

IFSL Marlborough UK Micro-Cap Growth Fund

Interim Report and Unaudited Financial Statements
for the six month period ended 31 January 2023

IFSL

— Fund Services —

Marlborough

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

CONTACT INFORMATION

Authorised Fund Manager (AFM) and Registrar

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Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke - appointed 30 January 2023
Helen Derbyshire
Helen Redmond
Sally Helston - appointed 12 August 2022
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Sarah Peaston (Independent Non-Executive)

Investment Manager

Marlborough Investment Management Limited
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Authorised and regulated by the Financial Conduct Authority.

Sub-Investment Manager

Canaccord Genuity Asset Management Limited (previously Hargreave Hale Limited to 2 November 2022)
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London
EC2V 7QR

Authorised and regulated by the Financial Conduct Authority.

Depository (in its capacity as Trustee)

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8 Canada Square
London
E14 5HQ

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

Auditor

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

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

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IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 January 2023

Performance to 31 January 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough UK Micro-Cap Growth Fund	(3.59)%	(24.55)%	(1.25)%	11.99%
FTSE SmallCap Index (ex. Investment Companies)	0.54%	(10.00)%	15.91%	18.72%
IA UK Smaller Companies	(3.04)%	(16.67)%	(1.42)%	9.16%

External Source of Economic Data: Morningstar (P 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 unit class is calculated in sterling.

Investment commentary

During the six month period from 1 August 2022 to 31 January 2023, the price of the Fund's P Accumulation units fell 3.59%. This is compared to a fall of 3.04% in the IA UK Smaller Companies sector.

The previous six months represented one of the most turbulent periods in recent times. Russia's invasion of Ukraine had a profound geopolitical and economic impact and contributed to elevated commodity prices that persisted throughout the period. This, in turn, led to a significant rise in inflation globally and depleted consumers' spending power. In response to multi-decade high inflation, central banks raised interest rates to curtail further increases in headline, and more importantly, core inflation. Whilst many commentators argued central bankers were not aggressive enough in their monetary policy tightening initiatives, their actions contributed to an aggressive sell-off, with growth-orientated and long duration assets particularly affected by rapid and substantial de-ratings. Although interest rates are likely to continue rising, they may be approaching their peak in this cycle.

We believe global investors' perception of the UK as a bastion of monetary, political, and fiscal stability was significantly undermined in the period. The period saw no fewer than three Prime Ministers and three Chancellors, marking it out as one of the most politically unstable periods in British history. In addition, the UK government's cost of borrowing rose sharply throughout the period as UK inflation reached a 41-year high and continued to diverge materially from the Bank of England base rate. UK government cost of borrowing as reflected by gilt yields posted record daily movements in the second half of 2022, peaking in September; and the pound hit a record low against the US dollar. It took the belated intervention by the Bank of England and a budget that promised a £55bn fiscal contraction from Jeremy Hunt as Chancellor to restore some semblance of calm in the financial markets.

Rising inflation and household expenditures, rising interest rates and rising taxes amounted to what has been labelled the 'cost-of-living crisis'. This, coupled with a confluence of strike action across multiple sectors throughout the period, contributed to UK consumer confidence hitting record lows. Moreover, Purchasing Managers Index (PMI) readings, a broad measure of economic vitality, deteriorated worldwide, indicating the UK was not the only region under pressure. Sources of encouragement thus far have been the unemployment rate remaining low with job vacancies appearing to be high, and solid corporate balance sheets, somewhat mitigating the negative impacts of an inflationary environment.

Despite the negative headlines, many of our companies issued positive results and demonstrated their ability to adapt during the period.

The biggest winners during the period included Avation, IG Design, IQGeo, Ten Lifestyle, UP Global Sourcing, Artisanal Spirits, Boku, AB Dynamics, K3 Capital and Franchise Brands. The largest losers during the period included Trackwise Designs, TPXImpact, Creo Medical, Saietta, Dianomi, Eenergy, Inspects, Verici DX, Healthbeacon and Cap-XX.

Winners

Avation, the commercial passenger aircraft leasing company, rose 87% in the period. The company confirmed a return to net profit following firm specific improvements and a broader recovery within the commercial airline sector. Avation was particularly impacted by the COVID-19 pandemic as air travel all but ceased and sentiment towards the stock was particularly poor. Despite these challenges, the management team navigated the turbulence, and we believe the company has a promising outlook moving forward, especially given its focus on leasing modern, low CO2 emission, fuel efficient aircraft.

