

Investment Fund Services

IFSL atomos OEIC

Annual Report and Audited
Financial Statements

for the year ended 31 January 2024

IFSL ATOMOS OEIC

CONTACT INFORMATION

Registered Office

Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised Corporate Director (ACD) and Registrar

Investment Fund Services Limited (IFSL)
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

Atomos Investments Limited
2nd Floor
5 Hatfields (Alto)
London
SE1 9PG

Authorised and regulated by the Financial Conduct Authority.

Sub-Investment Manager - appointed 21 April 2023

Towers Watson Limited
Watson House
London Road
Reigate
Surrey
RH2 9PQ

Depository

HSBC Bank plc
8 Canada Square
London
E14 5HQ

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

Auditor

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

IFSL ATOMOS OEIC

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IFSL ATOMOS OEIC

AUTHORISED STATUS

IFSL atomos OEIC (the Company) is an open-ended investment company (OEIC) with variable capital incorporated under the OEIC Regulations. The Company is a UCITS as defined in COLL and is also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC002569. The Company was authorised by an order made by the Financial Conduct Authority (FCA) with effect from 20 December 2018. The Company has an unlimited duration.

The Company currently has five sub-funds: IFSL atomos Growth Fund; IFSL atomos Balanced Fund; IFSL atomos Cautious Fund; IFSL atomos Defensive Fund; and IFSL atomos Conservative Fund.

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

GENERAL INFORMATION

IFSL atomos Growth Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

Investment policy

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

At least 70% of the sub-fund will be invested in other funds, including exchange traded funds and investment trusts. This may include other funds managed by the Authorised Corporate Director or Investment Manager.

The sub-fund will be managed on a higher risk strategy, and through these other funds gain exposure to between 70-100% in the shares of companies.

Up to 30% of the sub-fund will be exposed to bonds, which are loans typically issued by companies and governments. This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest.

The sub-fund may also have exposure to other assets, such as:

- up to 20% in money market instruments, which are shorter term loans.
- property and commodities, such as gold and oil up to a maximum of 30%. Although the sub-fund will have exposure to no more than 10% in any one commodity type or physical property.

The sub-fund may also gain exposure to the above asset classes through investing directly (other than in respect of property or commodities).

Investments will cover a range of global markets, with no more than 30% of the sub-fund being invested in emerging or frontier markets.

The sub-fund may use derivatives and structured products (instruments whose returns are linked to another asset or other variable factor such as exchange rates or stock markets) for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the sub-fund. The sub-fund will not always hold these instruments however at times they may be held for extended periods. Derivatives may be used to increase or decrease market or currency exposure. It is expected the use of derivatives will not have a significant impact on the risk profile of the sub-fund.

The sub-fund may also invest in other funds which are permitted to use derivatives to varying degrees.

The sub-fund will hold up to 20% in cash to enable the ready settlement of liabilities (including redemptions) and for the efficient management of the sub-fund.

IFSL ATOMOS OEIC

GENERAL INFORMATION

IFSL atomos Growth Fund (continued)

Investment strategy

The investment strategy is primarily a fund of funds approach (which is a fund that invests in other funds), seeking to generate long term investment growth, through a diversified allocation to a range of asset classes, within the scope of the investment policy.

The Investment Manager will assess the appropriate weightings for each asset class and fund based on their:

- view of the risk, return and other characteristics of the asset class;
- assessment of the capabilities of the manager of the fund; and
- view of the market and economic outlook.

Both passive and active funds will be considered for inclusion in the sub-fund.

Assessing performance

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

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

From time to time, due to the nature of the IA Flexible Investment sector, the sub-fund may have an asset allocation which is different to the average of the sector. This variable nature of the sector should be taken into consideration when comparing the performance of the sub-fund.

IFSL atomos Balanced Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

Investment policy

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

At least 70% of the sub-fund will be invested in other funds, including exchange traded funds and investment trusts. This may include other funds managed by the Authorised Corporate Director or Investment Manager.

The sub-fund will be managed on a medium to high risk strategy, and through these other funds gain exposure to between 50-80% in the shares of companies.

Up to 50% of the sub-fund will be exposed to bonds, which are loans typically issued by companies and governments. This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest.

The sub-fund may also have exposure to other assets, such as:

- up to 20% in money market instruments, which are shorter term loans.
- property and commodities, such as gold and oil up to a maximum of 30%. Although the sub-fund will have exposure to no more than 10% in any one commodity type or physical property.

The sub-fund may also gain exposure to the above asset classes through investing directly (other than in respect of property or commodities).

Investments will cover a range of global markets, with no more than 30% of the sub-fund being invested in emerging or frontier markets.

The sub-fund may use derivatives and structured products (instruments whose returns are linked to another asset or other variable factor such as exchange rates or stock markets) for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the sub-fund. The sub-fund will not always hold these instruments however at times they may be held for extended periods. Derivatives may be used to increase or decrease market or currency exposure. It is expected the use of derivatives will not have a significant impact on the risk profile of the sub-fund.

IFSL ATOMOS OEIC

GENERAL INFORMATION

IFSL atomos Balanced Fund (continued)

Investment policy (continued)

The sub-fund may also invest in other funds which are permitted to use derivatives to varying degrees.

The sub-fund will hold up to 20% in cash to enable the ready settlement of liabilities (including redemptions) and for the efficient management of the sub-fund.

Investment strategy

The investment strategy is primarily a fund of funds approach (which is a fund that invests in other funds), seeking to generate long term investment growth, through a diversified allocation to a range of asset classes, within the scope of the investment policy.

The Investment Manager will assess the appropriate weightings for each asset class and fund based on their:

- view of the risk, return and other characteristics of the asset class;
- assessment of the capabilities of the manager of the fund; and
- view of the market and economic outlook.

Both passive and active funds will be considered for inclusion in the sub-fund.

Assessing performance

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

The sub-fund's investment policy puts it in the IA Mixed Investment 40-85% Shares Sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

IFSL atomos Cautious Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

Investment policy

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

At least 70% of the sub-fund will be invested in other funds, including exchange traded funds and investment trusts. This may include other funds managed by the Authorised Corporate Director or Investment Manager.

The sub-fund will be managed on a medium risk strategy, and through these other funds gain exposure to between 30-60% in the shares of companies.

Between 30-70% of the sub-fund will be exposed to bonds, which are loans typically issued by companies and governments. This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest.

The sub-fund may also have exposure to other assets such as:

- up to 20% in money market instruments, which are shorter term loans.
- property and commodities, such as gold and oil up to a maximum of 30%. Although the sub-fund will have exposure to no more than 10% in any one commodity type or physical property.

The sub-fund may also gain exposure to the above asset classes through investing directly (other than in respect of property or commodities).

Investments will cover a range of global markets, with no more than 30% of the sub-fund being invested in emerging or frontier markets.

IFSL ATOMOS OEIC

GENERAL INFORMATION

IFSL atomos Cautious Fund (continued)

Investment policy (continued)

The sub-fund may use derivatives and structured products (instruments whose returns are linked to another asset or other variable factor such as exchange rates or stock markets) for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the sub-fund. The sub-fund will not always hold these instruments however at times they may be held for extended periods. Derivatives may be used to increase or decrease market or currency exposure. It is expected the use of derivatives will not have a significant impact on the risk profile of the sub-fund.

The sub-fund may also invest in other funds which are permitted to use derivatives to varying degrees.

The sub-fund will hold up to 20% in cash to enable the ready settlement of liabilities (including redemptions) and for the efficient management of the sub-fund.

Investment strategy

The investment strategy is primarily a fund of funds approach (which is a fund that invests in other funds), seeking to generate long term investment growth, through a diversified allocation to a range of asset classes, within the scope of the investment policy.

The Investment Manager will assess the appropriate weightings for each asset class and fund based on their:

- view of the risk, return and other characteristics of the asset class;
- assessment of the capabilities of the manager of the fund; and
- view of the market and economic outlook.

Both passive and active funds will be considered for inclusion in the sub-fund.

Assessing performance

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

The sub-fund's investment policy puts it in the IA Mixed Investment 20-60% Shares Sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

Please note, both IFSL atomos Cautious Fund and IFSL atomos Defensive Fund use the IA Mixed Investments 20-60% Shares sector as a comparison benchmark, however, IFSL atomos Cautious Fund is a higher risk fund. Investors should be considerate of the different risk profiles when comparing performance against the benchmark and reaching a conclusion on its return (which is the money made or lost on an investment). Over the longer-term, higher risk profile funds would be expected to be more volatile and as a result potentially deliver a higher return versus a lower risk alternative.

IFSL atomos Defensive Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

Investment policy

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

At least 70% of the sub-fund will be invested in other funds, including exchange traded funds and investment trusts. This may include other funds managed by the Authorised Corporate Director or Investment Manager.

The sub-fund will be managed on a low to medium risk strategy, and through these other funds gain exposure to between 30-80% in bonds, which are loans typically issued by companies and governments.

This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest.

Between 20-50% of the sub-fund will be exposed to the shares of companies.

IFSL ATOMOS OEIC

GENERAL INFORMATION

IFSL atomos Defensive Fund (continued)

Investment policy (continued)

The sub-fund may also have exposure to other assets such as:

- up to 20% in money market instruments, which are shorter term loans.
- property and commodities, such as gold and oil up to a maximum of 30%. Although the sub-fund will have exposure to no more than 10% in any one commodity type or physical property.

The sub-fund may also gain exposure to the above asset classes through investing directly (other than in respect of property or commodities).

Investments will cover a range of global markets, with no more than 30% of the sub-fund being invested in emerging or frontier markets.

The sub-fund may use derivatives and structured products (instruments whose returns are linked to another asset or other variable factor such as exchange rates or stock markets) for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the sub-fund. The sub-fund will not always hold these instruments however at times they may be held for extended periods. Derivatives may be used to increase or decrease market or currency exposure. It is expected the use of derivatives will not have a significant impact on the risk profile of the sub-fund.

The sub-fund may also invest in other funds which are permitted to use derivatives to varying degrees.

The sub-fund will hold up to 20% in cash to enable the ready settlement of liabilities (including redemptions) and for the efficient management of the sub-fund.

Investment strategy

The investment strategy is primarily a fund of funds approach (which is a fund that invests in other funds), seeking to generate long term investment growth, through a diversified allocation to a range of asset classes, within the scope of the investment policy.

The Investment Manager will assess the appropriate weightings for each asset class and fund based on their:

- view of the risk, return and other characteristics of the asset class;
- assessment of the capabilities of the manager of the fund; and
- view of the market and economic outlook.

Both passive and active funds will be considered for inclusion in the sub-fund.

Assessing performance

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

The sub-fund's investment policy puts it in the IA Mixed Investment 20-60% Shares Sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

Please note both the IFSL atomos Defensive Fund and the IFSL atomos Cautious Fund use the IA Mixed Investment 20-60% Shares sector as a comparison benchmark however IFSL atomos Defensive Fund is a lower risk fund. Investors should be considerate of the different risk profiles when comparing performance against the benchmark and reaching a conclusion on its return (which is the money made or lost on an investment). Over the longer-term, lower risk profile funds would be expected to be less volatile and as a result potentially deliver a reduced return versus a higher risk alternative.

IFSL atomos Conservative Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

IFSL ATOMOS OEIC

GENERAL INFORMATION

IFSL atomos Conservative Fund (continued)

Investment policy

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

At least 70% of the sub-fund will be invested in other funds, including exchange traded funds and investment trusts. This may include other funds managed by the Authorised Corporate Director or Investment Manager.

The sub-fund will be managed on a lower risk strategy, and through these other funds gain exposure to between 45-100% in bonds, which are loans typically issued by companies and governments.

This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest. In particular, the Investment Manager looks for bonds which pay a good rate of interest given the perceived risk of default.

Up to 35% of the sub-fund will be invested in the shares of companies.

The sub-fund may also have exposure to other assets such as:

- up to 20% in money market instruments, which are shorter term loans.
- property and commodities, such as gold and oil up to a maximum of 30%. Although the sub-fund will have exposure to no more than 10% in any one commodity type or physical property.

The sub-fund may also gain exposure to the above asset classes through investing directly (other than in respect of property or commodities).

Investments will cover a range of global markets, with no more than 30% of the sub-fund being invested in emerging or frontier markets.

The sub-fund may use derivatives and structured products (instruments whose returns are linked to another asset or other variable factor such as exchange rates or stock markets) for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the sub-fund. The sub-fund will not always hold these instruments however at times they may be held for extended periods. Derivatives may be used to increase or decrease market or currency exposure. It is expected the use of derivatives will not have a significant impact on the risk profile of the sub-fund.

The sub-fund may also invest in other funds which are permitted to use derivatives to varying degrees.

The sub-fund will hold up to 20% in cash to enable the ready settlement of liabilities (including redemptions) and for the efficient management of the sub-fund.

Investment strategy

The investment strategy is primarily a fund of funds approach (which is a fund that invests in other funds), seeking to generate long term investment growth, through a diversified allocation to a range of asset classes, within the scope of the investment policy.

The Investment Manager will assess the appropriate weightings for each asset class and fund based on their:

- view of the risk, return and other characteristics of the asset class;
- assessment of the capabilities of the manager of the fund; and
- view of the market and economic outlook.

Both passive and active funds will be considered for inclusion in the sub-fund.

Assessing performance

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

The sub-fund's investment policy puts it in the IA Mixed Investment 0-35% Shares Sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

GENERAL INFORMATION

Rights and terms attached to each share class

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

Assessment of value

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

Changes in prospectus

Fundamental changes were made to the Company prospectus on 21 April 2023. Details of these changes were disclosed in the annual report and accounts for the year ended 31 January 2023.

Up to date Key Investor Information Documents, Prospectus and Long Reports and Financial Statements for any fund within the ACD's range, can be requested by the investor at any time. These are also available on the website www.ifslfunds.com.

Cross Holdings

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

Remuneration policy

In line with the requirements of UCITS V, Investment Fund Services Limited, the Authorised Corporate Director (ACD), is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under 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 ACD'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 ACD who have a material impact on the risk profile of the Company				
Senior management	8	908,018	768,628	139,390
Risk takers and other identified staff	4	411,040	375,277	35,763
Allocation of total remuneration of the employees of the ACD to the Company				
Senior management	0.30	33,852	28,655	5,197
Risk takers and other identified staff	0.15	15,324	13,991	1,333

The total number of staff employed by the ACD'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 ACD.

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

AUTHORISED CORPORATE 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
30 April 2024

STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

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

In preparing those financial statements the ACD is required to:

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

The ACD is required to keep proper accounting records and to manage the Company in accordance with the COLL rules, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the IFSL atomos OEIC ("the Company") for the Period Ended 31 January 2024

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ("the ACD"), 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 Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

HSBC Bank plc

30 April 2024

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

Opinion

We have audited the financial statements of IFSL atomos OEIC, ("the Company"), comprising each of its sub-funds for the year ended 31 January 2024, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company set out on pages 13 to 16, 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 Company, comprising each of its sub-funds as at 31 January 2024, and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

We have nothing to report in this regard.

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

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

In our opinion:

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

Matters on which we are required to report by exception

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

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

Responsibilities of the Authorised Corporate Director (ACD)

As explained more fully in the ACDs responsibilities statement set out on page 8, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP) including FRS 102, Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators and a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk in relation to incomplete or inaccurate revenue recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification of a sample of special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

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

Use of our report

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

Ernst & Young LLP
Statutory Auditor
Edinburgh

30 April 2024

Notes:

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

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

for the year ended 31 January 2024

1.1 ACCOUNTING POLICIES

During the year under review, IFSL atomos OEIC consisted of five sub-funds: IFSL atomos Growth Fund; IFSL atomos Balanced Fund; IFSL atomos Cautious Fund; IFSL atomos Defensive Fund; and IFSL atomos Conservative Fund.

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

Basis of accounting

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

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

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

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

Revenue

Dividends from equities and preference shares are recognised when the security is quoted ex-dividend. Distributions receivable from onshore Collective Investment Schemes are recognised when the security is quoted ex-dividend.

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.

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

Bank interest is accounted for on an accruals basis.

Allocation of revenue

Revenue, attributable after expenses to multiple share classes, with the exception of the ACD's fee, which is directly attributable to individual share classes, is allocated to share classes pro-rata to the value of net assets of the relevant share class on the day that the revenue is incurred.

Expenses

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

On IFSL atomos Cautious, IFSL atomos Conservative and IFSL atomos Defensive the ACD's periodic charge is treated as a capital expense. This may constrain capital growth.

During the period the sub-funds have suffered direct Collective Investment Scheme costs associated with the underlying investments. These costs have been capped at 0.20% of the relevant CIS' value. The direct CIS cost is charged to the sub-fund's capital when the underlying CIS' annual management charge for fee paying share classes is charged to capital. The direct CIS cost will be charged to income under all other circumstances.

Rebates on expenses

During the period IFSL atomos Conservative and IFSL atomos Growth's audit fees have been rebated back to the sub-funds.

Distributions from Collective Investment Schemes

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

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES
for the year ended 31 January 2024

ACCOUNTING POLICIES (continued)

Valuation

The valuation point was 12:00 on 31 January 2024 being the last valuation point of the accounting year.

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

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

Taxation

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

Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 31 January 2024 being the last valuation point of the accounting year for all sub-funds.

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.

1.2 DISTRIBUTION POLICIES

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

On IFSL atomos Cautious Fund, IFSL atomos Defensive Fund and IFSL atomos Conservative Fund the ACD's periodic charge is treated as a capital expense for the purpose of calculating the distribution as permitted by the regulations.

During the year, all sub-funds were less than 60% invested in qualifying investments (as defined by SI 2006/964, Reg. 20) and therefore qualified as equity funds. The sub-funds paid dividend distributions.

Equalisation

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

Stock and special dividends

Stock received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent and this forms part of the distributable revenue of the sub-fund.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue of the sub-fund. Amounts recognised as capital are deducted from the cost of the investment.

1.3 RISK MANAGEMENT POLICIES

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

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

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

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

for the year ended 31 January 2024

RISK MANAGEMENT POLICIES (continued)

Market price risk

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

Investment limits set out in the Instrument of Incorporation, the Prospectus and 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 sub-funds' investments can be affected by foreign currency translation movements as some of a sub-fund's assets and income may be denominated in currencies other than sterling which is the sub-fund's functional currency.

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

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

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

Interest rate risk

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

The sub-funds invested in fixed and floating interest rate securities. The income of the sub-funds 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 and floating interest rate securities may be affected by interest rate movements or the expectation of such movements in the future.

During the period the investment policy of the sub-funds changed so that sub-funds will hold a greater proportion of indirect investments via investments in other CIS'. As a consequence, the income of the sub-fund may still be affected by changes in interest rates, however, this will not be as sensitive 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.

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

Liquidity risk

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

Credit and counterparty risk

Certain transactions in securities that the sub-funds enter into expose them to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the sub-funds have fulfilled their responsibilities. The sub-funds only buy and sell investments through brokers which have been approved by the ACD as an acceptable counterparty.

The sub-funds invest in fixed and floating rate interest bonds, which are generally viewed as lower-risk investments than equities. However the solvency of organisations with whom the sub-funds invest cannot be guaranteed, and any difficulty may adversely affect the sub-fund's performance. The sub-funds are subject to investment limits for issuers of debt securities and will seek to minimise risk by diversifying portfolios.

The credit ratings for bonds held within the sub-funds are reviewed to ensure that they are appropriate in relation to the prospectus.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES
for the year ended 31 January 2024

RISK MANAGEMENT POLICIES (continued)

Concentration risk

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

Derivatives and other financial instruments

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

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

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Performance to 31 January 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>12.03.2019^A</u>
IFSL atomos Growth Fund	6.04%	10.80%	8.92%	24.81%
IA Flexible Investment Sector	3.15%	3.70%	8.73%	27.85%

^A Launch period ended 11 March 2019.

External Source of Economic Data: Morningstar (A 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 share class is calculated in sterling.

Investment commentary

Market review

Inflation was the hottest topic in markets over the year to 31 January 2024, as investors grappled with concerns over persistently high inflation that could reduce the purchasing power of money. All eyes were on central banks globally and whether a balance could be struck between increasing interest rates enough to bring inflation under control without going too far and risking an economic recession. This environment led to significant uncertainty for markets, with large swings in equity and bond prices as investors digested new information on inflation and the implications for economic growth.

