

Investment Fund Services

IFSL Marlborough Global Bond Fund

Annual Report and Audited
Financial Statements

for the year ended 20 February 2024

IFSL MARLBOROUGH GLOBAL BOND FUND

CONTACT INFORMATION

Authorised Fund Manager (AFM) and Registrar

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

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke
Helen 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

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

Authorised and regulated by the Financial Conduct Authority.

Depository (in its capacity as Trustee)

HSBC Bank plc
8 Canada Square
London
E14 5HQ

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

Auditor

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

IFSL MARLBOROUGH GLOBAL BOND FUND

CONTENTS	PAGE
AUTHORISED INVESTMENT MANAGER'S REPORT	1
AUTHORISED STATUS	4
GENERAL INFORMATION	4
DIRECTORS' STATEMENT	6
STATEMENT OF AUTHORISED FUND MANAGER'S RESPONSIBILITIES	6
STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY	7
INDEPENDENT AUDITOR'S REPORT	8
COMPARATIVE TABLE	11
SYNTHETIC RISK AND REWARD INDICATOR	13
PORTFOLIO STATEMENT	14
FINANCIAL STATEMENTS	
STATEMENT OF TOTAL RETURN	21
STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	21
BALANCE SHEET	22
NOTES TO THE FINANCIAL STATEMENTS	23
DISTRIBUTION TABLE	31

IFSL MARLBOROUGH GLOBAL BOND FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 20 February 2024

Performance to 20 February 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough Global Bond Fund	4.81%	1.79%	(4.36)%	4.01%
IA Global Mixed Bond	4.73%	2.46%	(5.47)%	2.51%

External Source of Economic Data: Morningstar (P Income - quoted to quoted, 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 returned 1.79% in the 12 months until 20 February 2024, compared to the peer-group benchmark*, the Investment Association (IA) Global Mixed Bond Sector, which returned 2.46%.

Market review

Heading into the start of the 2023, there was an enthusiasm around bond markets that was relatively short lived, as investors' economic view switched between firstly, higher interest rates for longer due to upward surprises in inflation data and secondly, concerns over the weakness of the US economy which would require interest rate reductions. The focus then turned to the quickfire collapse of three US regional banks and fears of their demise impacting other segments of the economy. Central bankers in the EU, UK and US meanwhile focused on fighting inflation and increased interest rates, causing yields ** to go higher and bond prices down.

The second half of the period under review saw a pause in these interest rate rises, with rates subsequently kept at these higher levels throughout the rest of the period. This meant that yields (and prices) on bonds were rather volatile as each release of economic data was scrutinised for any insights into the future direction of interest rate decisions.

The last couple of months of 2023 saw a significant rally in bond markets, yields fell significantly, and prices rose, as investors became very optimistic around interest rate cuts early in 2024. Under an uncertain intergovernmental landscape through January 2024, and economic data prints that did not fit into this narrative, markets reversed this move and yields rose again with bond prices falling as expectations for interest rate reductions were pushed out to later in the calendar year.

Fund performance review & portfolio activity

The Fund maintained a short duration*** exposure throughout most of 2023, versus the average of other funds within the peer group. Whilst this was adjusted strategically to respond to changing market conditions, it did mean that the Fund did not benefit, as much as the peer group, from the strong bond market rally at the end of the year.

The rationale for this position was that investors had become overly optimistic about interest rate reductions, and our view was that economic data did not point towards interest rate cuts as soon as investors expected. This eventually proved to be correct, with the Fund then benefitting from maintaining this short duration position when yields rose again. Towards the end of January, the Fund then took a long duration position and benefitted from falling yields, before then moving back towards neutral ahead of important economic announcements.

Regarding corporate debt holdings in the Fund, sector weightings were kept relatively unchanged and generally companies with sound balance sheets, which is the Fund's focus, performed well over the period. The Fund bought bonds newly issued by T-mobile, DTE Energy and America Tower but during the period under review overall corporate bond exposure was reduced at attractive prices.

From a currency standpoint, the Fund had less Sterling exposure than the average fund in the benchmark and more US Dollar and the Euro exposure in its place. Over the period, Sterling generally performed well, with some weakness around October 2023 which therefore cost performance compared to the benchmark. A preference for Japanese Yen compared to the benchmark also detracted from performance throughout the early 2024, having previously benefitted the Fund in the latter part of 2023.

Investment outlook

Investors are still grappling with how new economic data will be viewed by central banks to try and gauge when interest rate cuts will happen. Global growth continues to diverge across various regions as the full impact of previous rate hikes are not yet felt. As such we expect bond prices to remain volatile as new information is digested by markets.

IFSL MARLBOROUGH GLOBAL BOND FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 20 February 2024

Investment commentary (continued)

Investment outlook (continued)

We view bonds as a defensive asset class meaning that it performs well in a slowing economic environment. In addition, the income now offered by bonds, alongside the diversification benefits, mean that bonds at current levels provide an attractive entry point for long term investors. That said, we remain cautious over shorter time horizons as uncertainty remains heightened.

Marlborough Investment Management Limited
11 March 2024

*Benchmark - Comparator index for performance purposes used for performance comparison purposes

**Yield - A general term that relates to the return on the capital you invest in a bond. Price and yield are inversely related: As the price of a bond goes up, its yield goes down, and vice versa.

***Duration - A measure of the sensitivity of a fixed income security or bond fund to changes in interest rates. The longer a bond or bond fund's duration, the more sensitive it is to interest rate movements

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per unit)</u>				
Net income paid 20 April	1.754512	1.708535	1.435229	1.253314
Net income paid 20 October		1.704991	1.532859	1.306591
<u>A Accumulation (pence per unit)</u>				
Net accumulation paid 20 April	3.408307	3.239329	2.658882	2.289132
Net accumulation paid 20 October		3.268254	2.872588	2.403248
<u>P Income (pence per unit)</u>				
Net income paid 20 April	2.267270	2.233095	2.021849	1.864116
Net income paid 20 October		2.214094	2.067765	1.883600
<u>P Accumulation (pence per unit)</u>				
Net accumulation paid 20 April	3.254655	3.101019	2.728787	2.456589
Net accumulation paid 20 October		3.125136	2.829889	2.511565

IFSL MARLBOROUGH GLOBAL BOND FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 20 February 2024

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
US Treasury 3.5% 15.02.33	12,013,471
France OAT 4.25% 25.10.23	7,069,789
Germany (Federal Republic of) 2.5% 13.03.25	6,116,358
UK Treasury 3.5% 22.10.25	5,735,370
UK Treasury 4.5% 07.06.28	5,080,850
France OAT 3% 25.05.33	5,043,371
US Treasury 4.25% 31.01.26	4,704,768
US Treasury 3.375% 15.05.33	4,676,735
US Treasury 3.375% 15.05.44	4,046,832
UK Treasury 3.25% 31.01.33	3,744,050
Other purchases	21,646,183
Total purchases for the year	79,877,777
<u>Largest sales</u>	<u>Proceeds (£)</u>
US Treasury 4.125% 31.10.27	12,539,905
US Treasury 2.125% 30.11.23	9,739,054
US Treasury 3.5% 15.02.33	7,306,772
France OAT 4.25% 25.10.23	6,919,193
US Treasury 2.375% 15.08.24	4,582,764
US Treasury 2.75% 15.08.32	4,238,366
UK Treasury 3.25% 31.01.33	3,709,200
US Treasury 2.25% 15.08.49	3,251,453
Germany (Federal Republic of) 2.5% 13.03.25	2,543,454
France OAT 1.25% 25.05.34	2,048,483
Other sales	64,216,805
Total sales for the year	121,095,449

IFSL MARLBOROUGH GLOBAL BOND FUND

AUTHORISED STATUS

IFSL Marlborough Global Bond 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 provide both income, that is money paid out from an investment as interest, and capital growth, that is to increase the value of your investment. The Fund aims to outperform the average of the IA Global Mixed Bond sector over any 5 year period, after any charges have been taken out of the Fund. However, there is no certainty this will be achieved.

Investment policy

At least 80% of the Fund will be invested in bonds. This will include bonds issued by companies, governments and institutions.

Investments will include both investment grade bonds, which are loans issued by entities that have a high capacity to repay the debt, as well as sub-investment grade bonds which can be more vulnerable to changing economic conditions.

