

Investment Fund Services

IFSL Equilibrium OEIC

Annual Report and Audited
Financial Statements

for the year ended 30 November 2023



EQUILIBRIUM

IFSL EQUILIBRIUM OEIC

CONTACT INFORMATION

Registered Office

Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised Corporate Director (ACD) and Registrar

Investment Fund Services Limited (IFSL)
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Bolton
BL1 4QP

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke
Helen Redmond
Helen Derbyshire - resigned effective 11 December 2023
Sally Helston
Guy Sears (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Investment Manager

Equilibrium Investment Management LLP
Ascot House
Epsom Avenue
Handforth
Wilmslow
Cheshire
SK9 3DF

Authorised and regulated by the Financial Conduct Authority.

Depository

HSBC Bank plc
8 Canada Square
London
E14 5HQ

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

IFSL EQUILIBRIUM OEIC

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The statements for each of the above sub-funds are set out in the following order:

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IFSL EQUILIBRIUM OEIC

AUTHORISED STATUS

IFSL Equilibrium OEIC (the Company) is an open-ended investment company (OEIC) with variable capital incorporated under the OEIC Regulations. The Company is a non-UCITS Retail Scheme as defined in COLL and is also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number 668570. The Company was authorised by an order made by the FCA with effect from 31 March 2015. The Company has an unlimited duration.

The Company currently has five sub-funds: IFSL Equilibrium Cautious Portfolio; IFSL Equilibrium Balanced Portfolio; IFSL Equilibrium Adventurous Portfolio; IFSL Equilibrium Global Equity Portfolio; and IFSL Equilibrium Defensive Portfolio.

Shareholders of the sub-funds do not have any proprietary interest in the underlying assets of the Company and will not be liable for the debts of the Company. A sub-fund is not a legal entity. If the assets attributable to a sub-fund were insufficient to meet its liabilities the shortfall will not be met out of the assets attributable to one or more other sub-funds of the Company. The sub-funds are segregated by law under the Protected Cell Regime.

GENERAL INFORMATION

IFSL Equilibrium Cautious Portfolio

Investment objective

The sub-fund aims to deliver returns greater than inflation over a minimum of 5 years, through a combination of capital growth, that is profit on investments, and income paid out of investments, such as interest and dividends, after any charges have been taken out of the sub-fund. However, there is no certainty this will be achieved.

Over the longer term, any 10 year period, the sub-fund aims to deliver an average of inflation plus 4% per annum. Inflation is measured as the UK Consumer Prices Index for these purposes.

Investment policy

At least 80% of the sub-fund will be invested in other funds, including exchange traded funds (which typically track an index) and investment trusts. This may include other funds operated by the Authorised Corporate Director or its associates.

Through these investments the sub-fund will be exposed to a range of asset classes, including:

- Between 25% and 60% in shares in companies, but will normally be around 40% of the sub-fund; and
- Up to 60% in bonds, which are loans typically issued by companies and governments, but will normally be around 25% to 35% of the sub-fund.

There will also be exposure to other investments such as property and money market instruments, which are shorter term loans, and cash.

Through investing in funds, the sub-fund may also be exposed to other asset classes such as property, commodities (such as gold and oil) and other permitted investments, such as warrants. Funds purchased may also have the ability to use derivatives (investments whose returns are linked to another asset or other variable factor) to varying degrees.

The sub-fund can invest in other actively managed funds or in passive funds (which typically track an index) to gain exposure to the above asset classes.

The sub-fund may also invest in the above asset classes directly (although may not invest directly in immovable property). In addition, the sub-fund may purchase structured products, which are securities whose returns are linked to the performance of another variable factor, such as an index.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy or sell and when. Decisions around tactical asset allocation are arrived at through evidence-based research with consideration given to the potential for loss as well as overall return expectations for an asset class.

Derivatives, such as futures or options, may be used in order to meet the sub-fund's objective (also known as investment purposes), or to reduce risk (hedging) but this is anticipated to be infrequent.

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Balanced Portfolio

Performance target

The performance target is the level of performance the Investment Manager aims to deliver, after charges, in normal market conditions. However, returns will fluctuate, and it will not necessarily be achieved over every 10 year period.

The UK Consumer Prices Index has been chosen as it is a standard and broadly accepted measure of UK inflation which a real return can be targeted against.

Investment objective

The sub-fund aims to deliver returns greater than inflation over a minimum of 5 years, through a combination of capital growth, that is profit on investments, and income paid out of investments, such as interest and dividends, after any charges have been taken out of the sub-fund. However, there is no certainty this will be achieved.

Over the longer term, any 10 year period, the sub-fund aims to deliver an average of inflation plus 5% per annum. Inflation is measured as the UK Consumer Prices Index for these purposes.

Investment policy

At least 80% of the sub-fund will be invested in other funds, including exchange traded funds (which typically track an index) and investment trusts. This may include other funds operated by the Authorised Corporate Director or its associates.

Through these investments the sub-fund will be exposed to a range of asset classes, including:

- Between 35% and 70% in shares in companies, but will normally be around 50% of the sub-fund; and
- Up to 50% in bonds, which are loans typically issued by companies and governments, but will normally be around 20% to 30% of the sub-fund.

There will also be exposure to other investments such as property and money market instruments, which are shorter term loans, and cash.

Through investing in funds, the sub-fund may also be exposed to other asset classes such as property, commodities (such as gold and oil) and other permitted investments, such as warrants. Funds purchased may also have the ability to use derivatives (investments whose returns are linked to another asset or other variable factor) to varying degrees.

The sub-fund can invest in other actively managed funds or in passive funds (which typically track an index) to gain exposure to the above asset classes.

The sub-fund may also invest in the above asset classes directly (although may not invest directly in immovable property). In addition, the sub-fund may purchase structured products, which are securities whose returns are linked to the performance of another variable factor, such as an index.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy or sell and when. Decisions around tactical asset allocation are arrived at through evidence-based research with consideration given to the potential for loss as well as overall return expectations for an asset class.

Derivatives, such as futures or options, may be used in order to meet the sub-fund's objective (also known as investment purposes), or to reduce risk (hedging) but this is anticipated to be infrequent.

Performance target

The performance target is the level of performance the Investment Manager aims to deliver, after charges, in normal market conditions. However, returns will fluctuate, and it will not necessarily be achieved over every 10 year period.

The UK Consumer Prices Index has been chosen as it is a standard and broadly accepted measure of UK inflation which a real return can be targeted against.

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Adventurous Portfolio

Investment objective

The sub-fund aims to deliver returns greater than inflation over a minimum of 5 years, through a combination of capital growth, that is profit on investments, and income paid out of investments, such as interest and dividends, after any charges have been taken out of the sub-fund. However, there is no certainty this will be achieved.

Over the longer term, any 10 year period, the sub-fund aims to deliver an average of inflation plus 5.5% per annum. Inflation is measured as the UK Consumer Prices Index for these purposes.

Investment policy

At least 80% of the sub-fund will be invested in other funds, including exchange traded funds (which typically track an index) and investment trusts. This may include other funds operated by the Authorised Corporate Director or its associates.

Through these investments the sub-fund will be exposed to a range of asset classes, including:

- Between 45% and 80% in shares in companies, but will normally be around 60% of the sub-fund; and
- Up to 50% in bonds, which are loans typically issued by companies and governments, but will normally be around 5% to 15% of the sub-fund.

There will also be exposure to other investments such as property and money market instruments, which are shorter term loans, and cash.

Through investing in funds, the sub-fund may also be exposed to other asset classes such as property, commodities (such as gold and oil) and other permitted investments, such as warrants. Funds purchased may also have the ability to use derivatives (investments whose returns are linked to another asset or other variable factor) to varying degrees.

The sub-fund can invest in other actively managed funds or in passive funds (which typically track an index) to gain exposure to the above asset classes.

The sub-fund may also invest in the above asset classes directly (although may not invest directly in immovable property). In addition, the sub-fund may purchase structured products, which are securities whose returns are linked to the performance of another variable factor, such as an index.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy or sell and when. Decisions around tactical asset allocation are arrived at through evidence-based research with consideration given to the potential for loss as well as overall return expectations for an asset class.

Derivatives, such as futures or options, may be used in order to meet the sub-fund's objective (also known as investment purposes), or to reduce risk (hedging) but this is anticipated to be infrequent.

Performance target

The performance target is the level of performance the Investment Manager aims to deliver after charges in normal market conditions. However, returns will fluctuate and it will not necessarily be achieved over every 10 year period.

The UK Consumer Prices Index has been chosen as it is a standard and broadly accepted measure of UK inflation which a real return can be targeted against.

IFSL Equilibrium Global Equity Portfolio

Investment objective

The sub-fund aims to provide capital growth, that is, to increase the value of your investment, over a minimum of 5 years. However, there is no certainty this will be achieved.

Investment policy

The sub-fund will be actively managed, which means the Investment Manager decides which investments to buy and sell and when. It will invest at least 70% in other funds and investment trusts (collectively "Investment Funds"). This could include other Investment Funds managed by the Authorised Corporate Director or the Investment Manager.

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Global Equity Portfolio (continued)

Investment policy (continued)

Through these Investment Funds, the sub-fund will have exposure to at least 80% in shares of companies (equities), in any geographic sector.

There may also be exposure to other investments such as bonds, which are loans typically issued by companies and governments, property, money market instruments, which are shorter term loans, commodities (such as gold and oil) and other permitted investments. The sub-fund may also invest in these asset classes directly, except it can't invest directly in immovable property.

The sub-fund may also purchase structured products, which are securities whose returns are linked to the performance of another variable factor, such as an index.

The decisions on asset allocation are based on evidence-based research, with consideration given to the potential for loss as well as overall return expectations.

The sub-fund may hold up to 20% in cash or near cash, although it would normally not exceed 10%. This is to enable the ready settlement of liabilities, for the efficient management of the portfolio and in pursuit of the sub-fund's investment objective.

Derivatives are investments whose returns are linked to another asset or other variable factor; such as futures or options. They may be used for investment purposes (to meet the sub-fund's objective) or for efficient portfolio management (for example to reduce risk or costs). The sub-fund will not always hold these, however at times they may be held for extended periods. The use of derivatives is not expected to have a significant impact on the risk profile of the sub-fund. The Investment Funds held by the sub-fund may also use derivatives to varying degrees.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The sub-fund's investment policy puts it in the IA Global sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

IFSL Equilibrium Defensive Portfolio

Investment objective

The sub-fund aims to increase the value of your investment over any rolling three year period through a combination of capital growth, that is profit on investments, and income paid out of investments, such as interest and dividends, after any charges have been taken out of the sub-fund. However, there is no certainty this will be achieved.

Over the longer term, any 5 year period, the sub-fund aims to deliver an average of cash plus 3% per annum, after charges. Cash is measured as the Bank of England Base Rate for these purposes.

Investment policy

At least 80% of the sub-fund will be invested in other funds, including exchange traded funds (which typically track an index) and investment trusts. This may include other funds operated by the Authorised Corporate Director or its associates.

Through these investments the sub fund will be exposed to a range of asset classes, including:

- Between 50% and 100% in bonds, which are loans typically issued by companies and governments, but will normally be around 75% to 85% of the sub-fund;
- Up to 25% in shares in companies, but will normally be around 10% to 15% of the sub-fund; and
- Up to 50% in money market instruments, which are shorter term loans, and cash, but will normally be below 10% of the sub-fund, only approaching 50% in extreme market conditions.

Through investing in funds, the sub-fund may also be exposed to other asset classes such as property, commodities (such as gold and oil) and other permitted investments, such as warrants. Funds purchased may also have the ability to use derivatives (investments whose returns are linked to another asset or other variable factor) to varying degrees.

The sub-fund can invest in other actively managed funds or in passive funds (which typically track an index) to gain exposure to the above asset classes.

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Defensive Portfolio (continued)

Investment policy (continued)

The sub-fund may also invest in the above asset classes directly (although may not invest directly in immovable property). In addition, the sub-fund may purchase structured products, which are securities whose returns are linked to the performance of another variable factor, such as an index.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy or sell and when. Decisions around tactical asset allocation are arrived at through evidence-based research with consideration given to the potential for loss as well as overall return expectations for an asset class.

Derivatives, such as futures or options, may be used in order to meet the sub-fund's objective (also known as investment purposes), or to reduce risk (hedging).

Performance target

The performance target is the level of performance the Investment Manager aims to deliver, after charges, in normal market conditions. However, returns will fluctuate, and it will not necessarily be achieved over every 5 year period.

The Bank of England Base Rate has been chosen as a suitable proxy for cash investments as it represents a good approximate for the interest rate available on cash. The sub-fund will aim to outperform cash over the longer term.

Rights and terms attaching to each share class

A share of each class represents a proportional entitlement to the assets of the sub-fund. The allocation of income and taxation and the rights of each share in the event that a sub-fund is wound up are on the same proportional basis.

Assessment of value

The ACD is required to carry out an assessment of value at least annually and publish its findings in a report to investors. The sub-funds of the Company will be assessed and reported on, in a report which the ACD will be publishing by 31 March 2024 on the website, www.ifslfunds.com.

Changes in prospectus

There have been no significant changes since the last report.

Up to date Key Investor Information Documents, Prospectus and Long Reports and Financial Statements for any fund within the ACD's range, can be requested by the investor at any time.

Cross holdings

The sub-funds of the Company do not hold shares in other sub-funds of the Company.

Leverage

In accordance with the Alternative Investment Fund Managers Directive (AIFMD) we are required to disclose the 'leverage' of the sub-funds. Leverage is defined as any method by which a sub-fund increases its exposure through borrowing or the use of derivatives. 'Exposure' is defined in two ways: 'gross method; and 'commitment method'. The sub-funds must not exceed maximum exposures under both methods. 'Gross method' exposure is calculated as the sum of all positions of the sub-funds (both positive and negative), that is, all eligible assets, liabilities and derivatives, including derivatives held for risk reduction purposes. 'Commitment method' is also calculated as the sum of all positions of the sub-funds (both positive and negative), but after netting off any derivative and security positions as specified by AIFMD rules.

The total amount of leverage calculated for each sub-fund as at 30 November 2023 is as follows:

	Gross Method	Commitment Method
IFSL Equilibrium Cautious Portfolio	101.31%	101.31%
IFSL Equilibrium Balanced Portfolio	98.85%	98.85%
IFSL Equilibrium Adventurous Portfolio	99.99%	99.99%
IFSL Equilibrium Global Equity Portfolio	99.83%	99.83%
IFSL Equilibrium Defensive Portfolio	99.11%	99.11%

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

Leverage (continued)

The total amount of leverage calculated for each sub-fund as at 30 November 2022 is as follows:

	Gross Method	Commitment Method
IFSL Equilibrium Cautious Portfolio	97.24%	97.24%
IFSL Equilibrium Balanced Portfolio	98.33%	98.33%
IFSL Equilibrium Adventurous Portfolio	98.97%	98.97%
IFSL Equilibrium Global Equity Portfolio	99.64%	99.64%
IFSL Equilibrium Defensive Portfolio	95.03%	95.03%

The maximum level of leverage which may be employed on behalf of the sub-funds when calculated in accordance with the gross method is 210%.

The maximum level of leverage which may be employed on behalf of the sub-funds when calculated in accordance with the commitment method is 110%.

Remuneration policy

In line with the requirements of the AIFMD, Investment Fund Services Limited, the Alternative Investment Fund Manager (AIFM), is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the AIFMD. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the Alternative Investment Funds (AIFs) it manages.

The quantitative remuneration disclosures as at 30 September 2023 (the AIFM's year-end) are set out below:

	Number of identified staff	Total remuneration paid £	Fixed remuneration paid £	Variable remuneration paid £
Remuneration paid to staff of the AIFM who have a material impact on the risk profile of the Company				
Senior management	8	908,018	768,628	139,390
Risk takers and other identified staff	4	411,040	375,277	35,763
Allocation of total remuneration of the employees of the AIFM to the Company				
Senior management	0.84	94,833	80,275	14,558
Risk takers and other identified staff	0.42	42,929	39,194	3,735

The total number of staff employed by the AIFM's group was 238 as at 30 September 2023. The total remuneration paid to those staff was £12,464,744, of which £4,346,942 is attributable to the AIFM. This information is provided for the purpose of Regulations 107(1)(a) of the AIFM Regulation but not for the purposes of Regulations 107(1)(b) and (c) of the AIFM Regulations.