Losers

Trackwise Designs, the manufacturer and distributor of electronic components using printed circuit technology with exposure to aerospace, automotive, medical and scientific, and industrial markets, fell 88% in the period. Despite the company having a record orderbook, delays at one of their electric vehicle manufacturing customers led to forecasted revenues not materialising. Trackwise, like many manufacturing companies, was not immune to broader economic challenges during the period including reduced labour supply, inflation, and supply chain issues; these issues further weighed on the shares. The company also had a weak balance sheet, with increasing levels of net debt, leading to the company raising capital in December 2022 at a depressed level. Despite the aforementioned challenges, we believe the company is a leader in its niche and that additional contract wins could underpin a recovery.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 January 2023

Moving forward into 2023, the economic and geopolitical environment remains volatile. While valuation multiples have contracted in 2022, it remains to be seen the extent to which earnings may contract in 2023. The duration and amplitude of a UK economic contraction should determine this and some companies could prove either more resilient to this environment or may already be valued in anticipation of part of this. We continue to believe UK assets are attractively valued relative to other markets and we will seek to invest in companies with attractive risk/reward profiles that we believe can perform over the medium-term, irrespective of the macroeconomic environment.

To conclude, we believe the UK equity market remains at a material discount relative to other developed market equity indices. This is particularly so for the small and mid-cap names that populate our portfolio. Asset allocators have moved to allocate a lower relative exposure to UK assets, though there is scope for this to shift. Inflation may moderate in the coming quarters, although it is uncertain where it ends up relative to pre-pandemic levels. Lower volatility and lower bond yields may translate to increased confidence, feeding a more positive equity backdrop. Stabilisation of the bond market may support the pound versus the US dollar. We also believe we will continue to see increased mergers and acquisitions (M&A) activity in the short- to medium-term.

Canaccord Genuity Asset Management Limited
13 February 2023

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Distributions

	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>A Accumulation (pence per unit)</u>			
Net accumulation paid 30 September	-	-	-
<u>P Accumulation (pence per unit)</u>			
Net accumulation paid 30 September	0.9917	0.6963	2.2652

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
FD Technologies	6,582,797
IQGeo Group	6,281,908
Ashtead Technology Holdings	4,101,918
Saietta Group	3,813,957
ZOO Digital Group	3,323,929
H&T Group	3,184,790
Wilmington	2,753,016
Andrada Mining	2,062,600
Porvair	2,009,847
Horizonte Minerals	1,982,553
Other purchases	21,810,620
Total purchases for the period	57,907,935
<u>Largest sales</u>	<u>Proceeds (£)</u>
CareTech Holdings	17,625,000
Cerillion	9,219,906
Smart Metering Systems	8,880,405
Marlowe	6,983,633
Games Workshop Group	6,163,573
CentralNic Group	5,546,018
Alpha Group International	4,461,592
discoverIE Group	4,052,727
Duke Royalty	3,938,146
ATTRAQT Group	3,916,800
Other sales	69,630,094
Total sales for the period	140,417,894

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

AUTHORISED STATUS

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

GENERAL INFORMATION

Investment objective

The investment objective of the Fund is to increase the value of your investment by more than any increase in the FTSE SmallCap Index (ex-Investment Companies), after any charges have been taken out of the Fund, over any 5 year period. However, there is no certainty this will be achieved.

Investment policy

At least 80% of the Fund will be invested in the shares of smaller companies and investment trusts listed on UK stock exchanges. These will be incorporated/domiciled in the UK or will have significant business operations in the UK. These are companies whose market capitalisation (the market value of a company's shares) is £500m or less at the time the initial purchase is made.

The aim of the investment team is to identify companies which they believe show good long-term growth potential, or which appear to be under-valued given their future prospects.

The team consider economic and market conditions, but the main focus is on individual company analysis and selection.

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

The Fund is actively managed, which means the investment manager decides which investments to buy or sell and when. The Fund invests in a diverse portfolio of investments and is not constrained by any industry or sector.

The Fund may hold cash, government bonds and money market instruments (short terms loans typically issued by governments and banks) to enable ready settlement of liabilities (including the redemption of units), for the efficient management of the Fund and in order to meet its objective.

