

IFSL Equilibrium OEIC

Annual Report and Audited Financial Statements
for the year ended 30 November 2022

IFSL EQUILIBRIUM OEIC

CONTACT INFORMATION

Registered Office

Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised Corporate Director (ACD) and Registrar

Investment Fund Services Limited (IFSL)
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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 - appointed 30 January 2023
Helen Derbyshire
Helen Redmond
Sally Helston - appointed 12 August 2022
Guy Sears (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Investment Manager

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

Authorised and regulated by the Financial Conduct Authority.

Depository

HSBC Bank plc
8 Canada Square
London
E14 5HQ

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

Auditor

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

IFSL EQUILIBRIUM OEIC

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

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IFSL EQUILIBRIUM OEIC

AUTHORISED STATUS

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

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

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

GENERAL INFORMATION

IFSL Equilibrium Cautious Portfolio

Investment objective

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

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

Investment policy

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

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

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

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

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

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

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

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

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

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Cautious Portfolio (continued)

Performance target

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

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

IFSL Equilibrium Balanced Portfolio

Investment objective

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

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

Investment policy

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

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

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

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

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

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

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

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

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

Performance target

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

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

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Adventurous Portfolio

Investment objective

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

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

Investment policy

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

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

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

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

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

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

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

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

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

Performance target

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

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

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Global Equity Portfolio

Investment objective

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

Investment policy

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

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

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

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

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

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

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

Assessing performance

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

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

IFSL Equilibrium Defensive Portfolio

Investment objective

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

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

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

IFSL Equilibrium Defensive Portfolio (continued)

Investment policy

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

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

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

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

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

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

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

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

Performance target

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

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

Assessment of value

The ACD is required to carry out an assessment of value at least annually and publish its findings in a report to investors. The sub-funds of the Company will be assessed and reported on, in a report which the ACD will be publishing by 31 March 2023 on the website, www.ifslfunds.com.

Changes in prospectus

Effective from 1 February 2022, the Annual Management Charge (AMC) for A Accumulation shares increased from 0.25% to 0.50%. At the same time the ACD's Annual Charge was renamed the Annual Investment Management Charge and the Administration Charge was renamed the ACD charge. Further details can be found in the latest Prospectus.

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

Cross holdings

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

IFSL EQUILIBRIUM OEIC

GENERAL INFORMATION

Leverage

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

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

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

The total amount of leverage calculated for each sub-fund as at 30 November 2021 is as follows:

	Gross Method	Commitment Method
IFSL Equilibrium Cautious Portfolio	99.35%	99.35%
IFSL Equilibrium Balanced Portfolio	99.96%	99.96%
IFSL Equilibrium Adventurous Portfolio	99.50%	99.50%
IFSL Equilibrium Global Equity Portfolio	99.51%	99.51%
IFSL Equilibrium Defensive Portfolio	98.28%	98.28%

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

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

Remuneration policy

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

The quantitative remuneration disclosures as at 30 September 2022 (the Alternative Investment Fund Manager's (AIFM's) year-end) are set out below:

	Number of identified staff	Total remuneration paid £	Fixed remuneration paid £	Variable remuneration paid £
Remuneration paid to staff of the AIFM who have a material impact on the risk profile of the Company				
Senior management	7	757,911	667,666	90,245
Risk takers and other identified staff	2	245,763	203,403	42,360
Allocation of total remuneration of the employees of the AIFM to the Company				
Senior management	0.77	82,857	72,991	9,866
Risk takers and other identified staff	0.22	26,867	22,236	4,631

The total number of staff employed by the AIFM's group was 236 as at 30 September 2022. The total remuneration paid to those staff was £14,048,823, of which £5,197,123 is attributable to the AIFM. The information is provided for the purpose of Regulation 107(1)(a) of the AIFM regulations but not for the purposes of Regulations 107(1)(b) and (c) of the AIFM regulations.

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

IFSL EQUILIBRIUM OEIC

AUTHORISED CORPORATE DIRECTORS' STATEMENT

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



Allan Hamer
Director



Helen Redmond
Director

Investment Fund Services Limited
28 February 2023

STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

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

In preparing those financial statements the ACD is required to:

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

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

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

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

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the IFSL Equilibrium OEIC ("the Company") for the Period Ended 30th November 2022.

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

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

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

The Depositary must ensure that:

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

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

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

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

HSBC Bank plc

28 February 2023

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

Opinion

We have audited the financial statements of IFSL Equilibrium OEIC ("the Company"), comprising its sub-funds, for the year ended 30 November 2022, 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 12 and 13, 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 its sub-funds, as at 30 November 2022 and of the net revenue and the net capital losses on the scheme property of the Company for the year then ended;
- 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.

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

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

We have nothing to report in this regard.

IFSL EQUILIBRIUM OEIC

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

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

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Company's Instrument of Incorporation;
- 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 Financial Conduct Authority rules 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 (the "ACD")

As explained more fully in the ACD's Responsibilities Statement set out on page 6 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 liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Principles (UK GAAP) including FRS 102, the Investment Management Association Statement of Recommended Practice, 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. We corroborated our enquiries through a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur 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.
- 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 Financial Conduct Authority. 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

28 February 2023

Notes:

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

IFSL EQUILIBRIUM OEIC

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

for the year ended 30 November 2022

1.1 ACCOUNTING POLICIES

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

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

Basis of accounting

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

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

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

There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for 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 quoted ordinary securities, and distributions receivable from onshore Collective Investment Schemes are recognised when the security is quoted ex-dividend.

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

Bank interest is accounted for on an accruals basis.

Distributions from Collective Investment Schemes

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

Expenses

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

Management fee rebates

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

Valuation

The valuation point was 12:00 on 30 November 2022 being the last valuation point of the accounting year.

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

Unlisted, unapproved, illiquid or suspended securities are valued at the ACD's best estimate of the amount that would be received from the immediate transfer at arm's length in a manner designed to show fair value.

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

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

Taxation

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

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

for the year ended 30 November 2022

Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 30 November 2022 being the last valuation point of the accounting year. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment at the principal amounts.

1.2 DISTRIBUTION POLICIES

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

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

Equalisation

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

1.3 RISK MANAGEMENT POLICIES

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

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

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

Market price risk

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

Foreign currency risk

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

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

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

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

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

for the year ended 30 November 2022

RISK MANAGEMENT POLICIES

Interest rate risk

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

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

Liquidity risk

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

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

Concentration risk

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

Derivatives and other financial instruments

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

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2022

Performance to 30 November 2022

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Cautious Portfolio	(4.29)%	(7.21)%	2.63%	9.40%
UK Consumer Prices Index	4.86%	10.67%	16.72%	21.17%
UK Consumer Prices Index plus 4% per annum	6.90%	14.99%	30.95%	46.77%

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

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

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

Investment commentary

The past 12 months has been a very difficult period for investors.

Going into 2022 we were seeing signs of rising inflation, as the re-opening from the pandemic led to rising demand for goods and services. Meanwhile, supply chains remained affected by past lockdowns and Covid-related restrictions. This was then compounded by the Russian invasion of Ukraine in early 2022 which helped push the cost of living even higher, through the effect on energy and food prices. Whilst we had expected central banks to put up interest rates this year, they have been forced to move much more quickly and push rates much higher than most people had anticipated.

This environment is extremely challenging for multi-asset investors, as high inflation and rising rates has hit almost every asset class. Normally, diversification is a very effective way to reduce risk. For example, often when equity markets fall, fixed interest (bonds) investments hold up well or even rise. The past year has seen both bonds and equities fall in value at the same time. In fact, in many cases the so-called "safe" assets such as government bonds have lost even more money than "risky" assets like equities. Other traditional diversifiers such as property have also not helped this year, with rising rates hitting property prices, even whilst rental incomes have increased with inflation. On the positive side, our allocation to alternatives (such as absolute return strategies) held up well, as did infrastructure investments.

UK assets took a particular hit during the autumn, after the government's "mini budget" was poorly received by investors. This led to a sell-off of UK gilts and sterling in particular, but also of UK equities and infrastructure. The government subsequently u-turned and this led to recoveries in gilts and sterling, however domestic equities in the UK continued to lag behind.

With falls in most asset classes, along with the rise in inflation, in the short term the sub-fund's return has been well below the objective of outperforming inflation during this period. However, we are now much more optimistic about future returns. In particular, after falls in bond prices their yields (the return from a bond) are starting to look much more attractive, and so we have been topping up fixed interest in the portfolio.

We also added to the defined returns portion of the portfolio of investments during the market lows of September and October, where we were able to secure some attractive potential future returns. For example, in September we set up a product with Morgan Stanley which will pay 15.2% per year should the FTSE 100 be above 6,868 and the S&P 500 be above 3,641 on one of the first five anniversary dates of it being set up.

We also added a "step down" defined returns product from Goldmans Sachs International, which would pay out 10.42% per year even if the FTSE and S&P indices dropped 20% over the six year term. We find this very attractive given the current market uncertainty.

Equilibrium Investment Management LLP.

19 December 2022

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	1.5025	1.1737	1.4795	1.2165

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 30 November 2022

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
iShares Core UK Gilts UCITS ETF GBP	18,778,079
BlackRock ICS US Treasury 'Premier' USD	16,807,422
Royal London Short Duration Global High Yield Bond 'Z'	13,700,000
iShares \$ Treasury Bond 7-10yr UCITS ETF USD	9,671,486
Waverton Sterling Bond 'P' Stg£	9,616,439
Royal London Sterling Extra Yield Bond 'Z'	9,045,217
iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	8,777,555
FTF ClearBridge Global Infrastructure Income 'S' GBP H2	8,400,000
iShares Core FTSE 100 UCITS ETF GBP	7,571,404
Premier Miton Strategic Monthly Income Bond 'C'	6,850,000
Other purchases	75,846,698
Total purchases for the year	185,064,300
<u>Largest sales</u>	<u>Proceeds (£)</u>
Royal London Short Duration Global High Yield Bond 'Z'	16,652,485
MI TwentyFour Monument Bond 'L'	12,465,995
Nomura Global Dynamic Bond 'I' GBP Hedged	11,691,268
iShares Core UK Gilts UCITS ETF GBP	11,420,893
BlackRock ICS US Treasury 'Premier' USD	9,715,810
Royal London Sterling Extra Yield Bond 'Z'	8,500,000
iShares Core FTSE 100 UCITS ETF GBP	8,006,306
THEAM Quant Dynamic Volatility Carry 'M' USD	7,960,315
BlackRock European Absolute Alpha 'D' GBP	7,781,279
M&G Global Floating Rate High Yield 'PP' Sterling Hedged	7,688,351
Other sales	128,870,727
Total sales for the year	230,753,429

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

COMPARATIVE TABLE

A Accumulation shares

Change in net assets per share	Year to 30.11.2022 pence	Year to 30.11.2021 pence	Year to 30.11.2020 pence
Opening net asset value per share	117.85	110.05	106.57
Return before operating charges*	(7.04)	9.01	4.52
Operating charges	(1.53)	(1.21)	(1.04)
Return after operating charges*	(8.57)	7.80	3.48
Distributions on accumulation shares	(1.50)	(1.17)	(1.48)
Retained distributions on accumulation shares	1.50	1.17	1.48
Closing net asset value per share	109.28	117.85	110.05

* after direct transaction costs of: 0.02 0.02 -

Performance

Return after charges ^B (7.27)% 7.09% 3.27%

Other information

Closing net asset value (£)	195,381,655	253,312,492	303,744,373
Closing number of shares	178,793,157	214,952,035	276,006,771
Operating charges	1.35% ^{A,C}	1.05% ^A	1.00%
Direct transaction costs	0.01%	0.02%	0.00%

Prices (pence per share)

Highest share price	119.90	120.20	110.20
Lowest share price	103.40	110.20	88.20

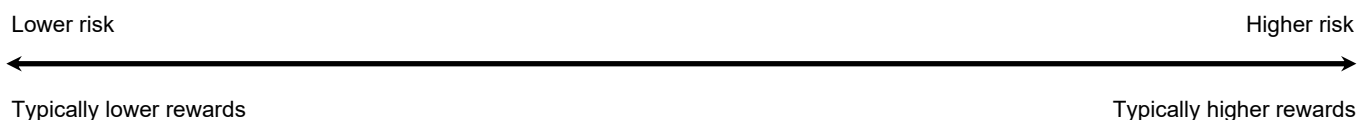
^A From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

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

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

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. 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



