

**SHORT
REPORT OF
LV= MANAGED
PORTFOLIO 6**

30 September 2009



LIVERPOOL VICTORIA

LV= INVESTMENT FUNDS III ICVC

LV= Managed Portfolio 6
Short Report period ended 30 September 2009

REPORT OF THE AUTHORISED CORPORATE DIRECTOR (ACD):

Performance

In the six months to 30 September 2009 covered by this report, LV= Managed Portfolio 6 produced a total investment return of 26.46%* compared to the Managed Portfolio 6 Composite Benchmark†† return of 29.84%*.

There is a further Second Retail share class, which, for the same period, produced a return 26.20%*.

Performance Review

At the beginning of the reporting period, as investors rushed into riskier assets, the fund's preference for high quality names resulted in its performance being slightly below its benchmark over the six months to the end of September.

Before a sustained recovery in equity markets is possible, we believe it is necessary for credit markets to improve, and we therefore maintained our overweight position in UK Corporate Bonds. Bond sector returns improved during the course of the reporting period rewarding our faith in UK Corporate Bonds as our preferred investment – a notable example being Invesco Perpetual Corporate Bond. While we felt the uncertainty in the economic recovery and growth still warranted our preference for funds investing in the better quality and more stable equity names such as River & Mercantile UK

* Source: Copyright - © 2009, Lipper. All rights reserved. Bid to Bid basis with net income reinvested.

†† The composite benchmark comprises 16% IMA £ Corporate Bonds, 43% IMA UK All Companies, 8% IMA Europe ex-UK, 10% IMA North America, 5% IMA Japan, 5% IMA Asia Pacific ex-Japan, 5% IMA Global Emerging Markets and 8% IPD UK Monthly.

Equity, we also held Invesco Perpetual High Income and M&G Recovery. Small and mid cap investments performed better but we felt these to be too risky at the time.

Finally, we are pleased to report that LV= Managed Portfolio 6 was awarded an 'A' rating by Standard & Poor's, announced in October just after the end of the reporting period. Standard & Poor's Fund Management Ratings are designed to help investors find high quality funds. Only one in five, on average, achieves such a rating.

Market and Economic Review

Having fallen for six consecutive quarters, global equities surged in the second quarter of the year as investors' risk aversion abated in the belief that the worst of the financial crisis had passed and modest economic recovery may be under way. The gains were paced by a dramatic rebound in emerging market equities and rises in commodity prices, as risk appetite increased, and investor outlook improved for many developing economies. The rally lost steam mid year on concerns that equity markets were pricing in unrealistic prospects for global economic growth. Positive events at this time included better-than-expected bank profits, and modestly improving business and consumer sentiment around the globe. Potentially troublesome developments, such as the spike in government debt issuance, a sharp rebound in oil prices, rising global unemployment, and a reduced growth outlook from the World Bank, were not enough to sidetrack the rally.

Following July's recovery from June's losses, global equity markets continued their climb through to the end of September with some markets looking set to break 12-month highs boosted by increased merger and acquisition activity. With other major central banks keeping their interest rates at record low levels throughout the six months, the Reserve Bank of Australia increased its central interest rate just after the end of the reporting period. With its exposure to growing demand for commodities in China, Australia felt there was enough stimulus to its economy to warrant a higher interest rate. The other contributory factor was that Australian banks have not been affected to the same extent as US and UK banks and therefore the country has not suffered to the same degree.

While in the UK it is too early for the effects of Quantitative Easing to have seeped through to the real economy, it is likely that the US measures, aimed more directly at the real economy, have had a beneficial impact. However, the bounce back is more likely to be the result of a combination of resilient growth in the industrialising world, principally China, excessively gloomy extrapolations of the late 2008 environment and unexpected resilience from the consumer and the rest of the non-bank economy.

Market Outlook

Historically, it has taken an average of around three quarters for the economy to recover from the low point until the absolute level of GDP exceeds the pre-recession high. The market view, and one that we share, is that for recessions like the present one, both globally synchronised and induced by a financial crisis, the recovery period will be longer than this average.

While banks are unable or unwilling to lend as they rebuild their balance sheets and with government fiscal policy coming under increasing pressure, the economy faces a number of headwinds, particularly in the UK, where the debate will not be whether spending should be cut but where and by how much. With the necessary tightening of fiscal policy, interest rates are unlikely to rise quickly and we expect to see UK interest rates on hold for some time yet.