Performance target

The performance target is the level of performance the Fund aims to deliver however there is no certainty this will be achieved. The FTSE SmallCap Index (ex-Investment Companies) has been chosen as the performance target as it has similar aims and objectives to the Fund.

Assessing performance

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

The Fund's investment policy puts it in the IA UK Smaller Companies sector. You may want to assess the Fund's performance compared to the performance of this sector.

Rights and terms attaching to each unit class

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

Changes in prospectus

On 11 August 2022, the Fund's investment policy changed to define 'smaller companies' as companies with a maximum initial market capitalisation limit of £250m, at the time of initial purchase, to a new maximum initial market capitalisation limit of £500m.

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

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

DIRECTORS' STATEMENT

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



Allan Hamer
Director



Helen Redmond
Director

Investment Fund Services Limited
24 March 2023

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND
COMPARATIVE TABLE

<u>A Accumulation units</u>	Period to 31.01.2023	Year to 31.07.2022	Year to 31.07.2021	Year to 31.07.2020
Change in net assets per unit	pence	pence	pence	pence
Opening net asset value per unit	823.12	1,149.41	737.12	715.84
Return before operating charges*	(39.95)	(309.95)	427.14	32.12
Operating charges	(6.09)	(16.34)	(14.85)	(10.84)
Return after operating charges*	(46.04)	(326.29)	412.29	21.28
Distributions on accumulation units	-	-	-	-
Retained distributions on accumulation units	-	-	-	-
Closing net asset value per unit	777.08	823.12	1,149.41	737.12
* after direct transaction costs of:	0.32	0.71	0.83	0.65
Performance				
Return after charges ^A	(5.59)%	(28.39)%	55.93%	2.97%
Other information				
Closing net asset value (£)	87,646,142	99,414,062	156,708,967	112,517,056
Closing number of units	11,278,873	12,077,736	13,633,911	15,264,353
Operating charges	1.55% ^{B,C}	1.55% ^B	1.56% ^B	1.53%
Direct transaction costs	0.08% ^C	0.07%	0.09%	0.09%
Prices (pence per unit)				
Highest unit price	851.18	1,247.00	1,163.66	812.89
Lowest unit price	704.34	796.19	736.99	494.01
<u>P Accumulation units</u>				
Change in net assets per unit	Period to 31.01.2023	Year to 31.07.2022	Year to 31.07.2021	Year to 31.07.2020
	pence	pence	pence	pence
Opening net asset value per unit	885.88	1,227.15	781.47	753.20
Return before operating charges*	(42.88)	(332.18)	453.94	34.10
Operating charges	(3.38)	(9.09)	(8.26)	(5.83)
Return after operating charges*	(46.26)	(341.27)	445.68	28.27
Distributions on accumulation units	-	(0.99)	(0.70)	(2.27)
Retained distributions on accumulation units	-	0.99	0.70	2.27
Closing net asset value per unit	839.62	885.88	1,227.15	781.47
* after direct transaction costs of:	0.35	0.77	0.89	0.69
Performance				
Return after charges ^A	(5.22)%	(27.81)%	57.03%	3.75%
Other information				
Closing net asset value (£)	812,244,180	939,650,896	1,569,507,960	947,367,412
Closing number of units	96,739,178	106,069,390	127,898,782	121,228,501
Operating charges	0.80% ^{B,C}	0.80% ^B	0.81% ^B	0.78%
Direct transaction costs	0.08% ^C	0.07%	0.09%	0.09%
Prices (pence per unit)				
Highest unit price	915.49	1,331.86	1,241.83	858.45
Lowest unit price	758.78	856.1	780.97	522.29

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

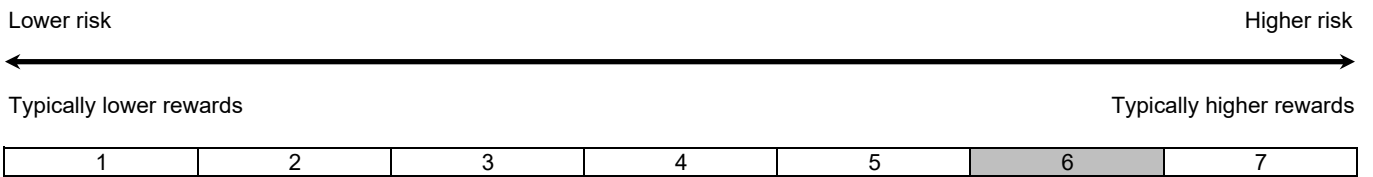
^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^C These figures have been annualised.