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

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2021 - 36.41%)		
3,540,437 Allianz Strategic Bond 'I' GBP	3,855,536	1.97
1,268,420 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^D	5,685,693	2.91
49,867 iShares \$ Treasury Bond 7-10yr UCITS ETF USD ^D	5,789,721	2.96
561,025 iShares Core UK Gilts UCITS ETF GBP ^D	6,143,224	3.15
57,585 MI TwentyFour Dynamic Bond 'I' Gross	10,119,127	5.18
6,983,171 Premier Miton Strategic Monthly Income Bond 'C'	6,983,171	3.57
9,072,263 Royal London Short Duration Global High Yield Bond 'Z'	9,727,281	4.98
9,377,717 Royal London Sterling Extra Yield Bond 'Z'	8,678,140	4.44
1,144,249 Waverton Sterling Bond 'P' Stg£	10,100,284	5.17
Total Fixed Interest	<u>67,082,177</u>	<u>34.33</u>
REAL ASSETS (30 November 2021 - 11.72%)		
1,646,380 Civitas Social Housing ^B	987,828	0.51
3,070,000 Foresight Sustainable Forestry Company ^C	3,223,500	1.65
5,645,311 FP Foresight UK Infrastructure Income 'A'	7,541,006	3.86
7,581,909 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	7,377,956	3.78
980,804 Primary Health Properties ^B	1,104,385	0.57
218,935 SEGRO ^B	1,761,551	0.90
2,160,953 Supermarket Income REIT ^B	2,290,610	1.17
1,078,019 Target Healthcare REIT ^B	849,479	0.43
1,297,476 Tritax Big Box REIT ^B	1,883,935	0.96
2,193,272 VT Gravis Clean Energy Income 'C' GBP	4,039,260	2.07
Total Real Assets	<u>31,059,510</u>	<u>15.90</u>
DEFINED RETURNS (30 November 2021 - 11.21%)		
2,970,424 Credit Suisse FTSE/S&P Autocall Feb 2024 ^A	4,186,515	2.14
4,650,000 Goldman Sachs FTSE/S&P Autocall Stepdown Oct 2022 ^A	4,748,580	2.43
3,470,554 JPM FTSE Autocall Sep 2024 ^A	4,637,805	2.37
1,511,313 Morgan Stanley FTSE/S&P Autocall Mar 2019 ^A	2,167,525	1.11
2,200,000 Morgan Stanley FTSE/S&P Autocall Oct 2027 ^A	2,374,240	1.22
2,819,914 Societe Generale FTSE Autocall Dec 2023 ^A	4,046,577	2.07
2,300,000 SP Credit Agricole Defined Returns Feb 2028 ^A	2,215,360	1.13
Total Defined Returns	<u>24,376,602</u>	<u>12.47</u>
ALTERNATIVE EQUITY (30 November 2021 - 19.29%)		
2,953,242 Atlantic House Uncorrelated Strategies	3,014,079	1.54
24,791 Carmignac Long-Short European Equities 'F' GBP Hedged	3,840,869	1.97
32,222 Lazard Rathmore Alternative 'E' GBP Hedged	3,810,222	1.95
4,150,853 LF Ruffer Diversified Return 'I' GBP	4,415,263	2.26
36,267 THEAM Quant Dynamic Volatility Carry 'M' USD	2,728,327	1.40
Total Alternative Equity	<u>17,808,760</u>	<u>9.12</u>
EQUITY (30 November 2021 - 20.65%)		
182,607 Allianz China A-Shares Equity 'W' GBP	157,991	0.08
118,357 Baillie Gifford American 'B'	1,153,863	0.59
500,278 Baillie Gifford Emerging Markets Leading Companies 'B'	2,589,438	1.33
1,677,731 Federated Hermes Global Emerging Markets SMID Equity 'X' Stg£	2,083,575	1.07
601,035 FP Octopus UK Micro Cap Growth 'P'	1,738,613	0.89
61,468 Goldman Sachs India Equity 'I' GBP	1,418,688	0.73
366,219 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^D	4,028,104	2.06
3,456,153 Liontrust Special Situations 'I'	4,171,230	2.13
40,459 Morgan Stanley Global Brands 'I' GBP	5,352,327	2.74
1,106,971 Premier Miton European Opportunities 'F'	2,920,189	1.50
2,248,937 Premier Miton UK Multi Cap Income 'B Inst'	6,710,827	3.43
4,734,584 Royal London Global Equity Select 'Z'	5,529,995	2.83
4,679,176 Schroder Global Recovery 'L' GBP	4,492,944	2.30
Total Equity	<u>42,347,784</u>	<u>21.68</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
MONEY MARKETS (31 May 2022 - Nil)		
24,763 BlackRock ICS Sterling Government Liquidity 'Premier' GBP	2,500,000	1.28
8,777,562 BlackRock ICS US Treasury 'Premier' USD	7,308,545	3.74
Total Money Markets	<u>9,808,545</u>	<u>5.02</u>
Portfolio of investments	192,483,378	98.52
Net other assets	<u>2,898,277</u>	<u>1.48</u>
Total net assets	<u><u>195,381,655</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 over-the-counter structured products, ^B which are Real Estate Investment Trusts, ^C which are Closed Ended Investment Companies and ^D which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2022

	Notes	30 November 2022		30 November 2021	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(18,933,984)		17,191,990
Revenue	4	4,551,342		4,472,346	
Expenses	5	<u>(1,350,369)</u>		<u>(1,158,789)</u>	
Net revenue before taxation		3,200,973		3,313,557	
Taxation	6	<u>(399,421)</u>		<u>(419,448)</u>	
Net revenue after taxation			<u>2,801,552</u>		<u>2,894,109</u>
Total return before distributions			(16,132,432)		20,086,099
Distributions	7		(2,863,779)		(2,894,679)
Change in net assets attributable to shareholders from investment activities			<u>(18,996,211)</u>		<u>17,191,420</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2022

	30 November 2022		30 November 2021	
	£	£	£	£
Opening net assets attributable to shareholders		253,312,492		303,744,373
Amounts receivable on issue of shares	12,728,894		14,985,186	
Amounts payable on cancellation of shares	<u>(54,349,904)</u>		<u>(85,131,199)</u>	
		<u>(41,621,010)</u>		<u>(70,146,013)</u>
Change in net assets attributable to shareholders from investment activities		(18,996,211)		17,191,420
Retained distribution on accumulation shares		2,686,384		2,522,712
Closing net assets attributable to shareholders		<u>195,381,655</u>		<u>253,312,492</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

BALANCE SHEET
as at 30 November 2022

	Notes	30 November 2022 £	30 November 2021 £
Assets:			
Fixed Assets:			
Investments	14	192,483,378	251,496,831
Current Assets:			
Debtors	8	1,668,271	3,035,230
Cash and cash equivalents		5,902,613	2,566,488
Total assets		<u>200,054,262</u>	<u>257,098,549</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	2,911,311
Other creditors	9	4,672,607	874,746
Total liabilities		<u>4,672,607</u>	<u>3,786,057</u>
Net assets attributable to shareholders		<u>195,381,655</u>	<u>253,312,492</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

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

2 NET CAPITAL (LOSSES)/GAINS

30 November 2022 **30 November 2021**
£ **£**

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

Realised gains on non-derivative securities	2,391,550	19,116,881
Unrealised losses on non-derivative securities	(21,198,551)	(1,827,286)
Other currency losses	(130,854)	(92,245)
Management fee rebates	9,863	2,849
Transaction charges	(5,992)	(8,209)
Net capital (losses)/gains	(18,933,984)	17,191,990

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

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2022 **30 November 2021**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	130,661,088	101,165,621
Equities	5,056,913	11,509,881
Exchange Traded Funds	50,139,021	9,059,406
Structured Products	9,150,000	-
	<u>195,007,022</u>	<u>121,734,908</u>

Equities:	Commissions	3,052	7,629
	Taxes and other charges	25,308	37,596
Exchange Traded Funds:	Taxes and other charges	3	-
		<u>28,363</u>	<u>45,225</u>

Total purchases transaction costs		<u>28,363</u>	<u>45,225</u>
Total purchases after transaction costs		<u>195,035,385</u>	<u>121,780,133</u>

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

Equities:	Commissions	0.06%	0.07%
	Taxes and other charges	0.50%	0.33%
Exchange Traded Funds:	Taxes and other charges	0.00%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	196,513,305	167,824,028
Equities	996,976	399,294
Exchange Traded Funds	28,753,138	7,602,247
Structured Products	14,461,396	16,383,273
	<u>240,724,815</u>	<u>192,208,842</u>

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

Total sales transaction costs		<u>(301)</u>	<u>(1)</u>
Total sales after transaction costs		<u>240,724,514</u>	<u>192,208,841</u>

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

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

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

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

No significant in-specie transfers were identified in the year (2021: nil).

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

PURCHASES, SALES AND TRANSACTION COSTS

Transaction handling charges

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

£5,992

£8,209

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

0.16%

0.13%

4 REVENUE

30 November 2022

30 November 2021

£

£

Non-taxable UK dividends

1,448,408

1,048,313

Taxable UK dividends

104,990

2,687

Overseas dividends

86,042

193,622

Interest distributions

2,512,604

3,028,487

Property income distributions

365,903

186,030

Management fee rebates

20,890

13,207

Bank interest

12,505

-

Total revenue

4,551,342

4,472,346

5 EXPENSES

30 November 2022

30 November 2021

£

£

Payable to the ACD or associate:

Annual investment management charge

975,881

706,631

ACD charge

265,940

332,402

Registration fees

275

310

KIID production costs

602

599

1,242,698

1,039,942

Other expenses:

Depositary's fees

74,861

86,855

Safe Custody fees

20,136

21,316

Bank interest

2,603

2,274

Audit fee

7,920

7,360

Sundry expenses

2,151

1,042

107,671

118,847

Total expenses

1,350,369

1,158,789

6 TAXATION

30 November 2022

30 November 2021

£

£

a Analysis of the tax charge for the year

UK Corporation tax at 20%

399,421

419,448

Total tax charge (see note 6(b))

399,421

419,448

b Factors affecting the tax charge for the year

The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.

Net revenue before taxation

3,200,973

3,313,557

Corporation tax at 20% (2021: 20%)

640,195

662,711

Effects of:

Revenue not subject to taxation

(306,890)

(248,387)

Tax effect of gains on non-reporting offshore funds

60,254

-

Tax effect of capitalised management fee rebate

1,973

570

Prior year corporation tax adjustment

3,889

4,554

Total tax charge (see note 6(a))

399,421

419,448

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

7 DISTRIBUTIONS

	30 November 2022	30 November 2021
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	2,686,408	2,522,916
Amounts deducted on cancellation of shares	241,914	451,072
Amounts added on issue of shares	(64,519)	(79,105)
Revenue brought forward	(24)	(204)
Distributions	<u>2,863,779</u>	<u>2,894,679</u>
Movement between net revenue and distributions:		
Net revenue after taxation	2,801,552	2,894,109
Tax effect of gains on non-reporting offshore funds	60,254	-
Tax effect of capitalised management fee rebate	1,973	570
	<u>2,863,779</u>	<u>2,894,679</u>

8 DEBTORS

	30 November 2022	30 November 2021
	£	£
Amounts receivable for issue of shares	-	625,385
Sales awaiting settlement	1,450,000	2,220,000
Accrued income	197,273	189,308
Taxation recoverable	20,998	537
Total debtors	<u>1,668,271</u>	<u>3,035,230</u>

9 OTHER CREDITORS

	30 November 2022	30 November 2021
	£	£
Amounts payable for cancellation of shares	1,031,509	411,143
Purchases awaiting settlement	3,300,000	200,000
Accrued expenses	120,565	102,709
Corporation tax payable	220,533	160,894
Total other creditors	<u>4,672,607</u>	<u>874,746</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to/(from) the ACD at the year end are £1,132,355 (2021: (£135,336)).

11 SHARE CLASSES

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

A Accumulation 0.50%

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

12 SHAREHOLDERS' FUNDS RECONCILIATION

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

	<u>A Accumulation</u>
Opening shares in issue at 1 December 2021	214,952,035
Share issues	11,469,792
Share cancellations	(47,628,670)
Closing shares in issue at 30 November 2022	<u>178,793,157</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £9,624,169 (2021: £12,574,842). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

Foreign currency exposure at 30 November 2022:	Investments £	Net other assets £	Total £
Euro	-	1,090	1,090
US dollar	19,854,696	-	19,854,696
	<u>19,854,696</u>	<u>1,090</u>	<u>19,855,786</u>

Foreign currency exposure at 30 November 2021:	Investments £	Net other assets £	Total £
US dollar	12,226,547	-	12,226,547
	<u>12,226,547</u>	<u>-</u>	<u>12,226,547</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 £992,789 (2021: £611,327). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2022
£

30 November 2021
£

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

Financial assets floating rate	5,902,613	2,566,488
Financial assets interest bearing instruments	67,082,175	92,209,613
Financial assets non-interest bearing instruments	127,069,474	162,322,448
Financial liabilities floating rate	-	(2,911,311)
Financial liabilities non-interest bearing instruments	(4,672,607)	(874,746)
	<u>195,381,655</u>	<u>253,312,492</u>

Interest rate risk sensitivity

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

Liquidity risk

30 November 2022
£

30 November 2021
£

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

On demand:		
Bank overdrafts	-	2,911,311
Within one year:		
Other creditors	4,672,607	874,746
	<u>4,672,607</u>	<u>3,786,057</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM CAUTIOUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 November 2022

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2022		30 November 2021	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	33,748,030	-	13,093,811	-
Level 2 - Observable market data	158,735,348	-	238,403,020	-
Level 3 - Unobservable data	-	-	-	-
	<u>192,483,378</u>	<u>-</u>	<u>251,496,831</u>	<u>-</u>

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

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

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

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

15 POST BALANCE SHEET EVENTS

Since 30 November 2022, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)			Movement (%)
	30 November 2022 ^A	27 February 2023		
A Accumulation	109.40	110.80		1.28%

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

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2021 to 30 November 2022

Group 1: shares purchased prior to 1 December 2021

Group 2: shares purchased on or after 1 December 2021

		Net revenue 30 November 2022	Equalisation 30 November 2022	Distribution paid 31 January 2023	Distribution paid 31 January 2022
		pence per share	pence per share	pence per share	pence per share
A Accumulation	Group 1	1.5025	-	1.5025	1.1737
	Group 2	1.0004	0.5021	1.5025	1.1737

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2022

Performance to 30 November 2022

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Balanced Portfolio	(4.07)%	(8.20)%	3.55%	10.79%
UK Consumer Prices Index	4.86%	10.67%	16.72%	21.17%
UK Consumer Prices Index plus 5% per annum	7.41%	16.10%	34.76%	53.96%

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

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

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

Investment commentary

The past 12 months has been a very difficult period for investors.

