

Interim Short Report 1st April 2011 to 30th September 2011

The information in this report is designed to enable unitholders to make an informed judgement on the activities of the Trust during the period it covers, and the results of those activities. For more information about the activities and performance of the Trust, please contact Family Investments customer service team on **0808 100 7654** (calls may be monitored or recorded for training purposes).

Trust performance

This report covers the period 1st April 2011 to 30th September 2011. During this time, the Child Trust Fund fell -12.76%, over the same period, the benchmark Return Index fell by -10.84%.

	6 months 01/04/2011 – 30/09/2011
Family Investments Child Trust Fund*	-12.76%
FTSE 100 Total Return Index	-11.56%
FTSE Developed Europe Ex UK Total Return Index	-21.84%
FTSE All World Japan Index	-2.72%
FTSE World Asia Pacific Ex Japan Index	-17.83%
FTSE World US Large Cap Index	-0.30%
Benchmark**	-10.84%

Source: Child Trust Fund data sourced from Lipper, basis bid to bid net of tax on dividend. Index data sourced from Bloomberg.

* Trust performance is based on price movement calculated using a nominal price at close, which will include all charges payable. The benchmark is not affected by any charges, this primarily explains why there is a difference between the performance figures and the benchmark.

** Benchmark: 55% FTSE 100 Total Return Index/14.5% FTSE Developed Europe Ex UK Total/8.7% FTSE All World Japan Index/5.8% FTSE World Asia Pacific Ex Japan Index/15% FTSE World US Large Cap Index/1% Cash at State Street.

Market background

The period started with no large movements in markets although prices for equities and bonds rose overall. Equity markets continued to weigh up resilient economic data and sustained stimulative monetary policy in the US against pressures from rising oil prices caused by conflict in the Middle East and debt issues in the Eurozone.

The summer was challenging with UK and US growth and confidence indicators weakening, raising the question if the decline was a short term soft patch or a more concerning issue.

Default risk in peripheral Europe worsened and increased risk aversion was the main theme. Although larger than expected, the aid package awarded to Greece in June was not sufficient to support markets and default worries re-surfaced. Signs of contagion spreading to other European economies and the political debate over raising the US debt ceiling kept sovereign risk in focus.

Activity

Below is the market capitalisation split of the Trust.

Index	Child Trust Fund September 2011 %	Composite Index September 2011 %
FTSE 100 Total Return Index	54.4%	55%
FTSE Developed Europe Ex UK Total Return Index	12.7%	14.5%
FTSE Developed Asia Pacific Total	8.7%	8.7%
FTSE World Asia Pacific Ex Japan Index	5.6%	5.8%
FTSE World US Large Cap Index	15.9%	15%
Cash at State Street	2.7%	1%

The Trust's objective is to track the total return of the composite index. Trades were carried out during the period to maintain the Trust's exposure to the benchmark index.

As a part of the Trust's global investment, the Trust invests in UK, US and European equities on a passive basis, managed by Santander Asset Management. The Asian exposure is achieved via two Far East collectives managed by BlackRock Fund Managers Limited.

For the UK, the Trust tracks accurately the selected benchmark, investing directly in the FTSE 100 constituents in the same weight that they have in the index. In the case of US and European equities, the Trust replicates the selected benchmarks with an optimised portfolio. This is useful when the selected benchmark has a large number of constituents, such as the US benchmark (257 constituents) and the European benchmark (398 constituents).

There were two index re-balances for UK equities, one at the end of June and another at the end of September. Due to these re-balances, there were three inclusions, Tate & Lyle in June and Ashmore Group & Bunzl in September, the three deletions were TUI Travel in June and John Wood Group & 3i Group in September.

For the European equity index, there was a large re-balance at the end of September, with 37 inclusions and 15 deletions and also changes in shares in issue for several constituents. For the US equity index, there were some small changes due to adjustments in shares in issue or corporate actions. As we are using an optimised portfolio to replicate these two benchmarks, it was not necessary to trade all these changes on the Family Investments Child Trust Fund and consequently saving trading and settlement costs. In any case, the relevant changes for the portfolio were put in place at the relevant date.

