

Investment Fund Services

IFSL Marlborough Extra Income Fund

Interim Report and Unaudited
Financial Statements

for the six month period ended 20 October 2024

IFSL MARLBOROUGH EXTRA INCOME FUND

CONTACT INFORMATION

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Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke
Helen Redmond
Sally Helston
Katherine Damsell (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Investment Manager

Marlborough Investment Management Limited
PO Box 1852
Lichfield
Staffordshire
WS13 8XU

Authorised and regulated by the Financial Conduct Authority.

Sub-Investment Manager

Canaccord Genuity Asset Management Limited
88 Wood Street
London
EC2V 7QR

Authorised and regulated by the Financial Conduct Authority.

Depository (in its capacity as Trustee)

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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
New Marlborough House
55-57 Chorley New Road
Bolton
BL1 4QR

Administrator and Registrar (to 1 June 2024)

Investment Fund Services Limited (IFSL)
Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Auditor

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

IFSL MARLBOROUGH EXTRA INCOME FUND

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IFSL MARLBOROUGH EXTRA INCOME FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 October 2024

Performance to 20 October 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough Extra Income Fund	8.99%	20.08%	20.33%	38.19%
IA Mixed Investment 40-85% Shares sector	7.04%	17.13%	8.45%	29.37%
FTSE All-Share Index	8.30%	18.82%	23.78%	37.28%

External Source of Economic Data: Morningstar (P Income - quoted price to quoted price, net income reinvested).

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 unit class is calculated in sterling.

Investment commentary

Performance statement

The Fund's P Income units generated a return of 8.99% during the six-month period ending 20th October 2024, outperforming the benchmark*, the Investment Association (IA) Mixed Investment 40-85% sector, which returned 7.04%.

Overall, we have conviction that our approach to stock picking combined with our portfolio construction methodology will continue to produce positive outcomes for unit holders. This approach enabled the Fund to outperform the FTSE All Share, which returned 6.37% over the same period. The Fund delivered a greater total return, maintained a superior income yield whilst also exhibiting lower volatility than the broader market index.

Market review

The UK economy has continued in a positive trajectory, following on from a mild recession in the second half of 2023. During April, data released by the Office for National Statistics (ONS) negatively surprised investors. The construction sector fell by 1.9%, the labour market weakened, and inflation didn't meet expectations. However, the UK Treasury's updated economic projections painted a more optimistic picture, with stronger-than-expected growth for 2024. These projections were bolstered by a combination of falling inflation, aligning closer to the Bank of England 2% target and steady GDP growth.

Financials and industrials were strong contributors, propelling growth; however, gains were somewhat muted by April's CPI of 2.3%, 0.3% greater than what was expected by the UK Treasury. Inflation which had remain stubbornly high coming into 2024, fell to the Bank of England target rate of 2% in May. Whilst this did not trigger immediate interest cuts, the market has become more optimistic that we are entering a more significant rate cutting cycle.

The second quarter of the year GDP grew by 0.5%, one factor that fuelled this was a rise in consumer confidence. The household saving ratio increased to 10.0% from 8.9% in the first quarter, supported by wage growth outpacing inflation and a strong labour market. This combination of rising incomes and improved job security has bolstered confidence in household finances, contributing to steady economic growth.

Fund performance review

The Fund has benefited from its UK allocation, where we feel that there are undervalued areas of the market, presenting good opportunities for investment managers who actively select their investments. Our view is underscored by a flurry of takeover proposals in the second quarter of the year. Within the Fund, Hargreaves Lansdown, Britvic, and DS Smith have been the subject of takeover bids, reflecting increased international interest in undervalued UK assets.

With international investments being limited to at most 20% of the Fund, we've been selective in capitalising on U.S. equities which have been leading the global stock market higher, ensuring we capture growth potential without compromising our income mandate. Notable U.S. contributors include Digital Realty Trust, which returned 22.8% over the period with consistent revenue growth and Home Depot, which returned 25.4% whilst also providing strong and consistent dividend growth.

Hargreaves Lansdown (HL) was the top contributor over the period, following a £5.4 billion takeover bid. This represented a 54% premium. HL's takeover reflects a broader trend in the UK market. Private equity and overseas firms are recognising the undervaluation of high quality UK companies and we see the potential for further corporate activity. HL stands as a clear example of this trend, with its strong financial position attracting bidders who see its undervalued assets as a strategic advantage in today's market.

