 (31/10/21: £474,065,890) and sales of 136,037,571 shares (31/10/21: 208,715,928 shares) with sales proceeds of £150,382,508 (31/10/21: £379,948,568).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 283,403,787 shares (31/10/21: 337,276,889 shares) and value of £315,621,035 (31/10/21: £400,151,222) held at the year-end.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Related party transactions (continued)

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £5,548,325 (31/10/21: £4,464,758).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

12. Share classes

The sub-fund has two share classes in issue (31/10/2021: three).

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

	31/10/22
	%
Share Class G - Accumulation:	1.05
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 (unaudited) on pages 56 to 58.

The distributions per share class are given in the Distribution Table on page 68.

Reconciliation of the shares movement in the year:

	01/11/21			Shares	31/10/22
	Opening shares	Creations	Cancellations	converted	Closing shares
	in issue				in issue
Share Class A - Accumulation	53,390,649	165,244	(1,750,487)	(51,805,406)	-
Share Class G - Accumulation	220,444,024	384,860	(20,085,448)	61,565,202	262,308,638
Share Class X - Accumulation	413,568	-	-	-	413,568

On 25th April 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

13. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

14. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 51. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 sub-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 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £154,549 (31/10/21: £104,167).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

	Currency exposure	Currency exposure
	31/10/22	31/10/21
Currency	£000	£000
Australian dollar	-	13
Euro	7,429	(13,305)

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Japanese yen	-	24
US dollar	8,026	23,685
Total	15,455	10,417

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

The sub-fund receives revenue from holdings in collective investment schemes. The cash flow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing long term capital growth.

The sub-fund's net cash holding of £108,218 (31/10/21: holding £427,778) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £896,914 (31/10/21: cash £2,311,788), whose rates are based on SONIA or its international equivalent.

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

(c) Derivatives and other financial instruments

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

The sub-fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the sub-fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the sub-fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	105	1,120
Forward currency contracts	89	23
Total Financial derivative instrument exposure	194	1,143

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques

	31/10/22	31/10/21
	£000	£000
Morgan Stanley - Forward currency contracts	62	23
Royal Bank of Canada - Forward currency contracts	(13)	-
Citibank - Forward currency contracts	(49)	-
BNP Paribas - Forward currency contracts	(29)	(36)
Canadian Imperial Bank - Forward currency contracts	(23)	-
Bank of America - Forward currency contracts	24	-
Merrill Lynch - Futures contracts	(132)	963
JP Morgan - Forward currency contracts	(40)	-
Total counterparty exposure	(200)	950

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

Collateral	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	925	2,576
AUD Cash - Merrill Lynch	-	13
EUR Cash - Merrill Lynch	(76)	7
JPY Cash - Merrill Lynch	-	3
USD Cash - Merrill Lynch	48	(286)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £3,814,264 (31/10/21: £4,462,637).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	102.11	114.95
Commitment leverage	2.16	35.29

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)*(g) Credit risk*

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	152,519	538,502	183,551	572,916
Total Taxes	-	-	-	-
Total net trades in the year	152,519	538,502	183,551	572,916

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.01	0.00

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, 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.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.02%).

16. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	7,593	(237)	7,956	(157)
Level 2	374,227	(157)	438,501	(36)
Level 3	-	-	-	-
Total fair value	381,820	(394)	446,457	(193)

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.

SPW Balanced Solution

Distribution Table

for the year ended 31st October 2022

Distribution in pence per share

Group 1 Final Shares purchased prior to 1st November 2021

Group 2 Final Shares purchased on or between 1st November 2021 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	-	-	-	0.9263
Group 2	(p)	(p)	(p)	(p)
Final	-	-	-	0.9263

On 25th April 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Share Class G - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	1.5957	-	1.5957	0.7787
Group 2	(p)	(p)	(p)	(p)
Final	1.3256	0.2701	1.5957	0.7787

Share Class X - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	4.2848	-	4.2848	3.1966
Group 2	(p)	(p)	(p)	(p)
Final	4.2848	-	4.2848	3.1966

Corporate shareholder information (unaudited) for all share classes

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

Final - 79.75% of the dividend is received as non-taxable income.

Final - 13.10% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 7.15% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 6.9% MSCI North America (Net Total Return) index, 1.5% MSCI Europe ex UK (Net Total Return) index, 0.8% MSCI Japan (Net Total Return) index, 0.9% MSCI AC Asia Pacific ex Japan (Net Total Return) index, 0.9% MSCI Emerging Markets (Net Total Return) index, 5% MSCI UK IMI (Gross Total Return) index, 13% Bloomberg Global Treasury Value GBP Hedged index, 46% Bloomberg Global Aggregate Corporate Value GBP Hedged index, 4% Bloomberg Global High Yield Corporate Value GBP Hedged index, 4% Bloomberg Emerging Market Debt Value GBP Hedged index, 4% MSCI World IMI Core Real Estate (Net Total Return) index, 7% SONIA plus 2%, 4% SONIA and 2% Bloomberg Commodity Total Return index.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities; 0% – 40%

Fixed and floating rate securities: 30% – 80%

Alternative assets : 0% – 30%

The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

<p>As this Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 4* because, based on simulated data, it would have experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 9th August 2022.</p>	<p>← Typically lower rewards, lower risks Typically higher rewards, higher risks →</p>						
	1	2	3	4	5	6	7

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Cautious Solution A Accumulation	n/a	7.38	(2.65)	n/a
SPW Cautious Solution G Accumulation	(13.28)	n/a	n/a	n/a

Source: Lipper. Basis: Gross revenue reinvested and net of expenses.

As the Fund was launched on 16th September 2019, there is insufficient data available to provide a useful indication of performance to investors for the year ended 31st October 2019.

On 21st March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -13.2% in the 12 months to 31 October 2022. The benchmark returned -12.3% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Cautious Solution

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.94%, 31/10/21 97.79%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	411,650	6,202	1.95
iShares North America Index Fund S Acc GBP	426,607	4,325	1.36
Nordea 1 Diversified Return Fund BD GBP Acc	110,558	13,801	4.34
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	2,671,420	28,851	9.07
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ◊	92,963	9,525	2.99
Schroder Sterling Liquidity Fund X Inc†‡◊	9,262,436	9,262	2.91
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	6,915,473	5,262	1.65
SPW Multi-Manager European ex UK Equity Fund X Acct	5,545,762	5,011	1.58
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	28,058,823	25,924	8.15
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	109,697,107	102,238	32.14
SPW Multi-Manager Global Real Estate Securities Fund X Acct	13,735,663	11,903	3.74
SPW Multi-Manager Global Sovereign Bond Fund X Acct	34,950,474	33,664	10.58
SPW Multi-Manager Japanese Equity Fund X Acct	2,871,990	2,713	0.85
SPW Multi-Manager North American Equity Fund X Acct	16,439,141	18,017	5.66
SPW Multi-Manager UK Equity Fund X Acct	4,597,245	11,548	3.63
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	926,691	8,518	2.68
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	159,943	14,939	4.70
		311,703	97.98
Exchange Traded Funds			
iShares USD High Yield Corp Bond	40,845	3,213	1.01
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	135,283	3,024	0.95
		6,237	1.96
TOTAL FINANCIALS		317,940	99.94
DERIVATIVES (-0.05%, 31/10/21 0.11%)			
Forward Currency Contracts			
Bought EUR572,400 for GBP499,650 Settlement 29/11/2022		(8)	0.00
Bought EUR814,956 for GBP711,258 Settlement 29/11/2022		(11)	0.00
Bought EUR802,791 for GBP701,697 Settlement 29/11/2022		(12)	0.00
Bought EUR814,954 for GBP711,670 Settlement 29/11/2022		(12)	0.00
Bought EUR810,899 for GBP708,941 Settlement 29/11/2022		(13)	(0.01)
Bought EUR2,071,000 for GBP1,796,385 Settlement 29/11/2022		(18)	(0.01)
Bought EUR1,617,000 for GBP1,409,272 Settlement 29/11/2022		(21)	(0.01)
Bought USD1,272,000 for GBP1,099,423 Settlement 29/11/2022		(2)	0.00
Bought USD1,765,000 for GBP1,562,394 Settlement 29/11/2022		(39)	(0.01)
Sold EUR85,000 for GBP74,611 Settlement 29/11/2022		2	0.00
Sold USD683,965 for GBP613,779 Settlement 29/11/2022		23	0.01
Sold USD713,980 for GBP636,713 Settlement 29/11/2022		21	0.01
Sold USD471,965 for GBP422,587 Settlement 29/11/2022		15	0.00
Sold USD336,879 for GBP302,500 Settlement 29/11/2022		12	0.00
Sold USD255,211 for GBP229,392 Settlement 29/11/2022		9	0.00
		(54)	(0.02)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(108)	(78)	(0.02)
FTSE 100 Index Futures December 2022	43	(142)	(0.05)
S&P 500 E Mini Index Futures December 2022	14	115	0.04
		<u>(105)</u>	<u>(0.03)</u>
TOTAL DERIVATIVES		<u>(159)</u>	<u>(0.05)</u>
Portfolio of investments[^]		317,781	99.89
Net other assets		350	0.11
Total net assets		<u>318,131</u>	<u>100.00</u>

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 11).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡ [†]	56,487	Schroder Sterling Liquidity Fund X Inct‡ [†]	63,919
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	11,376	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	12,189
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	8,260	SPW Multi-Manager Global Investment Grade Bond Fund X Acct	6,500
SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	4,113	SPW Multi-Manager North American Equity Fund X Acct	5,407
iShares J.P. Morgan USD Bond#	3,459	PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	4,590
iShares USD High Yield Corp Bond#	3,227	Schroder Multi-Asset Total Return X GBP (Hedged) Acct	4,258
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	3,170	Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	3,974
iShares North America Index Fund S Acc GBP	2,559	iShares J.P. Morgan USD Bond#	3,283
Nordea 1 Diversified Return Fund BD GBP Acc	2,090	SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	3,027
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Acct	1,281	SPW Multi-Manager UK Equity Fund X GBP Acct	2,585

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

[†]This investment is a related party (see note 11).

[‡]Cash equivalents.

[†]Asset managed by the Investment Adviser.

[#]Exchange Traded Fund.

Comparative Table

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	161.22	150.37	154.49
Return before operating charges*	(4.78)	12.68	(1.82)
Operating charges	(1.64)	(1.83)	(2.30)
Return after operating charges*	(6.42)	10.85	(4.12)
Distributions	(0.27)	(1.62)	(2.63)
Retained distributions on accumulation shares	0.27	1.62	2.63
Return to shareholder as a result of class closure	(154.80)	-	-
Closing net asset value per share	-	161.22	150.37
*after direct transaction cost of:	0.00	0.01	0.00
Performance			
Return after charges	(3.98)%	7.22%	(2.67)%
Other information			
Closing net asset value (£000)	-	54,783	54,307
Closing number of shares	-	33,981,289	36,115,300
Operating charges#	1.02%	1.16%	1.52%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	163.30	163.30	157.60
Lowest share price	152.60	149.90	135.00

#Operating charges are representative of the ongoing charges figure.

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

On 21st March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Income			
Change in net assets per share			
Opening net asset value per share	114.69	108.06	112.99
Return before operating charges*	(3.44)	9.10	(1.35)
Operating charges	(1.16)	(1.31)	(1.67)
Return after operating charges*	(4.60)	7.79	(3.02)
Distributions	(0.19)	(1.16)	(1.91)
Return to shareholder as a result of class closure	(109.90)	-	-
Closing net asset value per share	-	114.69	108.06
*after direct transaction cost of:	0.00	0.00	0.00
Performance			
Return after charges	(4.01)%	7.21%	(2.67)%
Other information			
Closing net asset value (£000)	-	9,001	8,019
Closing number of shares	-	7,847,759	7,420,775
Operating charges#	1.02%	1.16%	1.52%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	116.20	116.50	115.20
Lowest share price	108.40	107.70	98.34

#Operating charges are representative of the ongoing charges figure.

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

On 21st March 2022 all shareholdings in A Income were converted to G Income shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	136.68	127.49	130.49
Return before operating charges*	(16.48)	10.74	(1.54)
Operating charges	(1.45)	(1.55)	(1.46)
Return after operating charges*	(17.93)	9.19	(3.00)
Distributions	(1.88)	(1.37)	(2.71)
Retained distributions on accumulation shares	1.88	1.37	2.71
Closing net asset value per share	118.75	136.68	127.49
*after direct transaction cost of:	0.01	0.00	0.00
Performance			
Return after charges^	(13.12)%	7.21%	(2.30)%
Other information			
Closing net asset value (£000)	300,801	326,879	330,042
Closing number of shares	253,318,436	239,149,972	258,879,468
Operating charges#	1.12%	1.16%	1.15%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	138.50	138.50	133.30
Lowest share price	117.10	127.10	114.20

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 69 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class G - Income			
Change in net assets per share			
Opening net asset value per share	113.71	107.14	112.02
Return before operating charges*	(13.63)	9.01	(1.32)
Operating charges	(1.21)	(1.30)	(1.25)
Return after operating charges*	(14.84)	7.71	(2.57)
Distributions	(1.59)	(1.14)	(2.31)
Closing net asset value per share	97.28	113.71	107.14
*after direct transaction cost of:	0.01	0.00	0.00
Performance			
Return after charges	(13.05)%	7.20%	(2.29)%
Other information			
Closing net asset value (£000)	17,330	12,338	12,094
Closing number of shares	17,813,893	10,849,954	11,288,333
Operating charges#	1.14%	1.16%	1.15%
Direct transaction costs	0.00%	0.00%	0.00%
Prices**			
Highest share price	115.20	115.50	114.30
Lowest share price	96.54	106.80	97.56

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/20 (p)
Share Class X - Accumulation	
Change in net assets per share	
Opening net asset value per share	181.07
Return before operating charges*	(12.80)
Operating charges	(0.22)
Return after operating charges*	(13.02)
Distributions	(1.32)
Retained distributions on accumulation shares	1.32
Return to shareholder as a result of class closure	(168.05)
Closing net asset value per share	-
*after direct transaction cost of:	0.00
Performance	
Return after charges	(7.19)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.25%
Direct transaction costs	0.00%
Prices**	
Highest share price	185.50
Lowest share price	159.00

#Operating charges are representative of the ongoing charges figure.

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

Share Class X Accumulation was closed on 24th April 2020.

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(55,365)	24,694
Revenue	3	8,193	7,257
Expenses	4	(2,993)	(3,027)
Interest payable and similar charges		-	(90)
Net revenue before taxation		5,200	4,140
Taxation	5	(102)	(41)
Net revenue after taxation		5,098	4,099
Total return before distributions		(50,267)	28,793
Distributions	6	(5,231)	(4,186)
Change in net assets attributable to shareholders from investment activities		(55,498)	24,607

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	403,001	404,462
Amounts receivable on creation of shares	793	4,361
Less: Amounts payable on cancellation of shares	(34,988)	(34,369)
	(34,195)	(30,008)
Dilution adjustment	(69)	2
Change in net assets attributable to shareholders from investment activities	(55,498)	24,607
Retained distributions on accumulation shares	4,892	3,937
Unclaimed distributions	-	1
Closing net assets attributable to shareholders	318,131	403,001

SPW Cautious Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		308,875	378,000
Current assets			
Debtors	8	151	24,933
Cash and bank balances	9	833	1,869
Cash equivalents‡		9,262	16,695
Total assets		319,121	421,497
Liabilities			
Investment liabilities		(356)	(149)
Provision for liabilities	10	-	(22)
Creditors			
Bank overdrafts		-	(241)
Distribution payable		(110)	(67)
Other creditors	11	(524)	(18,017)
Total liabilities		(990)	(18,496)
Net assets attributable to shareholders		318,131	403,001

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 81 to 88.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(54,309)	23,176
Futures contracts	(1,927)	2,975
Forward currency contracts	533	(2,173)
ACD's periodic charge rebates taken to capital	463	615
Fund of funds rebates taken to capital	8	13
Currency (losses)/gains	(125)	99
Transaction charges	(8)	(11)
Net capital (losses)/gains*	<u>(55,365)</u>	<u>24,694</u>

*Includes realised gains of £2,298,000 and unrealised losses of £57,663,000 (31/10/21: realised gains of £4,359,000 and unrealised gains of £20,335,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	1,202	1,908
Interest distributions	5,006	2,557
Offshore distributions	1,981	2,558
HM Revenue and Customs interest	2	-
Fund of funds rebates	-	234
Futures income	2	-
Total revenue	<u>8,193</u>	<u>7,257</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>2,936</u>	<u>2,965</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	40	45
Safe custody fees	3	7
	<u>43</u>	<u>52</u>
Other expenses:		
Audit fee	14	10
Total expenses	<u>2,993</u>	<u>3,027</u>

Expenses include irrecoverable VAT.

The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Corporation tax	124	108
Corporation tax prior year adjustment	-	(75)
Double tax relief	(6)	(35)
Irrecoverable overseas tax	6	35
Total current tax	124	33
Total deferred tax (note 5c)	(22)	8
Total taxation (note 5b)	102	41

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue before taxation	5,200	4,140
Corporation tax of 20% (2021: 20%)	1,040	828
Effects of:		
Non-taxable UK dividends*	(218)	(293)
Overseas non-taxable revenue*	(34)	(22)
Taxable income taken to capital	94	126
Irrecoverable overseas tax	6	35
Adjustments in respect of prior years	-	(75)
Tax deductible interest distributions	(780)	(523)
Double tax relief	(6)	(35)
Total tax charge for year (note 5a)	102	41

*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:

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Provision at the start of the year	22	14
Deferred tax (credit)/charge in profit and loss account for the year (note 5a)	(22)	8
Provision at the end of the year	-	22
Provision consists of:		
Revenue taxable in different periods	-	22

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

6. Distributions

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
First interim	657	1,185
Second interim	1,270	469
Third interim	1,252	1,243
Final	2,001	1,256
	<hr/>	<hr/>
	5,180	4,153
Add: Revenue deducted on cancellation of shares	53	36
Deduct: Revenue received on creation of shares	(2)	(3)
	<hr/>	<hr/>
Net distributions for the year	<u>5,231</u>	<u>4,186</u>

Details of the distributions per share are set out in the Distribution Tables on page 89.

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	5,098	4,099
Share class A shortfall funded from capital	70	-
Undistributed revenue	(3)	6
Tax charge on rebates taken to capital	94	81
Prior year corporation tax provision on capital rebates	(28)	-
	<hr/>	<hr/>
Net distributions for the year	<u>5,231</u>	<u>4,186</u>

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	-	24,502
Amounts receivable for issue of shares	1	2
Accrued revenue	107	88
Fund of funds rebates receivable	4	15
Income tax receivable	39	326
	<hr/>	<hr/>
Total debtors	<u>151</u>	<u>24,933</u>

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	137	515
Amounts held at futures clearing houses and brokers	696	1,354
	<hr/>	<hr/>
Total cash and bank balances	<u>833</u>	<u>1,869</u>

10. Provision for liabilities

	31/10/22	31/10/21
	£000	£000
Deferred taxation	-	22
	<hr/>	<hr/>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	-	17,550
Amounts payable for cancellation of shares	243	195
Accrued expenses	235	199
Corporation tax payable	46	73
Total other creditors	<u>524</u>	<u>18,017</u>

12. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £463,160 (31/10/21: £614,696).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD fees are disclosed in note 2 and 4, with £215,269 (31/10/21: 180,363) due at the year end.

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 64,440,856 shares (31/10/21: 401,213,365 shares) with a cost of £64,136,257 (31/10/21: £450,886,674) and sales of 89,031,801 shares (31/10/21: 243,431,625 shares) with sales proceeds of £96,897,330 (31/10/21: £317,667,499).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 232,167,078 shares (31/10/21: 271,662,804 shares) and value of £235,067,290 (31/10/21: £306,855,264) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £4,807,048 (31/10/21: £4,063,525).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

	31/10/22	31/10/21
	%	%
ACD and associates of the ACD	0.00	0.00

13. Share classes

The sub-fund has two share classes in issue (31/10/2021: four).

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

	31/10/22
	%
Share Class G - Accumulation:	0.85
Share Class G - Income:	0.85

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 (unaudited) on pages 74 to 78.

The distributions per share class are given in the Distribution Tables on pages 89 to 50.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

13. Share classes (continued)**Reconciliation of the shares movement in the year:**

	01/11/21			Shares	31/10/22
	Opening shares	Creations	Cancellations	converted	Closing shares
	in issue				in issue
Share Class A - Accumulation	33,981,289	47,094	(1,136,595)	(32,891,788)	-
Share Class A - Income	7,847,759	3,766	(191,939)	(7,659,586)	-
Share Class G - Accumulation	239,149,972	189,185	(24,787,441)	38,766,720	253,318,436
Share Class G - Income	10,849,954	437,246	(1,196,137)	7,722,830	17,813,893

On 21st March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares and shareholdings in A Income were converted to G Income shares.

14. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

15. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 69. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 sub-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 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £131,021 (31/10/21: £120,131).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Australian dollar	-	12
Euro	6,230	(4,595)
Japanese yen	-	115
US dollar	6,872	16,481
Total	13,102	12,013

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

The sub-fund receives revenue from holdings in regulated collective investment schemes and exchange traded funds. The cash flow from the sub-fund's investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of generating long term capital growth.

The sub-fund's net cash holding of £136,827 (31/10/21: holding £514,463) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £695,887 (31/10/21: cash £1,112,810), whose rates are based on SONIA or its international equivalent.

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

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)*(c) Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

The sub-fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the sub-fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the sub-fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	115	581
Forward currency contracts	82	18
Total Financial derivative instrument exposure	197	599

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques

	31/10/22	31/10/21
	£000	£000
BNP Paribas - Forward currency contracts	(25)	(13)
Morgan Stanley - Forward currency contracts	55	17
Bank of America - Forward currency contracts	23	1
Citibank - Forward currency contracts	(41)	-
Royal Bank of Canada - Forward currency contracts	(11)	-
Canadian Imperial Bank - Forward currency contracts	(18)	-
JP Morgan - Forward currency contracts	(37)	-
Merrill Lynch - Futures contracts	(105)	445
Total counterparty exposure	(159)	450

Collateral	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	754	1,337
AUD Cash - Merrill Lynch	-	11
EUR Cash - Merrill Lynch	(63)	5
JPY Cash - Merrill Lynch	-	1
USD Cash - Merrill Lynch	5	(241)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)*(e) Market price risk and fair value of financial assets and liabilities*

The sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £3,177,809 (31/10/21: £3,945,465).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	102.91	111.51
Commitment leverage	2.34	22.17

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	98,278	556,504	126,721	590,924
Total Taxes	-	-	-	-
Total net trades in the year	98,278	556,504	126,721	590,924

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

16. Portfolio transaction costs (continued)**Total transaction cost expressed as a percentage of average net asset value**

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.01	0.00

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.01%).

17. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	6,352	(220)	4,724	(136)
Level 2	311,785	(136)	389,971	(13)
Level 3	-	-	-	-
Total fair value	318,137	(356)	394,695	(149)

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.

SPW Cautious Solution

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1st November 2021
 Second interim Shares purchased prior to 1st February 2022
 Third interim Shares purchased prior to 1st May 2022
 Final Shares purchased prior to 1st August 2022

Group 2 First interim Shares purchased on or between 1st November 2021 and 31st January 2022
 Second interim Shares purchased on or between 1st February 2022 and 30th April 2022
 Third interim Shares purchased on or between 1st May 2022 and 31st July 2022
 Final Shares purchased on or between 1st August 2022 and 31st October 2022

Share Class A - Accumulation

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.2681	-	0.2681	0.4463
Second interim	-	-	-	0.1798
Third interim	-	-	-	0.4883
Final	-	-	-	0.5036
Group 2	(p)	(p)	(p)	(p)
First interim	0.2119	0.0562	0.2681	0.4463
Second interim	-	-	-	0.1798
Third interim	-	-	-	0.4883
Final	-	-	-	0.5036

On 21st March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Share Class A - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1914	-	0.1914	0.3207
Second interim	-	-	-	0.1296
Third interim	-	-	-	0.3496
Final	-	-	-	0.3556
Group 2	(p)	(p)	(p)	(p)
First interim	0.1586	0.0328	0.1914	0.3207
Second interim	-	-	-	0.1296
Third interim	-	-	-	0.3496
Final	-	-	-	0.3556

On 21st March 2022 all shareholdings in A Income were converted to G Income shares.

Distribution Tables**(continued)**

for the year ended 31st October 2022

Share Class G - Accumulation

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.2271	-	0.2271	0.3785
Second interim	0.4463	-	0.4463	0.1523
Third interim	0.4553	-	0.4553	0.4129
Final	0.7467	-	0.7467	0.4260
Group 2	(p)	(p)	(p)	(p)
First interim	0.1213	0.1058	0.2271	0.3785
Second interim	0.2661	0.1802	0.4463	0.1523
Third interim	0.4553	-	0.4553	0.4129
Final	0.5402	0.2065	0.7467	0.4260

Share Class G - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1903	-	0.1903	0.3180
Second interim	0.4064	-	0.4064	0.1272
Third interim	0.3756	-	0.3756	0.3432
Final	0.6157	-	0.6157	0.3563
Group 2	(p)	(p)	(p)	(p)
First interim	-	0.1903	0.1903	0.3180
Second interim	0.0012	0.4052	0.4064	0.1272
Third interim	0.0246	0.3510	0.3756	0.3432
Final	0.4770	0.1387	0.6157	0.3563

SPW Defensive Solution

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 3.1% MSCI North America (Net Total Return) index, 0.7% MSCI Europe ex UK (Net Total Return) index, 0.4% MSCI Japan (Net Total Return) index, 0.4% MSCI AC Asia Pacific ex Japan (Net Total Return) index, 0.4% MSCI Emerging Markets (Net Total Return) index, 3% MSCI UK IMI (Gross Total Return) index, 15% Bloomberg Global Treasury Value GBP Hedged index, 54% Bloomberg Global Aggregate Corporate Value GBP Hedged index, 5% Bloomberg Global High Yield Corporate Value GBP Hedged index, 5% Bloomberg Emerging Market Debt Value GBP Hedged index, 2% MSCI World IMI Core Real Estate (Net Total Return) index, 8% SONIA plus 2% and 3% SONIA.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities: 0% – 30%

Fixed and floated rate securities: 40% – 90%

Alternative assets: 0% – 30%

The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

<p>As this Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The fund is ranked at 4* because based on simulated data, it would have experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 9th August 2022.</p>	←			→			
	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	1	2	3	4	5	6	7

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Defensive Solution A Accumulation	n/a	4.18	(1.12)	n/a
SPW Defensive Solution G Accumulation	(15.10)	n/a	n/a	n/a

Source: Lipper. Basis: Gross revenue reinvested and net of expenses.

As the Fund was launched on 16th September 2019, there is insufficient data available to provide a useful indication of performance to investors for the year ended 31st October 2019.

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -14.9% in the 12 months to 31 October 2022. The benchmark returned -14.1% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Defensive Solution

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (100.05%, 31/10/21 98.02%)			
Collective Investment Schemes			
Nordea 1 Diversified Return Fund BD GBP Acc	4,422	552	4.86
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	171,841	1,856	16.35
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ◊	3,709	380	3.35
Schroder Sterling Liquidity Fund X Inc†‡◊	196,844	197	1.74
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	127,399	97	0.85
SPW Multi-Manager European ex UK Equity Fund X Acct	95,135	86	0.76
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	1,238,190	1,144	10.08
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	3,941,644	3,674	32.36
SPW Multi-Manager Global Real Estate Securities Fund X Acct	245,871	213	1.88
SPW Multi-Manager Global Sovereign Bond Fund X Acct	1,423,308	1,371	12.08
SPW Multi-Manager Japanese Equity Fund X Acct	55,737	53	0.47
SPW Multi-Manager North American Equity Fund X Acct	263,013	288	2.54
SPW Multi-Manager UK Equity Fund X Acct	106,106	266	2.34
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	38,129	350	3.08
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	6,520	609	5.36
		11,136	98.10
Exchange Traded Funds			
iShares USD High Yield Corp Bond	1,453	114	1.00
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	4,811	108	0.95
		222	1.95
TOTAL FINANCIALS		11,358	100.05
DERIVATIVES (0.00%, 31/10/21 0.14%)			
Forward Currency Contracts			
Bought EUR28,403 for GBP24,789 Settlement 29/11/2022~		0	0.00
Bought EUR19,950 for GBP17,414 Settlement 29/11/2022~		0	0.00
Bought EUR28,404 for GBP24,804 Settlement 29/11/2022~		0	0.00
Bought EUR65,000 for GBP56,381 Settlement 29/11/2022		(1)	(0.01)
Bought EUR28,263 for GBP24,709 Settlement 29/11/2022		(1)	(0.01)
Bought EUR64,000 for GBP55,778 Settlement 29/11/2022		(1)	(0.01)
Bought EUR27,980 for GBP24,457 Settlement 29/11/2022		(1)	(0.01)
Bought USD58,000 for GBP50,131 Settlement 29/11/2022~		0	0.00
Bought USD57,000 for GBP50,457 Settlement 29/11/2022		(1)	(0.01)
Sold EUR8,000 for GBP7,022 Settlement 29/11/2022~		0	0.00
Sold USD9,446 for GBP8,477 Settlement 29/11/2022		1	0.01
Sold USD6,518 for GBP5,836 Settlement 29/11/2022~		0	0.00
Sold USD3,524 for GBP3,167 Settlement 29/11/2022~		0	0.00
Sold USD9,860 for GBP8,793 Settlement 29/11/2022~		0	0.00
Sold USD4,652 for GBP4,177 Settlement 29/11/2022~		0	0.00
		(4)	(0.04)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(2)	(2)	(0.02)
S&P 500 E Mini Index Futures December 2022	7	6	0.06
		<u>4</u>	<u>0.04</u>
TOTAL DERIVATIVES		<u>0</u>	<u>0.00</u>
Portfolio of investments[^]		11,358	100.05
Net other liabilities		(6)	(0.05)
Total net assets		<u>11,352</u>	<u>100.00</u>

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 11).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

[~]The market value of the holding is below £500 and is therefore rounded down to £0.

SPW Defensive Solution

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡	942	Schroder Sterling Liquidity Fund X Inct‡	1,183
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	834	PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	633
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	322	SPW Multi-Manager Global Investment Grade Bond Fund X Acct	305
iShares J.P. Morgan USD Bond#	124	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	273
SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	116	SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	249
iShares USD High Yield Corp Bond#	115	Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	203
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	98	Schroder Multi-Asset Total Return X GBP (Hedged) Acct	177
Nordea 1 Diversified Return Fund BD GBP Acc	96	SPW Multi-Manager Global Sovereign Bond Fund X Acct	157
iShares € High Yield Corp Bond UCITS ETF EUR#	75	SPW Multi-Manager Global Sovereign Bond Fund Q Acct	118
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Acct	45	SPW Multi-Manager North American Equity Fund X Acct	101

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 11).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange Traded Fund.

SPW Defensive Solution

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	146.63	140.99	142.61
Return before operating charges*	(12.08)	7.36	0.52
Operating charges	(0.75)	(1.72)	(2.14)
Return after operating charges*	(12.83)	5.64	(1.62)
Distributions	(0.91)	(1.78)	(2.87)
Retained distributions on accumulation shares	0.91	1.78	2.87
Return to shareholder as a result of class closure	(133.80)	-	-
Closing net asset value per share	-	146.63	140.99
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges	(8.75)%	4.00%	(1.14)%
Other information			
Closing net asset value (£000)	-	3,395	3,449
Closing number of shares	-	2,315,193	2,445,980
Operating charges#	1.00%	1.18%	1.53%
Direct transaction costs	0.01%	0.01%	0.00%
Prices**			
Highest share price	148.20	149.10	145.40
Lowest share price	135.50	140.50	127.20

#Operating charges are representative of the ongoing charges figure.

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

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Income			
Change in net assets per share			
Opening net asset value per share	106.31	103.47	106.82
Return before operating charges*	(8.70)	5.39	0.37
Operating charges	(0.55)	(1.25)	(1.59)
Return after operating charges*	(9.25)	4.14	(1.22)
Distributions	(0.65)	(1.30)	(2.13)
Return to shareholder as a result of class closure	(96.41)	-	-
Closing net asset value per share	-	106.31	103.47
*after direct transaction cost of:	0.00	0.01	0.00
Performance			
Return after charges	(8.70)%	4.00%	(1.14)%
Other information			
Closing net asset value (£000)	-	531	499
Closing number of shares	-	499,677	482,027
Operating charges#	1.00%	1.18%	1.53%
Direct transaction costs	0.01%	0.01%	0.00%
Prices**			
Highest share price	107.50	108.50	108.70
Lowest share price	98.01	103.10	94.97

#Operating charges are representative of the ongoing charges figure.

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

On 9th May 2022 all shareholdings in A Income were converted to G Income shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	130.24	125.23	126.20
Return before operating charges*	(18.12)	6.54	0.46
Operating charges	(1.33)	(1.53)	(1.43)
Return after operating charges*	(19.45)	5.01	(0.97)
Distributions	(2.11)	(1.59)	(3.01)
Retained distributions on accumulation shares	2.11	1.59	3.01
Closing net asset value per share	110.79	130.24	125.23
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges^	(14.93)%	4.00%	(0.77)%
Other information			
Closing net asset value (£000)	10,660	10,560	10,822
Closing number of shares	9,621,640	8,107,390	8,641,212
Operating charges†#	1.10%	1.18%	1.15%
Direct transaction costs	0.01%	0.01%	0.00%
Prices**			
Highest share price	131.60	132.40	128.80
Lowest share price	109.10	124.80	112.80

†During the period, the ACD's periodic charge changed from 0.79% to 0.78%. As such, 1.09% is a more representative figure for the ongoing charges figure.

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 92 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class G - Income			
Change in net assets per share			
Opening net asset value per share	109.58	106.65	110.11
Return before operating charges*	(15.14)	5.56	0.39
Operating charges	(1.12)	(1.29)	(1.24)
Return after operating charges*	(16.26)	4.27	(0.85)
Distributions	(1.77)	(1.34)	(2.61)
Closing net asset value per share	91.55	109.58	106.65
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges	(14.84)%	4.00%	(0.77)%
Other information			
Closing net asset value (£000)	692	547	561
Closing number of shares	755,623	498,988	526,137
Operating charges†#	1.11%	1.18%	1.15%
Direct transaction costs	0.01%	0.01%	0.00%
Prices**			
Highest share price	110.80	111.80	112.20
Lowest share price	90.72	106.30	97.96

†During the period, the ACD's periodic charge changed from 0.79% to 0.78%. As such, 1.10% is a more representative figure for the ongoing charges figure.

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/20 (p)
Share Class X - Accumulation	
Change in net assets per share	
Opening net asset value per share	167.13
Return before operating charges*	(9.37)
Operating charges	(0.20)
Return after operating charges*	(9.57)
Distributions	(1.15)
Retained distributions on accumulation shares	1.15
Return to shareholder as a result of class closure	(157.56)
Closing net asset value per share	-
*after direct transaction cost of:	0.00
Performance	
Return after charges	(5.73)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.26%
Direct transaction costs	0.00%
Prices**	
Highest share price	171.10
Lowest share price	149.90

#Operating charges are representative of the ongoing charges figure.

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

Share Class X Accumulation was closed on 24th April 2020.

SPW Defensive Solution

Statement of Total Return

for the year ended 31st October 2022

		01/11/21 to 31/10/22		01/11/20 to 31/10/21	
	Notes	£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(2,352)		434
Revenue	3	328		299	
Expenses	4	(98)		(112)	
Interest payable and similar charges		-		(4)	
Net revenue before taxation		230		183	
Taxation	5	(4)		2	
Net revenue after taxation			226		185
Total return before distributions			(2,126)		619
Distributions	6		(228)		(190)
Change in net assets attributable to shareholders from investment activities			(2,354)		429

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22		01/11/20 to 31/10/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		15,033		15,331
Amounts receivable on creation of shares	74		91	
Less: Amounts payable on cancellation of shares	(1,613)		(993)	
		(1,539)		(902)
Dilution adjustment		1		-
Change in net assets attributable to shareholders from investment activities		(2,354)		429
Retained distributions on accumulation shares		211		175
Closing net assets attributable to shareholders		11,352		15,033

Notes to the Financial Statements are on pages 103 to 110.

SPW Defensive Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		11,168	14,320
Current assets			
Debtors	8	11	594
Cash and bank balances	9	14	54
Cash equivalents‡		197	438
Total assets		11,390	15,406
Liabilities			
Investment liabilities		(7)	(2)
Creditors			
Bank overdrafts		-	(10)
Distribution payable		(5)	(4)
Other creditors	10	(26)	(357)
Total liabilities		(38)	(373)
Net assets attributable to shareholders		11,352	15,033

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 103 to 110.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(2,348)	423
Futures contracts	(41)	94
Forward currency contracts	30	(97)
ACD's periodic charge rebates taken to capital	16	22
Currency (losses)/gains	(2)	3
Transaction charges	(7)	(11)
Net capital (losses)/gains*	<u>(2,352)</u>	<u>434</u>

*Includes realised losses of £58,000 and unrealised losses of £2,294,000 (31/10/21: realised losses of £70,000 and unrealised gains of £504,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	24	58
Interest distributions	199	109
Offshore distributions	105	123
Fund of funds rebates	-	9
Total revenue	<u>328</u>	<u>299</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>102</u>	<u>120</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	<u>2</u>	<u>1</u>
Other expenses:		
Audit fee	14	11
Expense capping adjustment‡	<u>(20)</u>	<u>(20)</u>
	<u>(6)</u>	<u>(9)</u>
Total expenses	<u>98</u>	<u>112</u>

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Corporation tax	4	4
Corporation tax prior year adjustment	-	(6)
Double tax relief	-	(1)
Irrecoverable overseas tax	-	1
Total current tax	4	(2)
Total taxation (note 5b)	4	(2)

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	230	183
Corporation tax of 20% (2021: 20%)	46	37
Effects of:		
Non-taxable UK dividends*	(4)	(9)
Overseas non-taxable revenue*	(1)	(1)
Taxable income taken to capital	3	5
Irrecoverable overseas tax	-	1
Adjustments in respect of prior years	-	(6)
Tax deductible interest distributions	(40)	(28)
Double tax relief	-	(1)
Total tax charge for year (note 5a)	4	(2)

*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.

6. Distributions

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

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
First interim	36	52
Second interim	55	22
Third interim	59	58
Final	76	57
	226	189
Add: Revenue deducted on cancellation of shares	2	1
Deduct: Revenue received on creation of shares	-	-
Net distributions for the year	228	190

Details of the distributions per share are set out in the Distribution Tables on page 111.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	226	185
Tax charge on rebates taken to capital	4	5
Prior year corporation tax provision on capital rebates	(2)	-
Provision for capital deferred tax	-	1
Double tax relief	-	(1)
Net distributions for the year	<u>228</u>	<u>190</u>

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	-	560
Amounts receivable for issue of shares	1	1
Accrued revenue	1	2
Income tax receivable	1	22
Expense capping adjustment receivable	8	9
Total debtors	<u>11</u>	<u>594</u>

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	5	9
Amounts held at futures clearing houses and brokers	9	45
Total cash and bank balances	<u>14</u>	<u>54</u>

10. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	-	330
Amounts payable for cancellation of shares	-	3
Accrued expenses	23	22
Corporation tax payable	3	2
Total other creditors	<u>26</u>	<u>357</u>

11. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Personal Wealth Limited, which amount to £16,402 (31/10/21: £21,862).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD fees are disclosed in note 2 and 4, with £7,527 (31/10/21: £1,549) due at the year end (inclusive of the expense reimbursement in note 8).

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 1,108,721 shares (31/10/21: 15,599,436 shares) with a cost of £1,102,552 (31/10/21: £16,374,463) and sales of 2,817,149 shares (31/10/21: 9,185,075 shares) with sales proceeds of £3,175,872 (31/10/21: £10,930,826).

for the year ended 31st October 2022

11. Related party transactions (continued)

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 7,696,956 shares (31/10/21: 9,625,626 shares) and value of £7,768,810 (31/10/21: £10,680,088) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £0 (31/10/21: £141,950).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

12. Share classes

The sub-fund has two share classes in issue (31/10/2021: four).

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

	31/10/22
	%
Share Class G - Accumulation:	0.78
Share Class G - Income:	0.78

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 (unaudited) on pages 96 to 100.

The distributions per share class are given in the Distribution Tables on pages 111 to 112.

Reconciliation of the shares movement in the year:

	01/11/21			31/10/22
	Opening shares	Creations	Cancellations	Closing shares
	in issue			in issue
Share Class A - Accumulation	2,315,193	3,710	(108,392)	-
Share Class A - Income	499,677	-	(75,492)	-
Share Class G - Accumulation	8,107,390	57,023	(1,030,295)	9,621,640
Share Class G - Income	498,988	-	(154,956)	755,623

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares and shareholdings in A Income were converted to G Income shares.

13. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

14. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 92. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 sub-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 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £5,550 (31/10/21: £3,257).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Euro	227	(56)
Japanese yen	-	8
US dollar	328	374
Total	555	326

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

The sub-fund receives revenue from holdings in collective investment schemes and exchange traded funds. The cash flow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing an income return.

The sub-fund's net cash holding of £4,489 (31/10/21: holding £9,538) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £9,340 (31/10/21: cash £34,545), whose rates are based on SONIA or its international equivalent.

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

(c) Derivatives and other financial instruments

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

The sub-fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the sub-fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the sub-fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	6	23
Forward currency contracts	1	-
Total Financial derivative instrument exposure	7	23

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques	31/10/22	31/10/21
	£000	£000
BNP Paribas Forward currency contracts	(1)	-
Canadian Imperial Bank - Forward currency contracts	(1)	-
Citibank - Forward currency contracts	(2)	-
JP Morgan - Forward currency contracts	(1)	-
Morgan Stanley - Forward currency contracts~	1	0
Merrill Lynch - Futures contracts	4	21
Total counterparty exposure	-	21

~The value of currency contracts is below £500 and is therefore rounded down to £0.

Counterparty risk is limited to the profit (or loss) on a contract, not the notional value. The counterparty exposures above represent the net profit (or loss) of all open positions that would be at risk should the counterparty default.

Collateral	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	5	43
EUR Cash - Merrill Lynch	4	1
USD Cash - Merrill Lynch	-	(10)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

As at 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £113,583 (31/10/21: £147,559).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	102.07	110.26
Commitment leverage	0.69	18.19

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	2,766	20,818	4,042	21,803
Trades in the year before transaction costs	2,766	20,818	4,042	21,803
Taxes and other expenses				
Collective Investment Schemes	-	-	-	(1)
Total costs	-	-	-	(1)
Total net trades in the year after transaction costs	2,766	20,818	4,042	21,802

Total transaction cost expressed as a percentage of asset class trades

	Purchases		Sales	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%	%	%
Collective Investment Schemes	0.00	0.00	0.00	0.00
Taxes				
Collective Investment Schemes	-	-	-	0.00

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Portfolio transaction costs (continued)**Total transaction cost expressed as a percentage of average net asset value**

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	-	0.00
Taxes	-	0.00
Total costs	0.00	0.00

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.00%).

16. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	228	(2)	23	(2)
Level 2	11,137	(5)	14,735	-
Level 3	-	-	-	-
Total fair value	11,365	(7)	14,758	(2)

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.

SPW Defensive Solution

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1st November 2021
 Second interim Shares purchased prior to 1st February 2022
 Third interim Shares purchased prior to 1st May 2022
 Final Shares purchased prior to 1st August 2022

Group 2 First interim Shares purchased on or between 1st November 2021 and 31st January 2022
 Second interim Shares purchased on or between 1st February 2022 and 30th April 2022
 Third interim Shares purchased on or between 1st May 2022 and 31st July 2022
 Final Shares purchased on or between 1st August 2022 and 31st October 2022

Share Class A - Accumulation

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.3551	-	0.3551	0.4811
Second interim	0.5527	-	0.5527	0.2038
Third interim	-	-	-	0.5432
Final	-	-	-	0.5566
Group 2	(p)	(p)	(p)	(p)
First interim	0.2466	0.1085	0.3551	0.4811
Second interim	0.4075	0.1452	0.5527	0.2038
Third interim	-	-	-	0.5432
Final	-	-	-	0.5566

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Share Class A - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.2574	-	0.2574	0.3531
Second interim	0.3897	-	0.3897	0.1489
Third interim	-	-	-	0.3977
Final	-	-	-	0.4041
Group 2	(p)	(p)	(p)	(p)
First interim	0.2574	-	0.2574	0.3531
Second interim	0.3897	-	0.3897	0.1489
Third interim	-	-	-	0.3977
Final	-	-	-	0.4041

On 9th May 2022 all shareholdings in A Income were converted to G Income shares.