The Fund may also invest in shares (including preference shares and permanent interest bearing shares), bonds which may be converted into shares (known as convertible bonds) and money market instruments (which are shorter term loans).

The Fund is actively managed which means the Investment Manager decides which investments to buy or sell and when. The Investment Manager's principal aim is to buy bonds and hold them to maturity in order to maximise the income generated from investments, although some investments may be sold prior to maturity.

The Fund invests in a diversified portfolio of securities and has no constraints in relation to country or industry.

The Investment Manager uses derivatives (instruments whose returns are linked to another asset, market or other variable factor) and forward transactions, for the purposes of efficient portfolio management in order to reduce currency risk in the Fund, also known as hedging, and for investment purposes, to gain exposure to certain currencies as part of the overall investment strategy.

From time to time, the Fund may also use derivative instruments to manage interest rate risk in the Fund.

The Fund may hold up to 20% in cash to enable the ready settlement of liabilities, for the efficient management of the Fund and in pursuit of the Fund's objectives.

Performance target

The performance target is the level of performance the Fund aims to deliver however there is no certainty this will be achieved.

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 will be in the IA Global Mixed Bond sector. This Fund aims to be in the top half of all funds included in this sector, as published by Morningstar.

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.

Assessment of value

The AFM is required to carry out an assessment of value at least annually and publish its findings in a report to investors. IFSL Marlborough Global Bond Fund is assessed and reported on, in a composite report which the AFM publishes on the website www.ifslfunds.com. The next report is expected to be published in a composite report by 30 September 2024.

Changes in prospectus

No significant changes have been made since the last annual report.

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 GLOBAL BOND FUND

GENERAL INFORMATION

Remuneration policy

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

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

	Number of identified staff	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid
		£	£	£
Remuneration paid to staff of the AFM who have a material impact on the risk profile of the Fund				
Senior management	8	908,018	768,628	139,390
Risk takers and other identified staff	4	411,040	375,277	35,763
Allocation of total remuneration of the employees of the AFM to the Fund				
Senior management	0.18	20,031	16,956	3,075
Risk takers and other identified staff	0.09	9,068	8,279	789

The total number of staff employed by the AFM's group was 238 as at 30 September 2023. The total remuneration paid to those staff was £12,464,744 of which £4,346,942 is attributable to the AFM.

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

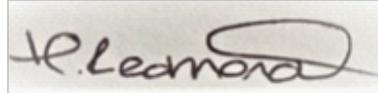
IFSL MARLBOROUGH GLOBAL BOND FUND

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.



Dom Clarke
Director



Helen Redmond
Director

Investment Fund Services Limited
28 May 2024

STATEMENT OF AUTHORISED FUND MANAGER'S RESPONSIBILITIES

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) requires the Authorised Fund Manager (AFM) to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Fund and of the net revenue and net capital losses on the property of the Fund for the year.

In preparing those financial statements the AFM is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice relating to UK Authorised Funds issued in May 2014 and amended in June 2017;
- follow United Kingdom Generally Accepted Accounting Practice and applicable accounting standards;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The AFM is required to keep proper accounting records and to manage the Fund in accordance with the COLL rules, the Trust Deed and the Prospectus. The AFM is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The AFM is responsible for ensuring that, to the best of its knowledge and belief, there is no relevant audit information of which the auditor is unaware. It is the responsibility of the AFM to take all necessary steps to familiarise itself with any relevant audit information and to establish that the auditor is aware of that information.

IFSL MARLBOROUGH GLOBAL BOND FUND

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

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the IFSL Marlborough Global Bond Fund of the ("the Trust") for the Period Ended 20 February 2024

The Depositary in its capacity as Trustee of IFSL Marlborough Global Bond Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the Trust; and

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

HSBC Bank plc

28 May 2024

IFSL MARLBOROUGH GLOBAL BOND FUND

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF IFSL MARLBOROUGH GLOBAL BOND FUND

Opinion

We have audited the financial statements of IFSL Marlborough Global Bond Fund ("the Fund") for the year ended 20 February 2024, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 20 February 2024 and of the net revenue and net capital losses on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Fund Manager's ("the AFM") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the AFM with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The AFM is responsible for the other information contained in the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

IFSL MARLBOROUGH GLOBAL BOND FUND

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF IFSL MARLBOROUGH GLOBAL BOND FUND

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

In our opinion:

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

Matters on which we are required to report by exception

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

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

Responsibilities of the AFM

As explained more fully in the Statement of Authorised Fund Manager's Responsibilities statement set out on page 6, the AFM is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the AFM determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the AFM is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the AFM either intends to wind up or terminate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF IFSL MARLBOROUGH GLOBAL BOND FUND

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP) including FRS 102, the Investment Management Association's Statement of Recommended Practice (IA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the AFM and the Fund's administrators, and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the AFM with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

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

Use of our report

This report is made solely to the Fund's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Fund's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh

28 May 2024

Notes:

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

IFSL MARLBOROUGH GLOBAL BOND FUND

COMPARATIVE TABLE

<u>A Income units</u>	Year to 20.02.2024	Year to 20.02.2023	Year to 20.02.2022
Change in net assets per unit	pence	pence	pence
Opening net asset value per unit	136.34	145.60	153.98
Return before operating charges*	2.93	(4.39)	(3.85)
Operating charges	(1.57)	(1.63)	(1.79)
Return after operating charges*	1.36	(6.02)	(5.64)
Distributions on income units	(3.46)	(3.24)	(2.74)
Closing net asset value per unit	134.24	136.34	145.60

* after direct transaction costs of: - - -

Performance			
Return after charges ^A	1.00%	(4.13)%	(3.66)%

Other information			
Closing net asset value (£)	7,205,413	11,447,454	15,497,636
Closing number of units	5,367,419	8,396,012	10,644,121
Operating charges	1.17%	1.17%	1.17%
Direct transaction costs	0.00%	0.00%	0.00%

Prices (pence per unit)			
Highest unit price	138.27	147.36	157.65
Lowest unit price	129.93	132.38	147.42

<u>A Accumulation units</u>	Year to 20.02.2024	Year to 20.02.2023	Year to 20.02.2022
Change in net assets per unit	pence	pence	pence
Opening net asset value per unit	261.64	272.94	283.44
Return before operating charges*	5.82	(8.23)	(7.20)
Operating charges	(3.04)	(3.07)	(3.30)
Return after operating charges*	2.78	(11.30)	(10.50)
Distributions on income units	(6.68)	(6.11)	(5.06)
Retained distributions on accumulation units	6.68	6.11	5.06
Closing net asset value per unit	264.42	261.64	272.94

* after direct transaction costs of: - - -

Performance			
Return after charges ^A	1.06%	(4.14)%	(3.70)%

Other information			
Closing net asset value (£)	7,454,980	11,975,083	13,979,434
Closing number of units	2,819,356	4,576,949	5,121,807
Operating charges	1.17%	1.17%	1.17%
Direct transaction costs	0.00%	0.00%	0.00%

Prices (pence per unit)			
Highest unit price	268.68	276.12	290.60
Lowest unit price	252.48	250.76	273.54

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

IFSL MARLBOROUGH GLOBAL BOND FUND
COMPARATIVE TABLE

<u>P Income units</u>	Year to 20.02.2024	Year to 20.02.2023	Year to 20.02.2022
Change in net assets per unit	pence	pence	pence
Opening net asset value per unit	136.48	145.74	154.15
Return before operating charges*	2.92	(4.38)	(3.86)
Operating charges	(0.56)	(0.58)	(0.64)
Return after operating charges*	2.36	(4.96)	(4.50)
Distributions on income units	(4.48)	(4.30)	(3.91)
Closing net asset value per unit	134.36	136.48	145.74

* after direct transaction costs of: - - -

Performance

Return after charges^A 1.73% (3.40)% (2.92)%

Other information

Closing net asset value (£)	46,544,524	53,226,497	67,402,131
Closing number of units	34,641,882	39,000,799	46,248,630
Operating charges	0.42%	0.42%	0.42%
Direct transaction costs	0.00%	0.00%	0.00%

Prices (pence per unit)

