

Investment Fund Services

IFSL Equilibrium OEIC

Interim Report and Unaudited
Financial Statements

for the six month period ended 31 May 2024



EQUILIBRIUM

IFSL EQUILIBRIUM OEIC

CONTACT INFORMATION

Registered Office

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Bolton
BL1 4QP

Authorised Corporate Director (ACD)

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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 Derbyshire - resigned, 11 December 2023
Helen Redmond
Sally Helston
Guy Sears (Independent Non-Executive) - resigned, 25 March 2024
Katherine Damsell (Independent Non-Executive) - appointed, 25 March 2024
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.

Administrator and Registrar (from 1 June 2024)

SS&C Financial Services International Limited
St. Nicholas Lane
Basildon
Essex
SS15 5FS

Auditor

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

IFSL EQUILIBRIUM OEIC

CONTENTS	PAGE
AUTHORISED STATUS	1
GENERAL INFORMATION	1
AUTHORISED CORPORATE DIRECTOR'S STATEMENT	6
NOTES TO THE INTERIM FINANCIAL STATEMENTS	6
INDIVIDUAL SUB-FUNDS	
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO	7
IFSL EQUILIBRIUM BALANCED PORTFOLIO	15
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO	23
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO	30
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO	36
The statements for each of the above sub-funds are set out in the following order:	
AUTHORISED INVESTMENT MANAGER'S REPORT	
COMPARATIVE TABLE	
SYNTHETIC RISK AND REWARD INDICATOR	
PORTFOLIO STATEMENT	
PORTFOLIO TRANSACTIONS	
UNAUDITED INTERIM FINANCIAL STATEMENTS	
STATEMENT OF TOTAL RETURN	
STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	
BALANCE SHEET	

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.

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 Balanced 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% 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 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.

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Adventurous Portfolio (continued)

Investment policy (continued)

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.

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.

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Global Equity Portfolio (continued)

Investment policy (continued)

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.

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).

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Defensive Portfolio (continued)

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.

Taskforce on climate related financial disclosures

A statement of the climate-related financial disclosures is published on the website <https://www.ifslfunds.com/tcf-reporting>.

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 Manager Directive (AIFMD) the ACD 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 31 May 2024 is as follows:

	Gross Method	Commitment Method
IFSL Equilibrium Cautious Portfolio	99.18%	99.18%
IFSL Equilibrium Balanced Portfolio	99.11%	99.11%
IFSL Equilibrium Adventurous Portfolio	99.32%	99.32%
IFSL Equilibrium Global Equity Portfolio	102.37%	102.37%
IFSL Equilibrium Defensive Portfolio	98.66%	98.66%

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%

The sub-funds are subject to a maximum level of incremental leverage of 10 per cent under the commitment method and 110 per cent under the gross method.

For clarification, under the UK AIFM Regime this means the maximum level of leverage is 110 per cent (or 1.1:1) under the commitment approach and 210 per cent (or 2.1:1) under the gross method.

AUTHORISED CORPORATE DIRECTORS' 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
12 July 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 31 May 2024

Basis for preparation

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

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 November 2023 and are described in those annual financial statements.

The investments of the sub-funds have been valued at their fair value at 12 noon on 31 May 2024.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Performance to 31 May 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Cautious Portfolio	6.20%	6.99%	0.43%	13.34%
UK Consumer Prices Index	1.70%	1.99%	20.91%	24.06%
UK Consumer Prices Index plus 4% per annum	3.67%	5.98%	35.65%	50.29%

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

Performance statement

IFSL Equilibrium Cautious Portfolio (the sub-fund) returned 6.20% over the 6 months from 1 December 2023 to 31 May 2024. The sub-fund returned 6.99% over the 12 months to 31 May 2024.

Market review

The sub-fund invests in various asset classes, with just over half the portfolio being in fixed interest (bonds) at present, with around 30% exposure to equities (directly or indirectly via structured products*). The remainder is in real assets* and alternatives*.

The past 12 months has seen mixed returns, with many of the assets performing poorly during the first half of the period but performing better during the second half.

For much of 2023, bonds and equities both struggled, with central banks continuing to increase interest rates to combat inflation.

However, towards the end of the year central banks began to signal that there would be no more interest rate hikes, and speculation turned to when the first interest rate cuts would be. This has been more supportive for bonds and helped equities to recover.

Sub-fund performance review

Over the past year the sub-fund has outperformed inflation (based on UK Consumer Prices Index (CPI)), returning 6.99% compared to CPI which was 1.99% at the end of May 2024.

Both bonds and equities detracted from performance in the first half of the period but added to returns during the second half.

In particular, equities and high yield bonds* did well during this period. Short dated fixed interest and investment grade corporate bonds continued to offer solid returns.

Meanwhile, after a strong run towards the back end of 2023, government bonds have been slightly negative so far in 2024.

Portfolio activity

Over the last 12 months we have typically been adding to our fixed interest exposure, reducing exposure to real assets and alternatives. Around 55% of the portfolio is now in fixed interest.

Within this, a significant proportion is in short-dated bonds (those with typically three years or less to maturity) which have less sensitivity to changes in interest rates than longer dated bonds (those with more than three years to maturity). At present we think these provide attractive yields with relatively low risk.

We also have increased exposure to high yield bonds. These are riskier, being loans to companies with lower credit ratings, however they do provide a higher yield.

We retain exposure to other types of bonds including floating rate notes (where the interest paid can go up or down as rates move) and inflation linked bonds, as well as some alternatives which help diversify the portfolio.

Over the period we have somewhat reduced equity exposure. This has mainly been when we have had structured products "kick out" (mature) and we chose not to reinvest in equity linked products, but instead top up fixed interest.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 May 2024

Investment commentary (continued)

Investment outlook

We continue to have a very positive view about the future returns of certain types of fixed interest.

Yields are generally much higher than they were a few years ago, which we expect to lead to potentially higher total returns. In particular, corporate bonds offer attractive yields in our view, especially those of high yield bonds.

We think it likely that interest rates will be gradually cut over the next year or two. However, for higher yielding corporate bonds this isn't necessary in order to achieve a positive return. For these bonds, we are more focused on credit risk.

At present the global economy continues to grow and as such default rates remain low. Any interest rate cuts would be a bonus for such bonds, but would have more of an impact on our government bond holdings.

Stock markets have done well of late and in some cases they look a little expensive, notably in the US. Whilst we have a positive view about the long-term potential for stocks, we would not be surprised if there was something of a correction at some point.

Equilibrium Investment Management LLP
20 June 2024

* Explanation of terms used

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

Real assets – assets that traditionally have income linked to inflation such as property and infrastructure funds.

Alternatives – funds that may invest in commodities or financial markets to achieve returns with low or negative correlation to the mainstream assets or equities and bonds.

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.