Distribution Tables**(continued)**

for the year ended 31st October 2022

Share Class G - Accumulation

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.3143	-	0.3143	0.4272
Second interim	0.4935	-	0.4935	0.1810
Third interim	0.5630	-	0.5630	0.4833
Final	0.7394	-	0.7394	0.4963
Group 2	(p)	(p)	(p)	(p)
First interim	0.2993	0.0150	0.3143	0.4272
Second interim	-	0.4935	0.4935	0.1810
Third interim	0.5435	0.0195	0.5630	0.4833
Final	0.4921	0.2473	0.7394	0.4963

Share Class G - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.2655	-	0.2655	0.3639
Second interim	0.4144	-	0.4144	0.1536
Third interim	0.4714	-	0.4714	0.4024
Final	0.6159	-	0.6159	0.4237
Group 2	(p)	(p)	(p)	(p)
First interim	0.2655	-	0.2655	0.3639
Second interim	0.4144	-	0.4144	0.1536
Third interim	0.4714	-	0.4714	0.4024
Final	0.6159	-	0.6159	0.4237

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 13.2% MSCI North America (Net Total Return) index, 2.9% MSCI Europe ex UK (Net Total Return) index, 1.5% MSCI Japan (Net Total Return) index, 1.7% MSCI AC Asia Pacific ex Japan (Net Total Return) index, 1.7% MSCI Emerging Markets (Net Total Return) index, 9% MSCI UK IMI (Gross Total Return) index, 10% Bloomberg Global Treasury Value GBP Hedged index, 36% Bloomberg Global Aggregate Corporate Value GBP Hedged index, 3.5% Bloomberg Global High Yield Corporate Value GBP Hedged index, 3.5% Bloomberg Emerging Market Debt Value GBP Hedged index, 4% MSCI World IMI Core Real Estate (Net Total Return) Index, 7% SONIA plus 2%, 4% SONIA and 2% Bloomberg Commodity Total Return index.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities; 10% – 50%

Fixed and floating rate securities : 20% – 70%

Alternative assets: 0% – 30%

The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

Further Information

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

<p>As this Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 4* because, based on simulated data, it would have experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 9th August 2022.</p>	<p>Typically lower rewards, lower risks</p> <p>←</p>						
	<p>Typically higher rewards, higher risks</p> <p>→</p>						
	1	2	3	4	5	6	7

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Discovery Solution A Accumulation	n/a	12.71	(6.42)	n/a
SPW Discovery Solution G Accumulation	(11.22)	n/a	n/a	n/a

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

As the Fund was launched on 16th September 2019, there is insufficient data available to provide a useful indication of performance to investors for the year ended 31st October 2019.

On 14th March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -11.4% in the 12 months to 31 October 2022. The benchmark returned -10.9% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Discovery Solution

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.67%, 31/10/21 93.56%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	227,099	3,421	1.99
Nordea 1 Diversified Return Fund BD GBP Acc	59,826	7,468	4.34
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ◊	48,576	4,977	2.89
Schroder Sterling Liquidity Fund X Inc†‡◊	11,961,371	11,961	6.95
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	7,025,624	5,346	3.10
SPW Multi-Manager European ex UK Equity Fund X Acct	5,716,773	5,165	3.00
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	13,062,178	12,068	7.01
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	59,751,071	55,688	32.34
SPW Multi-Manager Global Real Estate Securities Fund X Acct	7,570,419	6,561	3.81
SPW Multi-Manager Global Sovereign Bond Fund X Acct	14,623,695	14,086	8.18
SPW Multi-Manager Japanese Equity Fund X Acct	2,567,107	2,425	1.41
SPW Multi-Manager North American Equity Fund X Acct	16,559,402	18,149	10.54
SPW Multi-Manager UK Equity Fund X Acct	4,498,471	11,300	6.56
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	380,932	3,502	2.03
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	65,877	6,153	3.57
		168,270	97.72
Exchange Traded Funds			
iShares USD High Yield Corp Bond	21,991	1,730	1.00
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	72,837	1,628	0.95
		3,358	1.95
TOTAL FINANCIALS		171,628	99.67
DERIVATIVES (-0.24%, 31/10/21 0.11%)			
Forward Currency Contracts			
Bought EUR302,850 for GBP264,359 Settlement 29/11/2022		(4)	0.00
Bought EUR431,183 for GBP376,536 Settlement 29/11/2022		(6)	0.00
Bought EUR431,182 for GBP376,317 Settlement 29/11/2022		(6)	0.00
Bought EUR429,038 for GBP375,093 Settlement 29/11/2022		(7)	(0.01)
Bought EUR424,747 for GBP371,259 Settlement 29/11/2022		(7)	0.00
Bought EUR1,159,000 for GBP1,005,316 Settlement 29/11/2022		(10)	(0.01)
Bought EUR876,000 for GBP763,465 Settlement 29/11/2022		(11)	(0.01)
Bought USD630,000 for GBP544,525 Settlement 29/11/2022		(1)	0.00
Bought USD364,676 for GBP327,783 Settlement 29/11/2022		(13)	(0.01)
Bought USD481,372 for GBP432,248 Settlement 29/11/2022		(17)	(0.01)
Bought USD956,000 for GBP846,260 Settlement 29/11/2022		(21)	(0.01)
Bought USD674,401 for GBP603,843 Settlement 29/11/2022		(22)	(0.01)
Bought USD1,020,220 for GBP909,812 Settlement 29/11/2022		(29)	(0.02)
Bought USD977,331 for GBP877,041 Settlement 29/11/2022		(33)	(0.02)
		(187)	(0.11)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(58)	(42)	(0.02)
FTSE 100 Index Futures December 2022	52	(172)	(0.10)
S&P 500 E Mini Index Futures December 2022	38	(11)	(0.01)
		(225)	(0.13)
TOTAL DERIVATIVES		(412)	(0.24)
Portfolio of investments[^]		171,216	99.43
Net other assets		983	0.57
Total net assets		172,199	100.00

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 12).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inc†‡	37,337	Schroder Sterling Liquidity Fund X Inc†‡	30,761
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	6,854	Lyxor Commodities Refinitiv/CoreCommodity CRB TR#	6,364
Lyxor Commodities Refinitiv/CoreCommodity CRB TR#	4,405	SPW Multi-Manager North American Equity Fund X Acct	6,265
SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	3,940	SPW Multi-Manager Global Investment Grade Bond Fund X Acct	3,353
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	2,236	PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	3,145
iShares J.P. Morgan USD Bond#	1,846	SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	3,039
iShares USD High Yield Corp Bond#	1,737	Schroder Multi-Asset Total Return X GBP (Hedged) Acct	2,113
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	1,707	SPW Multi-Manager UK Equity Fund X Acct	2,097
SPW Multi-Manager North American Equity Fund X Acct	1,562	Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	1,870
Nordea 1 Diversified Return Fund BD GBP Acc	1,156	iShares J.P. Morgan USD Bond#	1,752

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 12).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange Traded Fund.

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	177.17	157.40	168.17
Return before operating charges*	(5.42)	21.77	(8.32)
Operating charges	(1.75)	(2.00)	(2.45)
Return after operating charges*	(7.17)	19.77	(10.77)
Distributions	(0.17)	(1.44)	(2.34)
Retained distributions on accumulation shares	0.17	1.44	2.34
Return to shareholder as a result of class closure	(170.00)	-	-
Closing net asset value per share	-	177.17	157.40
*after direct transaction cost of:	0.00	0.01	0.01
Performance			
Return after charges	(4.05)%	12.56%	(6.40)%
Other information			
Closing net asset value (£000)	-	37,252	36,049
Closing number of shares	-	21,026,028	22,903,407
Operating charges#	0.99%	1.16%	1.53%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	180.10	179.30	172.20
Lowest share price	169.30	157.00	140.70

#Operating charges are representative of the ongoing charges figure.

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

On 14th March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Income			
Change in net assets per share			
Opening net asset value per share	129.93	116.38	126.19
Return before operating charges*	(4.52)	16.10	(6.23)
Operating charges	(0.79)	(1.48)	(1.83)
Return after operating charges*	(5.31)	14.62	(8.06)
Distributions	(0.12)	(1.07)	(1.75)
Return to shareholder as a result of class closure	(124.50)	-	-
Closing net asset value per share	-	129.93	116.38
*after direct transaction cost of:	0.00	0.01	0.00
Performance			
Return after charges	(4.09)%	12.56%	(6.39)%
Other information			
Closing net asset value (£000)	-	5,292	4,847
Closing number of shares	-	4,073,254	4,165,271
Operating charges#	0.99%	1.17%	1.53%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	132.10	131.90	129.20
Lowest share price	124.00	116.10	105.20

#Operating charges are representative of the ongoing charges figure.

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

On 14th March 2022 all shareholdings in A Income were converted to G Income shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	146.83	130.44	138.95
Return before operating charges*	(14.78)	18.05	(6.99)
Operating charges	(1.53)	(1.66)	(1.52)
Return after operating charges*	(16.31)	16.39	(8.51)
Distributions	(1.91)	(1.20)	(2.34)
Retained distributions on accumulation shares	1.91	1.20	2.34
Closing net asset value per share	130.52	146.83	130.44
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges^	(11.11)%	12.57%	(6.12)%
Other information			
Closing net asset value (£000)	159,534	156,598	149,160
Closing number of shares	122,236,531	106,650,664	114,347,681
Operating charges#	1.10%	1.16%	1.15%
Direct transaction costs	0.01%	0.01%	0.00%
Prices**			
Highest share price	149.30	148.60	142.40
Lowest share price	128.90	130.10	116.40

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 113 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class G - Income			
Change in net assets per share			
Opening net asset value per share	124.14	111.20	120.57
Return before operating charges*	(12.47)	15.37	(6.05)
Operating charges	(1.27)	(1.41)	(1.31)
Return after operating charges*	(13.74)	13.96	(7.36)
Distributions	(1.62)	(1.02)	(2.01)
Closing net asset value per share	108.78	124.14	111.20
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges	(11.07)%	12.55%	(6.10)%
Other information			
Closing net asset value (£000)	12,665	10,727	10,332
Closing number of shares	11,642,662	8,640,802	9,291,086
Operating charges#	1.11%	1.16%	1.15%
Direct transaction costs	0.01%	(0.00)%	0.00%
Prices**			
Highest share price	126.20	126.00	123.60
Lowest share price	108.20	110.90	100.60

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/20 (p)
Share Class X - Accumulation	
Change in net assets per share	
Opening net asset value per share	195.43
Return before operating charges*	(21.41)
Operating charges	(0.22)
Return after operating charges*	(21.63)
Distributions	(1.22)
Retained distributions on accumulation shares	1.22
Return to shareholder as a result of class closure	(173.80)
Closing net asset value per share	-
*after direct transaction cost of:	0.00
Performance	
Return after charges	(11.07)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.24%
Direct transaction costs	0.00%
Prices**	
Highest share price	200.60
Lowest share price	164.20

#Operating charges are representative of the ongoing charges figure.

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

Share Class X Accumulation was closed on 24th April 2020.

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(24,735)	23,116
Revenue	3	4,043	3,323
Expenses	4	(1,499)	(1,301)
Interest payable and similar charges		-	(50)
Net revenue before taxation		2,544	1,972
Taxation	5	(50)	(263)
Net revenue after taxation		2,494	1,709
Total return before distributions		(22,241)	24,825
Distributions	6	(2,581)	(1,765)
Change in net assets attributable to shareholders from investment activities		(24,822)	23,060

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	209,869	200,388
Amounts receivable on creation of shares	465	2,399
Less: Amounts payable on cancellation of shares	(15,656)	(17,597)
	(15,191)	(15,198)
Dilution adjustment	(31)	1
Change in net assets attributable to shareholders from investment activities	(24,822)	23,060
Retained distributions on accumulation shares	2,374	1,618
Closing net assets attributable to shareholders	172,199	209,869

Notes to the Financial Statements are on pages 125 to 132.

SPW Discovery Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		159,667	191,296
Current assets			
Debtors	8	496	26,342
Cash and bank balances	9	1,073	1,144
Cash equivalents‡		11,961	5,385
Total assets		173,197	224,167
Liabilities			
Investment liabilities		(412)	(87)
Provision for liabilities	10	-	(12)
Creditors			
Bank overdrafts		-	(128)
Distribution payable		(88)	(49)
Other creditors	11	(498)	(14,022)
Total liabilities		(998)	(14,298)
Net assets attributable to shareholders		172,199	209,869

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 125 to 132.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(24,293)	20,209
Futures contracts	(1,833)	2,980
Forward currency contracts	1,211	(390)
ACD's periodic charge rebates taken to capital	235	283
Fund of funds rebates taken to capital	1	8
Currency (losses)/gains	(48)	38
Transaction charges	(8)	(12)
Net capital (losses)/gains*	<u>(24,735)</u>	<u>23,116</u>

*Includes realised gains of £2,003,000 and unrealised losses of £26,738,000 (31/10/21: realised gains of £6,640,000 and unrealised gains of £16,476,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	1,031	1,144
Interest distributions	2,478	1,087
Offshore distributions	534	970
Fund of funds rebates	-	122
Total revenue	<u>4,043</u>	<u>3,323</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>1,468</u>	<u>1,270</u>
Payable to the Depository, associates of the Depository, and agents of either of them:		
Depository's fees	21	23
Safe custody fees	2	3
	<u>23</u>	<u>26</u>
Other expenses:		
Audit fee	14	10
Expense capping adjustment‡	(6)	(5)
	<u>8</u>	<u>5</u>
Total expenses	<u>1,499</u>	<u>1,301</u>

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Corporation tax	60	260
Corporation tax prior year adjustment	2	-
Double tax relief	(3)	(21)
Irrecoverable overseas tax	3	21
Total current tax	62	260
Total deferred tax (note 5c)	(12)	3
Total taxation (note 5b)	50	263

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	2,544	1,972
Corporation tax of 20%	509	394
Effects of:		
Non-taxable UK dividends*	(194)	(177)
Overseas non-taxable revenue*	(18)	(10)
Taxable income taken to capital	45	56
Irrecoverable overseas tax	3	21
Adjustments in respect of prior years	2	-
Tax deductible interest distributions	(296)	-
Double tax relief	(3)	(21)
Rebated capital expenses not utilised as deductible for tax purposes	2	-
Total tax charge for year (note 5a)	50	263

*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:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Provision at the start of the year	12	9
Deferred tax (credit)/charge in profit and loss account for the year (note 5a)	(12)	3
Provision at the end of the year	-	12
Provision consists of:		
Revenue taxable in different periods	-	12

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

6. Distributions

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
First interim	196	271
Second interim	664	286
Third interim	511	558
Final	1,195	637
	<hr/>	<hr/>
	2,566	1,752
Add: Revenue deducted on cancellation of shares	15	15
Deduct: Revenue received on creation of shares	-	(2)
	<hr/>	<hr/>
Net distributions for the year	2,581	1,765

Details of the distributions per share are set out in the Distribution Tables on pages 133 to 134.

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	2,494	1,709
Share class A shortfall funded from capital	42	-
Tax charge on rebates taken to capital	45	56
	<hr/>	<hr/>
Net distributions for the year	2,581	1,765

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	400	26,244
Amounts receivable for issue of shares	1	3
Accrued revenue	70	47
Fund of funds rebates receivable	4	9
Income tax receivable	21	39
	<hr/>	<hr/>
Total debtors	496	26,342

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	35	130
Amounts held at futures clearing houses and brokers	1,038	1,014
	<hr/>	<hr/>
Total cash and bank balances	1,073	1,144

10. Provision for liabilities

	31/10/22	31/10/21
	£000	£000
Deferred taxation	-	12
	<hr/>	<hr/>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	344	13,701
Amounts payable for cancellation of shares	20	171
Accrued expenses	130	103
Corporation tax payable	4	47
Total other creditors	<u>498</u>	<u>14,022</u>

12. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited, which amount to £234,928 (31/10/21: £283,167).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD fees are disclosed in note 2 and 4, with £124,411 (31/10/21: 108,066) due at the year end (inclusive of the expense reimbursement in note 8).

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 47,593,520 shares (31/10/21: 188,593,157 shares) with a cost of £47,275,649 (31/10/21: £235,854,823) and sales of 48,779,303 shares (31/10/21: 112,971,745 shares) with sales proceeds of £53,908,758 (31/10/21: £171,689,813).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 143,384,687 shares (31/10/21: 151,851,595 shares) and value of £147,725,720 (31/10/21: £175,098,464) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £2,764,614 (31/10/21: £2,150,715).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

13. Share classes

The sub-fund has two share classes in issue (31/10/2021: four).

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

	31/10/22
	%
Share Class G - Accumulation:	0.85
Share Class G - Income:	0.85

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 (unaudited) on pages 118 to 122.

The distributions per share class are given in the Distribution Tables on page 134.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

13. Share classes (continued)**Reconciliation of the shares movement in the year:**

	01/11/21			Shares	31/10/22
	Opening shares	Creations	Cancellations	converted	Closing shares
	in issue				in issue
Share Class A - Accumulation	21,026,028	21,877	(777,987)	(20,269,918)	-
Share Class A - Income	4,073,254	-	(117,771)	(3,955,483)	-
Share Class G - Accumulation	106,650,664	294,450	(9,140,237)	24,431,654	122,236,531
Share Class G - Income	8,640,802	8,845	(1,145,285)	4,138,300	11,642,662

On 14th March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares and all shareholdings in A Income were converted to G Income shares.

14. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

15. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 113. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 sub-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 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £115,043 (31/10/21: £36,025).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Australian dollar	-	6
Euro	3,405	(5,712)
US dollar	8,099	9,309
Total	11,504	3,603

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

The sub-fund receives revenue from holdings in regulated collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing an income return and potential for capital growth.

The sub-fund's net cash holding of £34,095 (31/10/21: holding £129,991) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £1,039,031 (31/10/21: cash £886,183), whose rates are based on SONIA or its international equivalent.

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

(c) Derivatives and other financial instruments

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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 were traded on an eligible derivatives exchange.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)

The sub-fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the sub-fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the sub-fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

Due to the use of derivatives, the percentage movements in the value of the sub-fund will be different from the percentage movements in the markets. At the period end, as use of derivatives is not significant, no sensitivity analysis or value at risk disclosure has been shown.

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	-	323
Forward currency contracts	-	10
Total Financial derivative instrument exposure	-	333

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques	31/10/22	31/10/21
	£000	£000
BNP Paribas - Forward currency contracts	(13)	(16)
Morgan Stanley - Forward currency contracts	(82)	10
Royal Bank of Canada - Forward currency contracts	(6)	-
Canadian Imperial Bank - Forward currency contracts	(10)	-
JP Morgan - Forward currency contracts	(21)	-
Bank of America - Forward currency contracts	(33)	-
Citibank - Forward currency contracts	(22)	-
Merrill Lynch - Futures contracts	(225)	252
Total counterparty exposure	(412)	246

Collateral	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	737	998
AUD Cash - Merrill Lynch	-	6
EUR Cash - Merrill Lynch	(34)	10
USD Cash - Merrill Lynch	336	(128)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £1,712,159 (31/10/21: £1,965,938).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	103.00	116.89
Commitment leverage	5.55	31.74

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	64,980	273,761	69,085	299,169
Trades in the year before transaction costs	64,980	273,761	69,085	299,169
Taxes and other expenses				
Collective Investment Schemes	-	-	-	(8)
Total costs	-	-	-	(8)
Total net trades in the year after transaction costs	64,980	273,761	69,085	299,161

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	-	0.00
Taxes	-	0.00
Total costs	0.00	0.00

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

16. Portfolio transaction costs (continued)**Average portfolio dealing spread**

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.01%).

17. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	3,358	(225)	2,467	(71)
Level 2	168,270	(187)	194,214	(16)
Level 3	-	-	-	-
Total fair value	171,628	(412)	196,681	(87)

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.

SPW Discovery Solution

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1st November 2021
 Second interim Shares purchased prior to 1st February 2022
 Third interim Shares purchased prior to 1st May 2022
 Final Shares purchased prior to 1st August 2022

Group 2 First interim Shares purchased on or between 1st November 2021 and 31st January 2022
 Second interim Shares purchased on or between 1st February 2022 and 30th April 2022
 Third interim Shares purchased on or between 1st May 2022 and 31st July 2022
 Final Shares purchased on or between 1st August 2022 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1682	-	0.1682	0.2156
Second interim	-	-	-	0.2314
Third interim	-	-	-	0.4597
Final	-	-	-	0.5378
Group 2	(p)	(p)	(p)	(p)
First interim	0.0664	0.1018	0.1682	0.2156
Second interim	-	-	-	0.2314
Third interim	-	-	-	0.4597
Final	-	-	-	0.5378

On 14th March 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Share Class A - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1239	-	0.1239	0.1594
Second interim	-	-	-	0.1710
Third interim	-	-	-	0.3405
Final	-	-	-	0.3957
Group 2	(p)	(p)	(p)	(p)
First interim	0.1239	-	0.1239	0.1594
Second interim	-	-	-	0.1710
Third interim	-	-	-	0.3405
Final	-	-	-	0.3957

On 14th March 2022 all shareholdings in A Income were converted to G Income shares.