Highest unit price	138.75	147.53	158.30
Lowest unit price	130.14	132.68	148.13

P Accumulation units

Change in net assets per unit	Year to 20.02.2024	Year to 20.02.2023	Year to 20.02.2022
	pence	pence	pence
Opening net asset value per unit	192.77	199.58	205.71
Return before operating charges*	4.32	(6.00)	(5.27)
Operating charges	(0.80)	(0.81)	(0.86)
Return after operating charges*	3.52	(6.81)	(6.13)
Distributions on income units	(6.38)	(5.93)	(5.24)
Retained distributions on accumulation units	6.38	5.93	5.24
Closing net asset value per unit	196.29	192.77	199.58

* after direct transaction costs of: - - -

Performance

Return after charges^A 1.83% (3.41)% (2.98)%

Other information

Closing net asset value (£)	159,272,482	197,320,134	226,458,606
Closing number of units	81,142,514	102,362,788	113,465,174
Operating charges	0.42%	0.42%	0.42%
Direct transaction costs	0.00%	0.00%	0.00%

Prices (pence per unit)

Highest unit price	199.19	201.92	212.14
Lowest unit price	186.83	184.27	199.98

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

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each unit class in the year. Where it is considered unsuitable to use the total expenses paid by each unit class in the year 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 year, 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 year and the average units in issue for the pence per unit figures.

IFSL MARLBOROUGH GLOBAL BOND FUND

SYNTHETIC RISK AND REWARD INDICATOR (all unit classes)



This indicator aims to give you a measure of the price movement of the Fund 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 4 because its investments have experienced moderate volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL MARLBOROUGH GLOBAL BOND FUND
PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
AUSTRALIA (20 February 2023 - 1.78%)				
USD	850,000	Australia & New Zealand Banking Group 4.5% 19.03.24	674,338	0.31
AUD	1,100,000	Australia (Commonwealth of) 0.25% 21.11.24	556,921	0.25
AUD	5,200,000	Australia (Commonwealth of) 2.75% 21.05.41	2,151,919	0.98
AUD	1,070,000	General Property Trust 3.657% 24.08.26	537,464	0.24
USD	650,000	Xstrata Finance Canada 6% 15.11.41	512,875	0.23
		Total Australia	4,433,517	2.01
AUSTRIA (20 February 2023 - 0.11%)				
EUR	472,428	Kaerntner Ausgleichszahlungs-Fonds 0% 14.01.32	312,229	0.14
		Total Austria	312,229	0.14
BELGIUM (20 February 2023 - 0.24%)				
USD	512,000	Anheuser-Busch InBev Worldwide 4.439% 06.10.48	354,247	0.16
USD	400,000	Anheuser-Busch InBev Worldwide 4.95% 15.01.42	303,203	0.14
		Total Belgium	657,450	0.30
CANADA (20 February 2023 - 2.97%)				
CAD	330,000	Bombardier 7.35% 22.12.26	193,373	0.09
USD	1,200,000	Canadian Pacific Railway 2.875% 15.11.29	847,495	0.38
USD	500,000	Kinross Gold 6.875% 01.09.41	413,118	0.19
USD	850,000	Nutrien 4.125% 15.03.35	604,937	0.27
GBP	1,600,000	Royal Bank of Canada 1.375% 09.12.24	1,551,216	0.70
USD	2,000,000	Royal Bank of Canada 4.24% 03.08.27	1,549,442	0.70
USD	1,000,000	Toronto-Dominion Bank 3.625% 15.09.31	758,086	0.34
USD	600,000	Transcanada Trust 5.875% 15.08.76	455,719	0.21
		Total Canada	6,373,386	2.88
CHINA (20 February 2023 - 0.39%)				
USD	1,400,000	Industrial & Commercial Bank of China 1.2% 09.09.25	1,044,429	0.47
		Total China	1,044,429	0.47
CZECH REPUBLIC (20 February 2023 - 0.18%)				
USD	650,000	CEZ 5.625% 03.04.42	466,255	0.21
		Total Czech Republic	466,255	0.21
DENMARK (20 February 2023 - 0.31%)				
EUR	1,200,000	Carlsberg Breweries 0.625% 09.03.30	873,897	0.40
		Total Denmark	873,897	0.40
FINLAND (20 February 2023 - 0.53%)				
USD	725,000	UPM-Kymmene 7.45% 26.11.27	599,965	0.27
		Total Finland	599,965	0.27
FRANCE (20 February 2023 - 4.55%)				
EUR	500,000	AXA 5.5% 11.07.43	451,349	0.20
EUR	2,000,000	BNP Paribas 4.25% 13.04.31	1,751,790	0.79
GBP	260,000	Credit Agricole 7.5% Perp	256,100	0.12
EUR	800,000	Crédit Agricole Assurances 4.75% 27.09.48	691,282	0.31
GBP	500,000	Électricité de France 6% Perp	487,500	0.22
EUR	8,000,000	France OAT 3% 25.05.33	6,958,103	3.16
EUR	1,000,000	Orange 5% Perp	872,679	0.40
USD	1,415,000	Societe Generale 3.625% 01.03.41	752,075	0.34
EUR	1,550,000	Total 3.369% Perp	1,299,477	0.59
		Total France	13,520,355	6.13

IFSL MARLBOROUGH GLOBAL BOND FUND
PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value		Bid value £	Percentage of total net assets %	
GERMANY (20 February 2023 - 3.19%)				
USD	1,100,000	Bayer US Finance II 5.5% 15.08.25	863,948	0.39
DKK	10,000,000	Deutsche Finance (Netherlands) 0% 18.11.26	1,001,049	0.45
USD	410,000	E.ON International Finance 6.65% 30.04.38	348,581	0.16
EUR	4,000,000	Germany (Federal Republic of) 2.5% 13.03.25	3,401,484	1.54
GBP	550,000	innogy Finance 6.25% 03.06.30	583,869	0.26
USD	2,800,000	KFW 0% 18.04.36	1,276,627	0.58
NZD	1,100,000	Landwirtschaftliche Rentenbank 5.375% 23.04.24	538,451	0.24
USD	200,000	Norddeutsche Landesbank Girozentrale 6.25% 10.04.24	158,380	0.07
USD	650,000	Rheinland-Pfalz Bank 6.875% 23.02.28	548,354	0.25
EUR	700,000	Volkswagen International Finance 3.875% Perp	568,849	0.26
EUR	200,000	Vonovia 0.625% 24.03.31	133,793	0.06
		Total Germany	9,423,385	4.26
INDONESIA (20 February 2023 - 0.57%)				
ISRAEL (20 February 2023 - 0.47%)				
EUR	253,000	Teva Pharmaceutical Finance Netherlands II 4.5% 01.03.25	216,498	0.10
		Total Israel	216,498	0.10
ITALY (20 February 2023 - 3.16%)				
EUR	500,000	Enel 3.375% 24.11.81	413,290	0.19
EUR	400,000	Enel Finance International 0.875% 17.06.36	241,434	0.11
USD	500,000	Enel Finance International 5.5% 15.06.52	358,419	0.16
EUR	600,000	Infrastrutture Wireless Italiane 1.875% 08.07.26	491,862	0.22
EUR	3,000,000	Italy (Republic of) 2.5% 01.12.32	2,346,876	1.06
EUR	3,000,000	Italy (Republic of) 2.65% 01.12.27	2,523,748	1.15
EUR	2,000,000	Italy (Republic of) 4.35% 01.11.33	1,791,769	0.81
		Total Italy	8,167,398	3.70
JAPAN (20 February 2023 - 0.59%)				
KUWAIT (20 February 2023 - 0.12%)				
LUXEMBOURG (20 February 2023 - 0.45%)				
MEXICO (20 February 2023 - 0.23%)				
EUR	1,000,000	United Mexican States 3% 06.03.45	643,269	0.29
		Total Mexico	643,269	0.29
NETHERLANDS (20 February 2023 - 1.80%)				
USD	855,000	Ahold Finance USA 6.875% 01.05.29	736,074	0.33
GBP	260,000	Coöperatieve Rabobank 4.625% 23.05.29	246,571	0.11
EUR	300,000	Koninklijke KPN 6% FRN Perp	269,201	0.12
USD	400,000	Koninklijke Philips 6.875% 11.03.38	341,679	0.15
EUR	750,000	NN Group 4.625% 13.01.48	644,056	0.29
EUR	1,313,075	Stichting AK Rabobank Certificaten 6.5% Perp	1,136,039	0.52
		Total Netherlands	3,373,620	1.52