Despite this uncertainty, it was a positive year for markets overall. While there were signs of weakness along the way that ignited recessionary fears (e.g. the turmoil in the United States (US) banking sector following the collapse of Silicon Valley Bank), inflation ultimately fell globally without significant economic weakness. This combination of economic robustness and moderating inflation encouraged positive investor attitude and drove most major asset classes to post strong positive returns over the year. By the end of the year, the general agreement amongst market participants was that interest rates had peaked, and it was a question of when, not if, central banks would start to reduce interest rates again to stimulate economic growth.

Sub-fund performance & portfolio activity

The sub-fund performed strongly over the year, delivering positive returns, and outperforming its Investment Association ("IA") peer group benchmark*.

Global equities had a stellar 12 months, posting double-digit returns, and were the largest contributor to performance. US equities, particularly large US technology stocks, were the driving force behind this global equity performance due to optimism around the future impact of artificial intelligence. Pleasingly, our active equity managers** added value over the year as their stock picks outperformed the wider market. Conversely, due to our concerns about the economic outlook, we marginally reduced our equity allocation in favour of more defensive US government bonds, which negatively impacted returns.

Bonds also had a strong year despite lagging equities, delivering single-digit returns due to the high level of interest rates on offer. Corporate bonds benefitted from these high interest rates and also from the same positive investor attitude (and so increase in prices) that drove equity market returns. Volatility was a key theme for government bond markets over the year with large movements in bond prices. We were able to take advantage of this environment by buying US government bonds when they appeared attractively priced, which added to portfolio returns as inflation concerns eased, and bond prices rose, later in the year.

Compared to the IA peer group, the sub-fund benefitted from geographical and sectoral diversification (i.e. investing across a broad range of countries and sectors). In particular, the sub-fund held a higher allocation to overseas (mostly US) equities and bonds, which outperformed United Kingdom (UK) equities and bonds favoured by many in the IA peer group. Our higher allocation to real estate and infrastructure sectors negatively impacted performance as they underperformed the broader global equity market.

Investment outlook

While overall our outlook for the global economy has improved compared to this time last year, we consider different economies to be at different stages in their battle against inflation and encouraging growth. In this environment we believe diversification - accessing a range of investments across different asset classes, geographies, and sectors - remains key. We also expect 2024 to provide opportunities to add returns through stock selection and the rotation of investments in the portfolio, given the expected divergence in markets and variation in pricing. The portfolio is set up to exploit this through our active and semi-active investment managers***. Finally, we remain aware of the risk of economic recession, which we do not think has been fully reflected in the pricing of equities and other assets. We retain our position in defensive US government bonds, particularly as we expect central banks to begin to cut interest rates over the year, which should positively impact government bond pricing.

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Investment commentary (continued)

Investment outlook (continued)

Overall, it was a strong year for asset returns and we believe the sub-fund is well-positioned to keep delivering positive outcomes for our investors.

Atomos Investments Limited
28 February 2024

* Benchmark – comparator for performance purposes.

** Active equity managers - active equity managers seek to outperform a benchmark index by selecting and actively managing a portfolio of individual securities.

*** Semi-active investment managers - semi-active investment managers aim to combine the benefits of passive and active investing in a cost-efficient manner by using systematic approaches to actively select stocks/bonds from the available universe of securities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per share)</u>				
Income paid 31 March	0.0000	0.1472	0.0833	0.0694
Income paid 30 June		N/A ^B	0.5166	0.4738
Income paid 30 September		0.4685	0.4949	0.2201
Income paid 31 December		N/A ^B	0.4574	0.1397
<u>A Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.0000	0.1529	0.0856	0.0707
Accumulation paid 30 June		N/A ^B	0.5328	0.4849
Accumulation paid 30 September		0.4902	0.5121	0.2187
Accumulation paid 31 December		N/A ^B	0.4765	0.1436
<u>B Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.2063	0.3031	0.2356	N/A ^A
Accumulation paid 30 June		N/A ^B	0.6755	0.2071
Accumulation paid 30 September		0.7773	0.6308	0.3619
Accumulation paid 31 December		N/A ^B	0.5745	0.2943

^A Shares were initially issued on 15 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	11,428,083
State Street Sustainable Climate World Equity 'B' GBP	8,286,897
State Street Multi-Factor Global ESG Equity 'B' GBP	8,194,571
State Street US Screened Index Equity 'B' GBP	7,994,929
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	6,244,080
AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	5,607,221
State Street World Screened Index Equity 'B' GBP Hedged	4,705,921
State Street Global Emerging Markets Screened Index Equity 'B' GBP	3,886,000
AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	3,700,000
iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged	3,506,877
Other purchases	22,641,518
Total purchases for the year	86,196,097
<u>Largest sales</u>	<u>Proceeds (£)</u>
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	6,671,083
AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	3,947,221
US Treasury Index-Linked 0.5% 15.04.24	3,009,850
Microsoft	1,088,062
HANetf The Royal Mint Physical Gold ETC Securities	1,075,029
Shell	976,153
Unilever	783,078
Alphabet 'C'	729,294
iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged	710,734
State Street Global Treasury Bond Index 'B' GBP Hedged	708,813
Other sales	30,638,250
Total sales for the year	50,337,567

**IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND**

COMPARATIVE TABLE

A Income shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Year to 31.01.2022 pence
Opening net asset value per share	107.72	113.79	112.02
Return before operating charges*	12.74	(3.55)	3.74
Operating charges	(1.05)	(0.90)	(1.05)
Return after operating charges*	11.69	(4.45)	2.69
Distributions on income shares	(0.47) ^A	(1.62)	(0.92)
Closing net asset value per share	118.94	107.72	113.79

* after direct transaction costs of:

0.04 0.11 0.16

Performance

Return after charges ^B 10.85% (3.91)% 2.40%

Other information

Closing net asset value (£)	20,959,281	11,596,158	14,837,406
Closing number of shares	17,621,267	10,765,350	13,038,879
Operating charges	0.95% ^{C,D}	0.83%	0.89%
Direct transaction costs	0.03%	0.10%	0.14%

Prices (pence per share)

Highest share price	118.90	117.00	120.70
Lowest share price	103.90	100.20	109.90

A Accumulation shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Year to 31.01.2022 pence
Opening net asset value per share	112.75	117.36	114.67
Return before operating charges*	13.39	(3.68)	3.77
Operating charges	(1.10)	(0.93)	(1.08)
Return after operating charges*	12.29	(4.61)	2.69
Distributions on accumulation shares	(0.49) ^A	(1.67)	(0.93)
Retained distributions on accumulation shares	0.49	1.67	0.93
Closing net asset value per share	125.04	112.75	117.36

* after direct transaction costs of:

0.04 0.11 0.16

Performance

Return after charges ^B 10.90% (3.93)% 2.35%

Other information

Closing net asset value (£)	55,456,447	22,146,536	30,687,486
Closing number of shares	44,350,406	19,641,498	26,147,745
Operating charges	0.95% ^{C,D}	0.83%	0.89%
Direct transaction costs	0.03%	0.10%	0.14%

Prices (pence per share)

Highest share price	125.00	120.60	124.30
Lowest share price	108.80	104.30	112.50

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

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

^D On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

**IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND**

COMPARATIVE TABLE

B Accumulation shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Period to 31.01.2022^A pence
Opening net asset value per share	113.66	117.78	120.90
Return before operating charges*	13.47	(3.76)	(2.73)
Operating charges	(0.49)	(0.36)	(0.39)
Return after operating charges*	12.98	(4.12)	(3.12)
Distributions on accumulation shares	(0.98) ^B	(2.18)	(1.10)
Retained distributions on accumulation shares	0.98	2.18	1.10
Closing net asset value per share	126.64	113.66	117.78

* after direct transaction costs of: 0.04 0.11 0.17

Performance

Return after charges ^C 11.42% (3.50)% (2.58)%

Other information

Closing net asset value (£)	876,698	661,096	720,295
Closing number of shares	692,261	581,620	611,542
Operating charges	0.42% ^{F,G}	0.32% ^E	0.40% ^D
Direct transaction costs	0.03%	0.10%	0.14%

Prices (pence per share)

Highest share price	126.60	121.20	124.60
Lowest share price	109.70	105.00	114.40

^A Opening net asset value per share on 15 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

^D These figures have been annualised.

^E On 7 October 2022, the annual management charge (AMC) for B shares, was reduced from 0.26% to 0.22%.

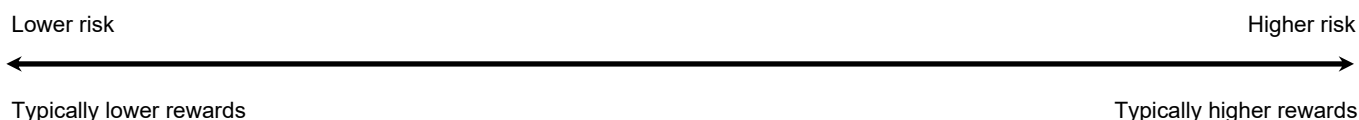
^F On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^G On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

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

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

SYNTHETIC RISK AND REWARD INDICATOR (all share classes)



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

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

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

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EMERGING MARKETS FIXED INTEREST (31 January 2023 - Nil)		
120,803 State Street Emerging Markets Hard Currency Government Bond Index 'B' GBP	1,288,160	1.67
52,721 State Street Emerging Markets Local Currency Government Bond Index 'B' GBP	554,064	0.72
Total Emerging Markets Fixed Interest	<u>1,842,224</u>	<u>2.39</u>
EUROPEAN FIXED INTEREST (31 January 2023 - 0.94%)		
2,593 M&G European Credit Investment 'A' GBP Hedged	272,075	0.35
Total European Fixed Interest	<u>272,075</u>	<u>0.35</u>
GLOBAL FIXED INTEREST (31 January 2023 - Nil)		
11,520 Robeco QI Global Multi-Factor Credits 'ZBH'	1,219,545	1.58
129,623 State Street Global Aggregate Bond Index 'B' GBP Hedged	1,360,185	1.76
25,645 State Street Global Treasury Bond Index 'B' GBP Hedged	268,425	0.35
Total Global Fixed Interest	<u>2,848,155</u>	<u>3.69</u>
UNITED KINGDOM FIXED INTEREST (31 January 2023 - 4.64%)		
291,000 AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	296,820	0.38
Total United Kingdom Fixed Interest	<u>296,820</u>	<u>0.38</u>
UNITED STATES FIXED INTEREST (31 January 2023 - 9.13%)		
1,363,126 BNY Mellon Efficient US Fallen Angels Beta 'X' Sterling Hedged	1,156,203	1.50
1,551,509 BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	1,330,574	1.72
394,387 iShares \$ TIPS UCITS ETF GBP Hedged ^A	1,927,961	2.49
887,249 iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged ^A	2,903,079	3.76
Total United States Fixed Interest	<u>7,317,817</u>	<u>9.47</u>
CANADIAN EQUITIES (31 January 2023 - 1.69%)		
EMERGING MARKETS EQUITIES (31 January 2023 - Nil)		
372,611 State Street Global Emerging Markets Screened Index Equity 'B' GBP	3,767,950	4.87
Total Emerging Markets Equities	<u>3,767,950</u>	<u>4.87</u>
EUROPEAN EQUITIES (31 January 2023 - 7.08%)		
135,963 State Street Europe Screened Index Equity 'B' GBP	1,534,912	1.98
Total European Equities	<u>1,534,912</u>	<u>1.98</u>
GLOBAL EQUITIES (31 January 2023 - Nil)		
55,511 AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	6,051,668	7.83
113,589 AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	12,294,266	15.91
38,703 Brown Advisory Global Leaders 'SI' Sterling	581,317	0.75
693,417 Jupiter Global Value Equity 'I'	451,137	0.58
182,915 MI Metropolis Valuefund 'S'	602,931	0.78
767,293 State Street Multi-Factor Global ESG Equity 'B' GBP	8,942,950	11.57
714,309 State Street Sustainable Climate World Equity 'B' GBP	8,995,649	11.64
403,070 State Street World Screened Index Equity 'B' GBP Hedged	5,101,097	6.60
8,655 Veritas Global Focus 'D' GBP	595,723	0.77
Total Global Equities	<u>43,616,738</u>	<u>56.43</u>
HONG KONG EQUITIES (31 January 2023 - 1.19%)		
JAPANESE EQUITIES (31 January 2023 - 1.84%)		
150,140 State Street Japan Screened Index Equity 'B' GBP	1,702,092	2.20
Total Japanese Equities	<u>1,702,092</u>	<u>2.20</u>
PACIFIC EX. JAPAN EQUITIES (31 January 2023 - Nil)		
38,172 State Street Pacific Ex-Japan Screened Index Equity 'B' GBP	373,450	0.48
Total Pacific ex. Japan Equities	<u>373,450</u>	<u>0.48</u>

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
SINGAPORE EQUITIES (31 January 2023 - 1.55%)		
SOUTH KOREAN EQUITIES (31 January 2023 - 0.69%)		
UNITED KINGDOM EQUITIES (31 January 2023 - 21.08%)		
UNITED STATES EQUITIES (31 January 2023 - 43.82%)		
697,811 State Street US Screened Index Equity 'B' GBP	8,674,556	11.22
3,307 Vulcan Value Equity 'III' GBP	406,618	0.53
Total United States Equities	9,081,174	11.75
COMMODITIES (31 January 2023 - 3.03%)		
INFRASTRUCTURE (31 January 2023 - Nil)		
7,995 ATLAS Global Infrastructure 'B' GBP Unhedged	1,079,756	1.40
Total Infrastructure	1,079,756	1.40
MONEY MARKETS (31 January 2023 - Nil)		
55,668 ILF GBP Liquidity Plus '2'	84,090	0.11
Total Money Markets	84,090	0.11
REAL ESTATE (31 January 2023 - Nil)		
1,998,651 Legal & General Global Real Estate Dividend Index 'C' GBP	1,149,025	1.49
Total Real Estate	1,149,025	1.49
Portfolio of stock investments		
	74,966,278	96.99
Forward Currency Exchange Contracts (31 January 2023 - 0.15%)		
Portfolio of investments	74,966,278	96.99
Net other assets	2,326,148	3.01
Total net assets	77,292,426	100.00

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are open ended exchange traded funds.

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

STATEMENT OF TOTAL RETURN
for the year ended 31 January 2024

	Notes	31 January 2024		31 January 2023	
		£	£	£	£
Income:					
Net capital gains/(losses)	2		5,730,314		(2,415,482)
Revenue	4	501,479		970,068	
Expenses	5	<u>(353,314)</u>		<u>(310,846)</u>	
Net revenue before taxation		148,165		659,222	
Taxation	6	<u>(11,607)</u>		<u>(52,767)</u>	
Net revenue after taxation			<u>136,558</u>		<u>606,455</u>
Total return before distributions			5,866,872		(1,809,027)
Distributions	7		(177,550)		(606,455)
Change in net assets attributable to shareholders from investment activities			<u>5,689,322</u>		<u>(2,415,482)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 January 2024

	31 January 2024		31 January 2023	
	£	£	£	£
Opening net assets attributable to shareholders		34,403,790		46,245,187
Amounts receivable on issue of shares	46,856,727		4,357,068	
Amounts payable on cancellation of shares	<u>(9,753,314)</u>		<u>(14,172,356)</u>	
		37,103,413		(9,815,288)
Change in net assets attributable to shareholders from investment activities		5,689,322		(2,415,482)
Retained distribution on accumulation shares		95,901		389,373
Closing net assets attributable to shareholders		<u>77,292,426</u>		<u>34,403,790</u>

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

BALANCE SHEET
as at 31 January 2024

	Notes	31 January 2024 £	31 January 2023 £
Assets:			
Fixed Assets:			
Investments	15	74,966,278	33,313,473
Current Assets:			
Debtors	8	832,841	521,165
Cash and bank balances		2,087,403	1,086,366
Total assets		<u>77,886,522</u>	<u>34,921,004</u>
Liabilities:			
Creditors:			
Bank overdrafts		134,537	416,890
Distribution payable on income shares		-	15,851
Other creditors	9	459,559	84,473
Total liabilities		<u>594,096</u>	<u>517,214</u>
Net assets attributable to shareholders		<u><u>77,292,426</u></u>	<u><u>34,403,790</u></u>

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 13 to 16.

2 NET CAPITAL GAINS/(LOSSES)

31 January 2024

31 January 2023

£

£

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

Non-derivative securities gains/(losses)	5,843,341	(2,339,884)
Currency losses	(163,641)	(34,712)
Gains/(losses) on forward currency contracts	55,232	(39,768)
Transaction charges	(8,003)	(5,711)
ACD's rebate	3,385	4,593
Net capital gains/(losses)	5,730,314	(2,415,482)

3 PURCHASES, SALES AND TRANSACTION COSTS

31 January 2024

31 January 2023

£

£

Purchases excluding transaction costs:

Equities	7,225,536	26,564,889
Debt securities	1,679,801	3,929,330
Collective investment schemes	77,287,932	-
	86,193,269	30,494,219
Equities: Commissions	1,580	7,966
Taxes and other charges	1,080	18,808
Debt securities: Commissions	168	373
Total purchase transaction costs	2,828	27,147
Purchases including transaction costs	86,196,097	30,521,366

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

Equities: Commissions	0.02%	0.03%
Taxes and other charges	0.01%	0.07%
Debt securities: Commissions	0.01%	0.01%

Sales excluding transaction costs:

Equities	30,580,561	35,823,578
Debt securities	6,775,829	2,068,198
Collective investment schemes	12,991,870	-
	50,348,260	37,891,776
Equities: Commissions	(8,765)	(10,747)
Taxes and other charges	(1,030)	(1,614)
Debt securities: Commissions	(898)	(223)
Total sale transaction costs	(10,693)	(12,584)
Sales net of transaction costs	50,337,567	37,879,192

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

Equities: Commissions	0.03%	0.03%
Taxes and other charges	0.00%	0.00%
Debt securities: Commissions	0.01%	0.01%

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

Commissions	0.03%	0.05%
Taxes and other charges	0.01%	0.05%
	0.03%	0.10%

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	0.01%	0.10%
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IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

4 REVENUE	31 January 2024	31 January 2023
	£	£
UK dividends	89,240	289,124
UK dividends (unfranked)	28,804	7,769
Overseas dividends	144,029	429,474
Overseas dividends (unfranked)	177,983	19,268
Interest on debt securities	32,763	220,286
Renewal commission	324	1,166
Bank interest	28,336	2,981
Total revenue	501,479	970,068
	<hr/>	<hr/>
5 EXPENSES	31 January 2024	31 January 2023
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	330,062	293,193
Registration fees	552	484
KIID fees	1,204	1,296
ACD's rebate	(10,225)	(11,539)
	<hr/>	<hr/>
	321,593	283,434
Other expenses:		
Depository's fees	12,877	14,235
Safe custody fees	2,525	2,876
GDR/ADR Custody fees	-	317
Bank credit interest	4	345
Audit fee	10,225	9,639
Direct CIS costs	6,090	-
	<hr/>	<hr/>
	31,721	27,412
	<hr/>	<hr/>
Total expenses	353,314	310,846
	<hr/>	<hr/>
6 TAXATION	31 January 2024	31 January 2023
	£	£
a Analysis of the tax charge for the year		
Overseas tax	11,607	52,767
Total tax charge for the year (see note 6b)	11,607	52,767
	<hr/>	<hr/>
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	148,166	659,223
Corporation tax at 20% (2023: 20%)	29,633	131,845
Effects of:		
Revenue not subject to taxation	(46,653)	(143,720)
Double tax relief	(74)	(195)
Overseas tax	11,607	52,767
Tax effect of capitalised management fee rebate	1,969	-
Prior period excess management expenses movement	7,148	(3,261)
Excess management expenses	7,977	15,331
Total tax charge for the year (see note 6a)	11,607	52,767
	<hr/>	<hr/>
c At 31 January 2024 the sub-fund has deferred tax assets of £401,070 (2023: £393,093) arising from excess management expenses, which have not been recognised due to uncertainty over the availability of future taxable profits.		