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 May 2024

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS Sterling Government Liquidity Premier GBP	7,281,382
SPDR S&P 500 UCITS ETF	7,094,540
MI TwentyFour Monument Bond 'L'	6,657,468
Schroder High Yield Opportunities 'Z' GBP	6,154,937
MI TwentyFour Asset Backed Opportunities 'I' Gross	6,045,962
Royal London US Growth 'D' GBP	3,867,787
Credit Agricole FTSE/S&P Step Down Autocall April '29	3,700,000
Artemis UK Select 'S' GBP	3,417,081
Royal London Short Duration Global High Yield Bond 'Z'	3,123,704
M&G Japan 'I' Sterling	2,659,237
Other purchases	5,731,836
Total purchases for the period	55,733,934
<u>Largest sales</u>	<u>Proceeds (£)</u>
Allianz Strategic Bond 'I' GBP	7,482,787
BlackRock ICS Sterling Government Liquidity Premier GBP	7,466,988
L&G US Equity (Responsible Exclusions) UCITS ETF USD	4,257,510
SPDR S&P 500 UCITS ETF	4,220,482
Royal London US Growth 'D' GBP	3,899,688
Royal London Short Duration Global High Yield Bond 'Z'	3,737,522
JP Morgan FTSE/S&P Autocall Oct 28	3,727,500
Credit Agricole FTSE/S&P Autocall Oct 28	3,725,750
Artemis UK Select 'I' GBP	3,417,081
VT Gravis Clean Energy Income 'C' GBP	3,413,543
Other sales	28,750,049
Total sales for the period	74,098,900

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

COMPARATIVE TABLE

A Accumulation shares	Period to 31.05.2024	Year to 30.11.2023	Year to 30.11.2022	Year to 30.11.2021
Change in net assets per share	pence	pence	pence	pence
Opening net asset value per share	109.57	109.28	117.85	110.05
Return before operating charges*	7.40	1.49	(7.04)	9.01
Operating charges	(0.64)	(1.20)	(1.53)	(1.21)
Return after operating charges*	6.76	0.29	(8.57)	7.80
Distributions on accumulation shares	-	(2.01)	(1.50)	(1.17)
Retained distributions on accumulation shares	-	2.01	1.50	1.17
Closing net asset value per share	116.33	109.57	109.28	117.85
* after direct transaction costs of:	-	-	0.02	0.02
Performance				
Return after charges ^A	6.17%	0.27%	(7.27)%	7.09%
Other information				
Closing net asset value (£)	172,767,970	176,795,765	195,381,655	253,312,492
Closing number of shares	148,512,748	161,349,799	178,793,157	214,952,035
Operating charges	1.11% ^{B,C,D}	1.10% ^{B,C}	1.35% ^B	1.05%
Direct transaction costs	0.00%	0.00%	0.01%	0.02%
Prices (pence per share)				
Highest share price	117.00	112.80	119.90	120.20
Lowest share price	109.60	106.10	103.40	110.20

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

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

^C 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.

^D These figures have been annualised.

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 will be calculated instead. 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 period the synthetic risk and reward indicator has remained unchanged.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

PORTFOLIO STATEMENT

as at 31 May 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2023 - 49.99%)		
4,494,944 Aegon High Yield Bond 'S' Sterling	6,017,831	3.48
7,176,115 Artemis Corporate Bond 'I' GBP	7,588,024	4.39
49,258 iShares \$ TIPS UCITS ETF USD ^C	9,035,054	5.23
1,386,664 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	5,820,522	3.37
816,221 iShares Core UK Gilts UCITS ETF GBP ^C	8,137,723	4.71
4,524,808 Man GLG High Yield Opportunities 'C'	6,606,220	3.82
6,221,344 MI TwentyFour Asset Backed Opportunities 'I' Gross	6,167,840	3.57
5,014,809 MI TwentyFour Monument Bond 'L'	6,591,966	3.82
71,226 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	6,906,743	4.00
6,722,918 Premier Miton Strategic Monthly Income Bond 'C'	7,314,534	4.23
7,003,840 Royal London Short Duration Global High Yield Bond 'Z'	8,330,368	4.82
6,356,837 Royal London Sterling Extra Yield Bond 'Z'	6,079,679	3.52
5,595,346 Schroder High Yield Opportunities 'Z' GBP	5,903,090	3.42
675,676 Waverton Sterling Bond 'P' Stg£	5,834,461	3.38
Total Fixed Interest	<u>96,334,055</u>	<u>55.76</u>
REAL ASSETS (30 November 2023 - 10.08%)		
3,070,000 Foresight Sustainable Forestry Company ^B	2,904,220	1.68
6,499,059 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	6,236,497	3.61
1,063,720 iShares UK Property UCITS ETF GBP ^C	4,943,639	2.86
Total Real Assets	<u>14,084,356</u>	<u>8.15</u>
DEFINED RETURNS (30 November 2023 - 12.71%)		
1,905,091 Atlantic House Defined Returns 'B' GBP	3,859,905	2.23
3,200,000 BNP Paribas FTSE Autocall Sep 28 ^A	3,446,400	1.99
3,700,000 Credit Agricole FTSE/S&P Step Down Autocall Apr 29 ^A	3,725,900	2.16
2,700,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	2,953,260	1.71
Total Defined Returns	<u>13,985,465</u>	<u>8.09</u>
ALTERNATIVES (30 November 2023 - 5.11%)		
2,326,558 Atlantic House Uncorrelated Strategies 'X' GBP Hedged	2,612,027	1.51
78,540 THEAM Quant Dynamic Volatility Carry 'M' USD	6,170,880	3.57
Total Alternatives	<u>8,782,907</u>	<u>5.08</u>
EQUITY (30 November 2023 - 21.34%)		
188,383 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	2,042,562	1.18
2,323,877 Artemis UK Select 'S' GBP	3,129,333	1.81
379,986 Baillie Gifford Emerging Markets Leading Companies 'B'	2,182,257	1.26
2,119,075 IFSL Evenlode Global Equity 'F'	3,214,425	1.86
33,792 iShares S&P SmallCap 600 UCITS ETF USD ^C	2,319,145	1.34
1,867,037 Liontrust European Dynamic 'S'	2,554,148	1.48
2,257,954 Liontrust Special Situations 'I'	3,020,240	1.75
68,534 M&G Japan 'I' Sterling	2,557,120	1.48
3,612,851 Royal London Global Equity Select 'Z'	5,917,849	3.43
2,933,154 Schroder Global Recovery 'L' GBP	3,290,999	1.91
313,062 SPDR S&P 500 UCITS ETF ^C	3,108,351	1.80
1,859,831 WS Gresham House UK Multi Cap Income 'A' Sterling	2,189,951	1.27
25,675 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	1,777,725	1.03
Total Equity	<u>37,304,105</u>	<u>21.60</u>
MONEY MARKETS (30 November 2023 - 2.13%)		
7,896 BlackRock ICS Sterling Government Liquidity Premier GBP	874,905	0.51
Total Money Markets	<u>874,905</u>	<u>0.51</u>
Portfolio of investments	<u>171,365,793</u>	<u>99.19</u>
Net other assets	<u>1,402,177</u>	<u>0.81</u>
Total net assets	<u><u>172,767,970</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 CAUTIOUS PORTFOLIO

PORTFOLIO TRANSACTIONS

for the six month period ended 31 May 2024

£

Total purchases costs, including transaction charges

55,733,934

Total sales proceeds, net of transaction charges

74,098,900

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

STATEMENT OF TOTAL RETURN

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		8,833,186		(2,488,350)
Revenue	2,643,624		2,414,713	
Expenses	<u>(594,566)</u>		<u>(644,330)</u>	
Net revenue before taxation	2,049,058		1,770,383	
Taxation	<u>(285,910)</u>		<u>(170,727)</u>	
Net revenue after taxation		<u>1,763,148</u>		<u>1,599,656</u>
Total return before distributions		10,596,334		(888,694)
Distributions		(79,765)		(30,703)
Change in net assets attributable to shareholders from investment activities		<u>10,516,569</u>		<u>(919,397)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Opening net assets attributable to shareholders		^A 176,795,765		195,381,655
Amounts receivable on issue of shares	3,996,483		6,057,480	
Amounts payable on cancellation of shares	(18,540,801)		(13,350,236)	
Compensation to sub-fund	<u>-</u>		<u>2,791</u>	
		<u>(14,544,318)</u>		<u>(7,289,965)</u>
Change in net assets attributable to shareholders from investment activities		10,516,569		(919,397)
Retained distribution on accumulation shares		(46)		
Closing net assets attributable to shareholders		<u>172,767,970</u>		^A <u>187,172,293</u>