IFSL MARLBOROUGH GLOBAL BOND FUND
PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
NEW ZEALAND (20 February 2023 - 0.08%)				
NZD	457,000	New Zealand 3% 20.04.29	206,750	0.09
		Total New Zealand	<u>206,750</u>	<u>0.09</u>
NORWAY (20 February 2023 - 0.54%)				
USD	365,000	Norsk Hydro 7.25% 23.09.27	311,294	0.14
		Total Norway	<u>311,294</u>	<u>0.14</u>
PORTUGAL (20 February 2023 - 0.38%)				
QATAR (20 February 2023 - 0.84%)				
USD	400,000	Ooredoo International Finance 3.875% 31.01.28	308,216	0.14
USD	230,000	Qatar (State of) 6.4% 20.01.40	204,916	0.09
USD	1,900,000	QNB Finance 3.5% 28.03.24	1,505,663	0.68
USD	193,592	Ras Laffan Liquefied Natural Gas III 5.838% 30.09.27	155,044	0.07
		Total Qatar	<u>2,173,839</u>	<u>0.98</u>
REPUBLIC OF IRELAND (20 February 2023 - 1.70%)				
USD	1,000,000	AerCap Ireland Capital 3.65% 21.07.27	749,886	0.34
USD	1,000,000	Avolon Holdings Funding 4.375% 01.05.26	766,247	0.35
USD	925,000	Smurfit Kappa Treasury Funding 7.5% 20.11.25	757,068	0.34
		Total Republic of Ireland	<u>2,273,201</u>	<u>1.03</u>
ROMANIA (20 February 2023 - 0.40%)				
SINGAPORE (20 February 2023 - 0.10%)				
USD	400,000	Temasek Financial I 3.375% 23.07.42	270,769	0.12
		Total Singapore	<u>270,769</u>	<u>0.12</u>
SOUTH KOREA (20 February 2023 - 0.53%)				
USD	1,000,000	Export-Import Bank of Korea 3.25% 10.11.25	769,507	0.35
AUD	1,200,000	Export-Import Bank of Korea 4% 07.06.27	606,194	0.28
		Total South Korea	<u>1,375,701</u>	<u>0.63</u>
SPAIN (20 February 2023 - 1.48%)				
EUR	200,000	Iberdrola International 1.825% Perp	146,018	0.07
EUR	800,000	Iberdrola International 2.625% Perp	682,705	0.31
EUR	2,000,000	Spain (Kingdom of) 0.85% 30.07.37	1,229,349	0.56
EUR	1,000,000	Spain (Kingdom of) 1.85% 30.07.35	735,520	0.33
EUR	3,000,000	Spain (Kingdom of) 3.9% 30.07.39	2,651,460	1.20
EUR	500,000	Telefónica Europe 3.875% Perp	418,114	0.19
USD	280,000	Telefónica Europe 8.25% 15.09.30	253,260	0.12
		Total Spain	<u>6,116,426</u>	<u>2.78</u>
SWEDEN (20 February 2023 - 0.23%)				
GBP	667,000	Svenska Handelsbanken 4.625% FRN 23.08.32	634,484	0.29
		Total Sweden	<u>634,484</u>	<u>0.29</u>
SWITZERLAND (20 February 2023 - 0.75%)				
EUR	500,000	Credit Suisse Group 7.75% 01.03.29	487,388	0.22
EUR	800,000	Holcim Finance (Luxembourg) 0.5% 03.09.30	555,770	0.25
USD	250,000	UBS Group FRN 15.11.33	238,569	0.11
		Total Switzerland	<u>1,281,727</u>	<u>0.58</u>

IFSL MARLBOROUGH GLOBAL BOND FUND
PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
UKRAINE (20 February 2023 - Nil)				
USD	247,671	Avangardco Investments Public 10% 29.10.18	212	-
		Total Ukraine	212	-
UNITED ARAB EMIRATES (20 February 2023 - 0.13%)				
USD	23,805	Emirates Airline 4.5% 06.02.25	18,618	0.01
		Total United Arab Emirates	18,618	0.01
UNITED KINGDOM (20 February 2023 - 13.18%)				
GBP	1,000,000	Aberdeen 5.25% Perp	837,500	0.38
GBP	250,000	Anglian Water (Osprey) Financing 4% 08.03.26	235,283	0.11
USD	650,000	Ashtead Capital 4% 01.05.28	481,434	0.22
USD	1,600,000	AstraZeneca Finance 2.25% 28.05.31	1,071,124	0.49
GBP	400,000	Aviva 4.375% 12.09.49	368,460	0.17
GBP	550,000	Barclays 3% 08.05.26	522,440	0.24
USD	1,000,000	Barclays 4.972% FRN 16.05.29	767,920	0.35
GBP	1,000,000	BP Capital Markets 4.25% Perp	938,750	0.43
USD	1,500,000	British Telecommunications 3.25% 08.11.29	1,071,098	0.49
USD	200,000	British Telecommunications 9.125% 15.12.30	193,804	0.09
GBP	750,000	Bruntwood Bond 2 6% 25.02.25	720,090	0.33
GBP	800,000	Centrica 5.25% 10.04.75	788,000	0.36
GBP	500,000	Centrica 7% 19.09.33	554,720	0.25
EUR	1,800,000	Coca-Cola European Partners 0.7% 12.09.31	1,261,166	0.57
GBP	120,000	Coventry Building Society 12.125% PIBS	197,100	0.09
GBP	500,000	CRH Finance (UK) 4.125% 02.12.29	474,325	0.22
GBP	600,000	Heathrow Finance 5.75% 03.03.25	599,616	0.27
USD	500,000	HSBC Holdings 4.25% 14.03.24	396,223	0.18
USD	1,000,000	HSBC Holdings 5.402% FRN 11.08.33	779,994	0.35
USD	1,000,000	HSBC Holdings 6% Perp	748,610	0.34
GBP	500,000	InterContinental Hotels Group 3.375% 08.10.28	459,990	0.21
GBP	37,599	Johnston Press Bond 8.625% 01.06.19 ^A	-	-
GBP	155,000	Leeds Building Society 13.375% PIBS	257,300	0.12
USD	200,000	Legal & General Group 5.25% 21.03.47	153,296	0.07
GBP	1,000,000	Legal & General Group 5.375% 27.10.45	988,750	0.45
USD	500,000	Lloyds Banking Group 3.574% FRN 07.11.28	369,409	0.17
USD	1,000,000	Lloyds Banking Group 4.976% FRN 11.08.33	754,662	0.34
GBP	241,000	Lloyds Banking Group 7.875% Perp	230,758	0.11
EUR	1,500,000	Nationwide Building Society 2% 25.07.29	1,270,063	0.58
GBP	100,000	Nationwide Building Society 7.859% Perp	96,599	0.04
GBP	1,700,000	NatWest Group 3.125% 28.03.27	1,617,125	0.73
USD	500,000	NatWest Group 7.472% 10.11.26	409,042	0.19
GBP	500,000	Next 3.625% 18.05.28	471,670	0.21
GBP	850,000	NGG Finance 5.625% 18.06.73	837,250	0.38
GBP	690,500	Northern Electric 8.061p Net Cum Irrd Pref	800,980	0.36
EUR	1,800,000	Reckitt Benckiser Treasury Services (Nederland) 0.75% 19.05.30	1,328,800	0.60
GBP	900,000	Santander UK 5.875% 14.08.31	824,634	0.37
GBP	1,000,000	Santander UK Group Holdings 7.098% 16.11.27	1,027,080	0.47
GBP	1,055,000	Sky 4% 26.11.29	1,014,383	0.46
GBP	296,000	Telereal Securitisation 4.9741% 10.09.27	290,338	0.13