Going into 2022 we were seeing signs of rising inflation, as the re-opening from the pandemic led to rising demand for goods and services. Meanwhile, supply chains remained affected by past lockdowns and Covid-related restrictions. This was then compounded by the Russian invasion of Ukraine in early 2022 which helped push the cost of living even higher, through the effect on energy and food prices. Whilst we had expected central banks to put up interest rates this year, they have been forced to move much more quickly and push rates much higher than most people had anticipated.

This environment is extremely challenging for multi-asset investors, as high inflation and rising rates has hit almost every asset class. Normally, diversification is a very effective way to reduce risk. For example, often when equity markets fall, fixed interest (bonds) investments hold up well or even rise. The past year has seen both bonds and equities fall in value at the same time. In fact, in many cases the so-called "safe" assets such as government bonds have lost even more money than "risky" assets like equities. Other traditional diversifiers such as property have also not helped this year, with rising rates hitting property prices, even whilst rental incomes have increased with inflation. On the positive side, our allocation to alternatives (such as absolute return strategies) held up well, as did infrastructure investments.

UK assets took a particular hit during the autumn, after the government's "mini budget" was poorly received by investors. This led to a sell-off of UK gilts and sterling in particular, but also of UK equities and infrastructure. The government subsequently u-turned and this led to recoveries in gilts and sterling, however domestic equities in the UK continued to lag behind.

With falls in most asset classes, along with the rise in inflation, in the short term the sub-fund's return has been well below the objective of outperforming inflation during this period. However, we are now much more optimistic about future returns. In particular, after falls in bond prices their yields (the return from a bond) are starting to look much more attractive, and so we have been topping up fixed interest in the portfolio.

We also added to the defined returns portion of the portfolio of investments during the market lows of September and October, where we were able to secure some attractive potential future returns. For example, in September we set up a product with Morgan Stanley which will pay 15.2% per year should the FTSE 100 be above 6,868 and the S&P 500 be above 3,641 on one of the first five anniversary dates of it being set up.

We also added a "step down" defined returns product from Goldmans Sachs International, which would pay out 10.42% per year even if the FTSE and S&P indices dropped 20% over the six year term. We find this very attractive given the current market uncertainty.

Equilibrium Investment Management LLP.

19 December 2022

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	1.4071	1.1868	1.2874	1.1537

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 30 November 2022

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
iShares Core UK Gilts UCITS ETF GBP	33,825,104
Royal London Short Duration Global High Yield Bond 'Z'	25,200,000
BlackRock ICS US Treasury 'Premier' USD	21,327,866
Royal London Sterling Extra Yield Bond 'Z'	20,679,048
Royal London Global Equity Select 'Z'	17,550,000
iShares \$ Treasury Bond 7-10yr UCITS ETF USD	17,399,239
iShares Core FTSE 100 UCITS ETF GBP	17,341,035
FP Foresight UK Infrastructure Income 'A'	15,050,000
FTF ClearBridge Global Infrastructure Income 'S' GBP H2	13,650,000
Morgan Stanley Global Brands 'I' GBP	13,100,000
Other purchases	206,896,335
Total purchases for the year	402,018,627

<u>Largest sales</u>	<u>Proceeds (£)</u>
Royal London Short Duration Global High Yield Bond 'Z'	22,170,837
iShares Core UK Gilts UCITS ETF GBP	20,844,216
iShares Core FTSE 100 UCITS ETF GBP	18,377,977
THEAM Quant Dynamic Volatility Carry 'M' USD	17,845,608
Premier Miton UK Value Opportunities 'B Inst'	17,799,989
Royal London Sterling Extra Yield Bond 'Z'	17,250,000
BlackRock European Absolute Alpha 'D' GBP	15,985,195
Nomura Global Dynamic Bond 'I' GBP Hedged	15,493,880
Lazard Rathmore Alternative 'E' GBP Hedged	14,500,000
BlackRock ICS US Treasury 'Premier' USD	14,426,300
Other sales	223,448,410
Total sales for the year	398,142,412

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

COMPARATIVE TABLE

<u>A Accumulation shares</u>	Year to 30.11.2022 pence	Year to 30.11.2021 pence	Year to 30.11.2020 pence
Change in net assets per share			
Opening net asset value per share	120.73	110.99	107.06
Return before operating charges*	(8.48)	11.00	5.01
Operating charges	(1.44)	(1.26)	(1.08)
Return after operating charges*	(9.92)	9.74	3.93
Distributions on accumulation shares	(1.41)	(1.19)	(1.29)
Retained distributions on accumulation shares	1.41	1.19	1.29
Closing net asset value per share	110.81	120.73	110.99
* after direct transaction costs of:	0.02	0.02	-
Performance			
Return after charges ^B	(8.22)%	8.78%	3.67%
Other information			
Closing net asset value (£)	421,107,192	447,500,521	426,927,178
Closing number of shares	380,032,787	370,658,176	384,644,690
Operating charges	1.25% ^{A,C}	1.06% ^A	1.04%
Direct transaction costs	0.02%	0.02%	0.00%
Prices (pence per share)			
Highest share price	123.10	123.60	111.10
Lowest share price	104.20	111.20	86.80

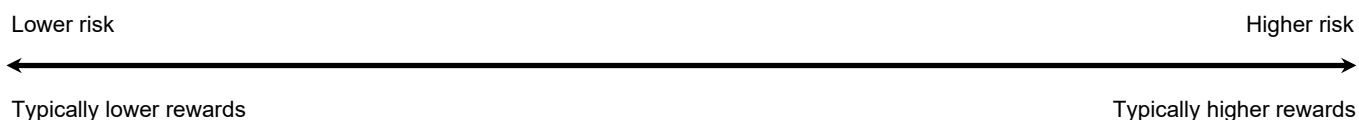
^A From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

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

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

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. 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



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

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2021 - 30.33%)		
7,930,518 Allianz Strategic Bond 'I' GBP	8,636,334	2.05
1,813,245 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^D	8,127,871	1.93
79,770 iShares \$ Treasury Bond 7-10yr UCITS ETF USD ^D	9,261,556	2.20
960,323 iShares Core UK Gilts UCITS ETF GBP ^D	10,515,537	2.50
98,179 MI TwentyFour Dynamic Bond 'I' Gross	17,252,471	4.10
12,104,020 Premier Miton Strategic Monthly Income Bond 'C'	12,104,020	2.87
15,291,926 Royal London Short Duration Global High Yield Bond 'Z'	16,396,003	3.89
18,178,599 Royal London Sterling Extra Yield Bond 'Z'	16,822,475	3.99
1,687,053 Waverton Sterling Bond 'P' Stg£	14,891,615	3.54
Total Fixed Interest	<u>114,007,882</u>	<u>27.07</u>
REAL ASSETS (30 November 2021 - 10.31%)		
3,322,999 Civitas Social Housing ^B	1,993,799	0.47
5,540,000 Foresight Sustainable Forestry Company ^C	5,817,000	1.38
11,172,500 FP Foresight UK Infrastructure Income 'A'	14,924,226	3.55
15,653,182 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	15,232,111	3.62
1,907,078 Primary Health Properties ^B	2,147,370	0.51
492,153 SEGRO ^B	3,959,863	0.94
4,567,269 Supermarket Income REIT ^B	4,841,305	1.15
2,197,647 Target Healthcare REIT ^B	1,731,746	0.41
2,707,543 Tritax Big Box REIT ^B	3,931,352	0.93
4,511,031 VT Gravis Clean Energy Income 'C' GBP	8,307,785	1.97
Total Real Assets	<u>62,886,557</u>	<u>14.93</u>
DEFINED RETURNS (30 November 2021 - 11.81%)		
7,237,249 Credit Suisse FTSE/S&P Autocall Feb 2024 ^A	10,200,179	2.42
9,100,000 Goldman Sachs FTSE/S&P Autocall Stepdown Oct 2022 ^A	9,292,920	2.21
8,530,398 JPM FTSE Autocall Sep 2024 ^A	11,399,427	2.71
3,190,006 Morgan Stanley FTSE/S&P Autocall Mar 2019 ^A	4,575,107	1.09
9,000,000 Morgan Stanley FTSE/S&P Autocall Oct 2027 ^A	9,712,800	2.31
8,985,255 Societe Generale FTSE Autocall Dec 2023	12,893,841	3.06
5,000,000 SP Credit Agricole Defined Returns Feb 2028 ^A	4,816,000	1.14
Total Defined Returns	<u>62,890,274</u>	<u>14.94</u>
ALTERNATIVE EQUITY (30 November 2021 - 16.53%)		
4,539,827 Atlantic House Uncorrelated Strategies	4,633,347	1.10
26,916 Carmignac Long-Short European Equities 'F' GBP Hedged	4,170,140	0.99
34,385 Lazard Rathmore Alternative 'E' GBP Hedged	4,065,940	0.97
7,835,564 LF Ruffer Diversified Return 'I' GBP	8,334,689	1.98
78,238 THEAM Quant Dynamic Volatility Carry 'M' USD	5,885,792	1.40
Total Alternative Equity	<u>27,089,908</u>	<u>6.44</u>
EQUITY (30 November 2021 - 30.94%)		
303,981 Allianz China A-Shares Equity 'W' GBP	263,005	0.06
356 Allianz China A-Shares 'WT' GBP	466,863	0.11
394,449 Baillie Gifford American 'B'	3,845,479	0.91
1,725,941 Baillie Gifford Emerging Markets Leading Companies 'B'	8,933,473	2.12
4,184,803 Federated Hermes Global Emerging Markets SMID Equity 'X' Stg£	5,197,107	1.23
2,226,494 FP Octopus UK Micro Cap Growth 'P'	6,440,578	1.53
236,841 Goldman Sachs India Equity 'I' GBP	5,466,286	1.30
1,227,800 HgCapital Trust ^B	4,456,914	1.06
1,294,455 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^D	14,237,927	3.38
13,465,378 Liontrust Special Situations 'I'	16,251,365	3.86
126,700 Morgan Stanley Global Brands 'I' GBP	16,761,098	3.98
3,216,779 Premier Miton European Opportunities 'F'	8,485,864	2.02
6,172,462 Premier Miton UK Multi Cap Income 'B Inst'	18,418,626	4.37
14,522,173 Royal London Global Equity Select 'Z'	16,961,899	4.03
13,048,071 Schroder Global Recovery 'L' GBP	12,528,758	2.98
Total Equity	<u>138,715,242</u>	<u>32.94</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
MONEY MARKETS (30 November 2021 - Nil)		
29,716 BlackRock ICS Sterling Government Liquidity 'Premier' GBP	3,000,000	0.71
9,701,200 BlackRock ICS US Treasury 'Premier' USD	8,077,602	1.92
Total Money Markets	<u>11,077,602</u>	<u>2.63</u>
Portfolio of investments	416,667,465	98.95
Net other assets	<u>4,439,727</u>	<u>1.05</u>
Total net assets	<u><u>421,107,192</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 over-the-counter structured products, ^B which are Real Estate Investment Trusts, ^C which are Closed Ended Investment Companies and ^D which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2022

	Notes	30 November 2022		30 November 2021	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(43,056,518)		32,188,255
Revenue	4	8,409,878		6,710,953	
Expenses	5	<u>(2,638,929)</u>		<u>(1,756,461)</u>	
Net revenue before taxation		5,770,949		4,954,492	
Taxation	6	<u>(579,677)</u>		<u>(511,111)</u>	
Net revenue after taxation			<u>5,191,272</u>		<u>4,443,381</u>
Total return before distributions			(37,865,246)		36,631,636
Distributions	7		(5,315,888)		(4,444,264)
Change in net assets attributable to shareholders from investment activities			<u>(43,181,134)</u>		<u>32,187,372</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2022

