



WS Canada Life Investments Fund

(Formerly LF Canada Life Investments Fund)

Annual Report and Financial Statements
for the year ended 15 August 2023



WS Canlife Asia Pacific Fund
(Formerly LF Canlife Asia Pacific Fund)

WS Canlife Corporate Bond Fund
(Formerly LF Canlife Corporate Bond Fund)

WS Canlife European Fund
(Formerly LF Canlife European Fund)

WS Canlife Global Macro Bond Fund
(Formerly LF Canlife Global Macro Bond Fund)

WS Canlife Global Equity Fund
(Formerly LF Canlife Global Equity Fund)

WS Canlife Global Equity Income Fund
(Formerly LF Canlife Global Equity Income Fund)

WS Canlife Global Infrastructure Fund
(Formerly LF Canlife Global Infrastructure Fund)

WS Canlife North American Fund
(Formerly LF North American Fund)

WS Canlife Short Duration Corporate Bond Fund
(Formerly LF Canlife Short Duration Corporate
Bond Fund)

WS Canlife Sterling Short Term Bond Fund
(Formerly LF Canlife Sterling Short Term Bond
Fund)

WS Canlife Sterling Liquidity Fund
(Formerly LF Canlife Sterling Liquidity Fund)

WS Canlife UK Equity Fund
(Formerly LF Canlife UK Equity Fund)

WS Canlife UK Equity and Bond Income Fund
(Formerly LF Canlife UK Equity and Bond Income
Fund)

WS Canlife UK Equity Income Fund
(Formerly LF Canlife UK Equity Income Fund)

WS Canlife UK Government Bond Fund
(Formerly LF Canlife UK Government Bond Fund)

AUTHORISED CORPORATE DIRECTOR ('ACD')

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T.K. Madigan*
K.J. Midl (appointed 9 October 2023)
C. O'Donnell (resigned 8 December 2022)
E.E. Tracey (appointed 9 October 2023)*
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ACD'S REPORT

for the year ended 15 August 2023

Authorised Status

WS Canada Life Investments Fund ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000941 and authorised by the Financial Conduct Authority with effect from 13 April 2012. The Company has an unlimited duration.

It is a UK UCITS and the base currency of the Company and each sub-fund is pounds sterling.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

ACD's Statement

Economic Uncertainty

Whilst the outbreak of COVID-19 in March 2020 now seems a distant memory, and Russia's incursion into Ukraine in February 2022 remains an unresolved conflict, the consequences of these and other factors continue to be felt in both the domestic and global economy. Significant increases in the prices of energy and commodities have reverberated around the world, leading to many countries seeing inflation rates at levels not seen for many years. To curb the increase in inflation, many nations' central banks have been progressively increasing interest rates, a process which is expected to continue until inflation is brought under control in their respective countries. What is not clear at this time is whether the consequences of these events will culminate in local, or even a global, recession. With this level of economic uncertainty, it is reasonably foreseeable that markets may see further periods of instability and, consequently, volatility in asset pricing.

Important Information

The WS Canlife Global High Yield Bond Fund had its final valuation on 16 September 2022. Approval for the sub-fund to be terminated was granted by the Financial Conduct Authority on 18 August 2022 and was terminated as at 20 January 2023.

With effect from 9 December 2022, the Investment Policy was amended to include reference to the negative screening process that the Investment Manager, Canada Life Asset Management Limited currently applies to the WS Canlife Sterling Liquidity Fund.

With effect from 15 December 2022 the C Accumulation (EUR) share class has been made available for investment within the WS Canlife Global Equity Fund.

With effect from 24 February 2023, a Scheme of Arrangement was implemented where the assets and investors within the WS Canlife Managed 40% – 85% Fund were merged into the WS Canlife Diversified Risk Managed VI Fund within the WS Canlife Investments Fund II scheme. The WS Canlife Managed 40% – 85% Fund had its final valuation on 28 February 2023. Approval to for the sub-fund to be terminated was granted by the Financial Conduct Authority on 17 May 2023 and was terminated as at 31 July 2023.

ACD'S REPORT continued

Important Information continued

With effect from 21 April 2023 the following changes occurred:

- The income allocation dates for the sub-fund have increased from semi-annually to quarterly within the WS Canlife Sterling Liquidity Fund; and
- The G Income share class was launched within the WS Canlife Sterling Liquidity Fund and the WS Canlife Sterling Short Term Bond Fund.

With effect from 10 July 2023 the C Accumulation (EUR) share class has been made available for investment within the WS Canlife North American Fund.

The WS Canlife UK Government Bond Fund had its final valuation on 15 September 2023. Approval for the sub-fund to be terminated was granted by the Financial Conduct Authority on 26 July 2023.

With effect from 9 October 2023, the following changes occurred:

- The ACD of the Company changed to Waystone Management (UK) Limited ('WMUK');
- In addition to the sub-fund name changes with 'WS' replacing 'LF', the Company name changed to WS Canada Life Investments Fund;
- The head office and registered office of the Company changed to 2nd floor, 20-22 Bedford Row, Holborn, London WC1R 4EB; and
- The website for the publication of prices and obtaining documents of the Company changed to www.waystone.com.

On 16 October 2023, the Class X Accumulation share class was launched in the WS Sterling Liquidity Fund.

The WS Canlife Global Equity Income Fund and the WS Canlife Global Infrastructure Fund had their final valuations on 27 October 2023. Approval for the sub-funds to be terminated was granted by the Financial Conduct Authority on 5 September 2023.

Cross Holdings

The following funds held the sub-fund of the Company, WS Canlife Sterling Liquidity Fund at the end of the year:

Sub-Fund	Shares	Value £'000
WS Canlife Corporate Bond Fund	400,000	425
WS Canlife Global Macro Bond Fund	50,000	53
WS Canlife Short Duration Corporate Bond Fund	3,700,000	3,927
WS Canlife Sterling Short Term Bond Fund	4,650,000	4,936
WS Canlife UK Equity Fund	50,000	53

ACD'S REPORT continued

Cross Holdings continued

Sub-Fund	Shares	Value £'000
WS Canlife UK Equity Income Fund	190,000	201
WS Canlife UK Government Bond Fund	100,000	106

Remuneration Disclosure

On 9 October 2023, i.e. after the accounting period for which these report and accounts are being prepared, the ACD of the Company changed. These report and accounts are being produced by the Company's current ACD and the disclosures below relate to the most recent period for which audited information in respect of the current ACD is available, being the year ended 31 December 2022.

Investors' attention is drawn to the following:

1. The remuneration arising in respect of the accounting period for which these report and accounts are being prepared related to the Company's previous ACD. We understand that the previous ACD discloses information in respect of that remuneration on its website.
2. The change of ACD was part of a wider corporate transaction whereby substantially all the previous ACD's funds were transferred to the current ACD. As a result circa £83 billion of funds under management were transferred to the current ACD. The effects of this transaction in terms of remuneration will be reported to investors in due course once more recent audited accounts for the current ACD are available.

REMUNERATION

The ACD is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the Directive.

The fixed remuneration paid by the ACD to its staff in respect of all funds that it manages in the year ended 31 December 2022 was £823,929 and was shared amongst 12 members of staff (31.12.21: £751,344; 12 members of staff). The fixed remuneration paid by the ACD to the Remuneration Code Staff for the year ended 31 December 2022 was £292,500, shared amongst 3 employees. All 12 ACD staff members were fully or partially involved in the activities of the Company. The ACD did not pay any variable remuneration. The ACD staff remuneration is established with reference to the market remuneration of each equivalent position and is not linked to the performance of the Company or any other alternative investment fund the ACD is the AIFM of. None of the ACD's staff actions had a material impact on the risk profile of the Company.

ACD'S REPORT continued

Securities Financing Transactions

The Company has the ability to utilise Securities Financing Transactions (being transactions such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions).

The following table details the value of securities on loan for the WS Canlife Asia Pacific Fund, WS Canlife Corporate Bond Fund, WS Canlife European Fund, WS Canlife Global Macro Bond Fund, WS Canlife Global Equity Fund, WS Canlife Global Equity Income Fund, WS Canlife North American Fund, WS Canlife Short Duration Corporate Bond Fund, WS Canlife UK Equity Fund, WS Canlife UK Equity and Bond Income Fund, WS Canlife UK Equity Income Fund and WS Canlife UK Government Bond Fund. Additionally there is an analysis of the maturity tenor of the associated collateral received, as at the balance sheet date, split between counterparty borrower:

WS CANLIFE ASIA PACIFIC FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds and Recognised Equity Index		
Citigroup Global Markets Ltd	UK	562
JP Morgan Securities Plc	UK	45
Merrill Lynch International	UK	681
UBS AG	Switzerland	658
Total		1,946

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra-Nationals Bonds	-	-	-	-	716	-	716
Recognised Equity Index	-	-	-	-	-	1,395	1,395
Total	-	-	-	-	716	1,395	2,111

ACD'S REPORT continued

Securities Financing Transactions continued

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CHF	130			
EUR	1,048	Citigroup Global Markets Ltd	619	-
GBP	165	JP Morgan Securities Plc	50	-
JPY	75	Merrill Lynch International	716	-
USD	693	UBS AG	726	-
Total	<u>2,111</u>	Total	<u>2,111</u>	<u>-</u>

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 1.52% (15.08.22: Nil).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 2.06% (15.08.22: Nil). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £16,000 (15.08.22: £53,000) and £3,000 (15.08.22: £11,000) respectively.

WS CANLIFE CORPORATE BOND FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
Barclays Bank Plc	UK	2,349
Citigroup Global Markets Ltd	UK	5,394
JP Morgan Securities Plc	UK	4,751
Merrill Lynch International	UK	169
Morgan Stanley & Co International Plc	UK	10,177
UBS AG	Switzerland	<u>2,061</u>
Total		<u>24,901</u>

ACD'S REPORT continued

Securities Financing Transactions continued

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	256	685	2,980	23,073	-	26,994
Total	-	256	685	2,980	23,073	-	26,994

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
AUD	1,302			
CHF	75			
DKK	1,059			
EUR	16,867	Barclays Bank Plc	2,473	-
GBP	1,216	Citigroup Global Markets Ltd	5,666	-
NOK	2,746	JP Morgan Securities Plc	5,273	-
NZD	1	Merrill Lynch International	179	-
SEK	422	Morgan Stanley & Co International Plc	11,232	-
USD	3,306	UBS AG	2,171	-
Total	26,994	Total	26,994	-

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 10.01% (15.08.22: 7.89%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 9.75% (15.08.22: 7.74%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £51,000 (15.08.22: £28,000) and £10,000 (15.08.22: £6,000) respectively.

ACD'S REPORT continued

Securities Financing Transactions continued

WS CANLIFE EUROPEAN FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds and Recognised Equity Index		
HSBC Bank Plc	UK	543
UBS AG	Switzerland	988
Total		<u>1,531</u>

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
Recognised Equity Index	-	-	-	-	-	1,701	1,701
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,701</u>	<u>1,701</u>

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CHF	150			
EUR	124			
GBP	301			
JPY	121	HSBC Bank Plc	611	-
USD	<u>1,005</u>	UBS AG	<u>1,090</u>	-
Total	<u>1,701</u>	Total	<u>1,701</u>	<u>-</u>

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 2.97% (15.08.22: 2.83%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 2.96% (15.08.22: 2.87%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £4,000 (15.08.22: £3,000) and £1,000 (15.08.22: £1,000) respectively.

ACD'S REPORT continued

Securities Financing Transactions continued

WS CANLIFE GLOBAL MACRO BOND FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
BNP Paribas	France	121
HSBC Bank Plc	UK	2,157
JP Morgan Securities Plc	UK	825
Merrill Lynch International	UK	1,834
UBS AG	Switzerland	827
Total		5,764

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	103	431	349	5,050	-	5,933
Total	-	103	431	349	5,050	-	5,933

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
		BNP Paribas	128	-
CAD	11	HSBC Bank Plc	2,201	-
EUR	5,053	JP Morgan Securities Plc	860	-
GBP	12	Merrill Lynch International	1,873	-
USD	857	UBS AG	871	-
Total	5,933	Total	5,933	-

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 5.20% (15.08.22: 3.03%).

ACD'S REPORT continued**Securities Financing Transactions** continued

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 6.26% (15.08.22: 3.83%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £17,000 (15.08.22: £21,000) and £3,000 (15.08.22: £4,000) respectively.

WS CANLIFE GLOBAL EQUITY FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds and Recognised Equity Index		
Barclays Bank Plc	UK	15,548
Citigroup Global Markets Ltd	UK	8,235
JP Morgan Securities Plc	UK	142
Merrill Lynch International	UK	5,162
UBS AG	Switzerland	5,926
Total		35,013

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra-Nationals Bonds	-	-	5,363	10	16,501	-	21,874
Recognised Equity Index	-	-	-	-	-	15,821	15,821
Total	-	-	5,363	10	16,501	15,821	37,695

ACD'S REPORT continued

Securities Financing Transactions continued

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CAD	4			
CHF	1,433	Barclays Bank Plc	16,388	-
EUR	14,060	Citigroup Global Markets Ltd	9,060	-
GBP	7,781	JP Morgan Securities Plc	156	-
JPY	635	Merrill Lynch International	5,431	-
USD	13,782	UBS AG	6,660	-
Total	<u>37,695</u>	Total	<u>37,695</u>	<u>-</u>

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 6.21% (15.08.22: 4.94%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 6.28% (15.08.22: 5.00%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £309,000 (15.08.22: £246,000) and £62,000 (15.08.22: £49,000) respectively.

WS CANLIFE GLOBAL EQUITY INCOME FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds and Recognised Equity Index		
Barclays Bank Plc	UK	418
UBS AG	Switzerland	<u>585</u>
Total		<u>1,003</u>

ACD'S REPORT continued

Securities Financing Transactions continued

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	-	-	-	440	-	440
Recognised Equity Index	-	-	-	-	-	646	646
Total	-	-	-	-	440	646	1,086

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CHF	73			
EUR	290			
GBP	4			
JPY	53	Barclays Bank Plc	440	-
USD	666	UBS AG	646	-
Total	1,086	Total	1,086	-

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 4.68% (15.08.22: 6.83%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 4.68% (15.08.22: 6.95%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £29,000 (15.08.22: £5,000) and £6,000 (15.08.22: £1,000) respectively.

WS CANLIFE NORTH AMERICAN FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
Barclays Bank Plc	UK	9,620
Total		9,620

ACD'S REPORT continued

Securities Financing Transactions continued

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	-	-	-	10,139	-	10,139
Total	-	-	-	-	10,139	-	10,139

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
EUR	5,847			
USD	4,292	Barclays Bank Plc	10,139	-
Total	10,139	Total	10,139	-

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 3.70% (15.08.22: 2.63%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 3.72% (15.08.22: 2.64%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £183,000 (15.08.22: £43,000) and £37,000 (15.08.22: £9,000) respectively.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
BNP Paribas	France	223
JP Morgan Securities Plc	UK	2,122
Merrill Lynch International	UK	282
Morgan Stanley & Co International Plc	UK	2,809
UBS AG	Switzerland	175
Total		5,611

ACD'S REPORT continued

Securities Financing Transactions continued

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	22	39	942	5,168	-	6,171
Total	-	22	39	942	5,168	-	6,171

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CAD	20			
CHF	33			
DKK	340			
EUR	3,906	BNP Paribas	235	-
GBP	188	JP Morgan Securities Plc	2,354	-
NOK	1,224	Merrill Lynch International	297	-
SEK	65	Morgan Stanley & Co International Plc	3,100	-
USD	395	UBS AG	185	-
Total	6,171	Total	6,171	-

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 4.22% (15.08.22: 3.58%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 3.91% (15.08.22: 3.39%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £13,000 (15.08.22: £10,000) and £3,000 (15.08.22: £2,000) respectively.

ACD'S REPORT continued

Securities Financing Transactions continued

WS CANLIFE UK EQUITY FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
Citigroup Global Markets Ltd	UK	6,279
JP Morgan Securities Plc	UK	61
Merrill Lynch International	UK	1,520
The Bank of Nova Scotia	Canada	218
UBS AG	Switzerland	1,964
Total		<u>10,042</u>

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	-	-	4	47	-	51
Recognised Equity Index	-	-	-	-	-	10,956	10,956
Total	-	-	-	4	47	10,956	<u>11,007</u>

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CAD	2			
CHF	731	Citigroup Global Markets Ltd	6,908	-
EUR	3,402	JP Morgan Securities Plc	67	-
GBP	1,972	Merrill Lynch International	1,628	-
JPY	1,617	The Bank of Nova Scotia	240	-
USD	3,283	UBS AG	2,164	-
Total	<u>11,007</u>	Total	<u>11,007</u>	<u>-</u>

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 1.88% (15.08.22: 3.03%).

ACD'S REPORT continued

Securities Financing Transactions continued

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 1.92% (15.08.22: 3.07%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £75,000 (15.08.22: £74,000) and £15,000 (15.08.22: £15,000) respectively.

WS CANLIFE UK EQUITY AND BOND INCOME FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
Morgan Stanley & Co International Plc	UK	201
Total		<u>201</u>

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	-	-	-	33	189	-	222
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>33</u>	<u>189</u>	<u>-</u>	<u>222</u>

Currency of Collateral	Total Collateral	Collateral by Settlement	Triparty £'000	Bilateral £'000
EUR	219			
SEK	3	Morgan Stanley & Co International Plc	222	-
Total	<u>222</u>	Total	<u>222</u>	<u>-</u>

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 0.80% (15.08.22: 2.13%).

ACD'S REPORT continued

Securities Financing Transactions continued

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 0.75% (15.08.22: 2.02%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £1,000 (15.08.22: £1,000) and Nil (15.08.22: Nil) respectively.

WS CANLIFE UK EQUITY INCOME FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds		
JP Morgan Securities Plc	UK	540
The Bank of Nova Scotia	Canada	1,044
Total		<u>1,584</u>

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
Recognised Equity Index	-	-	-	-	-	1,743	1,743
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,743</u>	<u>1,743</u>

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral Triparty £'000	Bilateral £'000
CHF	54			
EUR	103			
GBP	399			
JPY	180	JP Morgan Securities Plc	594	-
USD	1,007	The Bank of Nova Scotia	1,149	-
Total	<u>1,743</u>	Total	<u>1,743</u>	<u>-</u>

ACD'S REPORT continued

Securities Financing Transactions continued

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 0.84% (15.08.22: 2.57%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 0.85% (15.08.22: 2.61%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £6,000 (15.08.22: £8,000) and £1,000 (15.08.22: £2,000) respectively.

WS CANLIFE UK GOVERNMENT BOND FUND

Counterparty Borrower and Collateral Type Received	Country of Incorporation	Total Securities on Loan £'000
OECD Government rated A and above and Supra-Nationals Bonds and Recognised Equity Index		
BNP Paribas	France	400
Citigroup Global Markets Ltd	UK	1,877
Merrill Lynch International	UK	2,212
UBS AG	Switzerland	689
Total		5,178

Maturity Tenor of Collateral	1 to 7 days £'000	8 to 30 days £'000	31 to 90 days £'000	91 to 365 days £'000	More than 365 days £'000	Open £'000	Total Collateral £'000
OECD Government rated A and above and Supra- Nationals Bonds	24	105	188	212	3,332	-	3,861
Recognised Equity Index	-	-	-	-	-	1,562	1,562
Total	24	105	188	212	3,332	1,562	5,423

ACD'S REPORT continued

Securities Financing Transactions continued

Currency of Collateral	Total Collateral	Collateral by Settlement	Total Collateral	
			Triparty £'000	Bilateral £'000
CHF	1			
EUR	6	BNP Paribas	408	-
GBP	3,329	Citigroup Global Markets Ltd	1,919	-
JPY	1,373	Merrill Lynch International	2,370	-
USD	714	UBS AG	726	-
Total	5,423	Total	5,423	-

The total value of securities on loan as a proportion of the Fund's Net Asset Value, as at the balance sheet date, is 20.56% (15.08.22: 20.92%).

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 20.56% (15.08.22: 21.63%). Total lendable assets represents the aggregate value of asset type forming part of the Fund's securities lending programme.

The gross earnings and the fees for the period are £31,000 (15.08.22: £20,000) and £6,000 (15.08.22: £4,000) respectively.

Task Force on Climate-related Financial Disclosures ('TCFD')

In accordance with current Financial Conduct Authority rules, the ACD is required to publish its own TCFD report and that of each fund. The report can be found at TCFD Reporting (fundsolutions.net/tcfd-reporting) and the report of the sub-funds of the Company can be found at <https://www.fundsolutions.net/uk/canada-life-asset-management-limited/ws-canada-life-investments-fund/>.

Prior to accessing the report of the sub-funds of the Company there is a link to the 'TCFD Reporting Guide' which provides an explanation of the TCFD report.

Value Assessment

In accordance with current Financial Conduct Authority rules, the ACD is required to carry out an annual assessment on whether the Company provides value to investors. The outcome of the latest assessment is available on the ACD's website.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canada Life Investments Fund
13 December 2023

DIRECTOR'S 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.

K.J. MIDL

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canada Life Investments Fund

13 December 2023

STATEMENT OF ACD'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook published by the Financial Conduct Authority ('the COLL Sourcebook') requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the Company, comprising each of its sub-funds, and of the net revenue/expense and net capital gains/losses on the property of the Company's sub-funds for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to wind up the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Sourcebook.

For the reasons disclosed in Note 1(A), the ACD has prepared the financial statements of the WS Canlife Global Equity Income Fund, WS Canlife Global Infrastructure Fund and WS Canlife UK Government Bond Fund on a break-up basis as these sub-funds are not a going concern.

STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

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

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

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

The Depositary must ensure that:

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

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

REPORT OF THE DEPOSITARY

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

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

THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED

Depositary of WS Canada Life Investments Fund

13 December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS CANADA LIFE INVESTMENTS FUND

Opinion

We have audited the financial statements of WS Canada Life Investments Fund ('the Company') for the year ended 15 August 2023, 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 and distribution policies of the Company set out on pages 44 to 47, 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 as at 15 August 2023 and of the net revenue/expense and the net capital gains/losses on the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for Opinion

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

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

Emphasis of Matter – Financial Statements Prepared on a Break-up Basis

We draw attention to Note 1(A) of the financial statements which explains that the ACD intends to close the WS Canlife Global Equity Income Fund, WS Canlife Global Infrastructure Fund and WS Canlife UK Government Bond Fund and therefore, does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements for these sub-funds.

Accordingly, the financial statements for these sub-funds have been prepared on a break-up basis as described in Note 1(A). Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS CANADA LIFE INVESTMENTS FUND continued

Conclusions Relating to Going Concern

The Financial statements for the WS Canlife Global Equity Income Fund, WS Canlife Global Infrastructure Fund and WS Canlife UK Government Bond Fund have been prepared on a break-up basis as disclosed in note 1(A).

In auditing the financial statements of the remaining sub-funds, 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 remaining sub-funds' 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 remaining sub-funds' ability to continue as a going concern.

Other Information

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

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

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

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the Rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the 'FCA')

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Prospectus; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS CANADA LIFE INVESTMENTS FUND continued

- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We Are Required to Report by Exception

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

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

Responsibilities of the ACD

As explained more fully in the ACD's Responsibilities Statement set out on page 36, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS CANADA LIFE INVESTMENTS FUND continued

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 Accounting Standards (UK GAAP) including FRS 102, the Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, 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 administrator and a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS CANADA LIFE INVESTMENTS FUND continued

Use of Our Report

This report is made solely to the Company's Members, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Company's Members 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

ERNST & YOUNG LLP

Statutory Auditor
Edinburgh
13 December 2023

ACCOUNTING AND DISTRIBUTION POLICIES

for the year ended 15 August 2023

1. Accounting Policies

The principal accounting policies, which have been applied to the financial statements of the sub-funds in both the current and prior year, are set out below. These have been applied consistently across all sub-funds unless otherwise stated in the Notes to the Financial Statements of each sub-fund.

(A) BASIS OF ACCOUNTING

The financial statements of each sub-fund have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of each sub-fund's ability to continue as a going concern, and is satisfied they have the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels and key service provider's operational resilience. The ACD also considered each sub-fund's continued ability to meet ongoing costs, and is satisfied they have the resources to meet these costs and to continue in business.

The financial statements for the WS Canlife Global Equity Income Fund, WS Canlife Global Infrastructure Fund and WS Canlife UK Government Bond Fund have been prepared on a break-up basis as the ACD made the decision to close the sub-funds and, therefore, do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Under this basis assets were recorded at their recoverable value and liabilities were recorded at their expected settlement value.

Any additional costs in respect of the termination of the sub-funds will be borne by the ACD.

No adjustments were necessary except for reclassifying fixed assets as current assets. The financial statements for the remaining sub-funds of the Company have been prepared on the going concern basis.

(B) RECOGNITION OF REVENUE

Dividends on quoted equities are recognised when the securities are quoted ex-dividend.

US REIT dividend revenue is accounted for partly as revenue and partly as capital, depending on the underlying REIT distribution. All REIT dividend revenue is recognised on an accruals basis.

Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment in the scheme and does not form part of the distributable revenue.

ACCOUNTING AND DISTRIBUTION POLICIES continued

Reportable income from funds with 'reporting fund' status for UK tax purposes is recognised when the information is made available by the reporting fund.

Revenue from unquoted equity investments is recognised when the dividend is declared.

Revenue on debt securities is accounted for on an effective yield basis.

Rebates of Annual Management Charges (AMC rebates) from underlying investments are accounted for on an accruals basis and are recognised as revenue, or capital in line with the allocation of the Annual Management Charge between capital and revenue of the underlying investments.

Revenue from stock lending is accounted for net of associated costs and is recognised on an accruals basis.

Underwriting commission is wholly recognised as revenue when the issue takes place, except where the Company is required to take up all or some of the shares underwritten, in which case an appropriate proportion of the commission received is deducted from the cost of those shares.

Interest on bank and other cash deposits is recognised on an accruals basis.

Revenue is recognised gross of any withholding taxes but excludes attributable tax credits.

(C) TREATMENT OF EXPENSES

All expenses, except for those relating to the purchase and sale of investments, are charged initially against revenue.

(D) ALLOCATION OF REVENUE AND EXPENSES TO MULTIPLE SHARE CLASSES AND SUB-FUNDS

Any revenue or expense not directly attributable to a particular share class or sub-fund will normally be allocated pro-rata to the net assets of the relevant share classes and sub-funds, unless a different allocation method is deemed more appropriate by the ACD.

All share classes are ranked pari passu and have no particular rights or terms attached, including rights on winding up.

(E) TAXATION

Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

Offshore income gains, from funds without reporting status, are liable to corporation tax at 20% and any resulting charge is deducted from capital.

Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against the corporation tax payable by way of double tax relief and where this is the case the offset is reflected in the tax charge.

ACCOUNTING AND DISTRIBUTION POLICIES continued

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(F) BASIS OF VALUATION OF INVESTMENTS

All investments are valued at their fair value as at close of business on the last business day of the financial year.

Quoted investments are valued at fair value which generally is the bid price, excluding any accrued interest in the case of debt securities. Accrued interest on debt securities is included in revenue.

Collective investment schemes are valued at published bid prices for dual priced funds and at published prices for single priced funds.

Open forward currency contracts are valued based on the difference between the contract value and the market value adjusted by the prevailing spot rate and swap curve.

Structured products for which a price can only be obtained from the issuer are valued at the fair value per the issuer and the value is confirmed by an independent price provider by reference to the terms as defined in the term sheet of the structured product.

For investments for which there is no quoted price or for which the quoted price is unreliable, fair value is determined by the ACD, taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance, maturity of the company and other relevant factors.

(G) EXCHANGE RATES

The base and functional currency of the sub-funds is pounds sterling. Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the exchange rate prevailing at close of business on the last business day of the financial year.

(H) DILUTION LEVY

The ACD may require a dilution levy on the purchase and redemption of shares if, in its opinion, the existing shareholders (for purchases) or remaining shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the scheme property of a sub-fund is in continual decline; on a sub-fund experiencing large levels of net purchases relative to its size; on 'large deals' (typically being a purchase or redemption of shares to a size exceeding 5% of the Net Asset Value of the relevant sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining shareholders require the imposition of a dilution levy.

ACCOUNTING AND DISTRIBUTION POLICIES continued

(I) DIRECT TRANSACTION COSTS

Direct transaction costs may consist of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Debt security investments have no separately identifiable transaction costs as they form part of the dealing spread. Indirect transaction costs may be incurred on transactions in underlying schemes but these do not form part of the direct transaction costs disclosures. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The average portfolio dealing spread disclosed is the difference between the bid and offer prices of investments at the balance sheet date, including the effect of foreign exchange, expressed as a percentage of the value determined by reference to the offer price.

2. Distribution Policies

Surplus revenue after expenses and taxation, as disclosed in the financial statements, after adjustment for items of a capital nature, is distributable to shareholders. Any deficit of revenue is deducted from capital.

Interim distributions may be made at the ACD's discretion. Final distributions are made in accordance with the COLL Sourcebook.

Distributions which have remained unclaimed by shareholders for more than six years are credited to the capital property of the sub-fund.

The ordinary element of stock received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue of the Fund. In the case of an enhanced stock dividend, the value of the enhancement is treated as capital and does not form part of any distribution.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. Amounts recognised as capital are deducted from the cost of the investment. The tax accounting treatment follows the treatment of the principal amount.

WS CANLIFE ASIA PACIFIC FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Asia Pacific Fund ('the Fund') is to achieve capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value in the shares of companies which are incorporated or domiciled in the Asia Pacific region excluding Japan but including regional Emerging Markets. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different industry sectors without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

Benchmark

The Fund's comparator benchmark is the Bloomberg APAC ex Japan Large & Mid Cap Total Return China Capped Index.

The Fund's performance may be compared against the Bloomberg APAC ex Japan Large & Mid Cap Total Return China Capped Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against Asia Pacific region excluding Japan equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Asia Pacific Fund

13 December 2023

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Overview

During the period under review, Asia Pacific equity markets remained sensitive to global demand, which continued to be subdued due to the impact of elevated inflation and low economic growth.

The region's role in global supply chains means it has been negatively impacted by dips in demand from US and European consumers, many of whom are struggling with a higher cost of living. A lack of significant improvement in global economic fundamentals, with many investors anticipating slowdowns or possibly recessions in some major markets, has not helped Asian exporters.

There were some significant developments in the region, particularly as China's president Xi Jinping abolished the country's strict zero-COVID policy in December, which had been having a considerable impact on its productivity and investor confidence. While this decision was warmly welcomed by domestic and international markets, consumer confidence has not returned to the degree many commentators expected, partly because ongoing trade tensions with the US remains high.

In the latter part of this period, the region's markets also suffered from global funds investing elsewhere, with fund managers seemingly distracted by the stronger performance of US equities. We also observed a notable trend of money being pulled out of China.

Fund Performance

The price of the C Accumulation shares of the Fund decreased by 6.69% in the 12 months to 15 August 2023 and underperformed the comparator benchmark, the Bloomberg APAC ex Japan Large & Mid Cap Total Return China Capped Index by 0.88%.

Fund Activity

Weak Chinese data has made our overweight position in its markets a major drag on performance during the period. Within China, our stock selection has very much focused on the strength of the consumer recovery.

The Chinese consumer recovery surged at the start of 2023 after China lifted all its COVID restrictions. However, since March, pent-up demand has weakened.

We believe the data hasn't been as bleak as some commentators have claimed, with consumer growth in the high teens towards the end of the period. This was not poor, just lower than the significant surge in consumer spending many were expecting. The earnings of many of our Chinese consumer-exposed companies have been good. We believe the market overreacted in its questioning of the viability of the recovery, which has led some to sell indiscriminately.

We missed out on momentum trades linked to global tech markets, especially all things AI. In Asia, there are not any dominant players, such as Nvidia in the US. However, we gained exposure mainly through semiconductor and memory, adding to our positions in Samsung Electronics and SK Hynix, a main supplier to Nvidia for high bandwidth memory (HBM) chips.

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

Elsewhere, we have lowered the cyclical of the Fund by reducing our financials overweight position and exposure to steel companies, as we perceived greater risk for certain names. To replace these positions, we added consumer names.

In India, we took a position in Bajaj Finance in the latter part of the period which, though a financial, is a non-bank entity we expect to do well. We also added Varun Beverages to the Fund. This reflects the fact that we maintained a balanced exposure to India. At one point last year, India was one of our largest underweights, but at the start of this year we took advantage of market weakness and increased that to a level broadly in line with the benchmark.

We also acted to adjust the portfolio based on ESG risk during the period. For example, during the first part of the period we took profits on our holdings in Philippines business conglomerate Ayala Corp and reinvested in SM Investments, a similar company with a more attractive ESG profile.

Towards the end of the period, we reduced the Fund's overweight to energy slightly and also took profits by cutting back on battery materials after significant outperformance. Elsewhere, we increased the Fund's weighting to Thailand after a much-delayed new government finally took its place following May's elections.

Outlook

We believe the pessimism around the Chinese and Hong Kong markets may have peaked, which could support a recovery in valuations later in the year. The Chinese authorities have already announced a GDP target of 'around 5%' for 2023 and we would expect policy support to be introduced if this was in danger of being missed. This year, the government has already extended a tax rebate on electric vehicles, and for property there is more room to loosen onerous restrictions and help stimulate consumer demand. Further policy support would boost Chinese equities generally. The latest Chinese regulatory reset – after more than two years of a tech/internet sector crackdown – may also provide some much-needed confidence for private companies and the wider investment community.

Inflation remains a key headwind in the months ahead, potentially dampening global consumer appetite and forcing central banks to act with interest rate hikes. If inflation rates start to come down around the region and central banks pause the rate hiking cycle, and even consider cutting rates, demand should pick up.

Generally, Asia's underperformance has been partly driven by the strength of the US dollar. Historically, when the dollar has been high, it can be hard for Asia to outperform. Considering the improvement in the US economic outlook and the actions of the US Federal Reserve, there is a chance the strong dollar, and therefore Asia's prospects, could reverse towards the end of the year.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

During the year, the indicator for A Accumulation Shares, C Accumulation Shares and G Accumulation Shares changed from 5 to 6. The Fund has been classed as 6 because its volatility has been measured as above average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests in Asia Pacific investments, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

FUND INFORMATION continued

Risk and Reward Profile continued

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	1,345.99	1,437.42	1,275.90
Return before operating charges*	(83.36)	(68.81)	185.09
Operating charges	(21.10)	(22.62)	(23.57)
Return after operating charges	(104.46)	(91.43)	161.52
Distributions	(15.73)	(15.45)	(5.26)
Retained distributions on accumulation shares	15.73	15.45	5.26
Closing net asset value per share	1,241.53	1,345.99	1,437.42
* after direct transaction costs of:	0.90	1.24	0.82

PERFORMANCE

Return after charges	(7.76)%	(6.36)%	12.66%
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OTHER INFORMATION

Closing net asset value (£'000)	2,901	3,320	3,714
Closing number of shares	233,687	246,682	258,381
Operating charges	1.62%	1.63%	1.62%
Direct transaction costs	0.07%	0.09%	0.06%

PRICES

Highest share price	1,416.88	1,476.09	1,623.05
Lowest share price	1,159.83	1,256.35	1,268.54

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	1,452.71	1,539.80	1,356.59
Return before operating charges*	(90.37)	(73.96)	196.72
Operating charges	(12.28)	(13.13)	(13.51)
Return after operating charges	(102.65)	(87.09)	183.21
Distributions	(27.64)	(27.83)	(17.25)
Retained distributions on accumulation shares	27.64	27.83	17.25
Closing net asset value per share	1,350.06	1,452.71	1,539.80
* after direct transaction costs of:	0.97	1.33	0.88

PERFORMANCE

Return after charges	(7.07)%	(5.66)%	13.51%
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OTHER INFORMATION

Closing net asset value (£'000)	3,324	6,228	366
Closing number of shares	246,225	428,738	23,801
Operating charges	0.87%	0.88%	0.87%
Direct transaction costs	0.07%	0.09%	0.06%

PRICES

Highest share price	1,534.41	1,584.25	1,732.26
Lowest share price	1,253.70	1,351.70	1,348.90

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES (EUR)

CHANGE IN NET ASSETS PER SHARE	15.08.23 € per share	15.08.22 € per share	15.08.21 € per share
Opening net asset value per share	17.2223	18.0975	15.0407
Return before operating charges*	(1.3441)	(0.7200)	3.2089
Operating charges	(0.1410)	(0.1552)	(0.1521)
Return after operating charges	(1.4851)	(0.8752)	3.0568
Distributions	(31.7850)	(33.0290)	(0.2015)
Retained distributions on accumulation shares	31.7850	33.0290	0.2015
Closing net asset value per share	15.7372	17.2223	18.0975
* after direct transaction costs of:	1.1164	0.0157	0.0100

PERFORMANCE

Return after charges	(8.62)%	(4.84)%	20.32%
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OTHER INFORMATION

Closing net asset value (£'000)	25,331	27,591	28,919
Closing number of shares	1,875,367	1,898,315	1,877,194
Operating charges	0.87%	0.88%	0.86%
Direct transaction costs	0.07%	0.09%	0.06%

PRICES

Highest share price	17.5132	18.7503	19.9158
Lowest share price	14.5443	16.0680	14.9282

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	1,510.00	1,594.51	1,399.52
Return before operating charges*	(94.08)	(76.62)	203.02
Operating charges	(7.35)	(7.89)	(8.03)
Return after operating charges	(101.43)	(84.51)	194.99
Distributions	(34.30)	(34.69)	(23.85)
Retained distributions on accumulation shares	34.30	34.69	23.85
Closing net asset value per share	1,408.57	1,510.00	1,594.51
* after direct transaction costs of:	1.01	1.38	0.91

PERFORMANCE

Return after charges	(6.72)%	(5.30)%	13.93%
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OTHER INFORMATION

Closing net asset value (£'000)	96,592	104,274	75,518
Closing number of shares	6,857,409	6,905,581	4,736,153
Operating charges	0.50%	0.51%	0.50%
Direct transaction costs	0.07%	0.09%	0.06%

PRICES

Highest share price	1,597.63	1,642.10	1,790.51
Lowest share price	1,304.14	1,402.80	1,391.66

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Asia Pacific Fund	(6.69)	(0.25)	15.42
Bloomberg APAC ex Japan Large & Mid Cap Total Return China Capped Index ¹	(5.81)	4.45	14.87

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 78 and 79.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	AUSTRALIA – 15.84% (15.08.22 – 15.66%)		
62,700	Australia & New Zealand Banking	801	0.62
135,300	BHP	3,074	2.40
40,800	Commonwealth Bank of Australia	2,151	1.68
14,000	CSL	1,945	1.52
122,200	Goodman	1,237	0.97
17,200	Macquarie	1,540	1.20
74,300	National Australia Bank	1,086	0.85
18,600	Rio Tinto	1,005	0.78
285,300	Santos	1,150	0.90
14,770	Sonic Healthcare	256	0.20
436,130	Telstra	946	0.74
139,100	Transurban	989	0.77
32,200	Wesfarmers	832	0.65
98,400	Westpac Banking	1,101	0.86
110,800	Woodside Energy	2,181	1.70
	TOTAL AUSTRALIA	20,294	15.84
	CHINA – 24.71% (15.08.22 – 24.59%)		
571,200	Alibaba ADS	5,224	4.08
65,600	Anta Sports Products	546	0.43
47,200	Autohome	273	0.21
80,630	Baidu ADR	1,086	0.85
1,691,000	Bank of China 'H'	458	0.36
1,366,000	China Animal Health ¹	–	–
2,311,000	China Construction Bank 'H'	969	0.76
322,400	China International Capital	533	0.41
181,500	China Merchants Bank 'H'	592	0.46
216,000	CITIC Securities 'H'	341	0.27
790,000	CSPC Pharmaceutical	463	0.36
160,000	Ganfeng Lithium	704	0.55
1,092,000	Industrial and Commercial Bank of China 'H'	381	0.30

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
78,000	JD.com	1,112	0.87
87,700	KE Holdings	370	0.29
5,900	Kweichow Moutai	1,148	0.89
77,500	Li Ning	319	0.25
207,500	Longfor Properties	355	0.28
94,800	LONGi Green Energy	289	0.22
150,950	Meituan Dianping	2,026	1.58
108,300	NetEase	1,762	1.37
17,200	Pinduoduo <i>ADR</i>	1,064	0.83
152,000	Ping An Insurance	743	0.58
1,165,000	Postal Savings Bank of China	479	0.37
75,400	Shenzhou International	586	0.46
16,300	Sunny Optical Technology	110	0.09
171,400	Tencent	5,714	4.46
35,600	Trip Com	1,120	0.87
52,000	Tsingtao Brewery	347	0.27
79,840	WuXi AppTec	653	0.51
188,000	WuXi Biologics	786	0.61
294,200	Xiaomi	350	0.27
38,400	ZTO Express	768	0.60
	TOTAL CHINA	31,671	24.71
	HONG KONG – 7.25% (15.08.22 – 8.53%)		
467,000	AIA	3,316	2.59
126,000	China Mengniu Dairy	327	0.26
190,000	China Resources Enterprise	863	0.67
124,000	China Resources Land	403	0.32
67,500	CK Asset	287	0.22
167,000	CK Hutchison	712	0.56
202,000	Galaxy Entertainment	1,081	0.84

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

 Holding	 Portfolio of Investments	 Value £'000	 15.08.23 %
48,400	Hong Kong Exchanges and Clearing	1,464	1.14
62,900	Link REIT	243	0.19
65,500	Sun Hung Kai Properties	593	0.46
	TOTAL HONG KONG	9,289	7.25
	INDIA – 17.45% (15.08.22 – 13.86%)		
129,900	Axis Bank	1,154	0.90
11,500	Bajaj Finance	762	0.59
190,390	Bharat Petroleum	641	0.50
106,500	Bharti Airtel	872	0.68
117,250	Container Of India	737	0.58
183,000	DLF	814	0.64
200,864	HDFC Bank	3,056	2.38
32,200	Hindustan Unilever	772	0.60
219,100	ICICI Bank	1,986	1.55
97,900	Infosys	1,289	1.01
116,700	Jio Financial Services	289	0.23
65,000	Larsen & Toubro	1,634	1.27
11,800	Maruti Suzuki India	1,038	0.81
496,500	Oil & Natural Gas	837	0.65
455,050	Power Grid	1,052	0.82
116,700	Reliance Industries	2,841	2.22
103,600	State Bank of India	550	0.43
33,000	Tata Consultancy Services	1,076	0.84
131,000	UPL	731	0.57
28,000	Varun Beverages	229	0.18
	TOTAL INDIA	22,360	17.45
	INDONESIA – 2.86% (15.08.22 – 3.31%)		
1,665,100	Astra	571	0.45
1,283,700	Bank Central Asia	611	0.48
786,300	Bank Negara Indonesia	365	0.28

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

 Holding 	 Portfolio of Investments 	 Value £'000 	 15.08.23 %
2,740,700	Bank Rakyat Indonesia	781	0.61
4,902,800	Telekomunikasi Indonesia 'B'	955	0.74
1,178,300	Vale Indonesia Tbk	384	0.30
	TOTAL INDONESIA	3,667	2.86
	MALAYSIA – 1.02% (15.08.22 – 1.30%)		
247,400	Malayan Banking Berhad	378	0.30
1,307,500	Public Bank	929	0.72
	TOTAL MALAYSIA	1,307	1.02
	PHILIPPINES – 1.35% (15.08.22 – 0.58%)		
159,780	ACEN	12	0.01
356,760	BDO Unibank	692	0.54
86,800	SM Investments	1,030	0.80
	TOTAL PHILIPPINES	1,734	1.35
	SINGAPORE – 2.94% (15.08.22 – 3.01%)		
82,300	CapitaLand Ascendas REIT	129	0.10
60,000	DBS	1,155	0.90
118,600	Oversea-Chinese Banking	858	0.67
4,800	Sea ADR	153	0.12
619,400	Singapore Telecommunications	860	0.67
36,600	United Overseas Bank	606	0.48
	TOTAL SINGAPORE	3,761	2.94
	SOUTH KOREA – 11.41% (15.08.22 – 10.50%)		
5,800	E-Mart	266	0.21
3,100	Hyundai Motor	345	0.27
15,520	Kakao	464	0.36
12,600	KB Financial	383	0.30
12,250	Kia Motors	568	0.44
1,600	LG Chem	563	0.44

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
3,500	Naver	456	0.36
3,350	POSCO	1,138	0.89
161,900	Samsung Electronics	6,414	5.00
32,400	Samsung Electronics <i>preference shares</i>	1,060	0.83
2,490	Samsung SDI	895	0.70
17,000	Shinhan Financial	350	0.27
16,400	SK hynix	1,110	0.87
13,400	S-Oil	607	0.47
	TOTAL SOUTH KOREA	<u>14,619</u>	<u>11.41</u>
	TAIWAN – 11.56% (15.08.22 – 12.32%)		
27,000	Andes Technology Corporation	266	0.21
150,000	ASE Technology	404	0.31
162,680	Chailease	680	0.53
958,000	CTBC Financial	562	0.44
221,000	Delta Electronics	1,909	1.49
396,162	E.Sun Financial	243	0.19
390,000	Hon Hai Precision Industry	1,026	0.80
42,000	MediaTek	700	0.55
653,000	Taiwan Semiconductor Manufacturing	8,699	6.79
292,000	United Micro Electronics	326	0.25
	TOTAL TAIWAN	<u>14,815</u>	<u>11.56</u>
	THAILAND – 0.52% (15.08.22 – 0.48%)		
486,100	CP ALL (Alien Market)	<u>668</u>	<u>0.52</u>
	FAR EAST (EX JAPAN) – 2.65% (15.08.22 – 4.39%)		
429,500	iShares MSCI China A UCITS ETF ²	1,488	1.16
39,000	Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF ²	<u>1,913</u>	<u>1.49</u>
	TOTAL FAR EAST (EX JAPAN)	<u>3,401</u>	<u>2.65</u>

WS CANLIFE ASIA PACIFIC FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	Portfolio of investments	127,586	99.56
	Net other assets	<u>562</u>	<u>0.44</u>
	Net assets	<u>128,148</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

¹ Suspended security.

² Collective investment schemes.

Definitions:

ADR – American Depositary Receipts.

ADS – American Depositary Shares.

WS CANLIFE ASIA PACIFIC FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	29,693	Total sales for the year £'000 (note 16)	28,628
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
Alibaba <i>ADS</i>	1,511	Lyxor MSCI AC Asia Pacific Ex Japan	
Lyxor MSCI AC Asia Pacific Ex Japan		UCITS ETF	3,143
UCITS ETF	1,361	Hon Hai Precision Industry	1,257
SM Investments	1,129	Santos	1,241
Delta Electronics	1,115	Nan Ya Plastics	1,063
Pinduoduo <i>ADR</i>	1,037	United Tractors	780
Trip Com	1,012	CK Asset	767
Telstra	976	Wuliangye Yibin	721
Hindustan Unilever	830	Tata Consultancy Services	649
Goodman	766	Guangdong Investment	646
Chailease	751	China Steel	624

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital losses	3		(13,028)		(8,487)
Revenue	4	4,042		3,767	
Expenses	5	(808)		(777)	
Interest payable and similar charges	7	(1)		(4)	
Net revenue before taxation		3,233		2,986	
Taxation	6	(279)		(261)	
Net revenue after taxation			2,954		2,725
Total return before distributions			(10,074)		(5,762)
Distributions	8		(2,954)		(2,725)
Change in net assets attributable to shareholders from investment activities			(13,028)		(8,487)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			141,413		112,076
Amounts receivable on issue of shares		10,727		46,450	
Amounts payable on redemption of shares		(13,873)		(11,534)	
			(3,146)		34,916
Dilution levy	1(H)		-		59
Change in net assets attributable to shareholders from investment activities			(13,028)		(8,487)
Retained distributions on Accumulation shares	8		2,909		2,849
Closing net assets attributable to shareholders			128,148		141,413

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
BALANCE SHEET
as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		127,586	139,329
Current assets			
Debtors	9	381	708
Cash and bank balances	10	308	1,443
Total assets		<u>128,275</u>	<u>141,480</u>
LIABILITIES			
Creditors			
Other creditors	11	(127)	(67)
Total liabilities		<u>(127)</u>	<u>(67)</u>
Net assets attributable to shareholders		<u>128,148</u>	<u>141,413</u>

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

3. Net Capital Losses

The net capital losses during the year comprise:

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(12,991)	(8,425)
Transaction charges	(1)	(13)
Currency losses	(36)	(49)
Net capital losses	<u>(13,028)</u>	<u>(8,487)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	3,837	3,654
Taxable dividends	77	58
Bank interest	14	-
Non-taxable stock dividends	101	13
Stock lending revenue	13	42
Total revenue	<u>4,042</u>	<u>3,767</u>

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	647	627
Legal and professional fees	11	8
Typesetting costs	2	2
Registration and dealing fees	42	39
	702	676
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	43	41
Safe custody and other bank charges	37	36
	80	77
Other expenses:		
Audit fees	12	11
Legal and professional fees	14	13
	26	24
Total expenses	<u>808</u>	<u>777</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	279	261
Current tax charge	279	261
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>279</u>	<u>261</u>

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	3,233	2,986
Corporation tax at 20%	647	597
Effects of:		
Non-taxable dividends	(788)	(734)
Relief on overseas tax expensed	(1)	-
Prior year adjustment	(8)	-
Foreign tax expensed	-	(1)
Unutilised excess management expenses	150	138
Corporation tax charge	-	-
Overseas tax	279	261
Total tax charge (note 6a)	279	261

c) Deferred tax

At the year end there is a potential deferred tax asset of £2,124,000 (15.08.22: £1,974,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	1	4
Total interest payable and similar charges	1	4

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	1,115	649
Final	<u>1,794</u>	<u>2,200</u>
	2,909	2,849
Add: Revenue deducted on redemption of shares	84	50
Deduct: Revenue received on issue of shares	<u>(39)</u>	<u>(174)</u>
Net distributions for the year	<u>2,954</u>	<u>2,725</u>

Details of the distributions per share are set out in the table on pages 78 and 79.