IFSL MARLBOROUGH GLOBAL BOND FUND
PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value		Bid value £	Percentage of total net assets %	
UNITED KINGDOM (continued)				
EUR	1,650,000	Thomas Cook Group 6.25% 15.06.22	10,614	0.01
GBP	500,000	Trafford Centre Finance 4.25% 28.04.24	497,060	0.23
GBP	5,000,000	UK Treasury 3.5% 22.10.25	4,912,875	2.23
GBP	5,000,000	UK Treasury 4.5% 07.06.28	5,078,825	2.30
EUR	1,800,000	Vodafone Group 2.875% 20.11.37	1,396,835	0.63
Total United Kingdom		38,105,995	17.32	
UNITED STATES (20 February 2023 - 47.69%)				
USD	1,000,000	AbbVie 4.4% 06.11.42	704,916	0.32
USD	750,000	AbbVie 4.75% 15.03.45	545,223	0.25
USD	1,650,000	Aflac 6.45% 15.08.40	1,394,004	0.63
USD	765,000	Air Lease 3.625% 01.04.27	577,110	0.26
USD	1,500,000	Amazon.com 4.95% 05.12.44	1,166,339	0.53
USD	750,000	American Honda Finance 2.15% 10.09.24	584,691	0.27
USD	500,000	American Tower 5.25% 15.07.28	397,023	0.18
USD	500,000	American Tower 5.55% 15.07.33	397,262	0.18
USD	657,000	Amgen 2.77% 01.09.53	317,009	0.14
USD	1,500,000	Andeavor 5.125% 15.12.26	1,190,792	0.54
USD	2,000,000	Anthem 3.65% 01.12.27	1,519,654	0.69
USD	1,400,000	Aon 4.5% 15.12.28	1,089,329	0.49
USD	170,000	Appalachian Power 6.375% 01.04.36	141,118	0.06
USD	480,000	Appalachian Power 7% 01.04.38	424,933	0.19
USD	1,000,000	Aptiv 3.1% 01.12.51	498,702	0.23
EUR	1,250,000	AT&T 3.15% 04.09.36	985,173	0.45
USD	1,050,000	AvalonBay Communities 3.3% 01.06.29	769,080	0.35
USD	330,000	BAC Capital Trust XIV FRN Perp	216,898	0.10
USD	2,000,000	Bank of America 2.482% 21.09.36	1,251,832	0.57
USD	2,000,000	Bank of America 3.705% FRN 24.04.28	1,509,730	0.69
USD	750,000	Bank of America 4.183% 25.11.27	575,316	0.26
USD	1,000,000	Boardwalk Pipelines 4.45% 15.07.27	771,202	0.35
EUR	1,400,000	Celanese US Holdings 1.25% 11.02.25	1,166,529	0.53
USD	1,000,000	Centene 4.625% 15.12.29	753,574	0.34
USD	300,000	CenterPoint Energy Resources 4% 01.04.28	228,490	0.10
USD	1,170,000	CenterPoint Energy Resources 5.85% 15.01.41	943,232	0.43
USD	1,500,000	CF Industries 4.5% 01.12.26	1,164,007	0.53
USD	800,000	Charter Communications Operating Capital 6.384% 23.10.35	618,954	0.28
USD	2,000,000	Citigroup 2.561% 01.05.32	1,305,471	0.59
USD	400,000	Citigroup 3.98% 20.03.30	298,504	0.14
USD	2,055,000	Citigroup 6.625% 15.06.32	1,738,045	0.79
USD	1,200,000	CNA Financial 3.9% 01.05.29	892,607	0.40
USD	750,000	Continental Resources 3.8% 01.06.24	590,498	0.27
USD	750,000	CVS Health 6.125% 15.09.39	607,381	0.28
USD	1,107,000	Dell 8.1% 15.07.36	1,056,143	0.48
USD	1,000,000	Delta Air Lines 2.9% 28.10.24	777,403	0.35
USD	1,250,000	Discover Bank 3.45% 27.07.26	941,115	0.43
USD	1,000,000	Discovery Communications 4% 15.09.55	535,829	0.24
USD	500,000	DTE Energy 4.875% 01.06.28	390,177	0.18
USD	1,600,000	Eastern Gas Transmission and Storage 3% 15.11.29	1,128,338	0.51
USD	1,800,000	Energy Transfer Operating 5.5% 01.06.27	1,435,715	0.65
USD	1,400,000	FirstEnergy 2.65% 01.03.30	957,632	0.43
GBP	800,000	Ford Motor Credit Co 4.535% 06.03.25	789,912	0.36
USD	600,000	General Motors Co 6.8% 01.10.27	497,762	0.23
USD	1,600,000	Georgia Power 3.25% 01.04.26	1,218,352	0.55
USD	1,000,000	HCA 4.125% 15.06.29	746,624	0.34
USD	500,000	Hilton Domestic Operating Company 4.875% 15.01.30	379,269	0.17
EUR	400,000	IBM 3.625% 06.02.31	347,267	0.16
USD	750,000	JBS USA Finance 5.75% 01.04.33	579,049	0.26
USD	3,000,000	JPMorgan Chase & Co 3.54% 01.05.28	2,269,149	1.03
USD	650,000	Kraft Heinz Foods Co 5.5% 01.06.50	501,534	0.23
USD	1,100,000	Las Vegas Sands 3.9% 08.08.29	798,309	0.36

IFSL MARLBOROUGH GLOBAL BOND FUND

PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value		Bid value £	Percentage of total net assets %
UNITED STATES (continued)			
USD	800,000	Liberty Mutual Group 3.951% 15.10.50	427,914 0.19
USD	500,000	Marriott International 4.65% 01.12.28	389,432 0.18
USD	1,000,000	McDonald's 6.3% 01.03.38	868,323 0.39
USD	750,000	MetLife 6.4% 15.12.36	600,646 0.27
USD	1,362,000	Microsoft 2.921% 17.03.52	745,692 0.34
USD	1,238,000	Microsoft 3.45% 08.08.36	868,120 0.39
USD	600,000	Molson Coors Brewing 5% 01.05.42	442,369 0.20
EUR	300,000	Morgan Stanley 4.656% 02.03.29	265,455 0.12
USD	500,000	Morgan Stanley 5.164% 20.04.29	396,184 0.18
USD	1,000,000	Morgan Stanley 5.25% 21.04.34	781,610 0.35
USD	1,800,000	Nestlé Holdings 3.9% 24.09.38	1,253,739 0.57
EUR	600,000	Netflix 3.625% 15.06.30	514,442 0.23
USD	1,500,000	NVIDIA 2% 15.06.31	995,055 0.45
USD	1,640,000	ONEOK 3.1% 15.03.30	1,153,227 0.52
USD	1,000,000	Owens Corning 7% 01.12.36	873,441 0.40
USD	927,000	Packaging Corp of America 3.65% 15.09.24	726,196 0.33
USD	460,000	Partners Healthcare System 4.117% 01.07.55	294,163 0.13
USD	1,600,000	PepsiCo 1.4% 25.02.31	1,014,497 0.46
USD	1,200,000	Priceline 3.55% 15.03.28	907,851 0.41
USD	1,150,000	Principal Financial Group 3.7% 15.05.29	854,704 0.39
USD	1,000,000	Prologis 3.25% 01.10.26	759,234 0.34
USD	1,500,000	Prologis 4% 15.09.28	1,146,732 0.52
USD	1,000,000	Public Service Electric and Gas Co 3.65% 01.09.28	756,278 0.34
USD	500,000	Realty Income 3.1% 15.12.29	356,763 0.16
EUR	500,000	Realty Income 4.875% 06.07.30	448,840 0.20
USD	330,000	Reynolds American 8.125% 01.05.40	293,519 0.13
USD	1,000,000	Roche Holdings 2.607% 13.12.51	496,301 0.23
USD	1,600,000	Rockies Express Pipeline 4.95% 15.07.29	1,191,422 0.54
USD	817,000	Seagate HDD Cayman 4.091% 01.06.29	591,335 0.27
USD	1,000,000	Sempra Energy 3.4% 01.02.28	746,568 0.34
USD	800,000	TerraForm Power Operating 5% 31.01.28	602,065 0.27
USD	1,200,000	The Interpublic Group of Companies 4.65% 01.10.28	930,181 0.42
USD	400,000	Time Warner Cable 6.55% 01.05.37	302,478 0.14
USD	850,000	Time Warner Cable 7.3% 01.07.38	679,255 0.31
USD	500,000	T-Mobile USA 4.8% 15.07.28	392,569 0.18
USD	500,000	Toyota Motor Credit 4.55% 20.09.27	393,870 0.18
USD	750,000	Unum Group 6.75% 15.12.28	617,482 0.28
USD	6,000,000	US Treasury 3.25% 15.05.42	3,976,370 1.80
USD	6,000,000	US Treasury 3.375% 15.05.33	4,430,600 2.01
USD	6,000,000	US Treasury 3.375% 15.05.44	3,996,476 1.81
USD	6,000,000	US Treasury 3.5% 15.02.33	4,482,724 2.03
USD	6,000,000	US Treasury 4.25% 31.01.26	4,732,923 2.15
EUR	500,000	VF 0.625% 25.02.32	305,073 0.14
USD	700,000	Visa 4.15% 14.12.35	520,826 0.24
GBP	1,368,000	Walgreens Boots Alliance 3.6% 20.11.25	1,310,804 0.60
USD	1,500,000	Wells Fargo & Co 3.35% 02.03.33	1,024,384 0.47
GBP	500,000	Welltower 4.5% 01.12.34	453,595 0.21
USD	600,000	Williams Partners 3.9% 15.01.25	469,431 0.21
USD	550,000	WRKCo 4% 15.03.28	416,051 0.19
USD	550,000	WRKCo 4.2% 01.06.32	408,020 0.19
USD	1,200,000	Xilinx 2.375% 01.06.30	825,058 0.37
USD	650,000	Zoetis 4.5% 13.11.25	509,576 0.23
		Total United States	95,624,070 43.37