Distribution Tables**(continued)**

for the year ended 31st October 2022

Share Class G - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1393	-	0.1393	0.1788
Second interim	0.4827	-	0.4827	0.1917
Third interim	0.3809	-	0.3809	0.3822
Final	0.9049	-	0.9049	0.4453
Group 2	(p)	(p)	(p)	(p)
First interim	0.0460	0.0933	0.1393	0.1788
Second interim	0.2849	0.1978	0.4827	0.1917
Third interim	0.3256	0.0553	0.3809	0.3822
Final	0.5405	0.3644	0.9049	0.4453

Share Class G - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1178	-	0.1178	0.1524
Second interim	0.4244	-	0.4244	0.1632
Third interim	0.3208	-	0.3208	0.3231
Final	0.7593	-	0.7593	0.3783
Group 2	(p)	(p)	(p)	(p)
First interim	-	0.1178	0.1178	0.1524
Second interim	0.1517	0.2727	0.4244	0.1632
Third interim	0.3193	0.0015	0.3208	0.3231
Final	0.4864	0.2729	0.7593	0.3783

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 33.5% MSCI North America (Net Total Return) index, 7.3% MSCI Europe ex UK (Net Total Return) index, 3.8% MSCI Japan (Net Total Return) index, 4.2% MSCI AC Asia Pacific ex Japan (Net Total Return) index, 4.2% MSCI Emerging Markets (Net Total Return) index, 23% MSCI UK IMI (Gross Total Return) index, 2% Bloomberg Global Treasury Value GBP Hedged index, 8% Bloomberg Global Aggregate Corporate Value GBP Hedged index, 1% Bloomberg Global High Yield Corporate Value GBP Hedged index, 1% Bloomberg Emerging Market Debt Value GBP Hedged index, 5% MSCI World IMI Core Real Estate (Net Total Return) index, 4% SONIA and 3% Bloomberg Commodity Total Return index.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities: 40% – 95%

Fixed and floated rated securities : 0% – 30%

Alternative assets: 0% – 30%

The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

<p>As this Fund has been available for less than 5 years, we have used simulated historical data for the part of the 5 year period before the Fund began. The Fund is ranked at 5* because, based on simulated data, it would have experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 9th August 2022.</p>	<p>← Typically lower rewards, lower risks Typically higher rewards, higher risks →</p>						
	1	2	3	4	5	6	7

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Dynamic Solution A Accumulation	n/a	27.59	(10.49)	n/a
SPW Dynamic Solution G Accumulation	(5.93)	n/a	n/a	n/a

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

As the Fund was launched on 16th September 2019, there is insufficient data available to provide a useful indication of performance to investors for the year ended 31st October 2019.

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -6.6% in the 12 months to 31 October 2022. The benchmark returned -7.1% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW Dynamic Solution

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (100.06%, 31/10/21 114.55%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	97,148	1,464	2.90
iShares North America Index Fund S Acc GBP	220,880	2,288	4.53
iShares UK Equity Index Fund D Acc	713,981	1,750	3.46
Schroder Sterling Liquidity Fund X Inct#	3,935,461	3,936	7.79
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	5,506,364	4,202	8.32
SPW Multi-Manager European ex UK Equity Fund X Acct	4,049,489	3,675	7.27
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	1,115,084	1,033	2.04
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	3,244,573	3,023	5.98
SPW Multi-Manager Global Real Estate Securities Fund X Acct	860,049	2,548	5.04
SPW Multi-Manager Global Sovereign Bond Fund X Acct	247,679	238	0.47
SPW Multi-Manager Japanese Equity Fund X Acct	1,985,087	1,887	3.73
SPW Multi-Manager North American Equity Fund X Acct	12,631,022	14,122	27.95
SPW Multi-Manager UK Equity Fund X Acct	3,065,017	7,736	15.31
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	83,766	769	1.52
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	9,726	908	1.80
		49,579	98.11
Exchange Traded Funds			
iShares USD High Yield Corp Bond	6,423	504	1.00
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	21,273	481	0.95
		985	1.95
TOTAL FINANCIALS		50,564	100.06
DERIVATIVES (-0.24%, 31/10/21 0.20%)			
Forward Currency Contracts			
Bought AUD61,000 for GBP34,284 Settlement 29/11/2022~		0	0.00
Bought EUR85,200 for GBP74,371 Settlement 29/11/2022		(1)	0.00
Bought EUR120,700 for GBP105,524 Settlement 29/11/2022		(2)	(0.01)
Bought EUR119,493 for GBP104,445 Settlement 29/11/2022		(2)	0.00
Bought EUR121,303 for GBP105,868 Settlement 29/11/2022		(2)	0.00
Bought EUR121,304 for GBP105,930 Settlement 29/11/2022		(2)	0.00
Bought EUR257,000 for GBP223,985 Settlement 29/11/2022		(3)	(0.01)
Bought EUR348,000 for GBP301,855 Settlement 29/11/2022		(3)	(0.01)
Bought USD73,645 for GBP66,195 Settlement 29/11/2022		(2)	0.00
Bought USD97,211 for GBP87,291 Settlement 29/11/2022		(3)	(0.01)
Bought USD136,192 for GBP121,943 Settlement 29/11/2022		(4)	(0.01)
Bought USD206,028 for GBP183,732 Settlement 29/11/2022		(5)	(0.01)
Bought USD315,000 for GBP278,841 Settlement 29/11/2022		(5)	(0.01)
Bought USD197,367 for GBP177,114 Settlement 29/11/2022		(6)	(0.01)
Sold EUR33,000 for GBP28,967 Settlement 29/11/2022		1	0.00
		(39)	(0.08)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(17)	(11)	(0.02)
FTSE 100 Index Futures December 2022	27	(74)	(0.15)
S&P 500 E Mini Index Futures December 2022	8	4	0.01
		<u>(81)</u>	<u>(0.16)</u>
TOTAL DERIVATIVES		<u>(120)</u>	<u>(0.24)</u>
Portfolio of investments[^]		50,444	99.82
Net other assets		90	0.18
Total net assets		<u>50,534</u>	<u>100.00</u>

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 12).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

[~]The market value of the holding is below £500 and is therefore rounded down to £0.

[#]Exchange traded fund.

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡ [∅]	8,492	Schroder Sterling Liquidity Fund X Inct‡ [∅]	17,644
SPW Multi-Manager North American Equity Fund X Acct	1,984	SPW Multi-Manager North American Equity Fund X Acct	4,093
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	1,239	SPW Multi-Manager UK Equity Fund X Acct	2,640
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	1,148	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	2,078
SPW Multi-Manager European ex UK Equity Fund X Acct	1,034	SPW Multi-Manager UK Equity Fund A Acct	902
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	877	SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	601
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	820	State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	553
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	724	iShares J.P. Morgan USD Bond#	502
		Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity†	405
SPW Multi-Manager UK Equity Fund X Acct	645	SPW Multi-Manager European ex UK Equity Fund X Acct	383
SPW Multi-Manager UK Equity Fund A Acct	580		

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 12).

‡Cash equivalents.

[∅]Asset managed by the Investment Adviser.

#Exchange traded fund.

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	240.55	188.53	210.58
Return before operating charges*	(0.35)	55.22	(18.52)
Operating charges	(3.10)	(3.20)	(3.53)
Return after operating charges*	(3.45)	52.02	(22.05)
Distributions	-	(0.74)	(1.97)
Retained distributions on accumulation shares	-	0.74	1.97
Return to shareholder as a result of class closure	(237.10)	-	-
Closing net asset value per share	-	240.55	188.53
*after direct transaction cost of:	0.01	0.02	0.01
Performance			
Return after charges	(1.43)%	27.59%	(10.47)%
Other information			
Closing net asset value (£000)	-	18,149	14,508
Closing number of shares	-	7,544,702	7,695,505
Operating charges#	1.29%	1.42%	1.79%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	247.90	242.00	219.70
Lowest share price	228.30	188.40	161.20

#Operating charges are representative of the ongoing charges figure.

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

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	192.43	150.81	167.95
Return before operating charges*	(7.15)	44.17	(14.92)
Operating charges	(2.63)	(2.55)	(2.22)
Return after operating charges*	(9.78)	41.62	(17.14)
Distributions	(1.57)	(0.59)	(2.05)
Retained distributions on accumulation shares	1.57	0.59	2.05
Closing net asset value per share	182.65	192.43	150.81
*after direct transaction cost of:	0.01	0.01	0.01
Performance			
Return after charges^	(5.08)%	27.60%	(10.21)%
Other information			
Closing net asset value (£000)	50,534	38,053	32,286
Closing number of shares	27,666,767	19,775,279	21,407,721
Operating charges#	1.39%	1.42%	1.41%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	198.30	193.60	175.40
Lowest share price	178.10	150.70	128.80

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 135 which is sourced from Lipper and based on daily published prices.

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

Comparative Table**(continued)**

as at 31st October 2022

	31/10/20 (p)
Share Class X - Accumulation	
Change in net assets per share	
Opening net asset value per share	253.45
Return before operating charges*	(38.36)
Operating charges	(0.33)
Return after operating charges*	(38.69)
Distributions	-
Return to shareholder as a result of class closure	(214.76)
Closing net asset value per share	-
*after direct transaction cost of:	0.00
Performance	
Return after charges	(15.27)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.21%
Direct transaction costs	0.00%
Prices**	
Highest share price	265.30
Lowest share price	195.00

#Operating charges are representative of the ongoing charges figure.

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

Share Class X Accumulation was closed on 24th April 2020.

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(3,209)	12,585
Revenue	3	938	555
Expenses	4	(498)	(365)
Interest payable and similar charges		-	(9)
Net revenue before taxation		440	181
Taxation	5	(1)	(6)
Net revenue after taxation		439	175
Total return before distributions		(2,770)	12,760
Distributions	6	(439)	(175)
Change in net assets attributable to shareholders from investment activities		(3,209)	12,585

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	56,202	46,794
Amounts receivable on creation of shares	774	1,178
Less: Amounts payable on cancellation of shares	(3,680)	(4,528)
	(2,906)	(3,350)
Dilution adjustment	11	-
Change in net assets attributable to shareholders from investment activities	(3,209)	12,585
Retained distributions on accumulation shares	436	173
Closing net assets attributable to shareholders	50,534	56,202

Notes to the Financial Statements are on pages 145 to 151.

SPW Dynamic Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		46,634	51,424
Current assets			
Debtors	8	597	1,473
Cash and bank balances	9	349	684
Cash equivalents‡		3,935	13,088
Total assets		51,515	66,669
Liabilities			
Investment liabilities		(125)	(22)
Creditors			
Other creditors	10	(856)	(10,445)
Total liabilities		(981)	(10,467)
Net assets attributable to shareholders		50,534	56,202

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 145 to 151.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Non-derivative securities	(2,935)	9,604
Futures contracts	(494)	3,112
Forward currency contracts	222	(220)
ACD's periodic charge rebates taken to capital	34	40
Fund of funds rebates taken to capital	1	2
Currency (losses)/gains	(29)	59
Transaction charges	(8)	(12)
Net capital (losses)/gains*	<u>(3,209)</u>	<u>12,585</u>

*Includes realised gains of £935,000 and unrealised losses of £4,144,000 (31/10/21: realised gains of £6,163,000 and unrealised gains of £6,422,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Distributions from Regulated Collective Investment Schemes:		
Investment income	719	415
Interest distributions	147	65
Offshore distributions	68	61
Fund of funds rebates	-	14
Futures income	4	-
Total revenue	<u>938</u>	<u>555</u>

4. Expenses

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>495</u>	<u>367</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	<u>6</u>	<u>6</u>
Other expenses:		
Audit fee	14	10
Expense capping adjustment‡	(17)	(18)
	<u>(3)</u>	<u>(8)</u>
Total expenses	<u>498</u>	<u>365</u>

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Irrecoverable overseas tax	1	6

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	440	181
Corporation tax of 20%	88	36
Effects of:		
Non-taxable UK dividends*	(140)	(70)
Overseas non-taxable revenue*	-	(2)
Non-taxable income taken to capital*	7	8
Irrecoverable overseas tax	1	6
Overseas tax expensed	-	(1)
Movement in excess management expenses	45	29
Total tax charge for year (note 5a)	1	6

*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 £73,938 (31/10/21: £29,117) 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 distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Final	435	173
Add: Revenue deducted on cancellation of shares	26	3
Deduct: Revenue received on creation of shares	(22)	(1)
Net distribution for the year	439	175

Details of the distributions per share are set out in the Distribution Table on page 152.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	439	175
Net distribution for the year	439	175

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	548	1,335
Amounts receivable for issue of shares	4	57
Fund of funds rebates receivable	-	2
Corporation tax recoverable	30	-
Income tax receivable	10	73
Expense capping adjustment receivable	5	6
Total debtors	597	1,473

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	11	266
Amounts held at futures clearing houses and brokers	338	418
Total cash and bank balances	349	684

10. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	584	10,097
Amounts payable for cancellation of shares	215	263
Accrued expenses	57	49
Corporation tax payable	-	36
Total other creditors	856	10,445

11. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £34,470 (31/10/21: £40,276).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD fees are disclosed in note 2 and 4, with £49,227 (31/10/21: (28,851)) due at the year end (inclusive of the expense reimbursement in note 8).

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 15,432,088 shares (31/10/21: 35,857,612 shares) with a cost of £16,344,974 (31/10/21: £53,069,950) and sales of 24,877,412 shares (31/10/21: 20,327,116 shares) with sales proceeds of £27,456,309 (31/10/21: £41,969,516).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 36,639,825 shares (31/10/21: 48,471,076 shares) and value of £42,399,781 (31/10/21: £57,608,938) held at the year-end.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Related party transactions (continued)

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £611,347 (31/10/21: £464,606).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

12. Share classes

The sub-fund has one share classes in issue (31/10/2021: two).

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

	31/10/22
Share Class G - Accumulation:	%
	1.15

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 (unaudited) on pages 140 to 142.

The distributions per share class are given in the Distribution Table on page 152.

Reconciliation of the shares movement in the year:

	01/11/21			Shares	31/10/22
	Opening shares	Creations	Cancellations	converted	Closing shares
	in issue				in issue
Share Class A - Accumulation	7,544,702	57,858	(245,450)	(7,357,110)	-
Share Class G - Accumulation	19,775,279	349,745	(1,657,963)	9,199,706	27,666,767

On 25th April 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

13. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

14. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 135. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 sub-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 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £29,377 (31/10/21: £73,010).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Australian dollar	34	1
Euro	957	(1,306)
Japanese yen	-	805
Swiss franc	-	250
US dollar	1,947	7,551
Total	2,938	7,301

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)*(b) Interest rate risk profile of financial assets and liabilities*

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing long term capital growth.

The sub-fund's net cash holding of £11,403 (31/10/21: holding £266,361) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £338,078 (31/10/21: cash £417,650), whose rates are based on SONIA or its international equivalent.

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

The sub-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 sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

The sub-fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the sub-fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the sub-fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

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

Financial derivative instrument exposure - fair value

	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	4	113
Forward currency contracts	1	18
Total Financial derivative instrument exposure	5	131

Counterparties to financial derivative instruments and efficient portfolio management techniques

	31/10/22	31/10/21
	£000	£000
Royal Bank of Canada - Forward currency contracts	(2)	-
Morgan Stanley - Forward currency contracts	(13)	11
JP Morgan - Forward currency contracts	(5)	(1)
Goldman Sachs - Forward currency contracts	-	3
Bank of America - Forward currency contracts	(6)	4
BNP Paribas - Forward currency contracts	(4)	(4)
Merrill Lynch - Futures contracts	(81)	96
Canadian Imperial Bank - Forward currency contracts	(3)	-
Citibank - Forward currency contracts	(6)	-
Total counterparty exposure	(120)	109

Collateral

	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	291	156
AUD Cash - Merrill Lynch	-	1
EUR Cash - Merrill Lynch	(10)	35
JPY Cash - Merrill Lynch	-	20
USD Cash - Merrill Lynch	57	205

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £504,443 (31/10/21: £644,896).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	102.40	134.99
Commitment leverage	6.10	19.74

(g) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

The sub-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 sub-fund has fulfilled its obligations. The sub-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.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	19,795	60,895	31,684	52,874
Total Taxes	-	-	-	-
Total net trades in the year	19,795	60,895	31,684	52,874

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.00	0.01

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, 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.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.02%).

16. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	989	(85)	953	(17)
Level 2	49,580	(40)	63,559	(5)
Level 3	-	-	-	-
Total fair value	50,569	(125)	64,512	(22)

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.

SPW Dynamic Solution

Distribution Table

for the year ended 31st October 2022

Distribution in pence per share

Group 1 Final Shares purchased prior to 1st November 2021

Group 2 Final Shares purchased on or between 1st November 2021 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	-	-	-	0.7417
Group 2	(p)	(p)	(p)	(p)
Final	-	-	-	0.7417

Share Class G - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	1.5743	-	1.5743	0.5917
Group 2	(p)	(p)	(p)	(p)
Final	1.3785	0.1958	1.5743	0.5917

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Corporate shareholder information (unaudited) for all share classes

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

Final - 100.00% of the dividend is received as non-taxable income.

Final - 0.00% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The fund aims to provide income and capital growth by investing in a diversified range of assets and markets worldwide.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds to gain exposure to fixed and floating rate securities, equity and equity related securities, and alternative assets worldwide. Exposure to alternative assets including property, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest indirectly in these assets. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies. The Fund may invest up to 100% of its assets in collective investment schemes, including funds managed by the ACD, the Investment Adviser or their associates. These may be actively or passively managed.

The Fund invests at least 65% of its assets in equity and equity related securities.

The Fund may also invest up to 35% of its assets in fixed and floating rate securities and alternative investments.

The ACD is responsible for determining the percentage of the Fund normally allocated to each asset class based on its or the Investment Adviser's views on the medium to long term outlook for that asset class.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly and indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk, managing the Fund more efficiently (often referred to as 'efficient portfolio management') or for investment purposes. The Fund may take long and short positions in markets and securities through derivative contracts. The use of derivatives has the potential to increase the Fund's risk profile and could result in increased price volatility.

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.

<p>The Fund is ranked at 5* because, based on historical data, it would have experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 9th August 2022.</p>	<p style="text-align: center;">Typically lower rewards, lower risks</p> <p style="text-align: center;">←</p>							<p style="text-align: center;">Typically higher rewards, higher risks</p> <p style="text-align: center;">→</p>						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	01/11/18 to 31/10/19 %	01/11/17 to 31/10/18 %
SPW IPS Growth Portfolio A Accumulation	(4.60)	29.82	(6.46)	8.25	(0.77)

Source: IPS Growth Portfolio A Accumulation share price movement in GBP at valuation point. Basis: Net revenue 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 fund returned -4.6% in the 12 months to 31 October 2022. The benchmark returned -4.9% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

Investment Markets Overview**(continued)**

for the year ended 31st October 2022

Investment Review (continued)

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW IPS Growth Portfolio

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.11%, 31/10/21 98.87%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	1,316,827	19,839	2.40
iShares Europe ex-UK Index Fund	1,817,113	18,082	2.19
iShares Japan Equity Index Fund UK D Acc	6,933,711	16,368	1.98
iShares North America Index Fund S Acc GBP	6,439,000	66,708	8.08
iShares UK Equity Index Fund D Acc	11,049,561	26,995	3.27
Nordea 1 Diversified Return Fund BD GBP Acc	98,039	12,238	1.48
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ∅	42,348	4,339	0.53
Schroder Sterling Liquidity Fund X Inc†‡∅	70,826,573	70,827	8.57
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inc†	113,373,298	84,735	10.26
SPW Multi-Manager European ex UK Equity Fund Q Inc†	61,893,220	54,745	6.63
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inc†	22,233,102	16,833	2.04
SPW Multi-Manager Global Investment Grade Bond Fund Q Inc†	21,313,141	16,987	2.06
SPW Multi-Manager Global Real Estate Securities Fund P Inc†	13,587,590	24,947	3.02
SPW Multi-Manager Global Sovereign Bond Fund Q Inc†	9,728,588	8,474	1.03
SPW Multi-Manager Japanese Equity Fund Q Inc†	21,971,334	20,341	2.46
SPW Multi-Manager North American Equity Fund Q Inc†	190,311,585	210,104	25.43
SPW Multi-Manager UK Equity Fund P Inc†	47,062,103	88,665	10.73
SPW Multi-Manager UK Equity Income Fund P Inc†	11,976,175	17,353	2.10
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	1,736,132	15,943	1.93
Vanguard Global Corporate Bond Index Fund GBP (Hedged)	200,690	15,798	1.91
		810,321	98.10
Exchange Traded Funds			
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	370,780	8,370	1.01
		8,370	1.01
TOTAL FINANCIALS		818,691	99.11
DERIVATIVES (-0.49%, 31/10/21 0.31%)			
Forward Currency Contracts			
Bought CAD4,636,000 for GBP3,007,874 Settlement 29/11/2022		(68)	(0.01)
Bought USD7,415,007 for GBP6,664,863 Settlement 29/11/2022		(243)	(0.03)
Bought USD9,787,810 for GBP8,788,962 Settlement 29/11/2022		(312)	(0.04)
Bought USD13,712,684 for GBP12,278,022 Settlement 29/11/2022		(401)	(0.05)
Bought USD20,744,280 for GBP18,499,331 Settlement 29/11/2022		(532)	(0.06)
Bought USD19,872,219 for GBP17,833,014 Settlement 29/11/2022		(621)	(0.07)
		(2,177)	(0.26)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(281)	(179)	(0.02)
S&P 500 E Mini Index Futures December 2022	470	(1,670)	(0.21)
		<u>(1,849)</u>	<u>(0.23)</u>
TOTAL DERIVATIVES		<u>(4,026)</u>	<u>(0.49)</u>
Portfolio of investments[^]		814,665	98.62
Net other assets		11,379	1.38
Total net assets		<u>826,044</u>	<u>100.00</u>

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated market.

[^]Including investment liabilities.

[†]This investment is a related party (see note 12).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

SPW IPS Growth Portfolio

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inc†‡	250,515	Schroder Sterling Liquidity Fund X Inc‡	287,263
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	37,183	SPW Multi-Manager North American Equity Fund Q Inc†	90,923
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	23,422	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	36,910
Vanguard Global Corporate Bond Index Fund GBP (Hedged)	19,682	SPW Multi-Manager UK Equity Fund P Inc†	34,910
		State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	31,370
SPW Multi-Manager North American Equity Fund Q Inc†	13,688		
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inc†	13,286	iShares North America Index Fund S Acc GBP	21,422
iShares North America Index Fund S Acc GBP	10,720	SPW Multi-Manager Global Sovereign Bond Fund Q Inc†	20,761
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	9,781	SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inc†	16,467
		SPW Multi-Manager Global Investment Grade Bond Fund Q Inc†	11,317
SPW Multi-Manager Global Sovereign Bond Fund Q Inc†	8,731	SPW Multi-Manager European ex UK Equity Fund Q Inc†	11,186
SPW Multi-Manager UK Equity Fund P Inc†	8,506		

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 12).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange traded fund.