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	1	292
Accrued revenue:		
Non-taxable dividends	358	390
Taxable dividends	22	26
	<u>380</u>	<u>416</u>
Total debtors	<u>381</u>	<u>708</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	<u>308</u>	<u>1,443</u>
Total cash and bank balances	<u>308</u>	<u>1,443</u>

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

11. Other Creditors

	15.08.23 £'000	15.08.22 £'000
Amounts payable for redemption of shares	11	7
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	80	28
Typesetting costs	1	1
Registration and dealing fees	5	6
	86	35
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	5	2
Transaction charges	2	5
Safe custody and other bank charges	8	5
	15	12
Other expenses	15	13
Total other creditors	127	67

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 65 and amounts due at the year end are disclosed in notes 9 and 11.

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 96,666 (15.08.22: 107,152) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 3,759,977 (15.08.22: 3,202,658) of the Fund's shares at the balance sheet date. These shares have also been reflected in the following disclosure.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited) held 4,453,574 (15.08.22: 4,061,501) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates	48.35% (15.08.22: 42.85%)
Fundsettle Nominees Limited	20.39% (15.08.22: 20.08%)

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	A Accumulation	C Accumulation	C (EUR) Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.75%	0.375%
Opening shares in issue	246,682	428,738	1,898,315	6,905,581
Issues	2,060	5,896	–	719,885
Redemptions	<u>(15,055)</u>	<u>(188,409)</u>	<u>(22,948)</u>	<u>(768,057)</u>
Closing shares in issue	<u>233,687</u>	<u>246,225</u>	<u>1,875,367</u>	<u>6,857,409</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing mainly in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates.

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Australian dollars	20,346	22,199
Chinese yuan	1,497	3,106
Hong Kong dollars	38,481	43,862
Indian rupees	22,455	19,635
Indonesian rupiah	3,667	4,687
Malaysian ringgit	1,307	1,836
Philippine pesos	1,734	818
Singapore dollars	3,699	3,973
South Korean won	14,666	14,916
Taiwan dollars	15,043	17,657
Thai baht	668	674
US dollars	4,691	6,624
	<u>128,254</u>	<u>139,987</u>
Pounds sterling	(106)	1,426
Net assets	<u>128,148</u>	<u>141,413</u>

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £6,413,000 on the net assets of the Fund (15.08.22: £6,999,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 97.95% of the portfolio can be liquidated within 5 days and 98.34% within 21 working days (15.08.22: 96.22% within 5 days and 96.84% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £6,379,000 (15.08.22: £6,966,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

16. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	28,038	16	21	28,075
Collective investment schemes	1,618	–	–	1,618
Purchases total	<u>29,656</u>	<u>16</u>	<u>21</u>	<u>29,693</u>
Transaction cost % of purchases total		0.05%	0.07%	
Transaction cost % of average NAV		0.01%	0.02%	
Ordinary shares	25,047	(15)	(39)	24,993
Collective investment schemes	3,635	–	–	3,635
Sales total	<u>28,682</u>	<u>(15)</u>	<u>(39)</u>	<u>28,628</u>
Transaction cost % of sales total		0.05%	0.14%	
Transaction cost % of average NAV		0.01%	0.03%	

Average portfolio dealing spread at 15.08.23 is 0.12% (15.08.22: 0.13%).

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15.08.22	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	57,082	26	36	57,144
Collective investment schemes	26,729	-	-	26,729
Purchases total	83,811	26	36	83,873
Transaction cost % of purchases total		0.03%	0.04%	
Transaction cost % of average NAV		0.02%	0.03%	
Ordinary shares	23,781	(15)	(32)	23,734
Collective investment schemes	22,982	-	-	22,982
Sales total	46,763	(15)	(32)	46,716
Transaction cost % of sales total		0.03%	0.07%	
Transaction cost % of average NAV		0.01%	0.03%	

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

15.08.23	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	127,586	-	-	127,586
15.08.22	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	139,329	-	-	139,329

WS CANLIFE ASIA PACIFIC FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES (PENCE)

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	4.8163	–	4.8163	1.2027
Group 2	4.8163	0.0000	4.8163	1.2027

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	10.9166	–	10.9166	14.2446
Group 2	7.9936	2.9230	10.9166	14.2446

C ACCUMULATION SHARES (PENCE)

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	10.5785	–	10.5785	7.0760
Group 2	1.7978	8.7807	10.5785	7.0760

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	17.0608	–	17.0608	20.7506
Group 2	6.7262	10.3346	17.0608	20.7506

WS CANLIFE ASIA PACIFIC FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

C ACCUMULATION SHARES (EUR) (€ CENTS)

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	11.8977	–	11.8977	8.4282
Group 2	11.8977	0.0000	11.8977	8.4282

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	19.8873	–	19.8873	24.6008
Group 2	19.8873	0.0000	19.8873	24.6008

G ACCUMULATION SHARES (PENCE)

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	13.7993	–	13.7993	10.3313
Group 2	3.7847	10.0146	13.7993	10.3313

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	20.5002	–	20.5002	24.3571
Group 2	15.6096	4.8906	20.5002	24.3571

WS CANLIFE CORPORATE BOND FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Corporate Bond Fund ('the Fund') is to provide an income and the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, at least 80% of the assets by value, worldwide in sterling denominated investment grade corporate bonds.

The Fund may also invest up to 20% of the assets by value, worldwide in other debt securities (such as government and public securities, non-investment grade corporate bonds, non-sterling denominated bonds), money market instruments, deposits and cash.

Bonds are rated to indicate the probability that the issuer will repay the loan. Investment grade bonds are considered to have a lower risk of the issuer not repaying the loan.

Credit ratings are internally derived and assigned by Canada Life Asset Management. They will generally be in line with the major external rating agencies and should not be higher than the highest external rating agency rating.

The Fund can invest across different industry sectors and geographical regions without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

Investment in collective investment schemes is limited to 10% of the assets by value.

The Fund may use derivatives for efficient portfolio management purposes.

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

Benchmark

The Fund's comparator benchmark is the Markit iBoxx GBP Corporate Bond Index.

The Fund's performance may be compared against the Markit iBoxx GBP Corporate Bond Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against GBP Corporate bond returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Corporate Bond Fund
13 December 2023

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

While there have been several challenges for corporate bond markets over the past 12 months, many of the longer-term themes remain in place. Central banks have continued to tackle stubbornly high inflation with interest rate hikes throughout the year. As such, higher interest rates and duration (interest rate risk) have been considerable headwinds for fixed income assets during the period.

Shortly after the period began, credit market spreads widened following a mass sell-off of bonds prompted by then UK chancellor Kwasi Kwarteng's 'mini budget' that proposed a number of uncosted tax cuts. After the Bank of England ('BoE') stepped in to stabilise gilt markets, the political landscape was steadied by former prime minister Liz Truss being replaced by Rishi Sunak and Kwarteng by Jeremy Hunt.

In the US, during the first quarter of 2023, the collapse of Silicon Valley Bank and two other large institutions raised concerns that this regional banking crisis could cause contagion throughout the global banking sector – but this possibility was averted. Increasingly positive economic data towards the end of the period helped boost risk assets broadly, including credit markets.

In Europe, economic data suggested the region entered a mild recession towards the end of 2022 but averted the danger of economic collapse. Demand for services, particularly in the travel and leisure sectors, has supported the economy while the manufacturing sector has struggled from weak new orders.

Although there have been some signs that inflation may be moderating, the Federal Reserve, BoE and European Central Bank maintained higher interest rates towards the end of the period. Higher rates have made the yields on offer in the corporate bond space look more competitive and provide some downside protection against further rate rises.

Investment grade sterling corporate bonds have looked particularly attractive since the mini-budget, compared with European and US bonds, after the rise in underlying gilt yields. Credit spreads have also traded at the upper end of their historical range.

Fund Performance

The price of the C Accumulation shares of the Fund decreased by 6.99% in the 12 months to 15 August 2023 but outperformed the comparator benchmark, the Markit iBoxx GBP Corporate Bond Index by 1.09%.

Fund Activity

Throughout the period, we have bought defensive non-cyclical companies in areas such as utilities and consumer non-cyclicals, as they are likely to be able to withstand a potential earnings downturn. Later in the period we started to increase duration, bringing it closer to the benchmark, following the sell-off in gilts, by adding to our industrial and utilities holdings. We are mindful that consumption has proved more resilient

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

than generally expected amid the current economic environment, so we have also added names that stand to benefit from ongoing consumer demand. Where we have added new bonds, we have primarily purchased on the primary market where new issue premiums offer much better value compared with those available on secondary markets.

Outlook

Inflation remains high, although there have been signs of it easing towards the end of the period as some commodity and energy prices have started to drop off. Troublingly, core inflation is being supported by multi-decade-low unemployment rates and correspondingly strong upward pressure on wages. Some key central banks have indicated that they have not yet finished hiking rates and we could see further rises by year-end, or at least keep rates at high levels. We would expect inflation start to fall before central banks pause the rates cycle and then start to cut rates. But, at the moment, we are not seeing robust signs that inflation will continue falling.

While we would expect stronger performance from consumer-focused sectors if the economic backdrop remains benign, these sectors could be impacted towards the end of the year as the effect of previous rate hikes continue to feed through, particularly via mortgage rates. Also, if the rate-hiking cycle continues, it could push some of the more precarious economies into full recession.

In credit markets, we are expecting both forecast and actual defaults to go up in the coming months. We also think the number of downgrades will exceed upgrades in the coming months, as central banks continue to focus on inflation over growth.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

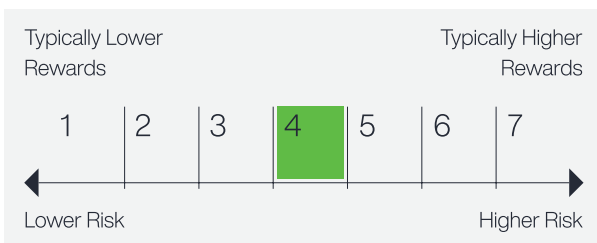
31 August 2023

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. bonds) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	189.49	223.21	221.22
Return before operating charges*	(12.68)	(26.22)	10.09
Operating charges	(0.83)	(0.98)	(1.23)
Return after operating charges	(13.51)	(27.20)	8.86
Distributions	(7.29)	(6.52)	(6.87)
Closing net asset value per share	168.69	189.49	223.21
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(7.13)%	(12.19)%	4.01%
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OTHER INFORMATION

Closing net asset value (£'000)	8,423	10,316	1,048
Closing number of shares	4,993,324	5,444,067	469,760
Operating charges	0.47%	0.47%	0.55% ¹
Direct transaction costs	-	-	-

PRICES

Highest share price	190.14	224.77	232.66
Lowest share price	158.72	186.04	218.14

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.50% to 0.40%.

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	267.32	304.71	292.95
Return before operating charges*	(18.03)	(36.04)	13.41
Operating charges	(1.18)	(1.35)	(1.65)
Return after operating charges	(19.21)	(37.39)	11.76
Distributions	(10.39)	(8.98)	(9.16)
Retained distributions on accumulation shares	10.39	8.98	9.16
Closing net asset value per share	248.11	267.32	304.71
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(7.19)%	(12.27)%	4.01%
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OTHER INFORMATION

Closing net asset value (£'000)	814	957	917
Closing number of shares	328,239	358,102	300,994
Operating charges	0.47%	0.47%	0.55% ¹
Direct transaction costs	-	-	-

PRICES

Highest share price	268.22	306.83	308.07
Lowest share price	223.90	257.99	293.06

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.50% to 0.40%.

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	270.92	308.74	296.49
Return before operating charges*	(18.29)	(36.54)	13.58
Operating charges	(1.12)	(1.28)	(1.33)
Return after operating charges	(19.41)	(37.82)	12.25
Distributions	(10.54)	(9.10)	(9.28)
Retained distributions on accumulation shares	10.54	9.10	9.28
Closing net asset value per share	251.51	270.92	308.74
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(7.16)%	(12.25)%	4.13%
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OTHER INFORMATION

Closing net asset value (£'000)	239,481	250,158	285,001
Closing number of shares	95,217,436	92,335,416	92,310,791
Operating charges	0.44%	0.44%	0.44%
Direct transaction costs	-	-	-

PRICES

Highest share price	271.83	310.89	311.94
Lowest share price	226.92	261.45	296.62

WS CANLIFE CORPORATE BOND FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Corporate Bond Fund	(6.99)	(15.48)	(4.98)
Markit iBoxx GBP Corporate Bond Index ¹	(8.08)	(17.67)	(6.30)

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 107 and 108.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE CORPORATE BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 97.73% (15.08.22 – 94.77%)		
	UK GOVERNMENT BONDS – 0.00% (15.08.22 – 0.86%)	–	–
	CORPORATE BONDS – 97.73% (15.08.22 – 93.91%)		
£1,900,000	AA Bond 8.45% 31/7/2050	1,886	0.76
£1,100,000	Admiral 8.5% 6/1/2034	1,108	0.45
£1,500,000	America Movil 4.375% 7/8/2041	1,220	0.49
£3,750,000	Amgen 4% 13/9/2029	3,427	1.38
£2,500,000	Anglian Water 1.625% 10/8/2025	2,289	0.92
£1,700,000	Anglian Water 6% 20/6/2039	1,660	0.67
£2,500,000	Annington Funding 2.646% 12/7/2025	2,301	0.92
£2,100,000	Annington Funding 4.75% 9/8/2033	1,760	0.71
£3,600,000	APT Pipelines 2.5% 15/3/2036	2,319	0.93
£4,800,000	Asian Development Bank 4% <i>floating rate notes</i> 21/11/2025	4,632	1.86
£2,014,600	Aspire Defence Finance B 4.674% 31/3/2040	1,825	0.73
£3,300,000	AT&T 7% 30/4/2040	3,380	1.36
£3,000,000	Athene Global 1.75% 24/11/2027	2,419	0.97
£2,550,000	Aviva 4% 3/6/2055	1,911	0.77
£3,500,000	AXA 5.625% <i>floating rate notes</i> 16/1/2054	3,189	1.28
£3,300,000	Banco Santander 4.5% <i>floating rate notes</i> 30/8/2028	3,102	1.25
£2,800,000	Bank of America Corporation 3.584% 27/4/2031	2,383	0.96
£2,100,000	Banque Populaire Caisse D'Epargne 2.5% 30/11/2032	1,701	0.68
£2,800,000	Berkshire Hathaway Finance 2.375% 19/6/2039	1,857	0.75
£2,000,000	BG Energy Capital 5% 4/11/2036	1,843	0.74
£1,904,104	Bishopsgate Asset Finance 4.808% 14/8/2044	1,290	0.52
£1,500,000	Blackstone 2.625% 20/10/2028	1,132	0.45
£2,500,000	Blend Funding 3.459% 21/9/2049	1,749	0.70
£2,500,000	BNP Paribas 5.75% 13/6/2032	2,360	0.95
£2,700,000	BP Capital Markets 4.25% <i>Perpetual</i>	2,389	0.96

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£485,000	British Land 5.264% 24/9/2035	433	0.17
£3,000,000	Cadent Finance 3.125% 21/3/2040	2,012	0.81
£2,779,440	Canary Wharf Finance II 6.8% 22/10/2033	2,690	1.08
£1,300,000	Chancellor Masters and Scholars of the University of Oxford 2.544% 8/12/2117	635	0.26
£1,800,000	Close Brothers Finance 1.625% 3/12/2030	1,241	0.50
£2,300,000	Credit Suisse 2.25% 9/6/2028	1,948	0.78
£3,450,000	Dali Capital (Series 29) 4.79924% 21/12/2037	3,015	1.21
£3,000,000	DBS Bank <i>floating rate notes</i> 17/11/2025	3,028	1.22
£1,720,250	Delamare Finance 5.5457% 19/2/2029	1,653	0.66
£1,150,000	Deutsche Bahn Finance 1.875% 13/2/2026	1,053	0.42
£3,200,000	Deutsche Bank 4% 24/6/2026	3,000	1.21
£2,000,000	Deutsche Telekom International Finance 3.125% 6/2/2034	1,604	0.64
£3,182,000	DWR Cymru Financing 6.015% 31/3/2028	3,170	1.27
£3,800,000	Électricité de France 6% <i>floating rate notes Perpetual</i>	3,515	1.41
£2,400,000	Engie SA 5.625% 3/4/2053	2,231	0.90
£2,400,000	ENW Finance 4.893% 24/11/2032	2,211	0.89
£1,000,000	Equinor ASA 6.875% 11/3/2031	1,078	0.43
£4,000,000	European Investment Bank 0.875% 15/5/2026	3,547	1.43
£1,500,000	Experian Finance 2.125% 27/9/2024	1,439	0.58
£2,100,000	Fidelity National Information Services 3.36% 21/5/2031	1,738	0.70
£2,000,000	Gatwick Funding 6.125% 2/3/2028	1,986	0.80
£2,500,000	GE Capital UK Funding 5.875% 18/1/2033	2,421	0.97
£1,532,550	Greene King Finance 3.593% 15/3/2035	1,260	0.51
£1,805,890	Greene King Finance 5.318% 15/9/2031	1,637	0.66
£2,500,000	GSK Consumer Healthcare Capital 2.875% 29/10/2028	2,181	0.88
£2,000,000	High Speed Rail Finance 1 4.375% 1/11/2038	1,699	0.68
£3,359,463	Housing Finance 8.625% 13/11/2023	3,376	1.36
£1,500,000	HSBC 6% 29/3/2040	1,309	0.53
£2,000,000	IG 3.125% 18/11/2028	1,558	0.63

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£2,400,000	ING 3% 18/2/2026	2,219	0.89
£3,694,742	Intu Metrocentre Finance 8.75% 6/12/2028	1,714	0.69
£2,500,000	John Lewis 4.25% 18/12/2034	1,521	0.61
£2,300,000	Land Securities Capital Markets 2.75% 22/9/2059	1,248	0.50
£2,800,000	Legal & General 5.5% <i>floating rate notes</i> 27/6/2064	2,486	1.00
£1,550,000	Lloyds Bank 1.985% 15/12/2031	1,307	0.53
£2,000,000	Lloyds Bank Corporate Markets 1.75% 11/7/2024	1,923	0.77
£4,000,000	Logicor 2019-1 UK 1.875% 17/11/2031	3,457	1.39
£3,000,000	Longstone 4.774% 19/4/2036	2,634	1.06
£2,847,945	Marstons Issuer 2.98602% <i>floating rate notes</i> 15/10/2027	2,654	1.07
£1,400,000	MassMutual Global Funding II 1.375% 15/12/2026	1,206	0.48
£3,000,000	McKesson 3.125% 17/2/2029	2,583	1.04
£3,500,000	Metropolitan Life Global Funding I 1.625% 21/9/2029	2,734	1.10
£3,138,615	Mitchells & Butlers Finance 6.013% 15/12/2030	2,857	1.15
£2,800,000	Morgan Stanley 5.789% 18/11/2033	2,677	1.08
£3,175,000	Motability Operations 4.375% 8/2/2027	3,032	1.22
£1,400,000	National Gas Transmission 5.75% 5/4/2035	1,324	0.53
£2,800,000	National Grid Electricity Transmission 2% 16/9/2038	1,674	0.67
£2,600,000	National Grid Gas 1.699% 15/9/2031	2,167	0.87
£3,800,000	Nationwide Building Society 5.769% <i>Perpetual</i>	3,521	1.42
£3,600,000	NATS (En Route) 1.375% 31/3/2031	2,961	1.19
£1,300,000	NatWest 3.619% 29/3/2029	1,138	0.46
£3,000,000	Next 3.625% 18/5/2028	2,667	1.07
£1,480,000	NIE Finance 5.875% 1/12/2032	1,464	0.59
£1,400,000	NIE Finance 6.375% 2/6/2026	1,404	0.56
£2,250,000	Northern Gas Networks Finance 6.125% 2/6/2033	2,216	0.89
£500,000	Northern Powergrid Yorkshire 2.25% 9/10/2059	245	0.10
£5,500,000	Northern Powergrid Yorkshire 3.25% 1/4/2052	3,607	1.45
£1,800,000	Orsted A/S 5.375% 13/9/2042	1,652	0.66
£3,400,000	Pacific Life Global Funding 5% 12/1/2028	3,250	1.31
£1,557,652	Peterborough (Progress Health) 5.58% 2/10/2042	1,346	0.54

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£3,000,000	Petroleos Mexicanos 3.75% 16/11/2025	2,577	1.04
£1,300,000	Pfizer 2.735% 15/6/2043	865	0.35
£2,500,000	Phoenix 5.625% 28/4/2031	2,188	0.88
£3,500,000	Places For People Homes 5.09% 31/7/2043	3,454	1.39
£3,000,000	RL Finance NO 4 4.875% 7/10/2049	2,183	0.88
£2,000,000	Sage 2.875% 8/2/2034	1,508	0.61
£2,000,000	Sanctuary Capital 6.697% 23/3/2039	2,180	0.88
£1,300,000	Severn Trent Utilities Finance 2.75% 5/12/2031	1,023	0.41
£3,000,000	Severn Trent Utilities Finance 4.875% 24/1/2042	2,557	1.03
£3,500,000	Society of Lloyd's 4.75% 30/10/2024	3,413	1.37
£2,270,000	Southern Gas Network 4.875% 21/3/2029	2,152	0.86
£2,524,410	Telereal Secured Finance 4.01% 10/12/2033	2,210	0.89
£2,100,000	Telereal Securitisation 3.5625% 10/12/2036	1,746	0.70
£3,500,000	Total Capital International 1.66% 22/7/2026	3,136	1.26
£3,200,000	Toyota Motor Finance Netherlands BV 4.625% 8/6/2026	3,097	1.25
£2,500,000	TP ICAP 2.625% 18/11/2028	1,877	0.75
£2,600,000	UBS Jersey 8.75% 18/12/2025	2,647	1.06
£3,500,000	Unite Usaf II 3.921% 30/6/2030	3,308	1.33
£3,500,000	United Utilities Water Finance 1.75% 10/2/2038	2,067	0.83
£2,900,000	Vattenfall 2.5% 29/6/2083	2,309	0.93
£4,200,000	Verizon Communications 1.875% 3/11/2038	2,415	0.97
£3,300,000	Vodafone 3% 12/8/2056	1,791	0.72
£1,500,000	Volkswagen Financial Services 3.25% 13/4/2027	1,344	0.54
£400,000	Volkswagen International Finance 3.375% 16/11/2026	366	0.15
£2,200,000	Weir 6.875% 14/6/2028	2,206	0.89
£738,596	Wellington 6.735% 15/1/2029	688	0.28
£1,800,000	Wessex Water 5.125% 31/10/2032	1,648	0.66

WS CANLIFE CORPORATE BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£1,250,000	Western Power Distribution East Midlands 1.75% 9/9/2031	914	0.37
£3,000,000	Yorkshire Water Services Finance 5.5% 28/5/2037	2,756	1.11
£2,000,000	Zurich Finance (Ireland) DAC 5.125% 23/11/2052	1,748	0.70
	TOTAL CORPORATE BONDS	<u>243,061</u>	<u>97.73</u>
	TOTAL DEBT SECURITIES	<u>243,061</u>	<u>97.73</u>
	MONEY MARKETS – 0.17% (15.08.22 – 1.46%)		
400,000	WS Canlife Sterling Liquidity ^{1,2}	<u>425</u>	<u>0.17</u>
	Portfolio of investments	243,486	97.90
	Net other assets	<u>5,232</u>	<u>2.10</u>
	Net assets	<u>248,718</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies are debt securities listed on a regulated market unless stated otherwise.

¹ Collective investment scheme.

² Related party holding (see note 11).

WS CANLIFE CORPORATE BOND FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000	103,835	Total sales for the year £'000	81,086
Major purchases	Cost £'000	Major sales	Proceeds £'000
Pacific Life Global Funding 5% 12/1/2028	6,382	Bank of America 1.667% 2/6/2029	4,159
Asian Development Bank 4% <i>floating rate notes</i> 21/11/2025	5,998	UK Treasury 0.125% index-linked 22/3/2044	4,140
Compass Group PLC 4.375% 8/9/2032	3,965	Compass Group PLC 4.375% 8/9/2032	3,953
European Investment Bank 0.875% 15/5/2026	3,587	AT&T 4.375% 14/9/2029	3,242
AT&T 7% 30/4/2040	3,541	Pacific Life Global Funding 5% 12/1/2028	3,008
BNP Paribas 5.75% 13/6/2032	3,498	BHP Billiton Finance 6.5% 22/10/2077	3,000
Banco Santander 4.5% <i>floating rate notes</i> 30/8/2028	3,276	Wells Fargo 5.25% 1/8/2023	2,998
Toyota Motor Finance Netherlands BV 4.625% 8/6/2026	3,189	Zurich Finance UK 6.625% <i>floating rate notes Perpetual</i>	2,799
AT&T 4.375% 14/9/2029	3,130	UK Treasury 0.375% 22/10/2030	2,791
Motability Operations 4.375% 8/2/2027	3,109	Northern Powergrid Yorkshire 4.375% 5/7/2032	2,769

In addition to the above, purchases totalling £21,010,000 and sales totalling £24,461,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital losses	3		(26,657)		(43,143)
Revenue	4	11,019		8,641	
Expenses	5	(1,178)		(1,225)	
Net revenue before taxation		9,841		7,416	
Taxation	6	–		–	
Net revenue after taxation			9,841		7,416
Total return before distributions			(16,816)		(35,727)
Distributions	7		(11,019)		(8,641)
Change in net assets attributable to shareholders from investment activities			(27,835)		(44,368)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			261,431		299,474
Amounts receivable on issue of shares		51,816		31,638	
Amounts payable on redemption of shares		(47,913)		(33,626)	
			3,903		(1,988)
Dilution levy	1 (H)		406		–
Change in net assets attributable to shareholders from investment activities			(27,835)		(44,368)
Retained distributions on Accumulation shares			10,810		8,311
Unclaimed distributions	2		3		2
Closing net assets attributable to shareholders			248,718		261,431

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
BALANCE SHEET
as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		243,486	251,571
Current assets			
Debtors	8	4,183	5,021
Cash and bank balances	9	1,393	5,136
Total assets		<u>249,062</u>	<u>261,728</u>
LIABILITIES			
Creditors			
Distribution payable	10	(190)	(178)
Other creditors	10	(154)	(119)
Total liabilities		<u>(344)</u>	<u>(297)</u>
Net assets attributable to shareholders		<u>248,718</u>	<u>261,431</u>

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year. The additional distribution policies described below have also been applied to this Fund.

The Fund has satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the year. All distributions made are therefore made as gross interest distributions.

All expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital Losses

The net capital losses during the year comprise:

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(26,658)	(43,142)
Transaction charges	(1)	(1)
Currency gains	2	-
Net capital losses	<u>(26,657)</u>	<u>(43,143)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Interest on debt securities	10,792	8,610
Interest distributions on CIS holdings	117	7
Bank interest	69	2
Stock lending revenue	41	22
Total revenue	<u>11,019</u>	<u>8,641</u>

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	999	1,041
Legal and professional fees	7	6
Typesetting costs	2	2
Registration and dealing fees	82	86
	1,090	1,135
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	60	62
Safe custody and other bank charges	18	19
	78	81
Other expenses:		
Audit fees	10	9
Total expenses	<u>1,178</u>	<u>1,225</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	—	—
Current tax charge	—	—
Deferred tax – origination and reversal of timing differences (note 6c)	—	—
Total taxation (note 6b)	<u>—</u>	<u>—</u>

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	9,841	7,416
Corporation tax at 20%	1,968	1,483
Effects of:		
Tax deductible interest distributions	(1,968)	(1,483)
Corporation tax charge	-	-
Total tax charge (note 6a)	-	-

c) Deferred tax

There is no deferred tax asset recognised in the current or prior year.

7. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	5,683	4,226
Final	5,497	4,451
	11,180	8,677
Add: Revenue deducted on redemption of shares	277	182
Deduct: Revenue received on issue of shares	(438)	(218)
Net distributions for the year	11,019	8,641

Details of the distributions per share are set out in the table on pages 107 and 108.

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	9,841	7,416
Allocations to capital:		
Expenses	1,178	1,225
Net distributions for the year	<u>11,019</u>	<u>8,641</u>

8. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	27	1,540
Accrued revenue:		
Interest distributions on CIS holdings	–	2
Stock lending revenue	2	2
Interest from debt securities	4,154	3,477
	<u>4,156</u>	<u>3,481</u>
Total debtors	<u>4,183</u>	<u>5,021</u>

9. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	1,393	5,136
Total cash and bank balances	<u>1,393</u>	<u>5,136</u>

10. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	<u>190</u>	<u>178</u>

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Other Creditors		
Amounts payable for redemption of shares	2	54
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	119	40
Typesetting costs	1	1
Registration and dealing fees	9	10
	129	51
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	8	2
Safe custody and other bank charges	4	2
	12	4
Other expenses	11	10
Total other creditors	<u>154</u>	<u>119</u>

11. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 95 and amounts due at the year end are disclosed in notes 8 and 10.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 2,141,077 (15.08.22: 2,289,642) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 39,671,342 (15.08.22: 30,468,732) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited) held 47,214,597 (15.08.22: 60,298,939) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates	46.96% (15.08.22: 61.44%)
The Bank of New York (Nominees) Limited	50.14% (15.08.22: 35.18%)

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	425	-

12. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

13. Shares in Issue

	C Income	C Accumulation	G Accumulation
Annual Management Charge	0.40%	0.40%	0.375%
Opening shares in issue	5,444,067	358,102	92,335,416
Issues	189,354	25,884	21,178,604
Redemptions	(640,097)	(55,747)	(18,296,584)
Closing shares in issue	<u>4,993,324</u>	<u>328,239</u>	<u>95,217,436</u>

14. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of bond holdings.

Credit Quality	15.08.23 £'000	15.08.22 £'000
Investment grade debt securities	84.87	79.12
Non-investment grade debt securities	7.04	8.04
Non-rated debt securities	5.82	7.61
Other investments	0.17	1.46
Net other assets	2.10	3.77
	100.00	100.00

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes.

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £139,000 on the direct net assets of the Fund (15.08.22: £176,000).

The table below shows the interest rate risk profile:

	15.08.23 £'000	15.08.22 £'000
Floating rate investments	23,031	19,643
Fixed rate investments	220,455	231,928
Total investments	243,486	251,571

The floating rate investments comprise securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalents and collective investment schemes that pay UK interest distributions.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movements in foreign exchange rates.

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Euros	29	16
Pounds sterling	248,689	261,415
Net assets	248,718	261,431

WS CANLIFE CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £1,450 on the net assets of the Fund (15.08.22: £800).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 14.42% of the portfolio can be liquidated within 5 days and 93.50% within 21 working days (15.08.22: 64.84% within 5 days and 95.13% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £12,174,000 (15.08.22: £12,579,000). A 5% decrease would have an equal and opposite effect.

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

15. Portfolio Transaction Costs

Securities have been bought and sold at the dealt price with no further transaction costs added or deducted from purchases or sales respectively.

16. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments in the current and prior year are bonds and open-ended collective investment schemes categorised as Level 2.

17. Subsequent Events

As at 8 December 2023, the price of each of the Fund's share classes, compared to that at the balance sheet date, have moved as follows:

Share class	Balance sheet date	08.12.23	Movement
C Income	172.93	179.07	3.55%
C Accumulation	248.72	263.35	5.88%
G Accumulation	252.14	266.98	5.89%

The increase in the prices is primarily due to favourable market conditions. These accounts were approved on 13 December 2023.

WS CANLIFE CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

C INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	3.4841	–	3.4841	3.2437
Group 2	2.9496	0.5345	3.4841	3.2437

Final	Net Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	3.8100	–	3.8100	3.2805
Group 2	2.1494	1.6606	3.8100	3.2805

C ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	4.9145	–	4.9145	4.4324
Group 2	2.7689	2.1456	4.9145	4.4324

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	5.4794	–	5.4794	4.5487
Group 2	2.5095	2.9699	5.4794	4.5487

WS CANLIFE CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

G ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	4.9809	–	4.9809	4.4915
Group 2	2.5598	2.4211	4.9809	4.4915
Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	5.5542	–	5.5542	4.6097
Group 2	4.6243	0.9299	5.5542	4.6097

WS CANLIFE EUROPEAN FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife European Fund ('the Fund') is to achieve capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, at least 80% of the assets by value in the shares of companies which are incorporated or domiciled in Europe (excluding United Kingdom). As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different industry and market capitalisation without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

Benchmark

The Fund's comparator benchmark is the Bloomberg Europe Developed Market ex-UK Large & Mid Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg Europe Developed Market ex-UK Large & Mid Cap Total Return Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against Europe excluding UK equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife European Fund

13 December 2023

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Throughout the review period, to the end of August, many of the challenges impacting European markets towards the end of the previous year remained in place – such as high inflation, rising interest rates and the war in Ukraine.

Eurozone CPI inflation peaked at 10.6% in October before falling to 5.3% in July, and the market expects it to continue falling. However, core inflation remained sticky at around 5.5% over the review period. The European Central Bank ('ECB') has raised interest rates nine times since July 2022, from -0.5% to 3.75% in August 2023.

Manufacturing PMIs have remained weak during the period – below the 50-mark, signalling contraction – and getting worse. While services PMIs have generally held up better, above 50, they have been weakening slightly since May, dipping below 50 at the end of the period.

Europe has continued to be impacted by subdued Chinese growth, especially Germany which exports large quantities of manufactured goods and industrial equipment to the country. Although the Chinese economy reopened after president Xi Jinping abolished the country's strict zero-COVID policy in December, consumer confidence has not returned to the degree many commentators expected.

Generally, European markets have been in a holding pattern since our interim report in February. In March, the collapse of Silicon Valley Bank in the US, alongside two other large institutions, sent global markets lower over fears of contagion through the global banking system. As a result, financials, especially banks, underperformed. Also in March, Credit Suisse was rescued by a takeover by UBS that was supported by the Swiss government.

Fund Performance

The price of the C Accumulation shares of the Fund increased by 10.68% in the 12 months to 15 August 2023 and outperformed the comparator benchmark, the Bloomberg Europe Developed Market ex-UK Large & Mid Cap Total Return Index by 0.05%.

Fund Activity

Broadly, the basic resources, real estate and telecoms sectors underperformed towards the end of the period, while the healthcare and technology sectors outperformed.

In the portfolio, Novo Nordisk, Adidas and CRH produced strong relative returns. Novo Nordisk produced strong data from its obesity franchise. Adidas has passed a turning point, following a difficult period, and is now gaining momentum, while CRH is gaining strong momentum in the US, especially due to increasing infrastructure spending that is supporting its construction materials business.

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

Stock-level detractors from overall performance included DSM Firmenich, as the destocking trend continues to hurt its business, although there is early evidence that this may be turning. In terms of sector exposure, we received good gains from consumer discretionary and our energy underweight, while there were small detractions from consumer staples and industrials towards the end of the period.

Due to the ongoing headwinds for the European economy, we established a small defensive bias within the Fund at the end of the period.

Outlook

We believe the ECB is at or near its peak interest rates. However, it is likely that rates will remain high. Labour markets remain robust, which supports consumer spending, and we are closely watching lead indicators, with services PMIs dipping below 50, suggesting that the sector may contract.

We believe the European economy is heading for a soft landing and we remain cautious while investing. The US has outperformed Europe due to excitement around AI, and if there is a pullback in this excitement, it may have a positive impact for European stocks, which remain relatively cheap.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund may have risen and fallen in the past, and therefore how much a fund's returns may have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 6 because its volatility has been measured as above average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests in European investments, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Market Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Risk and Reward Profile continued

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	155.75	169.63	138.38
Return before operating charges*	17.72	(11.23)	33.58
Operating charges	(2.70)	(2.65)	(2.33)
Return after operating charges	15.02	(13.88)	31.25
Distributions	(2.57)	(1.93)	(1.14)
Retained distributions on accumulation shares	2.57	1.93	1.14
Closing net asset value per share	170.77	155.75	169.63
* after direct transaction costs of:	0.02	0.04	0.09

PERFORMANCE

Return after charges	9.64%	(8.18)%	22.58%
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OTHER INFORMATION

Closing net asset value (£'000)	799	750	836
Closing number of shares	467,638	481,470	493,141
Operating charges	1.64%	1.65%	1.55% ¹
Direct transaction costs	0.01%	0.02%	0.06%

PRICES

Highest share price	179.59	175.26	169.63
Lowest share price	140.40	139.69	127.08

¹ Includes a one-off expense write off relating to the proposed termination.

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	165.87	179.30	145.17
Return before operating charges*	18.93	(11.90)	35.40
Operating charges	(1.57)	(1.53)	(1.27)
Return after operating charges	17.36	(13.43)	34.13
Distributions	(4.07)	(3.42)	(2.39)
Retained distributions on accumulation shares	4.07	3.42	2.39
Closing net asset value per share	183.23	165.87	179.30
* after direct transaction costs of:	0.02	0.04	0.10

PERFORMANCE

Return after charges	10.47%	(7.49)%	23.51%
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OTHER INFORMATION

Closing net asset value (£'000)	15,406	14,693	172
Closing number of shares	8,407,988	8,858,251	95,828
Operating charges	0.89%	0.90%	0.80% ¹
Direct transaction costs	0.01%	0.02%	0.06%

PRICES

Highest share price	192.25	185.56	179.29
Lowest share price	149.68	148.27	133.53

¹ Includes a one-off expense write off relating to the proposed termination.

WS CANLIFE EUROPEAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	170.66	183.79	148.25
Return before operating charges*	19.50	(12.22)	36.24
Operating charges	(0.93)	(0.91)	(0.70)
Return after operating charges	18.57	(13.13)	35.54
Distributions	(4.88)	(4.07)	(3.05)
Retained distributions on accumulation shares	4.88	4.07	3.05
Closing net asset value per share	189.23	170.66	183.79
* after direct transaction costs of:	0.02	0.04	0.10

PERFORMANCE

Return after charges	10.88%	(7.14)%	23.97%
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OTHER INFORMATION

Closing net asset value (£'000)	35,402	35,109	43,287
Closing number of shares	18,708,816	20,573,216	23,552,565
Operating charges	0.51%	0.52%	0.43% ¹
Direct transaction costs	0.01%	0.02%	0.06%

PRICES

Highest share price	198.31	190.36	183.78
Lowest share price	154.08	152.30	136.46

¹ Includes a one-off expense write off relating to the proposed termination.

WS CANLIFE EUROPEAN FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife European Fund	10.68	26.79	30.26
Bloomberg Europe Developed Market ex-UK Large & Mid Cap Total Return Index ¹	10.63	28.93	40.14

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 136 and 137.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE EUROPEAN FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	BELGIUM – 0.73% (15.08.22 – 0.63%)		
6,734	KBC	375	0.73
	DENMARK – 8.74% (15.08.22 – 6.73%)		
5,276	Carlsberg 'B'	620	1.20
6,761	DSV	1,020	1.98
19,349	Novo Nordisk 'B'	2,766	5.36
5,511	Vestas	103	0.20
	TOTAL DENMARK	4,509	8.74
	FINLAND – 3.96% (15.08.22 – 3.95%)		
9,804	KONE 'B'	365	0.71
84,449	Metso Outotec	731	1.41
60,332	Nordea Bank	525	1.02
12,265	Sampo 'A'	425	0.82
	TOTAL FINLAND	2,046	3.96
	FRANCE – 19.93% (15.08.22 – 19.67%)		
3,583	Air Liquide	497	0.96
5,749	Airbus	636	1.23
14,261	BNP Paribas	719	1.39
16,060	Bureau Veritas	343	0.67
4,441	Eiffage	353	0.69
30,126	ENGIE	373	0.72
2,374	EssilorLuxottica	356	0.69
230	Hermes International	376	0.73
264	Kering	115	0.22
1,287	L'Oréal	451	0.87
3,097	LVMH Moët Hennessy Louis Vuitton	2,137	4.14
13,144	Michelin	319	0.62
29,114	Orange	256	0.50
1,378	Pernod Ricard	232	0.45

WS CANLIFE EUROPEAN FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
5,027	Safran	631	1.22
6,922	Sanofi	576	1.12
3,908	Schneider Electric	531	1.03
19,069	Total	918	1.78
5,270	Vinci	465	0.90
	TOTAL FRANCE	10,284	19.93
	GERMANY – 17.34% (15.08.22 – 15.96%)		
5,316	Adidas	820	1.59
6,373	Allianz	1,208	2.34
7,671	BASF	301	0.58
7,706	Bayer	343	0.67
5,758	Brenntag	353	0.68
6,903	Daimler	404	0.78
6,779	Deutsche Börse	978	1.90
8,486	Deutsche Post	317	0.61
34,294	Deutsche Telekom	557	1.08
16,301	Infineon	460	0.89
5,840	Merck	806	1.56
8,555	RWE	285	0.55
12,755	SAP	1,382	2.68
5,275	Siemens	625	1.21
6,522	Vonovia	114	0.22
	TOTAL GERMANY	8,953	17.34
	IRELAND – 6.77% (15.08.22 – 5.88%)		
22,598	CRH	1,022	1.98
4,932	Flutter Entertainment	690	1.34
11,540	Kerry 'A'	859	1.66
2,246	Ryanair ADR	173	0.33
24,251	Smurfit Kappa	752	1.46
	TOTAL IRELAND	3,496	6.77

WS CANLIFE EUROPEAN FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	ITALY – 2.09% (15.08.22 – 1.78%)		
47,640	Enel	247	0.48
32,492	Eni	391	0.76
209,895	Intesa Sanpaolo	440	0.85
	TOTAL ITALY	1,078	2.09
	NETHERLANDS – 8.33% (15.08.22 – 9.45%)		
196	Adyen	252	0.49
9,088	Akzo Nobel	581	1.13
4,341	ASML	2,237	4.33
51,205	ING	572	1.11
7,133	Prosus	400	0.77
6,990	STMicroelectronics	259	0.50
	TOTAL NETHERLANDS	4,301	8.33
	NORWAY – 0.57% (15.08.22 – 0.65%)		
18,797	DNB	296	0.57
	SPAIN – 5.48% (15.08.22 – 6.30%)		
151,145	Banco Santander	463	0.90
27,817	Cellnex Telecom	847	1.64
146,280	Iberdrola	1,337	2.59
57,711	Telefonica	179	0.35
	TOTAL SPAIN	2,826	5.48
	SWEDEN – 2.76% (15.08.22 – 2.95%)		
36,834	Atlas Copco	381	0.74
16,585	Investor 'B'	248	0.48
33,593	Sandvik	497	0.96
18,388	Volvo 'B'	299	0.58
	TOTAL SWEDEN	1,425	2.76

WS CANLIFE EUROPEAN FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	SWITZERLAND – 17.87% (15.08.22 – 19.03%)		
5,692	Alcon	360	0.70
3,872	Compagnie Financière Richemont	438	0.85
9,572	DSM-Firmenich AG	692	1.34
494	Lonza	216	0.42
26,787	Nestlé	2,471	4.79
13,876	Novartis	1,122	2.17
307	Partners	260	0.50
7,898	Roche	1,855	3.59
2,627	Sika	607	1.18
31,557	UBS	582	1.13
1,677	Zurich Insurance	617	1.20
	TOTAL SWITZERLAND	9,220	17.87
	COLLECTIVE INVESTMENT SCHEMES – 5.00% (15.08.22 – 6.42%)		
225,014	iShares Edge MSCI Europe Value Factor UCITS ETF	1,465	2.84
11,257	iShares STOXX Europe 600 Automobiles & Parts UCITS ETF	537	1.04
1,887	SPDR MSCI Europe Energy UCITS ETF	298	0.58
4,774	SPDR MSCI Europe Financials UCITS ETF	278	0.54
	TOTAL COLLECTIVE INVESTMENT SCHEMES	2,578	5.00
	Portfolio of investments	51,387	99.57
	Net other assets	220	0.43
	Net assets	51,607	100.00

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

Definition:

ADR – American Depositary Receipts.

WS CANLIFE EUROPEAN FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	2,015	Total sales for the year £'000 (note 16)	5,107
Major purchases	Cost £'000	Major sales	Proceeds £'000
Merck	321	iShares Edge MSCI Europe Value	
Cellnex Telecom	245	Factor UCITS ETF	833
Kerry 'A'	222	Novartis	332
Deutsche Börse	216	Grifols	328
Roche	209	LafargeHolcim	191
DSM-Firmenich AG	183	Givaudan	181
Koninklijke DSM	166	Siemens Energy	152
Smurfit Kappa	109	Nestlé	150
Adidas	108	Flutter Entertainment	141
DSV	82	Vinci	140
		SPDR MSCI Europe Financials UCITS	
		ETF	129

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital gains/(losses)	3		3,961		(5,391)
Revenue	4	1,677		1,683	
Expenses	5	(327)		(343)	
Interest payable and similar charges	7	(1)		-	
Net revenue before taxation		1,349		1,340	
Taxation	6	(41)		(149)	
Net revenue after taxation			1,308		1,191
Total return before distributions			5,269		(4,200)
Distributions	8		(1,308)		(1,191)
Change in net assets attributable to shareholders from investment activities			3,961		(5,391)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			50,552		60,704
Amounts receivable on issue of shares		521		16,297	
Amounts payable on redemption of shares		(4,706)		(22,219)	
			(4,185)		(5,922)
Stamp duty reserve tax			(1)		-
Change in net assets attributable to shareholders from investment activities			3,961		(5,391)
Retained distributions on Accumulation shares	8		1,280		1,161
Closing net assets attributable to shareholders			51,607		50,552

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
BALANCE SHEET
as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		51,387	50,250
Current assets			
Debtors	9	355	319
Cash and bank balances	10	23	62
Total assets		<u>51,765</u>	<u>50,631</u>
LIABILITIES			
Creditors			
Bank overdraft	10	(9)	(48)
Other creditors	11	(149)	(31)
Total liabilities		<u>(158)</u>	<u>(79)</u>
Net assets attributable to shareholders		<u>51,607</u>	<u>50,552</u>

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

3. Net Capital Gains/(Losses)

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	3,970	(5,373)
Transaction charges	(5)	(11)
Currency losses	(4)	(7)
Net capital gains/(losses)	<u>3,961</u>	<u>(5,391)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	1,609	1,623
Bank interest	5	-
Non-taxable stock dividends	60	58
Stock lending revenue	3	2
Total revenue	<u>1,677</u>	<u>1,683</u>

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	260	275
Legal and professional fees	5	6
Typesetting costs	2	2
Registration and dealing fees	19	20
	286	303
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	19	20
Safe custody and other bank charges	10	9
	29	29
Other expenses:		
Audit fees	12	11
Total expenses	<u>327</u>	<u>343</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	41	149
Current tax charge	41	149
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>41</u>	<u>149</u>

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	1,349	1,340
Corporation tax at 20%	270	268
Effects of:		
Non-taxable dividends	(334)	(336)
Prior year adjustment	4	-
Unutilised excess management expenses	60	68
Corporation tax charge	-	-
Overseas tax	41	149
Total tax charge (note 6a)	41	149

c) Deferred tax

At the year end there is a potential deferred tax asset of £3,375,000 (15.08.22: £3,315,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	1	-
Total interest payable and similar charges	1	-

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	280	243
Final	<u>1,000</u>	<u>918</u>
	1,280	1,161
Add: Revenue deducted on redemption of shares	31	32
Deduct: Revenue received on issue of shares	<u>(3)</u>	<u>(2)</u>
Net distributions for the year	<u>1,308</u>	<u>1,191</u>

Details of the distributions per share are set out in the table on pages 136 and 137.