Outlook

The slowdown in US growth as well as a lack of resolution of the sovereign crisis in Europe will continue to lead to raised volatility and challenging conditions for risk assets. Whilst we are generally cautious on equities, the downside is limited to a degree given the material sell-off that we have seen. This means that sentiment is already depressed, which is reflected in attractive valuations.

John Bearman – Chief Investment Officer
Santander Asset Management UK Limited

18th November 2011

Investment Objective and Policy

To achieve long-term capital growth, whilst maintaining some stability, by investing in a global managed portfolio of equities and fixed interest securities.

The Manager may also move wholly into, or significantly increase holdings in equities, money market instruments, deposits and/or collective investment schemes.

Currently, the Trust invests wholly in UK and overseas equities direct or via other collectives, and will closely follow the performance of 5 stock market indices, we may change the indices we track:

- FTSE 100 Total Return Index (TRI)
- FTSE Developed Europe Ex UK Total Return Index (TRI)
- FTSE All World Japan Index
- FTSE World Asia Pacific Ex Japan Index
- FTSE USA Large Cap Index (TRI)

Our Investment Advisor will decide how much of the Trust tracks each Index. Initially, no fixed interest investments will be held, but they could be in the future.

Trust Facts

Lead Fund Manager:		John Bearman
Sector:		IMA Active Managed
Fund Size:	At Sep 30th 2011	£371
(millions)	At Mar 31st 2011	£396
Initial Charge:		5%
No Initial Charge is deducted if investment is via a CTF		
Annual Management Charge:		1.5%
Accounting Dates:		Interim 30th September Final 31st March
Distribution Due Dates:		Interim N/A Final 31st May

Risk Profile

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

Net asset value per unit and comparative table

Trust size

At period end	Net asset value (£)	No. of units in issue	Net asset value per unit (pence)
March 2009	175,373,805	99,277,322.9880	176.65
March 2010	309,233,735	126,161,123.9273	245.11
March 2011	396,029,788	154,600,952.9117	256.16
September 2011	371,235,248	166,078,586.7603	223.53

Bid valuation basis

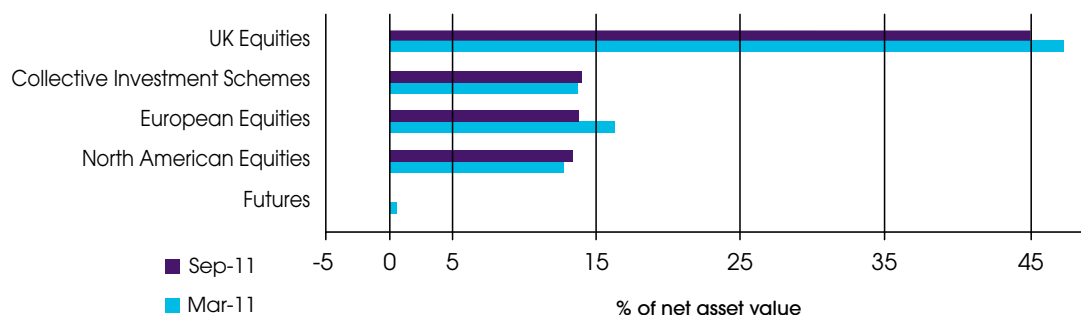
Unit price range and income history

Year	Unit prices		Annual income (net allocations)
	Highest buying (pence)	Lowest selling (pence)	Per unit (pence)
2006	247.20	219.80	2.0523
2007	266.70	236.70	3.1451
2008	248.20	168.20	5.2356
2009	232.10	165.30	5.9221
2010	258.60	212.30	2.2548
2011*	263.60	216.60	1.9397