We are examining the Investment Grade Corporate Bond markets due to the gains we have made here. Allocation to this asset class may change in the coming months with a switch into Property which started to show positive growth in total returns in July and monthly capital values in August.

There may be pockets of growth from more speculative opportunities, but for longer-term sustainable returns, we believe quality still to be the better path and as a result, we intend to continue with our 'Quality First' philosophy.

Liverpool Victoria Portfolio Managers Limited

October 2009

Portfolio Information

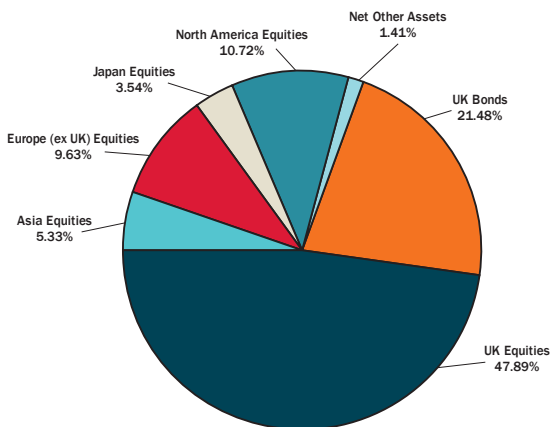
Top Ten Holdings as at 30 September 2009	Percentage of Fund
Invesco Perpetual High Income Fund	6.89
River & Mercantile UK Equity Fund	6.56
Threadneedle UK Equity Alpha Fund	6.12
Aegon UK Equity Fund	5.94
Martin Currie North America Alpha Fund	5.81
M&G Recovery Fund	5.68
Invesco Perpetual Corporate Bond Fund	5.67
Schroder All Maturities Corporate Bond Fund	5.50
Artemis Income Fund	5.36
First State Investment - Asia Pacific Leaders Fund	5.33

Portfolio Information

Top Ten Holdings as at 31 March 2009	Percentage of Fund
Invesco Perpetual High Income Fund	9.11
Threadneedle UK Equity Alpha Fund	8.41
Schroder All Maturities Corporate Bonds Fund	8.10
Martin Currie North America Alpha Fund	7.32
River & Mercantile UK Equity Fund	6.71
M&G Corporate Bond Fund	5.89
Invesco Perpetual Corporate Bond Fund	5.87
First State Investment - Asia Pacific Leaders Fund	5.31
Artemis Income Fund	5.12
JPM Europe Dynamic Ex-UK Fund	4.44

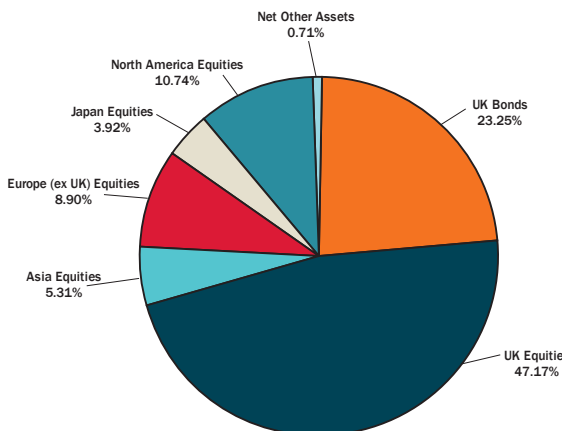
Classification of Investments

as at 30 September 2009



Classification of Investments

as at 31 March 2009



Investment Objective and Policy

The objective of the Fund is to achieve long term capital growth. The policy of the Fund is to invest primarily in global stock markets using collective investments mainly operated by other fund managers, with flexibility to gain a minority exposure to fixed interest investments.

Investment may occur in regulated and unregulated collective investment schemes and also in other transferable securities, money market instruments, deposits, cash and near cash, derivative instruments and forward transactions when deemed appropriate.

The Fund may from time to time use derivatives for the purposes of efficient portfolio management only, although derivatives may be used for investment purposes on not less than 60 days' notice to investors.

Risk Profile

This Fund invests in worldwide equity and bond markets through a range of collective investment schemes. Be aware that there are a number of risks associated with investing in the fund. These include but are not limited to the following:

- Like most stock market investments, the value of your investment and any income from it may fall as well as rise and you may not get back the amount you invested. Past returns are not necessarily a guide to future performance.
- Unless the performance of the Fund meets or exceeds the rate of inflation, the real value of any investment will reduce.
- The Fund invests in overseas assets which are priced in foreign currencies. So, regardless of stock market movements, changes in the exchange rate between UK sterling and the foreign currency may cause the investment's value to rise or fall.
- There are also risks that the issuer of credit instruments such as bonds may default and so fail to meet their liabilities.