^A These figures are not the same as the comparatives are taken from the preceding interim period and not the last annual accounts.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

BALANCE SHEET
as at 31 May 2024

	31 May 2024	30 November 2023
	£	£
Assets:		
Fixed Assets:		
Investments	171,365,793	179,202,774
Current Assets:		
Debtors	1,605,428	350,267
Cash and cash equivalents	1,881,335	3,017,529
Total assets	<u>174,852,556</u>	<u>182,570,570</u>
Liabilities:		
Creditors:		
Bank overdrafts	526,869	4,643,035
Other creditors	1,557,717	1,131,770
Total liabilities	<u>2,084,586</u>	<u>5,774,805</u>
Net assets attributable to shareholders	<u><u>172,767,970</u></u>	<u><u>176,795,765</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Performance to 31 May 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Balanced Portfolio	7.03%	8.19%	1.35%	16.93%
UK Consumer Prices Index	1.70%	1.99%	20.91%	24.06%
UK Consumer Prices Index plus 5% per annum	4.17%	7.01%	39.60%	57.65%

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

Performance statement

IFSL Equilibrium Balanced Portfolio (the sub-fund) returned 7.03% over the 6 months from 1 December 2023 to 31 May 2024. The sub-fund returned 8.19% over the 12 months to 31 May 2024.

Market review

The sub-fund invests in various asset classes, with around 44% of the portfolio being in fixed interest (bonds) at present, and around 40% exposure to equities (directly or indirectly via structured products*). The remainder is in real assets* and alternatives*.

The past 12 months has seen mixed returns, with many of the assets performing poorly during the first half of the period but performing better during the second half.

For much of 2023, bonds and equities both struggled, with central banks continuing to increase interest rates to combat inflation.

However, towards the end of the year central banks began to signal that there would be no more interest rate hikes, and speculation turned to when the first interest rate cuts would be. This has been more supportive for bonds and helped equities to recover.

Sub-fund performance review

Over the past year the sub-fund has outperformed inflation (based on UK Consumer Prices Index (CPI)), returning 8.19% compared to CPI which was 1.99% at the end of May 2024.

Both bonds and equities detracted from performance in the first half of the period but added to returns during the second half.

In particular, equities and high yield bonds* did well during this period. Short dated fixed interest and investment grade corporate bonds continued to offer solid returns.

Meanwhile, after a strong run towards the back end of 2023, government bonds have been slightly negative so far in 2024.

Portfolio activity

Over the last 12 months we have typically been adding to our fixed interest exposure, reducing exposure to real assets and alternatives. Around 44% of the portfolio is now in fixed interest.

Within this, a significant proportion is in short-dated bonds (those with typically three years or less to maturity) which have less sensitivity to changes in interest rates than longer dated bonds (those with more than three years to maturity). At present we think these provide attractive yields with relatively low risk.

We also have increased exposure to high yield bonds. These are riskier, being loans to companies with lower credit ratings, however they do provide a higher yield.

Over the period we have somewhat reduced equity exposure. This has mainly been when we have had structured products "kick out" (mature) and we chose not to reinvest in equity linked products, but instead top up fixed interest.

Investment outlook

We continue to have a very positive view about the future returns of certain types of fixed interest.

Yields are generally much higher than they were a few years ago, which we expect to lead to potentially higher total returns. In particular, corporate bonds offer attractive yields in our view, especially those of high yield bonds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Investment commentary (continued)

Investment outlook (continued)

We think it likely that interest rates will be gradually cut over the next year or two. However, for higher yielding corporate bonds this isn't necessary in order to achieve a positive return. For these bonds, we are more focused on credit risk.

At present the global economy continues to grow and as such default rates remain low. Any rate cuts would be a bonus for such bonds, but would have more of an impact on our government bond holdings.

Stock markets have done well of late and in some cases they look a little expensive, notably in the US. Whilst we have a positive view about the long-term potential for stocks, we would not be surprised if there was something of a correction at some point.

Equilibrium Investment Management LLP
20 June 2024

* Explanation of terms used

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

Real assets – assets that traditionally have income linked to inflation such as property and infrastructure funds.

Alternatives – funds that may invest in commodities or financial markets to achieve returns with low or negative correlation to the mainstream assets or equities and bonds.

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.

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 May 2024

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
SPDR S&P 500 UCITS ETF	25,706,120
BlackRock ICS Sterling Government Liquidity Premier GBP	14,729,951
MI TwentyFour Monument Bond 'L'	12,936,714
Artemis UK Select 'S' GBP	11,773,424
Schroder High Yield Opportunities 'Z' GBP	11,199,389
Royal London Short Duration Global High Yield Bond 'Z'	10,281,997
M&G Japan 'I' Sterling	8,684,867
Royal London US Growth 'D' GBP	8,587,600
Credit Agricole FTSE/S&P Autocall Apr 29	8,200,000
Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	6,665,144
Other purchases	15,359,840
Total purchases for the period	134,125,046

<u>Largest sales</u>	<u>Proceeds (£)</u>
L&G US Equity (Responsible Exclusions) UCITS ETF USD	17,351,140
Allianz Strategic Bond 'I' GBP	16,514,682
BlackRock ICS Sterling Government Liquidity Premier GBP	13,691,639
Artemis UK Select 'I' GBP	12,760,252
SPDR S&P 500 UCITS ETF	10,150,741
BlackRock ICS US Treasury Premier USD	9,110,675
Royal London US Growth 'D' GBP	8,658,747
JP Morgan FTSE/S&P Autocall Oct 28	8,520,000
Credit Agricole FTSE/S&P Autocall Oct 28	8,196,650
VT Gravis Clean Energy Income 'C' GBP	7,481,745
Other sales	41,614,704
Total sales for the period	154,050,975