The allocation of remuneration to the AIF is based on Assets Under Management (AUM) and the figures disclosed only include remuneration paid to individuals directly employed by the AIFM's group. The way these disclosures are calculated may change in the future.

IFSL EQUILIBRIUM OEIC

AUTHORISED CORPORATE DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook and the Investment Funds Sourcebook as issued and amended by the Financial Conduct Authority.



Allan Hamer
Director



Helen Redmond
Director

Investment Fund Services Limited
15 March 2024

STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) and the Investment Funds Sourcebook (FUND) requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Company comprising of its sub-funds and of its net revenue and the net capital losses for the year.

In preparing those financial statements the ACD is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice relating to UK Authorised Funds issued in May 2014 and amended in June 2017;
- follow United Kingdom Generally Accepted Accounting Practice and applicable accounting standards;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 rules, 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 its knowledge and belief, there is no relevant audit information of which the auditor is unaware. It is the responsibility of the ACD to take all necessary steps as a director to familiarise itself with any relevant audit information and to establish that the auditor is aware of that information.

IFSL EQUILIBRIUM OEIC

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the IFSL Equilibrium OEIC ("the Company") for the Period Ended 30 November 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds 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 in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- 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 the 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 and the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company in accordance with the Regulations and Scheme documents of the Company.

HSBC Bank plc

15 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IFSL EQUILIBRIUM OEIC

Opinion

We have audited the financial statements of IFSL Equilibrium OEIC ("the Company") comprising each of its sub-funds for the year ended 30 November 2023, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 30 November 2023 and of the net revenue and the net capital gains/(losses) on the scheme property of the Company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 below. 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 ("FRC") 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 ("the ACD") 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 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

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 this 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 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

IFSL EQUILIBRIUM OEIC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IFSL EQUILIBRIUM OEIC

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority ("the FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Instrument of Incorporation; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the ACD

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities set out on page 7, 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 wind up or terminate 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IFSL EQUILIBRIUM OEIC

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS 102, the IMA Statement of Recommended Practice, the FCA Collective Investment Schemes Sourcebook, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators. We corroborated our enquiries through a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur through discussions with management and from knowledge of our business. We also considered the risk of management override, specifically management's propensity to influence the net asset value of the Company and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, including the use of specialists where appropriate, to identify non-compliance with the applicable laws and regulations.

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

Use of our report

This report is made solely to the Company's Shareholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. 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.

Ernst & Young LLP
Statutory Auditor
Edinburgh

15 March 2024

Notes:

1. The maintenance and integrity of the Investment Fund Services Limited website is the responsibility of the ACD; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

IFSL EQUILIBRIUM OEIC

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

for the year ended 30 November 2023

1.1 ACCOUNTING POLICIES

During the year under review IFSL Equilibrium OEIC consisted of five sub-funds: IFSL Equilibrium Cautious Portfolio; IFSL Equilibrium Balanced Portfolio; IFSL Equilibrium Adventurous Portfolio; IFSL Equilibrium Global Equity Portfolio; and IFSL Equilibrium Defensive Portfolio.

These accounting policies apply to all the sub-funds of the Company.

Basis of accounting

The financial statements have been prepared in compliance with UK Financial Reporting Standard 102 ("FRS 102") and in accordance with the Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

The financial statements are prepared in sterling, which is the functional currency of the sub-funds. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The Authorised Corporate Director (ACD) believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.

Revenue

Dividends from quoted ordinary securities, preference securities, and distributions receivable from onshore Collective Investment Schemes are recognised when the security is quoted ex-dividend.

Income from offshore collective investment schemes is recorded on the ex-dividend date and additional reported income is recognised when reported.

Bank interest is accounted for on an accruals basis.

Distributions from collective investment schemes

Distributions received from investments in collective investment schemes may include an element of equalisation which represents the average amount of revenue included in the price paid for the shares. Equalisation is treated as a return of capital for taxation purposes and does not carry a tax credit.

Expenses

All expenses, other than those relating to the purchase and sale of investments, are charged initially against revenue on an accruals basis.

Management fee rebates

Rebates on collective investment schemes' management fees are accounted for on an accruals basis and are subsequently attributed to the revenue or capital of the sub-funds depending on the fee structure of the underlying collective investment scheme.

Valuation

The valuation point was 12:00 on 30 November 2023 being the last valuation point of the accounting year.

Listed investments are valued at fair value which is the bid price.

Where applicable, investment valuations exclude any element of accrued revenue.

Investments in collective investment schemes have been valued at cancellation price for dual-priced funds or the single price for single priced funds, using the latest available published prices at the year end.

Taxation

Corporation tax has been provided for at 20% on taxable income less expenses. Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and tax purposes. Potential future liabilities and assets are recognised where the transactions, or events giving rise to them, occurred before the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

for the year ended 30 November 2023

ACCOUNTING POLICIES

Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 30 November 2023 being the last valuation point of the accounting year. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment at the principal amounts.

1.2 DISTRIBUTION POLICIES

The distribution policy for each sub-fund is to accumulate all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on non-derivative instruments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. Revenue recognised from holdings in accumulation shares in collective investment schemes, and from stock and special dividends is included in the amount available for distribution.

None of the sub-funds are more than 60% invested in qualifying investments (as defined by SI 2006/964, Reg. 20) and will pay dividend distributions.

Equalisation

Equalisation applies only to shares purchased during the distribution period. It is the average amount of income 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 UK income tax but must be deducted from the cost of the shares for UK capital gains tax purposes.

1.3 RISK MANAGEMENT POLICIES

In pursuing the investment objectives, the sub-funds hold a number of financial instruments. The sub-funds' financial instruments comprise securities, together with cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued income.

The main risks arising from the sub-funds' financial instruments and the ACD's policies for managing these risks are summarised below. The ACD reviews (and agrees with the Depositary) the policies for managing each of these risks. The policies have remained unchanged since the beginning of the year to which these financial statements relate.

The sub-funds are managed according to the COLL 5, 'Investment and Borrowing Powers' which helps achieve the statutory objective of protecting consumers by laying down the minimum standards for the investments that may be held by an authorised fund. In particular: (a) the proportion of transferable securities and derivatives that may be held by the authorised fund is restricted if those transferable securities and derivatives are not listed on an eligible market. The intention of this is to restrict the transferable securities and derivatives that cannot be accurately valued and readily disposed of; and (b) authorised funds are required to comply with a number of investment rules that require the spreading of risk.

Market price risk

Market price risk is the risk that the value of a sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-fund holds. It represents the potential loss a sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Foreign currency risk

The income and capital value of the sub-funds' investments can be affected by foreign currency translation movements as some of a sub-fund's assets and income may be denominated in currencies other than sterling which is the sub-fund's functional currency.

The ACD has identified three areas where foreign currency risk could impact the sub-funds. These are, movements in exchange rates affecting the value of investments, short term timing differences such as exposure to exchange rate movements in the year between when an investment purchase or sale is entered into and the date when settlement of the investment occurs, and finally, movement in exchange rates affecting income received by a sub-fund. The sub-funds convert all receipts of income, received in currency, into sterling on the day of receipt.

To manage foreign currency risk the sub-funds are permitted to invest in forward foreign currency contracts for the purpose of reducing the exposure of the sub-funds to a foreign currency.

The foreign currency exposure within the sub-funds is monitored to ensure that this is manageable and sensible.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

for the year ended 30 November 2023

RISK MANAGEMENT POLICIES

Interest rate risk

Interest rate risk is the risk that the value of the sub-funds' investment holdings will fluctuate as a result of changes in interest rates. The sub-funds' cash holdings are held in deposit accounts, whose rates are determined by the banks concerned on a daily basis.

Interest rate risk is managed through a limit framework and investment guidelines with which the sub-funds must comply. These include restrictions on position size, and the level of interest rate risk. The Investment Manager continuously reviews interest rates and inflation expectations, the assessment of this may result in a change in investment strategy.

Liquidity risk

The sub-funds' assets comprise mainly of readily realisable securities. The main liability of the sub-funds is the redemption of any shares that investors wish to sell. Assets of the sub-funds may need to be sold if insufficient cash is available to finance such redemptions. The liquidity of the sub-funds' assets is regularly reviewed by the ACD.

The ACD has an approved list of counterparties it uses for investment transactions which is reviewed on a regular basis.

Concentration risk

Some of the underlying collective investment schemes invest solely in certain markets, such as UK shares or fixed interest securities. This allows them to focus on those markets' potential but means that they are not spread amongst a range of markets. Securities in the same market tend to be affected by the same factors, so the collective investment schemes may experience greater fluctuations in price. The asset allocations aim to minimise this risk whenever possible, whilst still meeting the objectives of the sub-funds.

Derivatives and other financial instruments

The ACD is permitted to use derivatives for the purposes of efficient portfolio management. Forward currency transactions may also be entered to hedge the portfolio against currency movement. Investment performance of derivatives can be volatile and may present greater risks than traditional investments.

The ACD is obliged through FCA rules to put in place a risk management policy which sets out how the ACD measures and monitors these risks.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Performance to 30 November 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Cautious Portfolio	0.74%	0.18%	(0.54)%	10.73%
UK Consumer Prices Index	0.29%	3.94%	20.93%	23.10%
UK Consumer Prices Index plus 4% per annum	2.23%	8.00%	35.66%	49.11%

External Source of Economic Data: Morningstar (A Accumulation - quoted price to quoted price).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this share class is calculated in sterling.

Investment commentary

Market review

Markets started the period strongly, but then hit major turbulence with the failure of Silicon Valley Bank and Credit Suisse in March 2023.

After recovering from this potential banking crisis, markets continued to be volatile as central banks put up interest rates much more than investors had expected at the start of the year, whilst the much anticipated recession failed to appear.

By autumn, we saw sustained evidence of falling inflation, and central banks began to signal they may be done with interest rate increases and could even consider cutting again in 2024. This has allowed interest rate sensitive assets like real estate and small company stocks to rise sharply.

This year also saw big advances in artificial intelligence. This helped the United States (US) stock market – which has a high proportion in technology stocks – to do very well. However, outside of the large US technology sector, equity market returns have been generally sluggish.

Performance statement

Whilst markets have been volatile, the portfolio produced positive returns in the 12 months to the end of November with a total return of 0.18%. The United Kingdom (UK) inflation rate over the same period was 3.94%.

Sub-fund performance review

Within the individual assets, the global equity funds were notably strong, propelled by the strong performance of US stocks in particular, that rose sharply.

In the UK stock market, the FTSE 100 Index again held up relatively well, but companies outside the top 100 stocks struggled for much of the year.

The structured product* holdings, linked to the returns on the FTSE 100 and S&P 500 indices, have had relatively strong returns, with several products maturing in 2023 which we have replaced with new products.

Conversely, the most disappointing investments were our renewable energy and forestry holdings. As “real assets” (they are forms of infrastructure and real estate respectively), these were hurt by rising borrowing costs. The fall in the renewable energy infrastructure fund is partly due to falling energy prices generally. Assets within both funds are now trading well below their net asset value**, with the forestry fund priced at a 37% discount to the underlying value of the assets.

Another area which struggled in the 12 month period was emerging markets. The boost to economic growth expected as China opened up following the lifting of Covid restrictions was not as strong as hoped, and the economy struggled with deflation throughout much of the year, even while the West fought inflation.

Portfolio activity

The US stock market was notably strong, and we think this is an area where many stocks became overvalued and so we reduced holdings in this area during the 12 months. Holdings in big US technology stocks were reduced by selling a Nasdaq index tracker fund and reducing exposure to the S&P 500 index (where more money is invested in the larger companies).

We kept the allocation to US equities but instead switched some to US smaller companies, which had lower valuations, and to an equal weighted S&P 500 index tracker fund, which allocates the same amount to each of the 500 stocks in the index regardless of size.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Investment commentary (continued)

Investment outlook

After a tough couple of years for investors, there are definite reasons for optimism about the future. Many asset classes remain much cheaper than they were a few years ago and undervalued relative to their own long term history.

Therefore, if the consensus is correct and inflation continues to fall, economies remain steady and interest rates are cut, then we think there's a chance of some very attractive returns going forward. However, in our view it is important not to be too exposed to stocks at extreme valuations; avoiding potentially significant losses is just as vital as trying to gain exposure to the areas with the highest growth potential.

Equilibrium Investment Management LLP
8 January 2024

* Structured products are investments designed so that they can pay out a fixed level of return and mature early automatically, if specific conditions regarding the levels of the markets are met.

** Net asset value is the value of an fund's total assets less its total liabilities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	2.0130	1.5025	1.1737	1.4795

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS Sterling Government Liquidity 'Premier' GBP	9,370,049
iShares \$ TIPS UCITS ETF USD	9,297,883
BlackRock ICS US Treasury 'Premier' USD	8,974,025
Man GLG High Yield Opportunities 'C'	8,631,789
iShares UK Property UCITS ETF GBP	8,424,334
Aegon High Yield Bond 'S' Sterling	8,269,758
Artemis Corporate Bond 'I' GBP	8,259,452
Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	7,852,958
AHFM Defined Returns 'B' GBP	6,977,435
iShares Core UK Gilts UCITS ETF GBP	6,417,838
Other purchases	65,924,866
Total purchases for the year	148,400,387
<u>Largest sales</u>	<u>Proceeds (£)</u>
BlackRock ICS US Treasury 'Premier' USD	15,948,231
MI TwentyFour Dynamic Bond 'I' Gross	10,202,519
BlackRock ICS Sterling Government Liquidity 'Premier' GBP	9,388,398
FP Foresight UK Infrastructure Income 'A'	7,015,139
Premier Miton UK Multi Cap Income 'B Inst'	6,678,579
LF Ruffer Diversified Return 'I' GBP	6,218,872
MI TwentyFour Monument Bond 'L'	6,215,780
Morgan Stanley Global Brands 'I' GBP	6,153,276
iShares \$ Treasury Bond 7-10yr UCITS ETF USD	5,707,457
Goldman Sachs FTSE/S&P Autocall Stepdown Oct 22	5,116,132
Other sales	80,768,417
Total sales for the year	159,412,800

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2022 - 34.33%)		
4,168,970 Aegon High Yield Bond 'S' Sterling	5,182,864	2.93
7,338,728 Allianz Strategic Bond 'I' GBP	7,293,961	4.13
7,853,629 Artemis Corporate Bond 'I' GBP	7,974,575	4.51
51,146 iShares \$ TIPS UCITS ETF USD ^C	9,254,027	5.23
1,509,065 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	6,452,762	3.65
903,414 iShares Core UK Gilts UCITS ETF GBP ^C	9,101,896	5.15
4,347,190 Man GLG High Yield Opportunities 'C'	5,829,582	3.30
78,051 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	7,449,991	4.21
7,424,302 Premier Miton Strategic Monthly Income Bond 'C'	7,691,576	4.35
7,523,697 Royal London Short Duration Global High Yield Bond 'Z'	8,665,042	4.90
5,917,843 Royal London Sterling Extra Yield Bond 'Z'	5,458,618	3.09
938,090 Waverton Sterling Bond 'P' Stg£	8,023,483	4.54
Total Fixed Interest	<u>88,378,377</u>	<u>49.99</u>
REAL ASSETS (30 November 2022 - 15.90%)		
3,070,000 Foresight Sustainable Forestry Company ^B	1,891,120	1.07
6,701,869 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	6,182,474	3.50
1,425,939 iShares UK Property UCITS ETF GBP ^C	6,279,122	3.55
2,402,009 VT Gravis Clean Energy Income 'C' GBP	3,463,875	1.96
Total Real Assets	<u>17,816,591</u>	<u>10.08</u>
DEFINED RETURNS (30 November 2022 - 12.47%)		
2,371,340 AHFM Defined Returns 'B' GBP	4,560,087	2.58
3,200,000 BNP Paribas FTSE Autocall Sep 28 ^A	3,235,200	1.83
1,900,000 Credit Agricole CIB Finance Feb 28 ^A	2,142,250	1.21
3,500,000 Credit Agricole FTSE/S&P Autocall Oct 28 ^A	3,544,800	2.01
2,700,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	2,776,410	1.57
3,500,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	3,500,000	1.98
2,700,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	2,713,230	1.53
Total Defined Returns	<u>22,471,977</u>	<u>12.71</u>
ALTERNATIVE EQUITY (30 November 2022 - 9.12%)		
2,456,384 Atlantic House Uncorrelated Strategies 'X' GBP Hedged	2,707,181	1.53
82,884 THEAM Quant Dynamic Volatility Carry 'M' USD	6,333,709	3.58
Total Alternative Equity	<u>9,040,890</u>	<u>5.11</u>
EQUITY (30 November 2022 - 21.68%)		
210,047 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	2,307,912	1.31
406,114 Artemis UK Select 'I' GBP	3,244,239	1.84
433,746 Baillie Gifford Emerging Markets Leading Companies 'B'	2,267,188	1.28
38,470 iShares S&P SmallCap 600 UCITS ETF USD ^C	2,369,752	1.34
324,847 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^C	4,056,990	2.29
2,276,215 Liontrust European Dynamic 'S'	2,710,251	1.53
3,222,166 Liontrust Special Situations 'I'	3,749,957	2.12
3,826,627 Royal London Global Equity Select 'Z'	5,361,104	3.03
3,961,258 Schroder Global Recovery 'L' GBP	4,028,600	2.28
2,391,378 WS Evenlode Global Equity 'F' GBP	3,382,843	1.91
2,310,453 WS Gresham House UK Multi Cap Income 'A' Sterling	2,419,506	1.37
29,409 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	1,835,503	1.04
Total Equity	<u>37,733,845</u>	<u>21.34</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
MONEY MARKETS (30 November 2022 - 5.02%)		
9,291 BlackRock ICS Sterling Government Liquidity Premier GBP	1,003,346	0.57
31,095 BlackRock ICS US Treasury Premier USD	2,757,748	1.56
Total Money Markets	3,761,094	2.13
Portfolio of investments	179,202,774	101.36
Net other liabilities	(2,407,009)	(1.36)
Total net assets	176,795,765	100.00