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	–	1
Sales awaiting settlement	104	–
Accrued revenue:		
Non-taxable dividends	–	13
Taxation recoverable:		
Overseas withholding tax	<u>251</u>	<u>305</u>
Total debtors	<u>355</u>	<u>319</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	<u>23</u>	<u>62</u>
Total cash and bank balances	<u>23</u>	<u>62</u>

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Bank overdraft	9	48
Total bank overdraft	9	48

11. Other Creditors

	15.08.23 £'000	15.08.22 £'000
Amounts payable for redemption of shares	95	-
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	33	10
Legal and professional fees	1	2
Typesetting costs	1	1
Registration and dealing fees	2	2
	37	15
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	2	1
Transaction charges	1	3
Safe custody and other bank charges	2	1
	5	5
Other expenses	12	11
Total other creditors	149	31

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 123 and amounts due at the year end are disclosed in note 11.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 5,804,024 (15.08.22: 6,229,211) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 108,773 (15.08.22: nil) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited) held 3,526,000 (15.08.22: 3,617,477) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

The Bank of New York (Nominees) Limited	56.93% (15.08.22: 58.49%)
WMUK	21.04% (15.08.22: 20.82%)

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	A Accumulation	C Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.375%
Opening shares in issue	481,470	8,858,251	20,573,216
Issues	9,184	66,117	208,651
Redemptions	<u>(23,016)</u>	<u>(516,380)</u>	<u>(2,073,051)</u>
Closing shares in issue	<u>467,638</u>	<u>8,407,988</u>	<u>18,708,816</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

WS CANLIFE EUROPEAN FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing mainly in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movements in foreign exchange rates.

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Danish krone	4,531	3,465
Euros	36,220	34,918
Norwegian krone	300	394
Swedish krona	1,950	2,063
Swiss francs	8,528	9,620
US dollars	199	170
	<u>51,728</u>	<u>50,630</u>
Pounds sterling	(121)	(78)
Net assets	<u>51,607</u>	<u>50,552</u>

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £2,586,000 on the net assets of the Fund (15.08.22: £2,532,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

Based on this analysis 95.76% of the portfolio can be liquidated within 5 days and 98.60% within 21 working days (15.08.22: 94.38% within 5 days and 96.76% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £2,569,000 (15.08.22: £2,513,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

16. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	2,010	1	4	2,015
Purchases total	<u>2,010</u>	<u>1</u>	<u>4</u>	<u>2,015</u>
Transaction cost % of purchases total		0.05%	0.20%	
Transaction cost % of average NAV		-	0.01%	
Ordinary shares	4,102	(1)	-	4,101
Collective investment schemes	1,006	-	-	1,006
Sales total	<u>5,108</u>	<u>(1)</u>	<u>-</u>	<u>5,107</u>
Transaction cost % of sales total		0.02%	-	
Transaction cost % of average NAV		-	-	

Average portfolio dealing spread at 15.08.23 is 0.05% (15.08.22: 0.07%).

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15.08.22	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	4,863	1	8	4,872
Collective investment schemes	2,046	-	-	2,046
Purchases total	<u>6,909</u>	<u>1</u>	<u>8</u>	<u>6,918</u>
Transaction cost % of purchases total		0.01%	0.14%	
Transaction cost % of average NAV		-	0.02%	
Ordinary shares	10,059	(2)	-	10,057
Collective investment schemes	1,816	-	-	1,816
Sales total	<u>11,875</u>	<u>(2)</u>	<u>-</u>	<u>11,873</u>
Transaction cost % of sales total		0.02%	-	
Transaction cost % of average NAV		-	-	

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments held in the current year are ordinary shares and collective investment schemes categorised as Level 1 and all investments held in the prior year were ordinary shares categorised as Level 1.

WS CANLIFE EUROPEAN FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.1058	–	0.1058	–
Group 2	0.1058	0.0000	0.1058	–

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	2.4636	–	2.4636	1.9286
Group 2	0.2004	2.2632	2.4636	1.9286

C ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.7436	–	0.7436	0.6046
Group 2	0.4512	0.2924	0.7436	0.6046

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	3.3278	–	3.3278	2.8161
Group 2	1.4722	1.8556	3.3278	2.8161

WS CANLIFE EUROPEAN FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

G ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.0906	–	1.0906	0.8680
Group 2	0.1294	0.9612	1.0906	0.8680
Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	3.7891	–	3.7891	3.2047
Group 2	0.1263	3.6628	3.7891	3.2047

WS CANLIFE GLOBAL MACRO BOND FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Global Macro Bond Fund ('the Fund') is to achieve income with the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, at least 80% of the assets by value, worldwide in investment grade bonds (such as corporate bonds and government and public securities).

The Fund may also invest up to 20% of the assets by value, worldwide in non-investment grade bonds, money market instruments, deposits and cash.

Bonds are rated to indicate the probability that the issuer will repay the loan. Investment grade bonds are considered to have a lower risk of the issuer not repaying the loan.

Credit ratings are internally derived and assigned by Canada Life Asset Management. They will generally be in line with the major external rating agencies and should not be higher than the highest external rating agency rating.

The Fund can invest across different industry sectors and geographic regions without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

Investment in collective investment schemes is limited to 10% of the assets by value.

The Fund may use derivatives for efficient portfolio management purposes.

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

Benchmark

The Fund's comparator benchmark is the IA Global Mixed Bond sector.

The Fund's performance may be compared against the IA Global Mixed Bond sector. The ACD believes that this is an appropriate comparator benchmark for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Global Macro Bond Fund

13 December 2023

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

While there have been several challenges for corporate bond markets over the past 12 months, many of the longer-term themes remain in place. Central banks have continued to tackle stubbornly high inflation with interest rate hikes throughout the year. As such, higher interest rates and duration (interest rate risk) have been considerable headwinds for fixed income assets during the period.

Shortly after the period began, credit market spreads widened following a mass sell-off of bonds prompted by then UK chancellor Kwasi Kwarteng's 'mini budget' that proposed a number of uncosted tax cuts. After the Bank of England ('BoE') stepped in to stabilise gilt markets, the political landscape was steadied by former prime minister Liz Truss being replaced by Rishi Sunak and Kwarteng by Jeremy Hunt.

In the US, during the first quarter of 2023, the collapse of Silicon Valley Bank and two other large institutions raised concerns that this regional banking crisis could cause contagion throughout the global banking sector – but this possibility was averted. Increasingly positive economic data towards the end of the period helped boost risk assets broadly, including credit markets.

In Europe, economic data suggested the region entered a mild recession towards the end of 2022 but averted the danger of economic collapse. Demand for services, particularly in the travel and leisure sectors, has supported the economy while the manufacturing sector has struggled from weak new orders.

Although there have been some signs that inflation may be moderating, the Federal Reserve, BoE and European Central Bank maintained higher interest rates towards the end of the period. Higher rates have made the yields on offer in the corporate bond space look more competitive and provide some downside protection against further rate rises.

Fund Performance

The price of the C Accumulation shares of the Fund decreased by 5.44% in the 12 months to 15 August 2023 and underperformed the comparator benchmark, the IA Global Mixed Bond sector by 2.3%.

Fund Activity

As interest rates rose during the period, we took advantage of the increase in yields to reduce our short duration positioning and add back exposure at the very long end of the maturity curve. This included adding 30-year UK gilts and long-dated Japanese government bonds.

After a difficult start to the year for financial assets, following the US regional banking crisis, the sector delivered strong outperformance towards the end of the period and was further buoyed by the takeover of Credit Suisse by UBS in March. We took advantage of this in the portfolio by reducing our exposure to subordinated financials and hybrid bonds, selling our holdings in Zurich, Phoenix Group and BNP Paribas.

WS CANLIFE GLOBAL MACRO BOND FUND ACD'S REPORT continued INVESTMENT MANAGER'S REPORT continued

The Fund was negatively impacted by the strength of sterling towards the end of the period. The pound delivered one of the strongest performances among G7 currencies, as the BoE accelerated its rate hiking programme to combat the inflationary backdrop. This strengthening had a considerable impact on total returns, in particular on the Japanese yen portion of the Fund that we had been building into an overweight position since the start of the year, as the Bank of Japan maintained its yield curve control policy.

Outlook

Inflation remains high, although there have been some signs of it easing towards the end of the period as some commodity and energy prices have started to drop off. Troublingly, core inflation is being supported by multi-decade low unemployment rates and correspondingly strong upward pressure on wages. Some key central banks have indicated that they have not yet finished hiking rates and we could see further rises by year-end, or at least keep rates at a high levels. We would expect to see the rate-hiking cycle pause and inflation start to fall before central banks start to cut rates. But, at the moment, we are not seeing robust signs that inflation will continue falling.

Positioning at the end of the period rests upon the ongoing high inflation trend; any further increases in inflation towards the end of 2023 or early in 2024 could pose a risk to the portfolio.

While we would expect stronger performance from consumer-focused sectors if the economic backdrop remains benign, they could be impacted towards the end of the year as the effect of previous rate hikes continue to feed through, particularly on mortgage rates. Also, if the rate-hiking cycle continues, it could push some of the more precarious economies into full recession.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

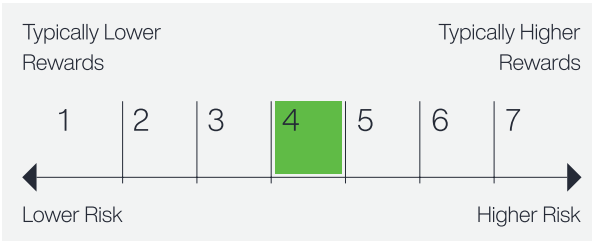
31 August 2023

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests globally, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Investment Risk: The Fund may receive additional income for lending the investments it holds (e.g. bonds) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	100.23	112.27	116.88
Return before operating charges*	(5.21)	(8.51)	(0.87)
Operating charges	(0.57)	(0.62)	(0.91)
Return after operating charges	(5.78)	(9.13)	(1.78)
Distributions	(3.20)	(2.91)	(2.83)
Closing net asset value per share	91.25	100.23	112.27
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(5.77)%	(8.13)%	(1.52)%
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OTHER INFORMATION

Closing net asset value (£'000)	517	825	658
Closing number of shares	566,579	823,382	585,829
Operating charges	0.59%	0.58%	0.79% ¹
Direct transaction costs	-	-	-

PRICES

Highest share price	102.77	113.77	121.80
Lowest share price	92.59	97.15	110.31

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.75% to 0.50%.

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	125.93	137.12	139.25
Return before operating charges*	(6.70)	(10.43)	(1.04)
Operating charges	(0.72)	(0.76)	(1.09)
Return after operating charges	(7.42)	(11.19)	(2.13)
Distributions	(4.05)	(3.58)	(3.40)
Retained distributions on accumulation shares	4.05	3.58	3.40
Closing net asset value per share	118.51	125.93	137.12
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(5.89)%	(8.16)%	(1.53)%
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OTHER INFORMATION

Closing net asset value (£'000)	6,968	10,654	6,476
Closing number of shares	5,879,821	8,460,525	4,722,855
Operating charges	0.59%	0.58%	0.79% ¹
Direct transaction costs	-	-	-

PRICES

Highest share price	129.10	138.96	145.11
Lowest share price	116.90	120.24	133.11

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.75% to 0.50%.

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	131.23	142.72	144.44
Return before operating charges*	(6.98)	(10.88)	(1.07)
Operating charges	(0.59)	(0.61)	(0.65)
Return after operating charges	(7.57)	(11.49)	(1.72)
Distributions	(4.22)	(3.72)	(3.53)
Retained distributions on accumulation shares	4.22	3.72	3.53
Closing net asset value per share	123.66	131.23	142.72
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(5.77)%	(8.05)%	(1.19)%
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OTHER INFORMATION

Closing net asset value (£'000)	103,358	183,899	193,105
Closing number of shares	83,580,185	140,130,330	135,305,438
Operating charges	0.46%	0.45%	0.45%
Direct transaction costs	-	-	-

PRICES

Highest share price	134.63	144.69	150.70
Lowest share price	121.86	125.28	138.47

WS CANLIFE GLOBAL MACRO BOND FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Global Macro Bond Fund	(5.44)	(14.61)	(3.79)
IA Global Mixed Bond sector ¹	(3.14)	(9.76)	(1.61)

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 164 and 165.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 96.38% (15.08.22 – 94.39%)		
	GOVERNMENT BONDS – 30.54% (15.08.22 – 21.17%)		
AU\$1,550,000	Australia (Commonwealth of) 1.25% 21/5/2032	619	0.56
AU\$2,000,000	Australia (Commonwealth of) 2.75% 21/11/2029	944	0.85
AU\$1,030,000	Australia (Commonwealth of) 2.75% 21/5/2041	410	0.37
AU\$2,200,000	Australia (Commonwealth of) 4.75% 21/4/2027	1,151	1.04
CA\$2,401,000	Canadian Government Bond 1.5% 1/6/2026	1,292	1.17
CA\$900,000	Canadian Government Bond 2% 1/12/2051	375	0.34
CA\$800,000	Canadian Government Bond 2.25% 1/6/2025	445	0.40
CA\$1,850,000	Canadian Government Bond 4% 1/6/2041	1,115	1.01
¥50,000,000	Japan Government Bond 0.1% 20/6/2026 (10 Year issue)	271	0.24
¥312,150,000	Japan Government Bond 0.1% 20/9/2027 (10 Year issue)	1,686	1.52
¥174,000,000	Japan Government Bond 0.1% 20/9/2029 (10 Year issue)	928	0.84
¥256,150,000	Japan Government Bond 0.3% 20/12/2025 (10 Year issue)	1,394	1.26
¥460,000,000	Japan Government Bond 0.5% 20/12/2040 (30 Year issue)	2,224	2.01
¥356,300,000	Japan Government Bond 0.6% 20/6/2024 (10 Year issue)	1,937	1.75
¥200,100,000	Japan Government Bond 1.4% 20/12/2045 (30 Year issue)	1,087	0.98
¥160,100,000	Japan Government Bond 1.7% 20/6/2032 (20 Year issue)	951	0.86
¥50,050,000	Japan Government Bond 1.7% 20/6/2033 (20 Year issue)	298	0.27
¥110,000,000	Japan Government Bond 1.7% 20/6/2054 (40 Year issue)	617	0.56
¥392,200,000	Japan Government Bond 1.9% 20/9/2030 (20 Year issue)	2,339	2.11

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
¥20,000,000	Japan Government Bond 1.9% 20/9/2042 (30 Year issue)	120	0.11
¥200,100,000	Japan Government Bond 2.3% 20/3/2039 (30 Year issue)	1,273	1.15
US\$400,000	Portugal Government International Bond 5.125% 15/10/2024	312	0.28
£1,500,000	UK Treasury 3.75% 22/10/2053	1,254	1.13
US\$4,000,000	US Treasury 1.375% 15/8/2050	1,657	1.49
US\$2,550,000	US Treasury 3% 15/2/2049	1,561	1.41
US\$2,100,000	US Treasury 3.375% 15/8/2042	1,411	1.27
US\$250,000	US Treasury 3.5% 15/2/2039	178	0.16
US\$2,500,000	US Treasury 3.75% 30/6/2030	1,894	1.71
US\$3,200,000	US Treasury 4% 30/6/2028	2,468	2.23
US\$2,000,000	US Treasury 4.5% 15/2/2036	1,622	1.46
	TOTAL GOVERNMENT BONDS	33,833	30.54
	CORPORATE BONDS – 65.84% (15.08.22 – 73.22%)		
US\$1,750,000	3M 3.7% 15/4/2050	1,024	0.92
€800,000	AGPS BondCo 4.25% 31/7/2025	482	0.43
€1,600,000	Alliander 1.625% <i>floating rate notes Perpetual</i>	1,270	1.15
US\$3,800,000	Allianz 3.2% <i>floating rate notes Perpetual</i>	2,290	2.07
€1,501,000	AT&T 3.15% 4/9/2036	1,100	0.99
€2,100,000	Ausnet Services 1.625% 11/3/2081	1,561	1.41
£1,550,000	Aviva 4% 3/6/2055	1,162	1.05
€2,700,000	AXA 0.875% Bonds 15/11/2029	1,823	1.64
US\$3,394,000	AXA 5.125% 17/1/2047	2,570	2.32
€2,200,000	Banque Federative du Credit Mutuel 3.875% 16/6/2032	1,782	1.61
US\$1,601,000	BAT 3.557% 15/8/2027	1,168	1.05
€1,200,000	Bayer 3.125% 12/11/2079	900	0.81
€1,000,000	BNP Paribas 2.75% 25/7/2028	800	0.72
US\$2,500,000	BNP Paribas 3.132% 20/1/2033	1,587	1.43

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
€1,600,000	BNP Paribas Cardiff 4.032% <i>floating rate notes Perpetual</i>	1,326	1.20
US\$1,601,000	Cloverie 4.5% <i>floating rate notes 11/9/2044</i>	1,206	1.09
US\$1,000,000	CNP Assurances 4.875% <i>floating rate notes Perpetual</i>	587	0.53
€2,400,000	Credit Agricole 1.5% 6/10/2031	1,545	1.39
€2,100,000	Credit Agricole 2.625% <i>floating rate notes 29/1/2048</i>	1,588	1.43
¥44,000,000	EIB 1.9% 26/1/2026	248	0.22
€3,200,000	Électricité de France 2.625% <i>Perpetual</i>	2,291	2.07
€800,000	Électricité de France 3% <i>Perpetual</i>	591	0.53
£600,000	Électricité de France 6% 23/1/2114	505	0.46
£300,000	Électricité de France 6% <i>floating rate notes Perpetual</i>	278	0.25
£700,000	Engie 5.625% 3/4/2053	651	0.59
US\$4,000,000	Fiserv 2.65% 1/6/2030	2,619	2.36
£1,700,000	Gatwick Airport Finance 4.375% 7/4/2026	1,553	1.40
€2,800,000	HowogeWo 1.125% 1/11/2033	1,715	1.55
£2,050,000	Intesa Sanpaolo 2.5% 15/1/2030	1,590	1.43
€1,401,000	Intesa Sanpaolo 7.75% <i>Perpetual</i>	1,178	1.06
£1,600,000	John Lewis 4.25% 18/12/2034	973	0.88
US\$4,000,000	JPMorgan Chase & Co. 4.6% <i>Perpetual</i>	2,957	2.67
€800,000	Lloyds Banking 4.5% 18/3/2030	671	0.61
€3,000,000	Logicor 1.625% 17/1/2030	1,934	1.74
€2,500,000	Medtronic 1.375% 15/10/2040	1,398	1.26
€2,500,000	Merck 2.875% 25/6/2079	1,902	1.72
US\$1,000,000	NVIDIA 3.5% 1/4/2040	641	0.58
US\$300,000	Phoenix 5.375% 6/7/2027	223	0.20
£2,561,000	Phoenix 5.75% <i>floating rate notes Perpetual</i>	2,014	1.82
€3,000,000	Public Storage 0.875% 24/1/2032	1,922	1.73
US\$3,000,000	Rabobank 1.98% 15/12/2027	2,066	1.86
€600,000	Rabobank 3.1% <i>Perpetual</i>	399	0.36
US\$2,000,000	Rabobank 4% 10/4/2029	1,532	1.38
€2,000,000	Rabobank 4.875% <i>Perpetual</i>	1,455	1.31

WS CANLIFE GLOBAL MACRO BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£1,000,000	RL Finance NO 4 4.875% 7/10/2049	728	0.66
US\$2,401,000	Standard Life Aberdeen 4.25% 30/6/2048	1,628	1.47
US\$1,401,000	Sumitomo Life Insurance 4% <i>floating rate notes</i> 14/9/2077	1,017	0.92
€2,000,000	Telefonica Europe 3.875% <i>Perpetual</i>	1,599	1.44
€2,200,000	Upjohn Finance BV 1.908% 23/6/2032	1,428	1.29
€1,850,000	VIA Outlets 1.75% 15/11/2028	1,323	1.19
€3,000,000	Volkswagen International Finance 3.748% <i>Perpetual</i>	2,243	2.02
US\$3,000,000	WarnerMedia 3.755% 15/3/2027	2,189	1.97
€2,700,000	WPC Eurobond BV 0.95% Bonds 1/6/2030	1,768	1.60
	TOTAL CORPORATE BONDS	<u>73,000</u>	<u>65.84</u>
	TOTAL DEBT SECURITIES	<u>106,833</u>	<u>96.38</u>
	MONEY MARKETS – 0.05% (15.08.22 – 0.00%)		
50,000	WS Canlife Sterling Liquidity ^{1,2}	<u>53</u>	<u>0.05</u>
	Portfolio of investments	106,886	96.43
	Net other assets	<u>3,957</u>	<u>3.57</u>
	Net assets	<u>110,843</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are debt securities listed on a regulated market unless stated otherwise.

¹ Collective investment schemes.

² Related party holding (see note 12).

WS CANLIFE GLOBAL MACRO BOND FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000	13,337	Total sales for the year £'000	77,001
Major purchases	Cost £'000	Major sales	Proceeds £'000
US Treasury 4% 30/6/2028	2,452	Zurich Finance 3% <i>floating rate notes</i> 19/4/2051	3,873
US Treasury 3.75% 30/6/2030	1,892	Japan Government Bond 0.1% 1/3/2023 (2 Year issue)	3,059
US Treasury 4.5% 15/2/2036	1,649	BP Capital Markets 4.25% <i>Perpetual</i>	2,675
US Treasury 3.375% 15/8/2042	1,569	Argentum Netherlands BV 5.125% <i>floating rate notes</i> 1/6/2048	2,513
UK Treasury 3.75% 22/10/2053	1,383	Bank of Ireland 4.125% 19/9/2027	2,463
Australia (Commonwealth of) 2.75% 21/5/2041	934	CNP Assurances 4.875% 7/10/2070	2,386
John Lewis 4.25% 18/12/2034	899	Suez 1.625% <i>Perpetual</i>	2,264
Canadian Government Bond 4% 1/6/2041	874	Iberdrola 1.825% <i>floating rate notes</i> <i>Perpetual</i>	2,215
Japan Government Bond 1.7% 20/6/2054 (40 Year issue)	715	Lloyds Banking 3.9% 12/3/2024	2,162
Engie 5.625% 3/4/2053	691	ENI 3.375% <i>floating rate notes</i> <i>Perpetual</i>	2,051

In addition to the above, purchases totalling £2,188,000 and sales totalling £2,138,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital losses	3		(14,009)		(21,261)
Revenue	4	4,897		5,484	
Expenses	5	(693)		(925)	
Interest payable and similar charges	7	(4)		(12)	
Net revenue before taxation		4,200		4,547	
Taxation	6	(22)		(32)	
Net revenue after taxation			4,178		4,515
Total return before distributions			(9,831)		(16,746)
Distributions	8		(4,871)		(5,440)
Change in net assets attributable to shareholders from investment activities			(14,702)		(22,186)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			195,378		207,063
Amounts receivable on issue of shares		9,073		22,461	
Amounts payable on redemption of shares		(83,362)		(17,448)	
Dilution levy	1(H)		(74,289)		5,013
Change in net assets attributable to shareholders from investment activities			232		-
Retained distributions on Accumulation shares			(14,702)		(22,186)
Closing net assets attributable to shareholders			4,224		5,488
			110,843		195,378

WS CANLIFE GLOBAL MACRO BOND FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		106,886	184,419
Current assets			
Debtors	9	1,464	2,676
Cash and bank balances	10	<u>2,598</u>	<u>8,446</u>
Total assets		<u>110,948</u>	<u>195,541</u>
LIABILITIES			
Creditors			
Distribution payable	11	(9)	(13)
Other creditors	11	<u>(96)</u>	<u>(150)</u>
Total liabilities		<u>(105)</u>	<u>(163)</u>
Net assets attributable to shareholders		<u>110,843</u>	<u>195,378</u>

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

The Fund has satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the year. All distributions made are therefore made as gross interest distributions.

All expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital Losses

The net capital losses during the year comprise:

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(13,928)	(21,690)
Transaction charges	(1)	-
Currency (losses)/gains	(80)	429
Net capital losses	<u>(14,009)</u>	<u>(21,261)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Interest on debt securities	4,818	5,464
Bank interest	65	3
Stock lending revenue	14	17
Total revenue	<u>4,897</u>	<u>5,484</u>

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	562	766
Legal and professional fees	6	7
Typesetting costs	3	2
Registration and dealing fees	54	73
	625	848
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	45	52
Safe custody and other bank charges	12	15
	57	67
Other expenses:		
Audit fees	11	10
Total expenses	<u>693</u>	<u>925</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	22	32
Current tax charge	22	32
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>22</u>	<u>32</u>

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	4,200	4,547
Corporation tax at 20%	840	909
Effects of:		
Tax deductible interest distributions	(840)	(909)
Corporation tax charge	-	-
Overseas tax	22	32
Total tax charge (note 6a)	22	32

c) Deferred tax

There is no deferred tax recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	4	12
Total interest payable and similar charges	4	12

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	2,375	2,595
Final	1,868	2,916
	4,243	5,511

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Add: Revenue deducted on redemption of shares	677	72
Deduct: Revenue received on issue of shares	(49)	(143)
Net distributions for the year	<u>4,871</u>	<u>5,440</u>

Details of the distributions per share are set out in the table on pages 164 and 165.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	4,178	4,515
Allocations to capital:		
Expenses	693	925
Net distributions for the year	<u>4,871</u>	<u>5,440</u>

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	355	700
Accrued revenue:		
Interest from debt securities	1,109	1,975
Stock lending revenue	-	1
	<u>1,109</u>	<u>1,976</u>
Total debtors	<u>1,464</u>	<u>2,676</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	2,598	8,446
Total cash and bank balances	<u>2,598</u>	<u>8,446</u>

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	9	13
Other Creditors		
Amounts payable for redemption of shares	16	96
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	54	30
Typesetting costs	1	1
Registration and dealing fees	4	9
	59	40
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	5	2
Safe custody and other bank charges	3	2
	8	4
Other expenses	13	10
Total other creditors	96	150

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 10.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 152 and amounts due at the year end are disclosed in notes 9 and 11.

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held nil (15.08.22: 7,167) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 34,777,973 (15.08.22: 50,711,341) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 46,325,365 (15.08.22: 58,297,443) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates	46.43% (15.08.22: 39.02%)
The Bank of New York (Nominees) Limited	51.46% (15.08.22: 57.87%)

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	53	-

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	C Income	C Accumulation	G Accumulation
Annual Management Charge	0.50%	0.50%	0.375%
Opening shares in issue	823,382	8,460,525	140,130,330
Issues	9,876	385,116	6,681,201
Redemptions	<u>(266,679)</u>	<u>(2,965,820)</u>	<u>(63,231,346)</u>
Closing shares in issue	<u>566,579</u>	<u>5,879,821</u>	<u>83,580,185</u>

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of bond holdings.

Credit Quality	15.08.23 %	15.08.22 %
Investment grade debt securities	79.72	79.23
Non-investment grade debt securities	7.99	10.28
Non-rated debt securities	8.67	4.88
Other investments	0.05	-
Net other assets	3.57	5.61
	100.00	100.00

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes exposes the Fund to indirect interest rate risk to the extent that they invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £69,000 on the direct net assets of the Fund (15.08.22: £114,000).

	15.08.23 £'000	15.08.22 £'000
Floating rate investments	11,042	30,523
Fixed rate investments	95,844	153,896
Total investments	<u>106,886</u>	<u>184,419</u>

The floating rate investments comprise securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalents and collective investment schemes that pay UK Interest distributions.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates.

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Australian dollars	3,160	4,927
Canadian dollars	3,253	4,909
Euros	39,629	62,840
Japanese yen	15,427	27,600
US dollars	37,478	69,692
	<u>98,947</u>	<u>169,968</u>
Pounds sterling	11,896	25,410
Net assets	<u>110,843</u>	<u>195,378</u>

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £4,947,000 on the net assets of the Fund (15.08.22: £8,498,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 43.24% of the portfolio can be liquidated within 5 days and 96.97% within 21 working days (15.08.22: 62.46% within 5 days and 94.16% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £5,344,000 (15.08.22: £9,221,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

16. Portfolio Transaction Costs

Securities have been bought and sold at the dealt price with no material transaction costs added or deducted from purchases or sales respectively.

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
15.08.23				
Investment assets	30,397	76,489	–	106,886
15.08.22				
Investment assets	34,787	149,632	–	184,419

WS CANLIFE GLOBAL MACRO BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

C INCOME SHARES

Interim	Gross Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	1.6310	–	1.6310	1.3877
Group 2	0.6835	0.9475	1.6310	1.3877

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	1.5650	–	1.5650	1.5192
Group 2	1.3588	0.2062	1.5650	1.5192

C ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	2.0487	–	2.0487	1.6970
Group 2	0.6260	1.4227	2.0487	1.6970

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.9986	–	1.9986	1.8796
Group 2	1.2417	0.7569	1.9986	1.8796

WS CANLIFE GLOBAL MACRO BOND FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

G ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	2.1362	-	2.1362	1.7646
Group 2	1.0238	1.1124	2.1362	1.7646
Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	2.0839	-	2.0839	1.9582
Group 2	1.8722	0.2117	2.0839	1.9582

WS CANLIFE GLOBAL EQUITY FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Global Equity Fund ('the Fund') is to achieve capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value worldwide (including emerging markets) in equities. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different geographic regions, industry sectors and market capitalisations without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

Benchmark

The Fund's comparator benchmark is the Bloomberg Developed Market Large & Mid Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg Developed Market Large & Mid Cap Total Return Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against Global equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Global Equity Fund

13 December 2023

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Over the year, much of the global equity market's direction of travel was dictated by inflation, or more pertinently, the correlation between central bank policy and market consensus. After the volatility around the Federal Reserve's Jackson Hole summit in August 2022 subsided, global equity investors calmed their activity in the final few months of 2022. At this time, risk assets were rising in many key markets following signs that inflation may have peaked in the US and Europe. This was powered by improved investor sentiment and the expectation of a slowdown in monetary tightening by central banks.

Particularly in the US, where headline consumer price index (CPI) inflation was lower in December 2022 than in December 2021, confidence that inflation had peaked became widespread. As this suggested interest rates would not have to rise as much as expected, it drove a significant decline in the US dollar, which had consequences for stock markets globally. Other drivers of optimism were Chinese president Xi Jinping meeting with President Joe Biden at November's G20 summit, and the ending of China's strict zero-COVID policy. The tensions between China and the US as well as Xi's zero-COVID policy had been growing sources of concern for international investors in recent years.

Early in 2023, however, volatility again returned as high inflation persisted and banking crisis worries dominated global equity markets, following the high-profile collapse of Silicon Valley Bank. Though markets have since rebounded as fears of contagion were proven false, inflation continues to concern investors. At the macro level, a lot of investors are trying to forecast when central banks will stop raising rates and then start to bring them down. This will likely be dependent on data. We expect headline inflation to come down as energy prices fall, but core inflation will likely be more problematic over the long term. Wage inflation is proving sticky and, since the pandemic, companies have been hesitant to let people go.

This tight labour market is proving to be a significant issue in the US. With employers reluctant to make redundancies, there are fewer unemployed people reining in their spending. Therefore, we expect US consumer demand to remain strong. We also see scope for US interest rates to remain higher for longer than elsewhere as borrowers in the US are also less sensitive to interest rate rises than elsewhere as mortgages are typically fixed for longer periods.

Fund Performance

The price of the C Accumulation shares of the Fund increased by 1.47% in the 12 months to 15 August 2023 and outperformed the comparator benchmark, the Bloomberg Developed Market Large & Mid Cap Total Return Index by 1.09%.

Fund Activity

Overall, we have not made wholesale changes and sector allocations stayed the same. The US is our biggest geographical weighting in the Fund. In 2023, our trading activity largely centred around taking profits from outperforming holdings, rather than making material changes to the portfolio, with some more defensive names, such as Asahi Group, Coca Cola and Takeda Pharma, also being added.

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

There have been a lot of negative media headlines about commercial real estate and the problems that sector may face. It faces the double headwinds of the return to offices being slower than many expected and the increasing cost of financing from higher rates. Real estate remains an underweight allocation in the Fund.

Outlook

We are cautiously optimistic and believe there is still room for upside in the portfolio. Of course, challenges remain for the global equity market. Aside from the inflation issues addressed above, one headwind for equities is that the fixed income space has started to become more attractive again. After a decade of ultra-low yields in a near-zero interest-rate environment, the reversal of monetary policy has helped make fixed income viable for investors. Fixed income is becoming attractive again, especially the inflation protected bond market for those worried about inflation. We expect large investors, such as pension funds, to reach a position where they do not need to hunt for yield in riskier asset classes anymore. To some extent, we have seen a movement of capital away from the equity market as a result.

However, we still see positive long-term potential for equities. Considering the excitement and activity around AI, the ramifications and benefits of this theme are likely to be widespread. On a three- to five-year timeframe we see the potential for significant upside. Equities also tend to be more exposed to the global economy than many other asset classes. Therefore, we believe if economies rebound, particularly if it includes a major market such as the US, there would be ample support for global equities.

Another driver could be the structural labour shortages seen in most developed countries. One of the largest factors that affect consumer confidence is whether people have a job, and labour shortages are protecting jobs differently from prior recessions. This should make a future recession, if it eventually arrives, shallower than those in the past.

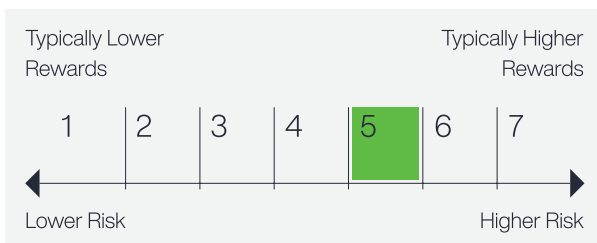
CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE GLOBAL EQUITY FUND ACD'S REPORT continued FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests in global securities, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Risk and Reward Profile continued

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	1,292.02	1,197.53	950.48
Return before operating charges*	7.63	113.27	263.45
Operating charges	(19.14)	(18.78)	(16.40)
Return after operating charges	(11.51)	94.49	247.05
Distributions	-	-	(0.30)
Retained distributions on accumulation shares	-	-	0.30
Closing net asset value per share	1,280.51	1,292.02	1,197.53
* after direct transaction costs of:	0.76	0.92	0.64

PERFORMANCE

Return after charges	(0.89)%	7.89%	25.99%
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OTHER INFORMATION

Closing net asset value (£'000)	2,964	2,807	2,560
Closing number of shares	231,428	217,276	213,767
Operating charges	1.54%	1.54%	1.54%
Direct transaction costs	0.06%	0.08%	0.06%

PRICES

Highest share price	1,324.74	1,293.84	1,201.22
Lowest share price	1,136.27	1,109.08	926.63

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	1,395.15	1,283.44	1,011.09
Return before operating charges*	8.73	122.07	281.33
Operating charges	(10.64)	(10.36)	(8.98)
Return after operating charges	(1.91)	111.71	272.35
Distributions	(9.79)	(9.65)	(8.89)
Retained distributions on accumulation shares	9.79	9.65	8.89
Closing net asset value per share	1,393.24	1,395.15	1,283.44
* after direct transaction costs of:	0.82	0.99	0.68

PERFORMANCE

Return after charges	(0.14)%	8.70%	26.94%
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OTHER INFORMATION

Closing net asset value (£'000)	6,061	7,702	1,728
Closing number of shares	435,046	552,047	134,655
Operating charges	0.79%	0.79%	0.79%
Direct transaction costs	0.06%	0.08%	0.06%

PRICES

Highest share price	1,440.93	1,389.99	1,287.34
Lowest share price	1,228.57	1,196.16	987.23

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	1,448.20	1,327.37	1,041.77
Return before operating charges*	9.22	126.40	290.41
Operating charges	(5.88)	(5.57)	(4.81)
Return after operating charges	3.34	120.83	285.60
Distributions	(15.43)	(15.11)	(13.57)
Retained distributions on accumulation shares	15.43	15.11	13.57
Closing net asset value per share	1,451.54	1,448.20	1,327.37
* after direct transaction costs of:	0.86	1.03	0.70

PERFORMANCE

Return after charges	0.23%	9.10%	27.41%
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OTHER INFORMATION

Closing net asset value (£'000)	554,029	715,608	824,219
Closing number of shares	38,168,400	49,413,450	62,093,889
Operating charges	0.42%	0.41%	0.41%
Direct transaction costs	0.06%	0.08%	0.06%

PRICES

Highest share price	1,501.02	1,441.76	1,331.38
Lowest share price	1,276.12	1,240.99	1,017.99

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES (EUR)

CHANGE IN NET ASSETS PER SHARE	15.08.23 ¹ € per share
Opening net asset value per share	1.0000
Return before operating charges*	0.1099
Operating charges	(0.0056)
Return after operating charges	0.1043
Distributions	(0.0055)
Retained distributions on accumulation shares	0.0055
Closing net asset value per share	1.1043
* after direct transaction costs of:	0.0004

PERFORMANCE

Return after charges	10.43%
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OTHER INFORMATION

Closing net asset value (£'000)	1,049
Closing number of shares	1,106,463
Operating charges	0.79% ²
Direct transaction costs	0.06%

PRICES

Highest share price	1.1426
Lowest share price	0.9666

¹ From 15 December 2022.

² Annualised figure due to share class launched less than 1 year.

WS CANLIFE GLOBAL EQUITY FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Global Equity Fund	1.47	39.33	55.05
Bloomberg Developed Market Large & Mid Cap Total Return Index ¹	0.38	34.66	53.42

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 195 and 196.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	UNITED KINGDOM – 4.52% (15.08.22 – 6.09%)		
789,904	BP	3,743	0.66
2,460,261	Legal & General	5,563	0.99
822,267	National Grid	7,892	1.40
303,438	Persimmon	3,253	0.58
2,022,758	Tesco	5,016	0.89
	TOTAL UNITED KINGDOM	<u>25,467</u>	<u>4.52</u>
	CONTINENTAL EUROPE – 11.02% (15.08.22 – 9.80%)		
	DENMARK – 1.13% (15.08.22 – 0.75%)		
44,789	Novo Nordisk 'B'	<u>6,402</u>	<u>1.13</u>
	FINLAND – 0.92% (15.08.22 – 0.70%)		
138,727	KONE 'B'	<u>5,171</u>	<u>0.92</u>
	FRANCE – 2.22% (15.08.22 – 2.12%)		
56,599	Eiffage	4,500	0.80
11,663	LVMH Moët Hennessy Louis Vuitton	8,048	1.42
	TOTAL FRANCE	<u>12,548</u>	<u>2.22</u>
	IRELAND – 1.80% (15.08.22 – 2.50%)		
106,774	CRH	4,832	0.86
71,475	Kerry 'A'	5,320	0.94
	TOTAL IRELAND	<u>10,152</u>	<u>1.80</u>
	ISRAEL – 0.70% (15.08.22 – 0.00%)		
215,298	Kornit Digital	<u>3,966</u>	<u>0.70</u>
	NETHERLANDS – 1.05% (15.08.22 – 0.85%)		
11,437	ASML	<u>5,895</u>	<u>1.05</u>

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	SPAIN – 1.36% (15.08.22 – 1.22%)		
662,733	Grifols	7,668	1.36
	SWITZERLAND – 1.84% (15.08.22 – 1.66%)		
53,653	Nestlé	4,949	0.88
22,993	Roche	5,401	0.96
	TOTAL SWITZERLAND	10,350	1.84
	TOTAL CONTINENTAL EUROPE	62,152	11.02
	NORTH AMERICA – 69.61% (15.08.22 – 72.37%)		
	CANADA – 1.34% (15.08.22 – 0.98%)		
284,995	Cameco	7,576	1.34
	UNITED STATES – 68.27% (15.08.22 – 71.39%)		
26,475	AbbVie	3,160	0.56
9,447	Accenture	2,278	0.40
14,242	Adobe	5,792	1.03
159,927	Alphabet 'A'	16,284	2.89
147,488	Amazon.com	15,934	2.82
72,087	Amedisys	5,250	0.93
43,435	American Express	5,518	0.98
26,036	Amgen	5,434	0.96
174,161	Apple	24,252	4.30
139,228	Bank of America	3,269	0.58
31,466	Berkshire Hathaway 'B'	8,752	1.55
22,546	Boeing	4,109	0.73
12,401	Broadcom	8,195	1.45
195,330	BWX Technologies	11,244	1.99
27,537	Cadence Design Systems	4,886	0.87
12,735	Caterpillar	2,772	0.49
36,514	Cheniere Energy	4,645	0.82

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

		Value £'000	15.08.23 %
105,361	Cisco Systems	4,409	0.78
69,817	Citigroup	2,367	0.42
92,212	Coca-Cola Hellenic Bottling	4,374	0.78
87,921	Comcast 'A'	3,245	0.58
19,706	Costco	8,636	1.53
26,252	Danaher	5,259	0.93
65,146	DocuSign	2,481	0.44
85,791	Edwards Lifesciences	5,376	0.95
5,508	Eli Lilly	2,362	0.42
24,196	Exxon Mobil	2,053	0.36
59,743	Generac	5,279	0.94
10,543	Home Depot	2,747	0.49
58,948	Johnson & Johnson	7,998	1.42
110,799	JPMorgan Chase & Co	13,109	2.32
17,734	Lennox International	5,139	0.91
9,518	MasterCard	2,946	0.52
37,986	Meta Platforms	8,998	1.59
45,852	MetLife	2,225	0.39
98,041	Microsoft	24,761	4.39
31,978	Modernia	2,419	0.43
193,978	National Vision	2,921	0.52
11,380	Netflix	3,783	0.67
175,728	Newmont	5,303	0.94
29,567	Nike 'B'	2,472	0.44
530,303	NuScale Power	2,900	0.51
31,241	Nvidia	10,771	1.91
31,075	Oracle	2,859	0.51
74,602	PayPal	3,482	0.62
47,244	PepsiCo	6,724	1.19
130,084	Pfizer	3,611	0.64
119,453	PRA	1,792	0.32
60,220	Procter & Gamble	7,312	1.30

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
28,170	Progressive	2,764	0.49
39,533	Salesforce.com	6,475	1.15
178,545	Schlumberger	8,170	1.45
41,262	Starbucks	3,239	0.57
13,119	Stryker	2,932	0.52
29,045	Take-Two Interactive Software	3,179	0.56
36,688	Target	3,600	0.64
35,356	Tesla	6,462	1.15
12,545	Thermo Fisher Scientific	5,259	0.93
101,177	TJX	6,805	1.21
10,378	Union Pacific	1,837	0.33
19,677	United Parcel Service 'B'	2,675	0.47
15,309	UnitedHealth	6,087	1.08
18,683	Visa	3,516	0.62
61,681	Walmart Stores	7,702	1.37
48,849	Walt Disney	3,337	0.59
84,311	Wells Fargo	2,825	0.50
110,425	Weyerhaeuser	2,836	0.50
68,157	Zoom Video Communications	3,533	0.63
	TOTAL UNITED STATES	385,120	68.27
	TOTAL NORTH AMERICA	392,696	69.61
	AUSTRALIA – 0.45% (15.08.22 – 0.47%)		
145,075	Sonic Healthcare	2,518	0.45
	JAPAN – 7.58% (15.08.22 – 6.43%)		
140,700	Asahi	4,227	0.75
205,900	FANUC	4,549	0.81
290,700	JAFCO	2,737	0.48
15,700	Keyence	5,073	0.90
166,900	Sumitomo Mitsui Financial	5,774	1.02

WS CANLIFE GLOBAL EQUITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
253,000	Takeda Pharmaceutical	6,077	1.08
378,100	Tokio Marine	6,337	1.12
611,700	Toyota Motor	7,991	1.42
	TOTAL JAPAN	42,765	7.58
	FAR EAST (EX JAPAN) – 2.86% (15.08.22 – 3.94%)		
69,566	Taiwan Semiconductor Manufacturing ADS	5,007	0.89
1,090,886	Xtrackers Harvest CSI300 Index UCITS ETF ¹	8,764	1.55
96,584	Xtrackers MSCI Malaysia UCITS ETF ¹	748	0.13
93,715	Xtrackers MSCI Thailand UCITS ETF ¹	1,630	0.29
	TOTAL FAR EAST (EX JAPAN)	16,149	2.86
	OPEN END AND MISCELLANEOUS INVESTMENT VEHICLES – 2.22% (15.08.22 – 0.00%)		
751,661	iShares S&P 500 Energy UCITS ETF ¹	5,050	0.90
1,303,739	iShares S&P 500 Utilities Sector UCITS ETF ¹	7,467	1.32
		12,517	2.22
	Portfolio of investments	554,264	98.26
	Net other assets	9,839	1.74
	Net assets	564,103	100.00

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

¹ Collective investment scheme.

Definition:

ADS – American Depository Shares.

WS CANLIFE GLOBAL EQUITY FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	214,841	Total sales for the year £'000 (note 16)	370,819
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
iShares S&P 500 Energy UCITS ETF	11,161	WH Smith	10,903
iShares S&P 500 Utilities Sector UCITS ETF	9,248	Walmart Stores	10,836
Berkshire Hathaway 'B'	8,688	JD Sports	10,817
Toyota Motor	7,288	Fidelity National Information Services	10,729
Takeda Pharmaceutical	7,273	Xtrackers Harvest CSI300 Index UCITS ETF	10,534
Generac	6,793	Barclays	9,680
Amgen	6,745	Netflix	9,500
Xtracker MSCI Japan UCITS ETF	6,618	JAFCO	9,404
IHI	6,497	Shopify	9,331
Target	6,176	Exact Sciences	9,046

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital (losses)/gains	3		(9,475)		57,131
Revenue	4	10,684		13,152	
Expenses	5	(2,667)		(3,232)	
Interest payable and similar charges	7	(18)		(7)	
Net revenue before taxation		7,999		9,913	
Taxation	6	(1,156)		(1,471)	
Net revenue after taxation			6,843		8,442
Total return before distributions			(2,632)		65,573
Distributions	8		(6,849)		(8,501)
Change in net assets attributable to shareholders from investment activities			(9,481)		57,072

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			726,117		831,307
Amounts receivable on issue of shares		9,568		25,815	
Amounts payable on redemption of shares		(168,407)		(196,027)	
			(158,839)		(170,212)
Change in net assets attributable to shareholders from investment activities			(9,481)		57,072
Retained distributions on Accumulation shares	8		6,306		7,950
Closing net assets attributable to shareholders			564,103		726,117

WS CANLIFE GLOBAL EQUITY FUND FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		554,264	719,603
Current assets			
Debtors	9	636	3,790
Cash and bank balances	10	9,746	6,376
Total assets		<u>564,646</u>	<u>729,769</u>
LIABILITIES			
Creditors			
Other creditors	11	(543)	(3,652)
Total liabilities		<u>(543)</u>	<u>(3,652)</u>
Net assets attributable to shareholders		<u>564,103</u>	<u>726,117</u>

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year. The additional distribution policy described below has also been applied to this Fund.