	30 November 2022		30 November 2021	
	£	£	£	£
Opening net assets attributable to shareholders		447,500,521		426,927,178
Amounts receivable on issue of shares	49,689,687		57,323,071	
Amounts payable on cancellation of shares	(38,254,692)		(73,336,062)	
Compensation to sub-fund	<u>5,211</u>		<u>-</u>	
		11,440,206		(16,012,991)
Change in net assets attributable to shareholders from investment activities		(43,181,134)		32,187,372
Retained distribution on accumulation shares		5,347,599		4,398,962
Closing net assets attributable to shareholders		<u>421,107,192</u>		<u>447,500,521</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

BALANCE SHEET
as at 30 November 2022

	Notes	30 November 2022 £	30 November 2021 £
Assets:			
Fixed Assets:			
Investments	14	416,667,465	447,162,609
Current Assets:			
Debtors	8	6,815,346	4,502,747
Cash and cash equivalents		9,218,552	4,354,244
Total assets		<u>432,701,363</u>	<u>456,019,600</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	5,577,218
Other creditors	9	11,594,171	2,941,861
Total liabilities		<u>11,594,171</u>	<u>8,519,079</u>
Net assets attributable to shareholders		<u><u>421,107,192</u></u>	<u><u>447,500,521</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

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

2 NET CAPITAL (LOSSES)/GAINS

30 November 2022 **30 November 2021**
£ **£**

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

Realised (losses)/gains on non-derivative securities	(2,646,058)	30,857,920
Unrealised (losses)/gains on non-derivative securities	(40,139,035)	1,517,226
Other currency losses	(282,984)	(184,204)
Management fee rebates	16,337	4,415
Transaction charges	(4,778)	(7,102)
Net capital (losses)/gains	(43,056,518)	32,188,255

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

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2022 **30 November 2021**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	277,362,151	191,672,415
Equities	21,023,332	19,503,723
Exchange Traded Funds	100,148,515	7,541,416
Structured Products	23,400,000	-
	<u>421,933,998</u>	<u>218,717,554</u>

Equities:	Commissions	12,187	12,423
	Taxes and other charges	75,804	61,910
Exchange Traded Funds:	Taxes and other charges	2	-
		<u>87,993</u>	<u>74,333</u>

Total purchases transaction costs	87,993	74,333
Total purchases after transaction costs	422,021,991	218,791,887

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

Equities:	Commissions	0.06%	0.06%
	Taxes and other charges	0.36%	0.32%
Exchange Traded Funds:	Taxes and other charges	0.00%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	340,123,322	212,804,027
Equities	2,145,866	900,192
Exchange Traded Funds	58,723,479	4,724,419
Structured Products	17,155,259	16,632,642
	<u>418,147,926</u>	<u>235,061,280</u>

Equities:	Commissions	(2,146)	(202)
	Taxes and other charges	(4)	(4)
		<u>(2,150)</u>	<u>(206)</u>

Total sales transaction costs	(2,150)	(206)
Total sales after transaction costs	418,145,776	235,061,074

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

Equities:	Commissions	0.10%	0.02%
	Taxes and other charges	0.00%	0.00%

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

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

No significant in-specie transfers were identified in the year (2021: nil).

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

PURCHASES, SALES AND TRANSACTION COSTS

Transaction handling charges

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

£4,778

£7,102

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

0.20%

0.15%

4 REVENUE	30 November 2022	30 November 2021
	£	£
Non-taxable UK dividends	3,371,554	2,051,019
Taxable UK dividends	175,279	8,419
Overseas dividends	159,406	373,746
Interest distributions	3,897,655	3,933,743
Property income distributions	735,122	315,024
Management fee rebates	51,513	29,002
Bank interest	19,349	-
Total revenue	<u>8,409,878</u>	<u>6,710,953</u>
5 EXPENSES	30 November 2022	30 November 2021
	£	£
Payable to the ACD or associate:		
Annual investment management charge	1,982,478	1,105,034
ACD charge	484,609	491,763
Registration fees	331	364
KIID production costs	601	599
	<u>2,468,019</u>	<u>1,597,760</u>
Other expenses:		
Depositary's fees	114,623	115,534
Safe Custody fees	39,326	33,341
Bank interest	6,126	1,424
Audit fee	7,920	7,360
Sundry expenses	2,915	1,042
	<u>170,910</u>	<u>158,701</u>
Total expenses	<u>2,638,929</u>	<u>1,756,461</u>
6 TAXATION	30 November 2022	30 November 2021
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	579,677	511,111
Total tax charge (see note 6(b))	<u>579,677</u>	<u>511,111</u>
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	5,770,949	4,954,492
Corporation tax at 20% (2021: 20%)	1,154,190	990,898
Effects of:		
Revenue not subject to taxation	(706,192)	(484,953)
Tax effect of gains on non-reporting offshore funds	121,349	-
Tax effect of capitalised management fee rebate	3,267	883
Prior year corporation tax adjustment	7,063	4,283
Total tax charge (see note 6(a))	<u>579,677</u>	<u>511,111</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

7 DISTRIBUTIONS

	30 November 2022	30 November 2021
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	5,347,629	4,399,002
Amounts deducted on cancellation of shares	196,825	371,461
Amounts added on issue of shares	(228,536)	(326,160)
Revenue brought forward	(30)	(39)
Distributions	<u>5,315,888</u>	<u>4,444,264</u>
Movement between net revenue and distributions:		
Net revenue after taxation	5,191,272	4,443,381
Tax effect of gains on non-reporting offshore funds	121,349	-
Tax effect of capitalised management fee rebate	3,267	883
	<u>5,315,888</u>	<u>4,444,264</u>

8 DEBTORS

	30 November 2022	30 November 2021
	£	£
Amounts receivable for issue of shares	1,678,116	549,896
Sales awaiting settlement	4,800,000	3,648,153
Accrued income	302,174	303,682
Taxation recoverable	35,056	1,016
Total debtors	<u>6,815,346</u>	<u>4,502,747</u>

9 OTHER CREDITORS

	30 November 2022	30 November 2021
	£	£
Amounts payable for cancellation of shares	37,605	1,042,685
Purchases awaiting settlement	11,000,000	1,500,000
Accrued expenses	233,952	167,970
Corporation tax payable	322,614	231,206
Total other creditors	<u>11,594,171</u>	<u>2,941,861</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due (from)/to the ACD at the year end are £(1,431,223) (2021: £630,865).

11 SHARE CLASSES

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

A Accumulation 0.50%

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

12 SHAREHOLDERS' FUNDS RECONCILIATION

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

	<u>A Accumulation</u>
Opening shares in issue at 1 December 2021	370,658,176
Shares issued	42,972,029
Shares cancelled	(33,597,418)
Closing shares in issue at 30 November 2022	<u>380,032,787</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £20,833,373 (2021: £22,358,130). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

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

Foreign currency exposure at 30 November 2021:	Investments £	Net current assets £	Total £
US dollar	21,958,540	-	21,958,540
	<u>21,958,540</u>	<u>-</u>	<u>21,958,540</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 £1,873,269 (2021: £1,097,927). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2022
£

30 November 2021
£

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

Financial assets floating rate	9,218,552	4,354,244
Financial assets interest bearing instruments	114,007,883	135,734,326
Financial assets non-interest bearing instruments	309,474,928	315,931,030
Financial liabilities floating rate	-	(5,577,218)
Financial liabilities non-interest bearing instruments	(11,594,171)	(2,941,861)
	<u>421,107,192</u>	<u>447,500,521</u>

Interest rate risk sensitivity

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

Liquidity risk

30 November 2022
£

30 November 2021
£

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

On demand:		
Bank overdrafts	-	5,577,218
Within one year:		
Other creditors	(11,594,172)	2,941,861
	<u>(11,594,172)</u>	<u>8,519,079</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM BALANCED PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2022		30 November 2021	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	71,022,240	-	22,433,933	-
Level 2 - Observable market data	345,645,225	-	424,728,676	-
Level 3 - Unobservable data	-	-	-	-
	<u>416,667,465</u>	<u>-</u>	<u>447,162,609</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2022, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)			Movement (%)
	30 November 2022 ^A	27 February 2023		
A Accumulation	110.90	113.00		1.89%

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

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2021 to 30 November 2022

Group 1: shares purchased prior to 1 December 2021

Group 2: shares purchased on or after 1 December 2021

		Net revenue 30 November 2022	Equalisation 30 November 2022	Distribution paid 31 January 2023	Distribution paid 31 January 2022
		pence per share	pence per share	pence per share	pence per share
A Accumulation	Group 1	1.4071	-	1.4071	1.1868
	Group 2	0.8403	0.5668	1.4071	1.1868

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2022

Performance to 30 November 2022

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Equilibrium Adventurous Portfolio	(5.23)%	(12.06)%	3.98%	12.30%
UK Consumer Prices Index	4.86%	10.67%	16.72%	21.17%
UK Consumer Prices Index plus 5.5% per annum	7.67%	16.65%	36.71%	57.68%

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

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

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

Investment commentary

The past 12 months has been a very difficult period for investors.

Going into 2022 we were seeing signs of rising inflation, as the re-opening from the pandemic led to rising demand for goods and services. Meanwhile, supply chains remained affected by past lockdowns and Covid-related restrictions. This was then compounded by the Russian invasion of Ukraine in early 2022 which helped push the cost of living even higher, through the effect on energy and food prices. Whilst we had expected central banks to put up interest rates this year, they have been forced to move much more quickly and push rates much higher than most people had anticipated.

This environment is extremely challenging for multi-asset investors, as high inflation and rising rates has hit almost every asset class. Normally, diversification is a very effective way to reduce risk. For example, often when equity markets fall, fixed interest (bonds) investments hold up well or even rise. The past year has seen both bonds and equities fall in value at the same time. In fact, in many cases the so-called "safe" assets such as government bonds have lost even more money than "risky" assets like equities. Other traditional diversifiers such as property have also not helped this year, with rising rates hitting property prices, even whilst rental incomes have increased with inflation. On the positive side, our allocation to alternatives (such as absolute return strategies) held up well, as did infrastructure investments.

UK assets took a particular hit during the autumn, after the government's "mini budget" was poorly received by investors. This led to a sell-off of UK gilts and sterling in particular, but also of UK equities and infrastructure. The government subsequently u-turned and this led to recoveries in gilts and sterling, however domestic equities in the UK continued to lag behind.

With falls in most asset classes, along with the rise in inflation, in the short term the sub-fund's return has been well below the objective of outperforming inflation during this period. However, we are now much more optimistic about future returns. In particular, after falls in bond prices their yields (the return from a bond) are starting to look much more attractive, and so we have been topping up fixed interest in the portfolio.

We also added to the defined returns portion of the portfolio of investments during the market lows of September and October, where we were able to secure some attractive potential future returns. For example, in September we set up a product with Morgan Stanley which will pay 15.2% per year should the FTSE 100 be above 6,868 and the S&P 500 be above 3,641 on one of the first five anniversary dates of it being set up.

We also added a "step down" defined returns product from Goldmans Sachs International, which would pay out 10.42% per year even if the FTSE and S&P indices dropped 20% over the six year term. We find this very attractive given the current market uncertainty.

Equilibrium Investment Management LLP.