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are exchange listed structured products, ^B which are Closed Ended Investment Companies and ^C which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2023

	Notes	30 November 2023		30 November 2022	
		£	£	£	£
Income:					
Net capital losses	2		(3,043,567)		(18,933,984)
Revenue	4	5,173,163		4,551,342	
Expenses	5	<u>(1,259,568)</u>		<u>(1,350,369)</u>	
Net revenue before taxation		3,913,595		3,200,973	
Taxation	6	<u>(461,653)</u>		<u>(399,421)</u>	
Net revenue after taxation			<u>3,451,942</u>		<u>2,801,552</u>
Total return before distributions			408,375		(16,132,432)
Distributions	7		(3,459,516)		(2,863,779)
Change in net assets attributable to shareholders from investment activities			<u>(3,051,141)</u>		<u>(18,996,211)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2023

	30 November 2023		30 November 2022	
	£	£	£	£
Opening net assets attributable to shareholders		195,381,655		253,312,492
Amounts receivable on issue of shares	9,486,914		12,728,894	
Amounts payable on cancellation of shares	<u>(28,272,430)</u>		<u>(54,349,904)</u>	
Compensation to sub-fund	2,790		-	
		<u>(18,782,726)</u>		<u>(41,621,010)</u>
Change in net assets attributable to shareholders from investment activities		(3,051,141)		(18,996,211)
Retained distribution on accumulation shares		3,247,977		2,686,384
Closing net assets attributable to shareholders		<u>176,795,765</u>		<u>195,381,655</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

BALANCE SHEET
as at 30 November 2023

	Notes	30 November 2023 £	30 November 2022 £
Assets:			
Fixed Assets:			
Investments	14	179,202,774	192,483,378
Current Assets:			
Debtors	8	350,267	1,668,271
Cash and cash equivalents		3,017,529	5,902,613
Total assets		<u>182,570,570</u>	<u>200,054,262</u>
Liabilities:			
Creditors:			
Bank overdrafts		4,643,035	-
Other creditors	9	1,131,770	4,672,607
Total liabilities		<u>5,774,805</u>	<u>4,672,607</u>
Net assets attributable to shareholders		<u><u>176,795,765</u></u>	<u><u>195,381,655</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 12 to 14.

2 NET CAPITAL LOSSES

30 November 2023 **30 November 2022**
£ £

The net losses on investments during the year comprise:

Realised (losses)/gains on non-derivative securities	(1,750,930)	2,391,550
Unrealised losses on non-derivative securities	(1,334,448)	(21,198,551)
Other currency gains/(losses)	40,654	(130,854)
Management fee rebates	4,625	9,863
Transaction charges	(3,468)	(5,992)
Net capital losses	(3,043,567)	(18,933,984)

Where realised gains/(losses) include gains/(losses) arising in prior years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2023 **30 November 2022**
£ £

Purchases excluding transaction costs:

Collective Investment Schemes	102,678,611	130,661,088
Equities	220,110	5,056,913
Exchange Traded Funds	29,906,343	50,139,021
Structured Products	15,594,100	9,150,000
	<u>148,399,164</u>	<u>195,007,022</u>

Equities:	Commissions	120	3,052
	Taxes and other charges	1,103	25,308
Exchange Traded Funds:	Taxes and other charges	-	3
		<u>1,223</u>	<u>28,363</u>

Total purchases after transaction costs

148,400,387 **195,035,385**

Purchases transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.05%	0.06%
	Taxes and other charges	0.50%	0.50%
Exchange Traded Funds:	Taxes and other charges	0.00%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	114,924,128	196,513,305
Equities	9,009,558	996,976
Exchange Traded Funds	11,426,034	28,753,138
Structured Products	24,054,904	14,461,396
	<u>159,414,624</u>	<u>240,724,815</u>

Equities:	Commissions	(1,819)	(300)
	Taxes and other charges	(5)	(1)
Exchange Traded Funds:	Taxes and other charges	-	-
		<u>(1,824)</u>	<u>(301)</u>

Total sales transaction costs

159,412,800 **240,724,514**

Total sales after transaction costs

Sales transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.02%	0.03%
	Taxes and other charges	0.00%	0.00%
Exchange Traded Funds:	Taxes and other charges	0.00%	0.00%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.00%	0.00%
Taxes and other charges	0.00%	0.01%
	<u>0.00%</u>	<u>0.01%</u>

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

PURCHASES, SALES AND TRANSACTION COSTS (continued)	30 November 2023	30 November 2022
Transaction handling charges		
These are charges payable to the depositary in respect of each transaction.	3,468	5,992
Average portfolio dealing spread		
This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.		
Average portfolio dealing spread at the balance sheet date	0.12%	0.16%
 4 REVENUE	 30 November 2023	 30 November 2022
	£	£
Non-taxable UK dividends	1,410,754	1,448,408
Taxable UK dividends	58,479	104,990
Overseas dividends	255,291	86,042
Interest distributions	3,229,203	2,512,604
Property income distributions	158,461	365,903
Management fee rebates	7,689	20,890
Bank interest	53,286	12,505
Total revenue	5,173,163	4,551,342
 5 EXPENSES	 30 November 2023	 30 November 2022
	£	£
Payable to the ACD or associate:		
Annual investment management charge	935,628	975,881
ACD charge	237,126	265,940
Registration fees	272	275
KIID production costs	598	602
	1,173,624	1,242,698
Other expenses:		
Depositary's fees	63,832	74,861
Safe Custody fees	11,907	20,136
Bank interest	519	2,603
Audit fee	8,712	7,920
Sundry expenses	974	2,151
	85,944	107,671
Total expenses	1,259,568	1,350,369
 6 TAXATION	 30 November 2023	 30 November 2022
	£	£
a Analysis of the tax charge for the year		
Corporation tax at 20%	456,743	386,274
Prior year corporation tax adjustment	4,569	3,889
Total current tax charge for the year (see note 6(b))	461,312	390,163
Deferred tax charge for the year (see note 6(c))	341	9,258
Total deferred tax charge for the year	341	9,258
Total tax charge for the year	461,653	399,421
 b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	3,913,595	3,200,973
Corporation tax at 20% (2022: 20%)	782,719	640,195

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

TAXATION (continued)	30 November 2023	30 November 2022
	£	£
Effects of:		
Revenue not subject to taxation	(333,209)	(306,890)
Tax effect of gains on non-reporting offshore funds	6,649	60,254
Tax effect of capitalised management fee rebate	925	1,973
Prior year corporation tax adjustment	4,569	3,889
Deferred tax movement	(341)	(9,258)
Total current tax charge for the year (see note 6(a))	<u>461,312</u>	<u>390,163</u>
c Provision for deferred taxation		
Provision at start of the year	9,258	-
Deferred tax charge for the year (see note 6(a))	341	9,258
Provision at end of the year	<u>9,599</u>	<u>9,258</u>
7 DISTRIBUTIONS	30 November 2023	30 November 2022
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	3,248,018	2,686,408
Amounts deducted on cancellation of shares	286,330	241,914
Amounts added on issue of shares	(74,791)	(64,519)
Revenue brought forward	(41)	(24)
Distributions	<u>3,459,516</u>	<u>2,863,779</u>
Movement between net revenue and distributions:		
Net revenue after taxation	3,451,942	2,801,552
Tax effect of gains on non-reporting offshore funds	6,649	60,254
Tax effect of capitalised management fee rebate	925	1,973
	<u>3,459,516</u>	<u>2,863,779</u>
8 DEBTORS	30 November 2023	30 November 2022
	£	£
Amounts receivable for issue of shares	6,944	-
Sales awaiting settlement	-	1,450,000
Accrued income	331,627	197,273
Taxation recoverable	11,696	20,998
Total debtors	<u>350,267</u>	<u>1,668,271</u>
9 OTHER CREDITORS	30 November 2023	30 November 2022
	£	£
Amounts payable for cancellation of shares	121,467	1,031,509
Purchases awaiting settlement	612,125	3,300,000
Accrued expenses	127,836	120,565
Deferred taxation	9,599	-
Corporation tax payable	260,743	220,533
Total other creditors	<u>1,131,770</u>	<u>4,672,607</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to the ACD at the year end are £205,875 (2022: £1,132,355).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

A Accumulation	0.50%
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IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2023		30 November 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	41,241,172	-	33,748,030	-
Level 2 - Observable market data	137,961,602	-	158,735,348	-
Level 3 - Unobservable data	-	-	-	-
	<u>179,202,774</u>	<u>-</u>	<u>192,483,378</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

Level 1 - Unadjusted quoted price in an active market for an identical instrument;

Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	30 November 2023 ^A	14 March 2024	Movement (%)
A Accumulation	109.60	114.60	4.56%

^A These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2022 to 30 November 2023

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

		Net revenue 30 November 2023 pence per share	Equalisation 30 November 2023 pence per share	Distribution paid 31 January 2024 pence per share	Distribution paid 31 January 2023 pence per share
A Accumulation	Group 1	2.0130	-	2.0130	1.5025
	Group 2	1.1552	0.8578	2.0130	1.5025

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Performance to 30 November 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Balanced Portfolio	1.08%	1.26%	1.08%	13.50%
UK Consumer Prices Index	0.29%	3.94%	20.93%	23.10%
UK Consumer Prices Index plus 5% per annum	2.72%	9.04%	39.61%	56.42%

External Source of Economic Data: Morningstar (A Accumulation - quoted price to quoted price).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this share class is calculated in sterling.

Investment commentary

Market review

Markets started the period strongly, but then hit major turbulence with the failure of Silicon Valley Bank and Credit Suisse in March 2023.

After recovering from this potential banking crisis, markets continued to be volatile as central banks put up interest rates much more than investors had expected at the start of the year, whilst the much anticipated recession failed to appear.

By autumn, we saw sustained evidence of falling inflation, and central banks began to signal they may be done with interest rate increases and could even consider cutting again in 2024. This has allowed interest rate sensitive assets like real estate and small company stocks to rise sharply.

This year also saw big advances in artificial intelligence. This helped the United States (US) stock market – which has a high proportion in technology stocks – to do very well. However, outside of the large US technology sector, equity market returns have been generally sluggish.

Performance statement

Whilst markets have been volatile, the portfolio produced positive returns in the 12 months to the end of November with a total return of 1.26%. The United Kingdom (UK) inflation rate over the same period was 3.94%.

Sub-fund performance review

Within the individual assets, the global equity funds were notably strong, propelled by the strong performance of US stocks in particular, that rose sharply.

In the UK stock market, the FTSE 100 Index again held up relatively well, but companies outside the top 100 stocks struggled for much of the year.

The structured product* holdings, linked to the returns on the FTSE 100 and S&P 500 indices, have had relatively strong returns, with several products maturing in 2023 which we have replaced with new products.

Conversely, the most disappointing investments were our renewable energy and forestry holdings. As “real assets” (they are forms of infrastructure and real estate respectively), these were hurt by rising borrowing costs. The fall in the renewable energy infrastructure fund is partly due to falling energy prices generally. Assets within both funds are now trading well below their net asset value**, with the forestry fund priced at a 37% discount to the underlying value of the assets.

Another area which struggled in the 12 month period was emerging markets. The boost to economic growth expected as China opened up following the lifting of Covid restrictions was not as strong as hoped, and the economy struggled with deflation throughout much of the year, even while the West fought inflation.

Portfolio activity

The US stock market was notably strong, and we think this is an area where many stocks became overvalued and so we reduced holdings in this area during the 12 months. Holdings in big US technology stocks were reduced by selling a Nasdaq index tracker fund and reducing exposure to the S&P 500 index (where more money is invested in the larger companies).

We kept the allocation to US equities but instead switched some to US smaller companies, which had lower valuations, and to an equal weighted S&P 500 index tracker fund, which allocates the same amount to each of the 500 stocks in the index regardless of size.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Investment commentary (continued)

Investment outlook

After a tough couple of years for investors, there are definite reasons for optimism about the future. Many asset classes remain much cheaper than they were a few years ago and undervalued relative to their own long term history.

Therefore, if the consensus is correct and inflation continues to fall, economies remain steady and interest rates are cut, then we think there's a chance of some very attractive returns going forward. However, in our view it is important not to be too exposed to stocks at extreme valuations; avoiding potentially significant losses is just as vital as trying to gain exposure to the areas with the highest growth potential.

Equilibrium Investment Management LLP
8 January 2024

* Structured products are investments designed so that they can pay out a fixed level of return and mature early automatically, if specific conditions regarding the levels of the markets are met.

** Net asset value is the value of an fund's total assets less its total liabilities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	1.9107	1.4071	1.1868	1.2874

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS US Treasury 'Premier' USD	20,642,168
iShares \$ TIPS UCITS ETF USD	18,260,169
iShares UK Property UCITS ETF GBP	17,606,318
Man GLG High Yield Opportunities 'C'	16,550,000
Aegon High Yield Bond 'S' Sterling	16,400,000
iShares Core UK Gilts UCITS ETF GBP	14,988,102
Artemis UK Select 'I' GBP	13,903,755
Artemis Corporate Bond 'I' GBP	13,765,000
AHFM Defined Returns 'B' GBP	12,654,421
Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	12,451,828
Other purchases	188,626,335
Total purchases for the year	345,848,096
<u>Largest sales</u>	<u>Proceeds (£)</u>
BlackRock ICS US Treasury 'Premier' USD	28,105,458
Morgan Stanley Global Brands 'I' GBP	20,866,627
Premier Miton UK Multi Cap Income 'B Inst'	18,786,144
MI TwentyFour Dynamic Bond 'I' Gross	18,161,960
FP Foresight UK Infrastructure Income 'A'	15,442,327
Societe Generale FTSE Autocall Dec 23	13,253,251
JPM FTSE Autocall Sep 24	12,611,537
iShares Core UK Gilts UCITS ETF GBP	11,908,373
Credit Suisse FTSE/S&P Autocall Feb 24	11,156,219
MI TwentyFour Monument Bond 'L'	11,045,527
Other sales	185,803,473
Total sales for the year	347,140,896

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

COMPARATIVE TABLE

A Accumulation shares

Change in net assets per share	Year to 30.11.2023 pence	Year to 30.11.2022 pence	Year to 30.11.2021 pence
Opening net asset value per share	110.81	120.73	110.99
Return before operating charges*	2.62	(8.48)	11.00
Operating charges	(1.21)	(1.44)	(1.26)
Return after operating charges*	1.41	(9.92)	9.74
Distributions on accumulation shares	(1.91)	(1.41)	(1.19)
Retained distributions on accumulation shares	1.91	1.41	1.19
Closing net asset value per share	112.22	110.81	120.73

* after direct transaction costs of: 0.01 0.02 0.02

Performance

Return after charges^A 1.27% (8.22)% 8.78%

Other information

Closing net asset value (£)	422,482,993	421,107,192	447,500,521
Closing number of shares	376,469,238	380,032,787	370,658,176
Operating charges	1.09% ^{C,D}	1.25% ^{B,C}	1.06% ^B
Direct transaction costs	0.01%	0.02%	0.02%

Prices (pence per share)

Highest share price	115.00	123.10	123.60
Lowest share price	108.50	104.20	111.20

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^C Effective from 1 February 2022, the Annual Management Charge (AMC) for A Accumulation shares increased from 0.25% to 0.50%.