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

PORTFOLIO STATEMENT

as at 31 May 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2023 - 39.12%)		
10,890,477 Aegon High Yield Bond 'S' Sterling	14,580,170	3.38
13,283,925 Artemis Corporate Bond 'I' GBP	14,046,423	3.26
93,256 iShares \$ TIPS UCITS ETF USD ^C	17,105,302	3.97
2,471,521 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	10,374,209	2.41
1,235,370 iShares Core UK Gilts UCITS ETF GBP ^C	12,316,639	2.86
10,456,905 Man GLG High Yield Opportunities 'C'	15,267,082	3.54
10,016,714 MI TwentyFour Monument Bond 'L'	13,166,971	3.06
187,363 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	18,168,585	4.22
14,211,584 Premier Miton Strategic Monthly Income Bond 'C'	15,462,203	3.59
18,405,463 Royal London Short Duration Global High Yield Bond 'Z'	21,891,457	5.08
15,965,108 Royal London Sterling Extra Yield Bond 'Z'	15,269,029	3.54
10,455,385 Schroder High Yield Opportunities 'Z' GBP	11,030,431	2.56
1,658,532 Waverton Sterling Bond 'P' Stg£	14,321,421	3.32
Total Fixed Interest	192,999,922	44.79
REAL ASSETS (30 November 2023 - 9.28%)		
5,540,000 Foresight Sustainable Forestry Company ^B	5,240,840	1.22
16,677,888 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	16,004,102	3.71
2,847,329 iShares UK Property UCITS ETF GBP ^C	13,232,961	3.07
Total Real Assets	34,477,903	8.00
DEFINED RETURNS (30 November 2023 - 12.08%)		
3,934,388 Atlantic House Defined Returns 'B' GBP	7,971,464	1.85
7,740,000 BNP Paribas FTSE Autocall Sep 28 ^A	8,335,980	1.93
8,200,000 Credit Agricole FTSE/S&P Autocall Apr 29 ^A	8,344,320	1.94
7,780,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	8,509,764	1.98
Total Defined Returns	33,161,528	7.70
ALTERNATIVES (30 November 2023 - 4.45%)		
5,912,161 Atlantic House Uncorrelated Strategies 'X' GBP Hedged	6,637,583	1.54
168,087 THEAM Quant Dynamic Volatility Carry 'M' USD	13,206,472	3.07
Total Alternatives	19,844,055	4.61
EQUITY (30 November 2023 - 31.95%)		
755,794 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	8,194,772	1.90
8,796,856 Artemis UK Select 'S' GBP	11,845,846	2.75
1,447,841 Baillie Gifford Emerging Markets Leading Companies 'B'	8,314,952	1.93
7,432,248 IFSL Evenlode Global Equity 'F'	11,273,977	2.62
122,691 iShares S&P SmallCap 600 UCITS ETF USD ^C	8,420,283	1.95
6,222,221 Liontrust European Dynamic 'S'	8,512,135	1.98
8,388,872 Liontrust Special Situations 'I'	11,220,955	2.60
223,913 M&G Japan 'I' Sterling	8,354,575	1.94
12,896,410 Royal London Global Equity Select 'Z'	21,124,320	4.90
11,682,549 Schroder Global Recovery 'L' GBP	13,107,821	3.04
1,693,735 SPDR S&P 500 UCITS ETF ^C	16,816,868	3.90
7,455,573 WS Gresham House UK Multi Cap Income 'A' Sterling	8,778,937	2.04
94,364 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	6,533,720	1.52
Total Equity	142,499,161	33.07
MONEY MARKETS (30 November 2023 - 1.99%)		
19,508 BlackRock ICS Sterling Government Liquidity Premier GBP	2,161,557	0.50
22,492 BlackRock ICS US Treasury Premier USD	2,034,753	0.47
Total Money Markets	4,196,310	0.97
Portfolio of investments	427,178,879	99.14
Net other assets	3,688,272	0.86
Total net assets	430,867,151	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 BALANCED PORTFOLIO

PORTFOLIO TRANSACTIONS

for the six month period ended 31 May 2024

£

Total purchases costs, including transaction charges

134,125,046

Total sales proceeds, net of transaction charges

154,050,975

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

STATEMENT OF TOTAL RETURN

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		25,276,075		(2,380,032)
Revenue	6,129,704		5,104,157	
Expenses	<u>(1,389,514)</u>		<u>(1,366,841)</u>	
Net revenue before taxation	4,740,190		3,737,316	
Taxation	<u>(561,268)</u>		<u>(318,801)</u>	
Net revenue after taxation		<u>4,178,922</u>		<u>3,418,515</u>
Total return before distributions		29,454,997		1,038,483
Distributions		(117,070)		(15,694)
Change in net assets attributable to shareholders from investment activities		<u>29,337,927</u>		<u>1,022,789</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Opening net assets attributable to shareholders		^A 422,482,993		421,107,192
Amounts receivable on issue of shares	9,626,570		16,710,693	
Amounts payable on cancellation of shares	<u>(30,580,333)</u>		<u>(18,177,337)</u>	
Compensation to sub-fund	-		3,359	
		(20,953,763)		(1,463,285)
Change in net assets attributable to shareholders from investment activities		29,337,927		1,022,789
Retained distribution on accumulation shares		(6)		-
Closing net assets attributable to shareholders		<u>430,867,151</u>	^A	<u>420,666,696</u>

^A These figures are not the same as the comparatives are taken from the preceding interim period and not the last annual accounts.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

BALANCE SHEET
as at 31 May 2024

	31 May 2024	30 November 2023
	£	£
Assets:		
Fixed Assets:		
Investments	427,178,879	417,720,170
Current Assets:		
Debtors	1,180,861	1,074,273
Cash and cash equivalents	4,443,278	6,673,764
Total assets	<u>432,803,018</u>	<u>425,468,207</u>
Liabilities:		
Creditors:		
Bank overdrafts	5,309	2,090,419
Other creditors	1,930,558	894,795
Total liabilities	<u>1,935,867</u>	<u>2,985,214</u>
Net assets attributable to shareholders	<u>430,867,151</u>	<u>422,482,993</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Performance to 31 May 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Adventurous Portfolio	9.27%	10.61%	1.53%	22.78%
UK Consumer Prices Index	1.70%	1.99%	20.91%	24.06%
UK Consumer Prices Index plus 5.5% per annum	4.42%	7.52%	41.62%	61.47%

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

Performance statement

IFSL Equilibrium Adventurous Portfolio (the sub-fund) returned 9.27% over the 6 months from 1 December 2023 to 31 May 2024. The sub-fund returned 10.61% over the 12 months to 31 May 2024.

Market review

The sub-fund invests in various asset classes, the largest exposure being to equities at around 55% exposure equities (directly or indirectly via structured products*), along with 37% in fixed interest (bonds) at present. There is also a small amount in real assets*.

The past 12 months has seen mixed returns, with many of the assets performing poorly during the first half of the period but performing better during the second half.

For much of 2023, bonds and equities both struggled, with central banks continuing to increase interest rates to combat inflation.

However, towards the end of the year central banks began to signal that there would be no more interest rate hikes, and speculation turned to when the first interest rate cuts would be. This has been more supportive for bonds and helped equities to recover.

Sub-fund performance review

Over the past year the sub-fund has outperformed inflation (based on UK Consumer Prices Index (CPI)), returning 10.61% compared to CPI which was 1.99% at the end of May 2024.

Both bonds and equities detracted from performance in the first half of the period but added to returns during the second half.

In particular, equities and high yield bonds* did well during this period. Short-dated bonds (those with typically three years or less to maturity) and investment grade corporate bonds continued to offer solid returns.

Meanwhile, after a strong run towards the back end of 2023, government bonds have been slightly negative so far in 2024.

Portfolio activity

Over the last 12 months we have typically been adding to our fixed interest exposure, reducing exposure to real assets and alternatives*. Around 37% of the portfolio is now in fixed interest.

Within this, we have increased exposure to high yield bonds in particular. These are riskier, being loans to companies with lower credit ratings, however they do provide a higher yield and therefore potentially a higher return. In some cases, we think these can return more than equities.

Over the period we have also slightly reduced equity exposure. This has mainly been when we have had structured products "kick out" (mature) and we chose not to reinvest in equity linked products, but instead top up fixed interest.

Investment outlook

We continue to have a very positive view about the future returns of certain types of fixed interest.

Yields are generally much higher than they were a few years ago, which we expect to lead to potentially higher total returns. In particular, corporate bonds offer attractive yields in our view, especially those of high yield bonds.