IFSL MARLBOROUGH GLOBAL BOND FUND
PORTFOLIO STATEMENT

as at 20 February 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
		VENEZUELA (20 February 2023 - 0.01%)		
USD	240,000	Venezuela (Bolivarian Republic of) 11.75% 21.10.26	33,360	0.02
		Total Venezuela	<u>33,360</u>	<u>0.02</u>
		SUPRANATIONAL (20 February 2023 - 0.88%)		
CAD	1,644,000	European Bank for Rec & Dev 0.5% 20.12.28	802,283	0.36
SEK	4,000,000	European Investment Bank 1.25% 12.05.25	296,816	0.14
USD	1,000,000	International Bank for Rec & Dev 2.33% 31.05.26	747,514	0.34
		Total Supranational	<u>1,846,613</u>	<u>0.84</u>
Portfolio of stock investments			200,378,712	90.88
Counterparty		Foreign Currency Hedges (20 February 2023 - (0.18%))		
HSBC		Sell EUR 5,000,000 for GBP 4,381,757 - 29 February 2024	92,460	0.04
HSBC		Sell EUR 5,000,000 for GBP 4,317,775 - 2 May 2024	18,991	0.01
HSBC		Sell EUR 4,000,000 for GBP 3,429,742 - 9 May 2024	(10,176)	-
HSBC		Sell EUR 1,900,000 for GBP 1,632,972 - 30 May 2024	(2,301)	-
HSBC		Sell EUR 1,300,000 for USD 1,408,180 - 30 May 2024	(1,011)	-
HSBC		Sell USD 5,000,000 for GBP 4,098,648 - 22 February 2024	127,242	0.06
HSBC		Sell USD 5,000,000 for GBP 4,097,515 - 7 March 2024	126,491	0.06
HSBC		Sell USD 5,000,000 for GBP 4,078,392 - 14 March 2024	107,560	0.05
HSBC		Sell USD 5,000,000 for GBP 4,009,044 - 21 March 2024	38,404	0.02
HSBC		Sell USD 5,000,000 for GBP 3,980,033 - 28 March 2024	9,571	-
HSBC		Sell USD 5,000,000 for GBP 3,954,821 - 4 April 2024	(15,468)	(0.01)
HSBC		Sell USD 5,000,000 for GBP 3,957,856 - 11 April 2024	(12,261)	(0.01)
HSBC		Sell USD 5,000,000 for GBP 3,973,935 - 18 April 2024	3,991	-
HSBC		Sell USD 5,000,000 for GBP 3,973,391 - 25 April 2024	3,601	-
HSBC		Sell USD 5,000,000 for GBP 3,950,565 - 2 May 2024	(19,096)	(0.01)
HSBC		Sell USD 4,000,000 for GBP 3,141,158 - 9 May 2024	(34,469)	(0.02)
HSBC		Sell USD 4,500,000 for GBP 3,548,461 - 16 May 2024	(24,003)	(0.01)
HSBC		Sell USD 5,000,000 for GBP 3,938,657 - 23 May 2024	(30,620)	(0.01)
HSBC		Sell USD 2,500,000 for GBP 1,970,978 - 30 May 2024	(13,604)	(0.01)
HSBC		Sell USD 5,000,000 for GBP 3,977,609 - 6 June 2024	8,557	-
HSBC		Sell USD 5,750,000 for GBP 4,579,264 - 13 June 2024	14,984	0.01
		Net value of all derivative positions	388,843	0.17
Portfolio of investments and derivative positions^B			200,767,555	91.06
Net other assets (excluding derivative positions)			19,709,844	8.94
Total net assets			<u>220,477,399</u>	<u>100.00</u>

^A Johnston Press 8.625% 01.06.19 is a defaulted bond with no price available and is therefore valued at nil.

^B Net of investment liabilities.

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

IFSL MARLBOROUGH GLOBAL BOND FUND

STATEMENT OF TOTAL RETURN
for the year ended 20 February 2024

	Notes	20 February 2024		20 February 2023	
		£	£	£	£
Income:					
Net capital losses	4		(4,289,379)		(18,916,610)
Revenue	6	8,939,979		9,949,954	
Expenses	7	<u>(1,143,339)</u>		<u>(1,382,002)</u>	
Net revenue before taxation		7,796,640		8,567,952	
Taxation	8	<u>(1,789)</u>		<u>(1,880)</u>	
Net revenue after taxation			<u>7,794,851</u>		<u>8,566,072</u>
Total return before distributions			3,505,472		(10,350,538)
Distributions	9		(7,794,851)		(8,566,072)
Change in net assets attributable to unitholders from investment activities			<u><u>(4,289,379)</u></u>		<u><u>(18,916,610)</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
for the year ended 20 February 2024

	20 February 2024		20 February 2023	
	£	£	£	£
Opening net assets attributable to unitholders		273,969,168		323,337,807
Amounts receivable on issue of units	27,463,269		31,888,569	
Amounts payable on cancellation of units	(82,162,769)		(68,753,638)	
Amounts payable on unit class conversions	<u>(7,032)</u>		<u>(173)</u>	
		(54,706,532)		(36,865,242)
Dilution adjustment		40,049		47,960
Change in net assets attributable to unitholders from investment activities		(4,289,379)		(18,916,610)
Retained distribution on accumulation units		5,464,093		6,365,253
Closing net assets attributable to unitholders		<u><u>220,477,399</u></u>		<u><u>273,969,168</u></u>

IFSL MARLBOROUGH GLOBAL BOND FUND

BALANCE SHEET

as at 20 February 2024

	Notes	20 February 2024 £	20 February 2023 £
Assets:			
Fixed Assets:			
Investment assets	17	200,934,009	248,389,153
Current Assets:			
Debtors	10	2,697,679	3,064,000
Cash and bank balances		18,365,537	27,038,763
Total assets		<u>221,997,225</u>	<u>278,491,916</u>
Liabilities:			
Investment liabilities	17	166,454	768,032
Creditors:			
Distribution payable on income units		879,597	1,014,374
Other creditors	11	473,775	2,740,342
Total liabilities		<u>1,519,826</u>	<u>4,522,748</u>
Net assets attributable to unitholders		<u><u>220,477,399</u></u>	<u><u>273,969,168</u></u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

1 ACCOUNTING POLICIES

Basis of preparation

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

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

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

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

Revenue

Interest on debt securities is recognised on an accruals basis. Accrued interest purchased and sold on debt securities is excluded from the capital cost of these securities and is treated as revenue. Interest earned from debt securities is accounted for on an effective yield basis. Effective yield is where the interest arising on the security that is purchased at a discount or premium to the maturity value is amortised and recognised at a consistent rate over the life of the security.

Dividends from preference shares are recognised when the security is quoted ex-dividend. Bank interest is accounted for on an accruals basis.