^D On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each share class in the period. Where it is considered unsuitable to use the total expenses paid by each share class in the period to calculate the OCF because of material changes to the sub-fund's charges an estimate may be calculated instead. This is the approach taken when calculating the sub-fund's OCFs. The operating charges are the total expenses paid by each share class, however the OCFs disclosed in the Key Investor Information Document (KIID) (available on IFSL's website, www.ifslfunds.com) give an estimate of future costs.

Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value over the period and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR

Lower risk Higher risk

←-----→

Typically lower rewards Typically higher rewards

1	2	3	4	5	6	7
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This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years data is not available for a fund, simulated data of a representative portfolio is used.

The sub-fund has been measured as 4 because its investments have experienced moderate volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2022 - 27.07%)		
9,823,783 Aegon High Yield Bond 'S' Sterling	12,212,927	2.89
16,189,278 Allianz Strategic Bond 'I' GBP	16,090,523	3.81
13,887,433 Artemis Corporate Bond 'I' GBP	14,101,300	3.34
93,256 iShares \$ TIPS UCITS ETF USD ^C	16,873,139	3.99
2,579,482 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	11,029,865	2.61
1,274,613 iShares Core UK Gilts UCITS ETF GBP ^C	12,841,726	3.04
9,074,677 Man GLG High Yield Opportunities 'C'	12,169,142	2.88
128,821 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	12,295,995	2.91
14,255,434 Premier Miton Strategic Monthly Income Bond 'C'	14,768,629	3.50
12,970,027 Royal London Short Duration Global High Yield Bond 'Z'	14,937,580	3.54
14,009,033 Royal London Sterling Extra Yield Bond 'Z'	12,921,932	3.06
1,754,769 Waverton Sterling Bond 'P' Stg£	15,008,539	3.55
Total Fixed Interest	<u>165,251,297</u>	<u>39.12</u>
REAL ASSETS (30 November 2022 - 14.93%)		
5,540,000 Foresight Sustainable Forestry Company ^B	3,412,640	0.81
13,914,165 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	12,835,817	3.04
3,484,241 iShares UK Property UCITS ETF GBP ^C	15,342,855	3.63
5,262,638 VT Gravis Clean Energy Income 'C' GBP	7,589,114	1.80
Total Real Assets	<u>39,180,426</u>	<u>9.28</u>
DEFINED RETURNS (30 November 2022 - 14.94%)		
3,934,388 AHFM Defined Returns 'B' GBP	7,565,828	1.79
7,740,000 BNP Paribas FTSE Autocall Sep 28 ^A	7,825,140	1.85
5,000,000 Credit Agricole CIB Finance Feb 28A	5,637,500	1.33
7,700,000 Credit Agricole FTSE/S&P Autocall Oct 28 ^A	7,798,560	1.85
6,250,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	6,426,875	1.52
8,000,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	8,000,000	1.89
7,780,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	7,818,122	1.85
Total Defined Returns	<u>51,072,025</u>	<u>12.08</u>
ALTERNATIVE EQUITY (30 November 2022 - 6.44%)		
5,414,453 Atlantic House Uncorrelated Strategies 'X' GBP Hedged	5,967,269	1.41
168,087 THEAM Quant Dynamic Volatility Carry 'M' USD	12,844,527	3.04
Total Alternative Equity	<u>18,811,796</u>	<u>4.45</u>
EQUITY (30 November 2022 - 32.94%)		
755,794 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	8,304,362	1.96
1,516,863 Artemis UK Select 'I' GBP	12,117,462	2.87
1,532,239 Baillie Gifford Emerging Markets Leading Companies 'B'	8,009,014	1.89
134,128 iShares S&P SmallCap 600 UCITS ETF USD ^C	8,262,285	1.96
1,323,888 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^C	16,533,937	3.91
7,143,917 Liontrust European Dynamic 'S'	8,506,141	2.01
11,113,043 Liontrust Special Situations 'I'	12,933,359	3.06
13,357,631 Royal London Global Equity Select 'Z'	18,714,040	4.43
14,436,251 Schroder Global Recovery 'L' GBP	14,681,667	3.48
8,235,261 WS Evenlode Global Equity 'F' GBP	11,649,600	2.76
8,406,799 WS Gresham House UK Multi Cap Income 'A' Sterling	8,803,600	2.08
104,166 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	6,501,311	1.54
Total Equity	<u>135,016,778</u>	<u>31.95</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
MONEY MARKETS (30 November 2022 - 2.63%)		
9,291 BlackRock ICS Sterling Government Liquidity Premier GBP	1,003,346	0.24
83,264 BlackRock ICS US Treasury Premier USD	7,384,502	1.75
Total Money Markets	<u>8,387,848</u>	<u>1.99</u>
Portfolio of investments	417,720,170	98.87
Net other assets	<u>4,762,823</u>	<u>1.13</u>
Total net assets	<u><u>422,482,993</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are exchange listed structured products, ^B which are Closed Ended Investment Companies and ^C which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2023

	Notes	30 November 2023		30 November 2022	
		£	£	£	£
Income:					
Net capital losses	2		(1,768,563)		(43,056,518)
Revenue	4	10,774,280		8,409,878	
Expenses	5	<u>(2,725,379)</u>		<u>(2,638,929)</u>	
Net revenue before taxation		8,048,901		5,770,949	
Taxation	6	<u>(831,406)</u>		<u>(579,677)</u>	
Net revenue after taxation			<u>7,217,495</u>		<u>5,191,272</u>
Total return before distributions			5,448,932		(37,865,246)
Distributions	7		(7,230,226)		(5,315,888)
Change in net assets attributable to shareholders from investment activities			<u>(1,781,294)</u>		<u>(43,181,134)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2023

	30 November 2023		30 November 2022	
	£	£	£	£
Opening net assets attributable to shareholders		421,107,192		447,500,521
Amounts receivable on issue of shares	31,028,099		49,689,687	
Amounts payable on cancellation of shares	<u>(35,067,379)</u>		<u>(38,254,692)</u>	
Compensation to sub-fund	3,359		5,211	
		(4,035,921)		11,440,206
Change in net assets attributable to shareholders from investment activities		(1,781,294)		(43,181,134)
Retained distribution on accumulation shares		7,193,016		5,347,599
Closing net assets attributable to shareholders		<u>422,482,993</u>		<u>421,107,192</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

BALANCE SHEET
as at 30 November 2023

	Notes	30 November 2023 £	30 November 2022 £
Assets:			
Fixed Assets:			
Investments	14	417,720,170	416,667,465
Current Assets:			
Debtors	8	1,074,273	6,815,346
Cash and cash equivalents		6,673,764	9,218,552
Total assets		<u>425,468,207</u>	<u>432,701,363</u>
Liabilities:			
Creditors:			
Bank overdrafts		2,090,419	-
Other creditors	9	894,795	11,594,171
Total liabilities		<u>2,985,214</u>	<u>11,594,171</u>
Net assets attributable to shareholders		<u><u>422,482,993</u></u>	<u><u>421,107,192</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 12 to 14.

2 NET CAPITAL LOSSES

30 November 2023 **30 November 2022**
£ **£**

The net losses on investments during the year comprise:

Realised losses on non-derivative securities	(1,286,240)	(2,646,058)
Unrealised losses on non-derivative securities	(591,116)	(40,139,035)
Other currency gains/(losses)	104,664	(282,984)
Management fee rebates	8,367	16,337
Transaction charges	(4,238)	(4,778)
Net capital losses	(1,768,563)	(43,056,518)

Where realised gains/(losses) include gains/(losses) arising in prior years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2023 **30 November 2022**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	229,410,425	277,362,151
Equities	500,391	21,023,332
Exchange Traded Funds	78,486,907	100,148,515
Structured Products	37,441,542	23,400,000
	<u>345,839,265</u>	<u>421,933,998</u>

Equities:	Commissions	500	12,187
	Taxes and other charges	2,506	75,804
Exchange Traded Funds:	Commissions	5,825	-
	Taxes and other charges	-	2
		<u>8,831</u>	<u>87,993</u>

Total purchases transaction costs

Total purchases after transaction costs	345,848,096	422,021,991
--	--------------------	--------------------

Purchases transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.10%	0.06%
	Taxes and other charges	0.50%	0.36%
Exchange Traded Funds:	Commissions	0.01%	0.00%
	Taxes and other charges	0.00%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	228,388,375	340,123,322
Equities	22,911,052	2,145,866
Exchange Traded Funds	33,634,513	58,723,479
Structured Products	62,221,857	17,155,259
	<u>347,155,797</u>	<u>418,147,926</u>

Equities:	Commissions	(14,892)	(2,146)
	Taxes and other charges	(9)	(4)
		<u>(14,901)</u>	<u>(2,150)</u>

Total sales transaction costs

Total sales after transaction costs	347,140,896	418,145,776
--	--------------------	--------------------

Sales transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.06%	0.10%
	Taxes and other charges	0.00%	0.00%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.01%	0.00%
Taxes and other charges	0.00%	0.02%
	<u>0.01%</u>	<u>0.02%</u>

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

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IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

PURCHASES, SALES AND TRANSACTION COSTS (continued)	30 November 2023	30 November 2022
Transaction handling charges		
These are charges payable to the depositary in respect of each transaction.	4,238	4,778
Average portfolio dealing spread		
This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.		
Average portfolio dealing spread at the balance sheet date	0.13%	0.20%
4 REVENUE	30 November 2023	30 November 2022
	£	£
Non-taxable UK dividends	3,406,131	3,371,554
Taxable UK dividends	85,001	175,279
Overseas dividends	588,169	159,406
Interest distributions	6,199,510	3,897,655
Property income distributions	334,288	735,122
Management fee rebates	24,874	51,513
Bank interest	136,307	19,349
Total revenue	10,774,280	8,409,878
5 EXPENSES	30 November 2023	30 November 2022
	£	£
Payable to the ACD or associate:		
Annual investment management charge	2,107,346	1,982,478
ACD charge	471,469	484,609
Registration fees	316	331
KIID production costs	598	601
	2,579,729	2,468,019
Other expenses:		
Depositary's fees	107,852	114,623
Safe Custody fees	27,181	39,326
Bank interest	930	6,126
Audit fee	8,712	7,920
Sundry expenses	975	2,915
	145,650	170,910
Total expenses	2,725,379	2,638,929
6 TAXATION	30 November 2023	30 November 2022
	£	£
a Analysis of the tax charge for the year		
Corporation tax at 20%	822,964	563,143
Prior year corporation tax adjustment	7,755	7,063
Total current tax charge for the year (see note 6(b))	830,719	570,206
Deferred tax charge for the year (see note 6(c))	687	9,471
Total deferred tax charge for the year	687	9,471
Total tax charge for the year	831,406	579,677
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	8,048,901	5,770,949
Corporation tax at 20% (2022: 20%)	1,609,780	1,154,190

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

TAXATION (continued)	30 November 2023	30 November 2022
	£	£
Effects of:		
Revenue not subject to taxation	(798,860)	(706,192)
Tax effect of gains on non-reporting offshore funds	11,058	121,349
Tax effect of capitalised management fee rebate	1,673	3,267
Prior year corporation tax adjustment	7,755	7,063
Deferred tax movement	(687)	(9,471)
Total current tax charge for the year (see note 6(a))	<u>830,719</u>	<u>570,206</u>
c Provision for deferred taxation		
Provision at start of the year	9,471	-
Deferred tax charge for the year (see note 6(a))	687	9,471
Provision at end of the year	<u>10,158</u>	<u>9,471</u>
7 DISTRIBUTIONS	30 November 2023	30 November 2022
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	7,193,203	5,347,629
Amounts deducted on cancellation of shares	311,263	196,825
Amounts added on issue of shares	(274,052)	(228,536)
Revenue brought forward	(188)	(30)
Distributions	<u>7,230,226</u>	<u>5,315,888</u>
Movement between net revenue and distributions:		
Net revenue after taxation	7,217,495	5,191,272
Tax effect of gains on non-reporting offshore funds	11,058	121,349
Tax effect of capitalised management fee rebate	1,673	3,267
	<u>7,230,226</u>	<u>5,315,888</u>
8 DEBTORS	30 November 2023	30 November 2022
	£	£
Amounts receivable for issue of shares	408,463	1,678,116
Sales awaiting settlement	-	4,800,000
Accrued income	648,810	302,174
Taxation recoverable	17,000	35,056
Total debtors	<u>1,074,273</u>	<u>6,815,346</u>
9 OTHER CREDITORS	30 November 2023	30 November 2022
	£	£
Amounts payable for cancellation of shares	151,974	37,605
Purchases awaiting settlement	-	11,000,000
Accrued expenses	269,699	233,952
Deferred taxation	10,158	-
Corporation tax payable	462,964	322,614
Total other creditors	<u>894,795</u>	<u>11,594,171</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due from the ACD at the year end are £46,473 (2022: £1,431,223).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

A Accumulation	0.50%
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

12 SHAREHOLDERS' FUNDS RECONCILIATION

During the year the ACD has issued and cancelled shares as set out below:

	A Accumulation
Opening shares in issue at 1 December 2022	380,032,787
Shares issued	28,192,319
Shares cancelled	(31,755,868)
Closing shares in issue at 30 November 2023	376,469,238

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £20,886,009 (2022: £20,833,373). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

<u>Foreign currency exposure at 30 November 2023</u>	Investments £	Net other assets £	Total £
Euro	-	4,003	4,003
US dollar	60,137,415	-	60,137,415
	<u>60,137,415</u>	<u>4,003</u>	<u>60,141,418</u>

<u>Foreign currency exposure at 30 November 2022</u>	Investments £	Net other assets £	Total £
Euro	-	2,500	2,500
US dollar	37,462,877	-	37,462,877
	<u>37,462,877</u>	<u>2,500</u>	<u>37,465,377</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £3,007,071 (2022: £1,873,269). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2023 £	30 November 2022 £
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The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets floating rate ^A	6,673,764	9,218,552
Financial assets interest bearing instruments	181,204,974	114,007,883
Financial assets non-interest bearing instruments	237,589,469	309,474,928
Financial liabilities floating rate ^A	(2,090,419)	-
Financial liabilities non-interest bearing instruments	(894,795)	(11,594,171)
	<u>422,482,993</u>	<u>421,107,192</u>

^A Floating rate assets and liabilities comprise bank balances and overdrafts, whose rates are determined by reference to SONIA or an international equivalent borrowing rate. Interest on investments is variable based on the distribution received from underlying investments.

Interest rate risk sensitivity

An interest rate sensitivity disclosure has not been included because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

30 November 2023 £	30 November 2022 £
-----------------------	-----------------------

The following table provides a maturity analysis of the sub-fund's financial liabilities:

On demand:	Bank overdrafts	2,090,419	-
Within one year:	Other creditors	894,795	11,594,171
		<u>2,985,214</u>	<u>11,594,171</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2023		30 November 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	90,797,756	-	71,022,240	-
Level 2 - Observable market data	326,922,414	-	345,645,225	-
Level 3 - Unobservable data	-	-	-	-
	<u>417,720,170</u>	<u>-</u>	<u>416,667,465</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

Level 1 - Unadjusted quoted price in an active market for an identical instrument;

Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	30 November 2023 ^A	14 March 2024	Movement (%)
A Accumulation	112.30	118.10	5.16%

^A These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2022 to 30 November 2023

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

		Net revenue 30 November 2023 pence per share	Equalisation 30 November 2023 pence per share	Distribution paid 31 January 2024 pence per share	Distribution paid 31 January 2023 pence per share
A Accumulation	Group 1	1.9107	-	1.9107	1.4071
	Group 2	0.9912	0.9195	1.9107	1.4071

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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Performance to 30 November 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Adventurous Portfolio	1.23%	2.76%	1.05%	17.22%
UK Consumer Prices Index	0.29%	3.94%	20.93%	23.10%
UK Consumer Prices Index plus 5.5% per annum	2.97%	9.56%	41.63%	60.20%

External Source of Economic Data: Morningstar (A Accumulation - quoted price to quoted price).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this share class is calculated in sterling.