We think it likely that interest rates will be gradually cut over the next year or two. However, for higher yielding corporate bonds this isn't necessary in order to achieve a positive return. For these bonds, we are more focused on credit risk.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 May 2024

Investment commentary (continued)

Investment outlook (continued)

At present the global economy continues to grow and as such default rates remain low. Any rate cuts would be a bonus for such bonds, but would have more of an impact on our government bond holdings.

Stock markets have done well of late and in some cases they look a little expensive, notably in the US. Whilst we have a positive view about the long-term potential for stocks, we would not be surprised if there was something of a correction at some point.

Equilibrium Investment Management LLP
20 June 2024

* Explanation of terms used

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

Real assets – assets that traditionally have income linked to inflation such as property and infrastructure funds.

Alternatives – funds that may invest in commodities or financial markets to achieve returns with low or negative correlation to the mainstream assets or equities and bonds.

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.

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>
SPDR S&P 500 UCITS ETF	17,130,033
Schroder High Yield Opportunities 'Z' GBP	15,254,989
Royal London Short Duration Global High Yield Bond 'Z'	12,451,974
Artemis UK Select 'S' GBP	11,441,855
Artemis Corporate Bond 'I' GBP	10,538,624
M&G Japan 'I' Sterling	8,987,188
iShares MSCI Japan UCITS ETF USD	8,078,783
HSBC MSCI China UCITS ETF USD	7,090,741
Royal London US Growth 'D' GBP	6,903,192
Credit Agricole FTSE/S&P Autocall Apr 29	6,250,000
Other purchases	40,019,923
Total purchases for the period	144,147,302
<u>Largest sales</u>	<u>Proceeds (£)</u>
L&G US ESG Exclusions Paris Aligned UCITS ETF USD	12,921,232
Artemis UK Select 'I' GBP	11,441,855
Baillie Gifford American 'B'	9,315,665
iShares MSCI Japan UCITS ETF USD	8,088,806
Royal London US Growth 'D' GBP	6,960,251
JP Morgan FTSE/S&P Autocall Oct 28	6,390,000
Credit Agricole FTSE/S&P Autocall Oct 28	6,280,550
THEAM Quant Dynamic Volatility Carry 'M' USD	6,122,791
JP Morgan FTSE/S&P Autocall Oct 28	5,979,060
VT Gravis Clean Energy Income 'C' GBP	5,296,991
Other sales	48,676,364
Total sales for the period	127,473,565

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

PORTFOLIO STATEMENT

as at 31 May 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2023 - 24.92%)		
13,665,612 Aegon High Yield Bond 'S' Sterling	18,295,522	5.17
10,009,435 Artemis Corporate Bond 'I' GBP	10,583,977	2.99
30,171 iShares \$ TIPS UCITS ETF USD ^C	5,534,057	1.56
652,595 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	2,739,268	0.77
13,121,382 Man GLG High Yield Opportunities 'C'	19,157,218	5.41
38,552 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	3,738,383	1.06
9,934,347 Premier Miton Strategic Monthly Income Bond 'C'	10,808,570	3.05
14,846,768 Royal London Short Duration Global High Yield Bond 'Z'	17,658,746	4.99
19,946,952 Royal London Sterling Extra Yield Bond 'Z'	19,077,265	5.39
14,655,480 Schroder High Yield Opportunities 'Z' GBP	15,461,531	4.37
905,605 Waverton Sterling Bond 'P' Stg£	7,819,895	2.21
Total Fixed Interest	<u>130,874,432</u>	<u>36.97</u>
REAL ASSETS (30 November 2023 - 7.74%)		
2,972,000 Foresight Sustainable Forestry Company ^B	2,811,512	0.79
9,989,247 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	9,585,682	2.71
2,450,178 iShares UK Property UCITS ETF GBP ^C	11,387,202	3.22
Total Real Assets	<u>23,784,396</u>	<u>6.72</u>
DEFINED RETURNS (30 November 2023 - 12.44%)		
3,634,426 Atlantic House Defined Returns 'B' GBP	7,363,709	2.08
5,940,000 BNP Paribas FTSE Autocall Sep 28 ^A	6,397,380	1.81
6,250,000 Credit Agricole FTSE/S&P Autocall Apr 29 ^A	6,360,000	1.80
5,600,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	6,125,280	1.73
Total Defined Returns	<u>26,246,369</u>	<u>7.42</u>
ALTERNATIVES (30 November 2023 - 1.99%)		
EQUITY (30 November 2023 - 52.89%)		
893,817 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	9,691,300	2.74
9,101,993 Artemis UK Select 'S' GBP	12,256,744	3.46
1,893,573 Baillie Gifford Emerging Markets Leading Companies 'B'	10,874,787	3.07
2,772,017 Chrysalis Investments ^B	2,234,246	0.63
261,663 Goldman Sachs India Equity 'I' GBP	7,415,522	2.09
980,745 HgCapital Trust ^B	4,712,480	1.33
1,509,740 HSBC MSCI China UCITS ETF USD ^C	7,029,349	1.99
10,249,314 IFSL Evenlode Global Equity 'F'	15,547,184	4.39
88,144 iShares S&P SmallCap 600 UCITS ETF USD ^C	6,049,323	1.71
7,451,800 Liontrust European Dynamic 'S'	10,194,226	2.88
7,974,023 Liontrust Special Situations 'I'	10,666,053	3.01
233,877 M&G Japan 'I' Sterling	8,726,349	2.46
11,451,651 Royal London Global Equity Select 'Z'	18,757,804	5.30
13,547,372 Schroder Global Recovery 'L' GBP	15,200,151	4.29
1,438,820 SPDR S&P 500 UCITS ETF ^C	14,285,851	4.04
2,319,084 The Schiehallion Fund ^B	1,622,311	0.46
1,799,814 VT Teviot UK Smaller Companies 'Sterling'	3,668,741	1.04
5,470,151 WS Gresham House UK Multi Cap Income 'A' Sterling	6,441,103	1.82
74,778 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	5,177,594	1.46
Total Equity	<u>170,551,118</u>	<u>48.17</u>
Portfolio of investments	351,456,315	99.28
Net other assets	2,534,703	0.72
Total net assets	<u><u>353,991,018</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 ADVENTUROUS PORTFOLIO

PORTFOLIO TRANSACTIONS

for the six month period ended 31 May 2024

£

Total purchases costs, including transaction charges

144,147,302

Total sales proceeds, net of transaction charges

127,473,565

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

STATEMENT OF TOTAL RETURN

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Income:				
Net capital gains		25,380,695		2,089,836
Revenue	4,691,535		3,332,504	
Expenses	<u>(1,069,480)</u>		<u>(975,685)</u>	
Net revenue before taxation	3,622,055		2,356,819	
Taxation	<u>(359,146)</u>		<u>(158,507)</u>	
Net revenue after taxation		<u>3,262,909</u>		<u>2,198,312</u>
Total return before distributions		28,643,604		4,288,148
Distributions		122,799		62,577
Change in net assets attributable to shareholders from investment activities		<u>28,766,403</u>		<u>4,350,725</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Opening net assets attributable to shareholders		^A 306,249,680		289,997,249
Amounts receivable on issue of shares	30,614,982		21,027,650	
Amounts payable on cancellation of shares	<u>(11,639,868)</u>		<u>(7,815,211)</u>	
Compensation to sub-fund	-		5,275	
		18,975,114		13,217,714
Change in net assets attributable to shareholders from investment activities		28,766,403		4,350,725
Retained distributions on accumulation shares		(179)		-
Closing net assets attributable to shareholders		<u>353,991,018</u>		^A <u>307,565,688</u>