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

7 DISTRIBUTIONS

	31 January 2024	31 January 2023
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
First quarter	N/A ^A	205,175
Interim	149,445	179,881
Third quarter	N/A ^A	155,941
Final	1,429	47,665
Amounts deducted on cancellation of shares	15,784	27,773
Amounts added on issue of shares	10,915	(9,956)
Revenue brought forward	(23)	(24)
Distributions	<u>177,550</u>	<u>606,455</u>
Movement between net revenue and distributions:		
Net revenue after taxation	136,558	606,455
Add: Direct CIS costs borne by capital	801	-
Deduct: Tax effect of management fee rebate paid to capital	1,809	-
Add: Shortfall in the period	38,382	-
	<u>177,550</u>	<u>606,455</u>

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

8 DEBTORS

	31 January 2024	31 January 2023
	£	£
Amounts receivable for issue of shares	667,047	1,100
Sales awaiting settlement	-	424,358
Accrued income	114,531	51,134
Taxation recoverable	51,263	44,573
Total debtors	<u>832,841</u>	<u>521,165</u>

9 OTHER CREDITORS

	31 January 2024	31 January 2023
	£	£
Amounts payable for cancellation of shares	395,961	58,758
ACD's periodic charge	49,299	21,750
Accrued expenses	10,880	3,965
Direct CIS costs payable	3,419	-
Total other creditors	<u>459,559</u>	<u>84,473</u>

10 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 31 January 2024 (2023: nil).

11 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due from/to the ACD in respect of share transactions at the period end are disclosed in notes 8 and 9, respectively. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due from/(to) the ACD at the year end are £221,787 (2023: £(79,408)).

12 SHARE CLASSES

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

A Income	0.80%
A Accumulation	0.80%
B Accumulation	0.27%

On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

13 SHAREHOLDERS' FUNDS RECONCILIATION

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

	<u>A Income</u>	<u>A Accumulation</u>	<u>B Accumulation</u>
Opening shares in issue at 1 February 2023	10,765,350	19,641,498	581,620
Share issues	9,329,993	30,721,843	214,996
Share cancellations	(2,474,076)	(6,012,935)	(104,355)
Share conversions	-	-	-
Closing shares in issue at 31 January 2024	<u>17,621,267</u>	<u>44,350,406</u>	<u>692,261</u>

14 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £3,748,314 (2023: £1,663,105). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

<u>Foreign currency exposure at 31 January 2024</u>	Investments £	Net other assets £	Total £
Danish krone	-	159	159
Euro	-	22,356	22,356
Swiss franc	-	27,496	27,496
US dollar	-	317	317
	<u>-</u>	<u>50,328</u>	<u>50,328</u>

<u>Foreign currency exposure at 31 January 2023</u>	Investments £	Net other assets £	Total £
Danish krone	-	164	164
Euro	1,902,480	96,570	1,999,050
Hong Kong dollar	411,307	-	411,307
South Korean won	236,196	1,090	237,286
Japanese yen	634,892	-	634,892
Swiss franc	542,267	21,815	564,082
US dollar	15,085,472	104,299	15,189,771
Canadian dollar	580,824	-	580,824
Singapore dollar	531,949	7,010	538,959
	<u>19,925,387</u>	<u>230,948</u>	<u>20,156,335</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 £2,516 (2023: £1,007,817). A five per cent increase would have an equal and opposite effect.

Debt security credit analysis

	31 January 2024 Bid value (£)	31 January 2023 Bid value (£)
Investments of investment grade	-	4,258,369
Investments below investment grade:	-	591,990
Unrated	-	209,198
Total of debt securities	<u>-</u>	<u>5,059,557</u>

Interest rate risk

	31 January 2024 £	31 January 2023 £
The interest rate risk profile of financial assets and liabilities consists of the following:		
Financial assets fixed interest rate	12,577,092	5,059,558
Financial assets floating rate	2,087,403	1,086,366
Financial assets non-interest bearing instruments	63,222,027	28,775,080
Financial liabilities floating rate	(134,537)	(416,890)
Financial liabilities non-interest bearing instruments	(459,559)	(100,324)
	<u>77,292,426</u>	<u>34,403,790</u>

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

RISK DISCLOSURES (continued)

Interest rate risk sensitivity on debt securities (based on the weighted modified duration)

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. At the year end 31 January 2023 half of one per cent increase in interest rates would had the effect of decreasing the return and net assets by £67,527. A half of one per cent decrease would had an equal and opposite effect.

As a result of a change in the investment policy of the sub-fund where a greater proportion of indirect investments are now held via other collective investment schemes, effective from 21 April 2023, we are unable to calculate the interest rate sensitivity on debt securities of the sub-fund. This is because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

31 January 2024

31 January 2023

£

£

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

Within one year:

Bank overdrafts	134,537	416,890
Distribution payable on income shares	-	15,851
Other creditors	459,559	84,473
	<u>594,096</u>	<u>517,214</u>

15 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 January 2024		31 January 2023	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	4,831,040	-	31,578,196	-
Level 2 - Observable market data	70,135,238	-	1,735,277	-
Level 3 - Unobservable data	-	-	-	-
	<u>74,966,278</u>	<u>-</u>	<u>33,313,473</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

16 POST BALANCE SHEET EVENTS

Since 31 January 2024, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 January 2024	26 April 2024	Movement (%)
A Income	118.90	122.10	2.69%
A Accumulation	125.00	128.30	2.64%
B Accumulation	126.60	130.10	2.76%

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

IFSL ATOMOS OEIC
IFSL ATOMOS GROWTH FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 February 2023 to 31 July 2023

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023

		Net revenue 31 July 2023 pence per share	Equalisation 31 July 2023 pence per share	Distribution paid 30 September 2023 pence per share
A Income	Group 1	0.4685	-	0.4685
	Group 2	0.0029	0.4656	0.4685
A Accumulation	Group 1	0.4902	-	0.4902
	Group 2	0.0691	0.4211	0.4902
B Accumulation	Group 1	0.7773	-	0.7773
	Group 2	0.0730	0.7043	0.7773

Final distribution for the period from 1 August 2023 to 31 January 2024

Group 1: Shares purchased prior to 1 August 2023

Group 2: Shares purchased on or after 1 August 2023

		Net revenue 31 January 2024 pence per share	Equalisation 31 January 2024 pence per share	Distribution paid 31 March 2024 pence per share
A Income	Group 1	-	-	-
	Group 2	-	-	-
A Accumulation	Group 1	-	-	-
	Group 2	-	-	-
B Accumulation	Group 1	0.2063	-	0.2063
	Group 2	0.1439	0.0624	0.2063

Previous comparatives

		Distribution paid 30 June 2022 ^A pence per share	Distribution paid 30 September 2022 ^B pence per share	Distribution paid 31 December 2022 ^C pence per share	Distribution paid 31 March 2023 ^D pence per share
A Income	Group 1	0.5166	0.4949	0.4574	0.1472
	Group 2	0.5166	0.4949	0.4574	0.1472
A Accumulation	Group 1	0.5328	0.5121	0.4765	0.1529
	Group 2	0.5328	0.5121	0.4765	0.1529
B Accumulation	Group 1	0.6755	0.6308	0.5745	0.3031
	Group 2	0.6755	0.6308	0.5745	0.3031

^A The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 February 2022 to 30 April 2022.

^B The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 May 2022 to 31 July 2022.

^C The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 August 2022 to 31 October 2022.

^D The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 November 2022 to 31 January 2023.

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Performance to 31 January 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>27.02.2019^A</u>
IFSL atomos Balanced Fund	5.19%	8.32%	5.98%	21.41%
IA Mixed Investment 40-85% Shares	3.67%	4.45%	8.21%	25.09%

^A Launch period ended 26 February 2019.

External Source of Economic Data: Morningstar (A 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 share class is calculated in sterling.

Investment commentary

Market review

Inflation was the hottest topic in markets over the year to 31 January 2024, as investors grappled with concerns over persistently high inflation that could reduce the purchasing power of money. All eyes were on central banks globally and whether a balance could be struck between increasing interest rates enough to bring inflation under control without going too far and risking an economic recession. This environment led to significant uncertainty for markets, with large swings in equity and bond prices as investors digested new information on inflation and the implications for economic growth.

Despite this uncertainty, it was a positive year for markets overall. While there were signs of weakness along the way that ignited recessionary fears (e.g. the turmoil in the United States (US) banking sector following the collapse of Silicon Valley Bank), inflation ultimately fell globally without significant economic weakness. This combination of economic robustness and moderating inflation encouraged positive investor attitude and drove most major asset classes to post strong positive returns over the year. By the end of the year, the general agreement amongst market participants was that interest rates had peaked, and it was a question of when, not if, central banks would start to reduce interest rates again to stimulate economic growth.

Sub-fund performance & portfolio activity

The sub-fund performed strongly over the year, delivering positive returns, and outperforming its Investment Association ("IA") peer group benchmark*.

Global equities had a stellar 12 months, posting double-digit returns, and were the largest contributor to performance. US equities, particularly large US technology stocks, were the driving force behind this global equity performance due to optimism around the future impact of artificial intelligence. Pleasingly, our active equity managers** added value over the year as their stock picks outperformed the wider market. Conversely, due to our concerns about the economic outlook, we marginally reduced our equity allocation in favour of more defensive US government bonds, which negatively impacted returns.

Bonds also had a strong year despite lagging equities, delivering single-digit returns due to the high level of interest rates on offer. Corporate bonds benefitted from these high interest rates and also from the same positive investor attitude (and so increase in prices) that drove equity market returns. Volatility was a key theme for government bond markets over the year with large movements in bond prices. We were able to take advantage of this environment by buying US government bonds when they appeared attractively priced, which added to portfolio returns as inflation concerns eased, and bond prices rose, later in the year.

Compared to the IA peer group, the sub-fund benefitted from geographical and sectoral diversification (i.e. investing across a broad range of countries and sectors). In particular, the sub-fund held a higher allocation to overseas (mostly US) equities and bonds, which outperformed United Kingdom (UK) equities and bonds favoured by many in the IA peer group. Our higher allocation to real estate and infrastructure sectors negatively impacted performance as they underperformed the broader global equity market.

Investment outlook

While overall our outlook for the global economy has improved compared to this time last year, we consider different economies to be at different stages in their battle against inflation and encouraging growth. In this environment we believe diversification - accessing a range of investments across different asset classes, geographies, and sectors - remains key. We also expect 2024 to provide opportunities to add returns through stock selection and the rotation of investments in the portfolio, given the expected divergence in markets and variation in pricing. The portfolio is set up to exploit this through our active and semi-active investment managers***. Finally, we remain aware of the risk of economic recession, which we do not think has been fully reflected in the pricing of equities and other assets. We retain our position in defensive US government bonds, particularly as we expect central banks to begin to cut interest rates over the year, which should positively impact government bond pricing.

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 31 January 2024

Investment commentary (continued)

Investment outlook (continued)

Overall, it was a strong year for asset returns and we believe the sub-fund is well-positioned to keep delivering positive outcomes for our investors.

Atomos Investments Limited
28 February 2024

* Benchmark – comparator for performance purposes.

** Active equity managers - active equity managers seek to outperform a benchmark index by selecting and actively managing a portfolio of individual securities.

*** Semi-active investment managers - semi-active investment managers aim to combine the benefits of passive and active investing in a cost-efficient manner by using systematic approaches to actively select stocks/bonds from the available universe of securities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per share)</u>				
Income paid 31 March	0.2736	0.2641	0.2222	0.1793
Income paid 30 June		N/A ^B	0.5426	0.4937
Income paid 30 September		0.6444	0.5500	0.3198
Income paid 31 December		N/A ^B	0.5212	0.2435
<u>A Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.2912	0.2784	0.2299	0.1844
Accumulation paid 30 June		N/A ^B	0.5631	0.5064
Accumulation paid 30 September		0.6804	0.5732	0.3221
Accumulation paid 31 December		N/A ^B	0.5463	0.2516
<u>B Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.5427	0.3982	0.3509	N/A ^A
Accumulation paid 30 June		N/A ^B	0.6767	0.1754
Accumulation paid 30 September		0.9251	0.6879	0.4387
Accumulation paid 31 December		N/A ^B	0.6617	0.3712

^A Shares were initially issued on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Portfolio changes

<u>Largest purchases</u>	Cost (£)
AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	19,956,621
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	14,267,360
State Street Multi-Factor Global ESG Equity 'B' GBP	10,605,632
AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	10,330,359
State Street US Screened Index Equity 'B' GBP	9,484,021
BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	9,014,325
State Street Global Treasury Bond Index 'B' GBP Hedged	8,942,888
State Street Sustainable Climate World Equity 'B' GBP	8,472,649
State Street Global Aggregate Bond Index 'B' GBP Hedged	8,158,362
State Street World Screened Index Equity 'B' GBP Hedged	7,798,426
Other purchases	85,506,964
Total purchases for the year	192,537,607
<u>Largest sales</u>	Proceeds (£)
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	15,119,621
US Treasury Index-Linked 0.5% 15.04.24	7,972,997
AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	6,504,359
HANetf The Royal Mint Physical Gold ETC Securities	3,816,895
State Street Global Treasury Bond Index 'B' GBP Hedged	3,650,000
UK Treasury 1.75% 07.09.37	3,225,895
iShares \$ TIPS UCITS ETF GBP Hedged	2,941,007
UK Treasury 0.625% 31.07.35	2,758,404
State Street Multi-Factor Global ESG Equity 'B' GBP	2,740,000
UK Treasury 0.875% 31.07.33	2,737,130
Other sales	88,688,681
Total sales for the year	140,154,989

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

COMPARATIVE TABLE

A Income shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Year to 31.01.2022 pence
Opening net asset value per share	106.20	112.78	111.59
Return before operating charges*	9.91	(3.81)	3.49
Operating charges	(1.03)	(0.89)	(1.02)
Return after operating charges*	8.88	(4.70)	2.47
Distributions on income shares	(0.92) ^A	(1.88)	(1.28)
Closing net asset value per share	114.16	106.20	112.78

* after direct transaction costs of: 0.04 0.09 0.12

Performance

Return after charges ^B 8.36% (4.17)% 2.21%

Other information

Closing net asset value (£)	46,535,202	40,050,778	43,251,206
Closing number of shares	40,764,487	37,713,077	38,349,107
Operating charges	0.96% ^{C,D}	0.83%	0.88%
Direct transaction costs	0.03%	0.08%	0.10%

Prices (pence per share)

Highest share price	114.40	115.20	119.10
Lowest share price	103.40	99.21	109.80

A Accumulation shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Year to 31.01.2022 pence
Opening net asset value per share	112.17	117.05	114.56
Return before operating charges*	10.51	(3.95)	3.54
Operating charges	(1.10)	(0.93)	(1.05)
Return after operating charges*	9.41	(4.88)	2.49
Distributions on accumulation shares	(0.97) ^A	(1.96)	(1.31)
Retained distributions on accumulation shares	0.97	1.96	1.31
Closing net asset value per share	121.58	112.17	117.05

* after direct transaction costs of: 0.04 0.09 0.12

Performance

Return after charges ^B 8.39% (4.17)% 2.17%

Other information

Closing net asset value (£)	99,970,684	45,502,893	46,712,591
Closing number of shares	82,229,206	40,567,647	39,906,909
Operating charges	0.96% ^{C,D}	0.83%	0.88%
Direct transaction costs	0.03%	0.08%	0.10%

Prices (pence per share)

Highest share price	121.60	119.60	123.10
Lowest share price	109.50	104.00	112.80

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

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

^D On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

**IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND**

COMPARATIVE TABLE

<u>B Accumulation shares</u>	Year to 31.01.2024	Year to 31.01.2023	Period to 31.01.2022^A
Change in net assets per share	pence	pence	pence
Opening net asset value per share	112.95	117.41	119.80
Return before operating charges*	10.49	(4.10)	(2.03)
Operating charges	(0.49)	(0.36)	(0.36)
Return after operating charges*	10.00	(4.46)	(2.39)
Distributions on accumulation shares	(1.47) ^B	(2.42)	(1.34)
Retained distributions on accumulation shares	1.47	2.42	1.34
Closing net asset value per share	122.95	112.95	117.41
* after direct transaction costs of:	0.04	0.09	0.12
Performance			
Return after charges ^C	8.85%	(3.80)%	(1.99)%
Other information			
Closing net asset value (£)	304,559	223,154	108,521
Closing number of shares	247,708	197,568	92,427
Operating charges	0.43% ^{F,G}	0.32% ^E	0.39% ^D
Direct transaction costs	0.03%	0.08%	0.10%
Prices (pence per share)			
Highest share price	123.00	120.10	123.40
Lowest share price	110.40	104.60	114.30

^A Opening net asset value per share on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

^D These figures have been annualised.

^E On 7 October 2022, the annual management charge (AMC) for B shares, was reduced from 0.26% to 0.22%.

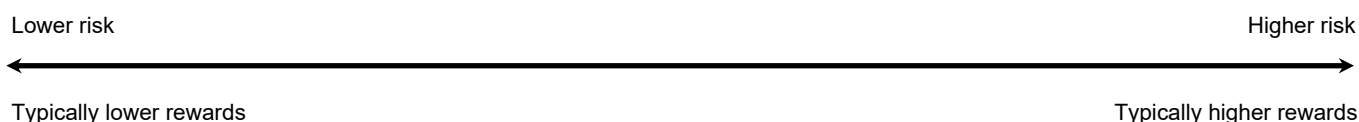
^F On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^G On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

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

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

SYNTHETIC RISK AND REWARD INDICATOR (all share classes)



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

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

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EMERGING MARKETS FIXED INTEREST (31 January 2023 - Nil)		
496,796 State Street Emerging Markets Hard Currency Government Bond Index 'B' GBP	5,297,490	3.61
364,890 State Street Emerging Markets Local Currency Government Bond Index 'B' GBP	3,834,740	2.61
Total Emerging Markets Fixed Interest	<u>9,132,230</u>	<u>6.22</u>
EUROPEAN FIXED INTEREST (31 January 2023 - 1.92%)		
25,650 M&G European Credit Investment 'A' GBP Hedged	2,691,560	1.83
Total European Fixed Interest	<u>2,691,560</u>	<u>1.83</u>
GLOBAL FIXED INTEREST (31 January 2023 - Nil)		
66,994 Robeco QI Global Multi-Factor Credits 'ZBH'	7,091,980	4.83
633,765 State Street Global Aggregate Bond Index 'B' GBP Hedged	6,650,354	4.53
508,086 State Street Global Treasury Bond Index 'B' GBP Hedged	5,318,033	3.62
Total Global Fixed Interest	<u>19,060,367</u>	<u>12.98</u>
UNITED KINGDOM FIXED INTEREST (31 January 2023 - 16.14%)		
2,612,851 AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	2,665,108	1.81
Total United Kingdom Fixed Interest	<u>2,665,108</u>	<u>1.81</u>
UNITED STATES FIXED INTEREST (31 January 2023 - 10.96%)		
6,973,518 BNY Mellon Efficient US Fallen Angels Beta 'X' Sterling Hedged	5,914,938	4.03
9,779,229 BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	8,386,667	5.71
753,439 iShares \$ TIPS UCITS ETF GBP Hedged ^A	3,683,187	2.51
1,534,044 iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged ^A	5,019,392	3.42
Total United States Fixed Interest	<u>23,004,184</u>	<u>15.67</u>
CANADIAN EQUITIES (31 January 2023 - 1.42%)		
EMERGING MARKETS EQUITIES (31 January 2023 - Nil)		
493,485 State Street Global Emerging Markets Screened Index Equity 'B' GBP	4,990,270	3.40
Total Emerging Markets Equities	<u>4,990,270</u>	<u>3.40</u>
EUROPEAN EQUITIES (31 January 2023 - 5.73%)		
161,832 State Street Europe Screened Index Equity 'B' GBP	1,826,949	1.24
Total European Equities	<u>1,826,949</u>	<u>1.24</u>
GLOBAL EQUITIES (31 January 2023 - Nil)		
103,385 AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	11,270,790	7.68
176,340 AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	19,086,123	13.00
71,386 Brown Advisory Global Leaders 'SI' Sterling	1,072,214	0.73
1,322,105 Jupiter Global Value Equity 'I'	860,161	0.59
345,481 MI Metropolis Valuefund 'S'	1,138,785	0.78
761,643 State Street Multi-Factor Global ESG Equity 'B' GBP	8,877,105	6.05
714,070 State Street Sustainable Climate World Equity 'B' GBP	8,992,637	6.13
557,596 State Street World Screened Index Equity 'B' GBP Hedged	7,056,708	4.81
17,773 Veritas Global Focus 'D' GBP	1,223,322	0.83
Total Global Equities	<u>59,577,845</u>	<u>40.60</u>
HONG KONG EQUITIES (31 January 2023 - 1.00%)		
JAPANESE EQUITIES (31 January 2023 - 1.42%)		
231,192 State Street Japan Screened Index Equity 'B' GBP	2,620,951	1.79
Total Japanese Equities	<u>2,620,951</u>	<u>1.79</u>
PACIFIC EX. JAPAN EQUITIES (31 January 2023 - Nil)		
69,565 State Street Pacific Ex-Japan Screened Index Equity 'B' GBP	680,581	0.46
Total Pacific ex. Japan Equities	<u>680,581</u>	<u>0.46</u>

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
SINGAPORE EQUITIES (31 January 2023 - 1.36%)		
SOUTH KOREAN EQUITIES (31 January 2023 - 0.50%)		
UNITED KINGDOM EQUITIES (31 January 2023 - 17.41%)		
UNITED STATES EQUITIES (31 January 2023 - 33.48%)		
878,070 State Street US Screened Index Equity 'B' GBP	10,915,377	7.43
6,326 Vulcan Value Equity 'III' GBP	777,928	0.53
Total United States Equities	<u>11,693,305</u>	<u>7.96</u>
COMMODITIES (31 January 2023 - 4.31%)		
INFRASTRUCTURE (31 January 2023 - Nil)		
21,140 ATLAS Global Infrastructure 'B' GBP Unhedged	2,854,937	1.94
Total Infrastructure	<u>2,854,937</u>	<u>1.94</u>
MONEY MARKETS (31 January 2023 - Nil)		
142,776 ILF GBP Liquidity Plus '2'	215,673	0.15
Total Money Markets	<u>215,673</u>	<u>0.15</u>
REAL ESTATE (31 January 2023 - Nil)		
4,815,653 Legal & General Global Real Estate Dividend Index 'C' GBP	2,768,519	1.89
Total Real Estate	<u>2,768,519</u>	<u>1.89</u>
Portfolio of stock investments		
	<u>143,782,479</u>	<u>97.94</u>
Forward Currency Exchange Contracts (31 January 2023 - 0.17%)		
Portfolio of investments	143,782,479	97.94
Net other assets	3,027,966	2.06
Total net assets	<u><u>146,810,445</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are open ended exchange traded funds.