Operating charges are the same as the ongoing charges and are the total expenses paid by each unit class in the period. Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the Fund. These amounts are expressed as a percentage of the average net asset value over the period and the average units in issue for the pence per unit figures.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

SYNTHETIC RISK AND REWARD INDICATOR (all unit classes)



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

The Fund has been measured as 6 because its investments have experienced high volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
AEROSPACE AND DEFENCE (31 July 2022 - 0.69%)		
10,000 Avon Rubber	98,550	0.01
1,100,000 Cohort	5,522,000	0.61
Total Aerospace and Defence	<u>5,620,550</u>	<u>0.62</u>
AUTOMOBILES AND PARTS (31 July 2022 - 0.27%)		
4,763,737 Saietta Group	2,286,594	0.25
Total Automobiles and Parts	<u>2,286,594</u>	<u>0.25</u>
BEVERAGES (31 July 2022 - 0.22%)		
4,000,000 The Artisanal Spirits Company	3,480,000	0.39
Total Beverages	<u>3,480,000</u>	<u>0.39</u>
CHEMICALS (31 July 2022 - 0.91%)		
886,000 Treatt	5,502,060	0.61
Total Chemicals	<u>5,502,060</u>	<u>0.61</u>
CLOSED END INVESTMENTS (31 July 2022 - 1.63%)		
9,900,000 Augmentum Fintech	9,603,000	1.07
Total Closed End Investments	<u>9,603,000</u>	<u>1.07</u>
CONSTRUCTION AND MATERIALS (31 July 2022 - 3.79%)		
158,335 Accsys Technologies	138,385	0.02
11,950,000 Brickability Group	7,409,000	0.82
1,000,000 Eurocell	1,400,000	0.16
3,595,000 Lords Group Trading	2,876,000	0.32
4,000,000 Michelmersh Brick Holdings	3,600,000	0.40
4,000,000 Norcros	8,240,000	0.92
500,000 Renew Holdings	3,660,000	0.41
15,000,000 SigmaRoc	8,910,000	0.99
Total Construction and Materials	<u>36,233,385</u>	<u>4.04</u>
ELECTRONIC AND ELECTRICAL EQUIPMENT (31 July 2022 - 2.88%)		
47,364,986 CAP-XX	1,373,585	0.15
395,498 discoverIE Group	3,314,273	0.37
20,862,500 Fireangel Safety Technology Group	1,825,469	0.20
1,500,000 MYCELX Technologies	450,000	0.05
471,756 MYCELX Technologies 'Reg S'	188,702	0.02
375,000 Porvair	2,212,500	0.25
1,347,567 SDI Group	2,452,572	0.27
450,000 Solid State	5,895,000	0.66
15,994,150 Thruvision Group	3,518,713	0.39
3,250,000 Volex	8,076,250	0.90
4,000 XP Power	95,200	0.01
Total Electronic and Electrical Equipment	<u>29,402,264</u>	<u>3.27</u>
FINANCE AND CREDIT SERVICES (31 July 2022 - 0.60%)		
2,100,000 H&T Group	9,177,000	1.02
Total Finance and Credit Services	<u>9,177,000</u>	<u>1.02</u>
FOOD PRODUCERS (31 July 2022 - 0.15%)		
GENERAL INDUSTRIALS (31 July 2022 - 1.07%)		
1,173,500 Hargreaves Services	5,057,785	0.56
4,450,000 Macfarlane Group	4,628,000	0.52
Total General Industrials	<u>9,685,785</u>	<u>1.08</u>