Allocation of revenue

Revenue, attributable after expenses to multiple unit classes, with the exception of the AFM’s periodic charge, which is directly attributable to individual unit classes, is allocated to unit classes pro-rata to the value of the net assets of the relevant unit class on the day that the revenue is incurred.

Expenses

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

Valuation

The valuation point was 12:00 on 20 February 2024 being the last valuation point of the accounting year.

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

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

Taxation

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

Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 20 February 2024 being the last valuation point of the accounting year. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

Dilution adjustment

The Fund is priced on a single price basis and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions and redemptions in and out of the Fund. This is known as “dilution”. Under certain circumstances dilution may have a material adverse effect on the existing/continuing unitholders’ interest in the Fund. In order to counter this and to protect unitholders’ interests, the AFM will apply “swing pricing” as part of its daily valuation policy. This will mean that in certain circumstances the Fund will make adjustments to counter the impact of dealing and other costs on occasions when these are deemed to be significant. Any dilution adjustment will be applied consistently and, in the usual course of business, automatically.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

2 DISTRIBUTION POLICIES

The distribution policy of the Fund is to distribute or accumulate all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on non-derivative instruments, forward foreign exchange contracts and other currency, whether realised or unrealised, are taken to capital and are not available for distribution.

During the year, the Fund was more than 60% invested in qualifying investments (as defined by SI 2006/964, Reg. 20) and therefore qualified as a bond fund. The fund paid interest distributions.

Equalisation

Equalisation applies only to units purchased during the distribution period. It is the average amount of income included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to UK income tax but must be deducted from the cost of the units for UK capital gains tax purposes.

3 RISK MANAGEMENT POLICIES

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

The main risks arising from the Fund's financial instruments and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

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

Market price risk

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

Investment limits set out in the Trust Deed, Prospectus and in the rules contained in the Collective Investment Schemes Sourcebook mitigate the risk of excessive exposure to any particular security or issuer.

Foreign currency risk

The income and capital value of the Fund's investments can be affected by foreign currency translation movements as most of the Fund's assets and income may be denominated in currencies other than sterling which is the Fund's functional currency. It is however a part of the Fund's strategy to hedge a substantial part of its foreign currency exposure back to sterling.

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

Derivatives

A substantial proportion of the Fund is invested in bonds denominated in Euros. The Fund has the option when it is considered appropriate to hedge this foreign currency exposure by entering into forward foreign currency exchange contracts. This would reduce either the profits or losses which would otherwise arise on currency movements. In general the Fund does hedge a substantial part of its foreign currency exposure.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

RISK MANAGEMENT POLICIES

Credit and counterparty risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the AFM as an acceptable counterparty.

The Fund invests in fixed interest bonds, which are generally viewed as lower-risk investments than equities. However the solvency of organisations with whom the Fund invests cannot be guaranteed, and any difficulty may adversely affect the Fund's performance. Although bonds have a fixed coupon or interest payment, the Fund will be buying and selling bonds on a regular basis, and so the overall level of income will fluctuate.

Lower graded bonds may have a higher risk of the issuer failing to meet its income or capital repayments when due.

Interest rate risk

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The Fund's cash holdings are held in deposit accounts, whose rates are determined by the banks concerned on a daily basis.

The Fund invests in fixed and floating rate securities. The income of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the fund manager being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

Liquidity risk

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

4 NET CAPITAL LOSSES

20 February 2024 **20 February 2023**
£ £

The net losses on investments during the year comprise:

Non-derivative securities losses	(6,206,835)	(9,177,572)
Gains/(losses) on forward foreign exchange contracts	4,549,123	(10,456,066)
Other currency (losses)/gains	(2,630,948)	717,876
Transaction charges	(719)	(848)
Net capital losses	(4,289,379)	(18,916,610)

5 PURCHASES, SALES AND TRANSACTION COSTS

20 February 2024 **20 February 2023**
£ £

Purchases excluding transaction costs:

Debt securities	79,877,777	70,368,009
	<u>79,877,777</u>	<u>70,368,009</u>
Total purchases transaction costs	-	-
Purchases including transaction costs	79,877,777	70,368,009

Sales excluding transaction costs:

Debt securities	121,095,449	89,129,300
	<u>121,095,449</u>	<u>89,129,300</u>
Debt securities: Taxes and other charges	-	(5)
Total sales transaction costs	-	(5)
Sales net of transaction costs	121,095,449	89,129,295

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

Debt securities: Taxes and other charges	0.00%	0.00%
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Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Taxes and other charges	<u>0.00%</u>	<u>0.00%</u>
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No significant in-specie transfers were identified in the year (2023: nil).

IFSL MARLBOROUGH GLOBAL BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

PURCHASES, SALES AND TRANSACTION COSTS

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

Transaction handling charges

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

£719	£848
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Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Average portfolio dealing spread at the balance sheet date

0.44%	0.50%
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6 REVENUE

	20 February 2024 £	20 February 2023 £
UK dividends	55,661	55,661
Interest on debt securities	8,652,356	9,766,672
Bank interest	231,962	127,621
Total revenue	8,939,979	9,949,954

7 EXPENSES

	20 February 2024 £	20 February 2023 £
Payable to the AFM or associate:		
AFM's periodic charge	1,026,078	1,255,294
Registration fees	3,553	3,640
	<u>1,029,631</u>	<u>1,258,934</u>
Other expenses:		
Trustee's fees	69,610	87,315
Safe Custody fees	16,485	21,623
Bank interest	15,074	6,330
Financial Conduct Authority fee	36	(8)
Audit fee	12,503	7,380
Notary fee	-	428
	<u>113,708</u>	<u>123,068</u>
Total expenses	1,143,339	1,382,002

8 TAXATION

	20 February 2024 £	20 February 2023 £
a Analysis of the tax charge for the year		
Overseas tax	1,789	1,880
Total tax charge (see note 8(b))	1,789	1,880

b Factors affecting the tax charge for the year

The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a unit trust (20%). The differences are explained below:

Net revenue before taxation	7,796,640	8,567,952
Corporation tax at 20% (2023: 20%)	1,559,328	1,713,590
Effects of:		
Interest distribution allowable for taxation	(1,559,328)	(1,713,590)
Overseas tax	1,789	1,880
Total tax charge (see note 8(a))	1,789	1,880

IFSL MARLBOROUGH GLOBAL BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

9 DISTRIBUTIONS

	20 February 2024	20 February 2023
	£	£
The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:		
Interim	3,636,186	4,042,911
Final	3,616,599	4,336,926
Amount deducted on cancellation of units	757,064	437,390
Amount added on issue of units	(207,967)	(250,981)
Equalisation on conversions	(7,031)	(173)
Revenue brought forward	-	(1)
Distributions	<u>7,794,851</u>	<u>8,566,072</u>

10 DEBTORS

	20 February 2024	20 February 2023
	£	£
Amounts receivable for issue of units	106,385	6,896
Accrued income	2,590,950	3,056,743
Taxation recoverable	344	361
Total debtors	<u>2,697,679</u>	<u>3,064,000</u>

11 OTHER CREDITORS

	20 February 2024	20 February 2023
	£	£
Amounts payable for cancellation of units	372,615	2,569,401
AFM's periodic charge and registration fees	51,782	67,870
Accrued expenses	49,378	27,552
Currency payable	-	75,519
Total other creditors	<u>473,775</u>	<u>2,740,342</u>

12 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 20 February 2024 (2023: nil).

13 RELATED PARTIES

The AFM is involved in all transactions in the units of the Fund, the aggregate values of which are set out in the statement of change in net assets attributable to unitholders and note 9. Amounts due from/to the AFM in respect of unit transactions at the year end are disclosed in notes 10 and 11. Amounts paid to the AFM or associates in respect of the AFM's periodic charge and registration fees are disclosed in note 7. Amounts due to the AFM at the year end are £318,012 (2023: £2,630,375).