3. Net Capital (Losses)/Gains

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(9,547)	56,287
Transaction charges	(6)	(6)
Currency gains	53	555
Property gains on US REITs	25	295
Net capital (losses)/gains	<u>(9,475)</u>	<u>57,131</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	10,135	12,776
Taxable dividends	142	172
Stock lending revenue	247	198
Bank interest	160	6
Total revenue	<u>10,684</u>	<u>13,152</u>

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	2,407	2,952
Legal and professional fees	10	11
Typesetting costs	2	2
Registration and dealing fees	104	103
	2,523	3,068
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	104	121
Safe custody and other bank charges	28	32
	132	153
Other expenses:		
Audit fees	12	11
Total expenses	<u>2,667</u>	<u>3,232</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	1,156	1,471
Current tax charge	1,156	1,471
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>1,156</u>	<u>1,471</u>

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	7,999	9,912
Corporation tax at 20%	1,600	1,982
Effects of:		
Non-taxable dividends	(2,027)	(2,555)
Property gains on US REITs	6	59
Foreign tax expensed	(3)	(14)
Unutilised excess management expenses	424	528
Corporation tax charge	-	-
Overseas tax	1,156	1,471
Total tax charge (note 6a)	1,156	1,471

c) Deferred tax

At the year end there is a potential deferred tax asset of £4,250,000 (15.08.22: £3,826,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	18	7
Total interest payable and similar charges	18	7

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	2,831	3,375
Final	<u>3,475</u>	<u>4,575</u>
	6,306	7,950
Add: Revenue deducted on redemption of shares	560	621
Deduct: Revenue received on issue of shares	<u>(17)</u>	<u>(70)</u>
Net distributions for the year	<u>6,849</u>	<u>8,501</u>

Details of the distributions per share are set out in the table on pages 195 and 196.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	6,843	8,442
Allocations to capital:		
Tax relief on property gains on US REITs	5	59
Revenue deficit	<u>1</u>	<u>-</u>
	6	59
Net distributions for the year	<u>6,849</u>	<u>8,501</u>

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	21	17
Sales awaiting settlement	-	2,661

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Accrued revenue:		
Non-taxable dividends	375	851
Stock lending revenue	4	22
	379	873
Taxation recoverable:		
Overseas withholding tax	236	239
Total debtors	636	3,790

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	9,746	6,376
Total cash and bank balances	9,746	6,376

11. Other Creditors

	15.08.23 £'000	15.08.22 £'000
Amounts payable for redemption of shares	206	3,505
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	289	111
Typesetting costs	1	1
Registration and dealing fees	13	13
	303	125

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	13	5
Transaction charges	3	3
Safe custody and other bank charges	6	3
	22	11
Other expenses	12	11
Total other creditors	<u>543</u>	<u>3,652</u>

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 182 and amounts due at the year end are disclosed in notes 9 and 11.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 59,594 (15.08.22: 61,556) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held nil (15.08.22: 591,046) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associated) held 3,892,124 (15.08.22: 8,837,210) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Fund:

The Bank of New York (Nominees) Limited	86.66% (15.08.22: 81.52%)
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13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

14. Shares in Issue

	A Accumulation	C Accumulation	G Accumulation	C (EUR) Accumulation
Annual Management Charge	1.50%	0.75%	0.375%	0.75%
Opening shares in issue	217,276	552,047	49,413,450	-
Issues	22,999	394,604	208,535	1,108,013
Redemptions	<u>(8,847)</u>	<u>(511,605)</u>	<u>(11,453,585)</u>	<u>(1,550)</u>
Closing shares in issue	<u>231,428</u>	<u>435,046</u>	<u>38,168,400</u>	<u>1,106,463</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing mainly in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movements in foreign exchange rates.

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Australian dollars	2,518	3,392
Danish krone	6,500	5,557
Euros	42,554	53,701
Japanese yen	42,858	46,781
Swiss francs	10,350	12,016
US dollars	431,857	561,603
	<u>536,637</u>	<u>683,050</u>
Pounds sterling	27,466	43,067
Net assets	<u>564,103</u>	<u>726,117</u>

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £26,832,000 on the net assets of the Fund (15.08.22: £34,153,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 96.15% of the portfolio can be liquidated within 5 days and 96.92% within 21 working days (15.08.22: 95.61% within 5 days and 96.31% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £27,713,000 (15.08.22: £35,980,000). A 5% decrease would have an equal and opposite effect.

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

16. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	184,450	87	157	184,694
Collective investment schemes	30,147	–	–	30,147
Purchases total	<u>214,597</u>	<u>87</u>	<u>157</u>	<u>214,841</u>
Transaction cost % of purchases total		0.04%	0.07%	
Transaction cost % of average NAV		0.01%	0.03%	
Ordinary shares	347,733	(135)	(4)	347,594
Collective investment schemes	23,225	–	–	23,225
Sales total	<u>370,958</u>	<u>(135)</u>	<u>(4)</u>	<u>370,819</u>
Transaction cost % of sales total		0.04%	–	
Transaction cost % of average NAV		0.02%	–	

Average portfolio dealing spread at 15.08.23 is 0.04% (15.08.22: 0.04%).

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15.08.22	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	296,094	141	252	296,487
Collective investment schemes	<u>23,980</u>	-	-	<u>23,980</u>
Purchases total	<u>320,074</u>	<u>141</u>	<u>252</u>	<u>320,467</u>
Transaction cost % of purchases total		0.04%	0.08%	
Transaction cost % of average NAV		0.02%	0.03%	
Ordinary shares	467,710	(189)	(3)	467,518
Collective investment schemes	<u>7,778</u>	-	-	<u>7,778</u>
Sales total	<u>475,488</u>	<u>(189)</u>	<u>(3)</u>	<u>475,296</u>
Transaction cost % of sales total		0.04%	-	
Transaction cost % of average NAV		0.03%	-	

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments held in the current and prior year are ordinary shares and collective investment schemes categorised as Level 1.

WS CANLIFE GLOBAL EQUITY FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES (PENCE)

There were no distributions allocated in the current or prior year.

C ACCUMULATION SHARES (PENCE)

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	3.6828	–	3.6828	3.2065
Group 2	2.7097	0.9731	3.6828	3.2065

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	6.1099	–	6.1099	6.4446
Group 2	5.4896	0.6203	6.1099	6.4446

G ACCUMULATION SHARES (PENCE)

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	6.4125	–	6.4125	5.9179
Group 2	1.9717	4.4408	6.4125	5.9179

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	9.0215	–	9.0215	9.1872
Group 2	5.8712	3.1503	9.0215	9.1872

WS CANLIFE GLOBAL EQUITY FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

C ACCUMULATION SHARES (EUR) (€ CENTS)¹

Interim	Net Revenue	Equalisation	Allocated 15.04.23
Group 1	0.0688	–	0.0688
Group 2	0.0238	0.0450	0.0688
Final	Net Revenue	Equalisation	Allocation 15.10.23
Group 1	0.4843	–	0.4843
Group 2	0.1675	0.3168	0.4843

¹ No comparative figures are presented as the share class launched on 15 December 2022.

WS CANLIFE GLOBAL EQUITY INCOME FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Global Equity Income Fund ('the Fund') is to provide an income and the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 90% of the assets by value, worldwide (including emerging markets) in equities. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 10% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different geographic regions, industry sectors and market capitalisations without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

The Fund is in the course of being wound up and is no longer available for investment.

Benchmark

The Fund's comparator benchmark is the Bloomberg Developed Market Large & Mid Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg Developed Market Large & Mid Cap Total Return Index. The ACD believes this is an appropriate comparator given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against Global equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Global Equity Income Fund
13 December 2023

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Over the year, much of the global equity market's direction of travel was dictated by inflation, or more pertinently, the correlation between central bank policy and market consensus. After the volatility around the Federal Reserve's ('the Fed') Jackson Hole summit in August 2022 subsided, global equity investors calmed their activity in the final few months of 2022. At this time, risk assets were rising in many key markets following signs that inflation may have peaked in the US and Europe. This was powered by improved investor sentiment and the expectation of a slowdown in monetary tightening by central banks.

Particularly in the US, where headline consumer price index (CPI) inflation was lower in December 2022 than in December 2021, confidence that inflation had peaked became widespread. As this suggested interest rates would not have to rise as much as expected, it drove a significant decline in the US dollar, which had consequences for stock markets globally. Other drivers of optimism were Chinese president Xi Jinping meeting with President Joe Biden at November's G20 summit, and the ending of China's strict zero-COVID policy. The tensions between China and the US as well as Xi's zero-COVID policy had been growing sources of concern for international investors in recent years.

Early in 2023, however, volatility again returned as high inflation persisted and banking crisis worries dominated global equity markets, following the high-profile collapse of Silicon Valley Bank. Though markets have since rebounded as fears of contagion were proven false, inflation continues to concern investors. At the macro level, a lot of investors are trying to forecast when central banks will stop raising rates and then start to bring them down. This will likely be dependent on data. We expect headline inflation to come down as energy prices fall, but core inflation will likely be more problematic over the long term. Wage inflation is proving sticky and, since the pandemic, companies have been hesitant to let people go.

This tight labour market is proving to be a significant issue in the US. With employers reluctant to make redundancies, there are fewer unemployed people reining in their spending. Therefore, we expect US consumer demand to remain strong. We also see scope for US interest rates to remain higher for longer than elsewhere as borrowers in the US are also less sensitive to interest rate rises than elsewhere as mortgages are typically fixed for longer periods.

Fund Performance

The price of the C Accumulation shares of the Fund decreased by 0.88% in the 12 months to 15 August 2023 and underperformed the comparator benchmark, the Bloomberg Developed Market Large & Mid Cap Total Return Index by 1.26%.

Fund Activity

The Fund is invested in above average quality companies, that have stable and growing dividends as well as good ESG characteristics. This fund takes a barbell approach to investing in high-quality companies (with low dividend yields and strong ESG characteristics) balanced by companies that pay higher dividends.

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

We believe that companies with visible, defensible growth profiles trading at attractive valuations tend to outperform the overall market over the long term. As a result, the Fund has a bias towards technology stocks and companies with secure growth paths, often in the US. This overweight in technology was added to over the period due to the sector's strong performance and has been a significant contributor towards performance. The Fund's underweight in energy and financials also aided performance. Over the period, generally, there was not a significant amount of trading. Some sales were executed in holdings where preference shares were approaching maturity.

Outlook

We are cautiously optimistic and believe there is still room for upside in the portfolio. Of course, challenges remain for the global equity market. Aside from the inflation issues addressed above, one headwind for equities is that the fixed income space has started to become more attractive again. After a decade of ultra-low yields, a near-zero interest-rate environment, the reversal of monetary policy has helped make fixed income viable for investors – especially the inflation-protected bond market for those worried about inflation. We expect large investors, such as pension funds, to reach a position where they do not need to hunt for yield in riskier asset classes anymore. To some extent, we have seen a movement of capital away from the equity market as a result.

However, we still see positive long-term potential for equities. Considering the excitement and activity around AI, the ramifications and benefits of this theme are likely to be widespread. On a three- to five-year timeframe we see the potential for significant upside. Equities also tend to be more exposed to the global economy than many other asset classes. Therefore, we believe if economies rebound, particularly if the move includes a major market such as the US, there would be ample support for global equities. Another driver could be the structural labour shortages seen in most developed countries. One of the largest factors that affect consumer confidence is whether people have a job, and labour shortages are protecting jobs differently from prior recessions. This should make a future recession, if it eventually arrives, shallower than those in the past.

At the macro level, we think there is a good chance that the Fed is at or near peak hawkishness. We think that US inflation will decline quite rapidly during 2023, driven by goods price deflation as companies discount them to reduce high inventory levels. That said, we will continue to monitor the labour market as there is a risk that wage inflation remains strong and makes core inflation sticky.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

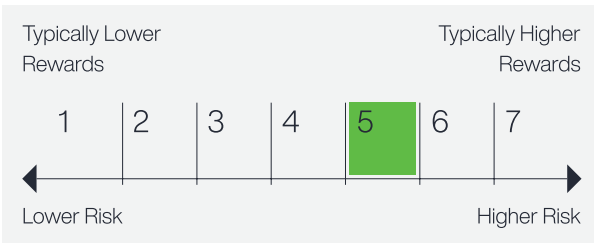
31 August 2023

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests in global securities, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Risk and Reward Profile continued

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	181.58	179.57	151.60
Return before operating charges*	(1.54)	7.74	35.41
Operating charges	(2.13)	(1.64)	(1.52)
Return after operating charges	(3.67)	6.10	33.89
Distributions	(5.35)	(4.09)	(5.92)
Closing net asset value per share	172.56	181.58	179.57
* after direct transaction costs of:	0.05	0.06	0.20

PERFORMANCE

Return after charges	(2.02)%	3.40%	22.35%
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OTHER INFORMATION

Closing net asset value (£'000)	525	512	410
Closing number of shares	304,190	281,638	228,578
Operating charges	1.25% ¹	0.92%	0.93%
Direct transaction costs	0.03%	0.03%	0.12%

PRICES

Highest share price	184.08	196.19	183.64
Lowest share price	158.60	156.91	142.86

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	258.03	249.43	203.61
Return before operating charges*	(2.22)	10.89	47.87
Operating charges	(3.02)	(2.29)	(2.05)
Return after operating charges	(5.24)	8.60	45.82
Distributions	(7.65)	(5.71)	(8.01)
Retained distributions on accumulation shares	7.65	5.71	8.01
Closing net asset value per share	252.79	258.03	249.43
* after direct transaction costs of:	0.08	0.08	0.27

PERFORMANCE

Return after charges	(2.03)%	3.45%	22.50%
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OTHER INFORMATION

Closing net asset value (£'000)	804	790	336
Closing number of shares	318,018	306,081	134,667
Operating charges	1.24% ¹	0.92%	0.93%
Direct transaction costs	0.03%	0.03%	0.12%

PRICES

Highest share price	261.98	272.52	249.63
Lowest share price	225.36	219.96	191.85

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	269.24	259.30	210.88
Return before operating charges*	(2.45)	11.36	49.68
Operating charges	(2.06)	(1.42)	(1.26)
Return after operating charges	(4.51)	9.94	48.42
Distributions	(7.99)	(5.95)	(8.31)
Retained distributions on accumulation shares	7.99	5.95	8.31
Closing net asset value per share	264.73	269.24	259.30
* after direct transaction costs of:	0.08	0.09	0.28

PERFORMANCE

Return after charges	(1.68)%	3.83%	22.96%
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OTHER INFORMATION

Closing net asset value (£'000)	20,110	27,576	29,296
Closing number of shares	7,596,266	10,242,308	11,298,045
Operating charges	0.81% ¹	0.55%	0.55%
Direct transaction costs	0.03%	0.03%	0.12%

PRICES

Highest share price	274.32	283.64	259.50
Lowest share price	235.30	229.38	198.85

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE GLOBAL EQUITY INCOME FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Global Equity Income Fund	(0.88)	25.21	29.59
Bloomberg Developed Market Large & Mid Cap Total Return Index ¹	0.38	34.66	53.42

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 223 and 224.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE GLOBAL EQUITY INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	UNITED KINGDOM – 9.85% (15.08.22 – 9.63%)		
19,839	3i	379	1.77
911	AstraZeneca	99	0.46
300,079	Jupiter Fund Management	300	1.40
48,812	National Grid	469	2.19
16,347	Persimmon	175	0.82
15,021	Rio Tinto	689	3.21
	TOTAL UNITED KINGDOM	2,111	9.85
	CONTINENTAL EUROPE – 18.10% (15.08.22 – 18.99%)		
400	Accenture	96	0.45
18,033	Adecco	593	2.77
234	AP Møller - Mærsk 'B'	361	1.68
246	ASML	127	0.59
943	Deutsche Boerse	136	0.64
2,073	Hapag-Lloyd	335	1.56
6,048	Julius Baer	326	1.52
5,916	Kerry 'A'	440	2.05
158	LVMH Moët Hennessy	109	0.51
6,548	Medtronic	426	1.99
6,239	Nestlé	576	2.69
1,414	Novartis	114	0.53
981	Novo Nordisk 'B'	140	0.65
428	Roche Holding	101	0.47
	TOTAL CONTINENTAL EUROPE	3,880	18.10
	NORTH AMERICA – 67.84% (15.08.22 – 65.61%)		
1,057	Abbott Laboratories	87	0.41
1,056	AbbVie	126	0.59
292	Adobe Systems	119	0.55
3,701	Alphabet 'A'	377	1.76

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
3,309	Alphabet 'C'	338	1.58
5,500	Amazon.com	594	2.77
1,426	American Tower 'A'	208	0.97
12,318	Apple	1,715	8.00
4,206	Bank of America	99	0.46
750	Berkshire Hathaway 'B'	209	0.97
238	Broadcom	157	0.73
14,843	Carrier Global	645	3.01
2,301	Cisco Systems	96	0.45
2,341	Coca-Cola	111	0.52
2,659	Comcast 'A'	98	0.46
1,639	Costco Wholesale	718	3.35
510	Eli Lilly	219	1.02
625	Home Depot	163	0.76
1,590	Johnson & Johnson	216	1.01
1,745	JPMorgan Chase & Co	206	0.96
519	Mastercard	161	0.75
1,482	McDonald's	335	1.56
1,523	Merck	130	0.61
1,365	Meta Platforms	323	1.51
6,511	Microsoft	1,644	7.67
1,183	NextEra Energy	63	0.29
1,495	Nvidia	515	2.40
837	PepsiCo	119	0.56
3,408	Pfizer	95	0.44
1,454	Procter & Gamble	177	0.82
657	Qualcomm	58	0.27
2,475	Salesforce.com	405	1.89
34,711	Sixth Street Specialty Lending	552	2.57
2,901	Synopsys	994	4.64
1,568	Tesla	287	1.34
547	Texas Instruments	72	0.33

WS CANLIFE GLOBAL EQUITY INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
1,410	Thermo Fisher Scientific	591	2.76
377	Union Pacific	67	0.31
574	UnitedHealth	228	1.06
2,259	Verizon Communications	59	0.28
2,030	Visa	382	1.78
866	Walmart Stores	108	0.50
1,094	Walt Disney	75	0.35
7,619	Xylem	604	2.82
	TOTAL NORTH AMERICA	14,545	67.84
	ASIA PACIFIC (EXCLUDING JAPAN) – 2.86% (15.08.22 – 4.52%)		
7,336	Taiwan Semiconductor Manufacturing ADS	528	2.46
6,600	Toyota Motor	86	0.40
	TOTAL ASIA PACIFIC (EXCLUDING JAPAN)	614	2.86
	Portfolio of investments	21,150	98.65
	Net other assets	289	1.35
	Net assets	21,439	100.00

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

Definition:

ADS – American Depositary Shares.

WS CANLIFE GLOBAL EQUITY INCOME FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	8,643	Total sales for the year £'000 (note 16)	14,852
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
Amazon.com	679	Aptiv <i>preference shares</i>	1,064
Hapag-Lloyd	623	Coloplast 'B'	896
Adecco	555	Danaher <i>preference shares</i>	893
AP Møller - Mærsk 'B'	456	CME	725
Tesla	410	Broadcom <i>preference shares</i>	705
Alphabet 'A'	386	Terna	692
Julius Baer	350	3i	618
Alphabet 'C'	347	Thermo Fisher Scientific	593
UnitedHealth	271	Pool	588
Nvidia	240	McDonald's	582

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital (losses)/gains	3		(1,168)		661
Revenue	4	861		707	
Expenses	5	(200)		(160)	
Interest payable and similar charges	7	(1)		-	
Net revenue before taxation		660		547	
Taxation	6	(126)		(59)	
Net revenue after taxation			534		488
Total return before distributions			(634)		1,149
Distributions	8		(727)		(648)
Change in net assets attributable to shareholders from investment activities			(1,361)		501

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			28,878		30,385
Amounts receivable on issue of shares		484		1,692	
Amounts payable on redemption of shares		(7,229)		(4,327)	
			(6,745)		(2,635)
Dilution levy	1(H)		2		-
Change in net assets attributable to shareholders from investment activities			(1,361)		501
Retained distributions on Accumulation shares			665		627
Closing net assets attributable to shareholders			21,439		28,878

WS CANLIFE GLOBAL EQUITY INCOME FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Current assets			
Investments		21,150	28,516
Debtors	9	116	244
Cash and bank balances	10	283	144
Total assets		<u>21,549</u>	<u>28,904</u>
LIABILITIES			
Creditors			
Distribution payable	11	(12)	(7)
Other creditors	11	(98)	(19)
Total liabilities		<u>(110)</u>	<u>(26)</u>
Net assets attributable to shareholders		<u>21,439</u>	<u>28,878</u>

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year. The additional distribution policy described below has also been applied to this Fund.

All the expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital (Losses)/Gains

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(1,155)	636
Transaction charges	(1)	-
Property gains on US REITs	-	25
Currency losses	(12)	-
Net capital (losses)/gains	<u>(1,168)</u>	<u>661</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	805	687
Taxable dividends	25	16
Bank interest	8	-
Stock lending revenue	23	4
Total revenue	<u>861</u>	<u>707</u>

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	95	111
Legal and professional fees	11	9
Typesetting costs	9	2
Registration and dealing fees	9	11
	124	133
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	9	10
Safe custody and other bank charges	4	3
	13	13
Other expenses:		
Audit fees	47	11
Wind up costs	16	-
	63	11
Total expenses	<u>200</u>	<u>157</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	126	59
Current tax charge	126	59
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>126</u>	<u>59</u>

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	660	547
Corporation tax at 20%	132	109
Effects of:		
Non-taxable dividends	(161)	(137)
Foreign tax expensed	-	(1)
Capitalised income subject to tax	-	2
Unutilised excess management expenses	29	27
Corporation tax charge	-	-
Overseas tax	126	59
Total tax charge (note 6a)	126	59

c) Deferred tax

At the year end there is a potential deferred tax asset of £290,000 (15.08.22: £261,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	1	-
Total interest payable and similar charges	1	-

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	204	248
Final	477	390
	<u>681</u>	<u>638</u>
Add: Revenue deducted on redemption of shares	52	17
Deduct: Revenue received on issue of shares	(6)	(7)
Net distributions for the year	<u>727</u>	<u>648</u>

Details of the distributions per share are set out in the table on pages 223 and 224.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	534	488
Allocations to capital:		
Expenses, net of tax relief	193	160
Net distributions for the year	<u>727</u>	<u>648</u>

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	12	29
Accrued revenue:		
Non-taxable dividends	47	98
Prepaid expenses	-	1

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Taxation recoverable:		
Overseas withholding tax	57	116
Total debtors	116	244

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	283	144
Total cash and bank balances	283	144

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	12	7
Other Creditors		
Amounts payable for redemption of shares	10	-
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	11	5
Typesetting costs	8	1
Registration and dealing fees	1	1
	20	7
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	1	-
Safe custody and other bank charges	2	-
	3	-

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Other expenses	65	12
Total other creditors	98	19

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 210 and amounts due at the year end are disclosed in notes 9 and 11.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held nil (15.08.22: nil) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held nil (15.08.22: 1,566,499) of the Fund's shares at the balance sheet date. These shares have also been reflected in the following disclosure.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 833,287 (15.08.22: 2,488,382) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Fund and its associates	10.14% (15.08.22: 22.98%)
The Bank of New York (Nominees) Limited	84.13% (15.08.22: 72.74%)

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

14. Shares in Issue

	C Income	C Accumulation	G Accumulation
Annual Management Charge	0.75%	0.75%	0.375%
Opening shares in issue	281,638	306,081	10,242,308
Issues	163,338	75,609	7,014
Redemptions	<u>(140,786)</u>	<u>(63,672)</u>	<u>(2,653,056)</u>
Closing shares in issue	<u>304,190</u>	<u>318,018</u>	<u>7,596,266</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing mainly in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates.

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Danish krone	519	868
Euros	1,186	2,134
Japanese yen	86	-
Norwegian krone	-	7
South Korean won	-	281
Swiss francs	1,710	963
US dollars	15,632	21,632
	<u>19,133</u>	<u>25,885</u>
Pounds sterling	2,306	2,993
Net assets	<u>21,439</u>	<u>28,878</u>

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £957,000 on the net assets of the Fund (15.08.22: £1,294,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 100% of the portfolio can be liquidated within 5 days and 100% within 21 working days (15.08.22: 100% within 5 days and 100% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £1,058,000 (15.08.22: £1,426,000). A 5% decrease would have an equal and opposite effect.

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

16. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	8,640	2	1	8,643
Purchases total	<u>8,640</u>	<u>2</u>	<u>1</u>	<u>8,643</u>
Transaction cost % of purchases total		0.02%	0.01%	
Transaction cost % of average NAV		0.01%	-	
Ordinary shares	14,857	(4)	(1)	14,852
Sales total	<u>14,857</u>	<u>(4)</u>	<u>(1)</u>	<u>14,852</u>
Transaction cost % of sales total		0.03%	0.01%	
Transaction cost % of average NAV		0.02%	-	

Average portfolio dealing spread at 15.08.23 is 0.04% (15.08.22: 0.30%).

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15.08.22	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	1,197	-	6	1,203
Purchases total	1,197	-	6	1,203
Transaction cost % of purchases total		-	0.50%	
Transaction cost % of average NAV		-	0.02%	
Ordinary shares	3,168	(1)	(2)	3,165
Collective investment schemes	181	-	-	181
Sales total	3,349	(1)	(2)	3,346
Transaction cost % of sales total		0.03%	0.06%	
Transaction cost % of average NAV		-	0.01%	

The collective investment schemes include closed end funds.

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments held by the Fund at the end of the current and prior year are ordinary shares and collective investment schemes categorised as Level 1.

WS CANLIFE GLOBAL EQUITY INCOME FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

C INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	1.4197	–	1.4197	1.6026
Group 2	0.3135	1.1062	1.4197	1.6026

Final	Net Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	3.9334	–	3.9334	2.4880
Group 2	0.5628	3.3706	3.9334	2.4880

C ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	2.0174	–	2.0174	2.2237
Group 2	0.7771	1.2403	2.0174	2.2237

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	5.6315	–	5.6315	3.4871
Group 2	2.3049	3.3266	5.6315	3.4871

WS CANLIFE GLOBAL EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

G ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	2.1071	–	2.1071	2.3138
Group 2	2.1071	0.0000	2.1071	2.3138
Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	5.8861	–	5.8861	3.6379
Group 2	1.3440	4.5421	5.8861	3.6379

WS CANLIFE GLOBAL INFRASTRUCTURE FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Global Infrastructure Fund ('the Fund') is to achieve capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value, worldwide (including emerging markets) in shares of companies that benefit from the development, maintenance, service and management of infrastructure assets across the energy, utilities, industrial, transportation and communication sectors.

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different geographic regions and market capitalisations without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for efficient portfolio management purposes.

The Fund is in the course of being wound up and is no longer available for investment.

Benchmark

The Fund's comparator benchmark is the Morningstar – Sector Equity Infrastructure.

The Fund's performance may be compared against the Morningstar – Sector Equity Infrastructure. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against the performance of other funds invested in similar assets.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Global Infrastructure Fund

13 December 2023

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Review

Although inflation continues to fall from peak levels due to easing food and energy prices, resilient economic growth (particularly in the US), a tight labour market and sticky core inflation have central bankers primed to keep rates higher for longer. The Bank of Canada has resumed raising rates after pausing earlier in the year, while the US Federal Reserve has adjusted its forecast to include two additional 25 basis point hikes by year-end. As a result, bonds sold off, consolidating some of the solid gains seen in the first quarter, with bond yields rising to levels not seen since the late 2000s. Despite the pick-up in yields, global equity prices have remained resilient.

The 'Magnificent Seven' US Big Tech stocks continue to be the big winners for the year to date, benefitting from the ongoing AI frenzy. The S&P/TSX Composite Index rose modestly, as the significant gain in IT stocks was dampened by the relatively low weight in the broader index. Materials stocks were the largest detractor.

Fund Performance

The price of the C Accumulation shares of the Fund decreased by 8.46% in the 12 months to 15 August 2023 but outperformed the comparator benchmark, the Morningstar – Sector Equity Infrastructure by 3.12%.

Portfolio Activity

At a country level, the primary contributors to relative performance were stock selection in the United States, Singapore and the United Kingdom, as well as an overweight position in Japan, while the primary detractors from performance was an underweight position in Switzerland. At an industry level, security selection in multi-utilities and oil, gas and consumable fuels were the greatest contributors. Conversely, an overweight position and security selection and in gas utilities detracted from performance. Top contributors to performance during the period were utilities companies, Canadian Utilities, American Electric Power, and Enel. The top detractors were multi-utilities companies, Dominion Energy, Sembcorp Industries, and A2A.

Outlook

The team's systematic investment process is driven by data and quantitative models that aim to identify high-quality, reasonably-priced companies that offer good growth potential. As such, their views are subject to change as new data arrives and their ongoing research continually improves their models. The team's models cover approximately 350 names in our investable global infrastructure universe. Our longer-term views are driven by factors that affect valuation and quality, while the shorter term is largely captured by sentiment and changes in fundamental expectations.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
ACD'S REPORT continued
INVESTMENT MANAGER'S REPORT continued

As of mid-year 2023, the team's longer-term models generally favour the European and Asian stocks relative to stocks in North America. From an industry perspective, we continue to favour gas utilities relative to transportation and oil and gas pipelines. This is largely due to higher-quality fundamentals underpinning power and gas utilities, along with more favourable growth potential. More expensive valuations play a larger role in our weaker outlook on transportation stocks.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

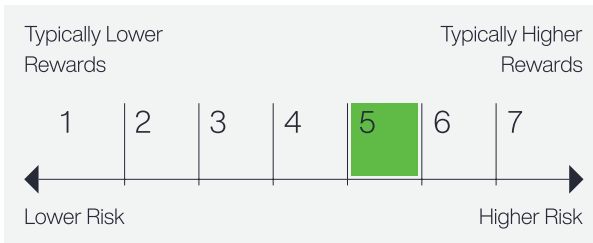
15 September 2023

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests in global securities, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may invest in investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

Concentrated Fund Risk: The Fund is largely invested in companies which have exposure to infrastructure. This may mean the Fund is more sensitive to price swings than other funds.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	188.40	157.64	145.26
Return before operating charges*	(15.57)	33.73	14.95
Operating charges	(3.37)	(2.97)	(2.57)
Return after operating charges	(18.94)	30.76	12.38
Distributions	(3.21)	(2.54)	(2.17)
Retained distributions on accumulation shares	3.21	2.54	2.17
Closing net asset value per share	169.46	188.40	157.64
* after direct transaction costs of:	0.27	0.34	0.31

PERFORMANCE

Return after charges	(10.05)%	19.51%	8.52%
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OTHER INFORMATION

Closing net asset value (£'000)	643	763	1,161
Closing number of shares	379,417	405,117	736,730
Operating charges	1.88% ¹	1.76%	1.72%
Direct transaction costs	0.15%	0.20%	0.21%

PRICES

Highest share price	192.18	188.24	158.26
Lowest share price	168.65	156.62	137.13

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	202.12	167.85	153.52
Return before operating charges*	(16.70)	36.09	15.89
Operating charges	(2.18)	(1.82)	(1.56)
Return after operating charges	(18.88)	34.27	14.33
Distributions	(4.88)	(4.06)	(3.50)
Retained distributions on accumulation shares	4.88	4.06	3.50
Closing net asset value per share	183.24	202.12	167.85
* after direct transaction costs of:	0.29	0.36	0.33

PERFORMANCE

Return after charges	(9.34)%	20.42%	9.33%
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OTHER INFORMATION

Closing net asset value (£'000)	2,566	2,994	1,975
Closing number of shares	1,400,288	1,480,964	1,176,718
Operating charges	1.13% ¹	1.01%	0.98%
Direct transaction costs	0.15%	0.20%	0.21%

PRICES

Highest share price	206.30	201.95	168.31
Lowest share price	182.25	167.00	145.15

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	207.31	171.73	156.67
Return before operating charges*	(17.30)	36.98	16.26
Operating charges	(1.72)	(1.40)	(1.20)
Return after operating charges	(19.02)	35.58	15.06
Distributions	(5.47)	(4.62)	(3.98)
Retained distributions on accumulation shares	5.47	4.62	3.98
Closing net asset value per share	188.29	207.31	171.73
* after direct transaction costs of:	0.30	0.37	0.34

PERFORMANCE

Return after charges	(9.17)%	20.72%	9.61%
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OTHER INFORMATION

Closing net asset value (£'000)	14,724	20,668	18,943
Closing number of shares	7,819,558	9,969,547	11,030,784
Operating charges	0.87% ¹	0.76%	0.74%
Direct transaction costs	0.15%	0.20%	0.21%

PRICES

Highest share price	211.63	207.13	172.13
Lowest share price	187.24	170.90	148.21

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Global Infrastructure Fund	(8.46)	20.34	18.17
Morningstar – Sector Equity Infrastructure ¹	(11.58)	22.31	33.36

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 254 and 255.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	UNITED KINGDOM – 2.88% (15.08.22 – 3.10%)		
7,803	Airtel Africa	9	0.05
49,373	Centrica	70	0.39
5,152	Liberty Global 'A'	74	0.41
24,533	National Grid	235	1.31
8,092	SSE	129	0.72
	TOTAL UNITED KINGDOM	517	2.88
	CONTINENTAL EUROPE – 24.02% (15.08.22 – 21.46%)		
	AUSTRIA – 0.17% (15.08.22 – 0.15%)		
462	Verbund 'A'	30	0.17
	CYPRUS – 0.11% (15.08.22 – 0.00%)		
1,453	Frontline	20	0.11
	DENMARK – 0.00% (15.08.22 – 0.11%)		
	FRANCE – 4.50% (15.08.22 – 4.80%)		
1,611	Aéroports de Paris	168	0.94
19,222	ENGIE	238	1.33
30,319	Getlink	400	2.23
	TOTAL FRANCE	806	4.50
	GERMANY – 3.56% (15.08.22 – 2.60%)		
12,287	Deutsche Telekom	200	1.12
20,936	E.ON	197	1.10
3,853	Fraport	162	0.90
3,183	Hamburger Hafen und Logistik	30	0.17
1,468	RWE	49	0.27
	TOTAL GERMANY	638	3.56

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	ITALY – 4.27% (15.08.22 – 6.30%)		
75,451	A2A	111	0.62
1,652	ACEA	15	0.08
14,010	ENAV	44	0.25
114,633	Enel	595	3.32
	TOTAL ITALY	765	4.27
	LUXEMBOURG – 0.10% (15.08.22 – 0.00%)		
824	Corporacion America	9	0.05
751	Millicom	9	0.05
		18	0.10
	NETHERLANDS – 0.18% (15.08.22 – 0.00%)		
7,077	KPN	20	0.11
415	Vopak	12	0.07
		32	0.18
	NORWAY – 0.15% (15.08.22 – 0.73%)		
3,299	Telenor	27	0.15
	PORTUGAL – 0.44% (15.08.22 – 0.29%)		
13,700	NOS	39	0.22
19,127	Redes Energeticas Nacionais	40	0.22
	TOTAL PORTUGAL	79	0.44
	SPAIN – 8.84% (15.08.22 – 5.85%)		
6,751	Aena	832	4.64
1,575	Endesa	25	0.14
65,036	Iberdrola	594	3.31
43,526	Telefonica	135	0.75
	TOTAL SPAIN	1,586	8.84

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	SWEDEN – 0.29% (15.08.22 – 0.16%)		
6,627	AcadeMedia	24	0.13
10,959	AMBEA	28	0.16
	TOTAL SWEDEN	<u>52</u>	<u>0.29</u>
	SWITZERLAND – 1.41% (15.08.22 – 0.47%)		
1,543	Flughafen Zuerich	<u>252</u>	<u>1.41</u>
	TOTAL CONTINENTAL EUROPE	<u>4,305</u>	<u>24.02</u>
	NORTH AMERICA – 48.01% (15.08.22 – 53.50%)		
	CANADA – 8.85% (15.08.22 – 12.77%)		
13,179	ATCO 'I' non-voting	286	1.59
622	Brookfield Infrastructure	20	0.11
15,369	Canadian Utilities 'A'	283	1.58
23,497	Enbridge	640	3.57
14,589	Superior Plus	87	0.49
9,656	TC Energy	<u>271</u>	<u>1.51</u>
	TOTAL CANADA	<u>1,587</u>	<u>8.85</u>
	UNITED STATES – 39.16% (15.08.22 – 40.73%)		
221	Ameren	14	0.08
3,641	American Electric Power	226	1.26
5,625	Antero Midstream	52	0.29
19,216	AT&T	213	1.19
1,699	Atmos Energy	153	0.85
1,873	Black Hills	82	0.46
6,330	CenterPoint Energy	140	0.78
1,204	Chegg	9	0.05
4,304	Cheniere Energy	548	3.06
2,760	Consolidated Edison	190	1.06
4,361	Dominion Resources	164	0.91

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
394	Dorian LPG	8	0.04
5,032	Duke Energy	361	2.01
4,575	EchoStar	80	0.45
1,533	Edison International	83	0.46
1,420	Encompass Health	79	0.44
729	Entergy	54	0.30
10,305	Equitrans Midstream	77	0.43
3,433	Evergy	153	0.85
576	Excelerate Energy	9	0.05
7,227	Exelon	224	1.25
2,095	FirstEnergy	59	0.33
1,093	HCA Healthcare	230	1.28
3,136	Hess Midstream LP	75	0.42
321	International Seaways	11	0.06
18,027	Kinder Morgan	246	1.37
9,755	Liberty Latin America	70	0.39
9,000	Lumen Technologies	12	0.07
4,127	National Fuel Gas	173	0.96
12,769	NextEra Energy	675	3.76
6,161	Nisource	126	0.70
595	OGE Energy	16	0.09
1,550	ONE Gas	89	0.50
5,023	ONEOK	258	1.44
1,128	Otter Tail	78	0.43
8,320	Perdoceo Education	107	0.60
3,692	PG&E	49	0.27
851	Pinnacle West Capital	51	0.28
8,318	Plains GP	103	0.57
1,779	Public Service Enterprise	83	0.46
602	Sempra	66	0.37
7,149	Southern	380	2.12
1,163	Stride	35	0.20

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
2,940	Targa Resources	194	1.08
763	Tenet Healthcare	44	0.25
1,281	T-Mobile US	139	0.78
451	UGI	8	0.04
442	Universal Health Services 'B'	45	0.25
9,282	Verizon Communications	242	1.35
12,580	Williams	343	1.91
2,211	Xcel Energy	101	0.56
	TOTAL UNITED STATES	7,027	39.16
	TOTAL NORTH AMERICA	8,614	48.01
	LATIN AMERICA – 6.11% (15.08.22 – 4.34%)		
	BRAZIL – 0.52% (15.08.22 – 0.00%)		
7,820	Eletrobras	43	0.24
5,915	Sabesp	51	0.28
		94	0.52
	MEXICO – 5.59% (15.08.22 – 4.34%)		
2,786	Grupo Aeroportuario del Centro Norte <i>ADR</i>	194	1.08
3,107	Grupo Aeroportuario del Pacifico <i>ADR</i>	447	2.49
1,680	Grupo Aeroportuario del Sureste	362	2.02
	TOTAL MEXICO	1,003	5.59
	TOTAL LATIN AMERICA	1,097	6.11
	JAPAN – 4.73% (15.08.22 – 3.88%)		
7,700	Chubu Electric Power	76	0.42
9,900	Chugoku Electric Power	50	0.28
4,100	Hokkaido Electric Power	14	0.08
2,100	Hokuriku Electric Power	9	0.06
6,300	Japan Airport Terminal	246	1.37
4,287	Kamigumi	76	0.42

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
10,000	Kansai Electric Power	103	0.57
7,200	Kyushu Electric Power	36	0.20
2,600	Mitsubishi Logistics	54	0.30
2,107	Nippon Gas	24	0.13
700	Osaka Gas	9	0.05
3,900	Shikoku Electric Power	21	0.12
6,032	Sumitomo Warehouse	79	0.44
1,100	Toho Gas	15	0.08
2,900	Tohoku Electric Power	15	0.08
1,300	Tokyo Gas	23	0.13
	TOTAL JAPAN	850	4.73
FAR EAST (EX JAPAN) – 4.73% (15.08.22 – 5.36%)			
HONG KONG – 4.20% (15.08.22 – 4.73%)			
28,000	Beijing Capital International Airport	13	0.07
430,000	CGN Power	86	0.48
111,000	China Longyuan Power	74	0.41
70,000	China Merchants	67	0.37
6,000	China Resources Power	10	0.06
2,000	CLP	12	0.07
89,639	COSCO Pacific	41	0.23
162,010	Hutchison Port	22	0.12
185,940	Jiangsu Expressway	128	0.71
2,500	Power Assets	10	0.07
136,092	Shenzhen Expressway	88	0.49
131,854	Shenzhen International	84	0.47
40,000	Yuexiu Transport Infrastructure	17	0.09
167,233	Zhejiang Expressway 'H'	101	0.56
	TOTAL HONG KONG	753	4.20

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	SINGAPORE – 0.53% (15.08.22 – 0.63%)		
2,864	BW LPG	26	0.14
14,700	SATS	22	0.12
14,200	Sembcorp Industries	46	0.27
	TOTAL SINGAPORE	94	0.53
	TOTAL FAR EAST (EX JAPAN)	847	4.73
	AUSTRALIA – 5.69% (15.08.22 – 5.69%)		
5,239	AGL Energy	29	0.16
70,004	Atlas Arteria	220	1.23
149,306	Qube	211	1.18
78,650	Transurban	559	3.12
	TOTAL AUSTRALIA	1,019	5.69
	NEW ZEALAND – 1.54% (15.08.22 – 1.33%)		
60,936	Auckland International Airport	236	1.32
4,005	Contact Energy	16	0.09
2,796	Ryman Healthcare	9	0.06
2,502	Summerset	12	0.07
	TOTAL NEW ZEALAND	273	1.54
	ISRAEL – 0.09% (15.08.22 – 0.54%)		
15,433	Bezeq Israeli Telecommunication	17	0.09
	Portfolio of investments	17,539	97.80
	Net other assets	394	2.20
	Net assets	17,933	100.00

The investments held have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

Definition:

ADR – American Depositary Receipts.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	13,531	Total sales for the year £'000 (note 16)	17,697
<u>Major purchases</u>	<u>Cost £'000</u>	<u>Major sales</u>	<u>Proceeds £'000</u>
Enel	509	Atlantia	1,260
Enbridge	436	American Electric Power	865
First Energy	298	DTE Energy	689
Aena	295	NextEra Energy	599
Constellation	288	Southern	539
NextEra Energy	273	Exelon	416
Verizon Communications	268	Enbridge	399
Exelon	264	Transurban	384
Endesa	261	Hydro One	382
Plains GP	252	Kinder Morgan	361

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital (losses)/gains	3		(2,593)		3,775
Revenue	4	792		795	
Expenses	5	(180)		(170)	
Interest payable and similar charges	7	(3)		(1)	
Net revenue before taxation		609		624	
Taxation	6	(81)		(76)	
Net revenue after taxation			528		548
Total return before distributions			(2,065)		4,323
Distributions	8		(543)		(548)
Change in net assets attributable to shareholders from investment activities			(2,608)		3,775

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			24,425		22,268
Amounts receivable on issue of shares		2,564		2,330	
Amounts payable on redemption of shares		(6,994)		(4,485)	
			(4,430)		(2,155)
Dilution levy	1(H)		15		-
Change in net assets attributable to shareholders from investment activities			(2,608)		3,775
Retained distributions on Accumulation shares	8		531		537
Closing net assets attributable to shareholders			17,933		24,425

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Current assets			
Investments		17,539	24,229
Debtors	9	49	192
Cash and bank balances	10	401	27
Total assets		<u>17,989</u>	<u>24,448</u>
LIABILITIES			
Creditors			
Other creditors	11	(56)	(23)
Total liabilities		<u>(56)</u>	<u>(23)</u>
Net assets attributable to shareholders		<u>17,933</u>	<u>24,425</u>

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

3. Net Capital (Losses)/Gains

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(2,561)	3,788
Transaction charges	(19)	(15)
Currency (losses)/gains	(13)	2
Net capital (losses)/gains	<u>(2,593)</u>	<u>3,775</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	703	739
Taxable dividends	49	37
Bank interest	13	1
Non-taxable stock dividends	27	18
Total revenue	<u>792</u>	<u>795</u>

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	119	127
Legal and professional fees	7	6
Typesetting costs	2	3
Registration and dealing fees	13	11
	141	147
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	8	8
Safe custody and other bank charges	6	4
	14	12
Other expenses:		
Audit fees	12	11
Wind up costs	13	-
	25	11
Total expenses	180	170

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	81	76
Current tax charge	81	76
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	81	76

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	609	624
Corporation tax at 20%	122	125
Effects of:		
Non-taxable dividends	(147)	(151)
Foreign tax expensed	(1)	(1)
Unutilised excess management expenses	26	27
Corporation tax charge	-	-
Overseas tax	81	76
Total tax charge (note 6a)	81	76

c) Deferred tax

At the year end there is a potential deferred tax asset of £207,000 (15.08.22: £181,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	3	1
Total interest payable and similar charges	3	1

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	188	147
Final	343	390
	<u>531</u>	<u>537</u>
Add: Revenue deducted on redemption of shares	21	49
Deduct: Revenue received on issue of shares	(9)	(38)
Net distributions for the year	<u>543</u>	<u>548</u>

Details of the distributions per share are set out in the table on pages 254 and 255.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	528	548
Allocations to capital:		
Expenses	15	-
Net distributions for the year	<u>543</u>	<u>548</u>

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	-	81
Sales awaiting settlement	-	12
Accrued revenue:		
Non-taxable dividends	32	70
Taxable dividends	17	19
	<u>49</u>	<u>89</u>

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Taxation recoverable:		
Overseas withholding tax	–	10
Total debtors	<u>49</u>	<u>192</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	<u>401</u>	<u>27</u>
Total cash and bank balances	<u>401</u>	<u>27</u>

11. Other Creditors

	15.08.23 £'000	15.08.22 £'000
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	13	5
Typesetting costs	1	1
Registration and dealing fees	2	2
	16	8
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	1	–
Transaction charges	11	4
Safe custody and other bank charges	2	–
	14	4
Other expenses	<u>26</u>	<u>11</u>
Total other creditors	<u>56</u>	<u>23</u>

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 241 and there are no amounts due at the year end.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 12,395 (15.08.22: 12,395) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held nil (15.08.22: 1,800,439) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 2,238,799 (15.08.22: 3,550,142) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates	23.32% (15.08.22: 29.95%)
The Bank of New York (Nominees) Limited	63.29% (15.08.22: 58.43%)

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	A Accumulation	C Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.50%
Opening shares in issue	405,117	1,480,964	9,969,547
Issues	38,636	480,421	784,627
Redemptions	(64,336)	(561,097)	(2,934,616)
Closing shares in issue	<u>379,417</u>	<u>1,400,288</u>	<u>7,819,558</u>

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing in equities only and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value.

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Australian dollars	1,036	1,405
Canadian dollars	1,375	3,001
Chinese yuan	–	9
Danish krone	–	26
Euros	3,936	4,887
Hong Kong dollars	732	1,098
Israeli shekels	17	131
Japanese yen	849	948
New Zealand dollars	272	325
Norwegian krone	72	252
Singapore dollars	69	82
Swedish krona	61	40
Swiss francs	252	115
US dollars	8,503	11,273
	<u>17,174</u>	<u>23,592</u>
Pounds sterling	759	833
Net assets	<u>17,933</u>	<u>24,425</u>

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £859,000 on the net assets of the Fund (15.08.22: £1,180,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 100% of the portfolio can be liquidated within 5 days and 100% within 21 working days (15.08.22: 100% within 5 days and 100% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £877,000 (15.08.22: £1,211,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

16. Portfolio Transaction Costs

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
15.08.23				
Ordinary shares	13,513	13	5	13,531
Purchases total	13,513	13	5	13,531
Transaction cost % of purchases total		0.10%	0.04%	
Transaction cost % of average NAV		0.06%	0.02%	
Ordinary shares	17,711	(13)	(1)	17,697
Sales total	17,711	(13)	(1)	17,697
Transaction cost % of sales total		0.07%	0.01%	
Transaction cost % of average NAV		0.06%	-	

Average portfolio dealing spread at 15.08.23 is 0.13% (15.08.22: 0.15%).

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
15.08.22				
Ordinary shares	21,359	16	11	21,386
Purchases total	21,359	16	11	21,386
Transaction cost % of purchases total		0.07%	0.05%	
Transaction cost % of average NAV		0.07%	0.05%	
Ordinary shares	21,716	(16)	(2)	21,698
Sales total	21,716	(16)	(2)	21,698
Transaction cost % of sales total		0.07%	0.01%	
Transaction cost % of average NAV		0.07%	0.01%	

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

The investments held by the Fund at the end of the current and prior year are ordinary shares categorised as Level 1.

WS CANLIFE GLOBAL INFRASTRUCTURE FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.7695	–	0.7695	0.3415
Group 2	0.3214	0.4481	0.7695	0.3415

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	2.4367	–	2.4367	2.1970
Group 2	0.8339	1.6028	2.4367	2.1970

C ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.5418	–	1.5418	1.0072
Group 2	1.0954	0.4464	1.5418	1.0072

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	3.3398	–	3.3398	3.0517
Group 2	2.3631	0.9767	3.3398	3.0517

WS CANLIFE GLOBAL INFRASTRUCTURE FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

G ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.7943	–	1.7943	1.2534
Group 2	1.2909	0.5034	1.7943	1.2534
Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	3.6727	–	3.6727	3.3679
Group 2	2.8656	0.8071	3.6727	3.3679

WS CANLIFE NORTH AMERICAN FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife North American Fund ('the Fund') is to achieve capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value in the shares of companies which are incorporated or domiciled in North America. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different industry sectors and market capitalisations without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

Benchmark

The Fund's comparator benchmark is the Bloomberg North America Large & Mid Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg North America Large & Mid Cap Total Return Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against North American equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife North American Fund
13 December 2023

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Over the year, much of the equity markets' direction of travel was dictated by inflation, or more pertinently, the correlation between central bank policy and the market consensus. This was particularly notable early in the period, when markets had been optimistic about a softening of Federal Reserve ('Fed') policy only to be wrongfooted by the bank reaffirming its stance at the August 2022 Jackson Hole meeting. This generated significant volatility within equity markets.