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

STATEMENT OF TOTAL RETURN
for the year ended 31 January 2024

	Notes	31 January 2024		31 January 2023	
		£	£	£	£
Income:					
Net capital gains/(losses)	2		9,169,449		(5,367,606)
Revenue	4	1,833,218		2,407,417	
Expenses	5	<u>(846,996)</u>		<u>(694,386)</u>	
Net revenue before taxation		986,222		1,713,031	
Taxation	6	<u>(157,531)</u>		<u>(183,717)</u>	
Net revenue after taxation			<u>828,691</u>		<u>1,529,314</u>
Total return before distributions			9,998,140		(3,838,292)
Distributions	7		(837,200)		(1,529,314)
Change in net assets attributable to shareholders from investment activities			<u>9,160,940</u>		<u>(5,367,606)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 January 2024

	31 January 2024		31 January 2023	
	£	£	£	£
Opening net assets attributable to shareholders		85,776,825		90,072,318
Amounts receivable on issue of shares	76,790,660		14,062,745	
Amounts payable on cancellation of shares	<u>(25,442,891)</u>		<u>(13,793,864)</u>	
		51,347,769		268,881
Change in net assets attributable to shareholders from investment activities		9,160,940		(5,367,606)
Retained distribution on accumulation shares		524,911		803,232
Closing net assets attributable to shareholders		<u>146,810,445</u>		<u>85,776,825</u>

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

BALANCE SHEET

for the year ended 31 January 2024

	Notes	31 January 2024 £	31 January 2023 £
Assets:			
Fixed Assets:			
Investments	15	143,782,479	82,194,459
Current Assets:			
Debtors	8	1,286,169	2,533,827
Cash and bank balances		3,184,868	2,695,205
Total assets		<u>148,253,516</u>	<u>87,423,491</u>
Liabilities:			
Creditors:			
Bank overdrafts		155,499	1,053,200
Distribution payable on income shares		111,540	99,628
Other creditors	9	1,176,032	493,838
Total liabilities		<u>1,443,071</u>	<u>1,646,666</u>
Net assets attributable to shareholders		<u><u>146,810,445</u></u>	<u><u>85,776,825</u></u>

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 13 to 16.

2 NET CAPITAL GAINS/(LOSSES)

31 January 2024

31 January 2023

£

£

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

Non-derivative securities gains/(losses)	9,343,265	(5,211,885)
Currency losses	(363,921)	(18,676)
Gains/(losses) on forward currency contracts	194,547	(136,091)
Transaction charges	(7,965)	(4,783)
ACD's rebate	3,523	3,829
Net capital gains/(losses)	9,169,449	(5,367,606)

3 PURCHASES, SALES AND TRANSACTION COSTS

31 January 2024

31 January 2023

£

£

Purchases excluding transaction costs:

Equities	15,729,269	48,370,600
Debt securities	14,327,809	16,258,498
Collective investment schemes	162,472,712	-
	192,529,790	64,629,098
Equities: Commissions	5,059	14,505
Taxes and other charges	1,326	37,395
Debt securities: Commissions	1,432	1,752
Total purchase transaction costs	7,817	53,652
Purchases including transaction costs	192,537,607	64,682,750

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

Equities: Commissions	0.03%	0.03%
Taxes and other charges	0.01%	0.08%
Debt securities: Commissions	0.01%	0.01%

Sales excluding transaction costs:

Equities	64,092,492	52,282,346
Debt securities	39,228,573	10,797,826
Collective investment schemes	36,860,164	-
	140,181,229	63,080,172
Equities: Commissions	(18,723)	(15,685)
Taxes and other charges	(2,011)	(2,130)
Debt securities: Commissions	(5,506)	(1,018)
Total sale transaction costs	(26,240)	(18,833)
Sales net of transaction costs	140,154,989	63,061,339

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

Equities: Commissions	0.03%	0.03%
Taxes and other charges	0.00%	0.00%
Debt securities: Commissions	0.01%	0.01%

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

Commissions	0.03%	0.04%
Taxes and other charges	0.00%	0.05%
	0.03%	0.08%

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	0.01%	0.16%
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IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2024

4 REVENUE	31 January 2024	31 January 2023
	£	£
UK dividends	175,939	496,006
UK dividends (unfranked)	115,501	26,301
Overseas dividends	305,279	728,545
Overseas dividends (unfranked)	948,171	52,206
Interest on debt securities	219,523	1,088,143
Renewal commission	1,162	3,512
Bank interest	67,643	12,704
Total revenue	1,833,218	2,407,417
	<hr/>	<hr/>
5 EXPENSES	31 January 2024	31 January 2023
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	778,405	655,004
Registration fees	695	512
KIID fees	1,203	1,296
ACD's rebate	(565)	(10,512)
	<hr/>	<hr/>
	779,738	646,300
Other expenses:		
Depositary's fees	30,599	31,489
Safe custody fees	6,113	6,473
GDR/ADR custodian fees	-	485
Bank credit interest	2	-
Audit fee	10,225	9,639
Direct CIS costs	20,319	-
	<hr/>	<hr/>
	67,258	48,086
	<hr/>	<hr/>
Total expenses	846,996	694,386
	<hr/>	<hr/>
6 TAXATION	31 January 2024	31 January 2023
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	109,546	93,315
Double tax relief	(908)	(3,049)
Overseas tax	21,981	89,070
Corporation tax prior year adjustment	31,293	-
Total current tax charge for the year (see note 6b)	161,912	179,336
	<hr/>	<hr/>
Deferred tax charge (note 6c)	(4,381)	4,381
Total deferred tax charge for the year (note c)	(4,381)	4,381
	<hr/>	<hr/>
Total tax charge for the year	157,531	183,717
	<hr/>	<hr/>
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	986,222	1,713,031
Corporation tax at 20% (2023: 20%)	197,244	342,606
Effects of:		
Revenue not subject to taxation	(96,244)	(244,910)
Double tax relief	(907)	(3,049)
Deferred tax movement	4,381	(4,381)
Overseas tax	21,981	89,070
Tax effect of capitalised management fee rebate	4,164	-
Corporation tax prior year adjustment	31,293	-
Total tax charge for the year (see note 6a)	161,912	179,336
	<hr/>	<hr/>

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

12 SHARE CLASSES

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

A Income	0.80%
A Accumulation	0.80%
B Accumulation	0.27%

On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

13 SHAREHOLDERS' FUNDS RECONCILIATION

During the year the ACD has issued, cancelled and converted shares from one share class to another as set out below:

	A Income	A Accumulation	B Accumulation
Opening shares in issue at 1 February 2023	37,713,077	40,567,647	197,568
Share issues	12,731,471	54,705,437	172,571
Share cancellations	(9,680,061)	(13,043,878)	(122,431)
Closing shares in issue at 31 January 2024	40,764,487	82,229,206	247,708

14 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £7,189,124 (2023: £4,102,121). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

Foreign currency exposure at 31 January 2024

	Investments £	Net other assets £	Total £
Danish krone	-	505	505
Euro	-	38,070	38,070
Swiss franc	-	53,322	53,322
	-	91,897	91,897

Foreign currency exposure at 31 January 2023

	Investments £	Net other assets £	Total £
Danish krone	-	521	521
Euro	3,863,232	56,680	3,919,912
Hong Kong dollar	856,245	-	856,245
South Korean won	432,359	1,996	434,355
Japanese yen	1,226,920	-	1,226,920
Swiss franc	1,070,073	42,814	1,112,887
US dollar	28,738,727	266,191	29,004,918
Canadian dollar	1,211,912	-	1,211,912
Singapore dollar	1,169,039	134,250	1,303,289
	38,568,507	502,452	39,070,959

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 £4,595 (2023: £1,953,548). A five per cent increase would have an equal and opposite effect.

Debt security credit analysis

	31 January 2024 Bid value (£)	31 January 2023 Bid value (£)
Investments of investment grade	-	20,161,203
Investments below investment grade:	-	3,388,439
Unrated	-	1,353,461
Total of debt securities	-	24,903,103

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

RISK DISCLOSURES (continued)

Interest rate risk

31 January 2024

31 January 2023

£

£

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

Financial assets fixed interest rate	56,553,449	24,903,099
Financial assets floating rate	3,184,868	2,695,205
Financial assets non-interest bearing instruments	88,515,199	59,825,187
Financial liabilities floating rate	(155,499)	(1,053,200)
Financial liabilities non-interest bearing instruments	(1,287,572)	(593,466)
	<u>146,810,445</u>	<u>85,776,825</u>

Interest rate risk sensitivity on debt securities (based on the weighted modified duration)

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. At the year end 31 January 2023 half of one per cent increase in interest rates would had the effect of decreasing the return and net assets by £494,326. A half of one per cent decrease would had an equal and opposite effect.

As a result of a change in the investment policy of the sub-fund where a greater proportion of indirect investments are now held via other collective investment schemes, effective from 21 April 2023, we are unable to calculate the interest rate sensitivity on debt securities of the sub-fund. This is because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

31 January 2024

31 January 2023

£

£

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

Within one year:

Bank overdrafts	155,499	1,053,200
Distribution payable on income shares	111,540	99,628
Other creditors	1,176,032	493,838
	<u>1,443,071</u>	<u>1,646,666</u>

15 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 January 2024		31 January 2023	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	8,702,578	-	68,713,365	-
Level 2 - Observable market data	135,079,901	-	13,481,094	-
Level 3 - Unobservable data	-	-	-	-
	<u>143,782,479</u>	<u>-</u>	<u>82,194,459</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

16 POST BALANCE SHEET EVENTS

Since 31 January 2024, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 January 2024 ^A	26 April 2024	Movement (%)
A Income	114.40	115.70	1.14%
A Accumulation	121.60	123.30	1.40%
B Accumulation	123.00	124.80	1.46%

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

IFSL ATOMOS OEIC
IFSL ATOMOS BALANCED FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 February 2023 to 31 July 2023

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023

		Net revenue 31 July 2023 pence per share	Equalisation 31 July 2023 pence per share	Distribution paid 30 September 2023 pence per share
A Income	Group 1	0.6444	-	0.6444
	Group 2	0.0917	0.5527	0.6444
A Accumulation	Group 1	0.6804	-	0.6804
	Group 2	0.1769	0.5035	0.6804
B Accumulation	Group 1	0.9251	-	0.9251
	Group 2	0.3531	0.5720	0.9251

Final distribution for the period from 1 August 2023 to 31 January 2024

Group 1: Shares purchased prior to 1 August 2023

Group 2: Shares purchased on or after 1 August 2023

		Net revenue 31 January 2024 pence per share	Equalisation 31 January 2024 pence per share	Distribution paid 31 March 2024 pence per share
A Income	Group 1	0.2736	-	0.2736
	Group 2	0.2289	0.0447	0.2736
A Accumulation	Group 1	0.2912	-	0.2912
	Group 2	0.2084	0.0828	0.2912
B Accumulation	Group 1	0.5427	-	0.5427
	Group 2	0.4588	0.0839	0.5427

Previous comparatives

		Distribution paid 30 June 2022 ^A pence per share	Distribution paid 30 September 2022 ^B pence per share	Distribution paid 31 December 2022 ^C pence per share	Distribution paid 31 March 2023 ^D pence per share
A Income	Group 1	0.5426	0.5500	0.5212	0.2641
	Group 2	0.5426	0.5500	0.5212	0.2641
A Accumulation	Group 1	0.5631	0.5732	0.5463	0.2784
	Group 2	0.5631	0.5732	0.5463	0.2784
B Accumulation	Group 1	0.6767	0.6879	0.6617	0.3982
	Group 2	0.6767	0.6879	0.6617	0.3982

^A The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 February 2022 to 30 April 2022.

^B The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 May 2022 to 31 July 2022.

^C The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 August 2022 to 31 October 2022.

^D The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 November 2022 to 31 January 2023.

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Performance to 31 January 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>27.02.2019^A</u>
IFSL atomos Cautious Fund	4.24%	5.86%	2.47%	18.02%
IA Mixed Investment 20-60% Shares	3.68%	3.31%	2.60%	13.85%

^A Launch period ended 26 February 2019.

External Source of Economic Data: Morningstar (A 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 share class is calculated in sterling.

Investment commentary

Market review

Inflation was the hottest topic in markets over the year to 31 January 2024, as investors grappled with concerns over persistently high inflation that could reduce the purchasing power of money. All eyes were on central banks globally and whether a balance could be struck between increasing interest rates enough to bring inflation under control without going too far and risking an economic recession. This environment led to significant uncertainty for markets, with large swings in equity and bond prices as investors digested new information on inflation and the implications for economic growth.

Despite this uncertainty, it was a positive year for markets overall. While there were signs of weakness along the way that ignited recessionary fears (e.g. the turmoil in the United States (US) banking sector following the collapse of Silicon Valley Bank), inflation ultimately fell globally without significant economic weakness. This combination of economic robustness and moderating inflation encouraged positive investor attitude and drove most major asset classes to post strong positive returns over the year. By the end of the year, the general agreement amongst market participants was that interest rates had peaked, and it was a question of when, not if, central banks would start to reduce interest rates again to stimulate economic growth.

Sub-fund performance & portfolio activity

The sub-fund performed strongly over the year, delivering positive returns, and outperforming its Investment Association ("IA") peer group benchmark*.

Global equities had a stellar 12 months, posting double-digit returns, and were the largest contributor to performance. US equities, particularly large US technology stocks, were the driving force behind this global equity performance due to optimism around the future impact of artificial intelligence. Pleasingly, our active equity managers** added value over the year as their stock picks outperformed the wider market. Conversely, due to our concerns about the economic outlook, we marginally reduced our equity allocation in favour of more defensive US government bonds, which negatively impacted returns.

Bonds also had a strong year despite lagging equities, delivering single-digit returns due to the high level of interest rates on offer. Corporate bonds benefitted from these high interest rates and also from the same positive investor attitude (and so increase in prices) that drove equity market returns. Volatility was a key theme for government bond markets over the year with large movements in bond prices. We were able to take advantage of this environment by buying US government bonds when they appeared attractively priced, which added to portfolio returns as inflation concerns eased, and bond prices rose, later in the year.

Compared to the IA peer group, the sub-fund benefitted from geographical and sectoral diversification (i.e. investing across a broad range of countries and sectors). In particular, the sub-fund held a higher allocation to overseas (mostly US) equities and bonds, which outperformed United Kingdom (UK) equities and bonds favoured by many in the IA peer group. Our higher allocation to real estate and infrastructure sectors negatively impacted performance as they underperformed the broader global equity market.

Investment outlook

While overall our outlook for the global economy has improved compared to this time last year, we consider different economies to be at different stages in their battle against inflation and encouraging growth. In this environment we believe diversification - accessing a range of investments across different asset classes, geographies, and sectors - remains key. We also expect 2024 to provide opportunities to add returns through stock selection and the rotation of investments in the portfolio, given the expected divergence in markets and variation in pricing. The portfolio is set up to exploit this through our active and semi-active investment managers***. Finally, we remain aware of the risk of economic recession, which we do not think has been fully reflected in the pricing of equities and other assets. We retain our position in defensive US government bonds, particularly as we expect central banks to begin to cut interest rates over the year, which should positively impact government bond pricing.

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Investment commentary (continued)

Investment outlook (continued)

Overall, it was a strong year for asset returns and we believe the sub-fund is well-positioned to keep delivering positive outcomes for our investors.

Atomos Investments Limited
28 February 2024

* Benchmark – comparator for performance purposes.

** Active equity managers - active equity managers seek to outperform a benchmark index by selecting and actively managing a portfolio of individual securities.

*** Semi-active investment managers - semi-active investment managers aim to combine the benefits of passive and active investing in a cost-efficient manner by using systematic approaches to actively select stocks/bonds from the available universe of securities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per share)</u>				
Income paid 31 March	0.8226	0.4946	0.4680	0.4468
Income paid 30 June		N/A ^B	0.6971	0.6741
Income paid 30 September		1.0902	0.7470	0.5448
Income paid 31 December		N/A ^B	0.7318	0.4866
<u>A Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.9008	0.5337	0.4926	0.4616
Accumulation paid 30 June		N/A ^B	0.7370	0.6992
Accumulation paid 30 September		1.1823	0.7942	0.5673
Accumulation paid 31 December		N/A ^B	0.7841	0.5101
<u>B Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.9101	0.5371	0.4936	N/A ^A
Accumulation paid 30 June		N/A ^B	0.7395	0.1433
Accumulation paid 30 September		1.1918	0.7976	0.5663
Accumulation paid 31 December		N/A ^B	0.7870	0.5110

^A Shares were initially issued on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Portfolio changes

<u>Largest purchases</u>	Cost (£)
State Street Global Treasury Bond Index 'B' GBP Hedged	17,522,793
State Street Global Aggregate Bond Index 'B' GBP Hedged	17,334,181
AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	16,870,218
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	15,779,840
Robeco QI Global Multi-Factor Credits 'ZBH' GBP	15,559,546
BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	13,762,149
iShares \$ TIPS UCITS ETF GBP Hedged	10,650,007
AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	10,516,830
UK Treasury 4.25% 07.03.36	9,355,190
UK Treasury 0.875% 31.07.33	9,304,837
Other purchases	140,327,618
Total purchases for the year	276,983,209
<u>Largest sales</u>	Proceeds (£)
US Treasury Index-Linked 0.5% 15.04.24	18,666,192
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	16,850,218
UK Treasury 1.75% 07.09.37	10,499,071
HANetf The Royal Mint Physical Gold ETC Securities	10,421,576
US Treasury 4.125% 15.11.32	9,657,995
UK Treasury 4.25% 07.03.36	9,449,960
UK Treasury 0.625% 31.07.35	9,447,534
UK Treasury 0.875% 31.07.33	9,427,893
AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	8,507,749
iShares \$ TIPS UCITS ETF GBP Hedged	5,884,486
Other sales	169,626,270
Total sales for the year	278,438,944

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

COMPARATIVE TABLE

A Income shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Year to 31.01.2022 pence
Opening net asset value per share	102.82	110.87	110.98
Return before operating charges*	7.07	(4.50)	3.05
Operating charges	(0.99)	(0.88)	(0.99)
Return after operating charges*	6.08	(5.38)	2.06
Distributions on income shares	(1.91) ^A	(2.67)	(2.17)
Closing net asset value per share	106.99	102.82	110.87

* after direct transaction costs of: 0.04 0.06 0.10

Performance

Return after charges ^B 5.91% (4.85)% 1.86%

Other information

Closing net asset value (£)	61,798,287	67,103,691	81,189,756
Closing number of shares	57,760,473	65,265,884	73,231,684
Operating charges	0.96% ^{C,D}	0.84%	0.87%
Direct transaction costs	0.04%	0.06%	0.08%

Prices (pence per share)

Highest share price	107.80	112.70	116.90
Lowest share price	98.79	96.65	109.50

A Accumulation shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Year to 31.01.2022 pence
Opening net asset value per share	111.51	117.20	115.12
Return before operating charges*	7.72	(4.75)	3.12
Operating charges	(1.08)	(0.94)	(1.04)
Return after operating charges*	6.64	(5.69)	2.08
Distributions on accumulation shares	(2.08) ^A	(2.85)	(2.27)
Retained distributions on accumulation shares	2.08	2.85	2.27
Closing net asset value per share	118.15	111.51	117.20

* after direct transaction costs of: 0.04 0.07 0.10

Performance

Return after charges ^B 5.95% (4.85)% 1.81%

Other information

Closing net asset value (£)	127,456,838	119,772,972	134,983,249
Closing number of shares	107,877,302	107,413,723	115,169,120
Operating charges	0.96% ^{C,D}	0.84%	0.87%
Direct transaction costs	0.04%	0.06%	0.08%

Prices (pence per share)

Highest share price	118.20	119.20	122.60
Lowest share price	108.30	103.60	113.60

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

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

^D On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

**IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND**

COMPARATIVE TABLE

B Accumulation shares

Change in net assets per share	Year to 31.01.2024 pence	Year to 31.01.2023 pence	Period to 31.01.2022^A pence
Opening net asset value per share	112.27	117.54	119.40
Return before operating charges*	7.70	(4.90)	(1.51)
Operating charges	(0.49)	(0.37)	(0.35)
Return after operating charges*	7.21	(5.27)	(1.86)
Distributions on accumulation shares	(2.10) ^B	(2.86)	(1.71)
Retained distributions on accumulation shares	2.10	2.86	1.71
Closing net asset value per share	119.48	112.27	117.54

* after direct transaction costs of: 0.04 0.07 0.10

Performance

Return after charges ^C 6.42% (4.48)% (1.56)%

Other information

Closing net asset value (£)	67,706	132,180	96,937
Closing number of shares	56,669	117,734	82,475
Operating charges	0.43% ^{F,G}	0.33% ^E	0.38% ^D
Direct transaction costs	0.04%	0.06%	0.08%

Prices (pence per share)

Highest share price	119.50	119.60	122.80
Lowest share price	109.40	104.10	114.80

^A Opening net asset value per share on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

^D These figures have been annualised.