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND
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as at 31 January 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
HEALTH CARE PROVIDERS (31 July 2022 - 2.47%)		
2,000,000 Cambridge Cognition Holdings	2,260,000	0.25
5,000,000 Diaceutics	5,250,000	0.58
885,000 Renalytix AI 'Reg S'	1,062,000	0.12
Total Health Care Providers	8,572,000	0.95
HOUSEHOLD GOODS AND HOME CONSTRUCTION (31 July 2022 - 0.86%)		
2,105,172 ProCook Group	821,017	0.09
5,195,000 Springfield Properties	4,675,500	0.52
1,225,000 UP Global Sourcing Holdings	2,015,125	0.22
Total Household Goods and Home Construction	7,511,642	0.83
INDUSTRIAL ENGINEERING (31 July 2022 - 0.45%)		
450,000 AB Dynamics	8,190,000	0.91
Total Industrial Engineering	8,190,000	0.91
INDUSTRIAL METALS AND MINING (31 July 2022 - 1.62%)		
41,157,078 Andrada Mining	2,181,325	0.24
40,000 Central Asia Metals	111,400	0.01
12,000,000 Horizonte Minerals	16,560,000	1.84
6,500,000 Landore Resources	845,000	0.09
8,333,333 Trident Royalties	4,166,666	0.46
Total Industrial Metals and Mining	23,864,391	2.64
INDUSTRIAL SUPPORT SERVICES (31 July 2022 - 13.12%)		
25,000 Alpha Financial Markets Consulting	115,000	0.01
10,395,000 Boku 'Reg S'	15,176,700	1.69
21,500,000 eEnergy Group	731,000	0.08
3,250,000 Equals Group	2,827,500	0.31
2,420,000 Frontier IP Group	1,573,000	0.17
3,075,360 FRP Advisory Group	4,551,533	0.51
1,872,850 Keystone Law Group	8,053,255	0.89
1,719,240 Marlowe	8,561,815	0.95
2,723,683 Mind Gym	1,961,052	0.22
574,500 NWF Group	1,321,350	0.15
1,445,200 Restore	4,191,080	0.47
4,200,000 RWS Holdings	15,691,200	1.74
3,060,000 Science Group	11,934,000	1.33
1,550,000 Smart Metering Systems	13,562,500	1.51
25,000 SThree	105,500	0.01
2,501,000 Trifast	1,990,796	0.22
1,330,000 Water Intelligence	7,581,000	0.84
6,100,000 Windward	3,050,000	0.34
Total Industrial Support Services	102,978,281	11.44
INDUSTRIAL TRANSPORTATION (31 July 2022 - 0.56%)		
5,350,000 Avation	7,115,500	0.79
3,975,000 Facilities by ADF	2,146,500	0.24
159,380 Fisher (James) & Sons	582,534	0.06
Total Industrial Transportation	9,844,534	1.09
INVESTMENT BANKING AND BROKERAGE SERVICES (31 July 2022 - 9.09%)		
910,000 Alpha Group International	16,562,000	1.84
1,000,000 Aquis Exchange	3,700,000	0.41
4,000 Brooks Macdonald Group	86,400	0.01
3,300,000 Curtis Banks Group	11,187,000	1.24
10,000,000 Duke Royalty	3,350,000	0.37
5,412,330 Forward Partners Group	2,056,685	0.23
13,133,429 Frenkel Topping Group	9,324,735	1.04
400,000 Impax Asset Management Group	3,064,000	0.34
1,999,000 K3 Capital Group	6,936,530	0.77