Investment commentary

Market review

Markets started the period strongly, but then hit major turbulence with the failure of Silicon Valley Bank and Credit Suisse in March 2023.

After recovering from this potential banking crisis, markets continued to be volatile as central banks put up interest rates much more than investors had expected at the start of the year, whilst the much anticipated recession failed to appear.

By autumn, we saw sustained evidence of falling inflation, and central banks began to signal they may be done with interest rate increases and could even consider cutting again in 2024. This has allowed interest rate sensitive assets like real estate and small company stocks to rise sharply.

This year also saw big advances in artificial intelligence. This helped the United States (US) stock market – which has a high proportion in technology stocks – to do very well. However, outside of the large US technology sector, equity market returns have been generally sluggish.

Performance statement

Whilst markets have been volatile, the portfolio produced positive returns in the 12 months to the end of November with a total return of 2.76%. The United Kingdom (UK) inflation rate over the same period was 3.94%.

Sub-fund performance review

Within the individual assets, the global equity funds were notably strong, propelled by the strong performance of US stocks in particular, that rose sharply.

In the UK stock market, the FTSE 100 Index again held up relatively well, but companies outside the top 100 stocks struggled for much of the year.

The structured product* holdings, linked to the returns on the FTSE 100 and S&P 500 indices, have had relatively strong returns, with several products maturing in 2023 which we have replaced with new products.

Conversely, the most disappointing investments were our renewable energy and forestry holdings. As “real assets” (they are forms of infrastructure and real estate respectively), these were hurt by rising borrowing costs. The fall in the renewable energy infrastructure fund is partly due to falling energy prices generally. Assets within both funds are now trading well below their net asset value**, with the forestry fund priced at a 37% discount to the underlying value of the assets.

Another area which struggled in the 12 month period was emerging markets. The boost to economic growth expected as China opened up following the lifting of Covid restrictions was not as strong as hoped, and the economy struggled with deflation throughout much of the year, even while the West fought inflation.

Portfolio activity

The US stock market was notably strong, and we think this is an area where many stocks became overvalued and so we reduced holdings in this area during the 12 months. Holdings in big US technology stocks were reduced by selling a Nasdaq index tracker fund and reducing exposure to the S&P 500 index (where more money is invested in the larger companies).

We kept the allocation to US equities but instead switched some to US smaller companies, which had lower valuations, and to an equal weighted S&P 500 index tracker fund, which allocates the same amount to each of the 500 stocks in the index regardless of size.

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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Investment commentary (continued)

Investment outlook

After a tough couple of years for investors, there are definite reasons for optimism about the future. Many asset classes remain much cheaper than they were a few years ago and undervalued relative to their own long term history.

Therefore, if the consensus is correct and inflation continues to fall, economies remain steady and interest rates are cut, then we think there's a chance of some very attractive returns going forward. However, in our view it is important not to be too exposed to stocks at extreme valuations; avoiding potentially significant losses is just as vital as trying to gain exposure to the areas with the highest growth potential.

Equilibrium Investment Management LLP
8 January 2024

* Structured products are investments designed so that they can pay out a fixed level of return and mature early automatically, if specific conditions regarding the levels of the markets are met.

** Net asset value is the value of an fund's total assets less its total liabilities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	1.7409	1.0985	0.7612	0.8834

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
iShares UK Property UCITS ETF GBP	15,829,691
WS Evenlode Global Equity 'F' GBP	13,715,227
Man GLG High Yield Opportunities 'C'	13,082,734
Aegon High Yield Bond 'S' Sterling	12,685,681
iShares S&P SmallCap 600 UCITS ETF USD	10,826,119
Artemis UK Select 'I' GBP	10,393,397
AHFM Defined Returns 'B' GBP	9,939,175
Royal London Short Duration Global High Yield Bond 'Z'	9,750,000
Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	9,041,350
Liontrust European Dynamic 'S'	8,942,837
Other purchases	91,317,567
Total purchases for the year	205,523,778
<u>Largest sales</u>	<u>Proceeds (£)</u>
Morgan Stanley Global Brands 'I' GBP	18,769,943
Federated Hermes Global Emerging Markets SMID Equity 'X' Stg£	12,279,133
Societe Generale FTSE Autocall Dec 23	11,248,020
MI TwentyFour Dynamic Bond 'I' Gross	10,849,337
Premier Miton UK Multi Cap Income 'B Inst'	10,230,251
iShares NASDAQ 100 UCITS ETF USD	9,669,444
Premier Miton European Opportunities 'F'	9,232,955
FP Foresight Global Real Infrastructure 'A' GBP	9,159,729
JPM FTSE Autocall Sep 24	8,913,177
Credit Suisse FTSE/S&P Autocall Feb 24	7,358,070
Other sales	86,498,451
Total sales for the year	194,208,510

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

COMPARATIVE TABLE

A Accumulation shares

Change in net assets per share	Year to 30.11.2023 pence	Year to 30.11.2022 pence	Year to 30.11.2021 pence
Opening net asset value per share	112.19	127.61	114.11
Return before operating charges*	4.45	(13.85)	14.91
Operating charges	(1.35)	(1.57)	(1.41)
Return after operating charges*	3.10	(15.42)	13.50
Distributions on accumulation shares	(1.74)	(1.10)	(0.76)
Retained distributions on accumulation shares	1.74	1.10	0.76
Closing net asset value per share	115.29	112.19	127.61

* after direct transaction costs of: 0.01 0.03 0.03

Performance

Return after charges^A 2.76% (12.08)% 11.83%

Other information

Closing net asset value (£)	306,249,680	289,997,249	274,645,192
Closing number of shares	265,631,500	258,498,241	215,227,604
Operating charges	1.18% ^{C,D}	1.33% ^{B,C}	1.13% ^B
Direct transaction costs	0.00%	0.03%	0.02%

Prices (pence per share)

Highest share price	118.20	130.10	131.40
Lowest share price	110.10	106.00	114.20

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

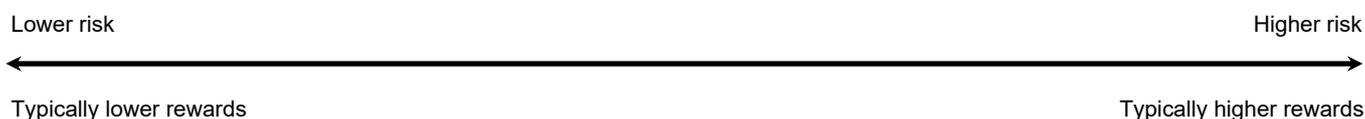
^C Effective from 1 February 2022, the Annual Management Charge (AMC) for A Accumulation shares increased from 0.25% to 0.50%.

^D On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each share class in the period. Where it is considered unsuitable to use the total expenses paid by each share class in the period to calculate the OCF because of material changes to the sub-fund's charges an estimate may be calculated instead. This is the approach taken when calculating the sub-fund's OCFs. The operating charges are the total expenses paid by each share class, however the OCFs disclosed in the Key Investor Information Document (KIID) (available on IFSL's website, www.ifslfunds.com) give an estimate of future costs.

Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value over the period and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



1	2	3	4	5	6	7
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This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years data is not available for a fund, simulated data of a representative portfolio is used.

The sub-fund has been measured as 5 because its investments have experienced moderate to high volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2022 - 14.29%)		
10,505,828 Aegon High Yield Bond 'S' Sterling	13,060,846	4.26
27,130 iShares \$ TIPS UCITS ETF USD ^C	4,908,727	1.60
652,595 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	2,790,496	0.91
9,549,432 Man GLG High Yield Opportunities 'C'	12,805,789	4.18
32,010 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	3,055,390	1.00
9,171,300 Premier Miton Strategic Monthly Income Bond 'C'	9,501,467	3.10
7,703,332 Royal London Short Duration Global High Yield Bond 'Z'	8,871,928	2.90
14,167,754 Royal London Sterling Extra Yield Bond 'Z'	13,068,336	4.27
968,457 Waverton Sterling Bond 'P' Stg£	8,283,210	2.70
Total Fixed Interest	<u>76,346,189</u>	<u>24.92</u>
REAL ASSETS (30 November 2022 - 14.11%)		
2,972,000 Foresight Sustainable Forestry Company ^B	1,830,752	0.60
7,581,125 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	6,993,588	2.28
2,160,574 iShares UK Property UCITS ETF GBP ^C	9,514,088	3.11
3,723,392 VT Gravis Clean Energy Income 'C' GBP	5,369,406	1.75
Total Real Assets	<u>23,707,834</u>	<u>7.74</u>
DEFINED RETURNS (30 November 2022 - 13.52%)		
2,727,424 AHFM Defined Returns 'B' GBP	5,244,837	1.71
5,650,000 BNP Paribas FTSE Autocall Sep 28 ^A	5,712,150	1.87
3,700,000 Credit Agricole CIB Finance Feb 28 ^A	4,171,750	1.36
5,900,000 Credit Agricole FTSE/S&P Autocall Oct 28 ^A	5,975,520	1.95
5,630,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	5,789,329	1.89
6,000,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	6,000,000	1.96
5,170,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	5,195,333	1.70
Total Defined Returns	<u>38,088,919</u>	<u>12.44</u>
ALTERNATIVE EQUITY (30 November 2022 - 3.74%)		
79,566 THEAM Quant Dynamic Volatility Carry 'M' USD	6,080,096	1.99
Total Alternative Equity	<u>6,080,096</u>	<u>1.99</u>
EQUITY (30 November 2022 - 53.13%)		
797,275 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	8,760,139	2.86
8,042,147 Allianz China A-Shares Equity 'W' GBP	5,499,220	1.80
1,359,843 Artemis UK Select 'I' GBP	10,863,106	3.55
730,068 Baillie Gifford American 'B'	8,622,101	2.82
2,430,146 Baillie Gifford Emerging Markets Leading Companies 'B'	12,702,371	4.15
3,633,941 Chrysalis Investments ^B	2,460,178	0.80
250,499 Goldman Sachs India Equity 'I' GBP	6,222,389	2.03
1,374,776 HgCapital Trust ^B	5,567,843	1.82
149,442 iShares S&P SmallCap 600 UCITS ETF USD ^C	9,205,627	3.01
985,887 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^C	12,312,668	4.02
7,656,129 Liontrust European Dynamic 'S'	9,116,023	2.98
7,983,193 Liontrust Special Situations 'I'	9,290,840	3.03
11,451,651 Royal London Global Equity Select 'Z'	16,043,762	5.24
3,174,365 Schiehallion Fund ^B	1,657,501	0.54
15,848,243 Schroder Global Recovery 'L' GBP	16,117,663	5.26
1,799,814 VT Teviot UK Smaller Companies Sterling	3,025,908	0.99
9,968,759 WS Evenlode Global Equity 'F' GBP	14,101,806	4.60
5,470,151 WS Gresham House UK Multi Cap Income 'A' Sterling	5,728,342	1.87
74,778 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	4,667,117	1.52
Total Equity	<u>161,964,604</u>	<u>52.89</u>
Portfolio of investments	<u>306,187,642</u>	<u>99.98</u>
Net other assets	<u>62,038</u>	<u>0.02</u>
Total net assets	<u><u>306,249,680</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are exchange listed structured products, ^B which are Closed Ended Investment Companies and ^C which are Exchange Traded Funds.

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STATEMENT OF TOTAL RETURN
for the year ended 30 November 2023

	Notes	30 November 2023		30 November 2022	
		£	£	£	£
Income:					
Net capital gains/(losses)	2		3,541,117		(39,531,517)
Revenue	4	7,006,578		4,449,546	
Expenses	5	<u>(1,990,840)</u>		<u>(1,760,522)</u>	
Net revenue before taxation		5,015,738		2,689,024	
Taxation	6	<u>(387,101)</u>		<u>(117,364)</u>	
Net revenue after taxation			<u>4,628,637</u>		<u>2,571,660</u>
Total return before distributions			8,169,754		(36,959,857)
Distributions	7		(4,643,791)		(2,621,771)
Change in net assets attributable to shareholders from investment activities			<u>3,525,963</u>		<u>(39,581,628)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2023

	30 November 2023		30 November 2022	
	£	£	£	£
Opening net assets attributable to shareholders		289,997,249		274,645,192
Amounts receivable on issue of shares	30,408,022		72,840,226	
Amounts payable on cancellation of shares	<u>(22,311,238)</u>		<u>(20,746,106)</u>	
Compensation to sub-fund	5,275		-	
		8,102,059		52,094,120
Change in net assets attributable to shareholders from investment activities		3,525,963		(39,581,628)
Retained distributions on accumulation shares		4,624,409		2,839,565
Closing net assets attributable to shareholders		<u>306,249,680</u>		<u>289,997,249</u>

IFSL EQUILIBRIUM OEIC
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BALANCE SHEET
as at 30 November 2023

	Notes	30 November 2023 £	30 November 2022 £
Assets:			
Fixed Assets:			
Investments	14	306,187,642	286,479,218
Current Assets:			
Debtors	8	503,347	1,747,854
Cash and cash equivalents		4,127,719	6,156,814
Total assets		<u>310,818,708</u>	<u>294,383,886</u>
Liabilities:			
Creditors:			
Bank overdrafts		3,209,620	-
Other creditors	9	1,359,408	4,386,637
Total liabilities		<u>4,569,028</u>	<u>4,386,637</u>
Net assets attributable to shareholders		<u><u>306,249,680</u></u>	<u><u>289,997,249</u></u>

IFSL EQUILIBRIUM OEIC
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 12 to 14.

2 NET CAPITAL GAINS/(LOSSES)

30 November 2023 **30 November 2022**
£ **£**

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

Realised losses on non-derivative securities	(5,073,900)	(5,829,739)
Unrealised gains/(losses) on non-derivative securities	8,555,281	(33,624,132)
Other currency gains/(losses)	56,835	(77,253)
Management fee rebates	7,297	5,370
Transaction charges	(4,396)	(5,763)
Net capital gains/(losses)	3,541,117	(39,531,517)

Where realised gains/(losses) include gains/(losses) arising in prior years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2023 **30 November 2022**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	135,037,805	170,867,647
Equities	1,053,759	17,385,421
Exchange Traded Funds	40,483,785	40,983,770
Structured Products	28,944,825	16,093,836
	<u>205,520,174</u>	<u>245,330,674</u>
Equities: Commissions	852	11,489
Taxes and other charges	2,752	68,653
Total purchases transaction costs	<u>3,604</u>	<u>80,142</u>
Total purchases after transaction costs	205,523,778	245,410,816

Purchases transaction costs expressed as a percentage of the principal amount:

Equities: Commissions	0.08%	0.07%
Taxes and other charges	0.26%	0.39%

Sales excluding transaction costs:

Collective Investment Schemes	117,258,745	166,978,091
Equities	15,935,042	395,401
Exchange Traded Funds	22,676,181	18,917,121
Structured Products	38,348,671	8,538,662
	<u>194,218,639</u>	<u>194,829,275</u>
Equities: Commissions	(10,123)	(395)
Taxes and other charges	(6)	(2)
Total sales transaction costs	<u>(10,129)</u>	<u>(397)</u>
Total sales after transaction costs	194,208,510	194,828,878

Sales transaction costs expressed as a percentage of the principal amount:

Equities: Commissions	0.06%	0.10%
Taxes and other charges	0.00%	0.00%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.00%	0.00%
Taxes and other charges	0.00%	0.02%
	<u>0.00%</u>	<u>0.02%</u>

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

Transaction handling charges

These are charges payable to the depositary in respect of each transaction.