SPW IPS Growth Portfolio

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	256.33	198.37	208.58
Return before operating charges*	(10.10)	60.13	(8.35)
Operating charges	(2.11)	(2.17)	(1.86)
Return after operating charges*	(12.21)	57.96	(10.21)
Distributions	(3.12)	(1.89)	(2.97)
Retained distributions on accumulation shares	3.12	1.89	2.97
Closing net asset value per share	244.12	256.33	198.37
*after direct transaction cost of:	0.01	0.02	0.01
Performance			
Return after charges^	(4.76)%	29.22%	(4.90)%
Other information			
Closing net asset value (£000)	6,764	7,951	8,062
Closing number of shares	2,770,804	3,101,894	4,063,877
Operating charges#	0.83%	0.91%	0.92%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	265.30	257.60	221.20
Lowest share price	236.90	199.40	163.70

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 153 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class P - Income			
Change in net assets per share			
Opening net asset value per share	209.72	163.57	174.54
Return before operating charges*	(4.13)	49.49	(7.03)
Operating charges	(1.44)	(1.50)	(1.30)
Return after operating charges*	(5.57)	47.99	(8.33)
Distributions	(0.15)	(1.84)	(2.64)
Return to shareholder as a result of class closure	(204.00)	-	-
Closing net asset value per share	-	209.72	163.57
*after direct transaction cost of:	0.00	0.02	0.01
Performance			
Return after charges	(2.66)%	29.34%	(4.77)%
Other information			
Closing net asset value (£000)	-	116	90
Closing number of shares	-	55,331	55,331
Operating charges#	0.69%	0.76%	0.77%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	-	211.50	185.10
Lowest share price	-	164.40	136.60

#Operating charges are representative of the ongoing charges figure.

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

Share Class P Income was closed on 2nd March 2022.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	209.48	163.37	174.34
Return before operating charges*	(8.29)	49.40	(7.06)
Operating charges	(1.24)	(1.38)	(1.22)
Return after operating charges*	(9.53)	48.02	(8.28)
Distributions	(2.95)	(1.91)	(2.69)
Closing net asset value per share	197.00	209.48	163.37
*after direct transaction cost of:	0.01	0.02	0.01
Performance			
Return after charges	(4.55)%	29.39%	(4.75)%
Other information			
Closing net asset value (£000)	458,321	663,373	1,116,896
Closing number of shares	232,653,103	316,675,103	683,640,679
Operating charges#	0.60%	0.71%	0.73%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	216.80	211.30	184.90
Lowest share price	193.10	164.20	136.40

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	237.86	183.57	192.48
Return before operating charges*	(9.54)	55.53	(7.84)
Operating charges	(1.13)	(1.24)	(1.07)
Return after operating charges*	(10.67)	54.29	(8.91)
Distributions	(3.59)	(2.42)	(3.23)
Retained distributions on accumulation shares	3.59	2.42	3.23
Closing net asset value per share	227.19	237.86	183.57
*after direct transaction cost of:	0.01	0.02	0.01
Performance			
Return after charges	(4.49)%	29.57%	(4.63)%
Other information			
Closing net asset value (£000)	360,697	412,736	405,475
Closing number of shares	158,767,268	173,522,092	220,885,466
Operating charges#	0.48%	0.56%	0.57%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	246.20	239.00	204.20
Lowest share price	220.20	184.50	151.20

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class X - Income			
Change in net assets per share			
Opening net asset value per share	191.48	149.33	159.35
Return before operating charges*	(7.65)	45.12	(6.49)
Operating charges	(0.91)	(1.01)	(0.88)
Return after operating charges*	(8.56)	44.11	(7.37)
Distributions	(2.88)	(1.96)	(2.65)
Closing net asset value per share	180.04	191.48	149.33
*after direct transaction cost of:	0.01	0.02	0.01
Performance			
Return after charges	(4.47)%	29.54%	(4.63)%
Other information			
Closing net asset value (£000)	262	297	363
Closing number of shares	145,351	154,935	243,248
Operating charges#	0.48%	0.57%	0.57%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	198.20	193.10	169.10
Lowest share price	176.50	150.10	124.70

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on issued 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 Income are not published externally, as this is an internal share class.

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22		01/11/20 to 31/10/21	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(55,280)		362,333
Revenue	3	14,179		13,540	
Expenses	4	(103)		(709)	
Interest payable and similar charges		(25)		(103)	
Net revenue before taxation		14,051		12,728	
Taxation	5	(338)		(1,084)	
Net revenue after taxation			13,713		11,644
Total return before distributions			(41,567)		373,977
Distributions	6		(13,329)		(12,150)
Change in net assets attributable to shareholders from investment activities			(54,896)		361,827

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22		01/11/20 to 31/10/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		1,084,473		1,530,886
Amounts receivable on creation of shares	6,277		8,025	
Less: Amounts payable on cancellation of shares	(215,699)		(820,701)	
		(209,422)		(812,676)
Dilution adjustment		(1)		42
Change in net assets attributable to shareholders from investment activities		(54,896)		361,827
Retained distributions on accumulation shares		5,890		4,394
Closing net assets attributable to shareholders		826,044		1,084,473

Notes to the Financial Statements are on pages 165 to 172.

SPW IPS Growth Portfolio

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		814,352	968,362
Current assets			
Debtors	8	18,723	12,351
Cash and bank balances	9	8,297	7,901
Cash equivalents‡		4,339	107,575
Total assets		845,711	1,096,189
Liabilities			
Investment liabilities		(4,026)	(356)
Provision for liabilities	10	-	(485)
Creditors			
Bank overdrafts		(1,507)	-
Distribution payable		(4,045)	(2,333)
Other creditors	11	(10,089)	(8,542)
Total liabilities		(19,667)	(11,716)
Net assets attributable to shareholders		826,044	1,084,473

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 165 to 172.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(47,109)	308,071
Futures contracts	(22,031)	42,079
Forward currency contracts	13,345	11,838
ACD's periodic charge rebates taken to capital	260	307
Fund of funds rebates taken to capital	33	11
Currency gains	232	39
Transaction charges	(10)	(12)
Net capital (losses)/gains*	<u>(55,280)</u>	<u>362,333</u>

*Includes realised gains of £74,344,000 and unrealised losses of £129,624,000 (31/10/21: realised gains of £364,959,000 and unrealised losses of £2,626,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	10,499	9,641
Interest distributions	1,732	1,025
Offshore distributions	1,948	2,836
Fund of funds rebates	-	38
Total revenue	<u>14,179</u>	<u>13,540</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>(358)</u>	313
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	103	143
Safe custody fees	9	7
	<u>112</u>	<u>150</u>
Other expenses:		
Audit fee	13	13
Registration fees	800	697
Expense capping adjustment‡	(464)	(464)
	<u>349</u>	<u>246</u>
Total expenses	<u>103</u>	<u>709</u>

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £12,000 (31/10/21: £11,250).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Corporation tax	828	614
Corporation tax prior year adjustment	(5)	-
Double tax relief	(11)	(173)
Irrecoverable overseas tax	11	173
Total current tax	<u>823</u>	<u>614</u>
Deferred taxation	(45)	470
Deferred tax prior year adjustment	(440)	-
Total deferred tax (note 5c)	<u>(485)</u>	<u>470</u>
Total taxation (note 5b)	<u><u>338</u></u>	<u><u>1,084</u></u>

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	14,051	12,728
Corporation tax of 20% (2021: 20%)	<u>2,810</u>	<u>2,545</u>
Effects of:		
Non-taxable UK dividends*	(2,054)	(1,619)
Overseas non-taxable revenue*	(33)	(350)
Capital income subject to taxation	-	4
Non-taxable income taken to capital*	-	(443)
Taxable income taken to capital	59	507
Irrecoverable overseas tax	11	173
Adjustments in respect of prior years	(4)	-
Double tax relief	(11)	(173)
Overseas capital gains tax	-	440
Deferred tax prior year adjustment	(440)	-
Total tax charge for year (note 5a)	<u><u>338</u></u>	<u><u>1,084</u></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:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Provision at the start of the year	485	15
Deferred tax (credit)/charge in profit and loss account for the year (note 5a)	(485)	470
Provision at the end of the year	<u>-</u>	<u>485</u>
Provision consists of:		
Revenue taxable in different periods	<u>-</u>	<u>485</u>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

6. Distributions

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
First interim	296	1,087
Second interim	4,242	3,318
Third interim	1,203	3,212
Final	7,340	3,897
	<u>13,081</u>	<u>11,514</u>
Add: Revenue deducted on cancellation of shares	262	643
Deduct: Revenue received on creation of shares	(14)	(7)
Net distributions for the year	<u><u>13,329</u></u>	<u><u>12,150</u></u>

Details of the distributions per share are set out in the Distribution Tables on pages 173 to 175.

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	13,713	11,644
Tax relief prior years adjustment	(443)	-
Tax charge on rebates taken to capital	59	506
Net distributions for the year	<u><u>13,329</u></u>	<u><u>12,150</u></u>

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	12,354	8,481
Accrued revenue	6,255	3,506
Fund of funds rebates receivable	-	16
Corporation tax recoverable	-	151
Income tax receivable	81	152
Expense capping adjustment receivable	33	45
Total debtors	<u><u>18,723</u></u>	<u><u>12,351</u></u>

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	208	2,583
Amounts held at futures clearing houses and brokers	8,089	5,318
Total cash and bank balances	<u><u>8,297</u></u>	<u><u>7,901</u></u>

10. Provision for liabilities

	31/10/22	31/10/21
	£000	£000
Deferred taxation	-	485

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	8,001	3,939
Amounts payable for cancellation of shares	1,724	4,542
Accrued expenses	53	61
Corporation tax payable	311	-
Total other creditors	<u>10,089</u>	<u>8,542</u>

12. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited, which amount to £260,031 (31/10/21: £307,132).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD and registration fees are disclosed in notes 2 and 4, with £12,646 (31/10/21: £23,516) due at the year end.

Amounts paid by Scottish Widows Schroder Personal Wealth Limited in respect of the Expense capping adjustments are disclosed in note 4 with £33,034 (31/10/21: £44,622) due at the year end.

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 302,331,844 shares (31/10/21: 948,582,001 shares) with a cost of £306,083,187 (31/10/21: £953,032,601) and sales of 472,170,220 shares (31/10/21: 1,022,893,008 shares) with sales proceeds of £496,925,236 (31/10/21: £1,382,930,780).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 584,319,057 shares (31/10/21: 750,189,625 shares) and value of £618,348,524 (31/10/21: £856,871,361) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £8,060,657 (31/10/21: £10,234,790).

Shares held by associates of the ACD

On 31st October, shares held as a percentage of the sub-fund's value were:

	31/10/22	31/10/21
	%	%
ACD and associates of the ACD	43.49	38.01

13. Share classes

The sub-fund has four share classes in issue (31/10/2021: four).

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

	31/10/22
	%
Share Class A - Accumulation:	0.35
Share Class Q - Income:	0.20
Share Class X - Accumulation:	-
Share Class X - Income:	-

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 (unaudited) on pages 158 to 162.

The distributions per share class are given in the Distribution Tables on pages 173 to 175.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

13. Share classes (continued)**Reconciliation of the shares movement in the year:**

	01/11/21 Opening shares in issue	Creations	Cancellations	31/10/22 Closing shares in issue
Share Class A - Accumulation	3,101,894	8,321	(339,411)	2,770,804
Share Class P - Income	55,331	-	(55,331)	-
Share Class Q - Income	316,675,103	1,541,800	(85,563,800)	232,653,103
Share Class X - Accumulation	173,522,092	1,337,179	(16,092,003)	158,767,268
Share Class X - Income	154,935	4,142	(13,726)	145,351

There are no conversions in the year to report.

14. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

15. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 153. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

The sub-fund's financial assets and liabilities are currently invested in multi-manager regulated collective investment schemes managed within the Scottish Widows Schroder Personal Wealth Limited, and the Scottish Widows Schroder Wealth Holdings Limited whose prices are quoted in Sterling. As a result, the sub-fund does not have any direct exposure to foreign currency movements. However, some of the sub-fund's investments will be affected by movements in exchange rates and ultimately their Sterling values as a result of holdings in investments outside the UK by the sub-funds in which it invests. As a result, movements in exchange rates may affect the Sterling value of the portfolio investments.

As at 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £769,463 (31/10/21: £1,127,216).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/10/22 £000	Currency exposure 31/10/21 £000
Australian dollar	-	18
Canadian dollar	2,939	3,851
Euro	(346)	-
US dollar	74,353	108,852
Total	<u>76,946</u>	<u>112,721</u>

The sub-fund is not required to hedge its foreign currency risk, although it may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that the sub-fund does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the sub-fund's assets and revenue could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the sub-fund in circumstances where no such hedging transactions are undertaken.

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

The sub-fund receives revenue from holdings in collective investment schemes and exchange traded funds. The cashflow from the sub-fund's investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing long term capital growth.

The sub-fund's net cash overdraft of £1,298,672 (31/10/21: holding £2,582,815) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £8,088,860 (31/10/21: cash £5,317,787), whose rates are based on SONIA or its international equivalent.

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

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)*(c) Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

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 sub-fund's exposure by the use of derivatives rather than through the sale and purchase by the sub-fund of transferable securities.

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	-	3,583
Forward currency contracts	-	140
Total Financial derivative instrument exposure	-	3,723

Counterparties to financial derivative instruments and efficient portfolio management techniques	31/10/22	31/10/21
	£000	£000
BNP Paribas - Forward currency contracts	(68)	-
HSBC Bank - Forward currency contracts	-	14
Morgan Stanley International - Forward currency contracts	(1,488)	119
JP Morgan - Forward currency contracts	-	2
Barclays Bank - Forward currency contracts	-	5
Bank of America - Forward currency contracts	(621)	-
Merrill Lynch - Futures contracts	(1,849)	3,227
Total counterparty exposure	(4,026)	3,367

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	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	2,766	2,705
AUD Cash - Merrill Lynch	-	18
EUR Cash - Merrill Lynch	(166)	87
USD Cash - Merrill Lynch	5,489	2,508

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of Collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)*(e) Market price risk and fair value of financial assets and liabilities*

The sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £8,146,649 (31/10/21: £10,755,811).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	107.70	117.75
Commitment leverage	9.29	25.00

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	408,728	1,199,283	616,652	1,966,186
Trades in the year before transaction costs	408,728	1,199,283	616,652	1,966,186
Taxes and other expenses				
Collective Investment Schemes~	-	0	-	(54)
Total costs	-	0	-	(54)
Total net trades in the year after transaction costs	408,728	1,199,283	616,652	1,966,132

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

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

16. Portfolio transaction costs (continued)**Total transaction cost expressed as a percentage of average net asset value**

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.00	0.01
Taxes and other expenses	-	0.00
Total costs	0.00	0.01

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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 exchange traded funds. 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 0.00% (31/10/21: 0.03%).

17. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	8,370	(1,849)	17,191	(356)
Level 2	810,321	(2,177)	1,058,746	-
Level 3	-	-	-	-
Total fair value	818,691	(4,026)	1,075,937	(356)

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.

SPW IPS Growth Portfolio

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1st November 2021
 Second interim Shares purchased prior to 1st February 2022
 Third interim Shares purchased prior to 1st May 2022
 Final Shares purchased prior to 1st August 2022

Group 2 First interim Shares purchased on or between 1st November 2021 and 31st January 2022
 Second interim Shares purchased on or between 1st February 2022 and 30th April 2022
 Third interim Shares purchased on or between 1st May 2022 and 31st July 2022
 Final Shares purchased on or between 1st August 2022 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	-	-	-	0.0417
Second interim	0.8774	-	0.8774	0.4907
Third interim	0.2638	-	0.2638	0.5847
Final	1.9754	-	1.9754	0.7720
Group 2	(p)	(p)	(p)	(p)
First interim	-	-	-	0.0417
Second interim	0.0567	0.8207	0.8774	0.4907
Third interim	0.2638	-	0.2638	0.5847
Final	1.6878	0.2876	1.9754	0.7720

Share Class P - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	-	-	-	0.1089
Second interim	0.1542	-	0.1542	0.4827
Third interim	-	-	-	0.5404
Final	-	-	-	0.7032
Group 2	(p)	(p)	(p)	(p)
First interim	-	-	-	0.1089
Second interim	0.1542	-	0.1542	0.4827
Third interim	-	-	-	0.5404
Final	-	-	-	0.7032

Distribution Tables**(continued)**

for the year ended 31st October 2022

Share Class Q - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.0377	-	0.0377	0.1178
Second interim	0.9222	-	0.9222	0.5027
Third interim	0.2519	-	0.2519	0.5561
Final	1.7375	-	1.7375	0.7361
Group 2	(p)	(p)	(p)	(p)
First interim	0.0166	0.0211	0.0377	0.1178
Second interim	0.4463	0.4759	0.9222	0.5027
Third interim	0.2174	0.0345	0.2519	0.5561
Final	0.9642	0.7733	1.7375	0.7361

Share Class X - Accumulation

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.1108	-	0.1108	0.2030
Second interim	1.0846	-	1.0846	0.6332
Third interim	0.3570	-	0.3570	0.6943
Final	2.0414	-	2.0414	0.8877
Group 2	(p)	(p)	(p)	(p)
First interim	0.1108	-	0.1108	0.2030
Second interim	0.5799	0.5047	1.0846	0.6332
Third interim	0.0857	0.2713	0.3570	0.6943
Final	1.1764	0.8650	2.0414	0.8877

Share Class X - Income

	Net revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.0917	-	0.0917	0.1628
Second interim	0.8721	-	0.8721	0.5145
Third interim	0.2863	-	0.2863	0.5625
Final	1.6324	-	1.6324	0.7171
Group 2	(p)	(p)	(p)	(p)
First interim	0.0868	0.0049	0.0917	0.1628
Second interim	0.8676	0.0045	0.8721	0.5145
Third interim	0.2863	-	0.2863	0.5625
Final	1.4147	0.2177	1.6324	0.7171

Distribution Tables**(continued)**

for the year ended 31st October 2022

Corporate shareholder information (unaudited) for all share classes

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

First interim - 18.75% of the dividend is received as non-taxable income.

First interim - 81.25% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

First interim - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Second interim - 87.79% of the dividend is received as non-taxable income.

Second interim - 11.17% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Second interim - 1.04% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Third interim - 0.00% of the dividend is received as non-taxable income.

Third interim - 99.29% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Third interim - 0.71% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

Final - 90.93% of the dividend is received as non-taxable income.

Final - 9.07% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

SPW IPS Income Portfolio

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide income and capital growth by investing in a diversified range of assets and markets worldwide.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds to gain exposure to fixed and floating rate securities, equity and equity related securities, and alternative assets worldwide. Exposure to alternative assets including property, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest indirectly in these assets. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies.

The Fund may invest up to 100% of its assets in collective investment schemes, including funds managed by the ACD, the Investment Adviser or their associates. These may be actively or passively managed.

The Fund will invest at least 60% of its assets in fixed and floating rate securities.

The Fund may also invest up to 40% of its assets in equity and equity related securities and alternative investments.

The Fund may invest up to 25% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The ACD is responsible for determining the percentage of the Fund normally allocated to each asset class based on its or the Investment Adviser's views on the medium to long term outlook for that asset class.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly and indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk, managing the Fund more efficiently (often referred to as 'efficient portfolio management') or for investment purposes. The Fund may take long and short positions in markets and securities through derivative contracts. The use of derivatives has the potential to increase the Fund's risk profile and could result in increased price volatility.

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.

<p>The Fund is ranked at 4* because, based on historical data, it would have experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 9th August 2022.</p>	Typically lower rewards, lower risks				Typically higher rewards, higher risks		
	←	→	→	→	→	→	→
	1	2	3	4	5	6	7

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	01/11/18 to 31/10/19 %	01/11/17 to 31/10/18 %
SPW IPS Income Portfolio A Accumulation	(14.30)	5.60	(0.87)	7.08	(1.85)

Source: SPW IPS Income Portfolio A Accumulation share price movement in GBP at valuation point. Basis: Gross revenue 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 Fund returned -15.0% in the 12 months to 31 October 2022. The benchmark returned -13.9% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Investment Markets Overview**(continued)**

for the year ended 31st October 2022

Investment Review (continued)

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW IPS Income Portfolio

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.97%, 31/10/21 99.42%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	554,797	8,359	0.98
Nordea 1 Diversified Return Fund BD GBP Acc	371,592	46,386	5.47
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	13,368,736	144,382	17.02
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ◊	180,659	18,510	2.18
Schroder Sterling Liquidity Fund X Inc†‡◊	3,952,402	3,952	0.47
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inc†	10,390,868	7,766	0.91
SPW Multi-Manager European ex UK Equity Fund Q Inc†	9,304,475	8,230	0.97
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inc†	67,960,831	51,453	6.06
SPW Multi-Manager Global Investment Grade Bond Fund Q Inc†	339,334,925	270,450	31.88
SPW Multi-Manager Global Real Estate Securities Fund P Inc†	15,687,850	28,803	3.39
SPW Multi-Manager Global Sovereign Bond Fund Q Inc†	121,061,072	105,444	12.43
SPW Multi-Manager Japanese Equity Fund Q Inc†	5,187,794	4,803	0.57
SPW Multi-Manager North American Equity Fund Q Inc†	27,350,190	30,195	3.56
SPW Multi-Manager UK Equity Fund P Inc†	7,049,974	13,282	1.57
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	2,381,139	21,867	2.58
Vanguard Global Corporate Bond Index Fund GBP (Hedged)	852,846	67,135	7.91
		831,017	97.95
Exchange Traded Funds			
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	383,428	8,656	1.02
		8,656	1.02
TOTAL FINANCIALS		839,673	98.97
DERIVATIVES (0.04%, 31/10/21 0.08%)			
Forward Currency Contracts			
Bought USD7,762,000 for GBP6,856,388 Settlement 29/11/2022		(134)	(0.01)
Sold USD716,191 for GBP642,698 Settlement 29/11/2022		22	0.01
Sold USD747,620 for GBP666,712 Settlement 29/11/2022		19	0.00
Sold USD494,203 for GBP442,498 Settlement 29/11/2022		15	0.00
Sold USD352,751 for GBP316,753 Settlement 29/11/2022		11	0.00
Sold USD267,235 for GBP240,200 Settlement 29/11/2022		9	0.00
		(58)	0.00
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(201)	(170)	(0.02)
FTSE 100 Index Futures December 2022	(76)	246	0.03
S&P 500 E Mini Index Futures December 2022	72	290	0.03
		366	0.04
TOTAL DERIVATIVES		308	0.04
Portfolio of investments[^]		839,981	99.01
Net other assets		8,390	0.99
Total net assets		848,371	100.00

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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). The futures contracts were traded on another regulated

Portfolio Statement

(continued)

as at 31st October 2022

market.

^Including investment liabilities.