The Fed further increased interest rates towards the end of 2022, but despite evidence at the time of slowing inflation in the US, central bank officials stopped short of suggesting there would be a reversal of its policy. This drove a significant decline in the US dollar, which had consequences for stock markets globally. Markets were dealt an early blow in 2023, however, by the shock collapse of Silicon Valley Bank. Fortunately, fears about the global banking sector soon receded and markets rebounded, with excitement surging around AI. This created interest among investors and a huge boost for tech stocks. Many of these large-cap tech stocks already dominate the US market. Stocks such as Nvidia, Microsoft, Meta, and Tesla led the way, while mid- and small-caps generally underperformed.

Inflation has remained a challenge for the Fed during 2023, which continued to hike interest rates before pausing in June. While headline inflation is likely to come down, driven by a drop off in energy prices, core inflation is likely to be more problematic as the tightness of the labour market is keeping wage demands high. This tight labour market is proving to be a significant issue in the US. With employers reluctant to make redundancies, there are fewer unemployed people reining in their spending. Therefore, we expect US consumer demand to remain strong. Borrowers in the US are also less sensitive to interest rate rises than elsewhere as mortgages are typically fixed for longer periods. With US consumers therefore likely to be in a stronger position, and the economy potentially not cooling as rapidly as elsewhere, we expect to see inflation – and rates – remaining higher for longer.

Fund Performance

The price of the C Accumulation shares of the Fund increased by 1.32% in the 12 months to 15 August 2023 and outperformed the comparator benchmark, the Bloomberg North America Large & Mid Cap Total Return Index by 2.61%.

Fund Activity

Over the period, much of our activity has involved crystallising gains and de-risking the Fund where we can, adding defensive names when opportunities have arisen. Relative performance has benefitted from specific stock selection calls in various sectors, with several of our tech names being the biggest contributors. We have reduced these when we have seen fit, especially where there are concerns about the outlook for AI given how much share prices have moved during the period.

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

The Fund's largest overweight remains in consumer staples and its largest underweights in technology and real estate. Commercial real estate generated a lot of negative headlines in the summer months of 2023, as it continued to battle the twin headwinds of a slower-than-expected post-pandemic return to offices and the higher rates environment. Many properties are highly leveraged so, if they are not at full capacity, it becomes difficult to service loans secured against them. The financing side has also become more expensive as interest rates have risen materially. The issue is not just confined to offices; there have been signs of a slowdown across many other types of property. The prices of warehouses, for example, have increased strongly over the past decade as e-commerce took off, but we are now starting to see valuations go into reverse.

Outlook

We remain cautiously optimistic about the near future and believe there is still room for further upside in US equities. Nevertheless, the outlook is becoming more challenging.

The decade of ultra-low rates benefited equity markets, as many institutional investors sought better returns outside of fixed income. However, fixed income is now starting to look more attractive as higher yields from less risky assets allow investors to de-risk and reduce equity exposure – and the inflation-protected bond market brings clear advantages for those worried about inflation. This has resulted in some movement of capital away from equity markets. That said, there are still positive trends and themes emerging in equity markets, such as the nascent AI industry.

Equity markets also tend to be more exposed to the US economy than other asset classes, which should be helpful for valuations as it rebounds. In the US, there has been some debate about when a recession could hit and, if it does, how deep it would be. However, the strength of the labour market has led some to believe that a slowdown would be slower and shallower than in many other countries, largely because US consumers are far less sensitive to interest rate hikes.

Another driver could be the structural labour shortages seen in the US. One of the largest factors that affect consumer confidence is whether people have a job, and labour shortages are protecting jobs differently from prior recessions. This should make a future recession, if it eventually arrives, shallower than those in the past.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE NORTH AMERICAN FUND ACD'S REPORT continued FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

During the year, the indicator changed from 5 to 6. The Fund has been classed as 6 because its volatility has been measured as above average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Currency Risk: As the Fund invests in North American investments, movements in exchange rates may, when not hedged, cause the value of your investment to increase or decrease.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

WS CANLIFE NORTH AMERICAN FUND ACD'S REPORT continued FUND INFORMATION continued

Risk and Reward Profile continued

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	2,219.29	1,995.27	1,597.07
Return before operating charges*	1.19	256.39	426.33
Operating charges	(33.00)	(32.37)	(28.13)
Return after operating charges	(31.81)	224.02	398.20
Distributions	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	2,187.48	2,219.29	1,995.27
* after direct transaction costs of:	0.76	0.72	0.49

PERFORMANCE

Return after charges	(1.43)%	11.23%	24.93%
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OTHER INFORMATION

Closing net asset value (£'000)	3,485	3,681	3,456
Closing number of shares	159,322	165,869	173,210
Operating charges	1.57%	1.57%	1.58%
Direct transaction costs	0.04%	0.03%	0.03%

PRICES

Highest share price	2,264.72	2,207.67	2,002.95
Lowest share price	1,931.44	1,850.02	1,582.22

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	2,397.25	2,139.05	1,699.44
Return before operating charges*	2.04	276.39	455.40
Operating charges	(18.69)	(18.19)	(15.79)
Return after operating charges	(16.65)	258.20	439.61
Distributions	(9.90)	(9.89)	(9.17)
Retained distributions on accumulation shares	9.90	9.89	9.17
Closing net asset value per share	2,380.60	2,397.25	2,139.05
* after direct transaction costs of:	0.82	0.78	0.52

PERFORMANCE

Return after charges	(0.69)%	12.07%	25.87%
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OTHER INFORMATION

Closing net asset value (£'000)	16,363	11,897	3,427
Closing number of shares	687,350	496,288	160,224
Operating charges	0.82%	0.82%	0.83%
Direct transaction costs	0.04%	0.03%	0.03%

PRICES

Highest share price	2,464.03	2,384.72	2,147.19
Lowest share price	2,091.78	1,995.99	1,686.49

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES (EUR)

CHANGE IN NET ASSETS PER SHARE	15.08.23 ¹ € per share
Opening net asset value per share	1.0000
Return before operating charges*	0.0122
Operating charges	(0.0008)
Return after operating charges	0.0014
Distributions	-
Retained distributions on accumulation shares	-
Closing net asset value per share	1.0114
* after direct transaction costs of:	-

PERFORMANCE

Return after charges	1.14%
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OTHER INFORMATION

Closing net asset value (£'000)	43
Closing number of shares	50,250
Operating charges	0.82% ²
Direct transaction costs	0.04%

PRICES

Highest share price	1.0472
Lowest share price	0.9995

¹ From 10 July 2023.

² Annualised figure due to share class launched less than 1 year.

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	2,491.92	2,215.36	1,753.41
Return before operating charges*	2.77	286.92	470.80
Operating charges	(10.68)	(10.36)	(8.85)
Return after operating charges	(7.91)	276.56	461.95
Distributions	(19.21)	(18.93)	(16.80)
Retained distributions on accumulation shares	19.21	18.93	16.80
Closing net asset value per share	2,484.01	2,491.92	2,215.36
* after direct transaction costs of:	0.86	0.81	0.54

PERFORMANCE

Return after charges	(0.32)%	12.48%	26.35%
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OTHER INFORMATION

Closing net asset value (£'000)	240,150	199,179	193,156
Closing number of shares	9,667,820	7,992,961	8,718,964
Operating charges	0.45%	0.45%	0.45%
Direct transaction costs	0.04%	0.03%	0.03%

PRICES

Highest share price	2,570.59	2,479.03	2,223.75
Lowest share price	2,177.23	2,073.67	1,741.36

WS CANLIFE NORTH AMERICAN FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife North American Fund	1.32	41.96	67.27
Bloomberg North America Large & Mid Cap Total Return Index ¹	(1.29)	38.68	66.33

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on page 284.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE NORTH AMERICAN FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	TECHNOLOGY – 29.46% (15.08.22 – 28.82%)		
8,972	Adobe	3,649	1.40
98,456	Alphabet 'A'	10,025	3.85
107,605	Apple	14,984	5.76
7,841	Broadcom	5,182	1.99
16,135	Cadence Design Systems	2,863	1.10
67,490	Cisco Systems	2,824	1.09
44,054	DocuSign	1,678	0.65
24,025	Meta Platforms	5,691	2.19
59,360	Microsoft	14,992	5.76
19,125	Nvidia	6,593	2.54
19,117	Oracle	1,759	0.68
24,594	Salesforce	4,028	1.55
45,186	Zoom Video Communications	2,342	0.90
	TOTAL TECHNOLOGY	76,610	29.46
	TELECOMMUNICATIONS – 0.00% (15.08.22 – 0.69%)	–	–
	HEALTH CARE – 13.06% (15.08.22 – 11.72%)		
17,083	AbbVie	2,039	0.78
39,444	Amedisys	2,873	1.11
16,757	Amgen	3,497	1.34
16,143	Danaher	3,234	1.24
55,426	Edwards Lifesciences	3,473	1.34
3,473	Eli Lilly	1,489	0.57
35,847	Johnson & Johnson	4,863	1.87
20,059	Moderna	1,518	0.58
74,527	Pfizer	2,069	0.80
8,249	Stryker	1,843	0.71
7,916	Thermo Fisher Scientific	3,318	1.28
9,413	UnitedHealth	3,743	1.44
	TOTAL HEALTH CARE	33,959	13.06

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	FINANCIALS – 14.86% (15.08.22 – 12.52%)		
26,764	American Express	3,400	1.31
87,149	Bank of America	2,046	0.79
19,903	Berkshire Hathaway 'B'	5,536	2.13
39,602	Citigroup	1,343	0.51
458,038	iShares S&P 500 Energy UCITS ETF ¹	3,077	1.18
818,629	iShares S&P 500 Utilities UCITS ETF ¹	4,689	1.80
69,827	JPMorgan Chase & Co	8,262	3.18
6,034	Mastercard	1,867	0.72
29,517	MetLife	1,433	0.55
77,595	PRA	1,164	0.45
17,461	Progressive	1,713	0.66
11,637	Visa	2,190	0.84
57,391	Wells Fargo	1,923	0.74
	TOTAL FINANCIALS	38,643	14.86
	REAL ESTATE – 0.66% (15.08.22 – 0.75%)		
66,837	Weyerhaeuser	1,716	0.66
	CONSUMER DISCRETIONARY – 17.86% (15.08.22 – 21.86%)		
92,556	Amazon.com	10,000	3.84
55,246	Comcast 'A'	2,039	0.78
11,782	Costco	5,163	1.99
6,867	Home Depot	1,789	0.69
110,757	National Vision	1,668	0.64
7,361	Netflix	2,447	0.94
18,528	Nike 'B'	1,549	0.60
26,001	Starbucks	2,041	0.78
18,068	Take-Two Interactive Software	1,977	0.76
23,608	Target	2,317	0.89
22,211	Tesla Motors	4,059	1.56

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
65,627	TJX	4,414	1.70
38,900	Walmart Stores	4,858	1.87
31,153	Walt Disney	2,128	0.82
	TOTAL CONSUMER DISCRETIONARY	46,449	17.86
	CONSUMER STAPLES – 4.26% (15.08.22 – 4.39%)		
57,364	Coca-Cola	2,721	1.05
29,784	PepsiCo	4,239	1.63
33,906	Procter & Gamble	4,117	1.58
	TOTAL CONSUMER STAPLES	11,077	4.26
	INDUSTRIALS – 11.20% (15.08.22 – 15.52%)		
6,179	Accenture	1,490	0.57
15,103	Boeing	2,753	1.06
123,556	BWX Technologies	7,113	2.74
8,376	Caterpillar	1,823	0.70
36,157	Generac	3,195	1.23
137,558	Kornit Digital	2,534	0.98
11,769	Lennox International	3,411	1.31
324,260	NuScale Power	1,773	0.68
46,224	PayPal	2,157	0.83
6,819	Union Pacific	1,207	0.46
12,224	United Parcel Service 'B'	1,662	0.64
	TOTAL INDUSTRIALS	29,118	11.20
	BASIC MATERIALS – 3.08% (15.08.22 – 2.79%)		
171,822	Cameco	4,567	1.76
114,120	Newmont Mining	3,444	1.32
	TOTAL BASIC MATERIALS	8,011	3.08

WS CANLIFE NORTH AMERICAN FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	ENERGY – 3.72% (15.08.22 – 0.67%)		
22,820	Cheniere Energy	2,903	1.12
19,678	Exxon Mobil	1,670	0.64
111,285	Schlumberger	5,092	1.96
	TOTAL ENERGY	<u>9,665</u>	<u>3.72</u>
	Portfolio of investments	255,248	98.16
	Net other assets	<u>4,793</u>	<u>1.84</u>
	Net assets	<u>260,041</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

¹ Collective investment scheme.

WS CANLIFE NORTH AMERICAN FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	152,467	Total sales for the year £'000 (note 16)	112,413
<u>Major purchases</u>	<u>Cost £'000</u>	<u>Major sales</u>	<u>Proceeds £'000</u>
iShares Core S&P 500 UCITS ETF	16,574	iShares Core S&P 500 UCITS ETF	16,477
iShares S&P 500 Energy UCITS ETF	5,958	Exact Sciences	4,502
iShares S&P 500 Utilities UCITS ETF	5,295	Walmart Stores	4,360
Berkshire Hathaway 'B'	5,178	Align Technology	4,239
Apple	4,675	BorgWarner	4,127
Microsoft	3,723	Pulte Homes	4,088
Generac	3,684	Netflix	4,083
Edwards Lifesciences	3,593	Fidelity National Information Services	3,937
Amazon.com	3,507	Shopify	3,787
Amgen	3,376	Walgreens Boots Alliance	3,367

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital gains	3		932		24,003
Revenue	4	3,167		3,010	
Expenses	5	(1,081)		(1,008)	
Interest payable and similar charges	7	(10)		(2)	
Net revenue before taxation		2,076		2,000	
Taxation	6	(419)		(410)	
Net revenue after taxation			1,657		1,590
Total return before distributions			2,589		25,593
Distributions	8		(1,674)		(1,621)
Change in net assets attributable to shareholders from investment activities			915		23,972

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			214,757		207,339
Amounts receivable on issue of shares		99,751		53,445	
Amounts payable on redemption of shares		(57,312)		(71,561)	
			42,439		(18,116)
Dilution levy	1(H)		5		-
Change in net assets attributable to shareholders from investment activities			915		23,972
Retained distributions on Accumulation shares	8		1,925		1,562
Closing net assets attributable to shareholders			260,041		214,757

WS CANLIFE NORTH AMERICAN FUND FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		255,248	214,180
Current assets			
Debtors	9	573	1,269
Cash and bank balances	10	4,890	2,213
Total assets		<u>260,711</u>	<u>217,662</u>
LIABILITIES			
Creditors			
Other creditors	11	(670)	(2,905)
Total liabilities		<u>(670)</u>	<u>(2,905)</u>
Net assets attributable to shareholders		<u>260,041</u>	<u>214,757</u>

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

3. Net Capital Gains

The net capital gains during the year comprise:

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	998	23,744
Transaction charges	(6)	(3)
Currency (losses)/gains	(93)	159
Property gains on US REITs	33	103
Net capital gains	<u>932</u>	<u>24,003</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	2,894	2,910
Taxable dividends	42	62
Bank interest	85	4
Stock lending revenue	146	34
Total revenue	<u>3,167</u>	<u>3,010</u>

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	927	863
Legal and professional fees	7	7
Typesetting costs	2	2
Registration and dealing fees	72	67
	1,008	939
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	55	53
Safe custody and other bank charges	8	7
	63	60
Other expenses:		
Audit fees	10	9
Total expenses	<u>1,081</u>	<u>1,008</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	419	410
Current tax charge	419	410
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>419</u>	<u>410</u>

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	2,076	2,000
Corporation tax at 20%	415	400
Effects of:		
Non-taxable dividends	(579)	(582)
Foreign tax expensed	(2)	(5)
Property gains on US REITs	7	20
Unutilised excess management expenses	159	167
Corporation tax charge	-	-
Overseas tax	419	410
Total tax charge (note 6a)	419	410

c) Deferred tax

At the year end there is a potential deferred tax asset of £1,875,000 (15.08.22: £1,716,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	10	2
Total interest payable and similar charges	10	2

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Final	1,925	1,562
	1,925	1,562
Add: Revenue deducted on redemption of shares	166	203
Deduct: Revenue received on issue of shares	(417)	(144)
Net distributions for the year	1,674	1,621

Details of the distributions per share are set out in the table on page 284.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	1,657	1,590
Allocations to capital:		
Tax relief on property gains on US REITs	7	20
Revenue deficit – A Accumulation	10	11
	17	31
Net distributions for the year	1,674	1,621

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	392	14
Sales awaiting settlement	–	1,119
Accrued revenue:		
Stock lending revenue	–	7
Non-taxable dividends	180	128
	180	135

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Taxation recoverable:		
Overseas withholding tax	1	1
Total debtors	<u>573</u>	<u>1,269</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	4,890	2,213
Total cash and bank balances	<u>4,890</u>	<u>2,213</u>

11. Other Creditors

	15.08.23 £'000	15.08.22 £'000
Amounts payable for redemption of shares	500	2,846
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	135	36
Typesetting costs	1	1
Registration and dealing fees	11	9
	147	46
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	7	2
Transaction charges	3	1
Safe custody and other bank charges	2	1
	12	4
Other expenses	11	9
Total other creditors	<u>670</u>	<u>2,905</u>

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 271 and amounts due at the year end are disclosed in notes 9 and 11.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 181,429 (15.08.22: 197,010) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 8,659,963 (15.08.22: 6,865,732) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 9,297,525 (15.08.22: 7,488,031) shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates 88.01% (15.08.22: 86.52%)

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	A Accumulation	C Accumulation	C (EUR) Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.75%	0.375%
Opening shares in issue	165,869	496,288	–	7,992,962
Issues	5,303	1,616,662	50,250	2,697,132
Redemptions	<u>(11,850)</u>	<u>(1,425,600)</u>	<u>–</u>	<u>(1,022,274)</u>
Closing shares in issue	<u>159,322</u>	<u>687,350</u>	<u>50,250</u>	<u>9,667,820</u>

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing in equities only and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value.

Where the Fund invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

The table below shows the direct foreign currency risk profile:

	15.08.23 £'000	15.08.22 £'000
Currency:		
Euros	45	-
US dollars	256,279	216,832
	<u>256,324</u>	<u>216,832</u>
Pounds sterling	3,717	(2,075)
Net assets	<u>260,041</u>	<u>214,757</u>

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £12,816,000 on the net assets of the Fund (15.08.22: £10,842,000).

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

Based on this analysis 97.73% of the portfolio can be liquidated within 5 days and 98.62% within 21 working days (15.08.22: 99.21% within 5 days and 99.21% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £12,762,000 (15.08.22: £10,709,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

16. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	124,600	40	–	124,640
Collective investment schemes	<u>27,827</u>	–	–	<u>27,827</u>
Purchases total	<u>152,427</u>	<u>40</u>	<u>–</u>	<u>152,467</u>
Transaction cost % of purchases total		0.03%	–	
Transaction cost % of average NAV		0.02%	–	
Ordinary shares	93,590	(38)	(2)	93,550
Collective investment schemes	<u>18,863</u>	–	–	<u>18,863</u>
Sales total	<u>112,453</u>	<u>(38)</u>	<u>(2)</u>	<u>112,413</u>
Transaction cost % of sales total		0.03%	–	
Transaction cost % of average NAV		0.02%	–	

Average portfolio dealing spread at 15.08.23 is 0.02% (15.08.22: 0.03%).

WS CANLIFE NORTH AMERICAN FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15.08.22	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	81,848	30	-	81,878
Collective investment schemes	6,035	-	-	6,035
Purchases total	<u>87,883</u>	<u>30</u>	<u>-</u>	<u>87,913</u>
Transaction cost % of purchases total		0.03%	-	
Transaction cost % of average NAV		0.01%	-	
Ordinary shares	96,307	(41)	(1)	96,265
Collective investment schemes	5,765	-	-	5,765
Sales total	<u>102,072</u>	<u>(41)</u>	<u>(1)</u>	<u>102,030</u>
Transaction cost % of sales total		0.04%	-	
Transaction cost % of average NAV		0.02%	-	

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

The investments held by the Fund at the end of the current and prior year are ordinary shares and collective investment schemes categorised as Level 1.

WS CANLIFE NORTH AMERICAN FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes. Where there is no distribution at interim, the final distribution is deemed to run for the whole year.

Group 2	Final
From	16.08.22
To	15.08.23

A ACCUMULATION SHARES (PENCE)

There were no distributions allocated in the current or prior year.

C ACCUMULATION SHARES (PENCE)

There were no interim distributions allocated in the current or prior year.

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	9.8981	–	9.8981	9.8882
Group 2	8.4057	1.4924	9.8981	9.8882

C ACCUMULATION SHARES (EUR) (€ CENTS)

There were no distributions allocated in the current period.

G ACCUMULATION SHARES (PENCE)

There were no interim distributions allocated in the current or prior year.

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	19.2087	–	19.2087	18.9265
Group 2	6.7361	12.4726	19.2087	18.9265

WS CANLIFE SHORT DURATION CORPORATE BOND FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Short Duration Corporate Bond Fund ('the Fund') is to provide an income and the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, at least 80% of the assets by value worldwide, in sterling denominated investment grade corporate bonds with an effective maturity of 5 years or less.

The Fund may also invest up to 20% of the assets by value, worldwide in other debt securities (including government and public securities, non-sterling denominated bonds, non-investment grade bonds), money market instruments, deposits and cash.

Bonds are rated to indicate the probability that the issuer will repay the loan. Investment grade bonds are considered to have a lower risk of the issuer not repaying the loan.

Credit ratings are internally derived and assigned by Canada Life Asset Management. They will generally be in line with the major external rating agencies and should not be higher than the highest external rating agency rating.

The Fund can invest across different industry sectors and geographical regions without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

Investment in collective investment schemes is limited to 10% of the assets by value.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND ACD'S REPORT continued

Benchmark

The Fund's comparator benchmark is the Markit iBoxx UK GBP Non-Gilts 1-5 Years Total Return Index.

The Fund's performance may be compared against the Markit iBoxx UK GBP Non-Gilts 1-5 Years Total Return Index. The ACD believes that this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against UK Sterling Non-Gilts bond returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Short Duration Corporate Bond Fund
13 December 2023

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

At the beginning of the period, markets were upbeat due to the belief that central banks, and the US Federal Reserve ('the Fed') in particular, would cut interest rates in 2022 to prevent an otherwise-expected recession later in the year. However, at its Jackson Hole summit in August, the Fed wrongfooted markets by announcing a continuation of its monetary tightening cycle and dismissing the notion of rate cuts in 2022, short of a tangible reduction in inflation. This more explicit tone was reiterated by other central banks including the European Central Bank and Bank of England ('BoE'), with an immediate sharp re-pricing in August.

Following the UK mini-budget at the end of September 2022, yields on 2-year gilts increased from 3.5% to 4.6% in a matter of just six days. Following a mini-GBP crisis, and fuelled by subsequent liability-driven investment liquidations, yields shot up, credit spreads widened and the BoE was forced to intervene and engage in temporary quantitative easing.

Going into 2023, inflation remained a key issue and stability concerns were also provoked by a banking crisis that included the collapse of Silicon Valley Bank in the US and UBS' acquisition of Credit Suisse and in Europe. These events dampened investor sentiment and sparked the indiscriminate sell-off of banking sector bonds and other financial assets. Fortunately, this fallout was largely confined to the first quarter, with little long-term contagion for bond investors to worry about.

Persistent inflationary pressures continued to force the BoE to raise rates throughout 2023 and this notably included a surprise hike of 0.5% in June. In the UK, inflation has become an internalised issue. Service sector inflation has been climbing even as global macroeconomic data has weakened. This appears to have prompted the BoE to act more aggressively, though higher rates could feed wage inflation if private sector workers are able to secure offsetting pay rises from their employers. The BoE likely needs to generate some form of slowdown, perhaps even a recession, to regain control of inflation.

Fund Performance

The price of the C Accumulation shares of the Fund increased by 0.12% in the 12 months to 15 August 2023 and outperformed the comparator benchmark, the Markit iBoxx UK GBP Non-Gilts 1-5 Years Total Return Index by 2.38%.

Fund Activity

During 2022 and the beginning of 2023, we had maintained the Fund's underweight position in longer duration bonds compared with the benchmark and continued with our programme of trading to reduce credit beta and thereby improve the average credit rating of holdings within the Fund.

Going into 2023, and throughout the rest of the period, the Fund had a shorter duration than the index but a higher yield and spread. The Fund's performance has benefitted from this positioning, which has been a substantial positive contributor to performance as interest rates have increased.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND ACD'S REPORT continued INVESTMENT MANAGER'S REPORT continued

The Fund was overweight BBB-rated debt during 2022, and although this overweight had been reduced since the end of last year, we had retained an overweight financials position. Our low allocation to government-related bonds and credit selection in the consumer, industrial and utility sectors also aided performance relative to our benchmark.

Credit positioning has generally been a positive contributor to performance, especially through stock selection, and this continues to be the case. It is worth noting that earlier in 2023 an outflow of £20m had to be fulfilled. This was funded by sales across corporate, financials and supranational, sub-sovereign and agency debt. This was executed in a way that left the Fund with a similar duration and sector makeup.

Given market moves and the economic environment during 2023, our conviction on the short duration and long credit beta positions relative to the benchmark remained reduced. While we remain watchful for an opportune time to move the Fund's duration to neutral, we allowed its short position to increase towards the end of the period as the BoE and markets have adapted to persistent inflation.

Outlook

We have a positive outlook on credit at present, which has been driven by both the BoE and the market adapting to higher inflation, meaning we are content to retain our high-quality holdings.

However, our outlook for rates markets has deteriorated due to sustained high core inflation throughout the period which is, so far, proving to be more resilient than the central banks had hoped. At the same time, the economy has held up better than most market participants had expected.

The possibility of a recession in the US and other developed markets has been pushed out to next year, driven by the surprising resilience of the US economy based on both strong consumer spending and labour markets. We expect yields to be range-bound in the near term, so we have cut our short duration close to benchmark duration ahead of stronger signals of their future direction.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

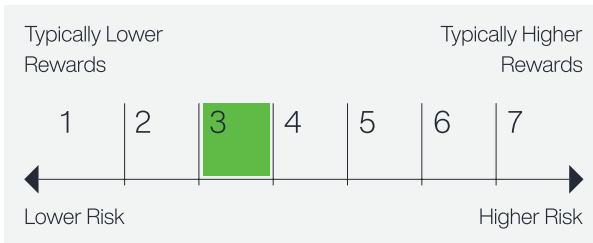
31 August 2023

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

During the period the indicator changed from 2 to 3. The Fund has been classed as 3 because its volatility has been measured as medium to average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Emerging Market Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Change in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investor's redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. bonds) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	88.85	94.96	94.97
Return before operating charges*	0.39	(3.76)	2.73
Operating charges	(0.34)	(0.35)	(0.53)
Return after operating charges	0.05	(4.11)	2.20
Distributions	(2.82)	(2.00)	(2.21)
Closing net asset value per share	86.08	88.85	94.96
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	0.06%	(4.34)%	2.32%
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OTHER INFORMATION

Closing net asset value (£'000)	188	208	265
Closing number of shares	218,484	234,351	279,603
Operating charges	0.39%	0.38%	0.55% ¹
Direct transaction costs	-	-	-

PRICES

Highest share price	89.62	95.34	96.61
Lowest share price	83.15	88.77	95.22

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.50% to 0.30%.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	102.00	106.63	104.22
Return before operating charges*	0.45	(4.23)	2.99
Operating charges	(0.39)	(0.40)	(0.58)
Return after operating charges	0.06	(4.63)	2.41
Distributions	(3.26)	(2.25)	(2.43)
Retained distributions on accumulation shares	3.26	2.25	2.43
Closing net asset value per share	102.06	102.00	106.63
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	0.06%	(4.34)%	2.31%
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OTHER INFORMATION

Closing net asset value (£'000)	153	179	81
Closing number of shares	149,848	175,019	75,947
Operating charges	0.39%	0.38%	0.55% ¹
Direct transaction costs	-	-	-

PRICES

Highest share price	102.89	107.05	107.00
Lowest share price	95.45	100.69	104.54

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.50% to 0.30%.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	90.94	97.10	96.85
Return before operating charges*	0.57	(3.85)	2.77
Operating charges	(0.25)	(0.27)	(0.27)
Return after operating charges	0.32	(4.12)	2.50
Distributions	(2.98)	(2.04)	(2.25)
Closing net asset value per share	88.28	90.94	97.10
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	0.35%	(4.24)%	2.58%
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OTHER INFORMATION

Closing net asset value (£'000)	-	143	371
Closing number of shares	250	157,414	381,945
Operating charges	0.28%	0.28%	0.28%
Direct transaction costs	-	-	-

PRICES

Highest share price	91.78	97.49	98.65
Lowest share price	85.12	90.84	97.15

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

I ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	102.95	107.53	104.81
Return before operating charges*	0.46	(4.28)	3.02
Operating charges	(0.29)	(0.30)	(0.30)
Return after operating charges	0.17	(4.58)	2.72
Distributions	(3.29)	(2.28)	(2.46)
Retained distributions on accumulation shares	3.29	2.28	2.46
Closing net asset value per share	103.12	102.95	107.53
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	0.17%	(4.26)%	2.60%
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OTHER INFORMATION

Closing net asset value (£'000)	144	371	804
Closing number of shares	139,957	360,423	747,409
Operating charges	0.29%	0.28%	0.28%
Direct transaction costs	-	-	-

PRICES

Highest share price	103.90	107.96	107.89
Lowest share price	96.36	101.61	105.14

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	103.13	107.71	105.00
Return before operating charges*	0.46	(4.28)	3.01
Operating charges	(0.29)	(0.30)	(0.30)
Return after operating charges	0.17	(4.58)	2.71
Distributions	(3.30)	(2.28)	(2.46)
Retained distributions on accumulation shares	3.30	2.28	2.46
Closing net asset value per share	103.30	103.13	107.71
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	0.16%	(4.25)%	2.58%
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OTHER INFORMATION

Closing net asset value (£'000)	132,638	173,677	180,286
Closing number of shares	128,405,497	168,400,079	167,374,385
Operating charges	0.29%	0.28%	0.28%
Direct transaction costs	-	-	-

PRICES

Highest share price	104.08	108.15	108.08
Lowest share price	96.52	101.79	105.32

WS CANLIFE SHORT DURATION CORPORATE BOND FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Short Duration Corporate Bond Fund	0.12	(2.14)	0.30
Markit iBoxx UK GBP Non-Gilts 1-5 Years Total Return Index ¹	(2.26)	(6.04)	(1.08)

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 312 and 313.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 96.07% (15.08.22 – 94.84%)		
	GOVERNMENT BONDS – 2.56% (15.08.22 – 4.77%)		
£2,000,000	BNG 2% 12/4/2024	1,951	1.47
£1,600,000	Ontario (Province of) 2.25% 26/5/2026	1,460	1.09
	TOTAL GOVERNMENT BONDS	<u>3,411</u>	<u>2.56</u>
	CORPORATE BONDS – 93.51% (15.08.22 – 90.07%)		
£1,350,000	AA Bond 8.45% 31/7/2050	1,340	1.01
£2,000,000	Annington Funding 2.646% 12/7/2025	1,841	1.38
£2,000,000	AT&T 5.5% 15/3/2027	1,935	1.45
£2,000,000	Australia & New Zealand Banking 1.809% <i>floating rate notes</i> 16/9/2031	1,680	1.26
£2,000,000	AXA 5.453% <i>Perpetual</i>	1,933	1.45
£2,200,000	Banco Santander 4.5% <i>floating rate notes</i> 30/8/2028	2,068	1.55
£2,500,000	Bank of Montreal 1% 9/9/2026	2,149	1.61
£2,000,000	Banque Federative du Credit Mutuel 1.25% 5/12/2025	1,786	1.34
£2,000,000	Barclays 1.7% 3/11/2026	1,789	1.34
£2,000,000	BAT International Finance 7.25% 12/3/2024	2,015	1.51
£2,000,000	Blackstone Property Partners Europe 2% 20/10/2025	1,741	1.31
£2,300,000	BNP Paribas 2% 24/5/2031	1,969	1.48
£2,000,000	Caterpillar Financial Services 5.72% 17/8/2026	1,996	1.50
£1,500,000	Close Brothers Finance 2.75% 19/10/2026	1,322	0.99
£2,000,000	Coventry Building Society 1% 21/9/2025	1,790	1.34
£1,600,000	Crédit Agricole 5.75% 29/11/2027	1,559	1.17
£2,000,000	Credit Suisse 7% 30/9/2027	2,006	1.51
£2,000,000	Deutsche Bank 4% 24/6/2026	1,875	1.41
£2,000,000	DNB Bank 4% 17/8/2027	1,858	1.40
£1,500,000	Euroclear Bank 1.25% 30/9/2024	1,421	1.07
£2,000,000	European Investment Bank 3.875% 12/4/2028	1,898	1.43
£2,000,000	Fidelity 7.125% 13/2/2024	2,000	1.50
£2,000,000	Gatwick Funding 6.125% 2/3/2028	1,986	1.49

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£2,000,000	Goldman Sachs 7.125% 7/8/2025	2,022	1.52
£1,700,000	Heathrow Funding 6.75% 03/12/2026	1,715	1.29
£2,032,708	Housing Finance Corporation 8.625% 13/11/2023	2,043	1.54
£3,000,000	HSBC 1.75% 24/7/2027	2,618	1.97
£142,418	Income Contingent Student Loans 2.8519% <i>floating rate notes</i> 24/7/2056	143	0.11
£2,158,038	Integrated Accommodation Service 6.48% 31/3/2029	2,160	1.62
£3,862,685	Intu Metrocentre Finance 8.75% 6/12/2028	1,792	1.35
£1,500,000	John Lewis 6.125% 21/1/2025	1,454	1.09
£2,200,000	JPMorgan Chase & Co 0.991% 28/4/2026	2,019	1.52
£2,000,000	Kreditanstalt Fur Wiederaufbau 0.875% 15/9/2026	1,749	1.31
£3,000,000	Land Securities Capital Markets 1.974% 8/2/2026	2,939	2.21
£2,000,000	Leeds Building Society 1.5% 16/3/2027	1,750	1.31
£2,000,000	Legal & General 5.375% 27/10/2045	1,921	1.44
£2,500,000	Lloyds Bank Corporate Markets 1.75% 11/7/2024	2,403	1.81
£1,811,670	Marstons Issuer 2.9861% <i>floating rate notes</i> 15/10/2027	1,689	1.27
£2,400,000	Metropolitan Life Global Funding 1.625% 12/10/2028	1,946	1.46
£209,833	Mitchells & Butlers Finance 5.965% 15/12/2025	208	0.16
£1,567,913	Mitchells & Butlers Finance 6.013% 15/12/2030	1,427	1.07
£2,400,000	National Australia Bank 1.699% 15/9/2031	2,000	1.50
£800,000	Nationwide Building Society 6.125% 21/8/2028	797	0.60
£2,620,000	Nationwide Building Society 6.25% <i>Perpetual</i>	2,515	1.89
£2,000,000	NatWest Markets 2.105% 28/11/2031	1,679	1.26
£2,000,000	New York Life Global Funding 1.25% 17/12/2026	1,719	1.29
£2,000,000	Next 4.375% 2/10/2026	1,889	1.42
£2,550,000	NGG Finance 5.625% <i>floating rate notes</i> 18/6/2073	2,435	1.83
£1,500,000	OP Corporation 3.375% 14/1/2026	1,406	1.06
£2,000,000	PACCAR Financial Europe 2.375% 15/3/2025	1,897	1.42
£2,000,000	Pacific Life Global 5% 12/1/2028	1,912	1.44
£2,750,000	Phoenix Capital 6.625% 18/12/2025	2,718	2.04
£2,000,000	RL Finance 6.125% <i>floating rate notes</i> 30/11/2043	1,989	1.49

WS CANLIFE SHORT DURATION CORPORATE BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£1,750,000	Royal Bank of Canada 5% 24/1/2028	1,668	1.25
£2,000,000	Santander UK 5.75% 2/3/2026	1,991	1.50
£2,500,000	Severn Trent Utilities Finance 6.125% 26/2/2024	2,499	1.88
£3,000,000	Society of Lloyd's 4.875% 7/2/2047	2,751	2.07
£2,000,000	South Eastern Power Networks 5.5% 5/6/2026	1,966	1.48
£2,000,000	Svenska Handelsbanken 4.625% 23/8/2022	1,813	1.36
£1,907,332	Telereal Secured Finance 4.01% 10/12/2033	1,669	1.25
£1,900,000	Toronto-Dominion Bank 2.875% 5/4/2027	1,692	1.27
£2,000,000	Toyota Finance Australia 3.92% 28/6/2027	1,871	1.41
£2,192,579	Unique Pub Finance 5.659% 30/6/2027	2,154	1.62
£3,000,000	Unite Usaf II 3.921% 30/6/2030	2,835	2.13
£1,200,000	Volkswagen Financial Services 0.875% 20/2/2025	1,106	0.83
£1,500,000	Volkswagen Financial Services 1.375% 14/9/2028	1,180	0.89
£1,400,000	Weir 6.875% 14/6/2028	1,404	1.05
£1,000,000	Yorkshire Building Society 3% <i>floating rate notes</i> 18/4/2025	975	0.73
	TOTAL CORPORATE BONDS	124,485	93.51
	TOTAL DEBT SECURITIES	127,896	96.07
	MONEY MARKETS – 2.95% (15.08.22 – 2.29%)		
3,700,000	WS Canlife Sterling Liquidity ^{1,2}	3,927	2.95
	Portfolio of investments	131,823	99.02
	Net other assets	1,300	0.98
	Net assets	133,123	100.00

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are debt securities listed on a regulated market unless stated otherwise.

¹ Collective investment scheme.

² Related party holding (see note 12).

WS CANLIFE SHORT DURATION CORPORATE BOND FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000	63,301	Total sales for the year £'000	94,097
<u>Major purchases</u>	<u>Cost £'000</u>	<u>Major sales</u>	<u>Proceeds £'000</u>
UK Treasury 2% 7/9/2025	7,472	UK Treasury 2% 7/9/2025	7,474
Pacific Life Global 5% 12/1/2028	3,191	CPPIB Capital 0.875% 17/12/2024	4,224
Kommunalbanken 3.75% 26/9/2025	2,989	Wells Fargo 5.25% 1/8/2023	3,999
BNG 2% 12/4/2024	2,933	Zurich Finance UK 6.625% <i>floating rate notes Perpetual</i>	3,400
Banco Santander 4.5% <i>floating rate notes</i> 30/8/2028	2,184	3i 6.875% 9/3/2023	2,950
European Investment Bank 4.8481% <i>floating rate notes</i> 18/1/2027	2,164	Kommunalbanken 3.75% 26/9/2025	2,933
European Investment Bank 0.75% 22/07/2027	2,087	AA Bond 4.875% 31/7/2043	2,743
International Bank for Reconstruction and Development 0.25% 23/9/2027	2,026	Nestlé 2.125% 4/4/2027	2,739
Caterpillar Financial Services 5.72% 17/8/2026	2,000	FMS Wertmanagement AoER 1.25% 19/6/2025	2,731
Wells Fargo 5.25% 1/8/2023	1,999	Canadian Imperial Bank of Commerce 1.875% 27/1/2026	2,709

In addition to the above, purchases totalling £20,062,000 and sales totalling £20,186,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital losses	3		(5,551)		(10,961)
Revenue	4	4,639		3,816	
Expenses	5	(413)		(491)	
Interest payable and similar charges	7	<u>-</u>		<u>(1)</u>	
Net revenue before taxation		4,226		3,324	
Taxation	6	<u>-</u>		<u>-</u>	
Net revenue after taxation			<u>4,226</u>		<u>3,324</u>
Total return before distributions			<u>(1,325)</u>		<u>(7,637)</u>
Distributions	8		<u>(4,639)</u>		<u>(3,815)</u>
Change in net assets attributable to shareholders from investment activities			<u>(5,964)</u>		<u>(11,452)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			174,578		181,807
Amounts receivable on issue of shares		8,082		21,613	
Amounts payable on redemption of shares		<u>(48,201)</u>		<u>(21,211)</u>	
			(40,119)		402
Dilution levy	1(H)		135		-
Change in net assets attributable to shareholders from investment activities			(5,964)		(11,452)
Retained distributions on Accumulation shares			<u>4,493</u>		<u>3,821</u>
Closing net assets attributable to shareholders			<u>133,123</u>		<u>174,578</u>

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		131,823	169,572
Current assets			
Debtors	9	3,220	3,516
Cash and bank balances	10	1,041	4,328
Total assets		<u>136,084</u>	<u>177,416</u>
LIABILITIES			
Creditors			
Distribution payable	11	(3)	(4)
Other creditors	11	(2,958)	(2,834)
Total liabilities		<u>(2,961)</u>	<u>(2,838)</u>
Net assets attributable to shareholders		<u>133,123</u>	<u>174,578</u>

WS CANLIFE SHORT DURATION CORPORATE BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year. The additional distribution policies described below have also been applied to this Fund.

The Fund has satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the year. All distributions made are therefore made as gross interest distributions.

All expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital Losses

The net capital losses during the year comprise:

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(5,550)	(10,960)
Transaction charges	(1)	(1)
Net capital losses	<u>(5,551)</u>	<u>(10,961)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Taxable dividends	52	1
Interest on debt securities	4,544	3,804
Bank interest	33	3
Stock lending revenue	10	8
Total revenue	<u>4,639</u>	<u>3,816</u>

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	288	353
Legal and professional fees	9	9
Typesetting costs	3	2
Registration and dealing fees	46	55
	346	419
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	45	50
Safe custody and other bank charges	11	12
	56	62
Other expenses:		
Audit fees	11	10
Total expenses	<u>413</u>	<u>491</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	—	—
Current tax charge	—	—
Deferred tax – origination and reversal of timing differences (note 6c)	—	—
Total taxation (note 6b)	<u>—</u>	<u>—</u>

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	4,226	3,324
Corporation tax at 20%	845	665
Effects of:		
Tax deductible interest distributions	(845)	(665)
Corporation tax charge	-	-
Total tax charge (note 6a)	-	-

c) Deferred tax

There is no deferred tax recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	-	1
Total interest payable and similar charges	-	1

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	2,216	1,748
Final	2,285	2,081
	4,501	3,829

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Add: Revenue deducted on redemption of shares	212	82
Deduct: Revenue received on issue of shares	(74)	(96)
Net distributions for the year	<u>4,639</u>	<u>3,815</u>

Details of the distributions per share are set out in the table on pages 312 and 313.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	4,226	3,324
Allocations to capital:		
Expenses	413	491
Net distributions for the year	<u>4,639</u>	<u>3,815</u>

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	–	440
Sales awaiting settlement	1,025	814
Accrued revenue:		
Taxable dividends	–	2
Interest from debt securities	2,195	2,260
	<u>2,195</u>	<u>2,262</u>
Total debtors	<u>3,220</u>	<u>3,516</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	<u>1,041</u>	<u>4,328</u>
Total cash and bank balances	<u>1,041</u>	<u>4,328</u>

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	3	4
Other Creditors		
Amounts payable for redemption of shares	100	-
Purchases awaiting settlement	2,797	2,798
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	34	14
Typesetting costs	1	1
Registration and dealing fees	5	7
	40	22
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	6	2
Safe custody and other bank charges	2	1
	8	3
Other expenses	13	11
Total other creditors	2,958	2,834

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 300 and amounts due at the year end are disclosed in note 11.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

Funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 56,897,839 (15.08.22: 52,812,702) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 72,437,682 (15.08.22: 110,448,230) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates	56.19% (15.08.22: 65.23%)
The Bank of New York (Nominees) Limited	43.03% (15.08.22: 33.93%)

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	3,927	-

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	C Income	C Accumulation	I Income
Annual Management Charge	0.30%	0.30%	0.20%
Opening shares in issue	234,351	175,019	157,414
Issues	16,299	135,170	-
Redemptions	(32,166)	(160,341)	(157,164)
Closing shares in issue	218,484	149,848	250

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

	I Accumulation	G Accumulation
Annual Management Charge	0.20%	0.20%
Opening shares in issue	360,423	168,400,079
Issues	–	7,826,540
Redemptions	<u>(220,466)</u>	<u>(47,821,122)</u>
Closing shares in issue	<u>139,957</u>	<u>128,405,497</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of bond holdings.

Credit Quality	15.08.23 %	15.08.22 %
Investment grade debt securities	86.08	81.13
Non-investment grade debt securities	6.01	6.62
Non-rated debt securities	3.98	7.09
Other investments	2.95	2.29
Net other assets	0.98	2.87
	100.00	100.00

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £28,000 on the direct net assets of the Fund (15.08.22: £42,000).

The table below shows the direct interest rate risk profile:

	15.08.23 £'000	15.08.22 £'000
Floating rate investments	14,906	25,278
Fixed rate investments	116,917	144,294
Total investments	131,823	169,572

The floating rate investments comprise securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalents and collective investment schemes that pay UK interest distributions.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates. The Fund does not have any significant exposure to foreign currency risk and therefore no foreign currency risk table or sensitivity analysis has been presented.

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 45.23% of the portfolio can be liquidated within 5 days and 98.57% within 21 working days (15.08.22: 65.60% within 5 days and 96.74% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £6,591,000 (15.08.22: £8,479,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

16. Portfolio Transaction Costs

Securities have been bought and sold at the dealt price with no further transaction costs added or deducted from purchases and sales respectively during the current or prior year.

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments in the current year are bonds and open-ended collective investment schemes categorised as Level 2.

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

C INCOME SHARES

Interim	Gross Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	1.3140	–	1.3140	0.9249
Group 2	0.9872	0.3268	1.3140	0.9249

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	1.5039	–	1.5039	1.0720
Group 2	1.1389	0.3650	1.5039	1.0720

C ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.5091	–	1.5091	1.0368
Group 2	0.7253	0.7838	1.5091	1.0368

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.7523	–	1.7523	1.2176
Group 2	0.9263	0.8260	1.7523	1.2176

WS CANLIFE SHORT DURATION CORPORATE BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE continued

I INCOME SHARES

Interim	Gross Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	1.3447	-	1.3447	0.9471
Group 2	1.3447	0.0000	1.3447	0.9471

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	1.6400	-	1.6400	1.0967
Group 2	1.6400	0.0000	1.6400	1.0967

I ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.5224	-	1.5224	1.0472
Group 2	1.5224	0.0000	1.5224	1.0472

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.7704	-	1.7704	1.2282
Group 2	1.7704	0.0000	1.7704	1.2282

G ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.5255	-	1.5255	1.0497
Group 2	0.4577	1.0678	1.5255	1.0497

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.7733	-	1.7733	1.2297
Group 2	1.3910	0.3823	1.7733	1.2297

WS CANLIFE STERLING SHORT TERM BOND FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Sterling Short Term Bond Fund ('the Fund') is to provide investors with stability of capital and income over any three year period.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, worldwide in sterling denominated short-term fixed income and variable rate bonds including money market instruments (which may include commercial paper, certificates of deposit, floating rate notes, short dated bonds and asset-backed commercial paper) with an effective maturity of 5 years or less. The Fund will typically allocate to between 40 and 80 issuers.

The Fund's allocation to direct and indirect investment is variable.

The Fund will hold a portfolio of high quality short-term fixed income and variable rate assets which are rated between AAA and BBB+, (rated between AAA and A at the point of purchase). Credit ratings are internal and assigned by Canada Life Asset Management. Ratings will generally be in line with the major external rating agencies and should not be higher than the highest rating of these. Canada Life Asset Management will assign ratings to assets that do not have an external rating.

The Fund may enter into reverse repurchase agreements on a short-term basis.

The Fund will generally invest directly by investing in securities issued by companies and governments. The Fund may also invest indirectly in open ended collective investment schemes including shares of the WS Canlife Sterling Liquidity Fund, a Fund of the Company and instruments managed or advised by the ACD or the Investment Manager or their associates.

In adverse market conditions the Fund may be invested up to 100% in money market instruments.

The Fund will apply negative screening to the portfolio and will exclude any issuers that derive more than 10% of their revenue from either one, or a combination of the following unless in a specific green bond:

- Tobacco – The production, processing or distribution of tobacco products.
- Controversial weapons: The development, manufacture, maintenance or sale of all biological and chemical weapons, nuclear weapons, anti-personnel mines, depleted uranium, white phosphorus munitions and cluster weapons.
- Fossil Fuels – The mining, exploration and/or refinement.
- Tar/oil sands – The production or distribution.
- Thermal coal extraction – The extraction, production or distribution.