^E On 7 October 2022, the annual management charge (AMC) for B shares, was reduced from 0.26% to 0.22%.

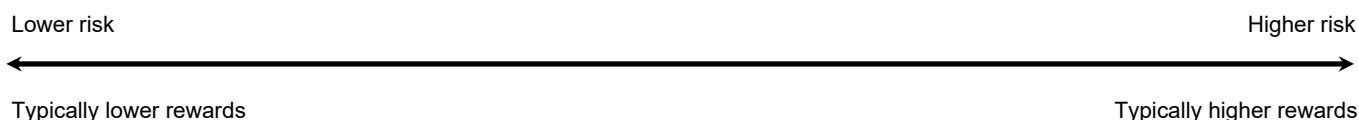
^F On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^G On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

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

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

SYNTHETIC RISK AND REWARD INDICATOR (all share classes)



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

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

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EMERGING MARKETS FIXED INTEREST (31 January 2023 - Nil)		
719,205 State Street Emerging Markets Hard Currency Government Bond Index 'B' GBP	7,669,100	4.05
687,410 State Street Emerging Markets Local Currency Government Bond Index 'B' GBP	7,224,198	3.82
Total Emerging Markets Fixed Interest	<u>14,893,298</u>	<u>7.87</u>
EUROPEAN FIXED INTEREST (31 January 2023 - 2.95%)		
62,315 M&G European Credit Investment 'A' GBP Hedged	6,539,070	3.45
Total European Fixed Interest	<u>6,539,070</u>	<u>3.45</u>
GLOBAL FIXED INTEREST (31 January 2023 - Nil)		
153,951 Robeco QI Global Multi-Factor Credits 'ZBH'	16,297,215	8.61
1,422,136 State Street Global Aggregate Bond Index 'B' GBP Hedged	14,923,037	7.88
1,290,201 State Street Global Treasury Bond Index 'B' GBP Hedged	13,504,280	7.13
Total Global Fixed Interest	<u>44,724,532</u>	<u>23.62</u>
UNITED KINGDOM FIXED INTEREST (31 January 2023 - 26.47%)		
6,370,060 AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	6,497,461	3.43
Total United Kingdom Fixed Interest	<u>6,497,461</u>	<u>3.43</u>
UNITED STATES FIXED INTEREST (31 January 2023 - 12.50%)		
10,579,938 BNY Mellon Efficient US Fallen Angels Beta 'X' Sterling Hedged	8,973,903	4.74
15,705,694 BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	13,469,203	7.11
955,346 iShares \$ TIPS UCITS ETF GBP Hedged ^A	4,670,209	2.47
1,884,108 iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged ^A	6,164,801	3.26
Total United States Fixed Interest	<u>33,278,116</u>	<u>17.58</u>
CANADIAN EQUITIES (31 January 2023 - 1.02%)		
EMERGING MARKETS EQUITIES (31 January 2023 - Nil)		
360,953 State Street Global Emerging Markets Screened Index Equity 'B' GBP	3,650,062	1.93
Total Emerging Markets Equities	<u>3,650,062</u>	<u>1.93</u>
EUROPEAN EQUITIES (31 January 2023 - 4.08%)		
128,248 State Street Europe Screened Index Equity 'B' GBP	1,447,812	0.76
Total European Equities	<u>1,447,812</u>	<u>0.76</u>
GLOBAL EQUITIES (31 January 2023 - Nil)		
56,622 AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	6,172,834	3.26
158,745 AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	17,181,718	9.08
70,000 Brown Advisory Global Leaders 'SI' Sterling	1,051,400	0.56
1,242,000 Jupiter Global Value Equity 'I'	808,045	0.43
359,000 MI Metropolis Valuefund 'S'	1,183,346	0.63
780,320 State Street Multi-Factor Global ESG Equity 'B' GBP	9,094,783	4.80
339,569 State Street Sustainable Climate World Equity 'B' GBP	4,276,368	2.26
345,369 State Street World Screened Index Equity 'B' GBP Hedged	4,370,847	2.31
16,000 Veritas Global Focus 'D' GBP	1,101,280	0.58
Total Global Equities	<u>45,240,621</u>	<u>23.91</u>
HONG KONG EQUITIES (31 January 2023 - 0.72%)		
JAPANESE EQUITIES (31 January 2023 - 1.05%)		
217,655 State Street Japan Screened Index Equity 'B' GBP	2,467,489	1.30
Total Japanese Equities	<u>2,467,489</u>	<u>1.30</u>
PACIFIC EX. JAPAN EQUITIES (31 January 2023 - Nil)		
44,000 State Street Pacific Ex-Japan Screened Index Equity 'B' GBP	430,470	0.23
Total Pacific ex. Japan Equities	<u>430,470</u>	<u>0.23</u>

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
SINGAPORE EQUITIES (31 January 2023 - 1.32%)		
SOUTH KOREAN EQUITIES (31 January 2023 - 0.36%)		
UNITED KINGDOM EQUITIES (31 January 2023 - 14.15%)		
UNITED STATES EQUITIES (31 January 2023 - 24.68%)		
718,710 State Street US Screened Index Equity 'B' GBP	8,934,362	4.72
7,000 Vulcan Value Equity 'III' GBP	860,818	0.45
Total United States Equities	9,795,180	5.17
COMMODITIES (31 January 2023 - 5.41%)		
INFRASTRUCTURE (31 January 2023 - Nil)		
54,683 ATLAS Global Infrastructure 'B' GBP Unhedged	7,384,873	3.90
Total Infrastructure	7,384,873	3.90
MONEY MARKETS (31 January 2023 - Nil)		
584,199 ILF GBP Liquidity Plus '2'	882,474	0.47
Total Money Markets	882,474	0.47
REAL ESTATE (31 January 2023 - Nil)		
12,586,865 Legal & General Global Real Estate Dividend Index 'C' GBP	7,236,189	3.82
Total Real Estate	7,236,189	3.82
Portfolio of stock investments		
	184,467,647	97.44
Forward Currency Exchange Contracts (31 January 2023 - 0.20%)		
Portfolio of investments	184,467,647	97.44
Net other assets	4,855,184	2.56
Total net assets	189,322,831	100.00

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are open ended exchange traded funds.

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

STATEMENT OF TOTAL RETURN
for the year ended 31 January 2024

	Notes	31 January 2024		31 January 2023	
		£	£	£	£
Income:					
Net capital gains/(losses)	2		8,623,836		(14,354,319)
Revenue	4	4,048,350		6,010,919	
Expenses	5	<u>(1,502,528)</u>		<u>(1,566,261)</u>	
Net revenue before taxation		2,545,822		4,444,658	
Taxation	6	<u>(404,201)</u>		<u>(586,563)</u>	
Net revenue after taxation			<u>2,141,621</u>		<u>3,858,095</u>
Total return before distributions			10,765,457		(10,496,224)
Distributions	7		(3,262,807)		(5,045,119)
Change in net assets attributable to shareholders from investment activities			<u>7,502,650</u>		<u>(15,541,343)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 January 2024

	31 January 2024		31 January 2023	
	£	£	£	£
Opening net assets attributable to shareholders		187,008,843		216,269,942
Amounts receivable on issue of shares	42,627,116		14,696,409	
Amounts payable on cancellation of shares	<u>(49,944,972)</u>		<u>(31,529,059)</u>	
		(7,317,856)		(16,832,650)
Change in net assets attributable to shareholders from investment activities		7,502,650		(15,541,343)
Retained distribution on accumulation shares		2,129,194		3,112,894
Closing net assets attributable to shareholders		<u>189,322,831</u>		<u>187,008,843</u>

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

BALANCE SHEET
as at 31 January 2024

	Notes	31 January 2024 £	31 January 2023 £
Assets:			
Fixed Assets:			
Investments	15	184,467,647	177,487,131
Current Assets:			
Debtors	8	2,133,502	6,431,320
Cash and bank balances		4,277,135	6,280,548
Total assets		<u>190,878,284</u>	<u>190,198,999</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	1,964,259
Distribution payable on income shares		475,162	322,862
Other creditors	9	1,080,291	903,035
Total liabilities		<u>1,555,453</u>	<u>3,190,156</u>
Net assets attributable to shareholders		<u><u>189,322,831</u></u>	<u><u>187,008,843</u></u>

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 13 to 16.

2 NET CAPITAL GAINS/(LOSSES)

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

	31 January 2024	31 January 2023
	£	£
Non-derivative securities gains/(losses)	8,764,004	(14,075,177)
Currency losses	(661,619)	(73,535)
Gains/(losses) on forward currency contracts	523,630	(204,826)
Transaction charges	(5,583)	(4,202)
ACD's rebate	3,404	3,421
Net capital gains/(losses)	8,623,836	(14,354,319)

3 PURCHASES, SALES AND TRANSACTION COSTS

	31 January 2024	31 January 2023
	£	£
Purchases excluding transaction costs:		
Equities	21,557,930	75,620,650
Debt securities	43,020,371	48,189,248
Collective investment schemes	212,391,140	-
	<u>276,969,441</u>	<u>123,809,898</u>
Equities:		
Commissions	8,634	22,676
Taxes and other charges	834	54,640
Debt securities:		
Commissions	4,300	5,662
Total purchase transaction costs	<u>13,768</u>	<u>82,978</u>
Purchases including transaction costs	276,983,209	123,892,876

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

Equities:	Commissions	0.04%	0.03%
	Taxes and other charges	0.00%	0.07%
Debt securities:	Commissions	0.01%	0.01%

Sales excluding transaction costs:

Equities	108,981,556	93,924,749
Debt securities	121,272,916	40,116,762
Collective investment schemes	48,237,967	-
	<u>278,492,439</u>	<u>134,041,511</u>
Equities:		
Commissions	(32,448)	(28,178)
Taxes and other charges	(3,289)	(3,773)
Debt securities:		
Commissions	(17,758)	(4,662)
Total sale transaction costs	<u>(53,495)</u>	<u>(36,613)</u>
Sales net of transaction costs	278,438,944	134,004,898

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

Equities:	Commissions	0.03%	0.03%
	Taxes and other charges	0.00%	0.00%
Debt securities:	Commissions	0.01%	0.01%

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

Commissions	0.04%	0.03%
Taxes and other charges	0.00%	0.03%
	<u>0.04%</u>	<u>0.06%</u>

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	<u>0.01%</u>	<u>0.21%</u>
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IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

4 REVENUE	31 January 2024	31 January 2023
	£	£
UK dividends	277,845	890,389
UK dividends (unfranked)	384,221	84,900
Overseas dividends	607,749	1,279,194
Overseas dividends (unfranked)	1,968,765	129,996
Interest on debt securities	691,096	3,591,264
Renewal commission	3,150	10,412
Bank interest	115,524	24,764
Total revenue	4,048,350	6,010,919
5 EXPENSES	31 January 2024	31 January 2023
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	1,381,074	1,483,780
Registration fees	834	737
KIID fees	1,203	1,245
ACD's rebate	(566)	(15,163)
	1,382,545	1,470,599
Other expenses:		
Depository's fees	55,792	70,509
Safe custody fees	10,957	14,572
GDR/ADR custody fees	-	781
Bank credit interest	-	161
Audit fee	10,225	9,639
Direct CIS costs	43,009	-
	119,983	95,662
Total expenses	1,502,528	1,566,261
6 TAXATION	31 January 2024	31 January 2023
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	349,007	448,748
Double tax relief	(1,834)	(8,913)
Overseas tax	33,447	157,169
Corporation tax prior year adjustment	33,124	(16,708)
Total current tax charge for the year (note 6b)	413,744	580,296
Deferred tax (credit)/charge (note 6c)	(9,543)	6,267
Total tax charge for the year	404,201	586,563
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	2,545,822	4,444,658
Corporation tax at 20% (2023: 20%)	509,164	888,932
Effects of:		
Revenue not subject to taxation	(177,119)	(433,916)
Double tax relief	(1,834)	(8,913)
Overseas tax	33,447	157,169
Tax effect of capitalised management fee rebate	7,419	-
Deferred tax movement	9,543	(6,267)
Corporation tax prior year adjustment	33,124	(16,708)
Total current tax charge for the year (note 6a)	413,744	580,296
c Provision for deferred taxation		
Provision at start of the year	9,543	3,276
Deferred tax (credit)/charge for the year	(9,543)	6,267
Provision at the end of the year (note 6a)	-	9,543

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

7 DISTRIBUTIONS

	31 January 2024	31 January 2023
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
First quarter	N/A ^A	1,324,988
Interim	1,797,766	1,403,887
Third quarter	N/A ^A	1,351,425
Final	1,447,523	896,793
Amounts deducted on cancellation of shares	206,203	111,843
Amounts added on issue of shares	(188,597)	(43,748)
Revenue brought forward	(88)	(69)
Distributions	<u>3,262,807</u>	<u>5,045,119</u>
Movement between net revenue and distributions:		
Net revenue after taxation	2,141,621	3,858,095
Add: ACD's periodic charge borne by capital	1,392,209	1,483,780
Deduct: Tax effect of ACD fee/management fee rebate paid to capital	(271,023)	(296,756)
	<u>3,262,807</u>	<u>5,045,119</u>

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

8 DEBTORS

	31 January 2024	31 January 2023
	£	£
Amounts receivable for issue of shares	706,765	415,826
Sales awaiting settlement	-	4,837,686
Accrued income	1,274,928	1,052,049
Taxation recoverable	151,809	125,759
Total debtors	<u>2,133,502</u>	<u>6,431,320</u>

9 OTHER CREDITORS

	31 January 2024	31 January 2023
	£	£
Amounts payable for cancellation of shares	715,366	14,783
Purchases awaiting settlement	-	553,213
ACD's periodic charge	128,145	118,756
Accrued expenses	32,614	20,905
Direct CIS costs payable	19,191	
Corporation tax payable	184,975	195,378
Total other creditors	<u>1,080,291</u>	<u>903,035</u>

10 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 31 January 2024 (2023: nil).

11 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due from/to the ACD in respect of share transactions at the period end are disclosed in notes 8 and 9, respectively. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due (to)/from the ACD at the year end are £(136,746) [2023: £282,287].

12 SHARE CLASSES

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

A Income	0.80%
A Accumulation	0.80%
B Accumulation	0.27%

On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

13 SHAREHOLDERS' FUNDS RECONCILIATION

During the year the ACD has issued, cancelled and converted shares from one share class to another as set out below:

	A Income	A Accumulation	B Accumulation
Opening shares in issue at 1 February 2023	65,265,884	107,413,723	117,734
Share issues	11,785,569	27,276,384	2,762
Share cancellations	(19,290,980)	(26,812,805)	(63,827)
Closing shares in issue at 31 January 2024	<u>57,760,473</u>	<u>107,877,302</u>	<u>56,669</u>

14 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £9,223,382 (2023: £8,855,760). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

<u>Foreign currency exposure at 31 January 2024</u>	Investments £	Net current assets £	Total £
Danish krone	-	679	679
Euro	-	59,061	59,061
Swiss franc	-	80,960	80,960
	<u>-</u>	<u>140,700</u>	<u>140,700</u>

<u>Foreign currency exposure at 31 January 2023</u>	Investments £	Net current assets £	Total £
Danish krone	-	700	700
Euro	6,305,588	112,976	6,418,564
Hong Kong dollar	1,350,309	-	1,350,309
Swiss franc	1,655,721	64,766	1,720,487
US dollar	46,245,062	295,942	46,541,004
Canadian dollar	1,919,452	-	1,919,452
Japanese yen	1,960,169	-	1,960,169
South Korean won	672,558	3,105	675,663
Singapore dollar	2,472,366	32,580	2,504,946
	<u>62,581,225</u>	<u>510,069</u>	<u>63,091,294</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 £7,035 (2023: £3,154,565). A five per cent increase would have an equal and opposite effect.

Debt security credit analysis

	31 January 2024 Bid value (£)	31 January 2023 Bid value (£)
Investments of investment grade	-	61,779,785
Investments below investment grade:	-	11,273,010
Unrated	-	5,317,573
Total of debt securities	<u>-</u>	<u>78,370,368</u>

Interest rate risk

	31 January 2024 £	31 January 2023 £
The interest rate risk profile of financial assets and liabilities consists of the following:		
Financial assets fixed interest rate	105,932,477	78,370,368
Financial assets floating rate	4,277,135	6,280,548
Financial assets non-interest bearing instruments	80,668,672	105,548,083
Financial liabilities floating rate	-	(1,964,259)
Financial liabilities non-interest bearing instruments	(1,555,453)	(1,225,897)
	<u>189,322,831</u>	<u>187,008,843</u>

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

RISK DISCLOSURES (continued)

Interest rate risk sensitivity on debt securities (based on the weighted modified duration)

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. At the year end 31 January 2023 half of one per cent increase in interest rates would had the effect of decreasing the return and net assets by £1,699,328. A half of one per cent decrease would had an equal and opposite effect.