4,396 5,763

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

PURCHASES, SALES AND TRANSACTION COSTS (continued)	30 November 2023	30 November 2022
Average portfolio dealing spread		
This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.		
Average portfolio dealing spread at the balance sheet date	0.19%	0.30%
4 REVENUE	30 November 2023	30 November 2022
	£	£
Non-taxable UK dividends	2,585,889	2,147,944
Taxable UK dividends	25,359	56,167
Overseas dividends	595,280	222,300
Interest distributions	3,425,207	1,508,687
Property income distributions	281,725	472,381
Management fee rebates	20,859	34,858
Bank interest	72,259	7,209
Total revenue	7,006,578	4,449,546
5 EXPENSES	30 November 2023	30 November 2022
	£	£
Payable to the ACD or associate:		
Annual investment management charge	1,518,442	1,298,057
ACD charge	353,689	333,585
Registration fees	930	947
KIID production costs	598	601
	1,873,659	1,633,190
Other expenses:		
Depository's fees	86,651	87,286
Safe Custody fees	20,432	24,837
Bank interest	625	5,395
Audit fee	8,712	7,920
Sundry expenses	761	1,894
	117,181	127,332
Total expenses	1,990,840	1,760,522
6 TAXATION	30 November 2023	30 November 2022
	£	£
a Analysis of the tax charge for the year		
Corporation tax at 20%	375,947	99,168
Prior year corporation tax adjustment	5,033	3,496
Total current tax charge for the year (see note 6(b))	380,980	102,664
Deferred tax charge for the year (see note 6(c))	6,121	14,700
Total deferred tax charge for the year	6,121	14,700
Total tax charge for the year	387,101	117,364
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	5,015,738	2,689,024
Corporation tax at 20% (2022: 20%)	1,003,148	537,805
Effects of:		
Revenue not subject to taxation	(636,234)	(474,048)
Tax effect of gains on non-reporting offshore funds	13,694	49,037
Tax effect of capitalised management fee rebate	1,460	1,074
Prior year corporation tax adjustment	5,033	3,496
Deferred tax movement	(6,121)	(14,700)
Total current tax charge for the year (see note 6(a))	380,980	102,664

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

TAXATION (continued)	30 November 2023	30 November 2022
	£	£
c Provision for deferred taxation		
Provision at start of the year	14,700	-
Deferred tax charge for the year (see note 6(a))	6,121	14,700
Provision at end of the year	<u>20,821</u>	<u>14,700</u>

7 DISTRIBUTIONS

30 November 2023	30 November 2022
£	£

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

Final	4,624,558	2,839,752
Amounts deducted on cancellation of shares	222,305	86,503
Amounts added on issue of shares	(202,923)	(304,297)
Revenue brought forward	(149)	(187)
Distributions	<u>4,643,791</u>	<u>2,621,771</u>
Movement between net revenue and distributions:		
Net revenue after taxation	4,628,637	2,571,660
Tax effect of gains on non-reporting offshore funds	13,694	49,037
Tax effect of capitalised management fee rebate	1,460	1,074
	<u>4,643,791</u>	<u>2,621,771</u>

8 DEBTORS

30 November 2023	30 November 2022
£	£

Amounts receivable for issue of shares	124,150	729,972
Sales awaiting settlement	-	800,000
Accrued income	374,126	206,648
Taxation recoverable	5,071	11,234
Total debtors	<u>503,347</u>	<u>1,747,854</u>

9 OTHER CREDITORS

30 November 2023	30 November 2022
£	£

Amounts payable for cancellation of shares	441,036	403,234
Purchases awaiting settlement	497,549	3,704,850
Accrued expenses	204,056	164,686
Deferred taxation	20,821	-
Corporation tax payable	195,946	113,867
Total other creditors	<u>1,359,408</u>	<u>4,386,637</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due (to)/from the ACD at the year end are £(471,535) (2022: £182,092).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

A Accumulation	0.50%
----------------	-------

12 SHAREHOLDERS' FUNDS RECONCILIATION

During the year the ACD has issued and cancelled shares as set out below:

	<u>A Accumulation</u>
Opening shares in issue at 1 December 2022	258,498,241
Shares issued	26,914,207
Shares cancelled	(19,780,948)
Closing shares in issue at 30 November 2023	<u>265,631,500</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £15,309,382 (2022: £14,323,961). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 30 November 2023

	Investments £	Net other assets £	Total £
Euro	-	2,007	2,007
US dollar	29,626,109	-	29,626,109
	<u>29,626,109</u>	<u>2,007</u>	<u>29,628,116</u>

Foreign currency exposure at 30 November 2022

	Investments £	Net other liabilities £	Total £
Euro	-	825	825
US dollar	24,106,345	(507,433)	23,598,912
	<u>24,106,345</u>	<u>(506,608)</u>	<u>23,599,737</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £1,481,406 (2022: £1,179,987). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2023
£

30 November 2022
£

The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets floating rate ^A	4,127,719	6,156,814
Financial assets interest bearing instruments	81,591,025	43,610,009
Financial assets non-interest bearing instruments	225,099,964	244,617,063
Financial liabilities floating rate ^A	(3,209,620)	-
Financial liabilities non-interest bearing instruments	(1,359,408)	(4,386,637)
	<u>306,249,680</u>	<u>289,997,249</u>

^A Floating rate assets and liabilities comprise bank balances and overdrafts, whose rates are determined by reference to SONIA or an international equivalent borrowing rate. Interest on investments is variable based on the distribution received from underlying investments.

Interest rate risk sensitivity

An interest rate sensitivity disclosure has not been included because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

30 November 2023
£

30 November 2022
£

The following table provides a maturity analysis of the sub-fund's financial liabilities:

On demand:	Bank overdrafts	3,209,620	-
Within one year:	Other creditors	1,359,408	4,386,637
		<u>4,569,028</u>	<u>4,386,637</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2023		30 November 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	54,914,997	-	51,328,521	-
Level 2 - Observable market data	251,272,645	-	235,150,697	-
Level 3 - Unobservable data	-	-	-	-
	<u>306,187,642</u>	<u>-</u>	<u>286,479,218</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

Level 1 - Unadjusted quoted price in an active market for an identical instrument;

Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	30 November 2023 ^A	14 March 2024	Movement (%)
A Accumulation	115.40	123.00	6.59%

^A These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2022 to 30 November 2023

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

		Net revenue 30 November 2023 pence per share	Equalisation 30 November 2023 pence per share	Distribution paid 31 January 2024 pence per share	Distribution paid 31 January 2023 pence per share
A Accumulation	Group 1	1.7409	-	1.7409	1.0985
	Group 2	0.9687	0.7722	1.7409	1.0985

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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Performance to 30 November 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>03.07.2020^A</u>
IFSL Equilibrium Global Equity Portfolio	1.26%	3.41%	0.00%	12.10%
IA Global sector	2.92%	3.89%	14.39%	26.31%

^A Launch period ended 3 July 2020.

External Source of Economic Data: Morningstar (A Accumulation - quoted price to quoted price).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this share class is calculated in sterling.

Investment commentary

Market review

Markets started the period strongly, but then hit major turbulence with the failure of Silicon Valley Bank and Credit Suisse in March 2023.

After recovering from this potential banking crisis, markets continued to be volatile as central banks put up interest rates much more than investors had expected at the start of the year, whilst the much anticipated recession failed to appear.

By autumn, we saw sustained evidence of falling inflation, and central banks began to signal they may be done with interest rate increases and could even consider cutting again in 2024. This has allowed interest rate sensitive assets like real estate and small company stocks to rise sharply.

This year also saw big advances in artificial intelligence. This helped the United States (US) stock market – which has a high proportion in technology stocks – to do very well. However, outside of the large US technology sector, equity market returns have been generally sluggish.

Performance statement

Whilst markets have been volatile, the portfolio produced positive returns in the 12 months to the end of November with a total return of 3.41%. For comparison, the total return for the Investment Association Global sector was 3.89% over the period.

Sub-fund performance review

Within the individual assets, the global equity funds were notably strong, propelled by the strong performance of US stocks in particular, that rose sharply.

In the United Kingdom stock market, the FTSE 100 Index again held up relatively well, but companies outside the top 100 stocks struggled for much of the year.

The structured product* holdings, linked to the returns on the FTSE 100 and S&P 500 indices, have had relatively strong returns, with several products maturing in 2023 which we have replaced with new products.

Conversely, the one of the most disappointing investments was the holding in a renewable energy fund. This was hurt by a mix of rising borrowing costs and falling energy prices generally but after the steep fall the fund is now trading well below its underlying net asset value**.

Another area which struggled in the 12 month period was emerging markets. The boost to economic growth expected as China opened up following the lifting of Covid restrictions was not as strong as hoped, and the economy struggled with deflation throughout much of the year, even while the West fought inflation.

Portfolio activity

The US stock market was notably strong, and we think this is an area where many stocks became overvalued and so we reduced holdings in this area during the 12 months. Holdings in big US technology stocks were reduced by selling a Nasdaq index tracker fund and reducing exposure to the S&P 500 index (where more money is invested in the larger companies).

We kept the allocation to US equities but instead switched some to US smaller companies, which had lower valuations, and to an equal weighted S&P 500 index tracker fund, which allocates the same amount to each of the 500 stocks in the index regardless of size.

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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Investment outlook

After a tough couple of years for investors, there are definite reasons for optimism about the future. Many asset classes remain much cheaper than they were a few years ago and undervalued relative to their own long term history.

Therefore, if the consensus is correct and inflation continues to fall, economies remain steady and interest rates are cut, then we think there's a chance of some very attractive returns going forward. However, in our view it is important not to be too exposed to stocks at extreme valuations; avoiding potentially significant losses is just as vital as trying to gain exposure to the areas with the highest growth potential.

Equilibrium Investment Management LLP
8 January 2024

* Structured products are investments designed so that they can pay out a fixed level of return and mature early automatically, if specific conditions regarding the levels of the markets are met.

** Net asset value is the value of an fund's total assets less its total liabilities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	0.6787	0.5701	0.2685	-

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
Artemis UK Select 'I' GBP	7,755,934
WS Evenlode Global Equity 'F' GBP	7,020,845
Liontrust European Dynamic 'S'	6,985,475
iShares S&P SmallCap 600 UCITS ETF USD	6,555,389
Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	6,250,724
VT Teviot UK Smaller Companies Sterling	5,781,509
Credit Agricole FTSE/S&P Autocall Oct 28	2,792,650
JP Morgan FTSE/S&P Autocall Oct 28	2,654,170
Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD	2,550,353
BNP Paribas FTSE Autocall Sep 28	2,502,700
Other purchases	27,852,200
Total purchases for the year	78,701,949

<u>Largest sales</u>	<u>Proceeds (£)</u>
Morgan Stanley Global Brands 'I' GBP	9,673,891
Federated Hermes Global Emerging Markets SMID Equity 'X' Stg£	7,754,546
Premier Miton European Opportunities 'F'	6,991,418
Premier Miton UK Multi Cap Income 'B Inst'	6,515,804
iShares NASDAQ 100 UCITS ETF USD	3,846,804
Goldman Sachs India Equity 'I' GBP	3,288,385
Societe Generale FTSE Autocall Dec 23	2,933,161
FP Foresight Global Real Infrastructure 'A' GBP	2,888,070
Baillie Gifford American 'B'	2,729,577
Morgan Stanley FTSE/S&P Autocall Oct 27	2,649,600
Other sales	21,924,976
Total sales for the year	71,196,232

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

COMPARATIVE TABLE

A Accumulation shares

Change in net assets per share	Year to 30.11.2023 pence	Year to 30.11.2022 pence	Year to 30.11.2021 pence
Opening net asset value per share	108.20	128.96	112.02
Return before operating charges*	5.13	(19.16)	18.47
Operating charges	(1.39)	(1.60)	(1.53)
Return after operating charges*	3.74	(20.76)	16.94
Distributions on accumulation shares	(0.68)	(0.57)	(0.27)
Retained distributions on accumulation shares	0.68	0.57	0.27
Closing net asset value per share	111.94	108.20	128.96

* after direct transaction costs of: 0.01 0.03 0.02

Performance

Return after charges^A 3.46% (16.10)% 15.12%

Other information

Closing net asset value (£)	131,240,956	118,967,309	97,140,848
Closing number of shares	117,247,040	109,947,752	75,325,763
Operating charges	1.26% ^{C,D}	1.39% ^{B,C}	1.22% ^B
Direct transaction costs	0.01%	0.03%	0.01%

Prices (pence per share)

Highest share price	115.60	131.70	133.70
Lowest share price	105.80	103.30	112.00

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

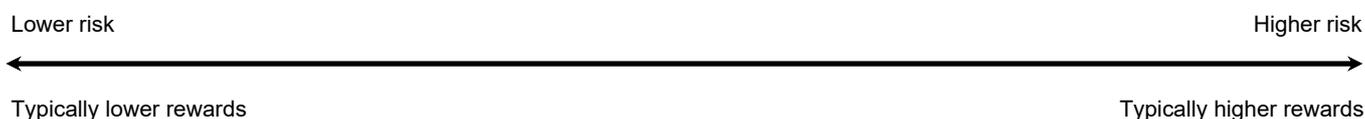
^C Effective from 1 February 2022, the Annual Management Charge (AMC) for A Accumulation shares increased from 0.25% to 0.50%.

^D On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each share class in the period. Where it is considered unsuitable to use the total expenses paid by each share class in the period to calculate the OCF because of material changes to the sub-fund's charges an estimate may be calculated instead. This is the approach taken when calculating the sub-fund's OCFs. The operating charges are the total expenses paid by each share class, however the OCFs disclosed in the Key Investor Information Document (KIID) (available on IFSL's website, www.ifslfunds.com) give an estimate of future costs.

Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value over the period and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



1	2	3	4	5	6	7
---	---	---	---	---	---	---

This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years data is not available for a fund, simulated data of a representative portfolio is used.

The sub-fund has been measured as 5 because its investments have experienced moderate to high volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
DEFINED RETURNS (30 November 2022 - 8.41%)		
2,500,000 BNP Paribas FTSE Autocall Sep 28 ^A	2,527,500	1.93
1,600,000 Credit Agricole CIB Finance Feb 28 ^A	1,804,000	1.37
2,800,000 Credit Agricole FTSE/S&P Autocall Oct 28 ^A	2,835,840	2.16
2,660,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	2,735,278	2.08
2,230,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	2,240,926	1.71
Total Defined Returns	<u>12,143,544</u>	<u>9.25</u>
REAL ASSETS (30 November 2022 - 7.53%)		
3,626,563 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	3,345,505	2.55
1,716,489 VT Gravis Clean Energy Income 'C' GBP	2,475,304	1.89
Total Real Assets	<u>5,820,809</u>	<u>4.44</u>
EQUITY (30 November 2022 - 83.70%)		
552,151 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	6,066,814	4.62
5,913,221 Allianz China A-Shares Equity 'W' GBP	4,043,461	3.08
963,442 Artemis UK Select 'I' GBP	7,696,459	5.86
574,274 Baillie Gifford American 'B'	6,782,172	5.17
1,678,814 Baillie Gifford Emerging Markets Leading Companies 'B'	8,775,162	6.69
3,959,322 Chrysalis Investments ^B	2,680,461	2.04
175,262 Goldman Sachs India Equity 'I' GBP	4,353,510	3.32
871,276 HqCapital Trust ^B	3,528,668	2.69
5,125 iShares NASDAQ 100 UCITS ETF USD ^C	3,699,001	2.82
83,280 iShares S&P SmallCap 600 UCITS ETF USD ^C	5,130,048	3.91
822,182 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^C	10,268,169	7.82
5,980,382 Liontrust European Dynamic 'S'	7,120,739	5.43
4,990,613 Liontrust Special Situations 'I'	5,808,076	4.42
6,160,358 Royal London Global Equity Select 'Z'	8,630,662	6.58
2,108,901 Schiehallion Fund ^B	1,101,167	0.84
9,019,183 Schroder Global Recovery 'L' GBP	9,172,509	6.99
3,365,532 VT Teviot UK Smaller Companies Sterling	5,658,247	4.31
5,102,077 WS Evenlode Global Equity 'F' GBP	7,217,398	5.50
2,548,496 WS Gresham House UK Multi Cap Income 'A' Sterling	2,668,785	2.03
42,530 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	2,654,424	2.02
Total Equity	<u>113,055,932</u>	<u>86.14</u>
Portfolio of investments	131,020,285	99.83
Net other assets	220,671	0.17
Total net assets	<u><u>131,240,956</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are exchange listed structured products, ^B which are Closed Ended Investment Companies and ^C which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2023

	Notes	30 November 2023		30 November 2022	
		£	£	£	£
Income:					
Net capital gains/(losses)	2		3,508,822		(19,049,160)
Revenue	4	1,643,728		1,220,115	
Expenses	5	<u>(874,789)</u>		<u>(724,751)</u>	
Net revenue before taxation		768,939		495,364	
Taxation	6	<u>-</u>		<u>-</u>	
Net revenue after taxation			<u>768,939</u>		<u>495,364</u>
Total return before distributions			4,277,761		(18,553,796)
Distributions	7		(768,939)		(495,364)
Change in net assets attributable to shareholders from investment activities			<u>3,508,822</u>		<u>(19,049,160)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2023

	30 November 2023		30 November 2022	
	£	£	£	£
Opening net assets attributable to shareholders		118,967,309		97,140,848
Amounts receivable on issue of shares	14,289,124		46,971,725	
Amounts payable on cancellation of shares	<u>(6,320,099)</u>		<u>(6,725,895)</u>	
Compensation to sub-fund	-		2,978	
		7,969,025		40,248,808
Change in net assets attributable to shareholders from investment activities		3,508,822		(19,049,160)
Retained distributions on accumulation shares		795,800		626,813
Closing net assets attributable to shareholders		<u>131,240,956</u>		<u>118,967,309</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

BALANCE SHEET
as at 30 November 2023

	Notes	30 November 2023 £	30 November 2022 £
Assets:			
Fixed Assets:			
Investments	14	131,020,285	118,539,240
Current Assets:			
Debtors	8	24,454	242,174
Cash and cash equivalents		835,390	813,907
Total assets		<u>131,880,129</u>	<u>119,595,321</u>
Liabilities:			
Creditors:			
Bank overdrafts		368,643	-
Other creditors	9	270,530	628,012
Total liabilities		<u>639,173</u>	<u>628,012</u>
Net assets attributable to shareholders		<u><u>131,240,956</u></u>	<u><u>118,967,309</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 12 to 14.