WS CANLIFE STERLING SHORT TERM BOND FUND ACD'S REPORT continued

Benchmark

The Fund's comparator benchmark is the 3 Month Sterling Overnight Index Average Rate (SONIA) compounded in arrears.

The Fund's performance on a total return basis, i.e. income and capital may be compared against 3 Month Sterling Overnight Index Average Rate (SONIA) compounded in arrears. The comparator benchmark has been selected as the ACD considers it an appropriate measure for investors in evaluating the Fund's performance.

The Investment Manager has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Sterling Short Term Bond Fund
13 December 2023

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

At the beginning of the period, markets were upbeat due to the belief that central banks, and the US Federal Reserve ('the Fed') in particular, would cut interest rates in 2022 to prevent an otherwise-expected recession later in the year. However, at its Jackson Hole summit in August, the Fed wrongfooted markets by announcing a continuation of its monetary tightening cycle and dismissing the notion of rate cuts in 2022, short of a tangible reduction in inflation. This more explicit tone was reiterated by other central banks including the European Central Bank and Bank of England ('BoE'), with an immediate sharp re-pricing in August.

Following the UK mini-budget at the end of September 2022, yields on 2-year gilts increased from 3.5% to 4.6% in a matter of just six days. Following a mini-GBP crisis, and fuelled by subsequent liability-driven investment liquidations, yields shot up, credit spreads widened and the BoE was forced to intervene and engage in temporary quantitative easing.

Going into 2023, inflation remained a key issue and stability concerns were also provoked by a banking crisis that included the collapse of Silicon Valley Bank in the US and UBS' acquisition of Credit Suisse and in Europe. These events dampened investor sentiment and sparked the indiscriminate sell-off of banking sector bonds and other financial assets. Fortunately, this fallout was largely confined to the first quarter, with little long-term contagion for bond investors to worry about.

Persistent inflationary pressures continued to force the BoE to raise rates throughout 2023 and this notably included a surprise hike of 0.5% in June. In the UK, inflation has become an internalised issue. Service sector inflation has been climbing even as global macroeconomic data has weakened. This appears to have prompted the BoE to act more aggressively, though higher rates could feed wage inflation if private sector workers are able to secure offsetting pay rises from their employers. The BoE likely needs to generate some form of slowdown, perhaps even a recession, to regain control of inflation.

Fund Performance

The price of the I Accumulation shares of the Fund increased by 2.49% in the 12 months to 15 August 2023 but underperformed the comparator benchmark, the 3 Month Sterling Overnight Index Average Rate (SONIA) compounded in arrears by 1.13%.

Fund Activity

This strategy was launched in June 2022 at a time of rising rates, which have acted as a headwind to performance exacerbated by the Jackson Hole meeting, which caused rate hike expectations to increase rapidly at the start of the reporting period and initially had a negative impact on the Fund. The fallout from the mini-budget also saw a more abrupt move downwards but, given the quality of the portfolio and its relatively short average duration, the Fund was well-positioned to weather the storm.

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

Indeed, during this period, there was little change to our positioning in terms of investment holdings and sector allocation. We allowed the Fund to increase its duration as opportunities for investment arose before the recovery in spreads and prices during Q4 and into 2023, which saw the Fund perform strongly. As the year progressed, the environment was more challenging for the Fund due to the likelihood of further rate hikes becoming apparent, following persistently disappointing inflation data.

Throughout 2023, we have sought to protect the Fund from future hikes by adding floating rate notes – to minimise negative spread movements in times of stress, we chose to do this in the form of new-issue covered bonds. As the rising rates outlook is already reflected in asset prices, we have looked for opportunities to add duration and yield when they make sense from a risk/return perspective.

Outlook

The most recent inflation data in the UK shows progress at the headline level – falling from 7.9% in June to 6.8% in July – but little change in the more relevant core inflation level. The BoE returned to imposing 0.25% hikes in August but the central bank still faces a dilemma over how to further tackle the situation if it persists. While the BoE's Monetary Policy Committee will continue to closely watch the data, there is potential for the expected peak rate to edge higher.

Likewise, we will reassess the likelihood of each scenario for inflation as fresh data appears. We are taking positions in the Fund to secure higher yields as they become available – but we are proceeding with caution. We will continue to maintain a degree of liquidity that gives us options when opportunities arise.

One specific area of opportunity we are targeting is new issuances; we have already participated in several this year. These can be a good way of adding both yield and duration to the Fund. We will also continue to add government debt where we see value. Overall, our aim is to keep the Fund nimble and able to take advantage of opportunities when they arise, in what is likely to continue to be an unstable market until the cycle returns to a rate-cutting phase.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

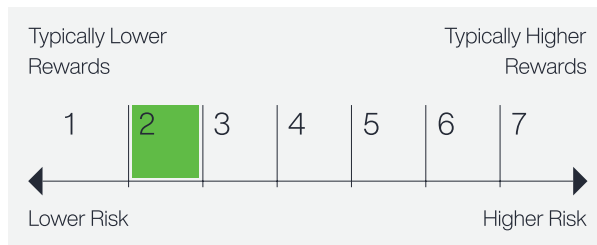
31 August 2023

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. As the Fund has less than 5 years' price history, this calculation incorporates the volatility of an appropriate benchmark index. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

During the year, the indicator changed from 1 to 2. The Fund has been classed as 2 because its volatility has been measured as low to medium.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Changes in Interest Rate Risk: A rise in interest rates generally causes money market asset prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may invest in assets where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

G INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 ¹ pence per share
Opening net asset value per share	100.00
Return before operating charges*	0.98
Operating charges	(0.04)
Return after operating charges	0.94
Distributions	(1.31)
Closing net asset value per share	99.63
* after direct transaction costs of:	-

PERFORMANCE

Return after charges	0.94%
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OTHER INFORMATION

Closing net asset value (£'000)	50
Closing number of shares	50,250
Operating charges	0.13% ²
Direct transaction costs	-

PRICES

Highest share price	100.82
Lowest share price	99.69

¹ From 21 April 2023.

² Annualised figure due to share class launched less than 1 year.

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 ¹ pence per share
Opening net asset value per share	100.15	100.00
Return before operating charges*	2.62	0.17
Operating charges	(0.12)	(0.02)
Return after operating charges	2.50	0.15
Distributions	(3.52)	(0.25)
Retained distributions on accumulation shares	3.52	0.25
Closing net asset value per share	102.65	100.15
* after direct transaction costs of:	-	-

PERFORMANCE

Return after charges	2.50%	0.15%
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OTHER INFORMATION

Closing net asset value (£'000)	71,403	53,043
Closing number of shares	69,557,264	52,964,120
Operating charges	0.12%	0.12% ²
Direct transaction costs	-	-

PRICES

Highest share price	102.80	100.34
Lowest share price	98.50	99.99

¹ From 30 June 2022.

² Annualised figure due to share class launched less than 1 year.

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

I ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 ¹ pence per share
Opening net asset value per share	100.14	100.00
Return before operating charges*	2.63	0.16
Operating charges	(0.15)	(0.02)
Return after operating charges	2.48	0.14
Distributions	(3.49)	(0.24)
Retained distributions on accumulation shares	3.49	0.24
Closing net asset value per share	102.62	100.14
* after direct transaction costs of:	-	-

PERFORMANCE

Return after charges	2.48%	0.14%
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OTHER INFORMATION

Closing net asset value (£'000)	52	50
Closing number of shares	50,250	50,250
Operating charges	0.15%	0.15% ²
Direct transaction costs	-	-

PRICES

Highest share price	102.76	100.33
Lowest share price	98.49	99.99

¹ From 30 June 2022.

² Annualised figure due to share class launched less than 1 year.

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	Since launch ¹
WS Canlife Sterling Short Term Bond Fund	2.49	2.65
3 Month Sterling Overnight Index Average Rate (SONIA) compounded in arrears ²	3.62	3.79

¹ Fund launched on 30 June 2022.

² Source: Morningstar Direct.

The performance of the Fund is based on the published price per I Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 341 and 342.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 84.75% (15.08.22 – 85.14%)		
	GOVERNMENT BONDS – 8.32% (15.08.22 – 10.55%)		
£1,000,000	BNG 2% 12/4/2024	975	1.36
£1,000,000	CPPIB Capital 4.375% 2/3/2026	969	1.35
£500,000	CPPIB Capital 6% 7/6/2025	501	0.70
£800,000	CPPIB Capital <i>floating rate notes</i> 15/6/2026	819	1.15
£443,000	Export Development Canada 1.375% European Medium Term Notes 8/12/2023	437	0.61
£313,000	Kommunekredit 0.75% 15/8/2024	298	0.42
£790,000	Nederlandse Waterschapsbank 0.875% 30/9/2026	686	0.96
£750,000	Ontario (Province of) 2.25% 26/5/2026	685	0.96
£600,000	Swedish 4.5% 11/3/2026	582	0.81
	TOTAL GOVERNMENT BONDS	<u>5,952</u>	<u>8.32</u>
	CORPORATE BONDS – 76.43% (15.08.22 – 74.59%)		
£700,000	ABN AMRO Bank 1.375% 16/1/2025	657	0.92
£750,000	Asian Development Bank 4% 21/11/2025	722	1.01
£500,000	Australia & New Zealand Banking <i>floating rate notes</i> 4/1/2024	500	0.70
£500,000	Bank of Montreal <i>floating rate notes</i> 2/11/2023	500	0.70
£500,000	Bank of Montreal <i>floating rate notes</i> 15/10/2024	503	0.70
£1,000,000	Bank of Montreal <i>floating rate notes</i> 14/12/2025	1,002	1.40
£370,000	Bank of Montreal <i>floating rate notes</i> 22/6/2026	374	0.52
£500,000	Bank of Montreal <i>floating rate notes</i> 15/9/2026	506	0.71
£500,000	Bank of Nova Scotia <i>floating rate notes</i> 26/1/2026	505	0.71
£750,000	Bank of Nova Scotia <i>floating rate notes</i> 9/3/2027	750	1.05
£500,000	Banque Fédérative du Crédit Mutuel 1% 16/7/2026	432	0.60
£1,000,000	Banque Fédérative du Crédit Mutuel 1.75% 19/12/2024	943	1.32
£500,000	Banque Fédérative du Crédit Mutuel 4.875% 25/9/2025	486	0.68

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£300,000	Banque Fédérative du Crédit Mutuel <i>floating rate notes</i> 26/1/2025	298	0.42
£200,000	Barclays <i>floating rate notes</i> 16/11/2027	201	0.28
£300,000	BMW International Investment 1.875% European Medium Term Notes 11/9/2023	299	0.42
£300,000	BPCE 1.375% European Medium Term Notes 23/12/2026	258	0.36
£400,000	BPCE SA 1% 22/12/2025	355	0.50
£500,000	Canadian Imperial Bank of Commerce <i>floating rate</i> <i>notes</i> 28/3/2024	500	0.70
£500,000	Canadian Imperial Bank of Commerce <i>floating rate</i> <i>notes</i> 24/4/2024	500	0.70
£1,000,000	Canadian Imperial Bank of Commerce <i>floating rate</i> <i>notes</i> 23/6/2026	1,011	1.41
£650,000	Close Brothers Finance 2.75% European Medium Term Notes 19/10/2026	573	0.80
£800,000	Clydesdale Bank <i>floating rate notes</i> 22/3/2024	802	1.12
£800,000	Clydesdale Bank <i>floating rate notes</i> 22/3/2026	802	1.12
£500,000	Commonwealth Bank of Australia <i>floating rate notes</i> 8/1/2024	500	0.70
£945,000	Commonwealth Bank of Australia <i>floating rate notes</i> 16/1/2025	946	1.32
£1,000,000	Coventry Building Society 1.875% 24/10/2023	992	1.39
£500,000	Crédit Agricole 1.25% Bonds 2/10/2024	474	0.66
£600,000	Crédit Agricole 5.75% 29/11/2027	585	0.82
£500,000	DBS Bank <i>floating rate notes</i> 17/11/2025	505	0.71
£750,000	Deutsche Bahn Finance 1.875% 13/2/2026	686	0.96
£600,000	Deutsche Pfandbriefbank 29/9/2023	600	0.84
£600,000	Deutsche Pfandbriefbank 29/4/2024	602	0.84
£600,000	Dexia Credit Local 1.625% European Medium Term Notes 8/12/2023	592	0.83
£800,000	DNB Bank 2.625% Bonds 10/6/2026	748	1.05
£500,000	Euroclear Bank 1.25% 30/9/2024	474	0.66

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£500,000	Housing Finance 8.625% 13/11/2023	503	0.70
£1,000,000	HSBC Bank 9/3/2025	1,000	1.40
£900,000	HSBC UK Bank <i>floating rate notes</i> 25/8/2027	903	1.26
£800,000	International Bank for Reconstruction & Development 0.9399% <i>floating rate notes</i> 4/10/2023	800	1.12
£334,000	International Bank for Reconstruction & Development 1.25% Bonds 7/9/2023	333	0.47
£700,000	Johnson & Johnson 5.5% 6/11/2024	698	0.98
£1,000,000	Kreditanstalt Fur Wiederaufbau 0.875% 18/7/2024	958	1.34
£400,000	Kreditanstalt Fur Wiederaufbau 4.125% 18/2/2026	387	0.54
£1,300,000	Land Securities Capital Markets 1.974% European Medium Term Notes 8/2/2026	1,274	1.78
£750,000	Landwirtschaftliche Rentenbank 1.125% 15/12/2023	739	1.03
£866,000	Leeds Building Society <i>floating rate notes</i> 15/1/2025	868	1.21
£500,000	Leeds Building Society <i>floating rate notes</i> 15/9/2026	501	0.70
£300,000	Lloyds Bank 4.875% European Medium Term Notes 30/3/2027	292	0.41
£420,000	Lloyds Bank 5.125% Guaranteed Subordinated European Medium Term Bonds 7/3/2025	414	0.58
£1,055,000	Lloyds Bank 7.5% 15/4/2024	1,064	1.49
£750,000	Lloyds Bank <i>floating rate notes</i> 22/11/2027	754	1.06
£700,000	MassMutual Global Funding II 1.375% Bonds 15/12/2026	603	0.84
£480,000	Metropolitan Life Global 4.125% 2/9/2025	461	0.65
£850,000	Metropolitan Life Global Funding I 3.5% Medium Term Notes 30/9/2026	788	1.10
£486,000	Motability Operations 3.75% 16/7/2026	461	0.64
£1,000,000	National Australia Bank 3% European Medium Term Bonds 4/9/2026	923	1.29
£500,000	National Australia Bank <i>floating rate notes</i> 4/2/2025	500	0.70
£750,000	National Australia Bank <i>floating rate notes</i> 17/6/2026	751	1.05
£159,000	Nationwide Building Society 5.625% Guaranteed European Medium Term Bonds 28/1/2026	158	0.22

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£1,000,000	Nationwide Building Society <i>floating rate notes</i> 20/4/2026	1,003	1.40
£919,000	NatWest Markets 5.125% 13/1/2024	916	1.28
£500,000	Network Rail 4.75% 22/1/2024	498	0.70
£500,000	Network Rail Infrastructure Finance 3% 7/9/2023	499	0.70
£300,000	New York Life Global Funding 1.25% 17/12/2026	258	0.36
£800,000	New York Life Global Funding 4.35% 16/9/2025	772	1.08
£1,000,000	OP Corporation 3.375% 14/1/2026	937	1.31
£700,000	Pacific Life Global 5% 12/1/2028	669	0.94
£500,000	Royal Bank of Canada 1.290759% <i>floating rate notes</i> 3/10/2024	501	0.70
£610,000	Royal Bank of Canada <i>floating rate notes</i> 30/1/2025	610	0.85
£600,000	Royal Bank of Canada <i>floating rate notes</i> 22/10/2026	607	0.85
£1,000,000	Santander UK <i>floating rate notes</i> 12/1/2028	1,004	1.40
£500,000	Siemens Financieringsmaatschappij 1% 20/2/2025	467	0.65
£750,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	736	1.03
£400,000	Toronto-Dominion Bank 2.875% 5/4/2027	356	0.50
£500,000	Toronto-Dominion Bank <i>floating rate notes</i> 22/4/2025	499	0.70
£300,000	Toyota Motor Finance Netherlands BV 4.625% 8/6/2026	290	0.41
£400,000	UBS 0.625% 18/12/2023	393	0.55
£750,000	UK Municipal <i>floating rate notes</i> 12/3/2025	751	1.05
£1,000,000	United Overseas Bank 1.55398% <i>floating rate notes</i> 21/9/2026	1,008	1.41
£700,000	Wells Fargo 2% European Medium Term Notes 28/7/2025	643	0.90
£1,248,000	Wells Fargo 2.125% 20/12/2023	1,231	1.72
£300,000	Westpac Banking 2.125% European Medium Term Notes 2/5/2025	281	0.39
£400,000	Westpac Banking <i>floating rate notes</i> 16/3/2026	404	0.57

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£1,000,000	Westpac Banking <i>floating rate notes</i> 11/1/2028	1003	1.40
£500,000	Yorkshire Building Society 1.3107% <i>floating rate notes</i> 19/11/2023	500	0.70
£500,000	Yorkshire Building Society <i>floating rate notes</i> 18/1/2027	496	0.69
	TOTAL CORPORATE BONDS	<u>54,648</u>	<u>76.43</u>
	TOTAL DEBT SECURITIES	<u>60,600</u>	<u>84.75</u>
	COMMERCIAL PAPERS – 1.37% (15.08.22 – 4.30%)		
500,000	ING Bank 0% 23/5/2024	478	0.67
500,000	Toyota Motor Finance Netherlands 0% 23/8/2023	499	0.70
	TOTAL COMMERCIAL PAPERS	<u>977</u>	<u>1.37</u>
	CERTIFICATES OF DEPOSIT – 5.72% (15.08.22 – 1.87%)		
500,000	Commonwealth Bank of Australia 6.51% 05/7/2024	501	0.70
500,000	DNB Bank 4.7% 16/11/2023	499	0.70
500,000	Skandinaviska Enskilda Banken 5.28% 19/4/2024	497	0.69
500,000	Skandinaviska Enskilda Banken 6.17% 24/6/2024	499	0.70
500,000	Toronto-Dominion 4.08% 6/9/2023	500	0.70
300,000	Toronto-Dominion 4.42% 7/11/2023	299	0.42
500,000	Toronto-Dominion Bank 5.79% 10/6/2024	498	0.69
500,000	UBS 4.89% 5/1/2024	498	0.70
300,000	UBS Jersey 5.54% 13/10/2023	300	0.42
	TOTAL CERTIFICATES OF DEPOSIT	<u>4,091</u>	<u>5.72</u>
	MONEY MARKETS – 6.90% (15.08.22 – 0.00%)		
4,650,000	WS Canlife Sterling Liquidity ^{1,2}	<u>4,936</u>	<u>6.90</u>

WS CANLIFE STERLING SHORT TERM BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	Portfolio of investments	70,604	98.74
	Net other assets	901	1.26
	Net assets	<u>71,505</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are debt securities investment schemes listed on a regulated market unless stated otherwise.

¹ Collective investment schemes.

² Related party holding (see note 12).

WS CANLIFE STERLING SHORT TERM BOND FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000	49,873	Total sales for the year £'000	29,915
Major purchases	Cost £'000	Major sales	Proceeds £'000
Land Securities Capital Markets 1.974% European Medium Term Notes 8/2/2026	1,264	Henkel 0.875% 13/9/2022	1,374
BMW International Investment 1.875% European Medium Term Notes 11/9/2023	1,026	Toyota Motor Finance Netherlands BV 1.375% 23/5/2023	1,150
United Overseas Bank 1.55398% <i>floating rate notes</i> 21/9/2026	1,013	Prudential 6.875% 20/1/2023	1,144
Westpac Banking <i>floating rate notes</i> 11/1/2028	1,000	Dexia Credit Local 0.5% 22/7/2023	1,100
HSBC Bank 9/3/2025	1,000	Bank of Montreal 1.03306% <i>floating rate notes</i> 17/4/2023	1,065
Bank of Montreal <i>floating rate notes</i> 14/12/2025	1,000	Asian Development Bank <i>floating rate notes</i> 19/3/2024	1,002
Santander UK <i>floating rate notes</i> 12/1/2028	1,000	Export Development Canada 0.885% <i>floating rate notes</i> 13/10/2022	1,000
CPPIB Capital 4.375% 2/3/2026	997	European Investment Bank 2.5% 31/10/2022	1,000
National Australia Bank 3% European Medium Term Bonds 4/9/2026	944	Oversea-Chinese Banking <i>floating rate notes</i> 14/3/2023	1,000
HSBC UK Bank <i>floating rate notes</i> 25/8/2027	900	Rabobank 4% 19/9/2022	816

In addition to the above, purchases totalling £15,859,0000 and sales totalling £13,364,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 ¹ £'000
Income:					
Net capital losses	3		(607)		(55)
Revenue	4	2,395		94	
Expenses	5	(79)		(6)	
Interest payable and similar charges	7	(1)		-	
Net revenue before taxation		2,315		88	
Taxation	6	(1)		-	
Net revenue after taxation			2,314		88
Total return before distributions			1,707		33
Distributions	8		(2,314)		(88)
Change in net assets attributable to shareholders from investment activities			(607)		(55)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	£'000	15.08.23 £'000	£'000	15.08.22 ¹ £'000
Opening net assets attributable to shareholders		53,093		-
Amounts receivable on issue of shares	17,933		53,016	
Amounts payable on redemption of shares	(1,257)		-	
		16,676		53,016
Change in net assets attributable to shareholders from investment activities		(607)		(55)
Retained distributions on Accumulation shares		2,343		132
Closing net assets attributable to shareholders		71,505		53,093

¹ Comparative figures presented are for the period from 30 June 2022 to 15 August 2022; the Fund launched on 30 June 2022.

WS CANLIFE STERLING SHORT TERM BOND FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		70,604	48,477
Current assets			
Debtors	9	773	362
Cash and bank balances	10	140	4,740
Total assets		<u>71,517</u>	<u>53,579</u>
LIABILITIES			
Creditors			
Distribution payable	11	(1)	-
Other creditors	11	(11)	(486)
Total liabilities		<u>(12)</u>	<u>(486)</u>
Net assets attributable to shareholders		<u>71,505</u>	<u>53,093</u>

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current year and prior period.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current year and prior period. The additional distribution policy described below has been applied to the Fund.

The Fund has satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the current year and prior period. All distributions made are therefore made as gross interest distributions.

3. Net Capital Losses

The net capital losses during the current year and prior period comprise:

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Non-derivative securities	(606)	(55)
Transaction charges	(1)	-
Net capital losses	<u>(607)</u>	<u>(55)</u>

4. Revenue

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Interest on debt securities	2,385	94
Bank interest	10	-
Total revenue	<u>2,395</u>	<u>94</u>

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	79	6
Total expenses	79	6

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration. The ACD is responsible for paying other expenses noted in 7.2.2, 7.2.3 and 7.3 of the Prospectus.

6. Taxation

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
a) Analysis of charge for the year/period		
Corporation tax at 20%	-	-
Overseas tax	1	-
Current tax charge	1	-
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	1	-

b) Factors affecting the tax charge for the year/period

The tax assessed for the year/period differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Net revenue before taxation	2,315	88
Corporation tax at 20%	463	18

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Effects of:		
Tax deductible interest distributions	(463)	(18)
Corporation tax charge	-	-
Overseas tax	1	-
Total tax charge (note 6a)	1	-

c) Deferred tax

There is no deferred tax asset recognised in the current year or prior period.

7. Interest Payable and Similar Charges

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Interest payable	1	-
Total interest payable and similar charges	1	-

8. Distributions

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

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
First Interim	385	-
Second Interim	562	-
Third Interim	650	-
Final	747	132
	2,344	132

WS CANLIFE STERLING SHORT TERM BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

	15.08.23 £'000	For the period from 30.06.22 to 15.08.22 £'000
Add: Revenue deducted on redemption of shares	3	(44)
Deduct: Revenue received on issue of shares	(33)	-
Net distributions for the year/period	<u>2,314</u>	<u>88</u>

Details of the distributions per share are set out in the table on pages 341 and 342.

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Accrued revenue:		
Interest from debt securities	773	362
Total debtors	<u>773</u>	<u>362</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	140	4,740
Total cash and bank balances	<u>140</u>	<u>4,740</u>

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	1	-
Other Creditors		
Purchases awaiting settlement	-	483

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	11	3
Total other creditors	11	486

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 330. There were no amounts due at the year end.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 69,657,014 (15.08.22: 53,013,870) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates 100.00% (15.08.22: 100.00%)

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	4,936	-

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

14. Shares in Issue

	G Income	G Accumulation	I Accumulation
Annual Management Charge	0.12%	0.12%	0.15%
Opening shares in issue	–	52,964,120	50,250
Issues	50,250	17,847,522	–
Redemptions	–	(1,254,378)	–
Closing shares in issue	<u>50,250</u>	<u>69,557,264</u>	<u>50,250</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of the bond holdings.

Credit Quality	15.08.23 %	15.08.22 %
Investment grade debt securities	82.65	85.14
Non-rated debt securities	2.10	-
Other investments	13.99	6.17
Net other assets	1.26	8.69
	100.00	100.00

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £7,000 on the direct net assets of the Fund (15.08.22: £3,800).

The table below shows the interest rate risk profile:

	15.08.23 £'000	15.08.22 £'000
Floating rate investments	29,923	17,973
Fixed rate investments	35,613	27,225
Investments on which interest is not paid	5,068	3,279
Total investments	70,604	48,477

The floating rate investments comprise securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalents and collective investment schemes that pay UK interest distributions.

WS CANLIFE STERLING SHORT TERM BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. The Fund does not have any significant exposure to foreign currency risk and therefore no foreign currency risk table or sensitivity analysis has been presented.

(D) LEVERAGE

The Fund did not employ any significant leverage during the current year or prior period.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 72.01% of the portfolio can be liquidated within 5 days and 82.35% within 21 working days (15.08.22: 100% within 5 days and 100% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

WS CANLIFE STERLING SHORT TERM BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £3,530,000 (15.08.22: £2,424,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current year or prior period.

16. Portfolio Transaction Costs

Securities have been bought and sold at the dealt price with no further transaction costs added or deducted from purchases and sales respectively in the current year or prior period.

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments in the current year or prior period are bonds and collective investment schemes categorised as Level 2.

WS CANLIFE STERLING SHORT TERM BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	First Interim	Second Interim	Third Interim	Final
From	16.08.22	16.11.22	16.02.23	16.05.23
To	15.11.22	15.02.23	15.05.23	15.08.23

G INCOME SHARES¹

Third Interim	Gross Revenue	Equalisation	Paid 15.07.23	Paid 15.07.22
Group 1	0.2541	–	0.2541	N/A
Group 2	0.2541	0.0000	0.2541	N/A

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	1.0519	–	1.0519	N/A
Group 2	1.0519	0.0000	1.0519	N/A

G ACCUMULATION SHARES

First Interim	Gross Revenue	Equalisation	Allocated 15.01.23	Allocated 15.01.22
Group 1	0.6481	–	0.6481	N/A
Group 2	0.4846	0.1635	0.6481	N/A

Second Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.8724	–	0.8724	N/A
Group 2	0.5139	0.3585	0.8724	N/A

¹ This share class was launched on 21 April 2023.

WS CANLIFE STERLING SHORT TERM BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE continued

Third Interim	Gross Revenue	Equalisation	Allocated 15.07.23	Allocated 15.07.22
Group 1	0.9264	–	0.9264	N/A
Group 2	0.7042	0.2222	0.9264	N/A

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.0726	–	1.0726	0.2489
Group 2	0.0534	1.0192	1.0726	0.2489

I ACCUMULATION SHARES

First Interim	Gross Revenue	Equalisation	Allocated 15.01.23	Allocated 15.01.22
Group 1	0.6399	–	0.6399	N/A
Group 2	0.6399	0.0000	0.6399	N/A

Second Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.8642	–	0.8642	N/A
Group 2	0.8642	0.0000	0.8642	N/A

Third Interim	Gross Revenue	Equalisation	Allocated 15.07.23	Allocated 15.07.22
Group 1	0.9185	–	0.9185	N/A
Group 2	0.9185	0.0000	0.9185	N/A

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.0645	–	1.0645	0.2420
Group 2	1.0645	0.0000	1.0645	0.2420

WS CANLIFE STERLING LIQUIDITY FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife Sterling Liquidity Fund ('the Fund') is to provide a return in line with sterling money market rates combined with a high degree of capital security.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, worldwide in sterling denominated money market instruments, transferable securities and deposits which comply with the regulatory requirements for investment within a money market fund. Money market instruments include commercial paper, certificates of deposit, floating rate notes, short dated bonds and asset-backed commercial paper. The Fund will typically allocate to, between 40 and 80 issuers.

The Fund will hold a portfolio of high quality money market assets (which are regarded as Investment Grade rated between AAA+ and BBB+), however the Fund will invest in money market assets that will be rated between AAA and A at the point of purchase. Credit ratings are internal and assigned by Canada Life Asset Management. Ratings will generally be in line with the major external rating agencies and should not be higher than the highest rating of these. Canada Life Asset Management will assign ratings to money market assets that do not have an external rating.

The Fund may also invest in collective investment schemes which comply with the FCA Handbook definition of a money market fund or a short-term money market fund as well as cash. The Fund may also enter into reverse repurchase agreements on a short term basis.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for efficient portfolio management purposes.

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

Investment Objective and Policy continued

The Fund will apply negative screening to the portfolio and will exclude any issuers that derive more than 10% of their revenue from either one, or a combination of the following unless in a specific green bond:

- Tobacco – The production, processing or distribution of tobacco products.
- Controversial weapons: The development, manufacture, maintenance or sale of all biological and chemical weapons, nuclear weapons, anti-personnel mines, depleted uranium, white phosphorus munitions and cluster weapons.
- Fossil Fuels – The mining, exploration and/or refinement.
- Tar/oil sands – The production or distribution.
- Thermal coal extraction – The extraction, production or distribution.

Benchmark

The Fund's comparator benchmark is the Sterling Overnight Index Average ('SONIA').

The Fund's performance may be compared against the SONIA. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against cash returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife Sterling Liquidity Fund
13 December 2023

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

At the beginning of the period, markets were upbeat due to the belief that central banks, and the US Federal Reserve ('the Fed') in particular, would cut interest rates in 2022 to prevent an otherwise-expected recession later in the year. However, at its Jackson Hole summit in August, the Fed wrongfooted markets by announcing a continuation of its monetary tightening cycle and dismissing the notion of rate cuts in 2022, short of a tangible reduction in inflation. This more explicit tone was reiterated by other central banks including the European Central Bank and Bank of England ('BoE'), with an immediate sharp re-pricing in August.

Following the UK mini-budget at the end of September 2022, yields on 2-year gilts increased from 3.5% to 4.6% in a matter of just six days. Following a mini-GBP crisis, and fuelled by subsequent liability-driven investment liquidations, yields shot up, credit spreads widened and the BoE was forced to intervene and engage in temporary quantitative easing.

Going into 2023, inflation remained a key issue and stability concerns were also provoked by a banking crisis that included the collapse of Silicon Valley Bank in the US and UBS' acquisition of Credit Suisse and in Europe. These events dampened investor sentiment and sparked the indiscriminate sell-off of banking sector bonds and other financial assets. Fortunately, this fallout was largely confined to the first quarter, with little long-term contagion for bond investors to worry about.

Persistent inflationary pressures continued to force the BoE to raise rates throughout 2023 and this notably included a surprise hike of 0.5% in June. In the UK, inflation has become an internalised issue. Service sector inflation has been climbing even as global macroeconomic data has weakened. This appears to have prompted the BoE to act more aggressively, though higher rates could feed wage inflation if private sector workers are able to secure offsetting pay rises from their employers. The BoE likely needs to generate some form of slowdown, perhaps even a recession, to regain control of inflation.

Fund Performance

The price of the I Accumulation shares of the Fund increased by 3.59% in the 12 months to 15 August 2023 but underperformed the comparator benchmark, the Sterling Overnight Index Average ('SONIA') by 0.03%.

Fund Activity

During the period we deployed several strategies to help us navigate through market volatility. From a positioning perspective, we maintain a consistent approach to investment and sector allocation; however, we retain enough flexibility to adjust weightings in the portfolio when we believe we can add value. For instance, during the market volatility provoked by the mini banking crisis in the first quarter, we were able to add some quality positions at distressed values.

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

In addition, throughout the period, we maintained a position of around 15% in overnight deposits, alongside a ladder of one-week liquidity positions, to mitigate potential outflows. Where we saw increased volatility across the market, we improved the average rating of the assets held in the Fund and added covered bonds and sovereign, supranational and agency assets.

Throughout, we have also sought to protect the Fund by maintaining a ladder of short-term maturities and allocating around 25-30% to floating rate notes ('FRNs'). These reset to new interest rates within five working days, which allows us to efficiently take advantage of rate hikes. We have also been looking to periodically add longer-dated holdings when we feel the risk/return profile works and they would represent value to the Fund over the term to maturity.

Outlook

The most recent inflation data in the UK shows progress at the headline level – falling from 7.9% in June to 6.8% in July – but little change in the more relevant core inflation level. The BoE returned to imposing 0.25% hikes in August but the central bank still faces a dilemma over how to further tackle the situation if it persists. While the BoE's Monetary Policy Committee will continue to closely watch the data, there is potential for the expected peak rate to edge higher.

Likewise, we will reassess the likelihood of each scenario for inflation as fresh data appears. We are taking positions in the Fund to secure higher yields as they become available – but we are proceeding with caution. We will continue to maintain a degree of liquidity that gives us options when opportunities arise.

One area we would like to invest in more is covered bonds, but unfortunately there is a dearth of short-dated opportunities. We can access them when they appear but, due to their scarcity, we must act quickly and establish significant positions when we identify good value. We will also continue to target FRN placements when they make sense from a risk/return perspective.

Overall, our aim is to keep the Fund nimble and able to take advantage of opportunities when they arise, in what is likely to continue to be an unstable market until the rates cycle returns to a cutting phase.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 1 because its volatility has been measured as low.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Changes in Interest Rate Risk: A rise in interest rates generally causes money market asset prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may invest in assets where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

G INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 ¹ pence per share
Opening net asset value per share	100.00
Return before operating charges*	1.49
Operating charges	(0.04)
Return after operating charges	1.45
Distributions	(1.22)
Closing net asset value per share	100.23
* after direct transaction costs of:	-

PERFORMANCE

Return after charges	1.45%
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OTHER INFORMATION

Closing net asset value (£'000)	51
Closing number of shares	50,250
Operating charges	0.12% ²
Direct transaction costs	-

PRICES

Highest share price	101.46
Lowest share price	100.03

¹ From 21 April 2023.

² Annualised figure due to share class launched less than 1 year.

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	102.43	102.09	102.01
Return before operating charges*	3.83	0.46	0.20
Operating charges	(0.12)	(0.12)	(0.12)
Return after operating charges	3.71	0.34	0.08
Distributions	(3.11)	(0.43)	(0.14)
Retained distributions on accumulation shares	3.11	0.43	0.14
Closing net asset value per share	106.14	102.43	102.09
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	3.62%	0.33%	0.08%
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OTHER INFORMATION

Closing net asset value (£'000)	624,925	495,750	558,421
Closing number of shares	588,771,937	483,975,840	546,971,745
Operating charges	0.12%	0.12%	0.12%
Direct transaction costs	-	-	-

PRICES

Highest share price	106.16	102.45	102.16
Lowest share price	102.43	101.99	102.03

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

I INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	99.65	99.74	99.79
Return before operating charges*	3.70	0.45	0.21
Operating charges	(0.15)	(0.15)	(0.15)
Return after operating charges	3.55	0.30	0.06
Distributions	(2.97)	(0.39)	(0.11)
Closing net asset value per share	100.23	99.65	99.74
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	3.56%	0.30%	0.06%
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OTHER INFORMATION

Closing net asset value (£'000)	15,375	455	131
Closing number of shares	15,339,752	456,649	131,257
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	-	-	-

PRICES

Highest share price	102.06	100.00	99.93
Lowest share price	99.65	99.59	99.76

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

I ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	102.18	101.87	101.81
Return before operating charges*	3.83	0.46	0.21
Operating charges	(0.16)	(0.15)	(0.15)
Return after operating charges	3.67	0.31	0.06
Distributions	(3.07)	(0.39)	(0.10)
Retained distributions on accumulation shares	3.07	0.39	0.10
Closing net asset value per share	105.85	102.18	101.87
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	3.59%	0.30%	0.06%
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OTHER INFORMATION

Closing net asset value (£'000)	161,906	138,792	84,636
Closing number of shares	152,958,076	135,826,275	83,079,243
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs	-	-	-

PRICES

Highest share price	105.87	102.20	101.96
Lowest share price	102.18	101.76	101.84

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

Z ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	102.29	101.95	101.87
Return before operating charges*	3.82	0.47	0.21
Operating charges	(0.13)	(0.13)	(0.13)
Return after operating charges	3.69	0.34	0.08
Distributions	(3.09)	(0.42)	(0.13)
Retained distributions on accumulation shares	3.09	0.42	0.13
Closing net asset value per share	105.98	102.29	101.95
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	3.61%	0.33%	0.08%
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OTHER INFORMATION

Closing net asset value (£'000)	53	51	51
Closing number of shares	50,250	50,250	50,250
Operating charges	0.13%	0.13%	0.13%
Direct transaction costs	-	-	-

PRICES

Highest share price	106.00	102.30	102.03
Lowest share price	102.28	101.85	101.89

WS CANLIFE STERLING LIQUIDITY FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife Sterling Liquidity Fund	3.59	3.97	5.49
Sterling Overnight Index Average ('SONIA') ¹	3.62	4.20	5.40

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per I Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 372 and 373.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 52.53% (15.08.22 – 60.33%)		
	GOVERNMENT BONDS – 7.99% (15.08.22 – 5.73%)		
£12,690,000	BNG 2% 12/4/2024	12,379	1.54
£4,685,000	Export Development Canada 1.375% 8/12/2023	4,622	0.58
£4,283,000	Export Development Canada 1.53976% <i>floating rate notes</i> 29/5/2024	4,287	0.53
£4,024,000	Export Development Canada <i>floating rate notes</i> 17/1/2025	4,033	0.50
£500,000	Kommunekredit 0.75% 15/8/2024	476	0.06
£3,525,000	Kommunekredit 2% 25/6/2024	3,414	0.43
£6,000,000	North Rhine-Westphalia <i>floating rate notes</i> 15/10/2024	6,009	0.75
£11,686,000	UK Treasury 0% 21/8/2023	11,676	1.45
£2,293,000	UK Treasury 0% 29/8/2023	2,288	0.29
£5,000,000	UK Treasury 0% 25/9/2023	4,970	0.62
£5,000,000	UK Treasury 0% 4/9/2023	4,986	0.62
£5,000,000	UK Treasury 0% 9/10/2023	4,960	0.62
	TOTAL GOVERNMENT BONDS	64,100	7.99
	CORPORATE BONDS – 44.54% (15.08.22 – 54.60%)		
£6,270,000	Asian Development Bank 1.77980% <i>floating rate notes</i> 12/10/2023	6,271	0.78
£3,500,000	Asian Development Bank <i>floating rate notes</i> 19/3/2024	3,503	0.44
£4,500,000	Australia & New Zealand Banking <i>floating rate notes</i> 4/1/2024	4,503	0.56
£3,000,000	Australia & New Zealand Banking <i>floating rate notes</i> 18/7/2024	2,999	0.37
£2,500,000	Bank of Montreal <i>floating rate notes</i> 2/11/2023	2,502	0.31
£5,000,000	Bank of Nova Scotia 1.375% 5/12/2023	4,928	0.61
£9,575,000	Bank of Nova Scotia <i>floating rate notes</i> 14/3/2025	9,647	1.20

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£7,400,000	Banque Federative du Credit Mutuel 2.25% 18/12/2023	7,306	0.91
£4,352,000	BMW International Investment 1.875% 11/9/2023	4,340	0.54
£7,000,000	Canadian Imperial Bank of Commerce <i>floating rate notes</i> 28/3/2024	7,001	0.87
£3,500,000	Canadian Imperial Bank of Commerce <i>floating rate notes</i> 24/4/2024	3,500	0.44
£10,000,000	Canadian Imperial Bank of Commerce <i>floating rate notes</i> 30/6/2025	9,999	1.25
£10,000,000	Clydesdale Bank 2.11790% <i>floating rate notes</i> 22/3/2024	10,024	1.25
£4,500,000	Commonwealth Bank of Australia <i>floating rate notes</i> 8/1/2024	4,503	0.56
£2,000,000	Commonwealth Bank of Australia <i>floating rate notes</i> 6/4/2024	2,000	0.25
£9,883,000	Commonwealth Bank of Australia <i>floating rate notes</i> 16/1/2025	9,889	1.23
£9,428,000	Coventry Building Society 1.875% 24/10/2023	9,350	1.17
£10,662,000	Coventry Building Society 2.29302% <i>floating rate notes</i> 13/11/2023	10,670	1.33
£1,614,000	Coventry Building Society <i>floating rate notes</i> 15/1/2025	1,616	0.20
£5,800,000	Deutsche Pfandbriefbank 2.45884% <i>floating rate notes</i> 29/9/2023	5,803	0.72
£8,100,000	Deutsche Pfandbriefbank 2.60599% 26/4/2024	8,122	1.01
£4,400,000	Dexia Credit Local 1.625% 8/12/2023	4,344	0.54
£2,525,000	DNB Bank 1.625% 15/12/2023	2,487	0.31
£2,450,000	European Bank for Reconstruction and Development <i>floating rate notes</i> 13/11/2024	2,454	0.31
£11,600,000	FMS Wertmanagement Aoer 1.125% 7/9/2023	11,569	1.44
£4,000,000	Housing Finance 8.625% 13/11/2023	4,020	0.50
£7,000,000	HSBC <i>floating rate notes</i> 9/3/2025	7,000	0.87
£3,000,000	HSBC UK Bank <i>floating rate notes</i> 20/9/2023	3,001	0.37

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£4,597,000	International Bank for Reconstruction & Development 1.25% 7/9/2023	4,585	0.57
£3,855,000	International Bank for Reconstruction & Development 5.35450% <i>floating rate notes</i> 4/10/2023	3,855	0.48
£1,500,000	International Bank for Reconstruction & Development <i>floating rate notes</i> 15/5/2024	1,501	0.19
£3,598,000	Kreditanstalt fuer Wiederaufbau 1.25% 29/12/2023	3,540	0.44
£1,600,000	Kreditanstalt fuer Wiederaufbau 0.875% 18/7/2024	1,533	0.19
£2,000,000	Kreditanstalt fuer Wiederaufbau <i>floating rate notes</i> 14/6/2024	2,014	0.25
£3,089,000	Leeds Building Society <i>floating rate notes</i> 15/1/2025	3,095	0.39
£8,200,000	Lloyds Bank 1.68529% <i>floating rate notes</i> 16/5/2024	8,216	1.02
£9,600,000	National Australia Bank <i>floating rate notes</i> 4/2/2025	9,600	1.20
£10,911,000	Nationwide Building Society 2.27438% <i>floating rate</i> <i>notes</i> 10/1/2024	10,930	1.36
£3,671,000	Nationwide Building Society <i>floating rate notes</i> 10/1/2023	3,679	0.46
£13,000,000	NatWest Markets 5.125% 13/1/2024	12,955	1.62
£4,173,000	Network Rail 4.75% 22/1/2024	4,155	0.52
£3,049,000	Network Rail Infrastructure Finance 3% 7/9/2023	3,044	0.38
£7,674,000	New York Life Global Funding 1.625% 15/12/2023	7,559	0.94
£2,000,000	NRW Bank <i>floating rate notes</i> 9/10/2024	2,003	0.25
£1,991,000	Roche Finance Europe 5.375% 29/8/2023	1,990	0.25
£10,004,000	Royal Bank of Canada 1.290759% <i>floating rate notes</i> 3/10/2024	10,017	1.25
£1,500,000	Royal Bank of Canada <i>floating rate notes</i> 8/7/2024	1,500	0.19
£9,515,000	Royal Bank of Canada <i>floating rate notes</i> 30/1/2025	9,513	1.19
£10,692,000	Santander UK 2.42% <i>floating rate notes</i> 12/2/2024	10,715	1.34
£9,415,000	Santander UK <i>floating rate notes</i> 12/11/2024	9,441	1.18
£6,850,000	SpareBank 1 Boligkreditt AS 1.75% 18/12/2023	6,753	0.84
£800,000	Svenska Handelsbanken AB 1.625% 15/12/2023	789	0.10
£9,800,000	Toronto-Dominion Bank <i>floating rate notes</i> 22/4/2025	9,786	1.22

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£4,000,000	Toyota Motor Finance Netherlands <i>floating rate notes</i> 29/7/2024	4,000	0.50
£9,905,000	TSB Bank <i>floating rate notes</i> 15/2/2024	9,932	1.24
£2,476,000	UBS Jersey 0.625% 18/12/2023	2,432	0.30
£11,014,000	Wells Fargo 2.125% 20/12/2023	10,862	1.35
£5,000,000	Westpac Banking <i>floating rate notes</i> 5/6/2024	5,000	0.62
£4,000,000	Westpac Banking <i>floating rate notes</i> 12/7/2024	3,998	0.50
£10,610,000	Yorkshire Building Society 1.73980% <i>floating rate</i> <i>notes</i> 19/11/2023	10,618	1.32
£4,387,000	Yorkshire Building Society <i>floating rate notes</i> 21/11/2024	4,397	0.55
	TOTAL CORPORATE BONDS	<u>357,358</u>	<u>44.54</u>
	TOTAL DEBT SECURITIES	<u>421,458</u>	<u>52.53</u>
	CERTIFICATES OF DEPOSIT – 21.95% (15.08.22 – 10.35%)		
£2,500,000	Bank of Montreal 0% 11/4/2024	2,404	0.30
£3,500,000	Bank of Montreal <i>floating rate notes</i> 3/4/2024	3,502	0.44
£4,000,000	Belfius 0% 8/1/2024	3,908	0.49
£5,000,000	BNP Paribas 4.64% 16/2/2024	4,965	0.62
£3,000,000	BNP Paribas 4.835% 27/2/2024	2,981	0.37
£5,000,000	BNP Paribas 5.45% 28/9/2023	4,999	0.62
£3,000,000	Commonwealth Bank of Australia 4.81% 9/1/2024	2,986	0.37
£4,500,000	Commonwealth Bank of Australia 6.51% 5/7/2024	4,510	0.56
£3,000,000	Cooperatieve Rabobank 0% 13/6/2024	2,853	0.36
£7,000,000	Credit Agricole 0% 2/1/2024	6,848	0.85
£10,000,000	Credit Agricole 6.43% 1/7/2024	10,018	1.25
£6,500,000	DBS Bank 0% 30/8/2023	6,486	0.81
£3,000,000	DNB Bank 3.26% 17/8/2023	3,000	0.37
£5,000,000	DNB Bank 3.87% 29/8/2023	4,997	0.63
£3,500,000	DNB Bank 4.7% 16/11/2023	3,491	0.44
£5,000,000	DNB Bank 5.9% 3/1/2024	5,003	0.62
£2,000,000	DNB Bank 6% 15/7/2024	2,003	0.25

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£5,000,000	ING 0% 13/2/2024	4,860	0.60
£3,000,000	National Australia Bank 0% 19/1/2024	2,927	0.36
£5,000,000	National Australia Bank 3.58% 25/8/2023	4,998	0.62
£4,000,000	Nordea Bank 0% 1/12/2023	3,935	0.49
£2,000,000	Nordea Bank 0% 5/7/2024	1,895	0.24
£2,500,000	Nordea Bank 6.04% 17/6/2024	2,495	0.31
£5,000,000	Nordea Bank ABP 4.07% 14/9/2023	4,995	0.62
£3,000,000	Nordea Bank ABP 4.24% ECD 18/9/2023	2,997	0.37
£3,000,000	Nordea Bank ABP 4.83% ECD 22/1/2024	2,985	0.38
£3,000,000	OP Corporation 0% 28/9/2023	2,981	0.37
£5,000,000	Rabobank 4.67% 2/10/2023	4,995	0.62
£2,000,000	Rabobank 6.62% 9/7/2024	2,006	0.25
£6,000,000	Rabobank International 0% 9/1/2024	5,864	0.73
£5,000,000	Royal Bank of Canada 0% 18/8/2023	4,998	0.62
£3,000,000	Skandinaviska Enskilda Banken 5% 30/10/2023	2,997	0.37
£3,000,000	Skandinaviska Enskilda Banken 5.28% 19/4/2024	2,983	0.37
£3,500,000	Skandinaviska Enskilda Banken 6.17% 24/6/2024	3,496	0.44
£3,000,000	Skandinaviska Enskilda Banken 6.33% 19/8/2024	3,000	0.37
£1,100,000	Société Générale 3.92% 30/8/2023	1,099	0.14
£2,000,000	Société Générale 4.25% 20/9/2023	1,998	0.25
£2,000,000	Société Générale 4.89% 31/8/2023	2,000	0.25
£3,000,000	Toronto Dominion 4.08% 6/9/2023	2,998	0.37
£1,500,000	Toronto Dominion 4.34% 22/9/2023	1,498	0.19
£4,700,000	Toronto Dominion 4.42% 7/11/2023	4,688	0.58
£3,000,000	Toronto-Dominion Bank 0% 2/5/2024	2,873	0.36
£4,000,000	Toronto-Dominion Bank 5.79% 10/6/2024	3,983	0.50
£3,000,000	UBS Jersey 4.86% 7/12/2023	2,992	0.37
£6,000,000	UBS Jersey 4.89% 5/1/2023	5,979	0.75
£3,000,000	UBS Jersey 5.34% 5/10/2023	2,999	0.37
£2,700,000	UBS Jersey 5.54% 13/10/2023	2,700	0.34
	TOTAL CERTIFICATES OF DEPOSIT	176,168	21.95

WS CANLIFE STERLING LIQUIDITY FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	COMMERCIAL PAPERS – 10.38% (15.08.22 – 9.76%)		
£5,000,000	Australia & New Zealand Banking 0% 3/1/2024	4,889	0.61
£11,000,000	Barclays 0% 22/8/2023	10,989	1.37
£5,000,000	DZ Private Bank 0% 19/9/2023	4,975	0.62
£4,500,000	ING Bank 0% 23/5/2024	4,298	0.54
£6,000,000	Kreditanstalt fuer Wiederaufbau 0% 24/8/2023	5,993	0.75
£2,000,000	Landwirtschaftliche Rentenbank 0% 17/8/2023	1,999	0.25
£5,000,000	Landwirtschaftliche Rentenbank 0% 21/9/2023	4,973	0.62
£5,000,000	Omers Finance 0% 24/8/2023	4,979	0.62
£10,000,000	Omers Finance 0% 12/9/2023	9,952	1.24
£3,000,000	OP Corporation 0% 26/1/2024	2,925	0.36
£3,000,000	OP Corporation 0% 6/3/2024	2,904	0.36
£3,000,000	OP Corporation 0% 11/3/2024	2,902	0.36
£2,000,000	Paccar Financial Europe 0% 21/8/2023	1,998	0.25
£4,000,000	Paccar Financial Europe 0% 22/8/2023	3,996	0.50
£4,000,000	Santander UK 0% 1/9/2023	3,991	0.50
£3,000,000	Skandinaviska Enskilda Banken 4.73% 25/9/2023	2,998	0.37
£4,500,000	Toyota Motor Finance Netherlands BV 0% 23/8/2023	4,495	0.56
£4,000,000	Transport for London 0% 4/9/2023	3,989	0.50
	TOTAL COMMERCIAL PAPERS	<u>83,245</u>	<u>10.38</u>
	MONEY MARKETS – 0.00% (15.08.22 – 3.06%)	<u>-</u>	<u>-</u>
	Portfolio of investments	680,871	84.86
	Net other assets	<u>121,439</u>	<u>15.14</u>
	Net assets	<u>802,310</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are debt securities listed on a regulated market.