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
INVESTMENT BANKING AND BROKERAGE SERVICES (continued)		
250,000 Liontrust Asset Management	2,880,000	0.32
600,000 Mattioli Woods	3,840,000	0.43
11,700,000 Mercia Asset Management	3,627,000	0.40
1,200,000 Molten Ventures	4,262,400	0.47
1,600,000 Tatton Asset Management	7,136,000	0.79
1,400,000 TMT Investments	3,203,245	0.36
100,388 Volvere	1,003,880	0.11
Total Investment Banking and Brokerage Services	<u>82,219,875</u>	<u>9.13</u>
LEISURE GOODS (31 July 2022 - 2.43%)		
1,350,000 Focusrite	10,800,000	1.20
30,000 Games Workshop Group	2,758,500	0.31
Total Leisure Goods	<u>13,558,500</u>	<u>1.51</u>
MEDIA (31 July 2022 - 3.83%)		
2,639,099 Dianomi	1,715,414	0.19
13,521,851 Ebiquity	7,031,362	0.78
525,000 Future	7,859,250	0.87
1,338,256 GlobalData	16,594,374	1.84
100,000 Reach	90,200	0.01
3,623,500 The Pebble Group	3,442,325	0.38
7,500,000 Time Out Group	2,475,000	0.28
975,000 Wilmington	3,237,000	0.36
Total Media	<u>42,444,925</u>	<u>4.71</u>
MEDICAL EQUIPMENT AND SERVICES (31 July 2022 - 1.46%)		
9,584,804 Creo Medical Group	1,869,037	0.21
14,000,000 EKF Diagnostics Holdings	5,880,000	0.65
27,000,000 Kromek Group	2,430,000	0.27
500,000 NetScientific	310,000	0.03
Total Medical Equipment and Services	<u>10,489,037</u>	<u>1.16</u>
OIL, GAS AND COAL (31 July 2022 - 3.51%)		
1,370,000 Ashtead Technology Holdings	4,301,800	0.48
68,887,542 Deltic Energy	1,928,851	0.21
325,000 i3 Energy	66,950	0.01
11,250,000 Jadestone Energy	9,225,000	1.03
2,100,000 Kistos Holdings	7,875,000	0.88
1,200,000 Serica Energy	2,958,000	0.33
5,000,000 Southern Energy	2,200,000	0.25
11,389,494 Westmount Energy	284,737	0.03
Total Oil, Gas and Coal	<u>28,840,338</u>	<u>3.22</u>
OPEN END AND MISCELLANEOUS INVESTMENT VEHICLES (31 July 2022 - 0.16%)		
1,458,333 450	21,875	-
2,140,000 AdvancedAdvT	1,626,400	0.18
Total Open End and Miscellaneous Investment Vehicles	<u>1,648,275</u>	<u>0.18</u>
PERSONAL CARE, DRUG AND GROCERY STORES (31 July 2022 - 0.42%)		
5,092,857 IG Design Group	8,148,571	0.91
Total Personal Care, Drug and Grocery Stores	<u>8,148,571</u>	<u>0.91</u>
PERSONAL GOODS (31 July 2022 - 1.65%)		
5,764,478 Inspecks Group	6,629,150	0.74
2,487,000 Seraphine Group	726,204	0.08
1,103,000 Superdry	1,334,630	0.15
1,875,000 Warpaint London	3,037,500	0.34
Total Personal Goods	<u>11,727,484</u>	<u>1.31</u>

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
PHARMACEUTICALS AND BIOTECHNOLOGY (31 July 2022 - 2.67%)		
35,000,000 Agronomics	4,620,000	0.51
100,000 Alliance Pharma	62,800	0.01
1,400,000 Animalcare Group	2,520,000	0.28
1,681,000 MaxCyte	7,564,500	0.84
2,500,000 PureTech Health	6,387,500	0.71
460,834 Verici Dx	50,692	0.01
Total Pharmaceuticals and Biotechnology	<u>21,205,492</u>	<u>2.36</u>
PRECIOUS METALS AND MINING (31 July 2022 - 3.47%)		
70,267 Caledonia Mining	762,247	0.09
131,259,211 Jubilee Metals Group	16,144,883	1.79
60,000,000 Pan African Resources	9,924,000	1.10
35,000,000 Shanta Gold	3,675,000	0.41
16,666,667 Thor Explorations	3,000,000	0.33
Total Precious Metals and Mining	<u>33,506,130</u>	<u>3.72</u>
REAL ESTATE INVESTMENT AND SERVICES (31 July 2022 - 0.08%)		
10,000 Lok'nStore Group	94,000	0.01
6,000,000 Purplebricks Group	522,600	0.06
Total Real Estate Investment and Services	<u>616,600</u>	<u>0.07</u>
RETAILERS (31 July 2022 - 1.20%)		
5,494,000 Angling Direct	1,593,260	0.18
2,886,250 CMO Group	779,288	0.09
5,750,000 Marks Electrical Group	4,887,500	0.54
10,760,000 MusicMagpie	4,519,200	0.50
462,650 Virgin Wines UK	245,205	0.03
Total Retailers	<u>12,024,453</u>	<u>1.34</u>
SOFTWARE AND COMPUTER SERVICES (31 July 2022 - 22.69%)		
5,785,556 1Spatial	2,892,778	0.32
13,000,000 Access Intelligence	9,750,000	1.08
1,400,000 accesso Technology Group	11,228,000	1.25
6,832,000 ActiveOps	5,328,960	0.59
3,100,000 Aptitude Software Group	10,571,000	1.17
4,921,738 Beeks Financial Cloud Group	6,939,651	0.77
4,927,846 Blancco Technology Group	8,377,338	0.93
9,000,000 CentralNic Group	12,870,000	1.43
1,178,800 Cerillion	12,848,920	1.43
4,950,000 D4t4 Solutions	11,781,000	1.31
1,839,246 Eagle Eye Solutions Group	9,748,004	1.08
16,500,000 Eckoh	6,765,000	0.75
6,597,261 essensys	3,100,713	0.34
458,000 FD Technologies	6,073,080	0.67
10,279,755 GRC International Group	2,055,951	0.23
7,000,000 Gresham Technologies	12,320,000	1.37
14,500,000 Idox	9,396,000	1.04
1,400,000 Instem	8,680,000	0.97
4,547,100 IQGeo Group	9,094,200	1.01
2,895,689 K3 Business Technology Group	3,185,258	0.35
5,749,999 Kin and Carta	12,563,748	1.40
3,328,000 Kooth	5,324,800	0.59
3,000,000 Learning Technologies Group	4,119,000	0.46
5,000,000 Made Tech Group	1,325,000	0.15
5,293,673 Microlise Group	6,352,408	0.71
8,000,000 Oxford Metrics	8,240,000	0.92
725,000 Sopheon	4,640,000	0.52
4,798,851 SysGroup	1,343,678	0.15
6,725,748 TPXimpact Holdings	1,748,694	0.19
1,276,667 Tracsis	11,873,003	1.32