19 December 2022

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>A Accumulation (pence per share)</u>				
Net accumulation paid 31 January	1.0985	0.7612	0.8834	0.9567

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 30 November 2022

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
Royal London Global Equity Select 'Z'	15,300,000
iShares Core FTSE 100 UCITS ETF GBP	11,220,377
Morgan Stanley Global Brands 'I' GBP	10,650,000
Baillie Gifford American 'B'	10,050,000
L&G US Equity (Responsible Exclusions) UCITS ETF USD	8,961,367
FP Foresight Global Real Infrastructure 'A'	8,250,000
FTF ClearBridge Global Infrastructure Income 'S' GBP H2	7,950,000
Waverton Sterling Bond 'P' Stg£	7,700,194
iShares NASDAQ 100 UCITS ETF USD	7,593,188
Premier Miton Strategic Monthly Income Bond 'C'	7,130,000
Other purchases	139,583,919
Total purchases for the year	234,389,045

<u>Largest sales</u>	<u>Proceeds (£)</u>
Premier Miton UK Value Opportunities 'B Inst'	13,617,869
iShares Core FTSE 100 UCITS ETF GBP	11,964,773
Muzinich Asia Credit Opportunities 'Founder' GBP Hedged	9,537,700
AHFM Defined Returns 'B' GBP	8,200,000
Nomura Global Dynamic Bond 'I' GBP Hedged	7,267,877
Baillie Gifford Japanese 'B'	7,177,651
Sanlam Global Artificial Intelligence 'I' GBP	7,029,951
Lazard Rathmore Alternative 'E' GBP Hedged	6,800,000
Invesco Hong Kong & China 'Z'	6,767,564
BlackRock European Absolute Alpha 'D' GBP	6,066,843
Other sales	99,376,879
Total sales for the year	183,807,107

**IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO**

COMPARATIVE TABLE

A Accumulation shares	Year to 30.11.2022 pence	Year to 30.11.2021 pence	Year to 30.11.2020 pence
Change in net assets per share			
Opening net asset value per share	127.61	114.11	107.95
Return before operating charges*	(13.85)	14.91	7.27
Operating charges	(1.57)	(1.41)	(1.11)
Return after operating charges*	(15.42)	13.50	6.16
Distributions on accumulation shares	(1.10)	(0.76)	(0.88)
Retained distributions on accumulation shares	1.10	0.76	0.88
Closing net asset value per share	112.19	127.61	114.11
* after direct transaction costs of:	0.03	0.03	-
Performance			
Return after charges ^B	(12.08)%	11.83%	5.71%
Other information			
Closing net asset value (£)	289,997,249	274,645,192	155,599,414
Closing number of shares	258,498,241	215,227,604	136,364,946
Operating charges	1.33% ^{A,C}	1.13% ^A	1.06%
Direct transaction costs	0.03%	0.02%	0.00%
Prices (pence per share)			
Highest share price	130.10	131.40	114.20
Lowest share price	106.00	114.20	84.83

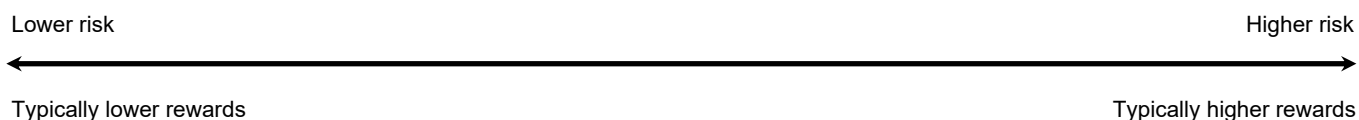
^A From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

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

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

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. 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



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

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2021 - 14.64%)		
598,531 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^D	2,682,915	0.93
310,853 iShares Core UK Gilts UCITS ETF GBP ^D	3,403,840	1.17
56,354 MI TwentyFour Dynamic Bond 'I' Gross	9,902,799	3.42
7,276,214 Premier Miton Strategic Monthly Income Bond 'C'	7,276,214	2.51
11,032,290 Royal London Sterling Extra Yield Bond 'Z'	10,209,281	3.52
901,725 Waverton Sterling Bond 'P' Stg£	7,959,531	2.74
Total Fixed Interest	<u>41,434,580</u>	<u>14.29</u>
REAL ASSETS (30 November 2021 - 10.27%)		
2,657,093 Civitas Social Housing ^B	1,594,256	0.55
2,972,000 Foresight Sustainable Forestry Company ^B	3,120,600	1.08
6,408,292 FP Foresight Global Real Infrastructure 'A'	8,491,628	2.93
8,624,720 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	8,392,715	2.89
1,283,256 Primary Health Properties ^B	1,444,946	0.50
459,213 SEGRO ^B	3,694,828	1.27
3,454,663 Supermarket Income REIT ^B	3,661,943	1.26
1,276,057 Target Healthcare REIT ^B	1,005,533	0.35
2,596,573 Tritax Big Box REIT ^B	3,770,224	1.30
3,124,974 VT Gravis Clean Energy Income 'C' GBP	5,755,140	1.98
Total Real Assets	<u>40,931,813</u>	<u>14.11</u>
DEFINED RETURNS (30 November 2021 - 12.39%)		
7,625,776 AHFM Defined Returns 'B' GBP	10,942,989	3.77
198,014 Credit Suisse FTSE/S&P Autocall Feb 2024 ^A	343,000	0.12
4,773,318 JPM FTSE Autocall Sep 2024 ^A	6,727,515	2.32
6,010,234 Morgan Stanley FTSE/S&P Autocall Mar 2019 ^A	8,031,656	2.77
2,543,987 Morgan Stanley FTSE/S&P Autocall Oct 2027 ^A	3,648,586	1.26
5,500,000 Societe Generale FTSE Autocall Dec 2023 ^A	5,935,600	2.05
3,700,000 SP Credit Agricole Defined Returns Feb 2028 ^A	3,563,840	1.23
Total Defined Returns	<u>39,193,186</u>	<u>13.52</u>
ALTERNATIVE EQUITY (30 November 2021 - 11.48%)		
22,667 Carmignac Long-Short European Equities 'F' GBP Hedged	3,511,860	1.21
24,350 Lazard Rathmore Alternative 'E' GBP Hedged	2,879,371	0.99
59,205 THEAM Quant Dynamic Volatility Carry 'M' USD	4,453,940	1.54
Total Alternative Equity	<u>10,845,171</u>	<u>3.74</u>
EQUITY (30 November 2021 - 50.48%)		
7,220,266 Allianz China A-Shares Equity 'W' GBP	6,246,974	2.15
2,487 Allianz China A-Shares 'WT' GBP	3,258,319	1.12
879,897 Baillie Gifford American 'B'	8,578,117	2.96
2,237,248 Baillie Gifford Emerging Markets Leading Companies 'B'	11,579,994	3.99
3,296,103 Chrysalis Investments	2,175,428	0.75
9,315,403 Federated Hermes Global Emerging Markets SMID Equity 'X' Stg£	11,568,799	3.99
1,895,545 FP Octopus UK Micro Cap Growth 'P'	5,483,243	1.89
331,012 Goldman Sachs India Equity 'I' GBP	7,639,748	2.63
1,410,910 HgCapital Trust	5,121,603	1.77
12,444 iShares NASDAQ 100 UCITS ETF USD	6,788,767	2.34
1,022,739 L&G US Equity (Responsible Exclusions) UCITS ETF USD	11,249,277	3.88
10,387,465 Liontrust Special Situations 'I'	12,536,631	4.32
112,220 Morgan Stanley Global Brands 'I' GBP	14,845,485	5.12
3,293,006 Premier Miton European Opportunities 'F'	8,686,950	3.00
3,315,678 Premier Miton UK Multi Cap Income 'B Inst'	9,893,983	3.41
12,854,503 Royal London Global Equity Select 'Z'	15,014,060	5.18
12,281,534 Schroder Global Recovery 'L' GBP	11,792,729	4.07
3,877,694 The Schiehallion Fund 'C'	1,614,361	0.56
Total Equity	<u>154,074,468</u>	<u>53.13</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

	Bid value £	Percentage of total net assets %
Portfolio of investments	286,479,218	98.79
Net other assets	3,518,031	1.21
Total net assets	<u>289,997,249</u>	<u>100.00</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 over-the-counter structured products, ^B which are Real Estate Investment Trusts, ^C which are Closed Ended Investment Companies and ^D which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2022

	Notes	30 November 2022		30 November 2021	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(39,531,517)		20,897,656
Revenue	4	4,449,546		2,391,389	
Expenses	5	<u>(1,760,522)</u>		<u>(949,644)</u>	
Net revenue before taxation		2,689,024		1,441,745	
Taxation	6	<u>(117,364)</u>		<u>(78,929)</u>	
Net revenue after taxation			<u>2,571,660</u>		<u>1,362,816</u>
Total return before distributions			(36,959,857)		22,260,472
Distributions	7		(2,621,771)		(1,363,025)
Change in net assets attributable to shareholders from investment activities			<u>(39,581,628)</u>		<u>20,897,447</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2022

	30 November 2022		30 November 2021	
	£	£	£	£
Opening net assets attributable to shareholders		274,645,192		155,599,414
Amounts receivable on issue of shares	72,840,226		116,893,617	
Amounts payable on cancellation of shares	<u>(20,746,106)</u>		<u>(20,383,708)</u>	
		52,094,120		96,509,909
Change in net assets attributable to shareholders from investment activities		(39,581,628)		20,897,447
Retained distributions on accumulation shares		2,839,565		1,638,422
Closing net assets attributable to shareholders		<u>289,997,249</u>		<u>274,645,192</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

BALANCE SHEET
as at 30 November 2022

	Notes	30 November 2022 £	30 November 2021 £
Assets:			
Fixed Assets:			
Investments	14	286,479,218	272,617,956
Current Assets:			
Debtors	8	1,747,854	5,517,098
Cash and cash equivalents		6,156,814	1,628,711
Total assets		<u>294,383,886</u>	<u>279,763,765</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	3,232,240
Other creditors	9	4,386,637	1,886,333
Total liabilities		<u>4,386,637</u>	<u>5,118,573</u>
Net assets attributable to shareholders		<u><u>289,997,249</u></u>	<u><u>274,645,192</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

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

2 NET CAPITAL (LOSSES)/GAINS

30 November 2022 **30 November 2021**
£ **£**

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

Realised (losses)/gains on non-derivative securities	(5,829,739)	13,782,343
Unrealised (losses)/gains on non-derivative securities	(33,624,132)	7,220,437
Other currency losses	(77,253)	(95,191)
Management fee rebates	5,370	1,046
Transaction charges	(5,763)	(10,979)
Net capital (losses)/gains	(39,531,517)	20,897,656

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

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2022 **30 November 2021**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	170,867,647	173,569,165
Equities	17,385,421	16,004,553
Exchange Traded Funds	40,983,770	6,060,659
Structured Products	16,093,836	4,354,430
	<u>245,330,674</u>	<u>199,988,807</u>
Equities: Commissions	11,489	10,043
Taxes and other charges	68,653	43,537
Total purchases transaction costs	<u>80,142</u>	<u>53,580</u>
Total purchases after transaction costs	<u>245,410,816</u>	<u>200,042,387</u>

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

Equities: Commissions	0.07%	0.06%
Taxes and other charges	0.39%	0.27%

Sales excluding transaction costs:

Collective Investment Schemes	166,978,091	91,499,184
Equities	395,401	590,431
Exchange Traded Funds	18,917,121	3,375,809
Structured Products	8,538,662	4,281,600
	<u>194,829,275</u>	<u>99,747,024</u>
Equities: Commissions	(395)	(395)
Taxes and other charges	(2)	(2)
Total sales transaction costs	<u>(397)</u>	<u>(397)</u>
Total sales after transaction costs	<u>194,828,878</u>	<u>99,746,627</u>

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

Equities: Commissions	0.10%	0.07%
Taxes and other charges	0.00%	0.00%

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

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

No significant in-specie transfers were identified in the year (2021: nil).

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

Transaction handling charges

These are charges payable to the depositary in respect of each transaction. £5,763 £10,979

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

PURCHASES, SALES AND TRANSACTION COSTS

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

	0.30%	0.19%
4 REVENUE	30 November 2022	30 November 2021
	£	£
Non-taxable UK dividends	2,147,944	847,309
Taxable UK dividends	56,167	1,402
Overseas dividends	222,300	202,841
Interest distributions	1,508,687	1,157,110
Property income distributions	472,381	163,798
Management fee rebates	34,858	18,929
Bank interest	7,209	-
Total revenue	4,449,546	2,391,389
5 EXPENSES	30 November 2022	30 November 2021
	£	£
Payable to the ACD or associate:		
Annual investment management charge	1,298,057	569,363
ACD charge	333,585	277,495
Registration fees	947	973
KIID production costs	601	599
	1,633,190	848,430
Other expenses:		
Depositary's fees	87,286	76,365
Safe Custody fees	24,837	16,383
Bank interest	5,395	64
Audit fee	7,920	7,360
Sundry expenses	1,894	1,042
	127,332	101,214
Total expenses	1,760,522	949,644
6 TAXATION	30 November 2022	30 November 2021
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	117,364	78,929
Total tax charge (see note 6(b))	117,364	78,929
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	2,689,024	1,441,745
Corporation tax at 20% (2021: 20%)	537,805	288,349
Effects of:		
Revenue not subject to taxation	(474,048)	(210,030)
Tax effect of gains on non-reporting offshore funds	49,037	-
Tax effect of capitalised management fee rebate	1,074	210
Prior year corporation tax adjustment	3,496	400
Total tax charge (see note 6(a))	117,364	78,929

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

7 DISTRIBUTIONS

30 November 2022 **30 November 2021**
£ £

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

Final	2,839,752	1,638,499
Amounts deducted on cancellation of shares	86,503	69,123
Amounts added on issue of shares	(304,297)	(344,520)
Revenue brought forward	(187)	(77)
Distributions	<u>2,621,771</u>	<u>1,363,025</u>
Movement between net revenue and distributions:		
Net revenue after taxation	2,571,660	1,362,816
Tax effect of gains on non-reporting offshore funds	49,037	-
Tax effect of capitalised management fee rebate	1,074	209
	<u>2,621,771</u>	<u>1,363,025</u>

8 DEBTORS

30 November 2022 **30 November 2021**
£ £

Amounts receivable for issue of shares	729,972	1,317,388
Sales awaiting settlement	800,000	4,080,000
Accrued income	206,648	119,430
Taxation recoverable	11,234	280
Total debtors	<u>1,747,854</u>	<u>5,517,098</u>

9 OTHER CREDITORS

30 November 2022 **30 November 2021**
£ £

Amounts payable for cancellation of shares	403,234	-
Purchases awaiting settlement	3,704,850	1,700,000
Accrued expenses	164,686	107,804
Corporation tax payable	113,867	78,529
Total other creditors	<u>4,386,637</u>	<u>1,886,333</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due from the ACD at the year end are £182,092 (2021: £1,234,808).