*to 30th September only

Portfolio information

Geographic sector allocation

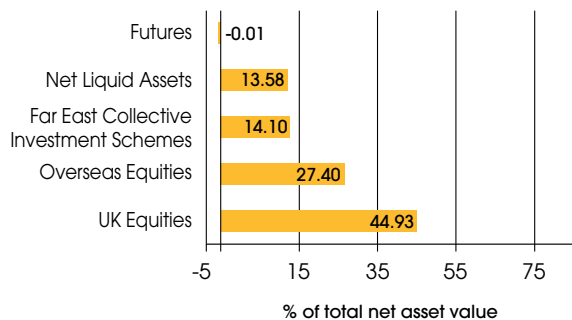


Major holdings

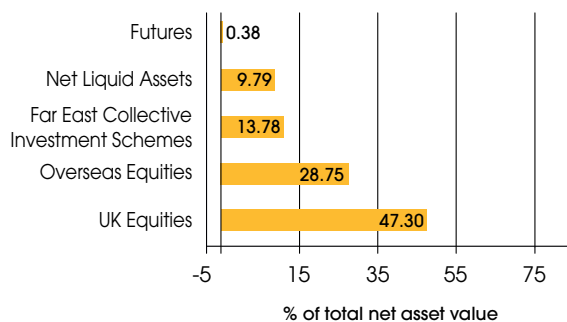
Holding	% of net asset value as at 30/09/11
BlackRock Japan Equity Tracker Fund	8.60
BlackRock Pacific Ex Japan Equity Tracker Fund	5.50
HSBC Holdings	3.20
Vodafone Group	3.07
Royal Dutch Shell 'A'	2.67

Holding	% of net asset value as at 31/03/11
BlackRock Japan Equity Tracker Fund	7.76
BlackRock Pacific Ex Japan Equity Tracker Fund	6.02
HSBC Holdings	3.71
Vodafone Group	2.99
BP	2.79

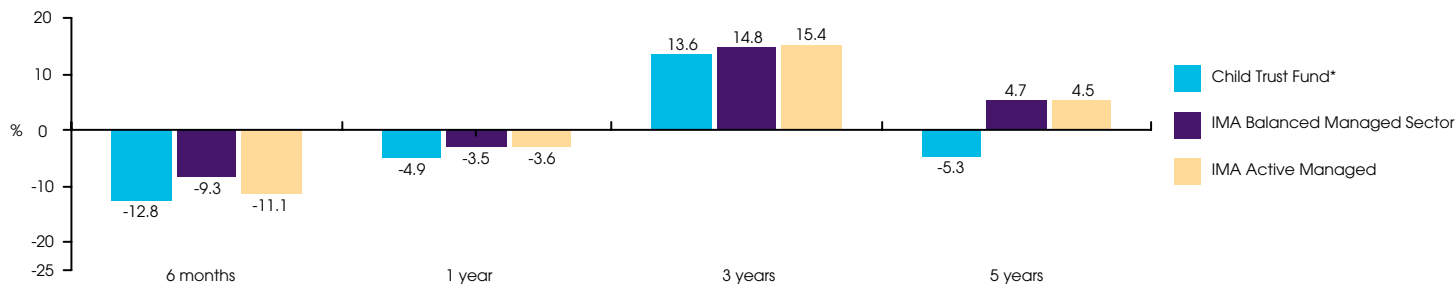
September 2011



March 2011



Cumulative trust performance at 30th September 2011



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

Source: Lipper, basis bid to bid net of tax on dividends.

Discrete annual performance

	29/09/06 to 28/09/07	28/09/07 to 30/09/08	30/09/08 to 30/09/09	30/09/09 to 30/09/10	30/09/10 to 30/09/11
Family Investments Child Trust Fund	6.8%	(22.0)%	12.4%	6.3%	(4.9)%

Source: Family Investments, bid to bid price.

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

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

Ongoing Charges Figure (OCF)

At period ended	OCF %
September 2011*	1.53

*Annualised

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

Report and Accounts

Copies of the annual and half-yearly full Report and Accounts of the Family Investments Child Trust Fund are available free of charge on request to the Managers. Alternatively they are also available on the Family Investments website www.family.co.uk.

Short Reports

This document is available in large print or braille on request by calling 0808 100 7654 (telephone calls may be monitored or recorded).

Manager and Registrar

Family Investment Management Limited
16 West Street
Brighton BN1 2RE
Tel: 01273 724570
Fax: 01273 736958

Registered in England No. 1915516

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

The Manager is a member of the IMA (Investment Management Association).

This report is issued and approved by the Manager.

Investment Advisor

Santander Asset Management UK Limited
Abbey National House
287 St Vincent Street
Glasgow G2 5BR

Authorised and regulated by the Financial Services Authority.

Trustee

State Street Trustees Limited
20 Churchill Place
London E14 5HJ

Authorised and regulated by the Financial Services Authority.

Auditors

Mazars LLP
Tower Bridge House
St Katharine's Way
London E1W 1DD