As a result of a change in the investment policy of the sub-fund where a greater proportion of indirect investments are now held via other collective investment schemes, effective from 21 April 2023, we are unable to calculate the interest rate sensitivity on debt securities of the sub-fund. This is because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

31 January 2024

31 January 2023

£

£

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

Within one year:

Bank overdrafts	-	1,964,259
Distribution payable on income shares	475,162	322,862
Other creditors	1,080,291	903,035
	<u>1,555,453</u>	<u>3,190,156</u>

15 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 January 2024		31 January 2023	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	10,835,010	-	129,928,383	-
Level 2 - Observable market data	173,632,637	-	47,558,748	-
Level 3 - Unobservable data	-	-	-	-
	<u>184,467,647</u>	<u>-</u>	<u>177,487,131</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

16 POST BALANCE SHEET EVENTS

Since 31 January 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 January 2024 ^A	26 April 2024	Movement (%)
A Income	107.80	107.30	(0.46)%
A Accumulation	118.20	118.50	0.25%
B Accumulation	119.50	120.00	0.42%

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

IFSL ATOMOS OEIC
IFSL ATOMOS CAUTIOUS FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 February 2023 to 31 July 2023

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023

		Net revenue 31 July 2023 pence per share	Equalisation 31 July 2023 pence per share	Distribution paid 30 September 2023 pence per share
A Income	Group 1	1.0902	-	1.0902
	Group 2	0.2895	0.8007	1.0902
A Accumulation	Group 1	1.1823	-	1.1823
	Group 2	0.3916	0.7907	1.1823
B Accumulation	Group 1	1.1918	-	1.1918
	Group 2	1.0281	0.1637	1.1918

Final distribution for the period from 1 August 2023 to 31 January 2024

Group 1: Shares purchased prior to 1 August 2023

Group 2: Shares purchased on or after 1 August 2023

		Net revenue 31 January 2024 pence per share	Equalisation 31 January 2024 pence per share	Distribution paid 31 March 2024 pence per share
A Income	Group 1	0.8226	-	0.8226
	Group 2	0.5105	0.3121	0.8226
A Accumulation	Group 1	0.9008	-	0.9008
	Group 2	0.5477	0.3531	0.9008
B Accumulation	Group 1	0.9101	-	0.9101
	Group 2	0.6503	0.2598	0.9101

Previous Comparative

		Distribution paid 30 June 2022 ^A pence per share	Distribution paid 30 September 2022 ^B pence per share	Distribution paid 31 December 2022 ^C pence per share	Distribution paid 31 March 2023 ^D pence per share
A Income	Group 1	0.6971	0.7470	0.7318	0.4946
	Group 2	0.6971	0.7470	0.7318	0.4946
A Accumulation	Group 1	0.7370	0.7942	0.7841	0.5337
	Group 2	0.7370	0.7942	0.7841	0.5337
B Accumulation	Group 1	0.7395	0.7976	0.7870	0.5371
	Group 2	0.7395	0.7976	0.7870	0.5371

^A The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 February 2022 to 30 April 2022.

^B The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 May 2022 to 31 July 2022.

^C The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 August 2022 to 31 October 2022.

^D The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 November 2022 to 31 January 2023.

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Performance to 31 January 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 year</u>	<u>06.10.2020^A</u>
IFSL atomos Conservative Fund	3.47%	3.25%	(2.72)%	2.24%
IA Mixed Investment 0-35% Shares	3.68%	2.78%	(2.45)%	1.12%

^A Launch period ended 5 October 2020.

External Source of Economic Data: Morningstar (A 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 share class is calculated in sterling.

Investment commentary

Market review

Inflation was the hottest topic in markets over the year to 31 January 2024, as investors grappled with concerns over persistently high inflation that could reduce the purchasing power of money. All eyes were on central banks globally and whether a balance could be struck between increasing interest rates enough to bring inflation under control without going too far and risking an economic recession. This environment led to significant uncertainty for markets, with large swings in equity and bond prices as investors digested new information on inflation and the implications for economic growth.

Despite this uncertainty, it was a positive year for markets overall. While there were signs of weakness along the way that ignited recessionary fears (e.g. the turmoil in the United States (US) banking sector following the collapse of Silicon Valley Bank), inflation ultimately fell globally without significant economic weakness. This combination of economic robustness and moderating inflation encouraged positive investor attitude and drove most major asset classes to post strong positive returns over the year. By the end of the year, the general agreement amongst market participants was that interest rates had peaked, and it was a question of when, not if, central banks would start to reduce interest rates again to stimulate economic growth.

Sub-fund performance & portfolio activity

The sub-fund performed strongly over the year, delivering positive returns, and outperforming its Investment Association ("IA") peer group benchmark*.

Global equities had a stellar 12 months, posting double-digit returns, and were the largest contributor to performance. US equities, particularly large US technology stocks, were the driving force behind this global equity performance due to optimism around the future impact of artificial intelligence. Pleasingly, our active equity managers** added value over the year as their stock picks outperformed the wider market. Conversely, due to our concerns about the economic outlook, we marginally reduced our equity allocation in favour of more defensive US government bonds, which negatively impacted returns.

Bonds also had a strong year despite lagging equities, delivering single-digit returns due to the high level of interest rates on offer. Corporate bonds benefitted from these high interest rates and also from the same positive investor attitude (and so increase in prices) that drove equity market returns. Volatility was a key theme for government bond markets over the year with large movements in bond prices. We were able to take advantage of this environment by buying US government bonds when they appeared attractively priced, which added to portfolio returns as inflation concerns eased, and bond prices rose, later in the year.

Compared to the IA peer group, the sub-fund benefitted from geographical and sectoral diversification (i.e. investing across a broad range of countries and sectors). In particular, the sub-fund held a higher allocation to overseas (mostly US) equities and bonds, which outperformed United Kingdom (UK) equities and bonds favoured by many in the IA peer group. Our higher allocation to real estate and infrastructure sectors negatively impacted performance as they underperformed the broader global equity market.

Investment outlook

While overall our outlook for the global economy has improved compared to this time last year, we consider different economies to be at different stages in their battle against inflation and encouraging growth. In this environment we believe diversification - accessing a range of investments across different asset classes, geographies, and sectors - remains key. We also expect 2024 to provide opportunities to add returns through stock selection and the rotation of investments in the portfolio, given the expected divergence in markets and variation in pricing. The portfolio is set up to exploit this through our active and semi-active investment managers***. Finally, we remain aware of the risk of economic recession, which we do not think has been fully reflected in the pricing of equities and other assets. We retain our position in defensive US government bonds, particularly as we expect central banks to begin to cut interest rates over the year, which should positively impact government bond pricing.

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Investment commentary (continued)

Investment outlook (continued)

Overall, it was a strong year for asset returns and we believe the sub-fund is well-positioned to keep delivering positive outcomes for our investors.

Atomos Investments Limited
28 February 2024

* Benchmark – comparator for performance purposes.

** Active equity managers - active equity managers seek to outperform a benchmark index by selecting and actively managing a portfolio of individual securities.

*** Semi-active investment managers - semi-active investment managers aim to combine the benefits of passive and active investing in a cost-efficient manner by using systematic approaches to actively select stocks/bonds from the available universe of securities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per share)</u>				
Income paid 31 March	0.6744	0.5475	0.5461	0.5905
Income paid 30 June		N/A ^B	0.6205	0.5686
Income paid 30 September		0.9989	0.7010	0.5742
Income paid 31 December		N/A ^B	0.7376	0.5202
<u>A Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.7152	0.5728	0.5564	0.6678
Accumulation paid 30 June		N/A ^B	0.6355	0.5710
Accumulation paid 30 September		1.0517	0.7221	0.5722
Accumulation paid 31 December		N/A ^B	0.7655	0.5273
<u>B Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.6739	0.5150	0.6141	N/A ^A
Accumulation paid 30 June		N/A ^B	0.6410	0.0737
Accumulation paid 30 September		1.0630	0.7287	0.5635
Accumulation paid 31 December		N/A ^B	0.7013	0.5372

^A Shares were initially issued on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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IFSL ATOMOS CONSERVATIVE FUND

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for the year ended 31 January 2024

Portfolio changes

<u>Largest purchases</u>	Cost (£)
State Street Global Aggregate Bond Index 'B' GBP Hedged	4,918,400
State Street Global Treasury Bond Index 'B' GBP Hedged	4,725,206
Robeco QI Global Multi-Factor Credits 'ZBH' GBP	4,463,561
Deutschland Bundesrepublik 1% 15.08.24	2,670,581
AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	2,462,250
UK Treasury 0.625% 31.07.35	2,361,056
UK Treasury 0.875% 31.07.33	2,326,031
ILF GBP Liquidity Plus '2'	2,304,186
UK Treasury 4.25% 07.03.36	2,261,694
M&G European Credit Investment 'A-H' GBP	1,550,000
Other purchases	16,319,213
Total purchases for the year	46,362,178
<u>Largest sales</u>	Proceeds (£)
US Treasury Index-Linked 0.5% 15.04.24	2,720,199
Deutschland Bundesrepublik 1% 15.08.24	2,667,669
UK Treasury 1.75% 07.09.37	2,518,869
US Treasury 4.125% 15.11.32	2,456,859
UK Treasury 0.625% 31.07.35	2,386,374
UK Treasury 0.875% 31.07.33	2,335,052
UK Treasury 4.25% 07.03.36	2,269,356
HANetf The Royal Mint Physical Gold ETC Securities	2,182,471
State Street Global Aggregate Bond Index 'B' GBP Hedged	1,550,000
State Street Global Treasury Bond Index 'B' GBP Hedged	1,535,000
Other sales	28,058,889
Total sales for the year	50,680,738

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

COMPARATIVE TABLE

<u>A Income shares</u>	Year to 31.01.2024	Year to 31.01.2023	Year to 31.01.2022
Change in net assets per share	pence	pence	pence
Opening net asset value per share	93.64	103.18	104.27
Return before operating charges*	4.03	(6.10)	2.02
Operating charges	(0.91)	(0.83)	(0.90)
Return after operating charges*	3.12	(6.93)	1.12
Distributions on income shares	(1.67) ^A	(2.61)	(2.21)
Closing net asset value per share	95.09	93.64	103.18
* after direct transaction costs of:	0.04	0.03	0.06
Performance			
Return after charges ^B	3.33%	(6.72)%	1.07%
Other information			
Closing net asset value (£)	7,560,578	10,614,717	14,771,216
Closing number of shares	7,950,704	11,335,272	14,316,066
Operating charges	0.98% ^{C,D}	0.85%	0.85%
Direct transaction costs	0.04%	0.03%	0.06%
Prices (pence per share)			
Highest share price	96.50	103.70	108.40
Lowest share price	89.17	88.40	103.70
<u>A Accumulation shares</u>	Year to 31.01.2024	Year to 31.01.2023	Year to 31.01.2022
Change in net assets per share	pence	pence	pence
Opening net asset value per share	98.55	105.67	104.86
Return before operating charges*	4.28	(6.27)	1.72
Operating charges	(0.96)	(0.85)	(0.91)
Return after operating charges*	3.32	(7.12)	0.81
Distributions on accumulation shares	(1.77) ^A	(2.70)	(2.23)
Retained distributions on accumulation shares	1.77	2.70	2.23
Closing net asset value per share	101.87	98.55	105.67
* after direct transaction costs of:	0.04	0.03	0.06
Performance			
Return after charges ^B	3.37%	(6.74)%	0.77%
Other information			
Closing net asset value (£)	15,526,724	17,391,857	18,641,467
Closing number of shares	15,242,062	17,647,097	17,640,440
Operating charges	0.98% ^{C,D}	0.85%	0.85%
Direct transaction costs	0.04%	0.03%	0.06%
Prices (pence per share)			
Highest share price	102.70	106.20	109.90
Lowest share price	94.86	91.75	104.10

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

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

^D On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

COMPARATIVE TABLE

B Accumulation shares	Year to 31.01.2024	Year to 31.01.2023	Period to 31.01.2022^A
Change in net assets per share	pence	pence	pence
Opening net asset value per share	98.82	105.58	107.30
Return before operating charges*	4.57	(6.42)	(1.42)
Operating charges	(0.44)	(0.34)	(0.30)
Return after operating charges*	4.13	(6.76)	(1.72)
Distributions on accumulation shares	(1.74) ^B	(2.59)	(1.79)
Retained distributions on accumulation shares	1.74	2.59	1.79
Closing net asset value per share	102.95	98.82	105.58
* after direct transaction costs of:	0.04	0.03	0.06
Performance			
Return after charges ^C	4.18%	(6.40)%	(1.60)%
Other information			
Closing net asset value (£)	188	180	160
Closing number of shares	183	183	151
Operating charges	0.45% ^{F,G}	0.34% ^E	0.36% ^D
Direct transaction costs	0.04%	0.03%	0.06%
Prices (pence per share)			
Highest share price	103.70	106.20	110.10
Lowest share price	95.68	92.00	104.70

^A Opening net asset value per share on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

^D These figures have been annualised.

^E On 7 October 2022, the annual management charge (AMC) for B shares, was reduced from 0.26% to 0.22%.

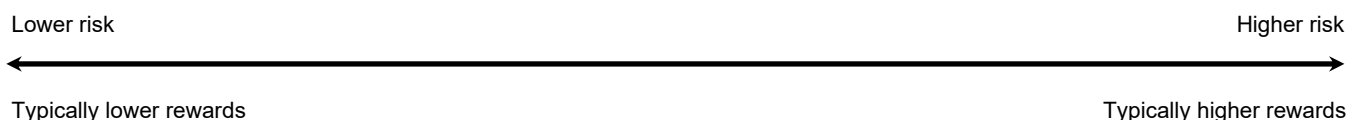
^F On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^G On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

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

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

SYNTHETIC RISK AND REWARD INDICATOR (all share classes)



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

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

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EMERGING MARKETS FIXED INTEREST (31 January 2023 - Nil)		
33,051 State Street Emerging Markets Hard Currency Government Bond Index 'B' GBP	352,432	1.53
33,042 State Street Emerging Markets Local Currency Government Bond Index 'B' GBP	347,246	1.50
Total Emerging Markets Fixed Interest	<u>699,678</u>	<u>3.03</u>
EUROPEAN FIXED INTEREST (31 January 2023 - 3.65%)		
14,787 M&G European Credit Investment 'A' GBP Hedged	1,551,738	6.72
Total European Fixed Interest	<u>1,551,738</u>	<u>6.72</u>
GLOBAL FIXED INTEREST (31 January 2023 - Nil)		
35,986 Robeco QI Global Multi-Factor Credits 'ZBH'	3,809,470	16.50
328,188 State Street Global Aggregate Bond Index 'B' GBP Hedged	3,443,813	14.92
310,041 State Street Global Treasury Bond Index 'B' GBP Hedged	3,245,135	14.06
Total Global Fixed Interest	<u>10,498,418</u>	<u>45.48</u>
UNITED KINGDOM FIXED INTEREST (31 January 2023 - 47.27%)		
1,474,351 AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	1,503,838	6.51
Total United Kingdom Fixed Interest	<u>1,503,838</u>	<u>6.51</u>
UNITED STATES FIXED INTEREST (31 January 2023 - 15.22%)		
503,717 BNY Mellon Efficient US Fallen Angels Beta 'X' Sterling Hedged	427,252	1.85
670,723 BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	575,212	2.49
74,047 iShares \$ TIPS UCITS ETF GBP Hedged ^A	361,979	1.57
138,580 iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged ^A	453,434	1.96
Total United States Fixed Interest	<u>1,817,877</u>	<u>7.87</u>
CANADIAN EQUITIES (31 January 2023 - 0.40%)		
EMERGING MARKETS EQUITIES (31 January 2023 - Nil)		
13,979 State Street Global Emerging Markets Screened Index Equity 'B' GBP	141,361	0.61
Total Emerging Markets Equities	<u>141,361</u>	<u>0.61</u>
EUROPEAN EQUITIES (31 January 2023 - 1.47%)		
6,000 State Street Europe Screened Index Equity 'B' GBP	67,735	0.29
Total European Equities	<u>67,735</u>	<u>0.29</u>
GLOBAL EQUITIES (31 January 2023 - Nil)		
3,052 AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	332,760	1.44
7,560 AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	818,235	3.54
10,000 Brown Advisory Global Leaders 'SI' Sterling	150,200	0.65
188,000 Jupiter Global Value Equity 'I'	122,313	0.53
36,142 MI Metropolis Valuefund 'S'	119,131	0.52
32,886 State Street Multi-Factor Global ESG Equity 'B' GBP	383,289	1.66
14,023 State Street Sustainable Climate World Equity 'B' GBP	176,602	0.77
12,541 State Street World Screened Index Equity 'B' GBP Hedged	158,711	0.69
2,000 Veritas Global Focus 'D' GBP	137,660	0.60
Total Global Equities	<u>2,398,901</u>	<u>10.40</u>
HONG KONG EQUITIES (31 January 2023 - 0.30%)		
JAPANESE EQUITIES (31 January 2023 - 0.38%)		
11,488 State Street Japan Screened Index Equity 'B' GBP	130,234	0.56
Total Japanese Equities	<u>130,234</u>	<u>0.56</u>
SINGAPORE EQUITIES (31 January 2023 - 1.10%)		
SOUTH KOREAN EQUITIES (31 January 2023 - 0.13%)		

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
UNITED KINGDOM EQUITIES (31 January 2023 - 8.55%)		
UNITED STATES EQUITIES (31 January 2023 - 9.51%)		
33,646 State Street US Screened Index Equity 'B' GBP	418,263	1.81
1,000 Vulcan Value Equity 'III' GBP	122,974	0.53
Total United States Equities	<u>541,237</u>	<u>2.34</u>
COMMODITIES (31 January 2023 - 7.56%)		
INFRASTRUCTURE (31 January 2023 - Nil)		
8,815 ATLAS Global Infrastructure 'B' GBP Unhedged	1,190,466	5.16
Total Infrastructure	<u>1,190,466</u>	<u>5.16</u>
MONEY MARKETS (31 January 2023 - Nil)		
719,623 ILF GBP Liquidity Plus '2'	1,087,041	4.71
Total Money Markets	<u>1,087,041</u>	<u>4.71</u>
REAL ESTATE (31 January 2023 - Nil)		
2,058,365 Legal & General Global Real Estate Dividend Index 'C' GBP	1,183,354	5.13
Total Real Estate	<u>1,183,354</u>	<u>5.13</u>
Portfolio of stock investments		<u>22,811,878</u>
Forward Currency Exchange Contracts (31 January 2023 - 0.24%)		
Portfolio of investments	22,811,878	98.81
Net other assets	275,612	1.19
Total net assets	<u><u>23,087,490</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are open ended exchange traded funds.

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

STATEMENT OF TOTAL RETURN
for the year ended 31 January 2024

	Notes	31 January 2024		31 January 2023	
		£	£	£	£
Income:					
Net capital gains/(losses)	2		464,769		(2,872,899)
Revenue	4	562,821		1,020,238	
Expenses	5	<u>(212,364)</u>		<u>(243,728)</u>	
Net revenue before taxation		350,457		776,510	
Taxation	6	<u>(60,349)</u>		<u>(133,834)</u>	
Net revenue after taxation			<u>290,108</u>		<u>642,676</u>
Total return before distributions			754,877		(2,230,223)
Distributions	7		(446,468)		(826,609)
Change in net assets attributable to shareholders from investment activities			<u>308,409</u>		<u>(3,056,832)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 January 2024

	31 January 2024		31 January 2023	
	£	£	£	£
Opening net assets attributable to shareholders		28,006,754		33,412,843
Amounts receivable on issue of shares	4,308,601		5,697,035	
Amounts payable on cancellation of shares	<u>(9,812,159)</u>		<u>(8,529,649)</u>	
		(5,503,558)		(2,832,614)
Change in net assets attributable to shareholders from investment activities		308,409		(3,056,832)
Retained distribution on accumulation shares		275,885		483,357
Closing net assets attributable to shareholders		<u>23,087,490</u>		<u>28,006,754</u>

**IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND**

BALANCE SHEET
as at 31 January 2024

	Notes	31 January 2024 £	31 January 2023 £
Assets:			
Fixed Assets:			
Investments	15	22,811,878	26,826,028
Current Assets:			
Debtors	8	153,629	1,303,602
Cash and bank balances		260,704	767,812
Total assets		<u>23,226,211</u>	<u>28,897,442</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	172,459
Distribution payable on income shares		53,626	62,063
Other creditors	9	85,095	656,166
Total liabilities		<u>138,721</u>	<u>890,688</u>
Net assets attributable to shareholders		<u>23,087,490</u>	<u>28,006,754</u>

IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 13 to 16.