Burberry has been a detractor, due to weaker sales in China and broader luxury market pressures from a high-interest rate environment. However, its strong balance sheet, net cash position, and historical cash reserves have helped cushion the impact of these challenges.

IFSL MARLBOROUGH EXTRA INCOME FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 October 2024

Investment commentary (continued)

Top performers

Holding	Performance
Hargreaves	55.39%
Britvic	53.69%
D S Smith	37.31%
NatWest	32.74%
Unilever	28.84%

Top detractors

Holding	Performance
Burberry	-31.33%
Bodycote	-13.93%
Rentokil Initial	-11.39%
Shell	-9.35%
TotalEnergies	-9.02%

Portfolio activity

Over the six months we have trimmed back 3i group in line with our risk management process. 3i has performed extremely well, driven by its flagship investment in Action, a European discount retailer.

We added Burberry to the Fund in May given its attractive characteristics, similar to Hargreaves Lansdown before it. With its depressed valuation, strong brand presence and financial strength, we see a strong case for a future recovery. We think with strong creative decisions and a Chinese consumer recovery, Burberry's share price could return to former glories. Moreover, we believe that there is potential for Burberry to be the subject of a takeover bid at these depressed levels.

Taylor Wimpey, a leading UK residential developer, was added to the Fund in September. We believe as monetary policy eases and mortgage rates decline, Taylor Wimpey will be well-positioned to capitalise on potential strong demand, as favourable economic conditions typically stimulate homebuying activity and support growth in the housing sector. In addition to potential capital upside, the investment also benefits from a 6% dividend yield, offering an attractive return through income.

Investment outlook

As we move forward, we are optimistic that economic conditions will continue to improve. With inflation returning to the BoE's target, we expect monetary policy to ease, providing support to the equity markets. We believe that the fixed income element of the Fund will continue to benefit from declining interest rates.

In 2024, political developments have added some volatility, with the Labour Party's victory and their autumn budget on the 30th of October, alongside the upcoming US general election on 5th of November. This political landscape could introduce heightened market volatility. However, the Fund's focus on high quality income stocks with consistent dividends and growth should provide stability during periods of uncertainty. We remain optimistic about continued growth across the equity and fixed income markets, with a positive outlook for the Fund's performance.

Canaccord Genuity Asset Management Limited
15 November 2024

Explanation of terms*

Benchmark - Comparator index for performance purposes

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>P Income (pence per unit)</u>				
Net income paid 20 March	0.9271	0.8020	0.7831	0.6287
Net income paid 20 June	1.0793	1.0737	1.0343	0.8337
Net income paid 20 September	1.0250	0.8403	0.9914	0.8228
Net income paid 20 December	0.9815	1.0112	1.0194	1.0905

IFSL MARLBOROUGH EXTRA INCOME FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 October 2024

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
Burberry Group	633,064
Taylor Wimpey	418,090
National Grid	150,498
Ashtead Group	139,169
Phoenix Group Holdings 7.75% 06.12.53	107,815
RL Finance Bonds No. 3 6.125% 13.11.28	103,747
Total purchases for the period	1,552,383
<u>Largest sales</u>	<u>Proceeds (£)</u>
Smith (DS)	861,088
Reckitt Benckiser Group	458,476
RSA Insurance Group 7.375% Cum Irrd Pref	418,250
Admiral Group 5.5% 25.07.24	300,000
3i Group	201,056
Total sales for the period	2,238,870

IFSL MARLBOROUGH EXTRA INCOME FUND

AUTHORISED STATUS

IFSL Marlborough Extra Income Fund (the Fund) is an authorised unit trust scheme within the meaning of the Financial Services and Markets Act 2000 and is a UCITS scheme operating under the Collective Investment Schemes Sourcebook (COLL) as issued by the Financial Conduct Authority.

GENERAL INFORMATION

Investment objective

The investment objective of the Fund is to deliver a greater income than the average of the FTSE All Share Index over any 3-year period whilst taking less risk, after any charges have been taken out of the Fund.

The Fund also aims to deliver capital growth, that is to increase the value of your investment, over a period of 5 or more years.

There is no certainty that either aim of the Fund will be achieved.