In addition to the above, some units in the Fund are owned by directors of Investment Fund Services Limited or directors of UFC Fund Management plc, the ultimate parent company of Investment Fund Services Limited, as set out below:

	20 February 2024	20 February 2023
Proportion of units owned by directors of Investment Fund Services Limited or UFC Fund Management plc	0.17%	0.14%

14 UNIT CLASSES

The unit classes in issue for the Fund and the annual management charge for each unit class is as follows:

A Income	1.125%
A Accumulation	1.125%
P Income	0.375%
P Accumulation	0.375%

IFSL MARLBOROUGH GLOBAL BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

15 UNITHOLDERS' FUNDS RECONCILIATION

During the year the AFM has issued, cancelled and converted units from one unit class to another as set out below:

	A Income	A Accumulation
Opening units in issue at 21 February 2023	8,396,012	4,576,949
Unit issues	1,122,621	524,718
Unit cancellations	(2,727,961)	(1,610,959)
Unit conversions	(1,423,253)	(671,352)
Closing units in issue at 20 February 2024	<u>5,367,419</u>	<u>2,819,356</u>

	P Income	P Accumulation
Opening units in issue at 21 February 2023	39,000,799	102,362,788
Unit issues	2,693,468	11,080,708
Unit cancellations	(8,493,229)	(33,195,603)
Unit conversions	1,440,844	894,621
Closing units in issue at 20 February 2024	<u>34,641,882</u>	<u>81,142,514</u>

16 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the Fund's portfolio would have the effect of increasing the return and net assets by £10,018,936 (2023: £12,405,843). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

<u>Foreign currency exposure at 20 February 2024</u>	Investments	Net other assets	Total
	£	£	£
Australian Dollar	3,852,499	346,729	4,199,228
Canadian Dollar	995,656	3,162	998,818
Danish Kroner	1,001,049	-	1,001,049
Euro	29,457,412	1,347,165	30,804,577
Japanese Yen	-	13,746,005	13,746,005
New Zealand Dollar	745,200	11,754	756,954
Swedish Krona	296,816	3,296	300,112
US Dollar	57,470,401	1,468,115	58,938,516
	<u>93,819,033</u>	<u>16,926,226</u>	<u>110,745,259</u>

<u>Foreign currency exposure at 20 February 2023</u>	Investments	Net other assets	Total
	£	£	£
Australian Dollar	5,936,034	62,937	5,998,971
Canadian Dollar	1,025,383	3,330	1,028,713
Danish Kroner	964,415	-	964,415
Euro	29,913,681	3,761,932	33,675,613
Japanese Yen	-	13,955,962	13,955,962
New Zealand Dollar	790,912	12,528	803,440
Swedish Krona	305,550	3,461	309,011
US Dollar	72,961,984	2,133,521	75,095,505
	<u>111,897,959</u>	<u>19,933,671</u>	<u>131,831,630</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of Sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £5,537,263 (2023: £6,591,582). A five per cent increase would have an equal and opposite effect.

Derivatives risk

The underlying exposure to forward currency contracts at 20 February 2024 was a net unrealised gain of £388,843 (2023: net unrealised loss of £495,731).

IFSL MARLBOROUGH GLOBAL BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

RISK DISCLOSURES

Interest rate risk

20 February 2024
£

20 February 2023
£

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

Financial assets fixed interest rate

Australian Dollar	3,852,499	5,936,034
Canadian Dollar	995,656	1,025,384
Euro	43,658,125	39,838,727
New Zealand Dollar	745,200	790,912
Sterling	30,520,485	37,931,065
Swedish Krona	296,816	305,550
US Dollar	111,378,178	158,370,529
	<u>191,446,959</u>	<u>244,198,201</u>

Financial assets floating rate

Australian Dollar	312,439	-
Euro	900,984	3,275,621
Japanese Yen	13,746,005	13,955,962
Sterling	4,118,064	9,386,941
US Dollar	4,828,912	867,995
	<u>23,906,404</u>	<u>27,486,519</u>

Financial assets non-interest bearing instruments

Australian Dollar	34,290	62,937
Canadian Dollar	3,162	3,330
Danish Kroner	1,001,049	964,415
Euro	1,027,307	799,298
New Zealand Dollar	11,754	12,528
Sterling	2,009,395	1,896,860
Swedish Krona	3,296	3,461
US Dollar	2,553,609	3,064,368
	<u>6,643,862</u>	<u>6,807,197</u>

Financial liabilities non-interest bearing instruments

Sterling	(1,519,826)	(4,447,230)
US Dollar	-	(75,519)
	<u>(1,519,826)</u>	<u>(4,522,749)</u>
	<u>220,477,399</u>	<u>273,969,168</u>

Interest rate risk sensitivity on debt securities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A half of one per cent increase in interest rates would have the effect of decreasing the return and net assets by £5,655,998 (2023: £6,876,626). A half of one per cent decrease would have an equal and opposite effect.

Debt security credit analysis

20 February 2024

20 February 2023

Bid value (£)

Portfolio split by investment grade

Investments of investment grade	182,546,445	211,828,013
Investments below investment grade	16,281,753	24,697,713
Unrated	1,550,514	11,591,126
	<u>200,378,712</u>	<u>248,116,852</u>

Portfolio of stock investments

Liquidity risk

20 February 2024
£

20 February 2023
£

The following table provides a maturity analysis of the Fund's financial liabilities:

Within one year

Derivatives:	Investment liabilities	166,454	768,032
Non-derivatives:	Distribution payable	879,597	1,014,374
	Other creditors	473,775	2,740,342
		<u>1,519,826</u>	<u>4,522,748</u>

IFSL MARLBOROUGH GLOBAL BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2024

17 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	20 February 2024		20 February 2023	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	46,032,269	-	46,024,400	-
Level 2 - Observable market data	154,901,740	166,454	202,362,905	768,032
Level 3 - Unobservable data	-	-	1,848	-
	<u>200,934,009</u>	<u>166,454</u>	<u>248,389,153</u>	<u>768,032</u>

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

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

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

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

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

Level 3 - Valuation techniques using unobservable inputs.

18 POST BALANCE SHEET EVENTS

Since 20 February 2024, the Net Asset Value per unit has changed as follows:

	Net Asset Value per unit (pence)			Movement (%)
	20 February 2024 ^A	24 May 2024		
A Income	136.34	134.25	(1.53)%	
A Accumulation	264.94	264.29	(0.25)%	
P Income	136.97	134.63	(1.71)%	
P Accumulation	196.64	196.53	(0.06)%	

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

IFSL MARLBOROUGH GLOBAL BOND FUND

DISTRIBUTION TABLE

Interim distribution for the period from 21 February 2023 to 20 August 2023

Group 1: units purchased prior to 21 February 2023

Group 2: units purchased on or after 21 February 2023

		Net revenue 20 August 2023 pence per unit	Equalisation 20 August 2023 pence per unit	Distribution paid 20 October 2023 pence per unit	Distribution paid 20 October 2022 pence per unit
A Income	Group 1	1.704991	-	1.704991	1.532859
	Group 2	0.806442	0.898549	1.704991	1.532859
A Accumulation	Group 1	3.268254	-	3.268254	2.872588
	Group 2	0.777080	2.491174	3.268254	2.872588
P Income	Group 1	2.214094	-	2.214094	2.067765
	Group 2	0.922732	1.291362	2.214094	2.067765
P Accumulation	Group 1	3.125136	-	3.125136	2.829889
	Group 2	1.604158	1.520978	3.125136	2.829889

Final distribution for the period from 21 August 2023 to 20 February 2024

Group 1: units purchased prior to 21 August 2023

Group 2: units purchased on or after 21 August 2023

		Net revenue 20 February 2024 pence per unit	Equalisation 20 February 2024 pence per unit	Distribution paid 20 April 2024 pence per unit	Distribution paid 20 April 2023 pence per unit
A Income	Group 1	1.754512	-	1.754512	1.708535
	Group 2	1.054196	0.700316	1.754512	1.708535
A Accumulation	Group 1	3.408307	-	3.408307	3.239329
	Group 2	0.536761	2.871546	3.408307	3.239329
P Income	Group 1	2.267270	-	2.267270	2.233095
	Group 2	0.922499	1.344771	2.267270	2.233095
P Accumulation	Group 1	3.254655	-	3.254655	3.101019
	Group 2	1.782303	1.472352	3.254655	3.101019

Investment Fund Services Limited
Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP

Investor Support: (0808) 178 9321 (FREEPHONE)

Email. ifslclientsupport@ifslfunds.com

Website. www.ifslfunds.com

Fax. (01204) 533 045

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