^A These figures are not the same as the comparatives are taken from the preceding interim period and not the last annual accounts.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

BALANCE SHEET
as at 31 May 2024

	31 May 2024	30 November 2023
	£	£
Assets:		
Fixed Assets:		
Investments	351,456,315	306,187,642
Current Assets:		
Debtors	597,404	503,347
Cash and cash equivalents	3,837,954	4,127,719
Total assets	<u>355,891,673</u>	<u>310,818,708</u>
Liabilities:		
Creditors:		
Bank overdrafts	-	3,209,620
Other creditors	1,900,655	1,359,408
Total liabilities	<u>1,900,655</u>	<u>4,569,028</u>
Net assets attributable to shareholders	<u>353,991,018</u>	<u>306,249,680</u>

IFSL EQUILIBRIUM OEIC IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Performance to 31 May 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>03.07.2020^A</u>
IFSL Equilibrium Global Equity Portfolio	11.78%	13.19%	0.64%	25.30%
IA Global sector	12.32%	15.61%	17.85%	42.52%

^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

Performance statement

IFSL Equilibrium Global Equity Portfolio (the sub-fund) has returned 11.78% over the 6 months from 1 December 2023 to 31 May 2024. The sub-fund returned 13.19% over the 12 months to 31 May 2024.

Market review

The sub-fund invests mainly in equities, diversified globally across the world. It does so directly and indirectly via structured products*, as well as having some exposure to real assets* and alternatives*.

The past 12 months has seen mixed returns, with equities performing relatively poorly during the first half of the period but performing better during the second half.

For much of 2023, central banks continued to increase interest rates to combat inflation.

However, towards the end of the year central banks began to signal that there would be no more interest rate hikes, and speculation turned to when the first interest rate cuts would be. This has helped equities to recover.

Sub-fund performance review

Over the past 12 months the sub-fund has seen some very positive returns.

The sub-fund sits in the Investment Association (IA) Global sector. Funds in that sector tend to be close to 100% equities, with a high exposure to US stock markets. Because the sub-fund does not invest 100% in equities and tends to be more diversified, it can underperform when the US market in particular does well, as we have seen of late.

For example, over the 12 months to 31 May 2024, the sub-fund has grown by 13.19% relative to the IA Global sector at 15.61%.

The sub-fund will shortly be moving to the IA Flexible sector which we think is more representative as it includes mixed investment funds that can go up to 100% in equities. For reference, the IA Flexible sector grew 10.60% over the 12 months to 31 May 2024.

Portfolio activity

The sub-fund has maintained around 90% exposure to direct equity funds over most of the past 12 months.

We have also had exposure to equity linked structured products, which we call defined returns*. At times this has been over 9% of the portfolio, but as many of these have "kicked out" (mature) over the period this exposure has dropped back to around 6% at present.

We have also had between 3% and 5% exposure to real assets over this period, notably infrastructure investments.

More recently, we have increased exposure to alternatives, buying a fund that tends to do well when equity volatility* rises. This is effectively a form of "portfolio insurance" in that this tends to do well when stocks fall.

Investment outlook

Equities have had a very strong run, notably in the US. The US market looks expensive relative to history, with technology related stocks in particular trading at high multiples of their earnings.

As a result, we are slightly nervous of a correction in the short term, even though we'd still expect positive long-term returns. By holding some alternatives which might do well if equities fall, this will allow us to top up equity exposure in the event of a correction, and hopefully therefore benefit more from any rebound.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Investment commentary (continued)

Investment outlook (continued)

Away from the US, we see better value in areas such as the UK, Japan and emerging markets. We also still have a reasonable allocation to smaller companies both in the UK and the US, which have historically tended to do well once rates begin to be cut.

Equilibrium Investment Management LLP
20 June 2024

* Explanation of terms used

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

Real assets – assets that traditionally have income linked to inflation such as property and infrastructure funds.

Alternatives – funds that may invest in commodities or financial markets to achieve returns with low or negative correlation to the mainstream assets or equities and bonds.

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.

Defined returns – see structured products.

Volatility - a tendency to change quickly and unpredictably.

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>
Invesco S&P 500 UCITS ETF	10,946,296
SPDR S&P 500 UCITS ETF	10,630,564
Royal London US Growth 'D' GBP	10,443,267
Artemis UK Select 'S' GBP	8,106,500
Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD	6,152,586
M&G Japan 'I' Sterling	6,067,038
iShares MSCI Japan UCITS ETF USD	5,496,864
HSBC MSCI China UCITS ETF USD	4,719,616
THEAM Quant Dynamic Volatility Carry 'M' USD	3,920,682
Credit Agricole FTSE/S&P Autocall Apr 29	3,000,000
Other purchases	11,472,755
Total purchases for the period	80,956,168
<u>Largest sales</u>	<u>Proceeds (£)</u>
L&G US ESG Exclusions Paris Aligned UCITS ETF USD	10,775,681
Royal London US Growth 'D' GBP	10,532,485
Artemis UK Select 'I' GBP	8,106,500
Baillie Gifford American 'B'	7,264,935
iShares MSCI Japan UCITS ETF USD	5,503,683
iShares NASDAQ 100 UCITS ETF USD	4,117,840
Baillie Gifford Emerging Markets Leading Companies 'B'	3,715,690
Allianz China A-Shares Equity 'W' GBP	3,551,937
JP Morgan FTSE/S&P Autocall Oct 28	3,122,280
Credit Agricole FTSE/S&P Autocall Oct 28	2,980,600
Other sales	12,623,215
Total sales for the period	72,294,846

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

PORTFOLIO STATEMENT

as at 31 May 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
REAL ASSETS (30 November 2023 - 4.44%)		
4,943,126 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	4,743,423	3.04
Total Real Assets	<u>4,743,423</u>	<u>3.04</u>
DEFINED RETURNS (30 November 2023 - 9.25%)		
662,503 Atlantic House Defined Returns 'B' GBP	1,342,297	0.86
3,020,000 BNP Paribas FTSE Autocall Sep 28 ^A	3,252,540	2.08
3,000,000 Credit Agricole FTSE/S&P Autocall Apr 29 ^A	3,052,800	1.96
2,900,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	3,172,020	2.03
Total Defined Returns	<u>10,819,657</u>	<u>6.93</u>
ALTERNATIVES (30 November 2023 - Nil)		
50,158 THEAM Quant Dynamic Volatility Carry 'M' USD	3,940,887	2.53
Total Alternatives	<u>3,940,887</u>	<u>2.53</u>
EQUITY (30 November 2023 - 86.14%)		
523,899 Aikya Global Emerging Markets UCITS 'I' GBP Unhedged	5,680,427	3.64
6,781,566 Artemis UK Select 'S' GBP	9,132,056	5.85
988,174 Baillie Gifford Emerging Markets Leading Companies 'B'	5,675,085	3.64
3,459,396 Chrysalis Investments ^B	2,788,273	1.79
150,706 Goldman Sachs India Equity 'I' GBP	4,271,010	2.74
943,367 HgCapital Trust ^B	4,532,878	2.90
1,031,445 HSBC MSCI China UCITS ETF USD ^C	4,802,408	3.08
5,775,799 IFSL Evenlode Global Equity 'F'	8,761,310	5.62
13,401 Invesco S&P 500 UCITS ETF ^C	10,770,412	6.90
89,437 iShares S&P SmallCap 600 UCITS ETF USD ^C	6,138,061	3.93
6,147,999 Liontrust European Dynamic 'S'	8,410,598	5.39
5,002,304 Liontrust Special Situations 'I'	6,691,082	4.29
169,371 M&G Japan 'I' Sterling	6,319,520	4.05
6,160,358 Royal London Global Equity Select 'Z'	10,090,667	6.47
8,296,119 Schroder Global Recovery 'L' GBP	9,308,245	5.97
920,201 SPDR S&P 500 UCITS ETF ^C	9,136,553	5.86
1,540,693 The Schiehallion Fund ^B	1,077,789	0.69
3,365,532 VT Teviot UK Smaller Companies 'Sterling'	6,860,301	4.40
5,459,633 WS Gresham House UK Multi Cap Income 'A' Sterling	6,428,718	4.12
133,469 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	9,241,332	5.92
Total Equity	<u>136,116,725</u>	<u>87.25</u>
Portfolio of investments	155,620,692	99.75
Net other assets	391,217	0.25
Total net assets	<u><u>156,011,909</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.