Investment policy

The Fund is actively managed which means the Investment Manager decides which investments to buy or sell, and when.

The Investment Manager will aim to maintain volatility of the Fund (a measure of the size of short term changes in value) below 80% of the volatility of the FTSE All Share Index over any three year period.

The Fund will invest between 70% and 85% in the shares of companies and investment trusts.

The Fund may also invest up to 30% in bonds, which are loans issued by companies and other institutions. Bonds will typically be investment grade, which are issued by entities that have a high capacity to repay the debt, but it may occasionally hold sub-investment grade bonds as a result of changes to existing holdings.

At least 80% of the Fund will be invested in the shares of companies listed, incorporated or headquartered in the UK and bonds denominated in GBP.

The Fund may also invest in companies which are listed on overseas stock exchanges, other securities which offer returns linked to the company performance, such as warrants, preference shares and convertible bonds.

The Fund may, from time to time, hold shares in companies that become unquoted following investment, due to a delisting or other corporate event, for example. The Fund will not make any new investments into the shares of companies that are unquoted.

The Fund may hold up to 20% in cash to enable the ready settlement of liabilities (including the redemption of units), for the efficient management of the portfolio or in pursuit of the Fund's investment objective.

Whilst the Fund itself will not use derivatives, the underlying investment trusts purchased may have the ability to use derivatives to varying degrees.

Investment strategy

The Fund seeks to achieve its objective through a diversified allocation of asset classes within the scope of the investment policy. The asset allocation between shares and bonds is primarily driven by security specific analysis, but macroeconomic analysis is also considered.

The Investment Manager seeks to invest in companies with sound fundamentals such as strong financial statements, with regular income payments being a key factor. The Investment Manager assesses companies against three themes for investment, those being;

- Growth - meaning a company is expected to grow its earnings consistently
- Compound - meaning a company has the ability to grow exponentially through repeated reinvestment of additional earnings
- Recovery - meaning the price of a company is expected to rebound following a period of underperformance.

The Investment Manager will have a bias towards holding investment grade bonds issued by both companies and governments. The bond holdings within the portfolio are intended to reduce volatility, which refers to the amount by which an investment's value can rise and fall, and compliment the income generation from companies held by the Fund.

IFSL MARLBOROUGH EXTRA INCOME FUND

GENERAL INFORMATION

Performance target

We have chosen a performance target for the Fund, which is to pay an income in excess of that of the FTSE All Share Index over any three year accounting period whilst taking less risk. We have chosen this as it is a reasonable reflection of what can be achieved by a fund investing in these markets and asset classes, without taking more risk than a portfolio invested only in equities.

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 Fund's investment policy put it in the IA Mixed Investment 40-85% Shares sector. You may want to assess the Fund's performance compared to the performance of this sector. Investors should note that not all funds in this sector have income or volatility targets. As such, the Fund's focus on maintaining income or controlling volatility may lead to deviation from the sector from a performance perspective.

Rights and terms attaching to each unit class

A unit of each class represents a proportional entitlement to the assets of the Fund. The allocation of income and taxation and the rights of each unit in the event the Fund is wound up are on the same proportional basis.

Task force in climate related financial disclosures

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

Changes in prospectus

On 1 June 2024, SS&C Financial Services International Limited became the administrator and registrar of the Fund. Prior to this date the administrator and registrar was IFSL.

On 12 August 2024, the following changes took effect:

Updates to investment objectives, policies and strategies

An investment strategy section was added to the Fund's prospectus, along with other minor changes to enhance how we explain the Fund's investment objectives, policies, and strategies. These changes do not reflect a change in the way the Fund is managed and are for clarification purposes only.

Changes to Registrar's fee

The AFM made changes to the fee that is taken from the Fund to cover the administration costs associated with the Registrar for the Fund. The Registrar is responsible for managing the register of investors for the Fund, which includes all investor dealing, and this fee is known as the "Registration Fee".

The AFM adjusted the calculation of the Registration Fee to include any investor dealing in the Fund, an increased, but simpler annual charge per investor, and removing some fees altogether.

Fees relating to any investor dealing in the Fund will be charged to the Fund and not to the deal placed by an investor, and will in future be charged at a rate of:

- £5 per deal, when placed through a platform.
- £15 per deal, when placed directly through the Registrar.