A more detailed explanation of the risks involved with an investment in the Fund can be found in the Simplified Prospectus or Full Prospectus, available on request from the ACD.

NET ASSET VALUES

The table below shows the net asset value (NAV), net asset value pence per share and number of shares in issue:

	NAV (£)	NAV pence per share	Number of shares in issue
31 March 2009 - Retail Shares	979,041	80.68	1,213,514
31 March 2009 - Second Retail Shares	4,995	99.90	5,000
30 September 2009 - Retail Shares	4,356,568	101.06	4,310,695
30 September 2009 - Second Retail Shares	31,611	125.95	25,099

SHARE PRICE RANGE

The table below shows the highest and lowest share price range:

Calendar Year	Highest (pence)	Lowest (pence)
2008 - Retail Income Shares†	103.68	78.87
2009 - Retail Income Shares**	102.10	77.62
2009 - Second Retail Accumulation Shares††**	126.20	100.00

† From launch date 29 July 2008 to 31 December 2008

†† Launch date 31 March 2009

** to 30 September 2009

DISTRIBUTION HISTORY

The table below shows how much income has distributed from and accumulated into the fund over the period since launch:

Calendar Year	Income Shares	
	Pence per Share	Per £1,000 invested at 29 July 2008 (£)
2008 - Retail Shares†	0.2793	2.79
2009 - Retail Shares**	1.6907	16.91

Calendar Year	Accumulation Shares	
	Pence per Share	Per £1,000 invested at 31 March 2009 (£)
2009 - Second Retail Shares††**	0.8028	8.03

† From launch date 29 July 2008 to 31 December 2008

†† Launch date 31 March 2009

** to 30 September 2009

TOTAL EXPENSE RATIO (TER) * * *

The annual expenses charged to each share class expressed as a percentage of the net asset value of each share class are set out below:

	30 September 2009	31 March 2009
Retail Shares	1.80%	1.92%
Second Retail Shares††	2.40%	–

PORTFOLIO TURNOVER RATE (PTR) * * *

The annual value of investment purchases and sales expressed as a percentage of the net asset value of the fund is set out below:

Date	Portfolio turnover rate (%)
30 September 2009	99.71
31 March 2009	125.78

†† Launch date 31 March 2009

*** Please note the TER and PTR as at 30 September 2009 have been annualised to reflect a full 12 month period.

OTHER INFORMATION

The information in this report is designed to enable shareholders to make an informed judgment on the activities of the Fund during the period it covers and the result of those activities at the end of the period.

The full Long Report and Accounts are available free of charge on request from the Authorised Corporate Director (ACD) at the administration address below.

For more information about the activities and performance of the Fund during the period, please contact the ACD at the administration address noted below.

Authorised Corporate Director: This report is issued by the ACD, Liverpool Victoria Portfolio Managers Limited, (authorised and regulated by the Financial Services Authority, register number 188521. Incorporated in England and Wales, number 3579650).

Registered address: County Gates, Bournemouth, BH1 2NF

Please note our new Administration address for all correspondence: PO Box 10033, Chelmsford, CM99 2AL and our telephone number is 0845 113 0273

Investment Manager: Liverpool Victoria Asset Management Limited

Auditor: Ernst & Young LLP, Edinburgh

Depository: HSBC Bank plc

LV= and Liverpool Victoria are registered trade marks of Liverpool Victoria Friendly Society Limited and LV= and LV= Liverpool Victoria are trading styles of the Liverpool Victoria group of companies. Liverpool Victoria Asset Management Limited (LVAM) is the Investment Manager and Liverpool Victoria Portfolio Managers Limited (LVPM) the ISA manager and Authorised Corporate Director for LV= Managed Portfolio 6. LVAM and LVPM are authorised and regulated by the Financial Services Authority, register numbers 185399 and 188521 respectively. Both companies are incorporated in England and Wales company numbers 3287943 and 3579650 and are members of the IMA. LV= Managed Portfolio 6 is a sub-fund of LV= Investment Funds III ICVC. The LV= Investment III ICVC is an open ended investment company (OEIC) with variable capital incorporated in England and Wales with number IC678. The OEIC is authorised and regulated by the Financial Services Authority, register number 482678. Registered address for all companies: County Gates, Bournemouth, BH1 2NF.