PORTFOLIO TRANSACTIONS

for the six month period ended 31 May 2024

	£
Total purchases costs, including transaction charges	80,956,168
Total sales proceeds, net of transaction charges	72,294,846

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

STATEMENT OF TOTAL RETURN

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Income:				
Net capital gains		14,999,938		2,031,298
Revenue	1,184,603		1,022,624	
Expenses	<u>(486,181)</u>		<u>(425,901)</u>	
Net revenue before taxation	698,422		596,723	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>698,422</u>		<u>596,723</u>
Total return before distributions		15,698,360		2,628,021
Distributions		33,756		22,352
Change in net assets attributable to shareholders from investment activities		<u>15,732,116</u>		<u>2,650,373</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Opening net assets attributable to shareholders		^A 131,240,956		118,967,309
Amounts receivable on issue of shares	10,397,615		9,137,286	
Amounts payable on cancellation of shares	<u>(1,358,727)</u>		<u>(2,007,884)</u>	
		9,038,888		7,129,402
Change in net assets attributable to shareholders from investment activities		15,732,116		2,650,373
Retained distributions on accumulation shares		(51)		-
Closing net assets attributable to shareholders		<u>156,011,909</u>	^A	<u>128,747,084</u>

^A These figures are not the same as the comparatives are taken from the preceding interim period and not the last annual accounts.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

BALANCE SHEET
as at 31 May 2024

	31 May 2024	30 November 2023
	£	£
Assets:		
Fixed Assets:		
Investments	155,620,692	131,020,285
Current Assets:		
Debtors	171,263	24,454
Cash and cash equivalents	4,701,273	835,390
Total assets	<u>160,493,228</u>	<u>131,880,129</u>
Liabilities:		
Creditors:		
Bank overdrafts	3,678,167	368,643
Other creditors	803,152	270,530
Total liabilities	<u>4,481,319</u>	<u>639,173</u>
Net assets attributable to shareholders	<u>156,011,909</u>	<u>131,240,956</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 May 2024

Performance to 31 May 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>02.03.2021^A</u>
IFSL Equilibrium Defensive Portfolio	4.36%	5.18%	(3.54)%	(3.15)%
Bank of England Base Rate plus 3% per annum	4.20%	8.49%	18.70%	19.59%

^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

Performance statement

IFSL Equilibrium Defensive Portfolio (the sub-fund) returned 4.36% over the 6 months from 1 December 2023 to 31 May 2024. The sub-fund returned 5.18% over the 12 months to 31 May 2024.

Market review

The sub-fund invests in various asset classes, the largest exposure being to fixed interest (bonds), along with some equities, real assets* and alternatives*.

The past 12 months has seen mixed returns, with many of the assets performing poorly during the first half of the period but performing better during the second half.

For much of 2023, bonds and equities both struggled, with central banks continuing to increase interest rates to combat inflation.

However, towards the end of the year central banks began to signal that there would be no more interest rate hikes, and speculation turned to when the first interest rate cuts would be. This has been more supportive for bonds and helped equities to recover.

Sub-fund performance review

The sub-fund returned less than the Bank of England Base Rate plus 3% per annum over 12 months, but slightly outperformed over the 6 months to 31 May 2024 (4.36% vs 4.20%).

Both bonds and equities detracted from performance in the first half of the period but added to returns during the second half.

In particular, equities and high yield bonds* did well during this period. Short dated fixed interest and investment grade corporate bonds continued to offer solid returns.

Meanwhile, after a strong run towards the back end of 2023, government bonds have been slightly negative so far in 2024.

Portfolio activity

Over the last 12 months we have typically been adding to our fixed interest exposure, reducing exposure to real assets and alternatives. Around 70% of the portfolio is now in fixed interest.

Within this, a large proportion is in short-dated bonds (those with typically three years or less to maturity) which have less sensitivity to changes in interest rates than longer dated bonds (those with more than three years to maturity). At present we think these provide attractive yields with relatively low risk.

We also have increased exposure to high yield bonds. These are riskier, being loans to companies with lower credit ratings, however they do provide a higher yield.

We retain exposure to other types of bonds including floating rate notes (where the interest paid can go up or down as rates move) and inflation linked bonds, as well as some alternatives which help diversify the portfolio.

Investment outlook

We continue to have a very positive view about the future returns of certain types of fixed interest.

Yields are generally much higher than they were a few years ago, which we expect to lead to potentially higher total returns. In particular, corporate bonds offer attractive yields in our view, especially those of high yield bonds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 May 2024

Investment commentary (continued)

Investment outlook (continued)

We think it likely that interest rates will be gradually cut over the next year or two. However, for higher yielding corporate bonds this is not necessary in order to achieve a positive return. For these bonds, we are more focused on credit risk.

At present the global economy continues to grow and as such default rates remain low. Any interest rate cuts would be a bonus for such bonds but would have more of an impact on our government bond holdings.

Stock markets have done well of late and in some cases they look a little expensive, notably in the US. Whilst we have a positive view about the long-term potential for stocks, we would not be surprised if there was something of a correction at some point.

Equilibrium Investment Management LLP
20 June 2024

* Explanation of terms used

Real assets – assets that traditionally have income linked to inflation such as property and infrastructure funds.

Alternatives – funds that may invest in commodities or financial markets to achieve returns with low or negative correlation to the mainstream assets or equities and bonds.

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.