The AFM made an increase to the annual charge per investor in the Fund, but also removed any fixed annual fee from the calculation. Details of these changes can be found in the prospectus.

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

IFSL MARLBOROUGH EXTRA INCOME FUND

DIRECTORS' STATEMENT

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



Allan Hamer
Director



Helen Redmond
Director

Investment Fund Services Limited
28 November 2024

IFSL MARLBOROUGH EXTRA INCOME FUND

COMPARATIVE TABLE

P Income units	Period to 20.10.2024	Year to 20.04.2024	Year to 20.04.2023	Year to 20.04.2022
Change in net assets per unit	pence	pence	pence	pence
Opening net asset value per unit	95.38	94.59	96.69	95.84
Return before operating charges*	9.02	5.47	2.69	5.53
Operating charges	(0.42)	(0.82)	(0.90)	(0.95)
Return after operating charges*	8.60	4.65	1.79	4.58
Distributions on income units	(2.01)	(3.86)	(3.89)	(3.73)
Closing net asset value per unit	101.97	95.38	94.59	96.69
* after direct transaction costs of:	0.03	0.08	0.10	0.14
Performance				
Return after charges ^A	9.02%	4.92%	1.85%	4.78%
Other information				
Closing net asset value (£)	37,074,575	34,980,249	34,046,212	34,057,363
Closing number of units	36,358,128	36,674,330	35,995,196	35,222,393
Operating charges	0.84% ^{B,C}	0.88% ^B	0.97%	0.98%
Direct transaction costs	0.06% ^C	0.09%	0.11%	0.15%
Prices (pence per unit)				
Highest unit price	103.36	98.55	97.32	100.62
Lowest unit price	97.00	88.12	84.96	91.81

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

^B 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.

^C 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 unit class in the period. Where it is considered unsuitable to use the total expenses paid by each unit class in the period to calculate the OCF because of material changes to the 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 Fund. These amounts are expressed as a percentage of the average net asset value over the period and the average units in issue for the pence per unit figures.

SYNTHETIC RISK AND REWARD INDICATOR (all unit classes)

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 this unit class based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio are used.

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

IFSL MARLBOROUGH EXTRA INCOME FUND

PORTFOLIO STATEMENT

as at 20 October 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
LOAN STOCKS (20 April 2024 - 22.24%)		
400,000 BAT International Finance 6% 24.11.34	410,328	1.11
400,000 BP Capital Markets 5.773% 25.05.38	419,772	1.13
500,000 Brit Insurance Holdings 6.625% 09.12.30	412,015	1.11
100,000 esure Group 6.75% 19.12.24	99,850	0.27
400,000 GlaxoSmithKline Capital 5.25% 10.04.42	407,264	1.10
400,000 HSBC Holdings 5.75% 20.12.27	409,320	1.10
600,000 Legal & General Group 5.375% 27.10.45	599,250	1.62
360,000 Liverpool Victoria Friendly Society 6.5% 22.05.43	365,069	0.98
300,000 Northumbrian Water Finance 5.625% 29.04.33	296,022	0.80
400,000 Phoenix Group Holdings 7.75% 06.12.53	428,308	1.16
400,000 Prudential 6.125% 19.12.31	418,456	1.13
400,000 RL Finance Bonds No. 3 6.125% 13.11.28	411,144	1.11
600,000 Society of Lloyds (The) 4.75% 30.10.24	599,874	1.62
800,000 Society of Lloyds (The) 4.875% 07.02.47	789,952	2.13
1,000,000 Tesco 5.5% 13.01.33	1,025,000	2.76
300,000 TP ICAP Finance 7.875% 17.04.30	324,114	0.87
300,000 United Utilities Water 5.625% 20.12.27	306,078	0.83
78,500 Yorkshire Building Society 13.5% 01.04.25	80,694	0.22
Total Loan Stocks	<u>7,802,510</u>	<u>21.05</u>
PREFERENCE SHARES (20 April 2024 - 4.92%)		
330,000 Aviva 8.75% Cum Irrd Pref	452,100	1.22
355,000 Ecclesiastical Insurance Office 8.625% Non-Cum Irrd Pref	479,250	1.29
350,000 General Accident 8.875% Cum Irrd Pref	488,250	1.32
Total Preference Shares	<u>1,419,600</u>	<u>3.83</u>
EQUITIES (20 April 2024 - 72.63%)		
Aerospace and Defense (20 April 2024 - 2.98%)		
80,000 BAE Systems	1,058,800	2.86
Total Aerospace and Defense	<u>1,058,800</u>	<u>2.86</u>
Banks (20 April 2024 - 1.37%)		
175,000 NatWest Group	627,725	1.69
Total Banks	<u>627,725</u>	<u>1.69</u>
Beverages (20 April 2024 - 3.47%)		
57,000 Britvic	731,310	1.97
26,165 Diageo	696,774	1.88
Total Beverages	<u>1,428,084</u>	<u>3.85</u>
Closed End Investments (20 April 2024 - 5.37%)		
400,000 Baillie Gifford US Growth Trust	850,000	2.29
100,000 JPMorgan Global Growth & Income	577,000	1.56
580,000 The Renewables Infrastructure Group	568,400	1.53
Total Closed End Investments	<u>1,995,400</u>	<u>5.38</u>
Construction and Materials (20 April 2024 - 3.11%)		
17,500 CRH	1,248,100	3.37
Total Construction and Materials	<u>1,248,100</u>	<u>3.37</u>
Electricity (20 April 2024 - 2.36%)		
50,000 SSE	952,250	2.57
Total Electricity	<u>952,250</u>	<u>2.57</u>
Gas, Water and Multi-utilities (20 April 2024 - 4.30%)		
103,333 National Grid	1,050,897	2.83
27,500 Severn Trent	743,325	2.01
Total Gas, Water and Multi-utilities	<u>1,794,222</u>	<u>4.84</u>