†This investment is a related party (see note 12).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

SPW IPS Income Portfolio

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Total purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct# [‡]	217,297	Schroder Sterling Liquidity Fund X Inct# [‡]	251,223
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	51,786	SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	62,744
Vanguard Global Corporate Bond Index Fund	27,726	State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	41,180
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	25,141	SPW Multi-Manager Global Sovereign Bond Fund Q Inct	36,099
SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	9,135	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	29,150
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inct	4,943	PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	23,774
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	3,704	Vanguard Global Corporate Bond Index Fund	22,513
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	1,795	SPW Multi-Manager North American Equity Fund Q Inct	17,896
SPW Multi-Manager North American Equity Fund Q Inct	1,199	Nordea 1 Diversified Return Fund BD GBP Acc	17,165
		SPW Multi-Manager Global Real Estate Securities Fund P Inct	9,462

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

[†]This investment is a related party (see note 12).

[‡]Cash equivalents.

[‡]Asset managed by the Investment Adviser.

[#]Exchange traded fund.

SPW IPS Income Portfolio

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	148.66	141.37	142.23
Return before operating charges*	(20.43)	8.55	0.38
Operating charges	(1.16)	(1.26)	(1.24)
Return after operating charges*	(21.59)	7.29	(0.86)
Distributions	(2.54)	(2.40)	(3.63)
Retained distributions on accumulation shares	2.54	2.40	3.63
Closing net asset value per share	127.07	148.66	141.37
*after direct transaction cost of:	0.00	0.01	0.08
Performance			
Return after charges^	(14.52)%	5.16%	(0.60)%
Other information			
Closing net asset value (£000)	730	873	1,548
Closing number of shares	574,502	587,262	1,095,314
Operating charges#	0.83%	0.86%	0.88%
Direct transaction costs	0.00%	0.01%	0.06%
Prices**			
Highest share price	150.40	150.80	145.90
Lowest share price	125.10	141.10	127.50

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 176 which is sourced from Lipper and based on daily published prices.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/20 (p)
Share Class P - Income	
Change in net assets per share	
Opening net asset value per share	114.63
Return before operating charges*	0.30
Operating charges	(0.23)
Return after operating charges*	0.07
Distributions	-
Return to shareholder as a result of class closure	(114.70)
Closing net asset value per share	-
*after direct transaction cost of:	0.02
Performance	
Return after charges	0.06%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.74%
Direct transaction costs	0.06%
Prices**	
Highest share price	115.20
Lowest share price	114.30

#Operating charges are representative of the ongoing charges figure.

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

Share Class P Income was closed on 9th December 2019.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	114.92	111.07	114.65
Return before operating charges*	(15.68)	6.69	0.31
Operating charges	(0.63)	(0.69)	(0.72)
Return after operating charges*	(16.31)	6.00	(0.41)
Distributions	(2.21)	(2.15)	(3.17)
Closing net asset value per share	96.40	114.92	111.07
*after direct transaction cost of:	0.00	0.01	0.06
Performance			
Return after charges	(14.19)%	5.40%	(0.36)%
Other information			
Closing net asset value (£000)	495,422	794,756	1,081,990
Closing number of shares	513,948,794	691,594,664	974,179,631
Operating charges#	0.58%	0.60%	0.64%
Direct transaction costs	0.00%	0.01%	0.06%
Prices**			
Highest share price	116.30	117.30	117.00
Lowest share price	95.57	110.90	102.20

#Operating charges are representative of the ongoing charges figure.

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

Comparative Table

(continued)

as at 31st October 2022

	31/10/22	31/10/21	31/10/20
	(p)	(p)	(p)
Share Class X - Accumulation			
Change in net assets per share			
Opening net asset value per share	146.48	138.82	139.17
Return before operating charges*	(20.17)	8.36	0.38
Operating charges	(0.66)	(0.70)	(0.73)
Return after operating charges*	(20.83)	7.66	(0.35)
Distributions	(2.99)	(2.86)	(4.04)
Retained distributions on accumulation shares	2.99	2.86	4.04
Closing net asset value per share	125.65	146.48	138.82
*after direct transaction cost of:	0.00	0.01	0.08
Performance			
Return after charges	(14.22)%	5.52%	(0.25)%
Other information			
Closing net asset value (£000)	352,219	414,920	337,285
Closing number of shares	280,327,019	283,265,029	242,974,071
Operating charges#	0.48%	0.48%	0.53%
Direct transaction costs	0.00%	0.01%	0.06%
Prices**			
Highest share price	148.20	148.60	142.90
Lowest share price	123.70	138.60	124.90

#Operating charges are representative of the ongoing charges figure.

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

SPW IPS Income Portfolio

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(174,574)	50,046
Revenue	3	22,908	28,192
Expenses	4	(1,572)	(2,343)
Interest payable and similar charges		-	(36)
Net revenue before taxation		21,336	25,813
Taxation	5	(358)	(305)
Net revenue after taxation		20,978	25,508
Total return before distributions		(153,596)	75,554
Distributions	6	(21,150)	(25,813)
Change in net assets attributable to shareholders from investment activities		(174,746)	49,741

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	1,210,549	1,420,823
Amounts receivable on creation of shares	16,668	225,064
Less: Amounts payable on cancellation of shares	(212,543)	(493,015)
	(195,875)	(267,951)
Dilution adjustment	1	16
Change in net assets attributable to shareholders from investment activities	(174,746)	49,741
Retained distributions on accumulation shares	8,442	7,920
Closing net assets attributable to shareholders	848,371	1,210,549

Notes to the Financial Statements are on pages 187 to 194.

SPW IPS Income Portfolio

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		836,333	1,167,052
Current assets			
Debtors	8	10,221	10,593
Cash and bank balances	9	4,151	8,305
Cash equivalents‡		3,952	37,878
Total assets		854,657	1,223,828
Liabilities			
Investment liabilities		(304)	(416)
Provision for liabilities	10	-	(58)
Creditors			
Bank overdrafts		-	(194)
Distribution payable		(3,614)	(4,595)
Other creditors	11	(2,368)	(8,016)
Total liabilities		(6,286)	(13,279)
Net assets attributable to shareholders		848,371	1,210,549

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 187 to 194.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(168,788)	33,561
Futures contracts	(7,897)	12,547
Forward currency contracts	524	2,482
ACD's periodic charge rebates taken to capital	1,627	1,491
Fund of funds rebates taken to capital	17	34
Currency losses	(48)	(59)
Transaction charges	(9)	(10)
Net capital (losses)/gains*	<u>(174,574)</u>	<u>50,046</u>

*Includes realised losses of £2,482,000 and unrealised losses of £172,092,000 (31/10/21: realised gains of £37,533,000 and unrealised gains of £12,513,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	1,908	2,359
Interest distributions	12,746	10,262
Offshore distributions	8,216	15,556
Bank interest	2	1
HM Revenue and Customs interest	1	1
Fund of funds rebates	-	13
Futures income	35	-
Total revenue	<u>22,908</u>	<u>28,192</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>1,066</u>	<u>1,801</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	111	150
Safe custody fees	10	15
	<u>121</u>	<u>165</u>
Other expenses:		
Audit fee	14	13
Registration fees	980	1,284
Expense capping adjustment‡	(609)	(920)
	<u>385</u>	<u>377</u>
Total expenses	<u>1,572</u>	<u>2,343</u>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

4. Expenses (continued)

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £12,000 (31/10/21: £11,250).

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Corporation tax	424	259
Corporation tax prior year adjustment	(8)	-
Double tax relief	(14)	(116)
Irrecoverable overseas tax	14	116
Total current tax	416	259
Total deferred tax (note 5c)	(58)	46
Total taxation (note 5b)	358	305

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	21,336	25,813
Corporation tax of 20% (2021: 20%)	4,267	5,163
Effects of:		
Non-taxable UK dividends*	(326)	(193)
Overseas non-taxable revenue*	(135)	(157)
Taxable income taken to capital	328	305
Irrecoverable overseas tax	14	116
Adjustments in respect of prior years	(8)	-
Tax deductible interest distributions	(3,768)	(4,813)
Double tax relief	(14)	(116)
Total tax charge for year (note 5a)	358	305

*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:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Provision at the start of the year	58	12
Deferred tax (credit)/charge in profit and loss account for the year (note 5a)	(58)	46
Provision at the end of the year	-	58
Provision consists of:		
Revenue taxable in different periods	-	58

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

6. Distributions

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
First interim	4,423	5,701
Second interim	4,903	5,543
Third interim	5,261	7,194
Final	6,290	7,085
	<u>20,877</u>	<u>25,523</u>
Add: Revenue deducted on cancellation of shares	327	985
Deduct: Revenue received on creation of shares	(54)	(695)
Net distributions for the year	<u>21,150</u>	<u>25,813</u>

Details of the distributions per share are set out in the Distribution Tables on pages 195 to 196.

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	20,978	25,508
Tax charge on rebates taken to capital	328	305
Prior year corporation tax provision on capital rebates	(156)	-
Net distributions for the year	<u>21,150</u>	<u>25,813</u>

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	5,601	6,253
Accrued revenue	4,470	3,889
Fund of funds rebates receivable	9	41
Income tax receivable	100	348
Expense capping adjustment receivable	41	62
Total debtors	<u>10,221</u>	<u>10,593</u>

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	2,852	5,584
Amounts held at futures clearing houses and brokers	1,299	2,721
Total cash and bank balances	<u>4,151</u>	<u>8,305</u>

10. Provision for liabilities

	31/10/22	31/10/21
	£000	£000
Deferred taxation	-	58

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	-	1,946
Amounts payable for cancellation of shares	2,044	5,843
Accrued expenses	72	84
Corporation tax payable	252	143
Total other creditors	<u>2,368</u>	<u>8,016</u>

12. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £1,626,626 (31/10/21: £1,491,159).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD and registration fees are disclosed in notes 2 and 4, with £31,338 (31/10/21: £44,251) due at the year end.

Amounts paid by Scottish Widows Schroder Personal Wealth Limited in respect of the Expense capping adjustment are disclosed in note 4 with £40,762 (31/10/21: £61,749) due at the year end.

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 235,869,950 shares (31/10/21: 1,503,228,801 shares) with a cost of £234,520,401 (31/10/21: £1,577,915,828) and sales of 393,501,977 shares (31/10/21: 870,451,080 shares) with sales proceeds of £401,680,004 (31/10/21: £944,229,762).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 607,461,040 shares (31/10/21: 767,902,078 shares) and value of £542,888,430 (31/10/21: £826,308,262) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £11,075,088 (31/10/21: £10,004,520).

Shares held by associates of the ACD

On 31st October, shares held as a percentage of the sub-fund's value were:

	31/10/22	31/10/21
	%	%
ACD and associates of the ACD	41.35	34.15

13. Share classes

The sub-fund has three share classes in issue (31/10/2021: three).

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

	31/10/22
	%
Share Class A - Accumulation:	0.35
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 (unaudited) on pages 181 to 184.

The distributions per share class are given in the Distribution Tables on pages 195 to 196.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

13. Share classes (continued)**Reconciliation of the shares movement in the year:**

	01/11/21 Opening shares in issue	Creations	Cancellations	31/10/22 Closing shares in issue
Share Class A - Accumulation	587,262	-	(12,760)	574,502
Share Class Q - Income	691,594,664	8,304,007	(185,949,877)	513,948,794
Share Class X - Accumulation	283,265,029	5,809,617	(8,747,627)	280,327,019

There are no conversions in the year to report.

14. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

15. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 176. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

The sub-fund's financial assets and liabilities are currently invested in multi-manager regulated collective investment schemes managed within the Schroder Investment Management Limited and the Scottish Widows Schroder Wealth Holdings Limited whose prices are quoted in Sterling. As a result, the sub-fund does not have any direct exposure to foreign currency movements. However, some of the sub-fund's investments will be affected by movements in exchange rates and ultimately their Sterling values as a result of holdings in investments outside the UK by the sub-funds in which it invests. As a result, movements in exchange rates may affect the Sterling value of the portfolio investments.

As at 31st October 2022, 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 sub-fund would have been a decrease or increase of approximately £136,984 (31/10/21: £72,052).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure 31/10/22 £000	Currency exposure 31/10/21 £000
Australian dollar	-	41
Canadian dollar	-	169
Euro	(248)	85
Japanese yen	-	3
US dollar	13,946	6,907
Total	<u>13,698</u>	<u>7,205</u>

The sub-fund is not required to hedge its foreign currency risk, although it may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that the sub-fund does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the sub-fund's assets and revenue could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the sub-fund in circumstances where no such hedging transactions are undertaken.

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

The sub-fund receives revenue from holdings in collective investment schemes and exchange traded funds. The cash flow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. Given that the sub-fund's objective is to seek capital growth, these cash flows are considered to be of secondary importance and are not actively managed.

The sub-fund's net cash holding of £2,851,808 (31/10/21: holding £5,584,673) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £1,299,567 (31/10/21: £2,527,135), whose rates are based on SONIA or its international equivalent.

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

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)*(c) Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

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 sub-fund's exposure by the use of derivatives rather than through the sale and purchase by the sub-fund of transferable securities.

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	536	1,439
Forward currency contracts	76	-
Total Financial derivative instrument exposure	612	1,439

Counterparties to financial derivative instruments and efficient portfolio management techniques

	31/10/22	31/10/21
	£000	£000
Bank of America - Forward currency contracts	22	-
JP Morgan - Forward currency contracts	(134)	-
Morgan Stanley - Forward currency contracts	54	-
Merrill Lynch - Futures contracts	366	1,023
Total counterparty exposure	308	1,023

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	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	1,081	2,498
AUD Cash - Merrill Lynch	-	40
CAD Cash - Merrill Lynch	-	170
EUR Cash - Merrill Lynch	(77)	10
JPY Cash - Merrill Lynch	-	3
USD Cash - Merrill Lynch	296	(194)

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of Collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)

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

The sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £8,399,810 (31/10/21: £12,045,139).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	101.30	105.31
Commitment leverage	1.76	11.13

(g) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

16. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	342,727	1,834,726	538,489	2,090,359
Trades in the year before transaction costs	342,727	1,834,726	538,489	2,090,359
Commissions				
Collective Investment Scheme	-	-	-	(1)
Taxes				
Collective Investment Schemes~	-	0	-	(66)
Total Taxes	-	0	-	(66)
Total costs	-	0	-	(67)
Total net trades in the year after transaction costs	342,727	1,834,726	538,489	2,090,292

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

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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 exchange traded funds. 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 0.00% (31/10/21: 0.00%).

17. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	9,192	(170)	7,629	(416)
Level 2	831,093	(134)	1,197,301	-
Level 3	-	-	-	-
Total fair value	840,285	(304)	1,204,930	(416)

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.

SPW IPS Income Portfolio

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1st November 2021
 Second interim Shares purchased prior to 1st February 2022
 Third interim Shares purchased prior to 1st May 2022
 Final Shares purchased prior to 1st August 2022

Group 2 First interim Shares purchased on or between 1st November 2021 and 31st January 2022
 Second interim Shares purchased on or between 1st February 2022 and 30th April 2022
 Third interim Shares purchased on or between 1st May 2022 and 31st July 2022
 Final Shares purchased on or between 1st August 2022 and 31st October 2022

Share Class A - Accumulation

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.4674	-	0.4674	0.4698
Second interim	0.5741	-	0.5741	0.4656
Third interim	0.6562	-	0.6562	0.7007
Final	0.8454	-	0.8454	0.7660
Group 2	(p)	(p)	(p)	(p)
First interim	0.4674	-	0.4674	0.4698
Second interim	0.5741	-	0.5741	0.4656
Third interim	0.6562	-	0.6562	0.7007
Final	0.8454	-	0.8454	0.7660

Share Class Q - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.4326	-	0.4326	0.4389
Second interim	0.5060	-	0.5060	0.4304
Third interim	0.5662	-	0.5662	0.6140
Final	0.7031	-	0.7031	0.6644
Group 2	(p)	(p)	(p)	(p)
First interim	0.2728	0.1598	0.4326	0.4389
Second interim	0.1959	0.3101	0.5060	0.4304
Third interim	0.5056	0.0606	0.5662	0.6140
Final	0.3518	0.3513	0.7031	0.6644

Distribution Tables**(continued)**

for the year ended 31st October 2022

Share Class X - Accumulation

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.5931	-	0.5931	0.5860
Second interim	0.6845	-	0.6845	0.5777
Third interim	0.7643	-	0.7643	0.8215
Final	0.9530	-	0.9530	0.8776
Group 2	(p)	(p)	(p)	(p)
First interim	0.0415	0.5516	0.5931	0.5860
Second interim	0.3165	0.3680	0.6845	0.5777
Third interim	0.0270	0.7373	0.7643	0.8215
Final	0.7522	0.2008	0.9530	0.8776

SPW IPS Strategic Income Portfolio

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide income by investing in a diversified range of assets and markets worldwide. The Fund also aims to provide capital growth.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds to gain exposure to fixed and floating rate securities, equity and equity related securities, and alternative assets worldwide. Exposure to alternative assets including property, commodities and currencies may be obtained through derivatives (where permitted) and by investing in funds that invest indirectly in these assets. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies.

The Fund may invest up to 100% of its assets in collective investment schemes, including funds managed by the ACD, the Investment Adviser or their associates. These may be actively or passively managed.

The Fund has a strategic focus on income-generating securities.

The Fund invests at least 60% of its assets in fixed and floating rate securities.

The Fund may also invest up to 40% of its assets in equity and equity related securities and alternative investments.

The Fund may invest up to 45% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The ACD is responsible for determining the percentage of the Fund normally allocated to each asset class based on its or the Investment Adviser's views on the medium to long term outlook for that asset class.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly and indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk, managing the Fund more efficiently (often referred to as 'efficient portfolio management') or for investment purposes. The Fund may take long and short positions in markets and securities through derivative contracts. The use of derivatives has the potential to increase the Fund's risk profile and could result in increased price volatility.

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.

<p>The Fund is ranked at 4* because, based on historical data, it would have experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 24th August 2022.</p>	<p style="text-align: center;">Typically lower rewards, lower risks</p> <p style="text-align: center;">←</p>							<p style="text-align: center;">Typically higher rewards, higher risks</p> <p style="text-align: center;">→</p>						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	01/11/18 to 31/10/19 %	01/11/17 to 31/10/18 %
SPW IPS Strategic Income Portfolio Q Income	(16.20)	7.61	(4.79)	4.53	(4.33)

Source: IPS Strategic Income Portfolio Q Income share price movement in GBP at valuation point. Basis: Gross revenue 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 fund returned -16.2% in the 12 months to 31 October 2022. The benchmark returned -16.0% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Investment Markets Overview**(continued)**

for the year ended 31st October 2022

Investment Review (continued)

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasuries) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4.1% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

SPW IPS Strategic Income Portfolio

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.61%, 31/10/21 99.87%)			
Collective Investment Schemes			
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	49,731	537	5.09
Schroder Sterling Liquidity Fund X Inct#	40,626	40	0.38
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund Q Inct	142,640	106	1.00
SPW Multi-Manager European ex UK Equity Fund Q Inct	123,977	110	1.04
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inct	4,053,167	3,069	29.09
SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	4,319,721	3,443	32.63
SPW Multi-Manager Global Real Estate Securities Fund P Inct	176,896	325	3.08
SPW Multi-Manager Global Sovereign Bond Fund Q Inct	428,183	373	3.54
SPW Multi-Manager Japanese Equity Fund Q Inct	37,704	35	0.33
SPW Multi-Manager North American Equity Fund Q Inct	292,653	323	3.06
SPW Multi-Manager UK Equity Income Fund P Inct	111,118	161	1.53
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	40,755	374	3.55
Vanguard Global Corporate Bond Index Fund GBP (Hedged)	17,774	1,399	13.26
		10,295	97.58
Exchange Traded Funds			
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	4,825	109	1.03
		109	1.03
TOTAL FINANCIALS		10,404	98.61
DERIVATIVES (0.02%, 31/10/21 0.10%)			
Forward Currency Contracts			
Bought USD120,000 for GBP105,999 Settlement 29/11/2022		(2)	(0.02)
Sold USD3,611 for GBP3,240 Settlement 29/11/2022		1	0.01
Sold USD1,779 for GBP1,597 Settlement 29/11/2022~		0	0.00
Sold USD3,770 for GBP3,362 Settlement 29/11/2022~		0	0.00
Sold USD1,348 for GBP1,212 Settlement 29/11/2022~		0	0.00
Sold USD2,492 for GBP2,231 Settlement 29/11/2022~		0	0.00
		(1)	(0.01)

SPW IPS Strategic Income Portfolio

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(3)	(2)	(0.02)
FTSE 100 Index Futures December 2022	(1)	4	0.04
Mini TOPIX Index Futures December 2022~	2	0	0.00
S&P 500 E Mini Index Futures December 2022	13	1	0.01
		3	0.03
		2	0.02
TOTAL DERIVATIVES			
		10,406	98.63
Portfolio of investments[^]		145	1.37
Net other assets		10,551	100.00
Total net assets			

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds are quoted on a listed securities market, unless otherwise stated.

Derivative can be exchange traded or over the counter (OTC) contracts. The futures contracts were traded on another regulated market.

†This investment is a related party (see note 12).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

~The market value of the holding is below £500 and is therefore rounded down to £0.

SPW IPS Strategic Income Portfolio

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Total purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡	6,629	Schroder Sterling Liquidity Fund X Inct‡	7,370
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	640	SPW Multi-Manager Global Investment Grade Bond Fund Q Inct	2,391
SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	622	SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Acct	2,048
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund Q Inc	595	Vanguard Global Corporate Bond Index Fund State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	1,017
Vanguard Global Corporate Bond Index Fund	443	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	717
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	367	SPW Multi-Manager Global Sovereign Bond Fund Q Acct	328
iShares € High Yield Corp Bond UCITS ETF EUR#	91	PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	320
SPW Multi-Manager Global Sovereign Bond Fund Q Acct	71	SPW Multi-Manager Global Real Estate Securities Fund A Inct	300
SPW Multi-Manager Global Real Estate Securities Fund P Inct	35	SPW Multi-Manager Global Real Estate Securities Fund A Inct	275
PIMCO Global Investment Grade Credit Fund Institutional GBP (Hedged) Inc	25	SPW Multi-Manager North American Equity Fund X GBP Acct	266

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

†This investment is a related party (see note 12).

‡Cash equivalents.

◇Asset managed by the Investment Adviser.

#Exchange Traded Fund.