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

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS Sterling Government Liquidity Premier GBP	874,577
SPDR S&P 500 UCITS ETF	863,785
MI TwentyFour Asset Backed Opportunities 'I' Gross	639,213
Schroder High Yield Opportunities 'Z' GBP	636,330
BlackRock ICS US Treasury Premier USD	486,127
Credit Agricole FTSE/S&P Step Down Autocall Apr 29	450,000
Royal London US Growth 'D' GBP	436,311
Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	350,834
Royal London Short Duration Global High Yield Bond 'Z'	320,359
Man GLG High Yield Opportunities 'C'	199,966
Other purchases	873,977
Total purchases for the period	6,131,479
<u>Largest sales</u>	<u>Proceeds (£)</u>
BlackRock ICS Sterling Government Liquidity Premier GBP	1,339,993
Allianz Strategic Bond 'I' GBP	1,146,364
BlackRock ICS US Treasury Premier USD	1,013,474
JP Morgan FTSE/S&P Autocall Oct 28	510,195
SPDR S&P 500 UCITS ETF	473,899
L&G US ESG Exclusions Paris Aligned UCITS ETF USD	448,874
Royal London US Growth 'D' GBP	439,894
VT Gravis Clean Energy Income 'C' GBP	424,560
Waverton Sterling Bond 'P' Stg£	309,948
iShares Core UK Gilts UCITS ETF GBP	301,059
Other sales	988,629
Total sales for the period	7,396,889

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

COMPARATIVE TABLE

A Accumulation shares	Period to 31.05.2024	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	pence
Opening net asset value per share	92.76	93.47	101.37	100.00
Return before operating charges*	4.58	0.32	(6.68)	2.22
Operating charges	(0.54)	(1.03)	(1.22)	(0.85)
Return after operating charges*	4.04	(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	96.80	92.76	93.47	101.37
* after direct transaction costs of:	-	-	0.03	0.02
Performance				
Return after charges ^B	4.36%	(0.76)%	(7.79)%	1.37%
Other information				
Closing net asset value (£)	21,127,535	21,438,623	21,858,629	19,342,742
Closing number of shares	21,826,496	23,110,884	23,386,238	19,082,186
Operating charges	1.13% ^{C,D,E}	1.12% ^{C,D}	1.25% ^C	1.13% ^E
Direct transaction costs	0.00%	0.00%	0.03%	0.03% ^E
Prices (pence per share)				
Highest share price	97.31	95.45	102.00	102.20
Lowest share price	92.77	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 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.

^E These figures have been annualised.

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 will be calculated instead. 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 3 because its investments have experienced low to moderate volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

PORTFOLIO STATEMENT

as at 31 May 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2023 - 65.39%)		
662,736 Aegon High Yield Bond 'S' Sterling	887,271	4.20
1,113,299 Artemis Corporate Bond 'I' GBP	1,177,203	5.57
5,475 iShares \$ TIPS UCITS ETF USD ^C	1,004,241	4.75
284,354 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^C	1,193,576	5.65
94,819 iShares Core UK Gilts UCITS ETF GBP ^C	945,345	4.47
620,023 Man GLG High Yield Opportunities 'C'	905,233	4.28
659,186 MI TwentyFour Asset Backed Opportunities 'I' Gross	653,517	3.09
875,192 MI TwentyFour Monument Bond 'L'	1,150,440	5.45
12,418 Muzinich Global Short Duration Investment Grade 'H' GBP Hedged	1,204,155	5.70
831,887 Premier Miton Strategic Monthly Income Bond 'C'	905,093	4.28
871,573 Royal London Short Duration Global High Yield Bond 'Z'	1,036,649	4.91
1,071,720 Royal London Short Duration Global Index Linked 'Z'	1,129,593	5.35
1,062,500 Royal London Sterling Extra Yield Bond 'Z'	1,016,175	4.81
602,775 Schroder High Yield Opportunities 'Z' GBP	635,928	3.01
116,674 Waverton Sterling Bond 'P' Stg£	1,007,475	4.77
Total Fixed Interest	<u>14,851,894</u>	<u>70.29</u>
REAL ASSETS (30 November 2023 - 7.82%)		
220,000 Foresight Sustainable Forestry Company ^B	208,120	0.99
579,439 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	556,030	2.63
145,649 iShares UK Property UCITS ETF GBP ^C	676,904	3.20
Total Real Assets	<u>1,441,054</u>	<u>6.82</u>
DEFINED RETURNS (30 November 2023 - 7.54%)		
170,767 Atlantic House Defined Returns 'B' GBP	345,991	1.64
345,000 BNP Paribas FTSE Autocall Sep 28 ^A	371,565	1.76
450,000 Credit Agricole FTSE/S&P Step Down Autocall Apr 29 ^A	453,150	2.14
365,000 Morgan Stanley FTSE/S&P Autocall Sep 28 ^A	399,237	1.89
Total Defined Returns	<u>1,569,943</u>	<u>7.43</u>
ALTERNATIVES (30 November 2023 - 3.07%)		
4,862 Lazard Rathmore Alternative 'E' GBP Hedged	639,902	3.03
Total Alternatives	<u>639,902</u>	<u>3.03</u>
EQUITY (30 November 2023 - 6.32%)		
92,501 IFSL Evenlode Global Equity 'F'	140,315	0.66
153,005 Royal London Global Equity Select 'Z'	250,622	1.19
41,971 SPDR S&P 500 UCITS ETF ^C	416,724	1.97
329,613 WS Gresham House UK Multi Cap Income 'A' Sterling	388,119	1.84
2,419 Xtrackers S&P 500 Equal Weight UCITS ETF '1C' USD ^C	167,491	0.79
Total Equity	<u>1,363,271</u>	<u>6.45</u>
MONEY MARKETS (30 November 2023 - 8.86%)		
3,830 BlackRock ICS Sterling Government Liquidity Premier GBP	424,378	2.01
5,853 BlackRock ICS US Treasury 'Premier' Accumulating USD	529,495	2.51
33,881 BlackRock ICS US Treasury 'Premier' Distributing USD	26,631	0.13
Total Money Markets	<u>980,504</u>	<u>4.65</u>
Portfolio of investments	20,846,568	98.67
Net other assets	280,967	1.33
Total net assets	<u><u>21,127,535</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

PORTFOLIO TRANSACTIONS

for the six month period ended 31 May 2024

£

Total purchases costs, including transaction charges

6,131,479

Total sales proceeds, net of transaction charges

7,396,889

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

STATEMENT OF TOTAL RETURN

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		669,506		(493,074)
Revenue	377,052		270,962	
Expenses	<u>(78,423)</u>		<u>(82,147)</u>	
Net revenue before taxation	298,629		188,815	
Taxation	<u>(51,754)</u>		<u>(25,145)</u>	
Net revenue after taxation		<u>246,875</u>		<u>163,670</u>
Total return before distributions		916,381		(329,404)
Distributions		(7,812)		(3,693)
Change in net assets attributable to shareholders from investment activities		<u>908,569</u>		<u>(333,097)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the six month period ended 31 May 2024

	31 May 2024		31 May 2023	
	£	£	£	£
Opening net assets attributable to shareholders		^A 21,438,623		21,858,629
Amounts receivable on issue of shares	1,669,083		2,916,505	
Amounts payable on cancellation of shares	<u>(2,888,723)</u>		<u>(2,910,026)</u>	
		(1,219,640)		6,479
Change in net assets attributable to shareholders from investment activities		908,569		(333,097)
Retained distribution on accumulation shares		(17)		-
Closing net assets attributable to shareholders		<u>21,127,535</u>	^A	<u>21,532,011</u>

^A These figures are not the same as the comparatives are taken from the preceding interim period and not the last annual accounts.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

BALANCE SHEET
as at 31 May 2024

	31 May 2024	30 November 2023
	£	£
Assets:		
Fixed Assets:		
Investments	20,846,568	21,224,668
Current Assets:		
Debtors	64,816	104,258
Cash and cash equivalents	1,030,943	364,871
Total assets	<u>21,942,327</u>	<u>21,693,797</u>
Liabilities:		
Creditors:		
Bank overdrafts	-	155,249
Other creditors	814,792	99,925
Total liabilities	<u>814,792</u>	<u>255,174</u>
Net assets attributable to shareholders	<u><u>21,127,535</u></u>	<u><u>21,438,623</u></u>

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Investment Fund Services