IFSL MARLBOROUGH EXTRA INCOME FUND

PORTFOLIO STATEMENT

as at 20 October 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EQUITIES (continued)		
General Industrials (20 April 2024 - 4.43%)		
25,000 Bunzl	887,000	2.39
Total General Industrials	887,000	2.39
Household Goods and Home Construction (20 April 2024 - Nil)		
250,000 Taylor Wimpey	405,500	1.09
Total Household Goods and Home Construction	405,500	1.09
Industrial Engineering (20 April 2024 - 1.74%)		
90,000 Bodycote	511,200	1.38
Total Industrial Engineering	511,200	1.38
Industrial Metals and Mining (20 April 2024 - 2.74%)		
18,000 Rio Tinto	901,800	2.43
Total Industrial Metals and Mining	901,800	2.43
Industrial Support Services (20 April 2024 - 1.46%)		
123,750 Rentokil Initial	458,865	1.24
Total Industrial Support Services	458,865	1.24
Industrial Transportation (20 April 2024 - 1.30%)		
8,500 Ashtead Group	496,740	1.34
143,300 Doric Nimrod Air Three Pref	88,846	0.24
44,286 Doric Nimrod Air Two Pref	63,329	0.17
Total Industrial Transportation	648,915	1.75
Investment Banking and Brokerage Services (20 April 2024 - 6.52%)		
40,000 3i Group	1,354,000	3.65
70,000 Hargreaves Lansdown	759,150	2.05
125,588 Schroders	466,434	1.26
Total Investment Banking and Brokerage Services	2,579,584	6.96
Life Insurance (20 April 2024 - 1.25%)		
92,000 Phoenix Group Holdings	490,360	1.32
Total Life Insurance	490,360	1.32
Media (20 April 2024 - 1.89%)		
20,000 RELX	731,200	1.97
Total Media	731,200	1.97
Medical Equipment and Services (20 April 2024 - 1.72%)		
62,800 Smith & Nephew	702,732	1.90
Total Medical Equipment and Services	702,732	1.90
Oil, Gas and Coal (20 April 2024 - 3.54%)		
44,000 Shell	1,124,640	3.03
Total Oil, Gas and Coal	1,124,640	3.03
Personal Care, Drug and Grocery Stores (20 April 2024 - 5.62%)		
205,000 Sainsbury (J)	571,130	1.54
26,900 Unilever	1,286,896	3.47
Total Personal Care, Drug and Grocery Stores	1,858,026	5.01
Pharmaceuticals and Biotechnology (20 April 2024 - 4.59%)		
7,500 AstraZeneca	901,650	2.43
50,000 GSK	742,750	2.01
Total Pharmaceuticals and Biotechnology	1,644,400	4.44