11 SHARE CLASSES

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

A Accumulation 0.50%

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

12 SHAREHOLDERS' FUNDS RECONCILIATION

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

	<u>A Accumulation</u>
Opening shares in issue at 1 December 2021	215,227,604
Shares issued	61,016,842
Shares cancelled	(17,746,205)
Closing shares in issue at 30 November 2022	<u>258,498,241</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £14,323,961 (2021: £13,630,898). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

Foreign currency exposure at 30 November 2022:	Investments £	Net current assets £	Total £
Euro	-	825	825
US dollar	24,106,345	(507,433)	23,598,912
	<u>24,106,345</u>	<u>(506,608)</u>	<u>23,599,737</u>

Foreign currency exposure at 30 November 2021:	Investments £	Net current assets £	Total £
US dollar	12,828,640	-	12,828,640
	<u>12,828,640</u>	<u>-</u>	<u>12,828,640</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 £1,179,987 (2021: £641,432). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2022
£

30 November 2021
£

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

Financial assets floating rate	6,156,814	1,628,711
Financial assets interest bearing instruments	43,610,009	45,587,444
Financial assets non-interest bearing instruments	244,617,063	232,547,610
Financial liabilities floating rate	-	(3,232,240)
Financial liabilities non-interest bearing instruments	(4,386,637)	(1,886,333)
	<u>289,997,249</u>	<u>274,645,192</u>

Interest rate risk sensitivity

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

Liquidity risk

30 November 2022
£

30 November 2021
£

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

On demand:		
Bank overdrafts	-	3,232,240
Within one year:		
Other creditors	4,386,637	1,882,381
	<u>4,386,637</u>	<u>5,114,621</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM ADVENTUROUS PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2022		30 November 2021	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	51,328,521	-	24,517,339	-
Level 2 - Observable market data	235,150,697	-	248,100,616	-
Level 3 - Unobservable data	-	-	-	-
	<u>286,479,218</u>	<u>-</u>	<u>272,617,956</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2022, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)			Movement (%)
	30 November 2022 ^A	27 February 2023		
A Accumulation	112.30	115.50		2.85%

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

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2021 to 30 November 2022

Group 1: shares purchased prior to 1 December 2021

Group 2: shares purchased on or after 1 December 2021

		Net revenue 30 November 2022	Equalisation 30 November 2022	Distribution paid 31 January 2023	Distribution paid 31 January 2022
		pence per share	pence per share	pence per share	pence per share
A Accumulation	Group 1	1.0985	-	1.0985	0.7612
	Group 2	0.5443	0.5542	1.0985	0.7612

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 30 November 2022

Performance to 30 November 2022

	<u>Six months</u>	<u>1 year</u>	<u>03.07.2020^A</u>
IFSL Equilibrium Global Equity Portfolio	(5.24)%	(15.97)%	8.40%
IA Global sector	1.30%	(7.32)%	21.57%

^A Launch period ended 3 July 2020.

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

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

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

Investment commentary

The past 12 months has been a very difficult period for investors.

Going into 2022 we were seeing signs of rising inflation, as the re-opening from the pandemic led to rising demand for goods and services. Meanwhile, supply chains remained affected by past lockdowns and Covid-related restrictions. This was then compounded by the Russian invasion of Ukraine in early 2022 which helped push the cost of living even higher, through the effect on energy and food prices. Whilst we had expected central banks to put up interest rates this year, they have been forced to move much more quickly and push rates much higher than most people had anticipated.

This environment is extremely challenging for investors, as high inflation and rising rates has hit almost every asset class.

UK assets took a particular hit during the autumn, after the government's "mini budget" was poorly received by investors. This led to sell-offs of UK gilts and sterling in particular, but also in UK equities and infrastructure. The government subsequently u-turned and this led to recoveries in gilts and sterling, however domestic equities in the UK are still lagging behind. Technology and private equity related investments were also hard hit by rising rates.

The sub-fund lagged behind the IA Global sector benchmark during the period. Most of this underperformance is because the sub-fund was less exposed to US equities than most funds in the sector. Whilst US equities in themselves did not fare any better than most markets globally, the dollar did strengthen significantly during the period. This helped cushion the falls in US stocks for many funds in the sector. Despite the falls in markets, we are now more optimistic about future returns, with stock markets looking much cheaper than they did a year ago.

In addition, we added to the defined returns portion of the portfolio of investments during the market lows of September, where we were able to secure some attractive potential future returns. For example, in September we set up a product with Morgan Stanley which will pay 15.2% per year should the FTSE 100 be above 6,868 and the S&P 500 be above 3,641 on one of the first five anniversary dates of it being set up. Given the current market uncertainty, we find products like this very attractive.

Equilibrium Investment Management LLP.
19 December 2022

Distributions

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 30 November 2022

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
Royal London Global Equity Select 'Z'	8,800,000
Baillie Gifford American 'B'	7,020,000
L&G US Equity (Responsible Exclusions) UCITS ETF USD	6,361,519
Morgan Stanley Global Brands 'I' GBP	5,975,000
iShares Core FTSE 100 UCITS ETF GBP	5,631,687
Liontrust Special Situations 'I'	5,300,000
Allianz China A-Shares Equity 'W' GBP	4,900,000
iShares NASDAQ 100 UCITS ETF USD	4,882,406
Baillie Gifford Emerging Markets Leading Companies 'B'	4,600,000
FTF ClearBridge Global Infrastructure Income 'S' GBP H2	4,530,000
Other purchases	53,217,270
Total purchases for the year	111,217,882

<u>Largest sales</u>	<u>Proceeds (£)</u>
Premier Miton UK Value Opportunities 'B Inst'	9,908,410
Sanlam Global Artificial Intelligence 'I' GBP	5,524,906
Baillie Gifford Japanese 'B'	4,772,291
Invesco Hong Kong & China 'Z'	4,313,000
Carmignac Long-Short European Equities 'F' GBP Hedged	3,702,425
iShares Core FTSE 100 UCITS ETF GBP	3,592,656
FP Foresight Global Real Infrastructure 'A'	3,450,000
Schroder Global Recovery 'L' GBP	3,250,000
Lindsell Train Global Equity 'B'	2,995,722
Morgan Stanley Global Brands 'I' GBP	2,850,000
Other sales	26,880,518
Total sales for the year	71,239,928

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

COMPARATIVE TABLE

The launch period of the sub-fund ran from 19 June 2020 to 3 July 2020 where shares were available at 100 pence. The first valuation point was on 6 July 2020.

A Accumulation shares	Year to	Year to	Period to
Change in net assets per share	30.11.2022	30.11.2021	30.11.2020
	pence	pence	pence
Opening net asset value per share	128.96	112.02	100.00 ^A
Return before operating charges*	(19.16)	18.47	12.52
Operating charges	(1.60)	(1.53)	(0.50)
Return after operating charges*	(20.76)	16.94	12.02
Distributions on accumulation shares	(0.57)	(0.27)	-
Retained distributions on accumulation shares	0.57	0.27	-
Closing net asset value per share	108.20	128.96	112.02
* after direct transaction costs of:	0.03	0.02	-
Performance			
Return after charges ^B	(16.10)%	15.12%	12.02%
Other information			
Closing net asset value (£)	118,967,309	97,140,848	30,084,650
Closing number of shares	109,947,752	75,325,763	26,856,724
Operating charges	1.39% ^{C,E}	1.22% ^C	1.19% ^D
Direct transaction costs	0.03%	0.01%	0.00% ^D
Prices (pence per share)			
Highest share price	131.70	133.70	112.10
Lowest share price	103.30	112.00	99.65

^A Period from 3 July 2020 being the end of the launch period.

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

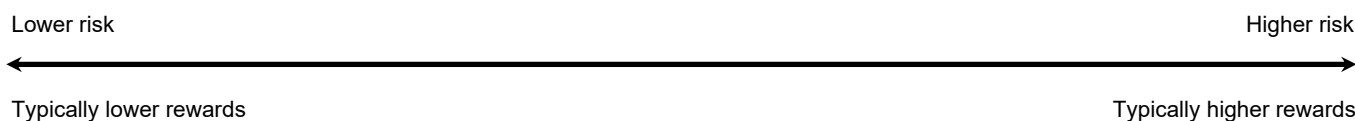
^C From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^D These figures have been annualised.

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

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. 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



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

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

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
DEFINED RETURNS (30 November 2021 - 7.97%)		
1,600,000 Credit Agricole CIB Finance Feb 28 ^A	1,541,120	1.30
341,000 Credit Suisse FTSE/S&P Autocall Feb 2024 ^A	480,605	0.40
795,800 JPM FTSE Autocall Sep 2024 ^A	1,063,451	0.89
1,105,920 Morgan Stanley FTSE/S&P Autocall Mar 2019 ^A	1,586,110	1.33
2,300,000 Morgan Stanley FTSE/S&P Autocall Oct 2027 ^A	2,482,160	2.09
1,988,584 Societe Generale FTSE Autocall Dec 2023 ^A	2,853,618	2.40
Total Defined Returns	<u>10,007,064</u>	<u>8.41</u>
ALTERNATIVE EQUITY (30 November 2021 - 3.61%)		
REAL ASSETS (30 November 2021 - 7.42%)		
2,207,329 FP Foresight Global Real Infrastructure 'A'	2,924,932	2.46
3,741,634 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	3,640,984	3.06
1,300,353 VT Gravis Clean Energy Income 'C' GBP	2,394,807	2.01
Total Real Assets	<u>8,960,723</u>	<u>7.53</u>
EQUITY (30 November 2021 - 80.50%)		
6,259,340 Allianz China A-Shares Equity 'W' GBP	5,415,581	4.55
1,018 Allianz China A-Shares 'WT' GBP	1,333,213	1.12
613,792 Baillie Gifford American 'B'	5,983,858	5.03
1,341,994 Baillie Gifford Emerging Markets Leading Companies 'B'	6,946,163	5.84
2,821,796 Chrysalis Investments ^B	1,862,385	1.57
5,376,938 Federated Hermes Global Emerging Markets SMID Equity 'X' Stg£	6,677,620	5.61
836,681 FP Octopus UK Micro Cap Growth 'P'	2,420,267	2.04
256,873 Goldman Sachs India Equity 'I' GBP	5,928,632	4.98
1,138,207 HgCapital Trust ^B	4,131,691	3.47
332,230 iShares Core FTSE 100 UCITS ETF GBP ^C	2,465,811	2.07
8,705 iShares NASDAQ 100 UCITS ETF USD ^C	4,748,973	3.99
771,317 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^C	8,483,845	7.13
4,443,872 Liontrust Special Situations 'I'	5,363,309	4.51
62,909 Morgan Stanley Global Brands 'I' GBP	8,322,181	7.00
2,397,615 Premier Miton European Opportunities 'F'	6,324,908	5.32
2,128,598 Premier Miton UK Multi Cap Income 'B Inst'	6,351,736	5.34
7,127,673 Royal London Global Equity Select 'Z'	8,325,122	7.00
7,759,136 Schroder Global Recovery 'L' GBP	7,450,322	6.26
2,488,078 The Schiehallion Fund 'C' ^B	1,035,836	0.87
Total Equity	<u>99,571,453</u>	<u>83.70</u>
Portfolio of investments	118,539,240	99.64
Net other assets	428,069	0.36
Total net assets	<u><u>118,967,309</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 over-the-counter structured products, ^B which are Closed Ended Investment Companies and ^C which are Exchange Traded Funds.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2022

	Notes	30 November 2022	30 November 2021
Income:			
Net capital (losses)/gains	2	(19,049,160)	6,338,337
Revenue	4	1,220,115	415,648
Expenses	5	<u>(724,751)</u>	<u>(293,307)</u>
Net revenue before taxation		495,364	122,341
Taxation	6	<u>-</u>	<u>-</u>
Net revenue after taxation		<u>495,364</u>	<u>122,341</u>
Total return before distributions		(18,553,796)	6,460,678
Distributions	7	(495,364)	(122,341)
Change in net assets attributable to shareholders from investment activities		<u><u>(19,049,160)</u></u>	<u><u>6,338,337</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2022

	30 November 2022	30 November 2021
	£	£
Opening net assets attributable to shareholders	97,140,848	30,084,650
Amounts receivable on issue of shares	46,971,725	66,169,069
Amounts payable on cancellation of shares	(6,725,895)	(5,653,465)
Compensation to sub-fund	<u>2,978</u>	<u>-</u>
	40,248,808	60,515,604
Change in net assets attributable to shareholders from investment activities	(19,049,160)	6,338,337
Retained distributions on accumulation shares	626,813	202,257
Closing net assets attributable to shareholders	<u><u>118,967,309</u></u>	<u><u>97,140,848</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