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND
PORTFOLIO STATEMENT

as at 31 January 2023

Holding or nominal value		Bid value £	Percentage of total net assets %
SOFTWARE AND COMPUTER SERVICES (continued)			
1,275,000	Tribal Group	656,625	0.07
1,750,000	Trustpilot Group	1,748,250	0.20
1,874,695	ZOO Digital Group	3,243,222	0.36
	Total Software and Computer Services	<u>226,184,281</u>	<u>25.13</u>
TECHNOLOGY HARDWARE AND EQUIPMENT (31 July 2022 - 2.17%)			
271,450	Gooch & Housego	1,547,265	0.17
29,330,000	IQE	13,579,790	1.51
35,921,494	Trackwise Designs	431,058	0.05
	Total Technology Hardware and Equipment	<u>15,558,113</u>	<u>1.73</u>
TELECOMMUNICATIONS EQUIPMENT (31 July 2022 - 0.23%)			
6,900,000	BATM Advanced Communications	1,897,500	0.21
	Total Telecommunications Equipment	<u>1,897,500</u>	<u>0.21</u>
TELECOMMUNICATIONS SERVICE PROVIDERS (31 July 2022 - 0.01%)			
78,578	Zegona Communications	58,934	0.01
	Total Telecommunications Service Providers	<u>58,934</u>	<u>0.01</u>
TRAVEL AND LEISURE (31 July 2022 - 4.74%)			
356,290	Best Of The Best	1,710,192	0.19
1,750,000	Cake Box Holdings	2,467,500	0.27
21,983,126	DP Poland	1,802,616	0.20
13,500,000	Gaming Realms	3,753,000	0.42
1,000,000	Jet2	11,995,000	1.33
4,760,000	Loungers	10,472,000	1.16
1,000,000	On the Beach Group	1,746,000	0.19
6,604,730	Ten Lifestyle Group	5,779,139	0.64
3,000,000	The City Pub Group	2,280,000	0.25
25,000,000	The Fulham Shore	2,500,000	0.28
1,500,000	Tortilla Mexican Grill	1,575,000	0.18
7,232,876	Various Eateries	2,242,192	0.25
9,462,198	XP Factory	1,750,507	0.20
	Total Travel and Leisure	<u>50,073,146</u>	<u>5.56</u>
WASTE AND DISPOSAL SERVICES (31 July 2022 - 0.58%)			
4,163,000	Franchise Brands	8,326,000	0.93
	Total Waste and Disposal Services	<u>8,326,000</u>	<u>0.93</u>
OVERSEAS SECURITIES (31 July 2022 - 0.63%)			
796,444	HealthBeacon	1,057,346	0.12
6,000,000	Salazar Resources	488,409	0.06
3,083	Tulla Resources	639	-
	Total Overseas Securities	<u>1,546,394</u>	<u>0.18</u>
UNQUOTED SECURITIES (31 July 2022 - 3.55%)			
7,937,506	Albert Technologies ^A	-	-
1,891,500	Constellation Healthcare Technologies Promissory Notes ^B	-	-
3,311,071	Crawshaw Group ^C	-	-
3,575,000	Gable Holdings ^C	-	-
4,153,087	HaloSource ^C	-	-
15,917,167	HaloSource 'Reg S' ^C	-	-
17,829	Infinity Reliance ^D	750,066	0.08
360,000	Lamaune Iron ^B	-	-
19,000,000	MJ Hudson Group ^E	1,235,000	0.14
5,000,000	Moxico Resources ^D	2,505,000	0.28
6,999,000	Okullo ^E	-	-
3,490,856	Patisserie Holdings ^C	-	-
195,000	SCA Investments ^D	7,201,350	0.80
34,636	SCA Investments 'M' ^D	1,279,107	0.14