IFSL MARLBOROUGH EXTRA INCOME FUND

PORTFOLIO STATEMENT

as at 20 October 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EQUITIES (continued)		
Personal Goods (20 April 2024 - Nil)		
60,000 Burberry Group	431,040	1.16
Total Personal Goods	431,040	1.16
Real Estate Investment Trusts (20 April 2024 - 2.66%)		
4,000 Digital Realty Trust	501,859	1.35
333,221 Tritax Big Box REIT	522,490	1.41
Total Real Estate Investment Trusts	1,024,349	2.76
Tobacco (20 April 2024 - 1.96%)		
30,000 British American Tobacco	793,800	2.14
Total Tobacco	793,800	2.14
Overseas Securities (20 April 2024 - 8.25%)		
3,000 AbbVie	433,462	1.17
7,125 Coca-Cola	381,602	1.03
2,000 McDonald's	482,468	1.30
1,400 The Home Depot	445,940	1.20
5,000 TotalEnergies	250,285	0.68
13,500 Verizon Communications	453,604	1.22
1,590 Zurich Insurance Group	740,899	2.00
Total Overseas Securities	3,188,260	8.60
Total Equities	27,486,252	74.13
Portfolio of investments	36,708,362	99.01
Net other assets	366,213	0.99
Total net assets	37,074,575	100.00
Portfolio split by investment grade		
Investments of investment grade	6,925,576	18.69
Investments below investment grade	365,069	0.98
Unrated	511,865	1.38
Loan stocks	7,802,510	21.05
Preference shares	1,419,600	3.83
Equities	27,486,252	74.13
Portfolio of investments	36,708,362	99.01
Net other assets	366,213	0.99
Total net assets	37,074,575	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules unless otherwise stated.

PORTFOLIO TRANSACTIONS

for the six month period ended 20 October 2024

	£
Total purchases cost, including transaction charges	1,552,383
Total sales proceeds, net of transaction charges	2,238,870

IFSL MARLBOROUGH EXTRA INCOME FUND

STATEMENT OF TOTAL RETURN

for the six month period ended 20 October 2024

	20 October 2024		20 October 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		2,496,709		(2,234,769)
Revenue	797,010		774,301	
Expenses	(154,232)		(155,576)	
Net revenue before taxation	<u>642,778</u>		<u>618,725</u>	
Taxation	<u>(22,021)</u>		<u>(24,988)</u>	
Net revenue after taxation		<u>620,757</u>		<u>593,737</u>
Total return before distributions		3,117,466		(1,641,032)
Distributions		(730,735)		(698,258)
Change in net assets attributable to unitholders from investment activities		<u><u>2,386,731</u></u>		<u><u>(2,339,290)</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six month period ended 20 October 2024

	20 October 2024		20 October 2023	
	£	£	£	£
Opening net assets attributable to unitholders		^A 34,980,249		34,717,125
Amounts receivable on issue of units	1,442,653		2,747,677	
Amounts payable on cancellation of units	(1,752,194)		(2,286,601)	
Compensation to Fund	<u>15,750</u>		<u>-</u>	
		(293,791)		461,076
Dilution adjustment		-		8,487
Change in net assets attributable to unitholders from investment activities		2,386,731		(2,339,290)
Unclaimed distributions		1,386		-
Closing net assets attributable to unitholders		<u><u>37,074,575</u></u>	^A	<u><u>32,847,398</u></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 MARLBOROUGH EXTRA INCOME FUND

BALANCE SHEET

as at 20 October 2024

	20 October 2024 £	20 April 2024 £
Assets:		
Fixed Assets:		
Investments	36,708,362	34,905,307
Current Assets:		
Debtors	432,672	451,290
Cash and bank balances	453,719	171,545
Total assets	<u>37,594,753</u>	<u>35,528,142</u>
Liabilities:		
Creditors:		
Distribution payable	356,866	395,853
Bank overdrafts	-	3,801
Other creditors	163,312	148,239
Total liabilities	<u>520,178</u>	<u>547,893</u>
Net assets attributable to unitholders	<u><u>37,074,575</u></u>	<u><u>34,980,249</u></u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 20 October 2024

Basis for preparation

The interim financial statements have been prepared in compliance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK 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 Fund. 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 20 April 2024 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 18 October 2024.

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Investment Fund Services