BALANCE SHEET
as at 30 November 2022

	Notes	30 November 2022 £	30 November 2021 £
Assets:			
Fixed Assets:			
Investments	14	118,539,240	96,659,564
Current Assets:			
Debtors	8	242,174	846,329
Cash and cash equivalents		813,907	282,097
Total assets		<u>119,595,321</u>	<u>97,787,990</u>
Liabilities:			
Creditors:			
Other creditors	9	628,012	647,142
Total liabilities		<u>628,012</u>	<u>647,142</u>
Net assets attributable to shareholders		<u><u>118,967,309</u></u>	<u><u>97,140,848</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

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

2 NET CAPITAL (LOSSES)/GAINS

30 November 2022 **30 November 2021**
£ **£**

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

Realised (losses)/gains on non-derivative securities	(4,586,964)	3,052,204
Unrealised (losses)/gains on non-derivative securities	(14,601,100)	3,298,395
Other currency gains/(losses)	144,583	(3,708)
Transaction charges	(5,679)	(8,554)
Net capital (losses)/gains	(19,049,160)	6,338,337

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

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2022 **30 November 2021**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	85,572,461	76,965,472
Equities	4,955,012	4,597,393
Exchange Traded Funds	19,457,743	3,245,456
Structured Products	5,674,685	2,584,579
	<u>115,659,901</u>	<u>87,392,900</u>

Equities:	Commissions	3,730	3,420
	Taxes and other charges	7,668	4,871

Exchange Traded Funds:	Commissions	16,905	-
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Total purchases transaction costs	<u>28,303</u>	<u>8,291</u>
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Total purchases after transaction costs	<u>115,688,204</u>	<u>87,401,191</u>
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Purchases transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.08%	0.07%
	Taxes and other charges	0.14%	0.11%
Exchange Traded Funds:	Commissions	0.09%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	67,468,823	25,625,832
Equities	397,081	198,920
Exchange Traded Funds	5,660,075	926,517
Structured Products	2,184,671	554,400
	<u>75,710,650</u>	<u>27,305,669</u>

Equities:	Commissions	(397)	(199)
	Taxes and other charges	(3)	(1)

Total sales transaction costs	<u>(400)</u>	<u>(200)</u>
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Total sales after transaction costs	<u>75,710,250</u>	<u>27,305,469</u>
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Sales transaction costs expressed as a percentage of the principal amount:

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

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

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

No significant in-specie transfers were identified in the year (2021: nil).

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

Transaction handling charges

These are charges payable to the depositary in respect of each transaction.	<u>£5,679</u>	<u>£8,554</u>
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IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

PURCHASES, SALES AND TRANSACTION COSTS

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

	0.34%	0.12%
4 REVENUE	30 November 2022	30 November 2021
	£	£
Non-taxable UK dividends	1,030,051	313,251
Taxable UK dividends	-	21,975
Overseas dividends	119,953	71,069
Interest distributions	24,815	397
Property income distributions	26,965	-
Bank interest	2,152	-
Management fee rebates	16,179	8,956
Total revenue	1,220,115	415,648
5 EXPENSES	30 November 2022	30 November 2021
	£	£
Payable to the ACD or associate:		
Annual investment management charge	503,188	160,216
ACD charge	160,496	96,129
Registration fees	434	343
KIID production costs	601	599
	664,719	257,287
Other expenses:		
Depositary's fees	39,388	23,068
Safe Custody fees	9,774	4,453
Bank interest	2,081	270
Audit fee	7,920	7,360
Sundry expenses	869	869
	60,032	36,020
Total expenses	724,751	293,307
6 TAXATION	30 November 2022	30 November 2021
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	-	-
Total tax charge (see note 6(b))	-	-
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.		
Net revenue before taxation	495,364	122,341
Corporation tax at 20%	99,073	24,468
Effects of:		
Revenue not subject to taxation	(230,001)	(76,864)
Unrelieved excess management expenses	130,928	52,396
Total tax charge (see note 6(a))	-	-

At 30 November 2022 the sub-fund has deferred tax assets of £192,970 (2021: £62,042) arising from surplus management expenses, which have not been recognised due to uncertainty over the availability of future taxable profits.

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

7 DISTRIBUTIONS

	30 November 2022	30 November 2021
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	626,820	202,256
Amounts deducted on cancellation of shares	24,738	3,837
Amounts added on issue of shares	(156,187)	(83,752)
Revenue brought forward	(7)	-
Distributions	<u>495,364</u>	<u>122,341</u>
Movement between net revenue and distributions:		
Net revenue after taxation	<u>495,364</u>	<u>122,341</u>
	<u>495,364</u>	<u>122,341</u>

8 DEBTORS

	30 November 2022	30 November 2021
	£	£
Amounts receivable for issue of shares	37,022	544,909
Sales awaiting settlement	200,000	300,000
Accrued income	189	1,341
Taxation recoverable	4,963	79
Total debtors	<u>242,174</u>	<u>846,329</u>

9 OTHER CREDITORS

	30 November 2022	30 November 2021
	£	£
Purchases awaiting settlement	549,961	600,000
Accrued expenses	78,051	47,142
Total other creditors	<u>628,012</u>	<u>647,142</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to/(from) the ACD at the year end are £24,764 (2021: £(512,629)).

11 SHARE CLASSES

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

A Accumulation 0.50%

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

12 SHAREHOLDERS' FUNDS RECONCILIATION

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

	<u>A Accumulation</u>
Opening shares in issue at 1 December 2021	75,325,763
Shares issued	40,572,485
Shares cancelled	(5,950,496)
Closing shares in issue at 30 November 2022	<u>109,947,752</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £5,926,962 (2021: £4,832,978). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

Foreign currency exposure at 30 November 2022:	Investments £	Net current assets £	Total £
Euro	-	601	601
US dollar	14,268,653	(399,961)	13,868,692
	<u>14,268,653</u>	<u>(399,361)</u>	<u>13,869,293</u>

Foreign currency exposure at 30 November 2021:	Investments £	Net current assets £	Total £
US dollar	3,577,469	-	3,577,469
	<u>3,577,469</u>	<u>-</u>	<u>3,577,469</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 £693,465 (2021: £178,873). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2022
£

30 November 2021
£

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

Financial assets floating rate	813,907	282,097
Financial assets non-interest bearing instruments	118,781,414	97,505,893
Financial liabilities non-interest bearing instruments	(628,012)	(647,142)
	<u>118,967,309</u>	<u>97,140,848</u>

Interest rate risk sensitivity

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

Liquidity risk

30 November 2022
£

30 November 2021
£

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

Within one year:		
Other creditors	628,012	647,142
	<u>628,012</u>	<u>647,142</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM GLOBAL EQUITY PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2022		30 November 2021	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	22,728,541	-	9,549,824	-
Level 2 - Observable market data	95,810,699	-	87,109,740	-
Level 3 - Unobservable data	-	-	-	-
	<u>118,539,240</u>	<u>-</u>	<u>96,659,564</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2022, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)			Movement (%)
	30 November 2022 ^A	27 February 2023		
A Accumulation	108.40	112.30		3.60%

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

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2021 to 30 November 2022

Group 1: shares purchased prior to 1 December 2021

Group 2: shares purchased on or after 1 December 2021

		Net revenue 30 November 2022	Equalisation 30 November 2022	Distribution paid 31 January 2023	Distribution paid 31 January 2022
		pence per share	pence per share	pence per share	pence per share
A Accumulation	Group 1	0.5701	-	0.5701	0.2685
	Group 2	0.1846	0.3855	0.5701	0.2685

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 November 2022

Performance to 30 November 2022

	<u>Six months</u>	<u>1 year</u>	<u>02.03.2021^A</u>
IFSL Equilibrium Defensive Portfolio	(4.59)%	(7.79)%	(6.50)%
Bank of England Base Rate plus 3% per annum	2.42%	4.18%	6.52%

^A Launch period ended 2 March 2021.

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

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

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

Investment commentary

The past 12 months has been a very difficult period for investors.

Going into 2022 we were seeing signs of rising inflation, as the re-opening from the pandemic led to rising demand for goods and services. Meanwhile, supply chains remained affected by past lockdowns and Covid-related restrictions. This was then compounded by the Russian invasion of Ukraine in early 2022 which helped push the cost of living even higher, through the effect on energy and food prices. Whilst we had expected central banks to put up interest rates this year, they have been forced to move much more quickly and push rates much higher than most people had anticipated.

This environment is extremely challenging for multi-asset investors, as high inflation and rising rates has hit almost every asset class. Normally, diversification is a very effective way to reduce risk. For example, often when equity markets fall, fixed interest (bonds) investments hold up well or even rise. The past year has seen both bonds and equities fall at the same time. In fact, in many cases the so-called "safe" assets such as government bonds have lost even more money than "risky" assets like equities. Given the objective of the sub-fund, it tends to hold a large proportion in bonds and so this has hurt returns. Other traditional diversifiers such as property have also not helped this year, with rising rates hitting property prices, even whilst rental incomes have increased with inflation. On the positive side, our allocation to alternatives (such as absolute return strategies) held up well, as did infrastructure investments.

UK assets took a particular hit during the autumn, after the government's "mini budget" was poorly received by investors. This led to sell-offs of UK gilts and sterling in particular, but also in UK equities and infrastructure. The government subsequently u-turned and this led to recoveries in gilts and sterling, however domestic equities in the UK are still lagging behind.

Despite the falls this year, we are now much more optimistic about future returns. In particular, after falls in bond prices their yields (the return from a bond) we feel are starting to look much more attractive, and so we have been topping up fixed interest in the portfolio.

We also added defined returns investments to the portfolio during October. This was in the form of a "step down" product from Goldmans Sachs International, which will pay out 10.42% per year even if the FTSE and S&P indices dropped 20% over the six year term.

We normally only hold a small amount of equity or related assets in the Defensive portfolio, but we feel products like this display very attractive returns with less market risk than direct equity investments.

Equilibrium Investment Management LLP.
 19 December 2022

Distributions

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 30 November 2022

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS US Treasury 'Premier' USD	2,742,092
iShares Core UK Gilts UCITS ETF GBP	2,409,785
iShares \$ Treasury Bond 7-10yr UCITS ETF USD	1,491,740
Aegon High Yield Bond 'B' Sterling	1,300,000
BlackRock ICS Sterling Government Liquidity 'Premier' GBP	1,300,000
Royal London Sterling Extra Yield Bond 'Z'	1,168,380
iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	1,149,280
MI TwentyFour Dynamic Bond 'I' Gross	1,075,000
Vanguard UK Investment Grade Bond Index GBP	985,000
LF Ruffer Diversified Return 'I' GBP	970,000
Other purchases	9,852,900
Total purchases for the year	24,444,177

<u>Largest sales</u>	<u>Proceeds (£)</u>
Aegon High Yield Bond 'B' Sterling	2,159,991
BlackRock ICS US Treasury 'Premier' USD	1,597,873
iShares Core UK Gilts UCITS ETF GBP	1,473,418
BlackRock ICS Sterling Government Liquidity 'Premier' GBP	1,300,490
Nomura Global Dynamic Bond 'I' GBP Hedged	1,020,969
Legal & General Short Dated Sterling Corporate Bond Index 'I'	978,022
Man GLG Absolute Value 'CX'	975,131
MI TwentyFour Dynamic Bond 'I' Gross	925,000
MontLake Crabel Gemini UCITS 'A Inst' Pooled GBP	922,289
Royal London Sterling Extra Yield Bond 'Z'	860,000
Other sales	8,626,081
Total sales for the year	20,839,264

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

COMPARATIVE TABLE

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

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

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

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

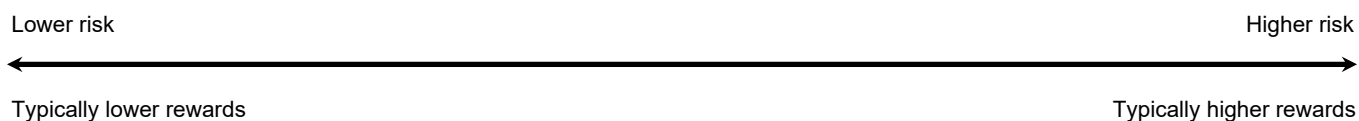
^C From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^D These figures have been annualised.