2 NET CAPITAL GAINS/(LOSSES)

31 January 2024

31 January 2023

£

£

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

Non-derivative securities gains/(losses)	373,584	(2,815,078)
Currency losses	(86,377)	(21,841)
Gains/(losses) on forward currency contracts	179,317	(35,404)
Transaction charges	(5,199)	(2,933)
ACD's rebate	3,444	2,357
Net capital gains/(losses)	464,769	(2,872,899)

3 PURCHASES, SALES AND TRANSACTION COSTS

31 January 2024

31 January 2023

£

£

Purchases excluding transaction costs:

Equities	2,238,317	4,773,773
Debt securities	14,142,976	9,904,567
Collective investment schemes	29,978,409	-
	46,359,702	14,678,340
Equities: Commissions	1,063	1,432
Taxes and other charges	-	3,917
Debt securities: Commissions	1,413	1,095
Total purchase transaction costs	2,476	6,444
Purchases including transaction costs	46,362,178	14,684,784

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

Equities: Commissions	0.05%	0.03%
Taxes and other charges	0.00%	0.08%
Debt securities: Commissions	0.01%	0.01%

Sales excluding transaction costs:

Equities	9,582,829	6,665,565
Debt securities	32,525,281	10,406,237
Collective investment schemes	8,580,692	-
	50,688,802	17,071,802
Equities: Commissions	(2,983)	(2,000)
Taxes and other charges	(229)	(267)
Debt securities: Commissions	(4,852)	(1,362)
Total sale transaction costs	(8,064)	(3,629)
Sales net of transaction costs	50,680,738	17,068,173

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

Equities: Commissions	0.03%	0.03%
Taxes and other charges	0.00%	0.00%
Debt securities: Commissions	0.01%	0.01%

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

Commissions	0.04%	0.02%
Taxes and other charges	0.00%	0.01%
	0.04%	0.03%

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	0.01%	0.29%
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IFSL ATOMOS OEIC
IFSL ATOMOS CONSERVATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2024

4 REVENUE	31 January 2024	31 January 2023
	£	£
UK dividends	19,163	67,223
UK dividends (unfranked)	78,807	19,664
Overseas dividends	67,379	85,698
Overseas dividends (unfranked)	221,535	24,912
Interest on debt securities	160,982	816,532
Bank credit interest	14,298	3,813
Renewal Commission	657	2,396
Total revenue	562,821	1,020,238
5 EXPENSES	31 January 2024	31 January 2023
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	193,954	229,917
Registration fees	523	590
KIID fees	1,203	1,296
ACD's rebate	(10,225)	(11,323)
	185,455	220,480
Other expenses:		
Depository's fees	7,927	11,036
Safe custody fees	1,568	2,332
GDR/ADR custodian fee	-	63
Bank credit interest	35	221
Audit fee	10,225	9,596
Direct CIS costs	7,154	-
	26,909	23,248
Total expenses	212,364	243,728
6 TAXATION	31 January 2024	31 January 2023
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	55,216	123,788
Double tax relief	(279)	(2,006)
Corporation tax prior year adjustment	5,141	-
Overseas tax	1,955	11,122
Total current tax charge for the year (note 6b)	62,033	132,904
Deferred tax (credit)/charge (note 6c)	(1,684)	930
Total tax charge for the year	60,349	133,834
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	350,457	776,510
Corporation tax at 20% (2023: 20%)	70,091	155,302
Effects of:		
Revenue not subject to taxation	(17,308)	(30,584)
Double tax relief	(279)	(2,006)
Overseas tax	1,955	11,122
Tax effect of capitalised management fee rebate	749	-
Corporation tax prior year adjustment	5,141	-
Deferred tax movement	1,684	(930)
Total current tax charge for the year (note 6a)	62,033	132,904
c Provision for deferred taxation		
Provision at start of the year	1,684	754
Deferred tax (credit)/charge for the year	(1,684)	930
Provision at the end of the year (note 6a)	-	1,684

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

7 DISTRIBUTIONS

	31 January 2024	31 January 2023
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
First quarter	N/A ^A	199,486
Interim	261,566	228,519
Third quarter	N/A ^A	233,945
Final	162,641	163,152
Amounts deducted on cancellation of shares	44,500	29,686
Amounts added on issue of shares	(22,231)	(28,167)
Revenue brought forward	(8)	(12)
Distributions	<u>446,468</u>	<u>826,609</u>
Movement between net revenue and distributions:		
Net revenue after taxation	290,108	642,676
Add: ACD's periodic charge borne by capital	194,513	229,916
Deduct: Tax effect of ACD's periodic charge borne by capital	(38,153)	(45,983)
	<u>446,468</u>	<u>826,609</u>

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

8 DEBTORS

	31 January 2024	31 January 2023
	£	£
Amounts receivable for issue of shares	15,615	5,539
Sales awaiting settlement	-	1,035,434
Accrued income	130,318	257,733
Taxation recoverable	7,696	4,896
Total debtors	<u>153,629</u>	<u>1,303,602</u>

9 OTHER CREDITORS

	31 January 2024	31 January 2023
	£	£
Amounts payable for cancellation of shares	5,599	274,184
Purchases awaiting settlement	-	237,091
ACD's periodic charge	15,832	17,962
Accrued expenses	5,730	3,462
Direct CIS costs payable	2,996	-
Deferred taxation	-	1,684
Corporation tax payable	54,938	121,783
Total other creditors	<u>85,095</u>	<u>656,166</u>

10 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 31 January 2024 (2023: nil).

11 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due from/to the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9, respectively. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to the ACD at the year end are £5,816 (2023: £286,607).

12 SHARE CLASSES

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

A Income	0.80%
A Accumulation	0.80%
B Accumulation	0.27%

On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

13 SHAREHOLDERS' FUNDS RECONCILIATION

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

	A Income	A Accumulation	B Accumulation
Opening shares in issue at 1 February 2023	11,335,272	17,647,097	183
Share issues	1,566,062	2,945,108	-
Share cancellations	(4,950,630)	(5,350,143)	-
Closing shares in issue at 31 January 2024	<u>7,950,704</u>	<u>15,242,062</u>	<u>183</u>

14 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £1,140,594 (2023: £1,337,888). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

Foreign currency exposure at 31 January 2024

	Investments £	Net other assets £	Total £
Euro	-	2,207	2,207
Swiss franc	-	3,349	3,349
US dollar	-	140	140
	<u>-</u>	<u>5,696</u>	<u>5,696</u>

Foreign currency exposure at 31 January 2023

	Investments £	Net other assets £	Total £
Euro	323,245	12,418	335,663
Hong Kong dollar	82,549	-	82,549
Swiss franc	93,993	2,481	96,474
Japanese yen	107,203	-	107,203
South Korean won	36,030	166	36,196
US dollar	2,677,442	17,974	2,695,416
Canadian dollar	112,054	27	112,081
Singapore dollar	308,135	53,933	362,068
	<u>3,740,651</u>	<u>86,999</u>	<u>3,827,650</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 £285 (2023: £191,383). A five per cent increase would have an equal and opposite effect.

Debt security credit analysis

	31 January 2024 Bid value (£)	31 January 2023 Bid value (£)
Investments of investment grade	-	14,387,700
Investments below investment grade:		
Unrated	-	2,696,707
Total of debt securities	<u>-</u>	<u>18,527,810</u>

Interest rate risk

	31 January 2024 £	31 January 2023 £
The interest rate risk profile of financial assets and liabilities consists of the following:		
Financial assets fixed interest rate	16,071,549	18,527,809
Financial assets floating rate	260,704	767,812
Financial assets non-interest bearing instruments	6,893,958	9,601,821
Financial liabilities floating rate	-	(172,459)
Financial liabilities non-interest bearing instruments	(138,721)	(718,229)
	<u>23,087,490</u>	<u>28,006,754</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

RISK DISCLOSURES (continued)

Interest rate risk sensitivity on debt securities (based on the weighted modified duration)

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. At the year end 31 January 2023 half of one per cent increase in interest rates would had the effect of decreasing the return and net assets by £433,249. A half of one per cent decrease would had an equal and opposite effect.

As a result of a change in the investment policy of the sub-fund where a greater proportion of indirect investments are now held via other collective investment schemes, effective from 21 April 2023, we are unable to calculate the interest rate sensitivity on debt securities of the sub-fund. This is because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

31 January 2024
£

31 January 2023
£

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

Within one year:

Bank overdrafts	-	172,459
Distribution payable on income shares	53,626	62,063
Other creditors	85,095	656,166
	<u>138,721</u>	<u>890,688</u>

15 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 January 2024		31 January 2023	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	815,412	-	14,553,611	-
Level 2 - Observable market data	21,996,466	-	12,272,417	-
Level 3 - Unobservable data	-	-	-	-
	<u>22,811,878</u>	<u>-</u>	<u>26,826,028</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

16 POST BALANCE SHEET EVENTS

Since 31 January 2024, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 January 2024 ^A	26 April 2024	Movement (%)
A Income	95.87	94.55	(1.38)%
A Accumulation	102.00	101.30	(0.69)%
B Accumulation	103.10	102.50	(0.58)%

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

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DISTRIBUTION TABLE

Interim distribution for the period from 1 February 2023 to 31 July 2023

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023

		Net revenue 31 July 2023 pence per share	Equalisation 31 July 2023 pence per share	Distribution paid 30 September 2023 pence per share
A Income	Group 1	0.9989	-	0.9989
	Group 2	0.1686	0.8303	0.9989
A Accumulation	Group 1	1.0517	-	1.0517
	Group 2	0.3703	0.6814	1.0517
B Accumulation	Group 1	1.0630	-	1.0630
	Group 2	1.0630	-	1.0630

Final distribution for the period from 1 August 2023 to 31 January 2024

Group 1: Shares purchased prior to 1 August 2023

Group 2: Shares purchased on or after 1 August 2023

		Net revenue 31 January 2024 pence per share	Equalisation 31 January 2024 pence per share	Distribution paid 31 March 2024 pence per share
A Income	Group 1	0.6744	-	0.6744
	Group 2	0.4687	0.2057	0.6744
A Accumulation	Group 1	0.7152	-	0.7152
	Group 2	0.4638	0.2514	0.7152
B Accumulation	Group 1	0.6739	-	0.6739
	Group 2	0.6739	-	0.6739

Previous comparatives

		Distribution paid 30 June 2022 ^A pence per share	Distribution paid 30 September 2022 ^B pence per share	Distribution paid 31 December 2022 ^C pence per share	Distribution paid 31 March 2023 ^D pence per share
A Income	Group 1	0.6205	0.7010	0.7376	0.5475
	Group 2	0.6205	0.7010	0.7376	0.5475
A Accumulation	Group 1	0.6355	0.7221	0.7655	0.5728
	Group 2	0.6355	0.7221	0.7655	0.5728
B Accumulation	Group 1	0.6410	0.7287	0.7013	0.5150
	Group 2	0.6410	0.7287	0.7013	0.5150

^A The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 February 2022 to 30 April 2022.

^B The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 May 2022 to 31 July 2022.

^C The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 August 2022 to 31 October 2022.

^D The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 November 2022 to 31 January 2023.

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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Performance to 31 January 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>25.10.2019^A</u>
IFSL atomos Defensive Fund	3.80%	4.47%	0.25%	7.70%
IA Mixed Investment 20-60% Shares	3.68%	3.31%	2.60%	8.57%

^A Launch period ended 24 October 2019.

External Source of Economic Data: Morningstar (A 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 share class is calculated in sterling.

Investment commentary

Market review

Inflation was the hottest topic in markets over the year to 31 January 2024, as investors grappled with concerns over persistently high inflation that could reduce the purchasing power of money. All eyes were on central banks globally and whether a balance could be struck between increasing interest rates enough to bring inflation under control without going too far and risking an economic recession. This environment led to significant uncertainty for markets, with large swings in equity and bond prices as investors digested new information on inflation and the implications for economic growth.

Despite this uncertainty, it was a positive year for markets overall. While there were signs of weakness along the way that ignited recessionary fears (e.g. the turmoil in the United States (US) banking sector following the collapse of Silicon Valley Bank), inflation ultimately fell globally without significant economic weakness. This combination of economic robustness and moderating inflation encouraged positive investor attitude and drove most major asset classes to post strong positive returns over the year. By the end of the year, the general agreement amongst market participants was that interest rates had peaked, and it was a question of when, not if, central banks would start to reduce interest rates again to stimulate economic growth.

Sub-fund performance & portfolio activity

The sub-fund performed strongly over the year, delivering positive returns, and outperforming its Investment Association ("IA") peer group benchmark*.

Global equities had a stellar 12 months, posting double-digit returns, and were the largest contributor to performance. US equities, particularly large US technology stocks, were the driving force behind this global equity performance due to optimism around the future impact of artificial intelligence. Pleasingly, our active equity managers** added value over the year as their stock picks outperformed the wider market. Conversely, due to our concerns about the economic outlook, we marginally reduced our equity allocation in favour of more defensive US government bonds, which negatively impacted returns.

Bonds also had a strong year despite lagging equities, delivering single-digit returns due to the high level of interest rates on offer. Corporate bonds benefitted from these high interest rates and also from the same positive investor attitude (and so increase in prices) that drove equity market returns. Volatility was a key theme for government bond markets over the year with large movements in bond prices. We were able to take advantage of this environment by buying US government bonds when they appeared attractively priced, which added to portfolio returns as inflation concerns eased, and bond prices rose, later in the year.

Compared to the IA peer group, the sub-fund benefitted from geographical and sectoral diversification (i.e. investing across a broad range of countries and sectors). In particular, the sub-fund held a higher allocation to overseas (mostly US) equities and bonds, which outperformed United Kingdom (UK) equities and bonds favoured by many in the IA peer group. Our higher allocation to real estate and infrastructure sectors negatively impacted performance as they underperformed the broader global equity market.

Investment outlook

While overall our outlook for the global economy has improved compared to this time last year, we consider different economies to be at different stages in their battle against inflation and encouraging growth. In this environment we believe diversification - accessing a range of investments across different asset classes, geographies, and sectors - remains key. We also expect 2024 to provide opportunities to add returns through stock selection and the rotation of investments in the portfolio, given the expected divergence in markets and variation in pricing. The portfolio is set up to exploit this through our active and semi-active investment managers***. Finally, we remain aware of the risk of economic recession, which we do not think has been fully reflected in the pricing of equities and other assets. We retain our position in defensive US government bonds, particularly as we expect central banks to begin to cut interest rates over the year, which should positively impact government bond pricing.

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IFSL ATOMOS DEFENSIVE FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Investment commentary (continued)

Investment outlook (continued)

Overall, it was a strong year for asset returns and we believe the sub-fund is well-positioned to keep delivering positive outcomes for our investors.

Atomos Investments Limited
28 February 2024

* Benchmark – comparator for performance purposes.

** Active equity managers - active equity managers seek to outperform a benchmark index by selecting and actively managing a portfolio of individual securities.

*** Semi-active investment managers - semi-active investment managers aim to combine the benefits of passive and active investing in a cost-efficient manner by using systematic approaches to actively select stocks/bonds from the available universe of securities.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per share)</u>				
Income paid 31 March	0.7195	0.5405	0.4869	0.4811
Income paid 30 June		N/A ^B	0.6304	0.6033
Income paid 30 September		1.0210	0.7374	0.5486
Income paid 31 December		N/A ^B	0.7331	0.5040
<u>A Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.7770	0.5752	0.5049	0.4891
Accumulation paid 30 June		N/A ^B	0.6569	0.6162
Accumulation paid 30 September		1.0927	0.7727	0.5634
Accumulation paid 31 December		N/A ^B	0.7743	0.5202
<u>B Accumulation (pence per share)</u>				
Accumulation paid 31 March	0.7156	0.5860	0.2639	N/A ^A
Accumulation paid 30 June		N/A ^B	0.6874	0.1076
Accumulation paid 30 September		1.1213	0.7325	0.5669
Accumulation paid 31 December		N/A ^B	0.7212	-

^A Shares were initially issued on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 January 2024

Portfolio changes

<u>Largest purchases</u>	Cost (£)
State Street Global Treasury Bond Index 'B' GBP Hedged	7,791,607
State Street Global Aggregate Bond Index 'B' GBP Hedged	7,456,291
Robeco QI Global Multi-Factor Credits 'ZBH' GBP	6,387,716
AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	3,798,900
UK Treasury 4.25% 07.03.36	3,598,150
UK Treasury 0.875% 31.07.33	3,526,608
UK Treasury 0.625% 31.07.35	3,507,855
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	3,321,920
AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	3,268,226
ILF GBP Liquidity Plus '2'	2,995,865
Other purchases	38,442,340
Total purchases for the year	84,095,478
<u>Largest sales</u>	Proceeds (£)
US Treasury Index-Linked 0.5% 15.04.24	4,971,398
UK Treasury 1.75% 07.09.37	3,892,798
US Treasury 4.125% 15.11.32	3,727,647
UK Treasury 4.25% 07.03.36	3,619,350
UK Treasury 0.625% 31.07.35	3,585,925
HANetf The Royal Mint Physical Gold ETC Securities	3,585,297
UK Treasury 0.875% 31.07.33	3,573,476
AMX STOXX Willis Towers Watson World Climate Transition Index Non-Treaty 'A' GBP	3,538,226
State Street Global Treasury Bond Index 'B' GBP Hedged	2,800,000
State Street Global Aggregate Bond Index 'B' GBP Hedged	2,090,000
Other sales	52,609,996
Total sales for the year	87,994,113

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IFSL ATOMOS DEFENSIVE FUND

COMPARATIVE TABLE

<u>A Income shares</u>	Year to 31.01.2024	Year to 31.01.2023	Year to 31.01.2022
Change in net assets per share	pence	pence	pence
Opening net asset value per share	96.23	104.39	105.03
Return before operating charges*	5.30	(4.68)	2.42
Operating charges	(0.94)	(0.84)	(0.92)
Return after operating charges*	4.36	(5.52)	1.50
Distributions on income shares	(1.74) ^A	(2.64)	(2.14)
Closing net asset value per share	98.85	96.23	104.39
* after direct transaction costs of:	0.04	0.05	0.08
Performance			
Return after charges ^B	4.53%	(5.29)%	1.43%
Other information			
Closing net asset value (£)	16,050,375	20,636,463	25,207,034
Closing number of shares	16,237,835	21,445,479	24,146,749
Operating charges	0.98% ^{C,D}	0.85%	0.86%
Direct transaction costs	0.04%	0.05%	0.08%
Prices (pence per share)			
Highest share price	99.88	105.60	109.60
Lowest share price	92.02	90.68	104.00
<u>A Accumulation shares</u>	Year to 31.01.2024	Year to 31.01.2023	Year to 31.01.2022
Change in net assets per share	pence	pence	pence
Opening net asset value per share	103.01	108.77	107.28
Return before operating charges*	5.72	(4.88)	2.44
Operating charges	(1.02)	(0.88)	(0.95)
Return after operating charges*	4.70	(5.76)	1.49
Distributions on accumulation shares	(1.87) ^A	(2.78)	(2.20)
Retained distributions on accumulation shares	1.87	2.78	2.20
Closing net asset value per share	107.71	103.01	108.77
* after direct transaction costs of:	0.04	0.05	0.09
Performance			
Return after charges ^B	4.56%	(5.30)%	1.39%
Other information			
Closing net asset value (£)	33,579,596	32,769,821	32,951,668
Closing number of shares	31,177,020	31,812,895	30,293,557
Operating charges	0.98% ^{C,D}	0.85%	0.86%
Direct transaction costs	0.04%	0.05%	0.08%
Prices (pence per share)			
Highest share price	108.10	110.10	113.10
Lowest share price	99.55	95.77	106.20

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

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

^D On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

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COMPARATIVE TABLE

B Accumulation shares	Year to 31.01.2024	Year to 31.01.2023	Period to 31.01.2022^A
Change in net assets per share	pence	pence	pence
Opening net asset value per share	103.12	108.26	110.40
Return before operating charges*	6.01	(4.79)	(1.92)
Operating charges	(0.47)	(0.35)	(0.22)
Return after operating charges*	5.54	(5.14)	(2.14)
Distributions on accumulation shares	(1.84) ^B	(2.73)	(0.94)
Retained distributions on accumulation shares	1.84	2.73	0.94
Closing net asset value per share	108.66	103.12	108.26

* after direct transaction costs of: 0.04 0.05 0.09

Performance

Return after charges ^C 5.37% (4.75)% (1.94)%

Other information

Closing net asset value (£)	193	183	160
Closing number of shares	177	177	148
Operating charges	0.45% ^{F,G}	0.34% ^E	0.37% ^D
Direct transaction costs	0.04%	0.05%	0.08%

Prices (pence per share)

Highest share price	109.00	109.70	113.30
Lowest share price	100.30	95.76	107.00

^A Opening net asset value per share on 23 April 2021.

^B On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

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

^D These figures have been annualised.

^E On 7 October 2022, the annual management charge (AMC) for B shares, was reduced from 0.26% to 0.22%.