SPW IPS Strategic Income Portfolio

Comparative Table

as at 31st October 2022

	31/10/20 (p)
Share Class A - Accumulation	
Change in net assets per share	
Opening net asset value per share	148.80
Return before operating charges*	(0.46)
Operating charges	(0.36)
Return after operating charges*	(0.10)
Distributions	-
Return to shareholder as a result of class closure	148.90
Closing net asset value per share	-
*after direct transaction cost of:	0.02
Performance	
Return after charges	(0.07)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.91%
Direct transaction costs	0.05%
Prices**	
Highest share price	149.80
Lowest share price	148.50

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on issued price. The opening and closing net asset values per share include accounting adjustments, Share Class A Accumulation was closed on 9th December 2019.

Comparative Table**(continued)**

as at 31st October 2022

	31/10/20 (p)
Share Class P - Income	
Change in net assets per share	
Opening net asset value per share	114.78
Return before operating charges*	0.25
Operating charges	(0.23)
Return after operating charges*	0.02
Distributions	-
Return to shareholder as a result of class closure	(114.80)
Closing net asset value per share	-
*after direct transaction cost of:	0.02
Performance	
Return after charges	0.02%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	0.77%
Direct transaction costs	0.05%
Prices**	
Highest share price	115.60
Lowest share price	114.60

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on issued price. The opening and closing net asset values per share include accounting adjustments, Share Class P Income was closed on 9th December 2019.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class Q - Income			
Change in net assets per share			
Opening net asset value per share	111.18	105.76	114.20
Return before operating charges*	(17.20)	8.59	(4.31)
Operating charges	(0.74)	(0.77)	(0.77)
Return after operating charges*	(17.94)	7.82	(5.08)
Distributions	(2.92)	(2.40)	(3.36)
Closing net asset value per share	90.32	111.18	105.76
*after direct transaction cost of:	0.01	0.01	0.06
Performance			
Return after charges^	(16.14)%	7.39%	(4.45)%
Other information			
Closing net asset value (£000)	9,905	18,289	31,370
Closing number of shares	10,966,789	16,450,901	29,659,943
Operating charges#	0.71%	0.69%	0.70%
Direct transaction costs	0.01%	0.00%	0.05%
Prices**			
Highest share price	112.30	113.50	117.50
Lowest share price	89.61	105.80	97.37

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 197 which is sourced from Lipper and based on daily published prices.

**The highest and lowest share prices are based on issued price. The opening and closing net asset values per share include accounting adjustments,

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class X - Income			
Change in net assets per share			
Opening net asset value per share	107.88	102.62	110.80
Return before operating charges*	(16.69)	8.31	(4.17)
Operating charges	(0.61)	(0.60)	(0.63)
Return after operating charges*	(17.30)	7.71	(4.80)
Distributions	(2.96)	(2.45)	(3.38)
Closing net asset value per share	87.62	107.88	102.62
*after direct transaction cost of:	0.01	0.00	0.06
Performance			
Return after charges	(16.04)%	7.51%	(4.33)%
Other information			
Closing net asset value (£000)	646	756	638
Closing number of shares	737,523	700,627	621,723
Operating charges#	0.61%	0.56%	0.59%
Direct transaction costs	0.01%	0.00%	0.05%
Prices**			
Highest share price	108.90	110.10	114.10
Lowest share price	86.96	102.60	94.49

#Operating charges are representative of the ongoing charges figure.

**The highest and lowest share prices are based on issued price. The opening and closing net asset values per share include accounting adjustments, Prices for Share Class X Income are not published externally, as this is an internal share class.

SPW IPS Strategic Income Portfolio

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22		01/11/20 to 31/10/21	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(2,894)		1,626
Revenue	3	442		638	
Expenses	4	(41)		(67)	
Interest payable and similar charges		-		(1)	
Net revenue before taxation		401		570	
Taxation	5	(5)		(7)	
Net revenue after taxation			396		563
Total return before distributions			(2,498)		2,189
Distributions	6		(398)		(570)
Change in net assets attributable to shareholders from investment activities			(2,896)		1,619

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22		01/11/20 to 31/10/21	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		19,045		32,008
Amounts receivable on creation of shares	1,562		4,741	
Less: Amounts payable on cancellation of shares	(7,160)		(19,322)	
		(5,598)		(14,581)
Dilution adjustment		-		(1)
Change in net assets attributable to shareholders from investment activities		(2,896)		1,619
Closing net assets attributable to shareholders		10,551		19,045

Notes to the Financial Statements are on pages 208 to 215.

SPW IPS Strategic Income Portfolio

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		10,370	18,263
Current assets			
Debtors	8	246	241
Cash and bank balances	9	51	88
Cash equivalents‡		40	782
Total assets		10,707	19,374
Liabilities			
Investment liabilities		(4)	(5)
Provision for liabilities	10	-	(1)
Creditors			
Distribution payable		(95)	(116)
Other creditors	11	(57)	(207)
Total liabilities		(156)	(329)
Net assets attributable to shareholders		10,551	19,045

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current and comparative year to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 208 to 215.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(2,804)	1,193
Futures contracts	(137)	344
Forward currency contracts	26	64
ACD's periodic charge rebates taken to capital	30	37
Currency losses	-	(1)
Transaction charges	(9)	(11)
Net capital (losses)/gains*	<u>(2,894)</u>	<u>1,626</u>

*Includes realised losses of £498,000 and unrealised losses of £2,396,000 (31/10/21: realised gains of £555,000 and unrealised gains of £1,071,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	26	66
Interest distributions	344	391
Offshore distributions	72	181
Total revenue	<u>442</u>	<u>638</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>25</u>	<u>50</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	<u>2</u>	<u>3</u>
Other expenses:		
Audit fee	14	13
Registration fees	13	25
Expense capping adjustment‡	(13)	(24)
	<u>14</u>	<u>14</u>
Total expenses	<u>41</u>	<u>67</u>

Expenses include irrecoverable VAT.

‡Within the Q Income share class no registration fee has been deducted and this has been borne by the ACD.

The Deloitte LLP audit fee for the year, exclusive of VAT is £12,000 (31/10/21: £11,250).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Corporation tax	7	6
Corporation tax prior year adjustment	(1)	-
Double tax relief	-	(3)
Irrecoverable overseas tax	-	3
Total current tax	<u>6</u>	<u>6</u>
Total deferred tax (note 5c)	<u>(1)</u>	<u>1</u>
Total taxation (note 5b)	<u><u>5</u></u>	<u><u>7</u></u>

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	<u>401</u>	<u>570</u>
Corporation tax of 20% (2021: 20%)	80	114
Effects of:		
Non-taxable UK dividends*	(5)	(8)
Overseas non-taxable revenue*	-	1
Taxable income taken to capital	6	7
Irrecoverable overseas tax	-	3
Adjustments in respect of prior years	(1)	-
Tax deductible interest distributions	(75)	(107)
Double tax relief	-	(3)
Total tax charge for year (note 5a)	<u><u>5</u></u>	<u><u>7</u></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:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Provision at the start of the year	1	-
Deferred tax (credit)/charge in profit and loss account for the year (note 5a)	<u>(1)</u>	<u>1</u>
Provision at the end of the year	<u>-</u>	<u>1</u>
Provision consists of:		
Revenue taxable in different periods	<u>-</u>	<u>1</u>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

6. Distributions

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
First interim	100	204
Second interim	96	103
Third interim	96	120
Final	95	116
	<hr/>	<hr/>
	387	543
Add: Revenue deducted on cancellation of shares	13	50
Deduct: Revenue received on creation of shares	(2)	(23)
	<hr/>	<hr/>
Net distributions for the year	398	570

Details of the distributions per share are set out in the Distribution Tables on page 216.

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	396	563
Tax charge on rebates taken to capital	6	7
Prior year corporation tax provision on capital rebates	(4)	-
	<hr/>	<hr/>
Net distributions for the year	398	570

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	151	127
Accrued revenue	93	111
Income tax receivable	1	2
Expense capping adjustment receivable	1	1
	<hr/>	<hr/>
Total debtors	246	241

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	26	40
Amounts held at futures clearing houses and brokers	25	48
	<hr/>	<hr/>
Total cash and bank balances	51	88

10. Provision for liabilities

	31/10/22	31/10/21
	£000	£000
Deferred taxation	-	1
	<hr/>	<hr/>

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Other creditors

	31/10/22	31/10/21
	£000	£000
Amounts payable for cancellation of shares	22	177
Accrued expenses	28	26
Corporation tax payable	7	4
Total other creditors	<u>57</u>	<u>207</u>

12. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited. Scottish Widows Schroder Personal Wealth Limited act as principal on all the transactions of shares in the sub-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 Schroder Personal Wealth Limited in respect of share transactions at the year end are included in the Balance Sheet.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £29,764 (31/10/21: £36,767).

Amounts paid to Scottish Widows Schroder Personal Wealth Limited in respect of ACD and registration fees are disclosed in notes 2 and 4, with £878 (31/10/21: £1,050) due at the year end.

Amounts paid by Scottish Widows Schroder Personal Wealth Limited in respect of the Expense capping adjustments are disclosed in note 4 with £815 (31/10/21: £1,441) due at the year end.

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 8,025,410 shares (31/10/21: 39,745,576 shares) with a cost of £7,951,980 (31/10/21: £40,750,389) and sales of 13,099,304 shares (31/10/21: 29,799,022 shares) with sales proceeds of £12,874,911 (31/10/21: £31,127,550).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 9,726,685 shares (31/10/21: 14,819,584 shares) and value of £7,985,096 (31/10/21: £15,167,299) held at the year-end.

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £261,350 (31/10/21: £315,207).

Shares held by associates of the ACD

On 31st October, shares held as a percentage of the sub-fund's value were:

	31/10/22	31/10/21
	%	%
ACD and associates of the ACD	6.13	3.97

13. Share classes

The sub-fund has two share classes in issue (31/10/2021: two).

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

	31/10/22
	%
Share Class Q - Income:	0.20
Share Class X - Income:	-

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 (unaudited) on pages 202 to 205.

The distributions per share class are given in the Distribution Tables on page 216.

for the year ended 31st October 2022

13. Share classes (continued)**Reconciliation of the shares movement in the year:**

	01/11/21 Opening shares in issue	Creations	Cancellations	31/10/22 Closing shares in issue
Share Class Q - Income	16,450,901	1,410,471	(6,894,583)	10,966,789
Share Class X - Income	700,627	56,642	(19,746)	737,523

There are no conversions in the year to report.

14. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

15. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 197. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

The sub-fund's financial assets and liabilities are currently invested in multi-manager regulated collective investment schemes managed within the Schroders Asset Management Group and the Scottish Widows Schroder Wealth Holdings Limited whose prices are quoted in Sterling. As a result, the sub-fund does not have any direct exposure to foreign currency movements. However, some of the sub-fund's investments will be affected by movements in exchange rates and ultimately their Sterling values as a result of holdings in investments outside the UK by the sub-funds in which it invests. As a result, movements in exchange rates may affect the Sterling value of the portfolio investments.

As at 31st October 2022, 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 sub-fund would have been a decrease or increase of approximately £2,138 (31/10/21: £2,082).

The sub-fund's net foreign currency exposure for the sub-fund is not deemed to be significant and on that basis no sensitivity analysis is presented.

Currency	Currency exposure 31/10/22 £000	Currency exposure 31/10/21 £000
Australian dollar	-	1
Euro	(4)	2
Japanese yen	3	4
US dollar	215	201
Total	214	208

The sub-fund is not required to hedge its foreign currency risk, although it may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that the sub-fund does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the sub-fund's assets and revenue could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the sub-fund in circumstances where no such hedging transactions are undertaken.

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

The sub-fund receives revenue from holdings in regulated collective investment schemes. The cash flow from the Fund's investments may fluctuate depending upon the particular decisions made by each Fund. The Fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of generating long term capital growth.

The sub-fund's net cash holding of £25,780 (31/10/21: holding £39,705) is held in a floating rate deposit account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £24,865 (31/10/21: cash £47,971), whose rates are based on SONIA or its international equivalent.

The sub-fund did not have any long term financial liabilities.

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)*(c) Derivatives and other financial instruments*

During the year, the ACD entered into derivative contracts on behalf of the sub-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 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 sub-fund of transferable securities.

(d) Due to the use of derivatives, the percentage movements in the value of the sub-fund will be different from the percentage movements in the markets. At the year end, as use of derivatives is not significant, no sensitivity analysis or value at risk disclosure has been shown.

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	5	24
Forward currency contracts	1	-
Total Financial derivative instrument exposure	6	24

Counterparties to financial derivative instruments and efficient portfolio management techniques	31/10/22	31/10/21
	£000	£000
JP Morgan - Forward currency contracts	(2)	-
Morgan Stanley - Forward currency contracts	1	-
Merrill Lynch - Futures contracts	3	19
Total counterparty exposure	2	19

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	31/10/22	31/10/21
	£000	£000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	12	40
AUD Cash - Merrill Lynch	-	1
EUR Cash - Merrill Lynch	(1)	-
JPY Cash - Merrill Lynch	5	5
USD Cash - Merrill Lynch	9	2

(e) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of Collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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.

(f) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of Collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

for the year ended 31st October 2022

15. Risk management policies, derivatives and other financial instruments (continued)

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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.

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

The sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £104,061 (31/10/21: £190,397).

(h) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22	31/10/21
	%	%
Gross leverage	101.26	105.64
Commitment leverage	2.84	12.78

(i) Credit risk

The sub-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 sub-fund has fulfilled its obligations. The sub-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.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

16. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	9,519	48,684	15,325	63,066
Total Taxes	-	-	-	-
Total net trades in the year	9,519	48,684	15,325	63,066

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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 exchange traded funds. 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 0.00% (31/10/21: 0.00%).

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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, or the associated broker commissions and transfer taxes, is not shown in the analysis of total trade costs above. 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 exchange traded funds. 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 0.00% (31/10/21: 0.00%).

17. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	114	(2)	24	(5)
Level 2	10,296	(2)	19,021	-
Level 3	-	-	-	-
Total fair value	10,410	(4)	19,045	(5)

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.

SPW IPS Strategic Income Portfolio

Distribution Tables

for the year ended 31st October 2022

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1st November 2021
 Second interim Shares purchased prior to 1st February 2022
 Third interim Shares purchased prior to 1st May 2022
 Final Shares purchased prior to 1st August 2022

Group 2 First interim Shares purchased on or between 1st November 2021 and 31st January 2022
 Second interim Shares purchased on or between 1st February 2022 and 30th April 2022
 Third interim Shares purchased on or between 1st May 2022 and 31st July 2022
 Final Shares purchased on or between 1st August 2022 and 31st October 2022

Share Class Q - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.6329	-	0.6329	0.7078
Second interim	0.6995	-	0.6995	0.4122
Third interim	0.7731	-	0.7731	0.6074
Final	0.8152	-	0.8152	0.6746
Group 2	(p)	(p)	(p)	(p)
First interim	0.5794	0.0535	0.6329	0.7078
Second interim	0.1110	0.5885	0.6995	0.4122
Third interim	0.7092	0.0639	0.7731	0.6074
Final	0.1774	0.6378	0.8152	0.6746

Share Class X - Income

	Gross revenue	Equalisation	Distributions paid/payable to 30/12/2022	Distributions paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
First interim	0.6444	-	0.6444	0.7166
Second interim	0.7071	-	0.7071	0.4261
Third interim	0.7803	-	0.7803	0.6298
Final	0.8244	-	0.8244	0.6763
Group 2	(p)	(p)	(p)	(p)
First interim	0.6444	-	0.6444	0.7166
Second interim	0.5089	0.1982	0.7071	0.4261
Third interim	0.3901	0.3902	0.7803	0.6298
Final	0.6413	0.1831	0.8244	0.6763

Investment Markets Overview

for the year ended 31st October 2022

Investment Objective

The Fund aims to provide capital growth and income in excess of the benchmark* (after the deduction of fees) over five to seven years by investing in a diversified range of assets and markets worldwide.

*The Fund's benchmark is a composite of 28.4% MSCI North America (Net Total Return) index, 6.2% MSCI Europe ex UK (Net Total Return) index, 3.2% MSCI Japan (Net Total Return) index, 3.6% MSCI AC Asia Pacific ex Japan (Net Total Return) index, 3.6% MSCI Emerging Markets (Net Total Return) index, 20% MSCI UK IMI (Gross Total Return) index, 3% Bloomberg Global Treasury Value GBP Hedged index, 13% Bloomberg Global Aggregate Corporate Value GBP Hedged index, 1.5% Bloomberg Global High Yield Corporate Value GBP Hedged index, 1.5% Bloomberg Emerging Market Debt Value GBP Hedged index, 5% MSCI World IMI Core Real Estate (Net Total Return) index, 4% SONIA plus 2%, 4% SONIA and 3% Bloomberg Commodity Total Return index.

Investment Policy

The Fund is actively managed and invests its assets indirectly through collective investment schemes, exchange traded funds, real estate investment trusts, or closed ended funds in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. The Fund may also invest in funds that use absolute return strategies or other alternative investment strategies including funds that invest in real estate, commodities, private equity and currencies.

The Fund seeks to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions.

The Fund will invest within the following ranges:

Equity and equity related securities: 30% – 80%

Fixed and floating rate securities: 0% – 40%

Alternative assets: 0% – 30%

The Fund may invest up to 20% of its assets in below investment grade bonds (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies) or in unrated bonds.

The Fund may invest in collective investment schemes managed by the ACD, the Investment Adviser or their associates.

The Fund may also invest directly in equity and equity related securities and fixed and floating rate securities. The Fund may also invest directly or indirectly in money market instruments, and may hold cash.

The Fund may use derivatives with the aim of reducing risk and for managing the Fund more efficiently (often referred to as 'efficient portfolio management').

Further Information

The ACD will review the components of the composite benchmark at least once a year to ensure the weightings remain aligned with the broader asset allocation policies of the Fund. Shareholders will be notified of any changes to the percentage weightings of the composite benchmark. The current portfolio composite benchmark weightings are set out in the Key Investor Information Document which can be found on our website: <https://www.spw.com/fund-info>

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.

<p>The Fund is ranked at 5* because, based on historical data, it would have experienced medium to high levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 9th August 2022.</p>	<p style="text-align: center;">Typically lower rewards, lower risks</p> <p style="text-align: center;">←</p>							<p style="text-align: center;">Typically higher rewards, higher risks</p> <p style="text-align: center;">→</p>						
	1	2	3	4	5	6	7							

Investment Markets Overview

(continued)

for the year ended 31st October 2022

Investment Review

Performance	01/11/21 to 31/10/22 %	01/11/20 to 31/10/21 %	01/11/19 to 31/10/20 %	16/09/19 to 31/10/19 %
SPW Strategic Solution A Accumulation	n/a	23.64	(9.96)	n/a
SPW Strategic Solution G Accumulation	(6.81)	n/a	n/a	n/a

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

On 16th September 2019 Strategic Solution was launched with Share Class A Accumulation.

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

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 Fund returned -7.3% in the 12 months to 31 October 2022. The benchmark returned -7.5% in the same period.

Global equities (shares) posted strong returns at the end of 2021 as investors focused on global economic resilience and strong earnings from companies. However, Russia's invasion of Ukraine in late February caused a global shock. Equities declined and commodity prices soared, as Russia is a key producer of several important commodities, including oil and gas. The pandemic had already led to a rise in inflation and to disruption in the production and transport of goods, but the invasion intensified the situation.

Equities remained under pressure in the spring and summer of 2022 as investors incorporated expected interest rate rises and an increased risk of recession into share valuations. Chinese shares fell sharply at the end of the period after Xi Jinping secured a historic third leadership term. This raised increased concerns from investors about the potential for increased regulation and government interference in the private sector. It also led to increased concerns about the geopolitical tensions with Taiwan.

In fixed income, bonds from UK companies (corporate bonds) generally performed relatively strongly. The yield on US government bonds (Treasury) with a 10-year expiry date rose from 1.56% to 4.05% (bond yields rise when bond prices fall), while the yield on US government bonds with a two-year expiry date rose from 0.50% to 4.49%. The 10-year yield on UK government bonds (gilts) increased from 1.04% to 3.51% and the two-year yield from 0.70% to 3.27%. The German 10-year yield rose from a negative yield of -0.10% to 2.14%. Higher risk (high yield) US corporate bonds also performed well overall, as did European high-quality (investment grade) and high yield corporate bonds. On the flipside, emerging markets and US investment grade corporate bonds had negative returns.

In the property market, we believe higher finance costs are likely to trigger a fall in house prices and an increase in corporate insolvencies. Schroders forecasts that UK GDP (total economic output) will fall during the next nine months, before recovering in the second half of 2023, when inflation is expected to moderate. Commercial real estate returns are strongly linked to GDP and all property total returns switched from 4% in the second quarter of 2022 to -4.0% in the third quarter (source: CBRE UK Monthly Index), as the economy weakened.