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
UNQUOTED SECURITIES (continued)		
16,860,887 Trackwise Designs Warrants (£0.06) 09.01.26	-	-
3,729,554 Tricorn Group ^E	-	-
367,000 Verici Dx Lock Up Shares ^D	40,370	-
Total Unquoted Securities	<u>13,010,893</u>	<u>1.44</u>
Portfolio of investments	855,036,427	95.02
Net other assets	<u>44,853,895</u>	<u>4.98</u>
Total net assets	<u><u>899,890,322</u></u>	<u><u>100.00</u></u>

^A These shares have been delisted and are valued at zero, based on the latest information received.

^B These shares are unlisted and are valued at zero, based on the latest information received.

^C These shares are valued at zero, as the companies are in liquidation with no expected return.

^D These shares are unlisted and are being valued using the latest information received.

^E These shares are valued at zero, as the companies are in administration with no expected return.

^E These shares are suspended and are valued using the latest information received until a resumption in trading or more information is released.

All holdings of warrants have been valued at the exercise price less the price of the underlying ordinary shares.

PORTFOLIO TRANSACTIONS

for the six month period ended 31 January 2023

	£
Total purchases cost, including transaction charges	57,907,935
Total sales proceeds, net of transaction charges	140,417,894

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

STATEMENT OF TOTAL RETURN

for the six month period ended 31 January 2023

	31 January 2023		31 January 2022	
	£	£	£	£
Income:				
Net capital losses		(58,556,181)		(156,193,817)
Revenue	6,967,455		7,188,390	
Expenses	<u>(4,047,492)</u>		<u>(7,482,663)</u>	
Net revenue/(expense) before taxation	2,919,963		(294,273)	
Taxation	<u>(52,944)</u>		<u>(46,075)</u>	
Net revenue/(expense) after taxation		<u>2,867,019</u>		<u>(340,348)</u>
Total return before distributions		(55,689,162)		(156,534,165)
Distributions		(125,270)		21,908
Change in net assets attributable to unitholders from investment activities		<u><u>(55,814,432)</u></u>		<u><u>(156,512,257)</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six month period ended 31 January 2023

	31 January 2023		31 January 2022	
	£	£	£	£
Opening net assets attributable to unitholders		^A 1,039,064,958		1,728,347,050
Amounts receivable on issue of units	573,903		47,338,243	
Amounts payable on cancellation of units	(85,170,263)		(105,178,074)	
Amounts payable on unit class conversions	<u>(1,103)</u>		<u>(1,929)</u>	
		(84,597,463)		(57,841,760)
Dilution adjustment		1,237,259		343,354
Change in net assets attributable to unitholders from investment activities		(55,814,432)		(156,512,257)
Closing net assets attributable to unitholders		<u><u>899,890,322</u></u>		^A <u><u>1,514,336,387</u></u>

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

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

BALANCE SHEET

as at 31 January 2023

	31 January 2022 £	31 July 2022 £
Assets:		
Fixed Assets:		
Investments	855,036,427	996,093,619
Current Assets:		
Debtors	5,180,200	1,243,803
Cash and bank balances	45,031,166	44,482,869
Total assets	<u>905,247,793</u>	<u>1,041,820,291</u>
Liabilities:		
Creditors:		
Other creditors	<u>5,357,471</u>	<u>2,755,333</u>
Total liabilities	<u>5,357,471</u>	<u>2,755,333</u>
Net assets attributable to unitholders	<u><u>899,890,322</u></u>	<u><u>1,039,064,958</u></u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 31 January 2023

Basis for preparation

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

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

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 July 2022 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 31 January 2023.

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Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.