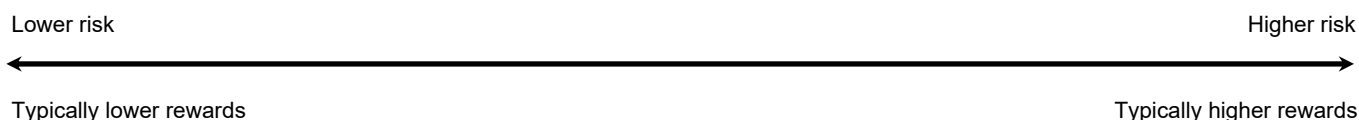
^F On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^G On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

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

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

SYNTHETIC RISK AND REWARD INDICATOR (all share classes)



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

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

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
EMERGING MARKETS FIXED INTEREST (31 January 2023 - Nil)		
134,892 State Street Emerging Markets Hard Currency Government Bond Index 'B' GBP	1,438,390	2.90
119,344 State Street Emerging Markets Local Currency Government Bond Index 'B' GBP	1,254,221	2.53
Total Emerging Markets Fixed Interest	<u>2,692,611</u>	<u>5.43</u>
EUROPEAN FIXED INTEREST (31 January 2023 - 3.57%)		
24,806 M&G European Credit Investment 'A' GBP Hedged	2,603,014	5.24
Total European Fixed Interest	<u>2,603,014</u>	<u>5.24</u>
GLOBAL FIXED INTEREST (31 January 2023 - Nil)		
58,880 Robeco QI Global Multi-Factor Credits 'ZBH'	6,233,044	12.56
522,421 State Street Global Aggregate Bond Index 'B' GBP Hedged	5,481,975	11.05
483,882 State Street Global Treasury Bond Index 'B' GBP Hedged	5,064,699	10.20
Total Global Fixed Interest	<u>16,779,718</u>	<u>33.81</u>
UNITED KINGDOM FIXED INTEREST (31 January 2023 - 37.26%)		
2,538,574 AXA ACT Carbon Transition Sterling Buy and Maintain Credit 'T' GBP	2,589,345	5.22
Total United Kingdom Fixed Interest	<u>2,589,345</u>	<u>5.22</u>
UNITED STATES FIXED INTEREST (31 January 2023 - 14.05%)		
2,088,859 BNY Mellon Efficient US Fallen Angels Beta 'X' Sterling Hedged	1,771,770	3.57
2,937,894 BNY Mellon Efficient US High Yield Beta 'X' Sterling Hedged	2,519,538	5.08
208,721 iShares \$ TIPS UCITS ETF GBP Hedged ^A	1,020,333	2.06
388,205 iShares \$ Treasury Bond 20+yr UCITS ETF GBP Hedged ^A	1,270,207	2.56
Total United States Fixed Interest	<u>6,581,848</u>	<u>13.27</u>
CANADIAN EQUITIES (31 January 2023 - 0.56%)		
EMERGING MARKETS EQUITIES (31 January 2023 - Nil)		
76,000 State Street Global Emerging Markets Screened Index Equity 'B' GBP	768,535	1.55
Total Emerging Markets Equities	<u>768,535</u>	<u>1.55</u>
EUROPEAN EQUITIES (31 January 2023 - 2.73%)		
23,000 State Street Europe Screened Index Equity 'B' GBP	259,652	0.52
Total European Equities	<u>259,652</u>	<u>0.52</u>
GLOBAL EQUITIES (31 January 2023 - Nil)		
10,922 AMX Robeco Global Sustainable Multi-Factor Equity Index 'B' GBP Hedged	1,190,639	2.40
27,523 AMX STOXX Willis Towers Watson World Climate Transition Index 'B' GBP Hedged	2,978,985	6.00
17,224 Brown Advisory Global Leaders 'SI' Sterling	258,707	0.52
310,596 Jupiter Global Value Equity 'I'	202,074	0.41
79,896 MI Metropolis Valuefund 'S'	263,356	0.53
149,935 State Street Multi-Factor Global ESG Equity 'B' GBP	1,747,517	3.52
70,882 State Street Sustainable Climate World Equity 'B' GBP	892,651	1.80
32,184 State Street World Screened Index Equity 'B' GBP Hedged	407,300	0.82
3,906 Veritas Global Focus 'D' GBP	268,855	0.54
Total Global Equities	<u>8,210,084</u>	<u>16.54</u>
HONG KONG EQUITIES (31 January 2023 - 0.55%)		
JAPANESE EQUITIES (31 January 2023 - 0.67%)		
46,219 State Street Japan Screened Index Equity 'B' GBP	523,972	1.05
Total Japanese Equities	<u>523,972</u>	<u>1.05</u>
PACIFIC EX. JAPAN EQUITIES (31 January 2023 - Nil)		
13,000 State Street Pacific Ex-Japan Screened Index Equity 'B' GBP	127,184	0.26
Total Pacific ex. Japan Equities	<u>127,184</u>	<u>0.26</u>

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

PORTFOLIO STATEMENT

as at 31 January 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
SINGAPORE EQUITIES (31 January 2023 - 1.18%)		
SOUTH KOREAN EQUITIES (31 January 2023 - 0.24%)		
UNITED KINGDOM EQUITIES (31 January 2023 - 11.56%)		
UNITED STATES EQUITIES (31 January 2023 - 16.67%)		
137,403 State Street US Screened Index Equity 'B' GBP	1,708,074	3.44
1,494 Vulcan Value Equity 'III' GBP	183,715	0.37
Total United States Equities	<u>1,891,789</u>	<u>3.81</u>
COMMODITIES (31 January 2023 - 6.52%)		
INFRASTRUCTURE (31 January 2023 - Nil)		
16,901 ATLAS Global Infrastructure 'B' GBP Unhedged	2,282,488	4.60
Total Infrastructure	<u>2,282,488</u>	<u>4.60</u>
MONEY MARKETS (31 January 2023 - Nil)		
866,881 ILF GBP Liquidity Plus '2'	1,309,485	2.64
Total Money Markets	<u>1,309,485</u>	<u>2.64</u>
REAL ESTATE (31 January 2023 - Nil)		
3,690,592 Legal & General Global Real Estate Dividend Index 'C' GBP	2,121,721	4.27
Total Real Estate	<u>2,121,721</u>	<u>4.27</u>
Portfolio of stock investments		
	<u>48,741,446</u>	<u>98.21</u>
Forward Currency Exchange Contracts (31 January 2023 - 0.22%)		
Portfolio of investments	48,741,446	98.21
Net other assets	888,718	1.79
Total net assets	<u><u>49,630,164</u></u>	<u><u>100.00</u></u>

All investments are units/shares in unit trusts and ICVCs which are authorised or 'recognised' by the FCA with the exception of ^A which are open ended exchange traded funds.

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

STATEMENT OF TOTAL RETURN
for the year ended 31 January 2024

	Notes	31 January 2024	31 January 2023
Income:			
Net capital gains/(losses)	2	1,631,312	(4,423,426)
Revenue	4	1,150,131	1,852,310
Expenses	5	<u>(436,920)</u>	<u>(451,977)</u>
Net revenue before taxation		713,211	1,400,333
Taxation	6	<u>(123,090)</u>	<u>(220,579)</u>
Net revenue after taxation		<u>590,121</u>	<u>1,179,754</u>
Total return before distributions		2,221,433	(3,243,672)
Distributions	7	(907,879)	(1,519,894)
Change in net assets attributable to shareholders from investment activities		<u><u>1,313,554</u></u>	<u><u>(4,763,566)</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 January 2024

	31 January 2024		31 January 2023	
	£	£	£	£
Opening net assets attributable to shareholders		53,406,467		58,158,862
Amounts receivable on issue of shares	15,422,562		9,610,401	
Amounts payable on cancellation of shares	<u>(21,100,730)</u>		<u>(10,477,651)</u>	
		(5,678,168)		(867,250)
Change in net assets attributable to shareholders from investment activities		1,313,554		(4,763,566)
Retained distribution on accumulation shares		588,311		878,421
Closing net assets attributable to shareholders		<u><u>49,630,164</u></u>		<u><u>53,406,467</u></u>

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

BALANCE SHEET
as at 31 January 2024

	Notes	31 January 2024 £	31 January 2023 £
Assets:			
Fixed Assets:			
Investments	15	48,741,446	51,154,684
Current Assets:			
Debtors	8	489,921	2,646,598
Cash and bank balances		1,295,705	1,641,460
Total assets		<u>50,527,072</u>	<u>55,442,742</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	485,044
Distribution payable on income shares		116,846	115,923
Other creditors	9	780,062	1,435,308
Total liabilities		<u>896,908</u>	<u>2,036,275</u>
Net assets attributable to shareholders		<u><u>49,630,164</u></u>	<u><u>53,406,467</u></u>

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 13 to 16.

2 NET CAPITAL GAINS/(LOSSES)

31 January 2024

31 January 2023

£

£

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

Non-derivative securities gains/(losses)	1,595,925	(4,370,225)
Currency (losses)/gains	(167,911)	15,098
Gains/(losses) on forward currency contracts	205,385	(67,652)
Transaction charges	(5,544)	(3,483)
ACD's rebate	3,457	2,836
Net capital gains/(losses)	1,631,312	(4,423,426)

3 PURCHASES, SALES AND TRANSACTION COSTS

31 January 2024

31 January 2023

£

£

Purchases excluding transaction costs:

Equities	5,055,626	15,085,181
Debt securities	16,853,636	19,697,317
Collective investment schemes	62,182,076	-
	84,091,338	34,782,498
Equities: Commissions	2,256	4,524
Taxes and other charges	200	12,305
Debt securities: Commissions	1,684	2,861
Total purchase transaction costs	4,140	19,690
Purchases including transaction costs	84,095,478	34,802,188

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

Equities: Commissions	0.04%	0.03%
Taxes and other charges	0.00%	0.08%
Debt securities: Commissions	0.01%	0.01%

Sales excluding transaction costs:

Equities	24,305,313	17,876,896
Debt securities	46,050,939	14,396,575
Collective investment schemes	17,652,881	-
	88,009,133	32,273,471
Equities: Commissions	(7,309)	(5,363)
Taxes and other charges	(700)	(694)
Debt securities: Commissions	(7,011)	(1,710)
Total sale transaction costs	(15,020)	(7,767)
Sales net of transaction costs	87,994,113	32,265,704

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

Equities: Commissions	0.03%	0.03%
Taxes and other charges	0.00%	0.00%
Debt securities: Commissions	0.02%	0.01%

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

Commissions	0.04%	0.03%
Taxes and other charges	0.00%	0.02%
	0.04%	0.05%

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	0.01%	0.26%
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IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2024

4 REVENUE	31 January 2024	31 January 2023
	£	£
UK dividends	54,874	186,151
UK dividends (unfranked)	130,934	30,471
Overseas dividends	154,510	249,908
Overseas dividends (unfranked)	517,280	42,688
Interest on debt securities	256,749	1,331,183
Renewal commission	1,072	3,603
Bank interest	34,712	8,306
Total revenue	1,150,131	1,852,310
5 EXPENSES	31 January 2024	31 January 2023
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	392,767	425,175
Registration fees	374	311
KIID fees	1,204	1,296
ACD's rebate	(566)	(9,250)
	393,779	417,532
Other expenses:		
Depository's fees	15,945	20,408
Safe custody fees	3,126	4,237
GDR/ ADR custodian fees	-	161
Bank credit interest	240	-
Audit fee	10,225	9,639
Direct CIS costs	13,605	-
	43,141	34,445
Total expenses	436,920	451,977
6 TAXATION	31 January 2024	31 January 2023
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	105,564	190,881
Double tax relief	(584)	(3,201)
Corporation tax prior year adjustment	14,542	-
Overseas tax	6,626	30,925
Total current tax charge for the year (note 6b)	126,148	218,605
Deferred tax (credit)/charge (note 6c)	(3,058)	1,974
Total tax charge for the year	123,090	220,579
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	713,211	1,400,332
Corporation tax at 20% (2023: 20%)	142,642	280,066
Effects of:		
Revenue not subject to taxation	(41,877)	(87,212)
Double tax relief	(584)	(3,201)
Overseas tax	6,626	30,925
Tax effect of capitalised management fee rebate	1,741	-
Deferred tax movement	3,058	(1,974)
Corporation tax prior year adjustment	14,542	-
Total current tax charge for the year (note 6a)	126,148	218,605
c Provision for deferred taxation		
Provision at start of the year	3,058	1,084
Deferred tax (credit)/charge for the year	(3,058)	1,974
Provision at the end of the year (note 6a)	-	3,058

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

7 DISTRIBUTIONS

	31 January 2024	31 January 2023
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
First quarter	N/A ^A	366,260
Interim	534,900	423,268
Third quarter	N/A ^A	425,716
Final	359,108	298,913
Amounts deducted on cancellation of shares	89,386	39,531
Amounts added on issue of shares	(75,504)	(33,742)
Revenue brought forward	(11)	(52)
Distributions	<u>907,879</u>	<u>1,519,894</u>
Movement between net revenue and distributions:		
Net revenue after taxation	590,121	1,179,754
Add: ACD's periodic charge borne by capital	395,021	425,175
Deduct: Tax effect of ACD/management fee rebate borne by capital	(77,263)	(85,035)
	<u>907,879</u>	<u>1,519,894</u>

^A On 21 April 2023, the number of distributions made per year was reduced from four to two. From this date, the distribution pay dates are 31 March and 30 September.

8 DEBTORS

	31 January 2024	31 January 2023
	£	£
Amounts receivable for issue of shares	140,410	104,891
Sales awaiting settlement	-	2,113,455
Accrued income	322,940	402,328
ACD's rebate	-	5,648
Taxation recoverable	26,571	20,276
Total debtors	<u>489,921</u>	<u>2,646,598</u>

9 OTHER CREDITORS

	31 January 2024	31 January 2023
	£	£
Amounts payable for cancellation of shares	616,892	405,673
Purchases awaiting settlement	-	790,305
ACD's periodic charge	34,009	34,143
Accrued expenses	18,345	14,450
Direct CIS costs payable	5,837	-
Deferred taxation	-	3,058
Corporation tax payable	104,979	187,679
Total other creditors	<u>780,062</u>	<u>1,435,308</u>

10 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 31 January 2024 (2023: nil).

11 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due from/to the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9, respectively. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to the ACD at the year end are £510,491 (2023: £334,925).

12 SHARE CLASSES

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

A Income	0.80%
A Accumulation	0.80%
B Accumulation	0.27%

On 21 April 2023, the annual management charge (AMC) for A shares, was increased from 0.75% to 0.80%.

On 21 April 2023, the annual management charge (AMC) for B shares, was increased from 0.22% to 0.27%.

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

13 SHAREHOLDERS' FUNDS RECONCILIATION

	A Income	A Accumulation	B Accumulation
Opening shares in issue at 1 February 2023	21,445,479	31,812,895	177
Share issues	3,862,958	11,460,127	-
Share cancellations	(9,070,602)	(12,096,002)	-
Closing shares in issue at 31 January 2024	<u>16,237,835</u>	<u>31,177,020</u>	<u>177</u>

14 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £2,437,072 (2023: £2,551,859). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

<u>Foreign currency exposure at 31 January 2024</u>	Investments £	Net other assets £	Total £
Euro	-	9,119	9,119
Swiss franc	-	13,821	13,821
	<u>-</u>	<u>22,940</u>	<u>22,940</u>

<u>Foreign currency exposure at 31 January 2023</u>	Investments £	Net other assets £	Total £
Euro	1,211,151	26,278	1,237,429
Hong Kong dollar	292,502	-	292,502
Japanese yen	354,731	-	354,731
Korean won	128,106	591	128,697
Swiss franc	303,669	10,894	314,563
US dollar	9,093,071	95,075	9,188,146
Canadian dollar	299,359	-	299,359
Singapore dollar	629,803	103,800	733,603
	<u>12,312,392</u>	<u>236,638</u>	<u>12,549,030</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £1,147 (2023: £627,452). A five per cent increase would have an equal and opposite effect.

Debt security credit analysis

	31 January 2024 Bid value (£)	31 January 2023 Bid value (£)
Investments of investment grade	-	22,710,254
Investments below investment grade	-	4,473,804
Unrated	-	2,131,627
Total of debt securities	<u>-</u>	<u>29,315,685</u>

Interest rate risk

	31 January 2024 £	31 January 2023 £
The interest rate risk profile of financial assets and liabilities consists of the following:		
Financial assets fixed interest rate	31,246,536	29,315,684
Financial assets floating rate	1,295,705	1,641,460
Financial assets non-interest bearing instruments	17,984,831	24,485,598
Financial liabilities floating rate	-	(485,044)
Financial liabilities non-interest bearing instruments	(896,908)	(1,551,231)
	<u>49,630,164</u>	<u>53,406,467</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 January 2024

RISK DISCLOSURES (continued)

Interest rate risk sensitivity on debt securities (based on the weighted modified duration)

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. At the year end 31 January 2023 half of one per cent increase in interest rates would had the effect of decreasing the return and net assets by £661,890. A half of one per cent decrease would had an equal and opposite effect.

As a result of a change in the investment policy of the sub-fund where a greater proportion of indirect investments are now held via other collective investment schemes, effective from 21 April 2023, we are unable to calculate the interest rate sensitivity on debt securities of the sub-fund. This is because the investments held by the sub-fund are collective investment schemes, which may invest in interest bearing financial assets, however, information regarding these investments is not available from the ACD/fund managers as at the sub-fund's balance sheet date.

Liquidity risk

31 January 2024

31 January 2023

£

£

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

Within one year:

Bank overdrafts	-	485,044
Distribution payable on income shares	116,846	115,923
Other creditors	780,062	1,435,308
	<u>896,908</u>	<u>2,036,275</u>

15 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 January 2024		31 January 2023	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	2,290,539	-	32,214,638	-
Level 2 - Observable market data	46,450,907	-	18,940,046	-
Level 3 - Unobservable data	-	-	-	-
	<u>48,741,446</u>	<u>-</u>	<u>51,154,684</u>	<u>-</u>

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

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

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

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

16 POST BALANCE SHEET EVENTS

Since 31 January 2024, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 January 2024 ^A	26 April 2024	Movement (%)
A Income	99.59	98.73	(0.86)%
A Accumulation	107.70	107.50	(0.19)%
B Accumulation	108.80	108.80	0.00%

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

IFSL ATOMOS OEIC
IFSL ATOMOS DEFENSIVE FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 February 2023 to 31 July 2023

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023

		Net revenue 31 July 2023 pence per share	Equalisation 31 July 2023 pence per share	Distribution paid 30 September 2023 pence per share
A Income	Group 1	1.0210	-	1.0210
	Group 2	0.2134	0.8076	1.0210
A Accumulation	Group 1	1.0927	-	1.0927
	Group 2	0.4057	0.6870	1.0927
B Accumulation	Group 1	1.1213	-	1.1213
	Group 2	1.1213	-	1.1213

Final distribution for the period from 1 August 2023 to 31 January 2024

Group 1: Shares purchased prior to 1 August 2023

Group 2: Shares purchased on or after 1 August 2023

		Net revenue 31 January 2024 pence per share	Equalisation 31 January 2024 pence per share	Distribution paid 31 March 2024 pence per share
A Income	Group 1	0.7195	-	0.7195
	Group 2	0.4054	0.3141	0.7195
A Accumulation	Group 1	0.7770	-	0.7770
	Group 2	0.4762	0.3008	0.7770
B Accumulation	Group 1	0.7156	-	0.7156
	Group 2	0.7156	-	0.7156

Previous Comparative

		Distribution paid 30 June 2022 ^A pence per share	Distribution paid 30 September 2022 ^B pence per share	Distribution paid 31 December 2022 ^C pence per share	Distribution paid 31 March 2023 ^D pence per share
A Income	Group 1	0.6304	0.7374	0.7331	0.5405
	Group 2	0.6304	0.7374	0.7331	0.5405
A Accumulation	Group 1	0.6569	0.7727	0.7743	0.5752
	Group 2	0.6569	0.7727	0.7743	0.5752
B Accumulation	Group 1	0.6874	0.7325	0.7212	0.5860
	Group 2	0.6874	0.7325	0.7212	0.5860

^A The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 February 2022 to 30 April 2022.

^B The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 May 2022 to 31 July 2022.

^C The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 August 2022 to 31 October 2022.

^D The number of distributions made by the sub-fund per year decreased from four to two. Distribution period from 1 November 2022 to 31 January 2023.

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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