Schroder Investment Management Limited
November 2022

Portfolio Statement

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.99%, 31/10/21 109.03%)			
Collective Investment Schemes			
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	131,317	1,978	2.82
iShares North America Index Fund S Acc GBP	139,181	1,442	2.06
iShares UK Equity Index Fund D Acc	853,453	2,092	2.99
Nordea 1 Diversified Return Fund BD GBP Acc	13,888	1,736	2.48
Schroder Multi-Asset Total Return X GBP (Hedged) Acct ◊	11,330	1,166	1.67
Schroder Sterling Liquidity Fund X Inc†‡◊	4,323,496	4,323	6.17
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	6,511,148	4,969	7.10
SPW Multi-Manager European ex UK Equity Fund X Acct	4,745,632	4,307	6.15
SPW Multi-Manager Global High Income & Emerging Markets Bond Fund X Acct	2,261,610	2,095	2.99
SPW Multi-Manager Global Investment Grade Bond Fund X Acct	8,285,832	7,720	11.03
SPW Multi-Manager Global Real Estate Securities Fund X Acct	1,161,514	3,442	4.92
SPW Multi-Manager Global Sovereign Bond Fund X Acct	1,486,908	1,430	2.04
SPW Multi-Manager Japanese Equity Fund X Acct	2,305,203	2,191	3.13
SPW Multi-Manager North American Equity Fund X Acct	15,858,153	17,729	25.32
SPW Multi-Manager UK Equity Fund X Acct	3,704,325	9,350	13.35
State Street Global Treasury Bond Index Fund I GBP (Hedged) Acc	75,090	690	0.99
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	13,718	1,281	1.83
		67,941	97.04
Exchange Traded Funds			
iShares USD High Yield Corp Bond	8,885	698	1.00
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc	29,429	665	0.95
		1,363	1.95
TOTAL FINANCIALS		69,304	98.99
DERIVATIVES (-0.19%, 31/10/21 0.17%)			
Forward Currency Contracts			
Bought EUR119,400 for GBP104,225 Settlement 29/11/2022		(1)	0.00
Bought EUR167,458 for GBP146,370 Settlement 29/11/2022		(2)	0.00
Bought EUR169,996 for GBP148,365 Settlement 29/11/2022		(2)	0.00
Bought EUR486,000 for GBP421,556 Settlement 29/11/2022		(2)	0.00
Bought EUR169,150 for GBP147,882 Settlement 29/11/2022		(3)	0.00
Bought EUR169,996 for GBP148,451 Settlement 29/11/2022		(3)	0.00
Bought EUR355,000 for GBP309,395 Settlement 29/11/2022		(4)	(0.01)
Bought USD53,281 for GBP47,891 Settlement 29/11/2022		1	0.00
Bought USD70,331 for GBP63,154 Settlement 29/11/2022		(2)	0.00
Bought USD142,794 for GBP128,141 Settlement 29/11/2022		(3)	(0.01)
Bought USD480,000 for GBP424,900 Settlement 29/11/2022		(3)	(0.01)
Bought USD98,534 for GBP88,225 Settlement 29/11/2022		(4)	(0.01)
Bought USD149,060 for GBP132,929 Settlement 29/11/2022		(5)	(0.01)
Bought USD168,000 for GBP145,207 Settlement 29/11/2022		(8)	(0.01)
Sold EUR38,000 for GBP33,355 Settlement 29/11/2022		1	0.00
Sold EUR38,000 for GBP33,355 Settlement 29/11/2022		(2)	0.00
		(42)	(0.06)

Portfolio Statement

(continued)

as at 31st October 2022

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
EURO STOXX 50 Index Futures December 2022	(23)	(16)	(0.02)
FTSE 100 Index Futures December 2022	30	(81)	(0.12)
S&P 500 E Mini Index Futures December 2022	9	11	0.01
		<u>(86)</u>	<u>(0.13)</u>
TOTAL DERIVATIVES		<u>(128)</u>	<u>(0.19)</u>
Portfolio of investments[^]		69,176	98.80
Net other assets		837	1.20
Total net assets		<u>70,013</u>	<u>100.00</u>

Collective investment schemes are regulated within the meaning of the FCA rules and exchange traded funds 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).

[^]Including investment liabilities.

[†]This investment is a related party (see note 12).

[‡]Cash equivalents.

[◇]Asset managed by the Investment Adviser.

Material Portfolio Changes

for the year ended 31st October 2022

	Cost £000		Proceeds £000
Major purchases		Major sales	
Schroder Sterling Liquidity Fund X Inct‡ [†]	11,195	Schroder Sterling Liquidity Fund X Inct‡ [†]	20,191
SPW Multi-Manager North American Equity Fund X Acct	2,541	SPW Multi-Manager North American Equity Fund X Acct	5,477
Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	1,821	Lyxor Commodities Refinitiv/CoreCommodity CRB TR UCITS Acc#	3,015
Vanguard Global Corporate Bond Index Fund GBP (Hedged) Acc	1,450	SPW Multi-Manager UK Equity Fund X Acct	2,971
SPW Multi-Manager European ex UK Equity Fund X Acct	1,039	SPW Multi-Manager UK Equity Fund A Acct	1,018
Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	1,005	SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	1,013
SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	1,000	Goldman Sachs Structured Investments GSQuartix Modified Strategy Bloomberg Commodity	625
SPW Multi-Manager Global Investment Grade Bond Fund Q Acct	910	SPW Multi-Manager Global Investment Grade Bond Fund X Acct	539
SPW Multi-Manager UK Equity Fund X Acct	736	SPW Multi-Manager Global Real Estate Securities Fund A Acct	434
iShares USD High Yield Corp Bond#	702	SPW Multi-Manager Asia ex Japan & Global Emerging Markets Equity Fund X Acct	402

The above table complements the data provided in the investment managers report by outlining the top 10 Portfolio components.

[†]This investment is a related party (see note 12).

[‡]Cash equivalents.

[†]Asset managed by the Investment Adviser.

[#]Exchange Trade Fund.

Comparative Table

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	211.32	170.92	189.76
Return before operating charges*	(1.57)	43.28	(15.63)
Operating charges	(2.75)	(2.88)	(3.21)
Return after operating charges*	(4.32)	40.40	(18.84)
Distributions	-	(0.83)	(2.04)
Retained distributions on accumulation shares	-	0.83	2.04
Return to shareholder as a result of class closure	(207.00)	-	-
Closing net asset value per share	-	211.32	170.92
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges	(2.04)%	23.64%	(9.93)%
Other information			
Closing net asset value (£000)	-	34,868	29,325
Closing number of shares	-	16,500,332	17,157,741
Operating charges#	1.30%	1.45%	1.80%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	217.10	212.80	196.30
Lowest share price	201.40	170.60	149.10

#Operating charges are representative of the ongoing charges figure.

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

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Comparative Table

(continued)

as at 31st October 2022

	31/10/22 (p)	31/10/21 (p)	31/10/20 (p)
Share Class G - Accumulation			
Change in net assets per share			
Opening net asset value per share	173.23	140.11	155.09
Return before operating charges*	(8.15)	35.48	(12.91)
Operating charges	(2.39)	(2.36)	(2.07)
Return after operating charges*	(10.54)	33.12	(14.98)
Distributions	(1.50)	(0.68)	(2.11)
Retained distributions on accumulation shares	1.50	0.68	2.11
Closing net asset value per share	162.69	173.23	140.11
*after direct transaction cost of:	0.01	0.01	0.00
Performance			
Return after charges^	(6.08)%	23.64%	(9.66)%
Other information			
Closing net asset value (£000)	70,013	43,492	38,417
Closing number of shares	43,033,748	25,107,006	27,418,987
Operating charges#	1.42%	1.45%	1.42%
Direct transaction costs	0.00%	0.01%	0.00%
Prices**			
Highest share price	178.00	174.40	160.60
Lowest share price	159.00	139.80	122.10

#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. The net asset value figures include any accounting adjustments and as such, the return after charges is different to the performance return stated in the Investment Market Review on page 217 which is sourced from Lipper and based on daily published prices.

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

Comparative Table**(continued)**

as at 31st October 2022

	31/10/20 (p)
Share Class X - Accumulation	
Change in net assets per share	
Opening net asset value per share	228.43
Return before operating charges*	(33.36)
Operating charges	-
Return after operating charges*	(33.36)
Distributions	-
Return to shareholder as a result of class closure	(195.07)
Closing net asset value per share	-
*after direct transaction cost of:	0.00
Performance	
Return after charges	(14.60)%
Other information	
Closing net asset value (£000)	-
Closing number of shares	-
Operating charges#	-
Direct transaction costs	0.00%
Prices**	
Highest share price	237.00
Lowest share price	180.50

#Operating charges are representative of the ongoing charges figure.

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

Share Class X Accumulation was closed on 24th April 2020.

Statement of Total Return

for the year ended 31st October 2022

	Notes	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Income			
Net capital (losses)/gains	2	(5,273)	15,424
Revenue	3	1,365	882
Expenses	4	(716)	(549)
Interest payable and similar charges		-	(12)
Net revenue before taxation		649	321
Taxation	5	(1)	(9)
Net revenue after taxation		648	312
Total return before distributions		(4,625)	15,736
Distributions	6	(648)	(312)
Change in net assets attributable to shareholders from investment activities		(5,273)	15,424

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st October 2022

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Opening net assets attributable to shareholders	78,360	67,742
Amounts receivable on creation of shares	955	1,151
Less: Amounts payable on cancellation of shares	(4,682)	(6,263)
	(3,727)	(5,112)
Dilution adjustment	9	-
Change in net assets attributable to shareholders from investment activities	(5,273)	15,424
Retained distributions on accumulation shares	644	306
Closing net assets attributable to shareholders	70,013	78,360

Notes to the Financial Statements are on pages 227 to 233.

SPW Strategic Solution

Balance Sheet

as at 31st October 2022

	Notes	31/10/22 £000	31/10/21 £000
Assets			
Fixed assets			
Investments (excluding cash equivalents)‡		64,994	72,286
Current assets			
Debtors	8	1,219	2,710
Cash and bank balances	9	460	601
Cash equivalents‡		4,323	13,318
Total assets		70,996	88,915
Liabilities			
Investment liabilities		(141)	(33)
Creditors			
Other creditors	10	(842)	(10,522)
Total liabilities		(983)	(10,555)
Net assets attributable to shareholders		70,013	78,360

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current year and comparative period to comply with the Alternative Investment Fund Managers Directive (UK AIFMD) requirements.

Notes to the Financial Statements are on pages 227 to 233.

Notes to the Financial Statements

for the year ended 31st October 2022

1. Accounting basis and distribution policies

The financial statements have been prepared in accordance with the accounting policies, judgements and estimates set out on pages 11 to 13.

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Non-derivative securities	(4,850)	12,610
Futures contracts	(703)	2,882
Forward currency contracts	224	(174)
ACD's periodic charge rebates taken to capital	57	65
Fund of funds rebates taken to capital	1	3
Currency gains	6	50
Transaction charges	(8)	(12)
Net capital (losses)/gains*	<u>(5,273)</u>	<u>15,424</u>

*Includes realised gains of £1,348,000 and unrealised losses of £6,621,000 (31/10/21: realised gains of £6,708,000 and unrealised gains of £8,716,000). Included in realised gains for the year were unrealised gains/(losses) recognised in the prior accounting year.

3. Revenue

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Distributions from Regulated Collective Investment Schemes:		
Investment income	889	561
Interest distributions	351	139
Offshore distributions	123	152
Fund of funds rebates	-	30
Futures income	2	-
Total revenue	<u>1,365</u>	<u>882</u>

4. Expenses

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	<u>709</u>	<u>546</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	8	8
Safe custody fees	1	-
	<u>9</u>	<u>8</u>
Other expenses:		
Audit fee	14	10
Expense capping adjustment‡	(16)	(15)
	<u>(2)</u>	<u>(5)</u>
Total expenses	<u>716</u>	<u>549</u>

Expenses include irrecoverable VAT.

‡Relating to the reimbursement of non-ACD expenses by the ACD in excess of 0.02% of the Net Asset Value. This is a related party transaction. The Deloitte LLP audit fee for the year, exclusive of VAT is £10,500 (31/10/21: £10,000).

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

5. Taxation**(a) Analysis of charge in year:**

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Irrecoverable overseas tax	1	9

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

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2021: 20%). The differences are explained below:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Net revenue before taxation	649	321
Corporation tax of 20% (2021: 20%)	130	64
Effects of:		
Non-taxable UK dividends*	(172)	(91)
Overseas non-taxable revenue*	(4)	(2)
Taxable income taken to capital	11	14
Irrecoverable overseas tax	1	9
Overseas tax expensed	-	(2)
Movement in excess management expenses	35	17
Total tax charge for year (note 5a)	1	9

*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 £51,929 (31/10/21: £17,392) 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 distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	01/11/21 to 31/10/22 £000	01/11/20 to 31/10/21 £000
Final	644	306
Add: Revenue deducted on cancellation of shares	52	6
Deduct: Revenue received on creation of shares	(48)	-
Net distribution for the year	648	312

Details of the distributions per share are set out in the Distribution Table on page 234.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

7. Movement between net revenue and net distributions

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000
Net revenue after taxation	648	312
Net distribution for the year	648	312

8. Debtors

	31/10/22	31/10/21
	£000	£000
Sales awaiting settlement	1,133	2,632
Amounts receivable for issue of shares	8	10
Accrued revenue	8	-
Fund of funds rebates receivable	1	3
Corporation tax recoverable	57	45
Income tax receivable	4	12
Expense capping adjustment receivable	7	7
Debtors from conversion	1	1
Total debtors	1,219	2,710

9. Cash and bank balances

	31/10/22	31/10/21
	£000	£000
Cash and bank balances	77	89
Amounts held at futures clearing houses and brokers	383	512
Total cash and bank balances	460	601

10. Other creditors

	31/10/22	31/10/21
	£000	£000
Purchases awaiting settlement	538	10,025
Amounts payable for cancellation of shares	229	433
Accrued expenses	75	64
Total other creditors	842	10,522

11. Related party transactions

Scottish Widows Schroder Personal Wealth (ACD) Limited ("the ACD"), as the authorised corporate director of the company, 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 company. Scottish Widows Schroder Wealth Holdings Limited ("SPW HoldCo"), as the parent company of the ACD is the ultimate controlling party of the company. As such any member company of SPW HoldCo, is also a related party. The current members of SPW HoldCo are LBG Equity Investments Limited and Schroder Administration Limited.

SPW consider Lloyds Banking Group PLC and all subsidiaries, as well as, Schroders PLC and all subsidiaries, to be Related parties.

The ACD's periodic charge rebates taken to capital disclosed in note 2 are received from Scottish Widows Schroder Wealth Holdings Limited investments, which amount to £56,545 (31/10/21: £64,905).

Amounts paid to/from Scottish Widows Schroder Personal Wealth Limited in respect of ACD and registration fees are disclosed in note 2 and 4, with £50,752 (31/10/21: 41,856) due at the year end (inclusive of the expense reimbursement in note 8).

The sub-fund entered into related party transactions during the year involving investments in funds managed by either the ACD or one of its related parties. This included purchases of 18,584,405 shares (31/10/21: 49,865,484 shares) with a cost of £19,483,322 (31/10/21: £72,927,502) and sales of 29,731,714 shares (31/10/21: 27,450,400 shares) with sales proceeds of £33,142,175 (31/10/21: £57,138,718).

The sub-fund has related party holdings in funds managed by either the ACD or one of its related parties of 50,655,151 shares (31/10/21: 63,491,262 shares) and value of £58,722,609 (31/10/21: £76,581,493) held at the year-end.

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

11. Related party transactions (continued)

Revenue disclosed in note 3 includes amounts received from funds managed by either the ACD or one of its related parties. The total revenue received amounts to £900,862 (31/10/21: £705,478).

Shares held by associates of the ACD

There were no shares held by the ACD and associates of the ACD in the sub-fund at the current and prior year.

12. Share classes

The sub-fund has one share classes in issue (31/10/2021: two).

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

	31/10/22
Share Class G - Accumulation:	%
	1.15

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 (unaudited) on pages 222 to 224.

The distributions per share class are given in the Distribution Table on page 234.

Reconciliation of the shares movement in the year:

	01/11/21			Shares	31/10/22
	Opening shares	Creations	Cancellations	converted	Closing shares
	in issue				in issue
Share Class A - Accumulation	16,500,332	134,076	(562,421)	(16,071,987)	-
Share Class G - Accumulation	25,107,006	425,934	(2,107,614)	19,608,422	43,033,748

On 25th April 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

13. Capital commitments and contingent liabilities

On 31st October 2022, the sub-fund had no capital commitments (31/10/21: £nil) and no contingent liabilities (31/10/21: £nil).

14. Risk management policies, derivatives and other financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 217. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

A portion of the sub-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 sub-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 31st October 2022, 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 sub-fund would have been an increase or decrease of approximately £38,593 (31/10/21: £89,792).

As at 31st October the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure	Currency exposure
	31/10/22	31/10/21
	£000	£000
Australian dollar	64	2
Canadian dollar	-	244
Euro	1,342	(2,128)
Japanese yen	-	589
Swiss franc	-	231
US dollar	2,453	10,041
Total	3,859	8,979

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)*(b) Interest rate risk profile of financial assets and liabilities*

The sub-fund receives revenue from holdings in collective investment schemes. The cashflow from the sub-fund's underlying investments may fluctuate depending upon the particular decisions made by each sub-fund. The sub-fund's underlying assets may be varied from time to time by the Investment Adviser with the objective of providing long term capital growth.

The sub-fund's net cash holding of £77,047 (31/10/21: holding £89,442) is held in a floating rate bank account whose interest rates are based on SONIA or its international equivalent.

The sub-fund holds net cash at futures brokers of £382,584 (31/10/21: cash £511,888), whose rates are based on SONIA or its international equivalent.

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

(c) Derivatives and other financial instruments

During the year, the ACD entered into derivative contracts on behalf of the sub-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 sub-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. Derivative contracts were either traded on an eligible derivatives exchange or were Over the Counter (OTC) Forward Currency Contracts.

The sub-fund manager may vary the exposure to the various markets within the benchmark asset mix to take advantage of short term strategic asset allocation positions. Tactical Asset Allocation ("TAA") allows the sub-fund manager to take short term positions away from the benchmark asset mix, but within set parameters, in the anticipation of adding value to the sub-fund. Derivatives are often used to achieve the optimum TAA positions due to speed of dealing and cost efficiency.

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

Financial derivative instrument exposure - fair value	31/10/22	31/10/21
	£000	£000
Exchange traded derivatives	11	153
Forward currency contracts	2	17
Total Financial derivative instrument exposure	13	170

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.

Counterparties to financial derivative instruments and efficient portfolio management techniques	31/10/22	31/10/21
	£000	£000
BNP Paribas - Forward currency contracts	(5)	-
Citibank - Forward currency contracts	(9)	-
Morgan Stanley - Forward currency contracts	(9)	7
Royal Bank of Canada - Forward currency contracts	(2)	-
Goldman Sachs - Forward currency contracts	-	2
Bank of America - Forward currency contracts	(5)	3
JP Morgan - Forward currency contracts	(7)	-
HSBC Bank - Forward currency contracts	(1)	-
Canadian Imperial Bank - Forward currency contracts	(4)	-
Merrill Lynch - Futures contracts	(86)	125
Total counterparty exposure	(128)	137

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)

Collateral	31/10/22 £000	31/10/21 £000
Broker cash balances to increase/(reduce) counterparty exposure:		
GBP Cash - Merrill Lynch	339	359
AUD Cash - Merrill Lynch	-	2
EUR Cash - Merrill Lynch	(13)	31
JPY Cash - Merrill Lynch	-	18
USD Cash - Merrill Lynch	57	101

(d) Liquidity risk

All of the sub-fund's financial assets are considered to be readily realisable, comprising predominantly of collective investment schemes. In general, the Investment Adviser manages the sub-fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the sub-fund may borrow up to 10% of its value to ensure settlement.

As set out in the Prospectus, the ACD may, with the prior agreement of the Depositary, temporarily suspend the issue, cancellation, sale and redemption of shares in the sub-fund or a class within the sub-fund where due to exceptional circumstances it is in the interests of all the shareholders. This may be used for circumstances affecting material uncertainty on asset valuations and protection of the sub-fund's liquidity.

All of the sub-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 sub-fund invests principally in regulated collective investment schemes managed within the Scottish Widows Schroder Wealth Holdings Limited. The value of these collective investment schemes are 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 asset 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 collective investment schemes in line with the sub-fund's objectives. In addition, the management of the sub-fund complies with the restricted investment limits under the Financial Conduct Authority Rules. The restricted investment limits are summarised in the investment and borrowing powers of the Company set out in the Prospectus.

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 31st October 2022, if the price of investments held by the sub-fund 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 sub-fund would equate to £691,756 (31/10/21: £855,711).

(f) Leverage

Leverage is any method by which the ACD increases the exposure of a sub-fund whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

The maximum level of leverage which the ACD is entitled to employ on behalf of the sub-fund is set out in the Prospectus.

Where the investment policy of a sub-fund permits the use of derivatives and/or forward transactions for investment purposes, the sub-fund may be leveraged to the extent that this may potentially increase the volatility and risk of the sub-fund. In addition, when undertaking derivative and forward transactions, the low margin deposits normally required may lead to a higher degree of leverage, which may also lead to greater fluctuations in the price of a sub-fund.

The table below sets out the total amount of leverage employed by the sub-fund as at 31st October, calculated in accordance with the gross method and the commitment method (as defined in the Alternative Investment Fund Managers Directive). This method uses Net Present Value to calculate the exposure of cash and non-derivative holdings and is therefore different to the exposure calculation if the Net Asset Value of the sub-fund had been used.

	31/10/22 %	31/10/21 %
Gross leverage	101.86	126.02
Commitment leverage	5.32	29.21

Notes to the Financial Statements

(continued)

for the year ended 31st October 2022

14. Risk management policies, derivatives and other financial instruments (continued)*(g) Credit risk*

The sub-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 sub-fund has fulfilled its obligations. The sub-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	
	01/11/21 to 31/10/22	01/11/20 to 31/10/21	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	£000	£000	£000	£000
Collective Investment Schemes	25,459	83,451	38,038	78,812
Total Taxes	-	-	-	-
Total net trades in the year	25,459	83,451	38,038	78,812

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

	01/11/21 to 31/10/22	01/11/20 to 31/10/21
	%	%
Commissions	0.00	0.01

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of 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.

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.01% (31/10/21: 0.02%).

16. Fair value

Valuation technique	31/10/22		31/10/21	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	1,374	(97)	1,330	(28)
Level 2	67,943	(44)	84,274	(5)
Level 3	-	-	-	-
Total fair value	69,317	(141)	85,604	(33)

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.

SPW Strategic Solution

Distribution Table

for the year ended 31st October 2022

Distribution in pence per share

Group 1 Final Shares purchased prior to 1st November 2021

Group 2 Final Shares purchased on or between 1st November 2021 and 31st October 2022

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	-	-	-	0.8254
Group 2	(p)	(p)	(p)	(p)
Final	-	-	-	0.8254

On 9th May 2022 all shareholdings in A Accumulation were converted to G Accumulation shares.

Share Class G - Accumulation

	Net revenue	Equalisation	Distribution payable to 30/12/2022	Distribution paid to 31/12/2021
Group 1	(p)	(p)	(p)	(p)
Final	1.4966	-	1.4966	0.6761
Group 2	(p)	(p)	(p)	(p)
Final	1.1749	0.3217	1.4966	0.6761

Corporate shareholder information (unaudited) for all share classes

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

Final - 100.00% of the dividend is received as non-taxable income.

Final - 0.00% of the dividend is received as an annual payment (non-foreign element) received after the deduction of tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of tax.

General Information

About OEICs

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

Scottish Widows Schroder Personal Wealth 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.spw.com/responsible-investment-fund-info

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 0344 822 8910 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as non-UCITS retail schemes which complies 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 five share classes; Class A, Class G, Class P, Class Q 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 0344 822 8910.

Shares may be bought or sold between 9:00am and 5:30pm on Mondays to Fridays inclusive. Excluding Bank holidays.

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 31st October 2022 (as noted on pages 2 and 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 advisers 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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