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IM Russell ICVC UK Growth Assets Fund

Performance Review¹ (this annual summary relates to the period 31 January 2010 to 31 January 2011)

	One Month %	Three Months %	One Year %
IM Russell ICVC UK Growth Assets Fund (Class C Fees)	0.2	5.4	20.1
Benchmark (FTSE All-Share Index)	-0.5	4.2	18.1

Source: Russell/Confluence, in UK sterling terms, net of fees, Data as at 31/01/2011,

¹ These funds are priced at 7:00am each morning whereas the benchmark is priced at close of business each day. For benchmark comparable analytical purposes therefore the NAV have been artificially moved to the previous working day.

Annual Market Comment

2010 was the first year since 2005 that commodities, stocks, bonds and the dollar all gained as the economic recovery proved increasingly resilient. Nonetheless, this was another volatile period, with sentiment fluctuating sharply as concerns about economic data and sovereign debt ebbed and flowed. That changeable environment for stocks, and the lower levels of correlation between global equity markets that accompanied it, created an attractive environment for active investment.

Annual Fund Comment

The Fund gained 20.1% over the 12 months to the end of January 2011, outperforming its benchmark, the FTSE All-Share Index, by 2.0%. Key contributors included its very effective stock selection in the oil & gas and consumer services sectors, while sector positioning added more modest value. Consumable fuels producers rallied strongly towards the end of the year, as a severe cold snap spread over Europe and Northern America and led to surge in demand while supply remained constrained. An underweight to ailing oil giant BP proved beneficial for much of the period, while a preference for smaller oil explorers and producers such as Cairn Energy was also rewarded. Consumer services holdings added value, driven by an underweight to Tesco whose fourth-quarter revenues disappointed. Consumer goods providers came under pressure over the final quarter as a surge in food price inflation threatened to erode margins and saw investors favour other assets. Financials holdings also added value, largely through an overweight to motor insurer Admiral Group.

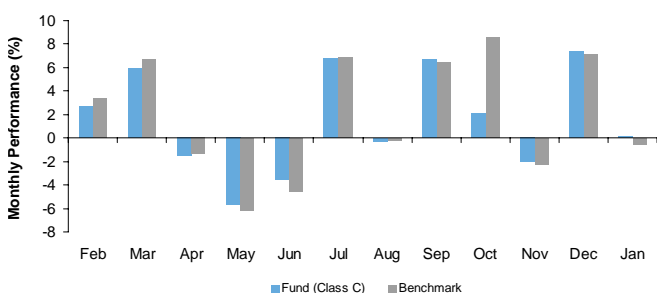


Portfolio Manager:

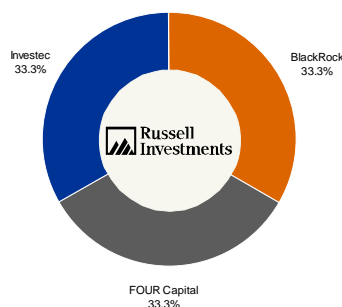
Ashley Reid

Benchmark	FTSE All-Share Index
Fees: Class A, B, C	1.65%, 1.15%, 0.90%
No. of Stocks	105
AUM	£37.0m
Launch Date	12th January 2010
SEDOL: A Class acc.	B4KQX62
12-month Yield	1.72%
<i>The yield figure is calculated on the basis of dividing the last twelve months' dividends by the current price (data as at 31/01/11).</i>	

Performance Chart (%)



Fund Allocation



As at 31/01/2011

Sector Analysis

Sector Exposure ¹	Fund	Benchmark ²	Annual Sector Returns
Basic Materials	11.5	13.1	35.0
Consumer Goods	6.3	10.7	9.9
Consumer Services	10.7	9.6	28.4
Financials	21.3	23.2	15.2
Health Care	9.0	6.8	9.1
Industrials	10.9	7.4	22.5
Oil & Gas	19.0	17.5	18.8
Technology	2.5	1.7	11.8
Telecommunications	5.3	6.3	38.4
Utilities	3.4	3.6	10.5

¹ Sector weights may not sum to 100% due to rounding. Data as at 31/01/2011




² The benchmark is the FTSE All-Share Index

The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested. Any forecast, projection or target is indicative only and not guaranteed in any way. Any past performance figures are not necessarily a guide to future performance.

Emulation Strategy

Optimal stock views from advisers with complementary investment processes are aggregated into a single UK equity portfolio which is then implemented by Russell. This improves trading efficiency, better manages portfolio risk and reduces potential costs. One example benefit is that stocks traded by the advisers may offset against each other at the fund level, leaving inconsequential positions so trading becomes unnecessary.

Adviser Description

Adviser	Mandate Inception	Process
	Q1 2010	Investec uses an intuitive quantitative screening methodology to identify potential investment opportunities, seeking to identify stocks attractive on growth, valuation and technical criteria. Deep fundamental research is not a key driver of this proposition, but the level of due diligence undertaken on stocks after screening is sufficient to support the process. The process does not have a persistent style bias.
	Q1 2010	FOUR's investment process is driven by bottom-up stock-picking based on the belief that there is a direct link between a company's profitability and its true value. FOUR focuses its attention on identifying and evaluating those companies where it believes current profitability is not fully reflected in its share price and those which it believes may have the potential to increase returns and therefore its value.
	Q1 2010	BlackRock's stock selection process is based on a barbell approach which seeks to identify attractive growth opportunities whilst maintaining the income focus of the fund. This means that at times the manager may hold high conviction stocks that pay a low or even no dividend, while ensuring that the portfolio as a whole meets its income and yield premium targets. Key strengths of BlackRock are the merits of the individual manager and the broader team, and the flexibility of its stock selection process.

Top Ten Holdings as at 31/01/2011

Company Name	Country	Sector	Fund %	Benchmark %
HSBC Holdings	United Kingdom	Financials	7.1	6.7
Royal Dutch Shell (Class B)	United Kingdom	Oil & Gas	4.8	3.3
Rio Tinto	United Kingdom	Basic Materials	4.7	3.6
GlaxoSmithKline	United Kingdom	Health Care	4.6	3.3
Vodafone Group PLC	United Kingdom	Telecommunications	4.1	5.1
BG Group	United Kingdom	Oil & Gas	4.0	2.6
BHP Billiton PLC	United Kingdom	Basic Materials	3.1	2.9
Tullow Oil plc	United Kingdom	Oil & Gas	2.6	0.7
BP PLC	United Kingdom	Oil & Gas	2.2	5.1
Barclays PLC	United Kingdom	Financials	2.0	2.0

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