2 NET CAPITAL GAINS/(LOSSES)

30 November 2023 **30 November 2022**
£ £

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

Realised losses on non-derivative securities	(3,968,796)	(4,586,964)
Unrealised gains/(losses) on non-derivative securities	7,433,514	(14,601,100)
Other currency gains	47,223	144,583
Transaction charges	(3,119)	(5,679)
Net capital gains/(losses)	3,508,822	(19,049,160)

Where realised gains/(losses) include gains/(losses) arising in prior years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2023 **30 November 2022**
£ £

Purchases excluding transaction costs:

Collective Investment Schemes	55,105,892	85,572,461
Equities	1,259,836	4,955,012
Exchange Traded Funds	11,635,769	19,457,743
Structured Products	10,685,745	5,674,685
	<u>78,687,242</u>	<u>115,659,901</u>

Equities:	Commissions	1,033	3,730
	Taxes and other charges	2,300	7,668

Exchange Traded Funds:	Commissions	11,374	16,905
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Total purchases transaction costs	<u>14,707</u>	<u>28,303</u>
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Total purchases after transaction costs	<u>78,701,949</u>	<u>115,688,204</u>
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Purchases transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.08%	0.08%
	Taxes and other charges	0.18%	0.15%
Exchange Traded Funds:	Commissions	0.10%	0.09%

Sales excluding transaction costs:

Collective Investment Schemes	52,594,253	67,468,823
Equities	1,373,045	397,081
Exchange Traded Funds	7,698,622	5,660,075
Structured Products	9,532,431	2,184,671
	<u>71,198,351</u>	<u>75,710,650</u>

Equities:	Commissions	(1,154)	(397)
	Taxes and other charges	(3)	(3)

Exchange Traded Funds:	Commissions	(962)	-
------------------------	-------------	-------	---

Total sales transaction costs	<u>(2,119)</u>	<u>(400)</u>
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Total sales after transaction costs	<u>71,196,232</u>	<u>75,710,250</u>
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Sales transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.08%	0.10%
	Taxes and other charges	0.00%	0.00%
Exchange Traded Funds:	Commissions	0.01%	0.00%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.01%	0.02%
Taxes and other charges	0.00%	0.01%
	<u>0.01%</u>	<u>0.03%</u>

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

Transaction handling charges

These are charges payable to the depositary in respect of each transaction.	3,119	5,679
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IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

PURCHASES, SALES AND TRANSACTION COSTS (continued)	30 November 2023	30 November 2022
Average portfolio dealing spread		
This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.		
Average portfolio dealing spread at the balance sheet date	0.24%	0.34%
 4 REVENUE	 30 November 2023	 30 November 2022
	£	£
Non-taxable UK dividends	1,401,022	1,030,051
Taxable UK dividends	6,945	-
Overseas dividends	190,152	119,953
Interest distributions	17,593	24,815
Property income distributions	-	26,965
Bank interest	20,161	2,152
Management fee rebates	7,855	16,179
Total revenue	1,643,728	1,220,115
 5 EXPENSES	 30 November 2023	 30 November 2022
	£	£
Payable to the ACD or associate:		
Annual investment management charge	636,642	503,188
ACD charge	177,329	160,496
Registration fees	457	434
KIID production costs	598	601
	815,026	664,719
Other expenses:		
Depository's fees	43,255	39,388
Safe Custody fees	8,832	9,774
Bank interest	555	2,081
Audit fee	8,712	7,920
Sundry expenses	(1,591)	869
	59,763	60,032
Total expenses	874,789	724,751
 6 TAXATION	 30 November 2023	 30 November 2022
	£	£
a Analysis of the tax charge for the year		
Corporation tax at 20%	-	-
Total tax charge for the year (see note 6(b))	-	-
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	768,939	495,364
Corporation tax at 20%	153,788	99,073
Effects of:		
Revenue not subject to taxation	(318,235)	(230,001)
Unrelieved excess management expenses	164,447	130,928
Total tax charge for the year (see note 6(a))	-	-

At 30 November 2023 the sub-fund has deferred tax assets of £357,417 (2022: £192,970) arising from surplus management expenses, which have not been recognised due to uncertainty over the availability of future taxable profits.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

7 DISTRIBUTIONS

30 November 2023 **30 November 2022**
 £ £

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

Final	795,807	626,820
Amounts deducted on cancellation of shares	37,115	24,738
Amounts added on issue of shares	(63,976)	(156,187)
Revenue brought forward	(7)	(7)
Distributions	<u>768,939</u>	<u>495,364</u>
Movement between net revenue and distributions:		
Net revenue after taxation	<u>768,939</u>	<u>495,364</u>
	<u>768,939</u>	<u>495,364</u>

8 DEBTORS

30 November 2023 **30 November 2022**
 £ £

Amounts receivable for issue of shares	20,932	37,022
Sales awaiting settlement	-	200,000
Accrued income	2,133	189
Taxation recoverable	1,389	4,963
Total debtors	<u>24,454</u>	<u>242,174</u>

9 OTHER CREDITORS

30 November 2023 **30 November 2022**
 £ £

Amounts payable for cancellation of units	174,283	-
Purchases awaiting settlement	-	549,961
Accrued expenses	96,247	78,051
Total other creditors	<u>270,530</u>	<u>628,012</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to the ACD at the year end are £221,571 (2022: £24,764).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

A Accumulation	0.50%
----------------	-------

12 SHAREHOLDERS' FUNDS RECONCILIATION

During the year the ACD has issued and cancelled shares as set out below:

	A Accumulation
Opening shares in issue at 1 December 2022	<u>109,947,752</u>
Shares issued	13,040,629
Shares cancelled	(5,741,341)
Closing shares in issue at 30 November 2023	<u>117,247,040</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £6,551,014 (2022: £5,926,962). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 30 November 2023

	Investments £	Net other assets £	Total £
Euro	-	804	804
US dollar	17,722,760	-	17,722,760
	<u>17,722,760</u>	<u>804</u>	<u>17,723,564</u>

Foreign currency exposure at 30 November 2022

	Investments £	Net other liabilities £	Total £
Euro	-	601	601
US dollar	14,268,653	(399,961)	13,868,692
	<u>14,268,653</u>	<u>(399,361)</u>	<u>13,869,293</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £886,178 (2022: £693,465). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2023
£

30 November 2022
£

The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets floating rate ^A	835,390	813,907
Financial assets non-interest bearing instruments	131,044,739	118,781,414
Financial liabilities floating rate ^A	(368,643)	-
Financial liabilities non-interest bearing instruments	(270,530)	(628,012)
	<u>131,240,956</u>	<u>118,967,309</u>

^A Floating rate assets and liabilities comprise bank balances and overdrafts, whose rates are determined by reference to SONIA or an international equivalent borrowing rate. Interest on investments is variable based on the distribution received from underlying investments.

Interest rate risk sensitivity

An interest rate sensitivity disclosure has not been included because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

30 November 2023
£

30 November 2022
£

The following table provides a maturity analysis of the sub-fund's financial liabilities:

On demand:	Bank overdrafts	368,643	-
Within one year:	Other creditors	270,530	628,012
		<u>639,173</u>	<u>628,012</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2023		30 November 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	29,061,937	-	22,728,541	-
Level 2 - Observable market data	101,958,348	-	95,810,699	-
Level 3 - Unobservable data	-	-	-	-
	<u>131,020,285</u>	<u>-</u>	<u>118,539,240</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

Level 1 - Unadjusted quoted price in an active market for an identical instrument;

Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	30 November 2023 ^A	14 March 2024	Movement (%)
A Accumulation	112.10	121.50	8.39%

^A These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2022 to 30 November 2023

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

		Net revenue 30 November 2023 pence per share	Equalisation 30 November 2023 pence per share	Distribution paid 31 January 2024 pence per share	Distribution paid 31 January 2023 pence per share
A Accumulation	Group 1	0.6787	-	0.6787	0.5701
	Group 2	0.1861	0.4926	0.6787	0.5701

IFSL EQUILIBRIUM OEIC IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Performance to 30 November 2023

	<u>Six months</u>	<u>1 year</u>	<u>02.03.2021^A</u>
IFSL Equilibrium Defensive Portfolio	0.78%	(0.75)%	(7.20)%
Bank of England Base Rate plus 3% per annum	4.12%	7.73%	14.76%

^A Launch period ended 2 March 2021.

External Source of Economic Data: Morningstar (A Accumulation - quoted price to quoted price).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this share class is calculated in sterling.

Investment commentary

Market review

Markets started the period strongly, but then hit major turbulence with the failure of Silicon Valley Bank and Credit Suisse in March 2023.

After recovering from this potential banking crisis, markets continued to be volatile as central banks put up interest rates much more than investors had expected at the start of the year, whilst the much anticipated recession failed to appear.

By autumn, we saw sustained evidence of falling inflation, and central banks began to signal they may be done with interest rate increases and could even consider cutting again in 2024. This has allowed interest rate sensitive assets like real estate and small company stocks to rise sharply.

This year also saw big advances in artificial intelligence. This helped the United States (US) stock market – which has a high proportion in technology stocks – to do very well. However, outside of the large US technology sector, equity market returns have been generally sluggish.

Performance statement

Whilst markets have been volatile, the portfolio produced a negative total return for the 12 months to the end of November of -0.75%. For comparison, the return on cash using the Bank of England's Base Rate plus 3% per annum, was 7.73%.

Sub-fund performance review

Within the individual assets, the global equity funds were notably strong, propelled by the strong performance of US stocks in particular, that rose sharply.

In the bond portfolio, the high yield bond* funds particularly performed well given the benign economic backdrop and growing prospect of lower interest rates in 2024.

The structured product** holdings, linked to the returns on the FTSE 100 and S&P 500 indices, had relatively strong returns, with several products maturing in 2023 which we have replaced with new products.

Conversely, the most disappointing investments were our renewable energy and forestry holdings. As "real assets" (they are forms of infrastructure and real estate respectively), these were hurt by rising borrowing costs. The fall in the renewable energy infrastructure fund is partly due to falling energy prices generally. Assets within both funds are now trading well below their net asset value***, with the forestry fund priced at a 37% discount to the underlying value of the assets.

Portfolio activity

The US stock market was notably strong, and we think this is an area where many stocks became overvalued and so we reduced holdings in this area during the 12 months. Holdings in big US technology stocks were reduced by reducing exposure to the S&P 500 index (where more money is invested in the larger companies).

We kept the allocation to US equities but instead switched some to an equal weighted S&P 500 index tracker fund, which allocates the same amount to each of the 500 stocks in the index regardless of size.

Within the bond portfolio, we reduced some of the strategic bond fund holdings, which had large holdings of government debt, and we reinvested directly into government-backed holdings such as gilts and US treasuries, including index-linked stock which will perform strongly if inflation rises.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2023

Investment commentary (continued)

Investment outlook

After a tough couple of years for investors, there are definite reasons for optimism about the future. Many asset classes remain much cheaper than they were a few years ago and undervalued relative to their own long term history.

Therefore, if the consensus is correct and inflation continues to fall, economies remain steady and interest rates are cut, then we think there's a chance of some very attractive returns going forward. However, in our view it is important not to be too exposed to stocks at extreme valuations; avoiding potentially significant losses is just as vital as trying to gain exposure to the areas with the highest growth potential.

Equilibrium Investment Management LLP

8 January 2024

* High yield bonds, also known as junk bonds, are bonds which pay higher yields (the income from an investment, usually stated as a percentage of the value of the investment) because they have lower credit ratings than investment grade bonds. A credit rating is an independent assessment of a company's or government entity's creditworthiness.

** Structured products are investments designed so that they can pay out a fixed level of return and mature early automatically, if specific conditions regarding the levels of the markets are met.

*** Net asset value is the value of an fund's total assets less its total liabilities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>
<u>A Accumulation (pence per share)</u>			
Net accumulation paid 31 January	1.7848	1.1668	0.5112

Portfolio changes

Largest purchases

	<u>Cost (£)</u>
BlackRock ICS Sterling Government Liquidity 'Premier' GBP	2,074,699
BlackRock ICS US Treasury 'Premier' Inc USD	1,742,997
Artemis Corporate Bond 'I' GBP	1,248,675
iShares \$ TIPS UCITS ETF USD	1,226,350
Man GLG High Yield Opportunities 'C'	1,152,791
Aegon High Yield Bond 'S' Sterling	1,116,617
BlackRock ICS US Treasury Premier Acc USD	1,058,180
Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	1,041,967
BlackRock ICS Sterling Government Liquidity Premier GBP	854,615
iShares UK Property UCITS ETF GBP	795,955
Other purchases	8,107,073
Total purchases for the year	20,419,919

Largest sales

	<u>Proceeds (£)</u>
BlackRock ICS US Treasury 'Premier' USD	2,843,349
BlackRock ICS Sterling Government Liquidity 'Premier' GBP	2,091,007
MI TwentyFour Dynamic Bond 'I' Gross	1,253,416
iShares \$ TIPS 0-5 UCITS ETF GBP Hedged	1,054,630
LF Ruffer Diversified Return 'I' GBP	873,171
iShares \$ Treasury Bond 7-10yr UCITS ETF USD	829,674
MI TwentyFour Monument Bond 'L'	730,299
THEAM Quant Dynamic Volatility Carry 'M' USD	679,848
Carmignac Long-Short European Equities 'F' GBP Hedged	670,155
Vanguard UK Investment Grade Bond Index GBP	658,673
Other sales	8,027,928
Total sales for the year	19,712,150

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

COMPARATIVE TABLE

The launch period of the sub-fund ran from 2 February 2021 to 2 March 2021 where shares were available at 100 pence. The first valuation point was on 3 March 2021.