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

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. 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



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

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

PORTFOLIO STATEMENT

as at 30 November 2022

Holding or nominal value	Bid value £	Percentage of total net assets %
FIXED INTEREST (30 November 2021 - 58.44%)		
597,002 Allianz Strategic Bond 'I' GBP	650,136	2.97
213,934 iShares \$ TIPS 0-5 UCITS ETF GBP Hedged ^A	1,047,528	4.79
171,538 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged ^A	768,919	3.52
6,602 iShares \$ Treasury Bond 7-10yr UCITS ETF USD ^A	766,514	3.51
71,937 iShares Core UK Gilts UCITS ETF GBP ^A	787,710	3.60
5,748 MI TwentyFour Dynamic Bond 'I' Gross	1,010,068	4.62
941,238 MI TwentyFour Monument Bond 'L'	1,066,799	4.88
912,406 Premier Miton Strategic Monthly Income Bond 'C'	912,406	4.17
1,059,002 Royal London Short Duration Global High Yield Bond 'Z'	1,135,462	5.19
1,043,656 Royal London Short Duration Global Index Linked 'Z'	1,092,708	5.00
1,067,349 Royal London Sterling Extra Yield Bond 'Z'	987,725	4.52
7,569 Vanguard UK Investment Grade Bond Index GBP	682,092	3.12
149,221 Waverton Sterling Bond 'P' Stg£	1,317,176	6.03
Total Fixed Interest	<u>12,225,243</u>	<u>55.92</u>
REAL ASSETS (30 November 2021 - 11.11%)		
150,314 Civitas Social Housing ^B	90,188	0.41
220,000 Foresight Sustainable Forestry Company ^C	231,000	1.06
408,804 FP Foresight UK Infrastructure Income 'A'	546,080	2.50
502,990 FTF ClearBridge Global Infrastructure Income 'S' GBP H2	489,459	2.24
99,042 Primary Health Properties ^B	111,521	0.51
20,000 SEGRO ^B	160,920	0.74
206,736 Supermarket Income REIT ^B	219,140	1.00
95,467 Target Healthcare REIT ^B	75,228	0.34
146,987 Tritax Big Box REIT ^B	213,425	0.98
230,852 VT Gravis Clean Energy Income 'C' GBP	425,151	1.94
Total Real Assets	<u>2,562,112</u>	<u>11.72</u>
ALTERNATIVE EQUITY (30 November 2021 - 20.43%)		
4,411 Carmignac Long-Short European Equities 'F' GBP Hedged	683,339	3.13
3,540 Lazard Rathmore Alternative 'E' GBP Hedged	418,622	1.92
808,929 LF Ruffer Diversified Return 'I' GBP	860,458	3.94
6,838 THEAM Quant Dynamic Volatility Carry 'M' USD	514,446	2.35
Total Alternative Equity	<u>2,476,865</u>	<u>11.34</u>
EQUITY (30 November 2021 - 8.09%)		
49,258 L&G US Equity (Responsible Exclusions) UCITS ETF USD ^A	541,797	2.48
3,492 Morgan Stanley Global Brands 'I' GBP	461,895	2.11
186,738 Premier Miton UK Multi Cap Income 'B Inst'	557,226	2.55
185,780 Royal London Global Equity Select 'Z'	216,992	0.99
Total Equity	<u>1,777,910</u>	<u>8.13</u>
MONEY MARKETS (30 November 2021 - Nil)		
5,943 BlackRock ICS Sterling Government Liquidity 'Premier' GBP	600,000	2.74
1,403,220 BlackRock ICS US Treasury 'Premier' USD	1,168,376	5.35
Total Money Markets	<u>1,768,376</u>	<u>8.09</u>
DEFINED RETURNS (30 November 2021 - Nil)		
500,000 Goldman Sachs FTSE/S&P Autocall Stepdown Oct 2022	510,600	2.34
Total Defined Returns	<u>510,600</u>	<u>2.34</u>
Portfolio of investments	21,321,106	97.54
Net other assets	537,523	2.46
Total net assets	<u><u>21,858,629</u></u>	<u>100.00</u>

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

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

STATEMENT OF TOTAL RETURN
for the year ended 30 November 2022

	Notes	30 November 2022		30 November 2021	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(2,103,092)		109,334
Revenue	4	461,351		143,416	
Expenses	5	<u>(153,934)</u>		<u>(64,325)</u>	
Net revenue before taxation		307,417		79,091	
Taxation	6	<u>(48,923)</u>		<u>(10,473)</u>	
Net revenue after taxation			<u>258,494</u>		<u>68,618</u>
Total return before distributions			(1,844,598)		177,952
Distributions	7		(264,116)		(68,650)
Change in net assets attributable to shareholders from investment activities			<u>(2,108,714)</u>		<u>109,302</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 November 2022

	30 November 2022		30 November 2021	
	£	£	£	£
Opening net assets attributable to shareholders		19,342,742		-
Amounts receivable on issue of shares	9,872,919		22,098,392	
Amounts payable on cancellation of shares	<u>(5,521,191)</u>		<u>(2,962,503)</u>	
		4,351,728		19,135,889
Change in net assets attributable to shareholders from investment activities		(2,108,714)		109,302
Retained distribution on accumulation shares		272,873		97,551
Closing net assets attributable to shareholders		<u>21,858,629</u>		<u>19,342,742</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

BALANCE SHEET
as at 30 November 2022

	Notes	30 November 2022 £	30 November 2021 £
Assets:			
Fixed Assets:			
Investments	14	21,321,106	18,970,089
Current Assets:			
Debtors	8	174,856	206,524
Cash and cash equivalents		430,791	489,688
Total assets		<u>21,926,753</u>	<u>19,666,301</u>
Liabilities:			
Creditors:			
Other creditors	9	68,124	323,559
Total liabilities		<u>68,124</u>	<u>323,559</u>
Net assets attributable to shareholders		<u><u>21,858,629</u></u>	<u><u>19,342,742</u></u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

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

2 NET CAPITAL (LOSSES)/GAINS

30 November 2022 **30 November 2021**
£ **£**

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

Realised (losses)/gains on non-derivative securities	(634,603)	13,042
Unrealised (losses)/gains on non-derivative securities	(1,465,607)	112,847
Other currency gains/(losses)	93	(10,986)
Management fee rebates	794	157
Transaction charges	(3,769)	(5,726)
Net capital (losses)/gains	(2,103,092)	109,334

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

3 PURCHASES, SALES AND TRANSACTION COSTS

30 November 2022 **30 November 2021**
£ **£**

Purchases excluding transaction costs:

Collective Investment Schemes	18,022,769	22,042,061
Equities	655,758	853,167
Exchange Traded Funds	5,808,925	1,630,124
Structured Products	500,000	-
	<u>24,987,452</u>	<u>24,525,352</u>

Equities:	Commissions	631	717
	Taxes and other charges	3,292	2,484
Exchange Traded Funds:	Commissions	2,014	-
	Taxes and other charges	3	-
		<u>5,940</u>	<u>3,201</u>

Total purchases transaction costs

Total purchases after transaction costs	24,993,392	24,528,553
--	-------------------	-------------------

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

Equities:	Commissions	0.10%	0.08%
	Taxes and other charges	0.50%	0.29%
Exchange Traded Funds:	Commissions	0.03%	0.00%
	Taxes and other charges	0.00%	0.00%

Sales excluding transaction costs:

Collective Investment Schemes	18,663,467	5,193,259
Equities	75,108	-
Exchange Traded Funds	2,650,228	589,353
	<u>21,388,803</u>	<u>5,782,612</u>

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

Total sales after transaction costs

21,388,479	5,782,612
-------------------	------------------

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

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

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

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

No significant in-specie transfers were identified in the year (2021: nil).

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

PURCHASES, SALES AND TRANSACTION COSTS

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

Transaction handling charges

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

£3,769

£5,726

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

0.09%

0.05%

4 REVENUE	30 November 2022	30 November 2021
	£	£
Non-taxable UK dividends	91,328	26,883
Taxable UK dividends	9,055	-
Overseas dividends	320	-
Interest distributions	325,391	110,514
Property income distributions	32,819	5,862
Bank interest	1,644	-
Management fee rebates	794	157
Total revenue	<u>461,351</u>	<u>143,416</u>
5 EXPENSES	30 November 2022	30 November 2021
	£	£
Payable to the ACD or associate:		
Annual investment management charge	102,194	26,010
ACD charge	33,216	15,606
Registration fees	119	79
KIID production costs	547	602
	<u>136,076</u>	<u>42,297</u>
Other expenses:		
Depositary's fees	7,995	3,745
Safe Custody fees	1,529	697
Financial Conduct Authority fee	117	78
Bank interest	231	65
Audit fee	7,893	7,407
Sundry expenses	93	10,036
	<u>17,858</u>	<u>22,028</u>
Total expenses	<u>153,934</u>	<u>64,325</u>
6 TAXATION	30 November 2022	30 November 2021
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	48,923	10,473
Total tax charge (see note 6(b))	<u>48,923</u>	<u>10,473</u>
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	307,417	79,091
Corporation tax at 20%	61,483	15,818
Effects of:		
Revenue not subject to taxation	(18,330)	(5,377)
Prior year tax adjustment	147	-
Tax effect of gains on non-reporting offshore funds	5,463	-
Tax effect of capitalised management fee rebate	159	31
Total tax charge (see note 6(a))	<u>48,923</u>	<u>10,473</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

7 DISTRIBUTIONS

	30 November 2022	30 November 2021
	£	£
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final	272,875	97,550
Amounts deducted on cancellation of shares	30,699	7,891
Amounts added on issue of shares	(39,456)	(36,791)
Revenue brought forward	(2)	-
Distributions	<u>264,116</u>	<u>68,650</u>
Movement between net revenue and distributions:		
Net revenue after taxation	258,494	68,618
Tax effect of gains on non-reporting offshore funds	5,463	-
Tax effect of capitalised management fee rebate	159	32
	<u>264,116</u>	<u>68,650</u>

8 DEBTORS

	30 November 2022	30 November 2021
	£	£
Amounts receivable for issue of shares	109,323	187,714
Accrued income	62,841	18,810
Taxation recoverable	2,692	-
Total debtors	<u>174,856</u>	<u>206,524</u>

9 OTHER CREDITORS

	30 November 2022	30 November 2021
	£	£
Amounts payable for cancellation of shares	-	149,800
Purchases awaiting settlement	-	150,000
Accrued expenses	19,348	13,286
Corporation tax payable	48,776	10,473
Total other creditors	<u>68,124</u>	<u>323,559</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the period end are disclosed in notes 8 and 9. Amounts paid to the ACD or associates in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due from the ACD at the year end are £97,837 (2021: £31,661).

11 SHARE CLASSES

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

A Accumulation 0.50%

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

12 SHAREHOLDERS' FUNDS RECONCILIATION

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

	A Accumulation
Opening shares in issue at 1 December 2021	<u>19,082,186</u>
Share issues	10,079,311
Share cancellations	(5,775,259)
Closing shares in issue at 30 November 2022	<u>23,386,238</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £1,066,055 (2021: £948,504). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

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

Foreign currency exposure at 30 November 2022:	Investments £	Net current assets £	Total £
Euro	-	40	40
US dollar	2,991,132	-	2,991,132
	<u>2,991,132</u>	<u>40</u>	<u>2,991,173</u>

Foreign currency exposure at 30 November 2021:	Investments £	Net current assets £	Total £
US dollar	1,348,425	-	1,348,425
	<u>1,348,425</u>	<u>-</u>	<u>1,348,425</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 £149,559 (2021: £67,421). A five per cent increase would have an equal and opposite effect.

Interest rate risk

30 November 2022
£

30 November 2021
£

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

Financial assets floating rate	430,791	489,688
Financial assets interest bearing instruments	12,225,244	11,304,309
Financial assets non-interest bearing instruments	9,270,718	7,872,304
Financial liabilities non-interest bearing instruments	(68,124)	(323,559)
	<u>21,858,629</u>	<u>19,342,742</u>

Interest rate risk sensitivity

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

Liquidity risk

30 November 2022
£

30 November 2021
£

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

Within one year:		
Other creditors	68,124	323,559
	<u>68,124</u>	<u>323,559</u>

IFSL EQUILIBRIUM OEIC
IFSL EQUILIBRIUM DEFENSIVE PORTFOLIO

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 November 2022

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	30 November 2022		30 November 2021	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	5,013,891	-	1,906,104	-
Level 2 - Observable market data	16,307,215	-	17,063,985	-
Level 3 - Unobservable data	-	-	-	-
	<u>21,321,106</u>	<u>-</u>	<u>18,970,089</u>	<u>-</u>

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

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

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

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 30 November 2022, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)			Movement (%)
	30 November 2022 ^A	27 February 2023		
A Accumulation	93.50	93.72		0.24%

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

DISTRIBUTION TABLE

Final distribution for the period from 1 December 2021 to 30 November 2022

Group 1: shares purchased prior to 1 December 2021

Group 2: shares purchased on or after 1 December 2021

		Net revenue 30 November 2022	Equalisation 30 November 2022	Distribution paid 31 January 2023	Distribution paid 31 January 2022
		pence per share	pence per share	pence per share	pence per share
A Accumulation	Group 1	1.1668	-	1.1668	0.5112
	Group 2	0.7631	0.4037	1.1668	0.5112

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