A Accumulation shares	Year to 30.11.2023	Year to 30.11.2022	Period to 30.11.2021^A
Change in net assets per share	pence	pence	pence
Opening net asset value per share	93.47	101.37	100.00
Return before operating charges*	0.32	(6.68)	2.22
Operating charges	(1.03)	(1.22)	(0.85)
Return after operating charges*	(0.71)	(7.90)	1.37
Distributions on accumulation shares	(1.78)	(1.17)	(0.51)
Retained distributions on accumulation shares	1.78	1.17	0.51
Closing net asset value per share	92.76	93.47	101.37
* after direct transaction costs of:	-	0.03	0.02
Performance			
Return after charges ^B	(0.76)%	(7.79)%	1.37%
Other information			
Closing net asset value (£)	21,438,623	21,858,629	19,342,742
Closing number of shares	23,110,884	23,386,238	19,082,186
Operating charges	1.12% ^{D,E}	1.25% ^D	1.13% ^C
Direct transaction costs	0.00%	0.03%	0.03% ^C
Prices (pence per share)			
Highest share price	95.45	102.00	102.20
Lowest share price	90.11	90.13	99.00

^A Period from 2 March 2021 being the end of the launch period.

^B The return after charges is calculated using the underlying investments bid prices.

^C These figures have been annualised.

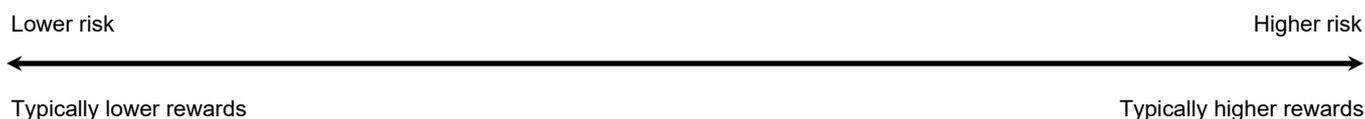
^D Effective from 1 February 2022, the Annual Management Charge (AMC) for A Accumulation shares increased from 0.25% to 0.50%.

^E On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each share class in the period. Where it is considered unsuitable to use the total expenses paid by each share class in the period to calculate the OCF because of material changes to the sub-fund's charges an estimate may be calculated instead. This is the approach taken when calculating the sub-fund's OCFs. The operating charges are the total expenses paid by each share class, however the OCFs disclosed in the Key Investor Information Document (KIID) (available on IFSL's website, www.ifsifunds.com) give an estimate of future costs.

Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value over the period and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



1	2	3	4	5	6	7
---	---	---	---	---	---	---

This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years data is not available for a fund, simulated data of a representative portfolio is used.

The sub-fund has been measured as 3 because its investments have experienced low to moderate volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2022 - 55.92%)		
514,719 Aegon High Yield Bond 'S' Sterling	639,899	2.99
1,128,340 Allianz Strategic Bond 'I' GBP	1,121,457	5.23
1,113,299 Artemis Corporate Bond 'I' GBP	1,130,444	5.27
6,523 iShares \$ TIPS UCITS ETF USDC	1,180,230	5.52
299,477 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	1,280,564	5.97
117,882 iShares Core UK Gilts UCITS ETF GBPC	1,187,661	5.54
475,470 Man GLG High Yield Opportunities 'C'	637,605	2.97
850,529 MI TwentyFour Monument Bond 'L'	1,064,097	4.96
9,653 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	921,346	4.30
754,893 Premier Miton Strategic Monthly Income Bond 'C'	782,069	3.65
758,428 Royal London Short Duration Global High Yield Bond 'Z'	873,482	4.07
1,071,720 Royal London Short Duration Global Index Linked 'Z'	1,117,804	5.21
929,011 Royal London Sterling Extra Yield Bond 'Z'	856,920	4.00
143,128 Waverton Sterling Bond 'P' Stg£	1,224,170	5.71
Total Fixed Interest	<u>14,017,748</u>	<u>65.39</u>
REAL ASSETS (30 November 2022 - 11.72%)		
220,000 Foresight Sustainable Forestry Company ^B	135,520	0.63
514,093 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	474,251	2.21
145,649 iShares UK Property UCITS ETF GBPC	641,365	2.99
296,444 VT Gravis Clean Energy Income 'C' GBP	427,495	1.99
Total Real Assets	<u>1,678,631</u>	<u>7.82</u>
ALTERNATIVE EQUITY (30 November 2022 - 11.34%)		
5,248 Lazard Rathmore Alternative 'E' GBP Hedged	657,917	3.07
Total Alternative Equity	<u>657,917</u>	<u>3.07</u>
EQUITY (30 November 2022 - 8.13%)		
34,249 L&G US Equity (Responsible Exclusions) UCITS ETF USDC	427,733	2.00
153,005 Royal London Global Equity Select 'Z'	214,360	1.00
110,124 WS Eventode Global Equity 'F' GBP	155,781	0.73
387,658 WS Gresham House UK Multi Cap Income 'A' Sterling	405,955	1.89
2,419 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USDC	150,977	0.70
Total Equity	<u>1,354,806</u>	<u>6.32</u>
MONEY MARKETS (30 November 2022 - 8.09%)		
7,937 BlackRock ICS Sterling Government Liquidity Premier GBP	857,126	4.00
11,676 BlackRock ICS US Treasury Premier Acc USD	1,035,519	4.83
7,006 BlackRock ICS US Treasury 'Premier' Inc USD	5,543	0.03
Total Money Markets	<u>1,898,188</u>	<u>8.86</u>
DEFINED RETURNS (30 November 2022 - 2.34%)		
212,278 AHFM Defined Returns 'B' GBP	408,211	1.91
345,000 BNP Paribas FTSE Autocall Sep 28 ^A	348,795	1.63
480,000 JP Morgan FTSE/S&P Autocall Oct 28 ^A	493,584	2.30
365,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	366,788	1.70
Total Defined Returns	<u>1,617,378</u>	<u>7.54</u>
Portfolio of investments	21,224,668	99.00
Net other assets	213,955	1.00
Total net assets	<u><u>21,438,623</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are exchange listed structured products, ^B which are Closed Ended Investment Companies and ^C which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2023

	Notes	30 November 2023		30 November 2022	
		£	£	£	£
Income:					
Net capital losses	2		(582,898)		(2,103,092)
Revenue	4	658,198		461,351	
Expenses	5	<u>(163,252)</u>		<u>(153,934)</u>	
Net revenue before taxation		494,946		307,417	
Taxation	6	<u>(71,860)</u>		<u>(48,923)</u>	
Net revenue after taxation			<u>423,086</u>		<u>258,494</u>
Total return before distributions			(159,812)		(1,844,598)
Distributions	7		(421,919)		(264,116)
Change in net assets attributable to shareholders from investment activities			<u>(581,731)</u>		<u>(2,108,714)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2023

	30 November 2023		30 November 2022	
	£	£	£	£
Opening net assets attributable to shareholders		21,858,629		19,342,742
Amounts receivable on issue of shares	5,502,636		9,872,919	
Amounts payable on cancellation of shares	<u>(5,753,917)</u>		<u>(5,521,191)</u>	
Compensation to sub-fund	511		-	
		(250,770)		4,351,728
Change in net assets attributable to shareholders from investment activities		(581,731)		(2,108,714)
Retained distribution on accumulation shares		412,495		272,873
Closing net assets attributable to shareholders		<u>21,438,623</u>		<u>21,858,629</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

BALANCE SHEET
as at 30 November 2023

	Notes	30 November 2023 £	30 November 2022 £
Assets:			
Fixed Assets:			
Investments	14	21,224,668	21,321,106
Current Assets:			
Debtors	8	104,258	174,856
Cash and cash equivalents		364,871	430,791
Total assets		<u>21,693,797</u>	<u>21,926,753</u>
Liabilities:			
Creditors:			
Bank overdrafts		155,249	-
Other creditors	9	99,925	68,124
Total liabilities		<u>255,174</u>	<u>68,124</u>
Net assets attributable to shareholders		<u><u>21,438,623</u></u>	<u><u>21,858,629</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 12 to 14.

2 NET CAPITAL LOSSES

30 November 2023 **30 November 2022**
£ **£**

The net losses on investments during the year comprise:

Realised losses on non-derivative securities	(1,049,500)	(634,603)
Unrealised gains/(losses) on non-derivative securities	460,694	(1,465,607)
Other currency gains	8,010	93
Management fee rebates	509	794
Transaction charges	(2,611)	(3,769)
Net capital losses	(582,898)	(2,103,092)

Where realised gains/(losses) include gains/(losses) arising in prior years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2023 **30 November 2022**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	15,533,201	18,022,769
Equities	-	655,758
Exchange Traded Funds	3,699,470	5,808,925
Structured Products	1,187,247	500,000
	<u>20,419,918</u>	<u>24,987,452</u>

Equities:	Commissions	-	631
	Taxes and other charges	-	3,292
Exchange Traded Funds:	Commissions	-	2,014
	Taxes and other charges	1	3
Total purchases transaction costs		<u>1</u>	<u>5,940</u>

Total purchases after transaction costs 20,419,919 24,993,392

Purchases transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.00%	0.10%
	Taxes and other charges	0.00%	0.50%
Exchange Traded Funds:	Commissions	0.00%	0.03%
	Taxes and other charges	0.00%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	15,629,025	18,663,467
Equities	852,744	75,108
Exchange Traded Funds	2,678,786	2,650,228
Structured Products	552,100	-
	<u>19,712,655</u>	<u>21,388,803</u>

Equities:	Commissions	(502)	(75)
	Taxes and other charges	(3)	(1)
Exchange Traded Funds:	Commissions	-	(248)
Total sales transaction costs		<u>(505)</u>	<u>(324)</u>

Total sales after transaction costs 19,712,150 21,388,479

Sales transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.06%	0.10%
	Taxes and other charges	0.00%	0.00%
Exchange Traded Funds:	Commissions	0.00%	0.01%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.00%	0.01%
Taxes and other charges	0.00%	0.01%
	<u>0.00%</u>	<u>0.02%</u>

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

PURCHASES, SALES AND TRANSACTION COSTS (continued)		30 November 2023	30 November 2022
		£	£
Transaction handling charges			
These are charges payable to the depositary in respect of each transaction.		2,611	3,769
Average portfolio dealing spread			
This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.			
Average portfolio dealing spread at the balance sheet date		0.07%	0.09%
4 REVENUE		30 November 2023	30 November 2022
		£	£
Non-taxable UK dividends		108,408	91,328
Taxable UK dividends		5,027	9,055
Overseas dividends		23,487	320
Interest distributions		491,520	325,391
Property income distributions		16,439	32,819
Bank interest		12,808	1,644
Management fee rebates		509	794
Total revenue		658,198	461,351
5 EXPENSES		30 November 2023	30 November 2022
		£	£
Payable to the ACD or associate:			
Annual investment management charge		109,592	102,194
ACD charge		32,877	33,216
Registration fees		138	119
KIID production costs		598	547
		143,205	136,076
Other expenses:			
Depositary's fees		7,463	7,995
Safe Custody fees		1,773	1,529
Financial Conduct Authority fee		(144)	117
Bank interest		-	231
Audit fee		8,712	7,893
Sundry expenses		2,243	93
		20,047	17,858
Total expenses		163,252	153,934
6 TAXATION		30 November 2023	30 November 2022
		£	£
a Analysis of the tax charge for the year			
Corporation tax at 20%		73,182	47,037
Prior year corporation tax adjustment		417	147
Total current tax charge for the year (see note 6(b))		73,599	47,184
Deferred tax (credit)/charge for the year (see note 6(c))		(1,739)	1,739
Total deferred tax charge for the year		(1,739)	1,739
Total tax charge for the year		71,860	48,923

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

TAXATION (continued)	30 November 2023	30 November 2022
	£	£
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	494,946	307,417
Corporation tax at 20%	98,989	61,483
Effects of:		
Revenue not subject to taxation	(26,379)	(18,329)
Prior year tax adjustment	417	147
Tax effect of (losses)/gains on non-reporting offshore funds	(1,269)	5,463
Tax effect of capitalised management fee rebate	102	159
Deferred tax movement	1,739	(1,739)
Total current tax charge for the year (see note 6(a))	<u>73,599</u>	<u>47,184</u>
c Provision for deferred taxation		
Provision at start of the year	1,739	-
Deferred tax (credit)/charge for the year (see note 6(a))	(1,739)	1,739
Provision at end of the year	<u>-</u>	<u>1,739</u>
7 DISTRIBUTIONS	30 November 2023	30 November 2022
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	412,500	272,875
Amounts deducted on cancellation of shares	50,616	30,699
Amounts added on issue of shares	(41,192)	(39,456)
Revenue brought forward	(5)	(2)
Distributions	<u>421,919</u>	<u>264,116</u>
Movement between net revenue and distributions:		
Net revenue after taxation	423,086	258,494
Tax effect of (losses)/gains on non-reporting offshore funds	(1,269)	5,463
Tax effect of capitalised management fee rebate	102	159
	<u>421,919</u>	<u>264,116</u>
8 DEBTORS	30 November 2023	30 November 2022
	£	£
Amounts receivable for issue of shares	25,274	109,323
Accrued income	77,979	62,841
Taxation recoverable	1,005	2,692
Total debtors	<u>104,258</u>	<u>174,856</u>
9 OTHER CREDITORS	30 November 2023	30 November 2022
	£	£
Amounts payable for cancellation of shares	1,689	-
Accrued expenses	25,053	19,348
Corporation tax payable	73,183	48,776
Total other creditors	<u>99,925</u>	<u>68,124</u>
10 RELATED PARTIES		
The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the period end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due from the ACD at the year end are £12,157 (2022: £97,837).		

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

A Accumulation	0.50%
----------------	-------

12 SHAREHOLDERS' FUNDS RECONCILIATION

During the period the ACD has issued and cancelled shares as set out below:

	<u>A Accumulation</u>
Opening shares in issue at 1 December 2022	23,386,238
Share issues	5,992,384
Share cancellations	<u>(6,267,738)</u>
Closing shares in issue at 30 November 2023	<u><u>23,110,884</u></u>

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £1,061,233 (2022: £1,066,055). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the period end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 30 November 2023

	Investments £	Net other assets £	Total £
Euro	-	73	73
US dollar	2,800,002	-	2,800,002
	<u>2,800,002</u>	<u>73</u>	<u>2,800,075</u>

Foreign currency exposure at 30 November 2022

	Investments £	Net other assets £	Total £
Euro	-	40	40
US dollar	2,991,132	-	2,991,132
	<u>2,991,132</u>	<u>40</u>	<u>2,991,172</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £140,004 (2022: £149,559). A five per cent increase would have an equal and opposite effect.

Interest rate risk

	30 November 2023 £	30 November 2022 £
The interest rate risk profile of financial assets and liabilities consists of the following:		
Financial assets floating rate ^A	364,871	430,791
Financial assets interest bearing instruments	16,324,146	12,225,244
Financial assets non-interest bearing instruments	5,004,780	9,270,718
Financial liabilities floating rate ^A	(155,249)	-
Financial liabilities non-interest bearing instruments	<u>(99,925)</u>	<u>(68,124)</u>
	<u>21,438,623</u>	<u>21,858,629</u>

^A Floating rate assets and liabilities comprise bank balances and overdrafts, whose rates are determined by reference to SONIA or an international equivalent borrowing rate. Interest on investments is variable based on the distribution received from underlying investments.

Interest rate risk sensitivity

An interest rate sensitivity disclosure has not been included because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2023

RISK DISCLOSURES (continued)

Liquidity risk

The following table provides a maturity analysis of the sub-fund's financial liabilities:

		30 November 2023	30 November 2022
		£	£
On demand:	Bank overdrafts	155,249	-
Within one year:	Other creditors	99,925	68,124
		<u>255,174</u>	<u>68,124</u>

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2023		30 November 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	5,004,050	-	5,013,891	-
Level 2 - Observable market data	16,220,618	-	16,307,215	-
Level 3 - Unobservable data	-	-	-	-
	<u>21,224,668</u>	<u>-</u>	<u>21,321,106</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

- Level 1 - Unadjusted quoted price in an active market for an identical instrument;
- Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and
- Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	30 November 2023^A	14 March 2024	Movement (%)
A Accumulation	92.80	95.94	3.38%

^A These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2022 to 30 November 2023

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

		Net revenue 30 November 2023 pence per share	Equalisation 30 November 2023 pence per share	Distribution paid 31 January 2024 pence per share	Distribution paid 31 January 2023 pence per share
A Accumulation	Group 1	1.7848	-	1.7848	1.1668
	Group 2	1.0980	0.6868	1.7848	1.1668

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