WS CANLIFE STERLING LIQUIDITY FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000	935,930	Total sales for the year £'000	833,301
Major purchases	Cost £'000	Major sales	Proceeds £'000
Siemens Financieringsmaatschappij 0.875% 5/6/2023	19,796	Siemens Financieringsmaatschappij 0.875% 5/6/2023	19,900
European Bank for Reconstruction and Development <i>floating rate notes</i> 29/6/2023	19,376	European Bank for Reconstruction and Development <i>floating rate notes</i> 29/6/2023	19,350
Coventry Building Society 1.5% 23/1/2023	16,120	Toyota Motor Finance Netherlands BV1.375% 23/5/2023	18,755
UK Treasury 0.125% 31/3/2023	13,971	LVMH Möet Hennessy Louis Vuitton 1% 11/2/2023	17,000
NatWest Markets 5.125% 13/1/2024	13,040	Coventry Building Society 1.5% 23/1/2023	16,220
Korea Development Bank 1.75% 15/12/2022	12,976	DNB Bank 1.375% Bonds 12/6/2023	16,114
LVMH Möet Hennessy Louis Vuitton 1% 11/2/2023	12,961	Korea Development Bank 1.75% 15/12/2022	15,975
BNG 2% 12/4/2024	12,340	Sparebank 1 Boligkreditt 2.00502% <i>floating rate notes</i> 14/11/2022	15,183
Lloyds Bank 7.5% 15/4/2024	12,195	UK Treasury 0.125% 31/3/2023	14,995
FMS Wertmanagement Aoer 1.125% 7/9/2023	11,479	FMS Wertmanagement Aoer 1.125% 20/3/2023	13,700

In addition to the above, purchases totalling £1,227,715,000 and sales totalling £1,185,628,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital gains/(losses)	3		4,192		(563)
Revenue	4	22,870		3,576	
Expenses	5	(913)		(835)	
Interest payable and similar charges	7	(1)		(1)	
Net revenue before taxation		21,956		2,740	
Taxation	6	-		-	
Net revenue after taxation			21,956		2,740
Total return before distributions			26,148		2,177
Distributions	8		(21,956)		(2,740)
Change in net assets attributable to shareholders from investment activities			4,192		(563)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders		635,048		643,239
Amounts receivable on issue of shares	484,555		324,359	
Amounts payable on redemption of shares	(343,744)		(334,607)	
		140,811		(10,248)
Change in net assets attributable to shareholders from investment activities		4,192		(563)
Retained distributions on Accumulation shares		22,259		2,620
Closing net assets attributable to shareholders		802,310		635,048

WS CANLIFE STERLING LIQUIDITY FUND FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		680,871	530,262
Current assets			
Debtors	9	7,658	2,730
Cash and bank balances	10	125,791	117,970
Total assets		<u>814,320</u>	<u>650,962</u>
LIABILITIES			
Creditors			
Distribution payable	11	(278)	(2)
Other creditors	11	(11,732)	(15,912)
Total liabilities		<u>(12,010)</u>	<u>(15,914)</u>
Net assets attributable to shareholders		<u>802,310</u>	<u>635,048</u>

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year. The additional distribution policy described below has also been applied to this Fund.

The Fund has satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the year. All distributions made are therefore made as gross interest distributions.

3. Net Capital Gains/(Losses)

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	4,199	(556)
Transaction charges	(7)	(7)
Net capital gains/(losses)	<u>4,192</u>	<u>(563)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Interest on debt securities	22,837	3,574
Bank interest	33	2
Total revenue	<u>22,870</u>	<u>3,576</u>

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	913	835
Total expenses	<u>913</u>	<u>835</u>

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration. The ACD is responsible for paying other expenses noted in 7.2.2, 7.2.3 and 7.3 of the Prospectus.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	—	—
Current tax charge	—	—
Deferred tax – origination and reversal of timing differences (note 6c)	—	—
Total taxation (note 6b)	—	—

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	21,956	2,740
Corporation tax at 20%	4,391	548
Effects of:		
Tax deductible interest distributions	(4,391)	(548)
Corporation tax charge	—	—
Total tax charge (note 6a)	—	—

c) Deferred tax

There is no deferred tax asset recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	1	1
Total interest payable and similar charges	1	1

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	8,221	406
Final	<u>14,335</u>	<u>2,216</u>
	22,556	2,622
Add: Revenue deducted on redemption of shares	2,475	371
Deduct: Revenue received on issue of shares	<u>(3,075)</u>	<u>(253)</u>
Net distributions for the year	<u>21,956</u>	<u>2,740</u>

Details of the distributions per share are set out in the table on pages 372 and 373.

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	1,062	8
Accrued revenue:		
Interest from debt securities	<u>6,596</u>	<u>2,722</u>
Total debtors	<u>7,658</u>	<u>2,730</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	819	130
Term deposits	<u>124,972</u>	<u>117,840</u>
Total cash and bank balances	<u>125,791</u>	<u>117,970</u>

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	278	2
Other Creditors		
Amounts payable for redemption of shares	7	4,677
Purchases awaiting settlement	11,597	11,199
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	127	33
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Transaction charges	1	3
Total other creditors	11,732	15,912

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 361 and amounts due at the year end are disclosed in notes 9 and 11.

Funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 97,476,040 (15.08.22: 39,990,247) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 486,501,628 (15.08.22: 342,971,091) of the Fund's shares at the balance sheet date.

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates 64.25% (15.08.22: 55.31%)

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	G Income	G Accumulation	I Income
Annual Management Charge	0.12%	0.12%	0.15%
Opening shares in issue	-	483,975,840	456,649
Issues	50,250	357,192,563	18,394,494
Redemptions	-	<u>(252,396,466)</u>	<u>(3,511,391)</u>
Closing shares in issue	<u>50,250</u>	<u>588,771,937</u>	<u>15,339,752</u>
		I Accumulation	Z Accumulation
Annual Management Charge		0.15%	0.13%
Opening shares in issue		135,826,275	50,250
Issues		93,922,796	-
Redemptions		<u>(76,790,995)</u>	<u>-</u>
Closing shares in issue		<u>152,958,076</u>	<u>50,250</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of bond holdings.

Credit Quality	15.08.23 %	15.08.22 %
Investment grade debt securities	50.35	59.86
Non-rated debt securities	2.18	0.47
Other investments	32.33	23.17
Net other assets	15.14	16.50
	100.00	100.00

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £15,000 on the direct net assets of the Fund (15.08.22: £10,000).

The table below shows the direct interest rate risk profile:

	15.08.23 £'000	15.08.22 £'000
Floating rate investments	258,526	202,457
Fixed rate investments	422,345	327,805
Total investments	680,871	530,262

The floating rate investments comprise securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalents and collective investment schemes that pay UK interest distributions.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates. The Fund does not have any significant exposure to foreign currency risk and therefore no foreign currency risk table or sensitivity analysis has been presented.

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 98.88% of the portfolio can be liquidated within 7 days and 99.38% within 30 working days (15.08.22: 97.40% within 7 days and 97.40% within 30 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £34,044,000 (15.08.22: £26,513,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE STERLING LIQUIDITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

16. Portfolio Transaction Costs

Securities have been bought and sold at the dealt price with no further transaction costs added or deducted from purchases and sales respectively in the current or prior year.

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

15.08.23	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	47,831	633,040	–	680,871

15.08.22	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	17,004	513,258	–	530,262

WS CANLIFE STERLING LIQUIDITY FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

G INCOME SHARES¹

There were no interim distributions allocated in the current period.

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	1.2177	–	1.2177	N/A
Group 2	1.2177	0.0000	1.2177	N/A

G ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.2103	–	1.2103	0.0657
Group 2	0.7077	0.5026	1.2103	0.0657

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.8992	–	1.8992	0.3606
Group 2	1.1422	0.7570	1.8992	0.3606

¹ This share class was launched on 21 April 2023.

WS CANLIFE STERLING LIQUIDITY FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE continued

I INCOME SHARES

Interim	Gross Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	1.1625	–	1.1625	0.0505
Group 2	0.6648	0.4977	1.1625	0.0505

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	1.8088	–	1.8088	0.3394
Group 2	1.1768	0.6320	1.8088	0.3394

I ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.1913	–	1.1913	0.0496
Group 2	0.8599	0.3314	1.1913	0.0496

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.8787	–	1.8787	0.3448
Group 2	1.0079	0.8708	1.8787	0.3448

Z ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.2047	–	1.2047	0.0619
Group 2	1.2047	0.0000	1.2047	0.0619

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	1.8899	–	1.8899	0.3564
Group 2	1.8899	0.0000	1.8899	0.3564

WS CANLIFE UK EQUITY FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife UK Equity Fund ('the Fund') is to achieve capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value in the shares of companies which are incorporated or domiciled in the United Kingdom. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different industry sectors and market capitalisations without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

Benchmark

The Fund's comparator benchmark is the Bloomberg UK Large, Mid & Small Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg UK Large, Mid & Small Cap Total Return Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against UK equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife UK Equity Fund

13 December 2023

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Markets were plunged into a distressed position early in the period, following September's mass bond sell-off that was prompted by then UK-chancellor Kwasi Kwarteng's 'Growth Plan' mini-budget. The Bank of England ('BoE') was forced to intervene and engage in temporary quantitative easing to stabilise the market. Credit spreads and risk markets subsequently rallied.

The UK market recovered strongly in the last months of 2022. Almost all sectors produced positive returns, except for communications services. Stability returned in the form of a new prime minister and chancellor, Rishi Sunak and Jeremy Hunt respectively, who both set about repealing many of the measures proposed in the mini-budget.

The start of 2023 also brought positive news as the Office for National Statistics confirmed the UK had avoided a technical recession, with the domestic economy found to be more resilient than expected during the fourth quarter of 2022. Regardless, inflation would remain a key topic for investors and policymakers alike moving into 2023.

Despite the BoE's efforts, inflation has remained sticky throughout the period. During the summer of 2023, many commentators had been expecting the UK's inflationary situation to improve – but the figures continued to disappoint, with core inflation actually increasing. This forced the BoE to persist with its campaign against inflation and raise the base rate by 0.5% in June 2023, which caught many by surprise. Headline inflation dropped from 7.9% to 6.8% between June and July. Despite this improvement, core inflation was unchanged in July.

In terms of sector performance, financial stocks led the way as bond yields and swap rates declined in tandem with declining concerns around the mini-budget, while the concerns around mortgage costs also receded somewhat. UK banks also benefitted from being held to higher accounting standards than their US and EU peers and were largely unmoved by concerns around the global banking system at the start of 2023. Elsewhere, the consumer staples sector suffered as bond yields rose. In the summer of 2023, the materials sector was challenged due to mining firms being negatively affected by weak data coming out of China.

Fund Performance

The price of the C Accumulation shares of the Fund increased by 1.74% in the 12 months to 15 August 2023 and outperformed the comparator benchmark, the Bloomberg UK Large, Mid & Small Cap Total Return Index by 0.96%.

Fund Activity

Throughout the period, the strongest contributors on a relative basis came from a spread of sectors with gains from holdings such as JD Sports (sports retail), 3i Group (financials), Pets at Home (retail), Flutter (consumer services) and Dechra Pharmaceuticals (healthcare). Performance detractors also came from a range of sectors.

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

We believe higher-quality structural growth companies, which tend to reside in the FTSE250 and at the lower end of the FTSE100, generally outperform their larger counterparts over the longer term. From mid-2022, we returned to modestly overweighting the mid-cap sector, very gradually adding to several of our core high-quality structural growth companies on account of the potential material value increase we expect in some of these names.

We believe our strategy has produced a well-balanced and low-risk portfolio, comprising all of the quality, growth, value and momentum investment factor styles, while allowing for high-conviction stock selection. Having gently added to quality names during the second half of 2022, which we believed had suffered excessive de-ratings in the prior 12-18 months, a subsequent strong rebound in some of those names led us to engage in some profit-taking throughout 2023.

Outlook

Despite the UK being the best-performing developed market in 2022, it still trades at a record discount to other regions and offers the highest dividend yield, with exporters benefiting significantly from weakened sterling. While the UK market is skewed by a high proportion of 'old economy' sectors with poor ESG credentials, it tends to hold up better than other global markets in weak and/or volatile periods.

Inflation remains a concern in the UK, which has obvious implications of further pressure on household income and the housing market. We have long talked about the resilience of the consumer and housing markets – but there are limits. As such, we have reduced the Fund's exposure to such areas in case the risks to earnings prove greater than previously expected and not sufficiently discounted for in valuations.

Our preference remains for a well-diversified portfolio that encompasses all factor styles while still expressing selective sector and bottom-up conviction. Our preference is for sectors that would benefit from an inflection in real wage growth next year, with modest overweights in defensive sectors such as energy, banks, healthcare and utilities. We also continue to highlight the credentials of the fundamentally higher-quality names across all sectors that could come out of this difficult environment even stronger.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund may have risen and fallen in the past, and therefore how much a fund's returns may have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 6 because its volatility has been measured as above average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	131.81	128.46	99.11
Return before operating charges*	3.12	5.33	31.08
Operating charges	(2.05)	(1.98)	(1.73)
Return after operating charges	1.07	3.35	29.35
Distributions	(2.91)	(2.47)	(1.92)
Retained distributions on accumulation shares	2.91	2.47	1.92
Closing net asset value per share	132.88	131.81	128.46
* after direct transaction costs of:	0.14	0.18	0.32

PERFORMANCE

Return after charges	0.81%	2.61%	29.61%
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OTHER INFORMATION

Closing net asset value (£'000)	2,621	2,510	2,480
Closing number of shares	1,972,153	1,904,543	1,930,881
Operating charges	1.55%	1.54%	1.54%
Direct transaction costs	0.11%	0.14%	0.29%

PRICES

Highest share price	140.93	133.89	128.56
Lowest share price	116.60	118.61	93.15

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	114.78	113.99	89.23
Return before operating charges*	2.78	4.73	28.05
Operating charges	(0.92)	(0.90)	(0.80)
Return after operating charges	1.86	3.83	27.25
Distributions	(3.39)	(3.04)	(2.49)
Closing net asset value per share	113.25	114.78	113.99
* after direct transaction costs of:	0.12	0.16	0.29

PERFORMANCE

Return after charges	1.62%	3.36%	30.54%
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OTHER INFORMATION

Closing net asset value (£'000)	8,251	8,326	77
Closing number of shares	7,285,665	7,253,601	67,220
Operating charges	0.80%	0.79%	0.79%
Direct transaction costs	0.11%	0.14%	0.29%

PRICES

Highest share price	122.86	119.14	116.09
Lowest share price	101.67	104.96	84.01

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	140.66	136.07	104.20
Return before operating charges*	3.35	5.67	32.81
Operating charges	(1.13)	(1.08)	(0.94)
Return after operating charges	2.22	4.59	31.87
Distributions	(4.18)	(3.66)	(2.92)
Retained distributions on accumulation shares	4.18	3.66	2.92
Closing net asset value per share	142.88	140.66	136.07
* after direct transaction costs of:	0.15	0.20	0.34

PERFORMANCE

Return after charges	1.58%	3.37%	30.59%
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OTHER INFORMATION

Closing net asset value (£'000)	33,965	34,336	2,199
Closing number of shares	23,771,943	24,409,631	1,616,065
Operating charges	0.80%	0.79%	0.79%
Direct transaction costs	0.11%	0.14%	0.29%

PRICES

Highest share price	150.98	142.23	136.17
Lowest share price	124.59	126.16	98.09

WS CANLIFE UK EQUITY FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	145.62	140.33	107.06
Return before operating charges*	3.46	5.88	33.78
Operating charges	(0.62)	(0.59)	(0.51)
Return after operating charges	2.84	5.29	33.27
Distributions	(4.88)	(4.31)	(3.46)
Retained distributions on accumulation shares	4.88	4.31	3.46
Closing net asset value per share	148.46	145.62	140.33
* after direct transaction costs of:	0.16	0.20	0.35

PERFORMANCE

Return after charges	1.95%	3.77%	31.08%
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OTHER INFORMATION

Closing net asset value (£'000)	489,913	556,362	627,008
Closing number of shares	329,991,356	382,069,441	446,803,023
Operating charges	0.42%	0.42%	0.42%
Direct transaction costs	0.11%	0.14%	0.29%

PRICES

Highest share price	156.59	146.91	140.44
Lowest share price	129.06	130.39	100.86

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife UK Equity Fund	1.74	37.40	12.01
Bloomberg UK Large, Mid & Small Cap Total Return Index ¹	0.78	32.62	15.46

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 402 and 403.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

 Holding	 Portfolio of Investments	 Value £'000	 15.08.23 %
	TECHNOLOGY – 2.03% (15.08.22 – 2.48%)		
	SOFTWARE AND COMPUTER SERVICES – 2.03% (15.08.22 – 2.48%)		
674,712	Auction Technology	4,959	0.93
281,073	Computacenter	5,914	1.10
	TOTAL TECHNOLOGY	<u>10,873</u>	<u>2.03</u>
	TELECOMMUNICATIONS – 0.00% (15.08.22 – 0.73%)		
	TELECOMMUNICATION SERVICE PROVIDERS – 0.00% (15.08.22 – 0.73%)	<u>-</u>	<u>-</u>
	HEALTH CARE – 13.73% (15.08.22 – 11.64%)		
	PHARMACEUTICALS AND BIOTECHNOLOGY – 13.73% (15.08.22 – 11.64%)		
438,428	AstraZeneca	47,684	8.92
264,072	Dechra Pharmaceuticals	10,024	1.87
1,142,246	GSK	15,731	2.94
	TOTAL HEALTH CARE	<u>73,439</u>	<u>13.73</u>
	FINANCIALS – 22.59% (15.08.22 – 21.42%)		
	BANKS – 9.76% (15.08.22 – 9.77%)		
8,123,394	Barclays	11,660	2.18
3,500,398	HSBC	21,013	3.93
31,431,860	Lloyds Banking	13,351	2.50
833,666	Standard Chartered	6,159	1.15
		<u>52,183</u>	<u>9.76</u>

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	FINANCE AND CREDIT SERVICES – 0.95% (15.08.22 – 0.84%)		
181,703	Experian	5,070	0.95
	INVESTMENT BANKING AND BROKERAGE SERVICES – 7.87% (15.08.22 – 5.84%)		
547,194	3i	10,457	1.96
792,994	Burford Capital ¹	8,889	1.66
755,517	IG	5,119	0.96
535,921	Intermediate Capital	7,104	1.33
128,110	London Stock Exchange	10,502	1.96
		42,071	7.87
	CLOSED END INVESTMENTS – 0.45% (15.08.22 – 0.53%)		
1,628,925	Syncona ²	2,404	0.45
	OPEN END AND MISCELLANEOUS INVESTMENT VEHICLES – 1.30% (15.08.22 – 1.04%)		
156,226	iShares FTSE 250 UCITS ETF ³	2,739	0.51
1,012,438	iShares UK Property UCITS ETF ³	4,246	0.79
		6,985	1.30
	LIFE INSURANCE – 2.26% (15.08.22 – 2.90%)		
764,575	Just	634	0.12
2,667,926	Legal & General	6,032	1.13
320,079	Prudential	3,137	0.59
254,896	St. James's Place Capital	2,273	0.42
		12,076	2.26
	NON-LIFE INSURANCE – 0.00% (15.08.22 – 0.30%)	–	–
	TOTAL FINANCIALS	120,789	22.59

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	REAL ESTATE – 0.16% (15.08.22 – 0.23%)		
	REAL ESTATE INVESTMENT AND SERVICES – 0.16% (15.08.22 – 0.23%)		
101,119	Safestore	849	0.16
	TOTAL REAL ESTATE	<u>849</u>	<u>0.16</u>
	CONSUMER DISCRETIONARY – 22.12% (15.08.22 – 22.59%)		
	HOUSEHOLD GOODS AND HOME CONSTRUCTION – 4.36% (15.08.22 – 4.97%)		
935,420	Barratt Developments	4,191	0.78
238,792	Reckitt Benckiser	13,597	2.54
4,806,634	Taylor Wimpey	5,583	1.04
		<u>23,371</u>	<u>4.36</u>
	LEISURE GOODS – 0.61% (15.08.22 – 0.34%)		
28,339	Games Workshop	3,242	0.61
	PERSONAL GOODS – 5.33% (15.08.22 – 3.71%)		
703,917	Unilever	28,502	5.33
	MEDIA – 4.54% (15.08.22 – 5.13%)		
799,497	Auto Trader	4,930	0.92
593,278	Future	4,645	0.87
852,973	Informa	6,198	1.16
332,592	RELX	8,481	1.59
		<u>24,254</u>	<u>4.54</u>

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	RETAILERS – 5.06% (15.08.22 – 4.94%)		
599,618	Howden Joinery	4,547	0.85
7,926,327	JD Sports Fashion	11,838	2.21
836,029	Pets at Home	3,067	0.57
531,783	WH Smith	7,615	1.43
		<u>27,067</u>	<u>5.06</u>
	TRAVEL AND LEISURE – 2.22% (15.08.22 – 3.50%)		
216,692	Entain	2,695	0.50
17,337	Flutter Entertainment	2,430	0.46
1,379,762	SSP	3,264	0.61
99,078	Whitbread	3,466	0.65
		<u>11,855</u>	<u>2.22</u>
	TOTAL CONSUMER DISCRETIONARY	<u>118,291</u>	<u>22.12</u>
	CONSUMER STAPLES – 6.41% (15.08.22 – 8.29%)		
	BEVERAGES – 3.36% (15.08.22 – 3.79%)		
75,809	Coca-Cola Hellenic Bottling Company	1,756	0.33
486,482	Diageo	16,205	3.03
		<u>17,961</u>	<u>3.36</u>
	TOBACCO – 1.73% (15.08.22 – 3.30%)		
202,696	British American Tobacco	5,066	0.95
235,153	Imperial Brands	4,180	0.78
		<u>9,246</u>	<u>1.73</u>
	PERSONAL CARE, DRUG AND GROCERY STORES – 1.32% (15.08.22 – 1.20%)		
2,845,597	Tesco	7,057	1.32
	TOTAL CONSUMER STAPLES	<u>34,264</u>	<u>6.41</u>

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	INDUSTRIALS – 8.71% (15.08.22 – 8.95%)		
	CONSTRUCTION AND MATERIALS – 0.46% (15.08.22 – 0.66%)		
54,627	CRH	2,474	0.46
	GENERAL INDUSTRIALS – 2.31% (15.08.22 – 2.84%)		
1,053,273	Melrose Industries	5,460	1.02
222,220	Smurfit Kappa	6,889	1.29
		12,349	2.31
	INDUSTRIAL ENGINEERING – 1.03% (15.08.22 – 1.45%)		
97,011	IMI	1,495	0.28
223,744	Weir	4,030	0.75
		5,525	1.03
	INDUSTRIAL SUPPORT SERVICES – 4.91% (15.08.22 – 4.00%)		
169,601	Ashtead	9,369	1.75
1,268,927	Rentokil Initial	7,618	1.43
941,476	RS	6,944	1.30
1,500,183	Serco	2,294	0.43
		26,225	4.91
	TOTAL INDUSTRIALS	46,573	8.71
	BASIC MATERIALS – 6.05% (15.08.22 – 5.92%)		
	PRECIOUS METALS AND MINING – 6.05% (15.08.22 – 5.92%)		
449,506	Anglo American	9,102	1.70
3,477,625	Glencore	14,573	2.73
189,071	Rio Tinto	8,673	1.62
	TOTAL BASIC MATERIALS	32,348	6.05

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	ENERGY – 12.93% (15.08.22 – 11.97%)		
	OIL, GAS AND COAL – 12.93% (15.08.22 – 11.97%)		
5,022,420	BP	23,801	4.45
1,915,082	Shell	45,340	8.48
	TOTAL ENERGY	<u>69,141</u>	<u>12.93</u>
	UTILITIES – 3.86% (15.08.22 – 4.43%)		
	ELECTRICITY – 2.13% (15.08.22 – 2.28%)		
713,955	SSE	<u>11,391</u>	<u>2.13</u>
	GAS, WATER AND MULTIUTILITIES – 1.73% (15.08.22 – 2.15%)		
964,000	National Grid	<u>9,252</u>	<u>1.73</u>
	TOTAL UTILITIES	<u>20,643</u>	<u>3.86</u>
	MONEY MARKETS – 0.01% (15.08.22 – 0.01%)		
50,000	WS Canlife Sterling Liquidity ^{3,4}	<u>53</u>	<u>0.01</u>
	Portfolio of investments	527,263	98.60
	Net other assets	<u>7,487</u>	<u>1.40</u>
	Net assets	<u>534,750</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

¹ Quoted on the Alternative Investment Market (AIM).

² Closed end fund.

³ Collective investment scheme.

⁴ Related party holding (see note 12).

WS CANLIFE UK EQUITY FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	115,567	Total sales for the year £'000 (note 16)	174,304
Major purchases	Cost £'000	Major sales	Proceeds £'000
Unilever	8,711	Shell	7,534
Rentokil Initial	7,618	HSBC	6,891
Dechra Pharmaceuticals	5,528	BP	6,715
Ashtead	4,995	British American Tobacco	6,499
AstraZeneca	4,909	AstraZeneca	6,411
Tesco	4,606	Melrose Industries	6,258
Glencore	4,224	Aveva	5,365
Shell	4,169	Pets at Home	4,816
Intermediate Capital	4,011	Imperial Brands	4,786
London Stock Exchange	3,928	Auto Trader	4,777

In addition to the above, purchases totalling £16,727,000, and sales totalling £16,860,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital (losses)/gains	3		(7,449)		3,829
Revenue	4	20,975		21,360	
Expenses	5	(2,554)		(2,771)	
Interest payable and similar charges	7	(1)		-	
Net revenue before taxation		18,420		18,589	
Taxation	6	5		(2)	
Net revenue after taxation			18,425		18,587
Total return before distributions			10,976		22,416
Distributions	8		(18,425)		(18,587)
Change in net assets attributable to shareholders from investment activities			(7,449)		3,829

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders		601,534		672,222
Amounts receivable on issue of shares	6,443		48,355	
Amounts payable on redemption of shares	(83,246)		(140,476)	
		(76,803)		(92,121)
Change in net assets attributable to shareholders from investment activities		(7,449)		3,829
Retained distributions on Accumulation shares		17,468		17,604
Closing net assets attributable to shareholders		534,750		601,534

WS CANLIFE UK EQUITY FUND FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		527,263	593,476
Current assets			
Debtors	9	3,783	3,926
Cash and bank balances	10	4,811	4,642
Total assets		<u>535,857</u>	<u>602,044</u>
LIABILITIES			
Creditors			
Distribution payable	11	(180)	(163)
Other creditors	11	(927)	(347)
Total liabilities		<u>(1,107)</u>	<u>(510)</u>
Net assets attributable to shareholders		<u>534,750</u>	<u>601,534</u>

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

3. Net Capital (Losses)/Gains

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(7,452)	3,796
Transaction charges	(6)	(4)
Currency gains	9	37
Net capital (losses)/gains	<u>(7,449)</u>	<u>3,829</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	20,812	21,294
Taxable dividends	1	-
Bank interest	102	7
Stock lending revenue	60	59
Total revenue	<u>20,975</u>	<u>21,360</u>

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	2,305	2,516
Legal and professional fees	8	8
Typesetting costs	2	2
Registration and dealing fees	112	111
	2,427	2,637
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	96	103
Safe custody and other bank charges	20	21
	116	124
Other expenses:		
Audit fees	11	10
Total expenses	<u>2,554</u>	<u>2,771</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	(5)	2
Current tax (credit)/charge	(5)	2
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>(5)</u>	<u>2</u>

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	<u>18,420</u>	<u>18,589</u>
Corporation tax at 20%	3,684	3,718
Effects of:		
Non-taxable dividends	(4,162)	(4,259)
Prior year adjustment	(3)	-
Unutilised excess management expenses	<u>481</u>	<u>541</u>
Corporation tax charge	-	-
Overseas tax	<u>(5)</u>	<u>2</u>
Total tax (credit)/charge (note 6a)	<u>(5)</u>	<u>2</u>

c) Deferred tax

At the year end there is a potential deferred tax asset of £27,434,000 (15.08.22: £26,953,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	<u>1</u>	<u>-</u>
Total interest payable and similar charges	<u>1</u>	<u>-</u>

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	5,373	5,306
Final	<u>12,342</u>	<u>12,518</u>
	17,715	17,824
Add: Revenue deducted on redemption of shares	761	1,022
Deduct: Revenue received on issue of shares	<u>(51)</u>	<u>(259)</u>
Net distributions for the year	<u>18,425</u>	<u>18,587</u>

Details of the distributions per share are set out in the table on pages 402 and 403.

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	58	-
Accrued revenue:		
Non-taxable dividends	3,531	3,623
Prepaid expenses	1	1
Taxation recoverable:		
Overseas withholding tax	<u>193</u>	<u>302</u>
Total debtors	<u>3,783</u>	<u>3,926</u>

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	4,811	4,642
Total cash and bank balances	4,811	4,642

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	180	163
Other Creditors		
Amounts payable for redemption of shares	599	214
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	282	99
Typesetting costs	1	1
Registration and dealing fees	14	14
	297	114
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	12	4
Transaction charges	2	1
Safe custody and other bank charges	5	4
	19	9
Other expenses	12	10
Total other creditors	927	347

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 390 and amounts due at the year end are disclosed in notes 9 and 11.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 15,854,981 (15.08.22: 17,125,534) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 62,256,230 (15.08.22: 61,595,485) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited) held 84,334,593 (15.08.22: 95,353,207) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates	23.23% (15.08.22: 22.94%)
The Bank of New York (Nominees) Limited	70.20% (15.08.22: 71.18%)

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD.

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	53	-

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

14. Shares in Issue

	A Accumulation	C Income	C Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.75%	0.375%
Opening shares in issue	1,904,543	7,253,601	24,409,631	382,069,441
Issues	81,462	39,913	655,355	3,753,577
Redemptions	<u>(13,852)</u>	<u>(7,849)</u>	<u>(1,293,043)</u>	<u>(55,831,662)</u>
Closing shares in issue	<u>1,972,153</u>	<u>7,285,665</u>	<u>23,771,943</u>	<u>329,991,356</u>

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing mainly in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movements in foreign exchange rates. The Fund does not have any significant exposure to foreign currency risk, and therefore no foreign currency risk table or sensitivity analysis has been presented.

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 93.76% of the portfolio can be liquidated within 5 days and 99.40% within 21 working days (15.08.22: 94.71% within 5 days and 99.25% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £26,363,000 (15.08.22: £29,674,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

16. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	108,655	59	497	109,211
Collective investment schemes	6,356	–	–	6,356
Purchases total	<u>115,011</u>	<u>59</u>	<u>497</u>	<u>115,567</u>
Transaction cost % of purchases total		0.05%	0.43%	
Transaction cost % of average NAV		0.01%	0.09%	
Ordinary shares	170,481	(47)	(1)	170,433
Collective investment schemes	3,871	–	–	3,871
Sales total	<u>174,352</u>	<u>(47)</u>	<u>(1)</u>	<u>174,304</u>
Transaction cost % of sales total		0.03%	–	
Transaction cost % of average NAV		0.01%	–	

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

Average portfolio dealing spread at 15.08.23 is 0.04% (15.08.22: 0.04%).

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
15.08.22				
Ordinary shares	166,252	64	755	167,071
Collective investment schemes	25,699	-	-	25,699
Purchases total	191,951	64	755	192,770
Transaction cost % of purchases total		0.03%	0.39%	
Transaction cost % of average NAV		0.01%	0.12%	
Ordinary shares	237,822	(68)	(1)	237,753
Collective investment schemes	23,366	-	-	23,366
Sales total	261,188	(68)	(1)	261,119
Transaction cost % of sales total		0.03%	-	
Transaction cost % of average NAV		0.01%	-	

The collective investment schemes include closed end funds.

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
15.08.23				
Investment assets	527,210	53	-	527,263
15.08.22				
Investment assets	593,427	49	-	593,476

WS CANLIFE UK EQUITY FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.5658	–	0.5658	0.4165
Group 2	–	0.5658	0.5658	0.4165

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	2.3409	–	2.3409	2.0542
Group 2	0.1801	2.1608	2.3409	2.0542

C INCOME SHARES

Interim	Gross Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	0.9165	–	0.9165	0.7984
Group 2	0.0703	0.8462	0.9165	0.7984

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	2.4749	–	2.4749	2.2429
Group 2	0.5280	1.9469	2.4749	2.2429

WS CANLIFE UK EQUITY FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

C ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.1230	–	1.1230	0.9600
Group 2	0.3081	0.8149	1.1230	0.9600

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	3.0539	–	3.0539	2.6960
Group 2	1.8304	1.2235	3.0539	2.6960

G ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	1.4319	–	1.4319	1.2565
Group 2	0.3583	1.0736	1.4319	1.2565

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	3.4516	–	3.4516	3.0512
Group 2	2.2091	1.2425	3.4516	3.0512

WS CANLIFE UK EQUITY AND BOND INCOME FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife UK Equity and Bond Income Fund ('the Fund') is to provide an income and the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value in the shares of UK companies (companies incorporated or domiciled in the UK) and UK debt securities such as government and public securities, corporate bonds and convertible bonds. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

Investment in UK company shares will be in the range of 60% to 80% and investment in UK debt securities will be in the range of 20% to 40% of the assets by value. Investment outside of these ranges may be made when, in the opinion of the Investment Manager, the market conditions or market outlook are such that this would be to the advantage of the Fund. During such periods, the Fund may invest between 40% and 80% in UK company shares and 20% and 60% in UK debt securities.

The Fund may also invest up to 20% of the assets by value in money market instruments, deposits and cash.

Investment in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different industry sectors without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

WS CANLIFE UK EQUITY AND BOND INCOME FUND ACD'S REPORT continued

Benchmark

The Fund's comparator benchmark is the Bloomberg UK Large, Mid & Small Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg UK Large, Mid & Small Cap Total Return Index. The ACD believes that this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against UK equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife UK Equity and Bond Income Fund
13 December 2023

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Markets were plunged into a distressed position early in the period, following September's mass bond sell-off that was prompted by then UK-chancellor Kwasi Kwarteng's 'Growth Plan' mini-budget. The Bank of England ('BoE') was forced to intervene and engage in temporary quantitative easing to stabilise the market. Credit spreads and risk markets subsequently rallied.

The UK market recovered strongly in the last months of 2022. Almost all sectors produced positive returns, except for communications services. Stability returned in the form of a new prime minister and chancellor, Rishi Sunak and Jeremy Hunt respectively, who both set about repealing many of the measures proposed in the mini-budget.

The start of 2023 also brought positive news as the Office for National Statistics confirmed the UK had avoided a technical recession, with the domestic economy found to be more resilient than expected during the fourth quarter of 2022. Regardless, inflation would remain a key topic for investors and policymakers alike moving into 2023.

Despite the BoE's efforts, inflation has remained sticky throughout the period. During the summer of 2023, many commentators had been expecting the UK's inflationary situation to improve – but the figures continued to disappoint, with core inflation actually increasing. This forced the BoE to persist with its campaign against inflation and raise the base rate by 0.5% in June 2023, which caught many by surprise. Headline inflation had dropped from 7.9% to 6.8% between June and July, but despite this improvement, core inflation was unchanged in July.

In terms of sector performance, financial stocks led the way as bond yields and swap rates declined in tandem with declining concerns around the mini-budget, while the concerns around mortgage costs also receded somewhat. UK banks also benefitted from being held to higher accounting standards than their US and EU peers and were largely unmoved by concerns around the global banking system at the start of 2023. Elsewhere, the consumer staples sector suffered as bond yields rose. In the summer of 2023, the materials sector was challenged due to miners being negatively exposed to weak data coming out of China.

Fund Performance

The price of the C Accumulation shares of the Fund decreased by 0.22% in the 12 months to 15 August 2023 and underperformed the comparator benchmark, the Bloomberg UK Large, Mid & Small Cap Total Return Index by 1.00%.

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

Fund Activity

From a top-down perspective, our equity portfolio was the key driver of positive returns. Our allocations to energy, communications and material stocks benefited the Fund, the first of which was a direct beneficiary of the stress placed on oil prices due to Russia's invasion of Ukraine. Our real estate and infrastructure holdings underperformed over the period. Our exposure to fixed income was dragged down as rising gilt yields meant fixed income securities fell in value.

Our best equity purchase this year was taking a position in Centrica, which has finally resolved some of its structural issues, and has also benefited from the Ukraine invasion in several of its business units.

The Fund was nimble during the gilts crisis of September 2022. In particular, we bought long-dated UK index-linked gilts which we sold two weeks later with a 36% gain. We did this after prices normalised after the BoE agreed to support the market.

Following the wider fall in fixed interest, we added to duration for the first time in several years through the purchase of Northern Powergrid Yorkshire 2032, John Lewis 2034 and NIE Finance Plc 2032, Severn Trent 2036 and Motability Operations 2036.

Outlook

Global equity valuations have been driven primarily by US technology names and these are now looking relatively expensive. In the UK, equities are much less expensive but have been buffeted by strong inflationary headwinds and high interest rates. We anticipate inflation to continue moderating and believe interest rate expectations may have already peaked, with peak inflation of around 6% in the next few months.

Overall, we consider fixed income to be relatively better value than equities and accordingly have nudged our holdings in bonds higher. Cash levels in the Fund remain relatively high as interest rates are currently attractive, and it provides good optionality.

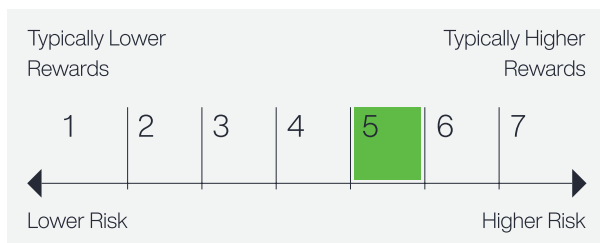
CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

31 August 2023

WS CANLIFE UK EQUITY AND BOND INCOME FUND ACD'S REPORT continued FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may invest in assets where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
FUND INFORMATION continued

Risk and Reward Profile continued

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	2,120.70	2,041.51	1,750.59
Return before operating charges*	12.16	114.07	322.36
Operating charges	(35.58)	(34.88)	(31.44)
Return after operating charges	(23.42)	79.19	290.92
Distributions	(101.10)	(98.78)	(83.06)
Retained distributions on accumulation shares	101.10	98.78	83.06
Closing net asset value per share	2,097.28	2,120.70	2,041.51
* after direct transaction costs of:	2.23	0.80	0.83

PERFORMANCE

Return after charges	(1.10)%	3.88%	16.62%
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OTHER INFORMATION

Closing net asset value (£'000)	4,360	4,449	4,687
Closing number of shares	207,867	209,774	229,569
Operating charges	1.68%	1.68%	1.69%
Direct transaction costs	0.10%	0.04%	0.04%

PRICES

Highest share price	2,237.72	2,169.83	2,046.27
Lowest share price	1,923.08	1,975.66	1,617.50

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	245.46	245.98	218.85
Return before operating charges*	1.69	13.66	39.63
Operating charges	(2.27)	(2.31)	(2.18)
Return after operating charges	(0.58)	11.35	37.45
Distributions	(11.63)	(11.87)	(10.32)
Closing net asset value per share	233.25	245.46	245.98
* after direct transaction costs of:	0.26	0.10	0.10

PERFORMANCE

Return after charges	(0.24)%	4.61%	17.11%
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OTHER INFORMATION

Closing net asset value (£'000)	7,027	7,271	377
Closing number of shares	3,012,845	2,962,143	153,405
Operating charges	0.93%	0.93%	0.94%
Direct transaction costs	0.10%	0.04%	0.04%

PRICES

Highest share price	259.27	259.23	253.60
Lowest share price	222.95	237.45	202.45

WS CANLIFE UK EQUITY AND BOND INCOME FUND ACD'S REPORT continued FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	2,270.77	2,170.19	1,851.18
Return before operating charges*	13.02	121.18	337.55
Operating charges	(21.17)	(20.60)	(18.54)
Return after operating charges	(8.15)	100.58	319.01
Distributions	(108.67)	(105.89)	(88.09)
Retained distributions on accumulation shares	108.67	105.89	88.09
Closing net asset value per share	2,262.62	2,270.77	2,170.19
* after direct transaction costs of:	2.40	0.85	0.88

PERFORMANCE

Return after charges	(0.36)%	4.63%	17.23%
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OTHER INFORMATION

Closing net asset value (£'000)	10,545	10,493	337
Closing number of shares	466,043	462,090	15,525
Operating charges	0.93%	0.93%	0.94%
Direct transaction costs	0.10%	0.04%	0.04%

PRICES

Highest share price	2,405.39	2,320.04	2,175.18
Lowest share price	2,061.68	2,101.25	1,712.25

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	2,383.10	2,267.62	1,920.53
Return before operating charges*	13.58	128.24	358.80
Operating charges	(13.40)	(12.76)	(11.71)
Return after operating charges	0.18	115.48	347.09
Distributions	(114.27)	(111.36)	(91.88)
Retained distributions on accumulation shares	114.27	111.36	91.88
Closing net asset value per share	2,383.28	2,383.10	2,267.62
* after direct transaction costs of:	2.52	0.89	0.91

PERFORMANCE

Return after charges	0.01%	5.09%	18.07%
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OTHER INFORMATION

Closing net asset value (£'000)	3,130	1,359	1,075
Closing number of shares	131,318	57,027	47,424
Operating charges	0.56%	0.55%	0.57%
Direct transaction costs	0.10%	0.04%	0.04%

PRICES

Highest share price	2,529.11	2,433.17	2,272.76
Lowest share price	2,164.98	2,197.56	1,779.02

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife UK Equity and Bond Income Fund	(0.22)	22.47	14.14
Bloomberg UK Large, Mid & Small Cap Total Return Index ¹	0.78	32.62	15.46

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 435 and 436.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 24.20% (15.08.22 – 21.79%)		
£573,417	Delamare Finance 5.546% 19/2/2029	551	2.20
£600,000	Électricité de France 6% <i>floating rate notes Perpetual</i>	555	2.22
£350,000	John Lewis 4.25% 18/12/2034	213	0.85
£230,000	M&G 5.625% 20/10/2051	203	0.81
£359,744	Mitchells & Butlers Finance 5.574% 15/12/2030	336	1.34
£350,000	Motability Operations 3.625% 10/3/2036	287	1.15
£800,000	Nationwide Building Society 5.769% <i>Perpetual</i>	741	2.96
£200,000	Nie Finance 5.875% 1/12/2032	198	0.79
£250,000	Northern Powergrid Yorkshire 4.375% 5/7/2032	223	0.89
£600,000	Phoenix 5.75% <i>floating rate notes Perpetual</i>	472	1.88
£450,000	RL Finance NO 4 4.875% 7/10/2049	327	1.31
£400,000	Rothsay Life 8% 30/10/2025	402	1.60
£320,000	Severn Trent Utilities Finance 5.25% 4/4/2036	295	1.18
£350,000	Southern Gas Network 4.875% 21/3/2029	332	1.32
£600,000	Society of Lloyd's 4.75% 30/10/2024	585	2.33
£369,298	Wellington 6.735% 15/1/2029	344	1.37
	TOTAL DEBT SECURITIES	<u>6,064</u>	<u>24.20</u>
	EQUITIES – 73.32% (15.08.22 – 75.29%)		
	TELECOMMUNICATIONS – 0.79% (15.08.22 – 0.00%)		
	TELECOMMUNICATION SERVICE PROVIDERS – 0.79% (15.08.22 – 0.00%)		
18,412	Gamma Communication	<u>197</u>	<u>0.79</u>
	TOTAL TELECOMMUNICATIONS	<u>197</u>	<u>0.79</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	HEALTH CARE – 6.68% (15.08.22 – 8.12%)		
	PHARMACEUTICALS AND BIOTECHNOLOGY – 6.68% (15.08.22 – 8.12%)		
8,566	AstraZeneca	932	3.72
53,943	GSK	743	2.96
	TOTAL HEALTH CARE	1,675	6.68
	FINANCIALS – 21.37% (15.08.22 – 19.32%)		
	BANKS – 8.07% (15.08.22 – 5.18%)		
303,463	Barclays	436	1.74
124,116	HSBC	745	2.97
935,846	Lloyds Banking	397	1.58
60,177	Standard Chartered	445	1.78
		2,023	8.07
	INVESTMENT BANKING AND BROKERAGE SERVICES – 2.04% (15.08.22 – 2.71%)		
38,910	IG	264	1.05
131,608	M&G	248	0.99
		512	2.04
	CLOSED END INVESTMENTS – 4.49% (15.08.22 – 3.44%)		
27,810	BlackRock Smaller Companies	357	1.42
317,460	CQS New City High Yield	141	0.56
178,430	HICL Infrastructure	222	0.89
177,274	International Public Partnerships	230	0.92
108,498	Invesco Bond Income Plus	175	0.70
		1,125	4.49

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	LIFE INSURANCE – 5.23% (15.08.22 – 6.21%)		
173,406	Legal and General	392	1.56
77,753	Phoenix	405	1.62
13,629	Prudential	134	0.54
42,550	St. James's Place Capital	379	1.51
		<u>1,310</u>	<u>5.23</u>
	NON-LIFE INSURANCE – 1.54% (15.08.22 – 1.78%)		
66,328	Lancashire	385	1.54
	TOTAL FINANCIALS	<u>5,355</u>	<u>21.37</u>
	REAL ESTATE – 2.15% (15.08.22 – 4.66%)		
	REAL ESTATE INVESTMENT TRUSTS – 2.15% (15.08.22 – 4.66%)		
30,555	Land Securities REIT	188	0.75
184,860	LXI REIT	169	0.68
243,628	Supermarket Income REIT	181	0.72
	TOTAL REAL ESTATE	<u>538</u>	<u>2.15</u>
	CONSUMER DISCRETIONARY – 7.98% (15.08.22 – 6.42%)		
	HOUSEHOLD GOODS AND HOME CONSTRUCTION – 1.55% (15.08.22 – 1.33%)		
36,884	Barratt Developments	165	0.66
20,809	Persimmon	223	0.89
		<u>388</u>	<u>1.55</u>
	PERSONAL GOODS – 2.23% (15.08.22 – 1.36%)		
13,830	Unilever	560	2.23

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	MEDIA – 1.46% (15.08.22 – 1.16%)		
50,253	Informa	365	1.46
	RETAILERS – 1.68% (15.08.22 – 1.39%)		
26,378	Dunelm	314	1.25
7,555	WH Smith	108	0.43
		422	1.68
	TRAVEL AND LEISURE – 1.06% (15.08.22 – 1.18%)		
21,386	GVC	266	1.06
	TOTAL CONSUMER DISCRETIONARY	2,001	7.98
	CONSUMER STAPLES – 7.98% (15.08.22 – 9.28%)		
	BEVERAGES – 2.50% (15.08.22 – 1.80%)		
18,781	Diageo	626	2.50
	TOBACCO – 1.78% (15.08.22 – 5.19%)		
5,181	British American Tobacco	129	0.51
17,909	Imperial Brands	318	1.27
		447	1.78
	PERSONAL CARE, DRUG AND GROCERY STORES – 3.70% (15.08.22 – 2.29%)		
142,309	J Sainsbury	377	1.50
222,061	Tesco	551	2.20
		928	3.70
	TOTAL CONSUMER STAPLES	2,001	7.98

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	INDUSTRIALS – 6.07% (15.08.22 – 4.42%)		
	CONSTRUCTION AND MATERIALS – 2.11% (15.08.22 – 1.33%)		
11,682	CRH	529	2.11
	AEROSPACE AND DEFENCE – 2.39% (15.08.22 – 2.42%)		
59,220	BAE Systems	600	2.39
	INDUSTRIAL SUPPORT SERVICES – 1.57% (15.08.22 – 0.67%)		
7,114	Ashtead	393	1.57
	TOTAL INDUSTRIALS	1,522	6.07
	BASIC MATERIALS – 5.40% (15.08.22 – 6.01%)		
	PRECIOUS METALS AND MINING – 5.40% (15.08.22 – 6.01%)		
23,222	BHP Billiton	521	2.08
18,146	Rio Tinto	832	3.32
	TOTAL BASIC MATERIALS	1,353	5.40
	ENERGY – 10.10% (15.08.22 – 11.42%)		
	OIL, GAS AND COAL – 10.10% (15.08.22 – 11.42%)		
248,230	BP	1,176	4.69
57,241	Shell	1,355	5.41
	TOTAL ENERGY	2,531	10.10

WS CANLIFE UK EQUITY AND BOND INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	UTILITIES – 4.80% (15.08.22 – 5.64%)		
	GAS, WATER AND MULTIUTILITIES – 4.80% (15.08.22 – 5.64%)		
475,569	Centrica	675	2.69
54,962	National Grid	528	2.11
	TOTAL UTILITIES	<u>1,203</u>	<u>4.80</u>
	TOTAL EQUITIES	<u>18,376</u>	<u>73.32</u>
	Portfolio of investments	24,440	97.52
	Net other assets	<u>622</u>	<u>2.48</u>
	Net assets	<u>25,062</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

WS CANLIFE UK EQUITY AND BOND INCOME FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 15)	6,640	Total sales for the year £'000 (note 15)	3,906
Major purchases	Cost £'000	Major sales	Proceeds £'000
HSBC	639	Severn Trent	569
Centrica	456	British American Tobacco	433
BlackRock Smaller Companies	417	UK Treasury 0.125% 22/3/2024	273
Ashtead	383	AstraZeneca	249
J Sainsbury	378	Imperial Brands	229
Southern Gas Network 4.875% 21/3/2029	344	Shell	218
Severn Trent Utilities Finance 5.25% 4/4/2036	300	Primary Health Properties	209
Motability Operations 3.625% 10/3/2036	291	BP	201
Diageo	276	National Grid	200
Unilever	234	Haleon	195

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE UK EQUITY AND BOND INCOME FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital (losses)/gains	3		(1,182)		79
Revenue	4	1,264		1,179	
Expenses	5	(252)		(250)	
Net revenue before taxation		1,012		929	
Taxation	6	21		10	
Net revenue after taxation			1,033		939
Total return before distributions			(149)		1,018
Distributions	7		(1,181)		(1,117)
Change in net assets attributable to shareholders from investment activities			(1,330)		(99)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			23,572		23,486
Amounts receivable on issue of shares		3,066		17,412	
Amounts payable on redemption of shares		(1,104)		(17,990)	
			1,962		(578)
Change in net assets attributable to shareholders from investment activities			(1,330)		(99)
Retained distributions on Accumulation shares			857		762
Unclaimed distributions	2		1		1
Closing net assets attributable to shareholders			25,062		23,572

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		24,440	22,884
Current assets			
Debtors	8	288	338
Cash and bank balances	9	671	596
Total assets		<u>25,399</u>	<u>23,818</u>
LIABILITIES			
Creditors			
Distribution payable	10	(214)	(224)
Other creditors	10	(123)	(22)
Total liabilities		<u>(337)</u>	<u>(246)</u>
Net assets attributable to shareholders		<u>25,062</u>	<u>23,572</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year. The additional distribution policy described below has also been applied to this Fund.

All expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital (Losses)/Gains

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(1,181)	79
Transaction charges	(1)	-
Net capital (losses)/gains	<u>(1,182)</u>	<u>79</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	846	870
UK property income distributions	54	29
Interest on debt securities	339	278
Bank interest	24	1
Stock lending revenue	1	1
Total revenue	<u>1,264</u>	<u>1,179</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	208	209
Legal and professional fees	8	8
Typesetting costs	2	2
Registration and dealing fees	11	11
	229	230
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	9	8
Safe custody and other bank charges	4	3
	13	11
Other expenses:		
Audit fees	10	9
Total expenses	<u>252</u>	<u>250</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	—	—
Current tax charge	—	—
Deferred tax – origination and reversal of timing differences (note 6c)	(21)	(10)
Total taxation (note 6b)	<u>(21)</u>	<u>(10)</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	1,012	929
Corporation tax at 20%	202	186
Effects of:		
Non-taxable dividends	(169)	(174)
Utilisation of excess management expenses	(54)	(22)
Corporation tax charge	(21)	(10)
Total tax credit (note 6a)	(21)	(10)
c) Deferred tax		
Provision at the start of the year	(11)	(1)
Deferred tax credit in the year (note 6a)	(21)	(10)
Provision at the end of the year	(32)	(11)

At the year end there is a potential deferred tax asset of £1,567,000 (15.08.22: £1,600,000) in relation to tax losses.

There is evidence that taxable profits may arise in future, therefore the Fund has recognised £33,000 (15.08.22: £11,000) of the deferred tax asset. Consequently the Fund has also unrecognised deferred tax asset of £1,536,000 (15.08.22: £1,590,000).

7. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	459	401
Final	747	711
	1,206	1,112

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Add: Revenue deducted on redemption of shares	16	127
Deduct: Revenue received on issue of shares	(41)	(122)
Net distributions for the year	<u>1,181</u>	<u>1,117</u>

Details of the distributions per share are set out in the table on pages 435 and 436.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	1,033	939
Allocations to capital:		
Expenses, net of tax relief	169	188
Deferred tax	(21)	(10)
	<u>148</u>	<u>178</u>
Net distributions for the year	<u>1,181</u>	<u>1,117</u>

8. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	5	80
Accrued revenue:		
Non-taxable dividends	113	145
Interest from debt securities	132	96
	245	241
Taxation recoverable:		
Overseas withholding tax	5	6
Deferred tax asset	33	11
Total debtors	<u>288</u>	<u>338</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

9. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	671	596
Total cash and bank balances	671	596

10. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	214	224
Other Creditors		
Amounts payable for redemption of shares	81	2
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	27	8
Typesetting costs	1	1
Registration and dealing fees	1	1
	29	10
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	1	-
Safe custody and other bank charges	1	-
	2	-
Other expenses	11	10
Total other creditors	123	22

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

11. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 422 and amounts due at the year end are disclosed in notes 8 and 10.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 469,724 (15.08.22: 486,674) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held none (15.08.22: none) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited or its associates) held 339,110 (15.08.22: 265,819) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Fund:

The Bank of New York (Nominees) Limited 69.66% (15.08.22: 71.95%)

12. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

13. Shares in Issue

	A Accumulation	C Income	C Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.75%	0.375%
Opening shares in issue	209,774	2,962,143	462,090	57,027
Issues	11,200	72,723	30,787	81,642
Redemptions	(13,107)	(22,021)	(26,834)	(7,351)
Closing shares in issue	<u>207,867</u>	<u>3,012,845</u>	<u>466,043</u>	<u>131,318</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

14. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of bond holdings.

Credit Quality	15.08.23 %	15.08.22 %
Investment grade debt securities	13.32	9.98
Non-investment grade debt securities	5.18	5.88
Non-rated debt securities	5.70	5.93
Other investments	73.32	75.29
Net other assets	2.48	2.92
	100.00	100.00

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes.

The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £2,000 on the direct net assets of the Fund (15.08.22: £2,000).

The table below shows the interest rate risk profile:

	15.08.23 £'000	15.08.22 £'000
Floating rate investments	1,343	1,105
Fixed rate investments	5,037	4,031
Investments on which interest is not paid	18,060	17,748
Total investments	<u>24,440</u>	<u>22,884</u>

The floating rate investments comprise securities that earn interest at rates adjusted by changes in the UK Retail Prices Index (RPI) or its international equivalents and collective investment schemes that pay UK interest distributions.

Investments on which interest is not paid include equities and collective investment schemes that do not pay UK interest distributions.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movements in foreign exchange rates. The Fund does not have any significant exposure to foreign currency risk, and therefore no foreign currency risk table or sensitivity analysis has been presented.

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 78.23% of the portfolio can be liquidated within 5 days and 100% within 21 working days (15.08.22: 83.44% within 5 days and 100% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £1,222,000 (15.08.22: £1,144,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE UK EQUITY AND BOND INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15. Portfolio Transaction Costs

15.08.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	4,312	2	21	4,335
Collective investment schemes	540	-	2	542
Debt securities	1,763	-	-	1,763
Purchases total	<u>6,615</u>	<u>2</u>	<u>23</u>	<u>6,640</u>
Transaction cost % of purchases total		0.03%	0.35%	
Transaction cost % of average NAV		0.01%	0.09%	
Ordinary shares	3,383	(1)	-	3,382
Collective investment schemes	62	-	-	62
Debt securities	462	-	-	462
Sales total	<u>3,907</u>	<u>(1)</u>	<u>-</u>	<u>3,906</u>
Transaction cost % of sales total		0.03%	-	
Transaction cost % of average NAV		-	-	

Average portfolio dealing spread at 15.08.23 is 0.28% (15.08.22: 0.31%).

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

15.08.22	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	1,610	1	7	1,618
Collective investment schemes	231	-	-	231
Debt securities	676	-	-	676
Purchases total	<u>2,517</u>	<u>1</u>	<u>7</u>	<u>2,525</u>
Transaction cost % of purchases total		0.04%	0.28%	
Transaction cost % of average NAV		-	0.02%	
Ordinary shares	2,889	(1)	-	2,888
Debt securities	176	-	-	176
Sales total	<u>3,065</u>	<u>(1)</u>	<u>-</u>	<u>3,064</u>
Transaction cost % of sales total		0.03%	-	
Transaction cost % of average NAV		-	-	

The collective investment schemes include closed end funds.

16. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

15.08.23	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	<u>18,376</u>	<u>6,064</u>	<u>-</u>	<u>24,440</u>
15.08.22	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	<u>17,748</u>	<u>5,136</u>	<u>-</u>	<u>22,884</u>

WS CANLIFE UK EQUITY AND BOND INCOME FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	39.0646	–	39.0646	35.2829
Group 2	39.0646	0.0000	39.0646	35.2829

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	62.0370	–	62.0370	63.4976
Group 2	13.1088	48.9282	62.0370	63.4976

C INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	4.5296	–	4.5296	4.3090
Group 2	0.9522	3.5774	4.5296	4.3090

Final	Net Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	7.1021	–	7.1021	7.5597
Group 2	2.0441	5.0580	7.1021	7.5597

WS CANLIFE UK EQUITY AND BOND INCOME FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

C ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	41.8884	–	41.8884	38.0448
Group 2	7.3701	34.5183	41.8884	38.0448

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	66.7861	–	66.7861	67.8451
Group 2	46.9819	19.8042	66.7861	67.8451

G ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	43.9908	–	43.9908	40.2194
Group 2	8.9674	35.0234	43.9908	40.2194

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	70.2745	–	70.2745	71.1399
Group 2	48.2299	22.0446	70.2745	71.1399

WS CANLIFE UK EQUITY INCOME FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife UK Equity Income Fund ('the Fund') is to provide an income and the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest directly and/or indirectly at least 80% of the assets by value in the shares of companies which are incorporated or domiciled in the United Kingdom. As part of the equities exposure the Fund may also invest in Real Estate Investment Trusts (REITs).

The Fund may also invest up to 20% of the assets by value in debt securities (such as corporate bonds, government and public securities), money market instruments, deposits and cash.

Investments in collective investment schemes is limited to 10% of the assets by value.

The Fund can invest across different industry sectors and market capitalisations without limitation.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

The Fund may use derivatives for the purpose of efficient portfolio management.

Benchmark

The Fund's comparator benchmark is the Bloomberg UK Large, Mid & Small Cap Total Return Index.

The Fund's performance may be compared against the Bloomberg UK Large, Mid & Small Cap Total Return Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against UK equity returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife UK Equity Income Fund
13 December 2023

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

Markets were plunged into a distressed position early in the period, following September's mass bond sell-off that was prompted by then UK-chancellor Kwasi Kwarteng's 'Growth Plan' mini-budget. The Bank of England ('BoE') was forced to intervene and engage in temporary quantitative easing to stabilise the market. Credit spreads and risk markets subsequently rallied.

The UK market recovered strongly in the last months of 2022. Almost all sectors produced positive returns, except for communications services. Stability returned in the form of a new prime minister and chancellor, Rishi Sunak and Jeremy Hunt respectively, who both set about repealing many of the measures proposed in the mini-budget.

The start of 2023 also brought positive news as the Office for National Statistics confirmed the UK had avoided a technical recession, with the domestic economy found to be more resilient than expected during the fourth quarter of 2022. Regardless, inflation would remain a key topic for investors and policymakers alike moving into 2023.

Despite the BoE's efforts, inflation has remained sticky throughout the period. During the summer of 2023, many commentators had been expecting the UK's inflationary situation to improve – but the figures continued to disappoint, with core inflation actually increasing. This forced the BoE to persist with its campaign against inflation and raise the base rate by 0.5% in June 2023, which caught many by surprise. Headline inflation dropped from 7.9% to 6.8% between June and July. Despite this improvement, core inflation was unchanged in July.

In terms of sector performance, financial stocks led the way as bond yields and swap rates declined in tandem with declining concerns around the mini-budget, while the concerns around mortgage costs also receded somewhat. UK banks also benefitted from being held to higher accounting standards than their US and EU peers and were largely unmoved by concerns around the global banking system at the start of 2023. Elsewhere, the consumer staples sector suffered as bond yields rose. In the summer of 2023, the materials sector was challenged due to mining firms being negatively affected by weak data coming out of China.

Fund Performance

The price of the C Accumulation shares of the Fund increased by 1.27% in the 12 months to 15 August 2023 and outperformed the comparator benchmark, the Bloomberg UK Large, Mid & Small Cap Total Return Index by 0.49%.

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

Fund Activity

The top five contributors on a relative basis for the year as whole were Burford, CRH, 3i, AIB and Informa.

Asset allocation was the prime driver of returns in the Fund, while our stock selection produced a modest drag on performance. Earlier in the period, relative to the benchmark, our holdings within the energy sector, alongside our underweight allocation to real estate, and our overweight allocation to materials, were our strongest-performing sector calls.

Our overweight exposure to financial stocks was detrimental going into 2023 but, late in the period, our financials position would become the main contributor to relative performance. Despite having a broadly equal weighting to the benchmark, our holdings in the communications sector have benefitted overall performance.

Overall, we refrained from making major changes to the Fund's positioning during the period. We have taken profits from holdings on a case-by-case basis. In May we trimmed exposure to housebuilders in response to the BoE's more aggressive stance on inflation, which has made mortgages more expensive and created further headwinds for housebuilders.

While we appreciate the current inflationary climate will be difficult for many, especially those with floating-rate mortgages, we feel the well-publicised negativity is overblown. Equity valuations are already reflecting this negative sentiment, which is why we are more positive about the situation than some of our peers.

Outlook

In line with our view that concerns around the UK market may be exaggerated, we have identified areas of potential interest that we will be watching over the coming quarter. While miners have experienced weakness so far in 2023, these cash-generative companies would benefit if commodity prices stabilised. Similarly, we are optimistic about the outlook for oil companies as they continue to benefit from robust oil and gas prices and are highly cash-generative.

Looking ahead, the Fund remains positioned for UK consumer resilience, but we have set exposure to risk at a reasonably low level as building higher conviction is not yet justified, in our view. While we believe the UK's situation is not as bad as the consensus – as we feel predictions of a severe recession are misplaced, we do not yet see the need to push ahead and take on more risk in the portfolio. The Fund remains positioned to reflect our view that bond yields will remain higher for longer and this should benefit the 'value' areas of the market.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

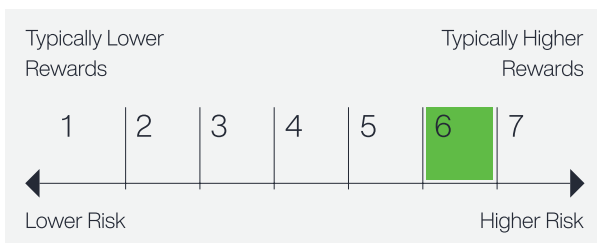
31 August 2023

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 6 because its volatility has been measured as above average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Property Investment Risk: The Fund may invest in the shares of companies that are invested in property (real estate investment trusts) rather than property itself. The value of these investments may fluctuate more than property. In unfavourable market conditions, they may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Changes in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Liquidity Risk: The Fund may hold investments where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price and the Manager may suspend dealing in the Fund.

Concentration Risk: The Fund may hold investments with a particular industry, sector or geographical focus. This means that the performance of a single industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of the Fund.

Company Bond Risk: In unfavourable market conditions, bonds issued by companies may be harder to sell in a timely manner and at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investors' redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. company shares) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	611.63	574.02	461.73
Return before operating charges*	11.43	46.78	120.31
Operating charges	(9.73)	(9.17)	(8.02)
Return after operating charges	1.70	37.61	112.29
Distributions	(26.28)	(23.56)	(21.32)
Retained distributions on accumulation shares	26.28	23.56	21.32
Closing net asset value per share	613.33	611.63	574.02
* after direct transaction costs of:	0.58	0.63	0.65

PERFORMANCE

Return after charges	0.28%	6.55%	24.32%
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OTHER INFORMATION

Closing net asset value (£'000)	101	103	100
Closing number of shares	16,432	16,812	17,388
Operating charges	1.58%	1.57%	1.57%
Direct transaction costs	0.09%	0.11%	0.13%

PRICES

Highest share price	650.76	619.69	574.98
Lowest share price	551.72	544.50	417.46

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	433.70	420.17	348.58
Return before operating charges*	8.53	34.19	90.76
Operating charges	(3.62)	(3.50)	(3.16)
Return after operating charges	4.91	30.69	87.60
Distributions	(18.60)	(17.16)	(16.01)
Closing net asset value per share	420.01	433.70	420.17
* after direct transaction costs of:	0.41	0.46	0.49

PERFORMANCE

Return after charges	1.13%	7.30%	25.13%
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OTHER INFORMATION

Closing net asset value (£'000)	16,655	17,792	634
Closing number of shares	3,965,348	4,102,400	150,798
Operating charges	0.83%	0.82%	0.82%
Direct transaction costs	0.09%	0.11%	0.13%

PRICES

Highest share price	462.97	450.48	432.56
Lowest share price	391.74	397.21	315.69

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	659.10	613.95	490.17
Return before operating charges*	12.29	50.29	128.25
Operating charges	(5.53)	(5.14)	(4.47)
Return after operating charges	6.76	45.15	123.78
Distributions	(28.43)	(25.30)	(22.70)
Retained distributions on accumulation shares	28.43	25.30	22.70
Closing net asset value per share	665.86	659.10	613.95
* after direct transaction costs of:	0.63	0.68	0.69

PERFORMANCE

Return after charges	1.03%	7.35%	25.25%
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OTHER INFORMATION

Closing net asset value (£'000)	6,508	1,933	466
Closing number of shares	977,464	293,322	75,954
Operating charges	0.83%	0.82%	0.82%
Direct transaction costs	0.09%	0.11%	0.13%

PRICES

Highest share price	704.39	666.83	614.95
Lowest share price	595.26	582.81	443.86

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	684.19	634.94	505.07
Return before operating charges*	12.77	52.17	132.40
Operating charges	(3.12)	(2.92)	(2.53)
Return after operating charges	9.65	49.25	129.87
Distributions	(29.57)	(26.21)	(23.44)
Retained distributions on accumulation shares	29.57	26.21	23.44
Closing net asset value per share	693.84	684.19	634.94
* after direct transaction costs of:	0.66	0.70	0.71

PERFORMANCE

Return after charges	1.41%	7.76%	25.71%
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OTHER INFORMATION

Closing net asset value (£'000)	165,082	212,362	229,615
Closing number of shares	23,792,513	31,038,507	36,163,222
Operating charges	0.45%	0.45%	0.45%
Direct transaction costs	0.09%	0.11%	0.13%

PRICES

Highest share price	733.12	691.71	635.95
Lowest share price	618.29	602.96	457.71

WS CANLIFE UK EQUITY INCOME FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife UK Equity Income Fund	1.27	36.39	12.94
Bloomberg UK Large, Mid & Small Cap Total Return Index ¹	0.78	32.62	15.46

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 466 and 467.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE UK EQUITY INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	TECHNOLOGY – 0.82% (15.08.22 – 0.91%)		
	SOFTWARE AND COMPUTER SERVICES – 0.82% (15.08.22 – 0.91%)		
163,031	Sage	1,552	0.82
	TOTAL TECHNOLOGY	1,552	0.82
	TELECOMMUNICATIONS – 0.00% (15.08.22 – 1.26%)		
	TELECOMMUNICATION SERVICE PROVIDERS – 0.00% (15.08.22 – 1.26%)	–	–
	HEALTH CARE – 11.96% (15.08.22 – 10.48%)		
	PHARMACEUTICALS AND BIOTECHNOLOGY – 11.96% (15.08.22 – 10.48%)		
154,228	AstraZeneca	16,774	8.91
416,851	GSK	5,741	3.05
	TOTAL HEALTH CARE	22,515	11.96
	FINANCIALS – 23.68% (15.08.22 – 22.37%)		
	BANKS – 11.07% (15.08.22 – 9.55%)		
342,313	Allied Irish Banks	1,241	0.66
3,504,540	Barclays	5,030	2.67
1,200,017	HSBC	7,204	3.82
11,529,152	Lloyds Banking	4,897	2.60
336,677	Standard Chartered	2,487	1.32
		20,859	11.07

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	INVESTMENT BANKING AND BROKERAGE SERVICES – 5.98% (15.08.22 – 3.97%)		
171,732	3i	3,282	1.74
339,104	Burford Capital ¹	3,801	2.02
153,352	IG	1,039	0.55
38,413	London Stock Exchange	3,149	1.67
		<u>11,271</u>	<u>5.98</u>
	LIFE INSURANCE – 6.11% (15.08.22 – 6.93%)		
3,181,422	Just	2,637	1.40
1,908,370	Legal & General	4,315	2.29
538,053	Phoenix	2,801	1.49
195,991	St. James's Place Capital	1,748	0.93
		<u>11,501</u>	<u>6.11</u>
	NON-LIFE INSURANCE – 0.52% (15.08.22 – 1.92%)		
170,061	Lancashire	986	0.52
	TOTAL FINANCIALS	<u>44,617</u>	<u>23.68</u>
	REAL ESTATE – 0.80% (15.08.22 – 1.11%)		
	REAL ESTATE INVESTMENT AND SERVICES – 0.80% (15.08.22 – 1.11%)		
2,027,092	Supermarket Income REIT	1,502	0.80
	TOTAL REAL ESTATE	<u>1,502</u>	<u>0.80</u>

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	CONSUMER DISCRETIONARY – 17.15% (15.08.22 – 17.67%)		
	HOUSEHOLD GOODS AND HOME CONSTRUCTION – 4.84% (15.08.22 – 5.56%)		
370,485	Barratt Developments	1,660	0.88
599,115	Crest Nicholson	1,201	0.64
85,282	Reckitt Benckiser	4,856	2.58
1,198,491	Taylor Wimpey	1,392	0.74
		<u>9,109</u>	<u>4.84</u>
	PERSONAL GOODS – 4.93% (15.08.22 – 3.77%)		
229,210	Unilever	9,281	4.93
	MEDIA – 4.76% (15.08.22 – 4.92%)		
482,771	Auto Trader	2,977	1.58
561,473	Informa	4,080	2.17
74,540	RELX	1,901	1.01
		<u>8,958</u>	<u>4.76</u>
	RETAILERS – 1.67% (15.08.22 – 1.47%)		
991,178	Halfords	1,893	1.01
340,135	Pets at Home	1,248	0.66
		<u>3,141</u>	<u>1.67</u>
	TRAVEL AND LEISURE – 0.95% (15.08.22 – 1.95%)		
143,584	Entain	1,785	0.95
	TOTAL CONSUMER DISCRETIONARY	<u>32,274</u>	<u>17.15</u>

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	CONSUMER STAPLES – 7.74% (15.08.22 – 7.64%)		
	BEVERAGES – 3.02% (15.08.22 – 2.33%)		
170,986	Diageo	5,696	3.02
	TOBACCO – 4.33% (15.08.22 – 4.53%)		
183,260	British American Tobacco	4,581	2.43
201,367	Imperial Brands	3,579	1.90
		8,160	4.33
	PERSONAL CARE, DRUG AND GROCERY STORES – 0.39% (15.08.22 – 0.78%)		
296,090	Tesco	734	0.39
	TOTAL CONSUMER STAPLES	14,590	7.74
	INDUSTRIALS – 11.42% (15.08.22 – 13.08%)		
	CONSTRUCTION AND MATERIALS – 0.92% (15.08.22 – 1.16%)		
38,422	CRH	1,740	0.92
	AEROSPACE AND DEFENCE – 2.29% (15.08.22 – 2.30%)		
424,506	BAE Systems	4,304	2.29
	INDUSTRIAL ENGINEERING – 1.28% (15.08.22 – 1.43% ²)		
77,896	Smurfit Kappa	2,415	1.28

WS CANLIFE UK EQUITY INCOME FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	INDUSTRIAL SUPPORT SERVICES – 5.45% (15.08.22 – 6.63%)		
59,098	Ashtead	3,265	1.73
3,835,429	Capita	760	0.40
748,382	Redde Northgate	2,597	1.38
981,883	Serco	1,501	0.80
175,511	Rentokil Initial	1,054	0.56
126,119	Travis Perkins	1,094	0.58
		<u>10,271</u>	<u>5.45</u>
	GENERAL INDUSTRIALS – 1.48% (15.08.22 – 1.56% ²)		
2,230,484	Coats	1,722	0.91
207,149	Melrose Industries	1,074	0.57
	TOTAL GENERAL INDUSTRIALS	<u>2,796</u>	<u>1.48</u>
	TOTAL INDUSTRIALS	<u>21,526</u>	<u>11.42</u>
	BASIC MATERIALS – 7.34% (15.08.22 – 6.62%)		
	PRECIOUS METALS AND MINING – 7.34% (15.08.22 – 6.62%)		
210,220	Anglo American	4,257	2.26
33,277	BHP Billiton	746	0.40
1,295,479	Glencore	5,429	2.88
73,889	Rio Tinto	3,389	1.80
	TOTAL BASIC MATERIALS	<u>13,821</u>	<u>7.34</u>
	ENERGY – 14.36% (15.08.22 – 13.23%)		
	OIL, GAS AND COAL – 14.36% (15.08.22 – 13.23%)		
1,898,041	BP	8,995	4.78
762,134	Shell	18,044	9.58
	TOTAL ENERGY	<u>27,039</u>	<u>14.36</u>

WS CANLIFE UK EQUITY INCOME FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	UTILITIES – 4.23% (15.08.22 – 4.17%)		
	GAS, WATER AND MULTIUTILITIES – 3.01% (15.08.22 – 4.17%)		
590,367	National Grid	5,666	3.01
	ELECTRICITY – 1.22% (15.08.22 – 0.00%)		
408,257	Drax	2,302	1.22
	TOTAL UTILITIES	7,968	4.23
	MONEY MARKETS – 0.11% (15.08.22 – 0.02%)		
190,000	WS Canlife Sterling Liquidity ^{3,4}	201	0.11
	Portfolio of investments	187,605	99.61
	Net other assets	741	0.39
	Net assets	188,346	100.00

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.

¹ Quoted on Alternative Investment Market (AIM).

² The comparative figure has been restated to be consistent with current year presentation. Melrose Industries has been reclassified from Industrial Engineering to General Industrials.

³ Collective investment scheme.

⁴ Related party holding (see note 12).

WS CANLIFE UK EQUITY INCOME FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

Total purchases for the year £'000 (note 16)	34,158	Total sales for the year £'000 (note 16)	72,008
Major purchases	Cost £'000	Major sales	Proceeds £'000
Drax	2,548	Shell	4,005
Diageo	2,251	BP	3,667
Unilever	2,053	Prudential	2,943
Lloyds Banking	2,016	Melrose Industries	2,287
Barclays	1,953	Barclays	2,285
London Stock Exchange	1,914	National Grid	2,279
Coats	1,586	Serco	2,234
Anglo American	1,542	BAE Systems	2,210
Taylor Wimpey	1,308	Lloyds Banking	2,158
Legal & General	1,211	CRH	2,118

In addition to the above, purchases totalling £1,406,000 and sales totalling £1,250,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital (losses)/gains	3		(3,545)		9,340
Revenue	4	9,048		9,307	
Expenses	5	(1,053)		(1,101)	
Interest payable and similar charges	7	—		(2)	
Net revenue before taxation		7,995		8,204	
Taxation	6	1		(1)	
Net revenue after taxation			7,996		8,203
Total return before distributions			4,451		17,543
Distributions	8		(9,015)		(9,281)
Change in net assets attributable to shareholders from investment activities			(4,564)		8,262

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			232,190		248,430
Amounts receivable on issue of shares		13,130		25,544	
Amounts payable on redemption of shares		(60,247)		(58,312)	
			(47,117)		(32,768)
Dilution levy	1(H)		37		—
Change in net assets attributable to shareholders from investment activities			(4,564)		8,262
Retained distributions on Accumulation shares			7,796		8,258
Unclaimed distributions	2		4		8
Closing net assets attributable to shareholders			188,346		232,190

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
BALANCE SHEET
as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Fixed assets			
Investments		187,605	228,843
Current assets			
Debtors	9	2,541	1,769
Cash and bank balances	10	10	2,911
Total assets		<u>190,156</u>	<u>233,523</u>
LIABILITIES			
Creditors			
Bank overdraft	10	(683)	-
Distribution payable	11	(496)	(477)
Other creditors	11	(631)	(856)
Total liabilities		<u>(1,810)</u>	<u>(1,333)</u>
Net assets attributable to shareholders		<u>188,346</u>	<u>232,190</u>

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

All expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital (Losses)/Gains

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

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(3,543)	9,343
Transaction charges	(3)	(2)
Currency gains/(losses)	1	(1)
Net capital (losses)/gains	<u>(3,545)</u>	<u>9,340</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Non-taxable dividends	8,882	9,192
Taxable dividends	1	-
UK property income distributions	135	108
Bank interest	25	1
Stock lending revenue	5	6
Total revenue	<u>9,048</u>	<u>9,307</u>

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	891	941
Legal and professional fees	8	8
Typesetting costs	2	2
Registration and dealing fees	77	77
	978	1,028
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	54	56
Safe custody and other bank charges	11	8
	65	64
Other expenses:		
Audit fees	10	9
Total expenses	<u>1,053</u>	<u>1,101</u>

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Overseas tax	(1)	1
Current tax (credit)/charge	(1)	1
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	<u>(1)</u>	<u>1</u>

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	7,995	8,204
Corporation tax at 20%	1,599	1,641
Effects of:		
Non-taxable dividends	(1,776)	(1,839)
Unutilised excess management expenses	177	198
Corporation tax charge	-	-
Overseas tax	(1)	1
Total tax (credit)/charge (note 6a)	(1)	1

c) Deferred tax

At the year end there is a potential deferred tax asset of £3,468,000 (15.08.22: £3,291,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

7. Interest Payable and Similar Charges

	15.08.23 £'000	15.08.22 £'000
Interest payable	-	2
Total interest payable and similar charges	-	2

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

8. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	3,088	2,921
Final	<u>5,456</u>	<u>6,047</u>
	8,544	8,968
Add: Revenue deducted on redemption of shares	630	556
Deduct: Revenue received on issue of shares	<u>(159)</u>	<u>(243)</u>
Net distributions for the year	<u>9,015</u>	<u>9,281</u>

Details of the distributions per share are set out in the table on pages 466 and 467.

	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	7,996	8,203
Allocations to capital:		
Expenses, net of tax relief	<u>1,019</u>	<u>1,078</u>
Net distributions for the year	<u>9,015</u>	<u>9,281</u>

9. Debtors

	15.08.23 £'000	15.08.22 £'000
Amounts receivable for issue of shares	461	121
Sales awaiting settlement	755	-
Accrued revenue:		
Non-taxable dividends	1,253	1,591

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Taxation recoverable:		
Overseas withholding tax	72	57
Total debtors	<u>2,541</u>	<u>1,769</u>

10. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	10	2,911
Total cash and bank balances	<u>10</u>	<u>2,911</u>
Bank overdraft	683	-
Total bank overdraft	<u>683</u>	<u>-</u>

11. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	<u>496</u>	<u>477</u>
Other Creditors		
Amounts payable for redemption of shares	497	794
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	103	39
Typesetting costs	1	1
Registration and dealing fees	9	10
	<u>113</u>	<u>50</u>

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

	15.08.23 £'000	15.08.22 £'000
Amounts payable to the Depository, associates of the Depository and agents of either of them:		
Depository's fees	7	2
Transaction charges	1	-
Safe custody and other bank charges	2	1
	10	3
Other expenses	11	9
Total other creditors	631	856

12. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 453 and amounts due at the year end are disclosed in notes 9 and 11.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 3,012,654 (15.08.22: 3,179,886) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 20,786,706 (15.08.22: 18,576,402) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Canada Life Asset Management Limited) held 22,444,059 (15.08.22: 29,421,143) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held in excess of 20% of the shares in issue of the Fund:

Canada Life Asset Management Limited and its associates 78.06% (15.08.22: 82.99%)

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	201	-

13. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

14. Shares in Issue

	A Accumulation	C Income	C Accumulation	G Accumulation
Annual Management Charge	1.50%	0.75%	0.75%	0.375%
Opening shares in issue	16,812	4,102,400	293,322	31,038,507
Issues	484	212,651	1,248,624	610,286
Redemptions	(864)	(349,703)	(564,482)	(7,856,280)
Closing shares in issue	16,432	3,965,348	977,464	23,792,513

15. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

As the Fund seeks to obtain its return from investing mainly in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value. Investment in collective investment schemes may provide indirect exposure to currency risk as a consequence of the movement in foreign exchange rates. The Fund does not have any significant exposure to foreign currency risk, and therefore no foreign currency table or sensitivity analysis has been presented.

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 96.51% of the portfolio can be liquidated within 5 days and 99.45% within 21 working days (15.08.22: 96.99% within 5 days and 99.53% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £9,380,000 (15.08.22: £11,442,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

16. Portfolio Transaction Costs

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
15.08.23				
Ordinary shares	33,977	12	169	34,158
Purchases total	33,977	12	169	34,158
Transaction cost % of purchases total		0.04%	0.50%	
Transaction cost % of average NAV		-	0.08%	
Ordinary shares	72,030	(22)	-	72,008
Sales total	72,030	(22)	-	72,008
Transaction cost % of sales total		0.03%	-	
Transaction cost % of average NAV		0.01%	-	

Average portfolio dealing spread at 15.08.23 is 0.05% (15.08.22: 0.07%).

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
15.08.22				
Ordinary shares	48,462	21	207	48,690
Purchases total	48,462	21	207	48,690
Transaction cost % of purchases total		0.04%	0.43%	
Transaction cost % of average NAV		0.01%	0.09%	
Ordinary shares	76,246	(23)	-	76,223
Sales total	76,246	(23)	-	76,223
Transaction cost % of sales total		0.03%	-	
Transaction cost % of average NAV		0.01%	-	

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

17. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
15.08.23				
Investment assets	187,404	201	–	187,605

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
15.08.22				
Investment assets	228,803	40	–	228,843

WS CANLIFE UK EQUITY INCOME FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	8.5026	–	8.5026	7.6101
Group 2	0.8699	7.6327	8.5026	7.6101

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	17.7739	–	17.7739	15.9474
Group 2	4.4090	13.3649	17.7739	15.9474

C INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	6.0791	–	6.0791	5.5752
Group 2	1.6279	4.4512	6.0791	5.5752

Final	Net Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	12.5192	–	12.5192	11.5840
Group 2	4.0597	8.4595	12.5192	11.5840

WS CANLIFE UK EQUITY INCOME FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

C ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	9.1728	–	9.1728	8.1487
Group 2	1.9712	7.2016	9.1728	8.1487

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	19.2563	–	19.2563	17.1463
Group 2	9.5283	9.7280	19.2563	17.1463

G ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	9.5275	–	9.5275	8.4319
Group 2	2.1689	7.3586	9.5275	8.4319

Final	Net Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	20.0440	–	20.0440	17.7809
Group 2	14.5041	5.5399	20.0440	17.7809

WS CANLIFE UK GOVERNMENT BOND FUND ACD'S REPORT

for the year ended 15 August 2023

Important Information

Refer to the 'Important Information' section on pages 17 and 18.

Investment Objective and Policy

The investment objective of the WS Canlife UK Government Bond Fund ('the Fund') is to provide an income and the potential for capital growth, over any five year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

The investment policy of the Fund is to invest, directly and/or indirectly, at least 95% of the assets by value in sterling denominated government and public securities (which have a credit rating that is the same or higher than the UK government's long term rating), of which a minimum of 80% will be invested in UK government and public securities.

The Fund may also invest directly and/or indirectly up to 5% of the assets by value in other debt securities (such as corporate bonds, non-sterling denominated bonds), money market instruments, deposits and cash.

Credit ratings are internally derived and assigned by Canada Life Asset Management. They will generally be in line with the major external rating agencies and should not be higher than the highest external rating agency rating.

The Fund may gain exposure to these assets directly by investing in securities issued by companies and governments, and indirectly by investing in other transferable securities and collective investment schemes (open and closed ended). Indirect investments may include instruments managed or advised by the ACD or the Investment Manager or their associates.

Investment in collective investment schemes is limited to 10% of the assets by value.

The Fund may use derivatives for efficient portfolio management purposes.

The Fund is in the course of being wound up and is no longer available for investment.

WS CANLIFE UK GOVERNMENT BOND FUND ACD'S REPORT continued

Benchmark

The Fund's comparator benchmark is the Markit iBoxx GBP Gilts Index.

The Fund's performance may be compared against the Markit iBoxx GBP Gilts Index. The ACD believes this is an appropriate comparator benchmark given the investment objective and policy of the Fund. The ACD considers the comparator benchmark may assist investors in evaluating the Fund's performance against UK Government bond returns. The Fund is not constrained by the benchmark and may take positions that differ significantly from the benchmark.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Canlife UK Government Bond Fund
13 December 2023

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT

for the year ended 15 August 2023

Market Commentary

At the beginning of the period, markets were upbeat due to the belief that central banks, and the US Federal Reserve ('the Fed') in particular, would cut interest rates in 2022 to prevent an otherwise-expected recession later in the year. However, at its Jackson Hole summit in August, the Fed wrongfooted markets by announcing a continuation of its monetary tightening cycle and dismissing the notion of rate cuts in 2022, short of a tangible reduction in inflation. This more explicit tone was reiterated by other central banks including the European Central Bank and Bank of England ('BoE'), with an immediate sharp re-pricing in August.

Following the UK mini-budget at the end of September 2022, yields on 2-year gilts increased from 3.5% to 4.6% in a matter of just six days. Following a mini-GBP crisis, and fuelled by subsequent liability-driven investment liquidations, yields shot up, credit spreads widened and the BoE was forced to intervene and engage in temporary quantitative easing.

Going into 2023, inflation remained a key issue and stability concerns were also provoked by a banking crisis that included the collapse of Silicon Valley Bank in the US and UBS' acquisition of Credit Suisse in Europe. These events dampened investor sentiment and sparked the indiscriminate sell-off of banking sector bonds and other financial assets. Fortunately, this fallout was largely confined to the first quarter, with little long-term contagion for bond investors to worry about.

Persistent inflationary pressures continued to force the BoE to raise rates throughout 2023 and this notably included a surprise hike of 0.5% in June. In the UK, inflation has become an internalised issue. Service sector inflation has been climbing even as global macroeconomic data has weakened. This appears to have prompted the BoE to act more aggressively, though higher rates could feed wage inflation if private sector workers are able to secure offsetting pay rises from their employers. The BoE likely needs to generate some form of slowdown, perhaps even a recession, to regain control of inflation.

Fund Performance

The price of the C Income shares of the Fund decreased by 18.43% in the 12 months to 15 August 2023 and underperformed the comparator benchmark, the Markit iBoxx GBP Gilts Index by 0.11%.

Fund Activity

Going into 2023, the Fund's positioning was close to its benchmark. The exception was that it was modestly overweight in 20-year versus 30-year bonds, in order to capture the higher yields available in the former. As the year has progressed, we have closed our short positions and brought the Fund even closer to the benchmark, as yields across the curve have risen higher.

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

INVESTMENT MANAGER'S REPORT continued

Outlook

With core inflation taking longer than many expected to decline, gilt yields will likely remain under pressure. The outlook for rates markets has deteriorated due to sticky core inflation which is, so far, proving to be more resilient than central banks had hoped. The possibility of a recession in the US and other developed markets has been pushed out to next year, driven by surprising resilience in the economy due to strong consumer spending and a tight labour market. In the near future, we expect yields to become range-bound, so in preparation we have cut our short duration exposure, with the Fund now closer to the benchmark.

The most recent 0.25% hike by the BoE in August was in line with market expectations. In its communications, the BoE's Monetary Policy Committee highlighted the impact that previous hikes have yet to make on the economy and, for the first time, was comfortable saying its policy is in restrictive territory. We expect the peak interest rate for the UK to be around 5.75%.

CANADA LIFE ASSET MANAGEMENT LIMITED

Investment Manager

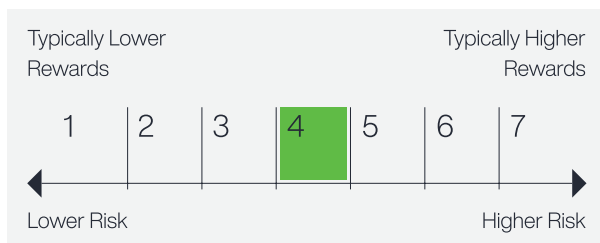
31 August 2023

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Change in Interest Rate Risk: A rise in interest rates generally causes bond prices to fall.

Credit Risk: The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

Company Bond Risk: In unfavourable market conditions, bonds may be harder to sell in a timely manner at reasonable prices, than in normal market conditions. This could have a negative impact on the value of the Fund. In extreme market conditions this could affect the Fund's ability to meet investor's redemptions.

Securities Lending Risk: The Fund may receive additional income for lending the investments it holds (e.g. bonds) to other parties. If the borrower fails to meet their obligations then the Fund may incur a financial loss.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, www.waystone.com.

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	105.42	126.00	129.79
Return before operating charges*	(19.34)	(19.31)	(2.42)
Operating charges	(1.07)	(1.27)	(1.37)
Return after operating charges	(20.41)	(20.58)	(3.79)
Distributions	(1.58)	(1.48)	(1.48)
Retained distributions on accumulation shares	1.58	1.48	1.48
Closing net asset value per share	85.01	105.42	126.00
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(19.36)%	(16.33)%	(2.92)%
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OTHER INFORMATION

Closing net asset value (£'000)	5,114	6,987	9,358
Closing number of shares	6,016,076	6,627,147	7,427,242
Operating charges	1.17% ¹	1.10%	1.09%
Direct transaction costs	-	-	-

PRICES

Highest share price	105.26	127.75	131.67
Lowest share price	82.70	100.51	119.70

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

C INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	98.41	118.39	122.76
Return before operating charges*	(18.03)	(18.16)	(2.30)
Operating charges	(0.41)	(0.43)	(0.67)
Return after operating charges	(18.44)	(18.59)	(2.97)
Distributions	(1.48)	(1.39)	(1.40)
Closing net asset value per share	78.49	98.41	118.39
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(18.74)%	(15.70)%	(2.42)%
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OTHER INFORMATION

Closing net asset value (£'000)	455	886	3,156
Closing number of shares	579,468	900,649	2,665,771
Operating charges ¹	0.48% ²	0.40%	0.56%
Direct transaction costs	-	-	-

PRICES

Highest share price	98.26	120.30	124.74
Lowest share price	77.29	94.39	112.94

¹ Effective 25 June 2021, the Annual Management Charge was reduced from 0.50% to 0.30%.

² Includes one-off expenses in relation to the wind up.

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

G ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	15.08.23 pence per share	15.08.22 pence per share	15.08.21 pence per share
Opening net asset value per share	111.83	132.53	135.36
Return before operating charges*	(20.59)	(20.39)	(2.51)
Operating charges	(0.29)	(0.31)	(0.32)
Return after operating charges	(20.88)	(20.70)	(2.83)
Distributions	(1.69)	(1.56)	(1.55)
Retained distributions on accumulation shares	1.69	1.56	1.55
Closing net asset value per share	90.95	111.83	132.53
* after direct transaction costs of:	-	-	-

PERFORMANCE

Return after charges	(18.67)%	(15.62)%	(2.09)%
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OTHER INFORMATION

Closing net asset value (£'000)	19,609	56,128	83,968
Closing number of shares	21,560,290	50,188,985	63,357,904
Operating charges	0.30% ¹	0.25%	0.24%
Direct transaction costs	-	-	-

PRICES

Highest share price	111.66	134.73	137.70
Lowest share price	87.85	106.48	125.60

¹ Includes one-off expenses in relation to the wind up.

WS CANLIFE UK GOVERNMENT BOND FUND
ACD'S REPORT continued
FUND INFORMATION continued

Fund Performance to 15 August 2023 (%)

	1 year	3 years	5 years
WS Canlife UK Government Bond Fund	(18.43)	(33.29)	(25.07)
Markit iBoxx GBP Gilts Index ¹	(18.32)	(32.11)	(22.01)

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per C Income share with income reinvested.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per share for the year are shown in the Distribution Table on pages 492 and 493.

RISK WARNING

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
	DEBT SECURITIES – 98.86% (15.08.22 – 97.18%)		
£660,000	UK Treasury 0.125% 31/1/2028	540	2.14
£1,150,000	UK Treasury 0.375% 22/10/2030	859	3.41
£330,000	UK Treasury 0.625% 22/10/2050	124	0.49
£1,150,000	UK Treasury 0.875% 22/10/2029	924	3.67
£980,000	UK Treasury 1% 22/4/2024	952	3.78
£1,310,000	UK Treasury 1.25% 22/7/2027	1,147	4.56
£1,020,000	UK Treasury 1.5% 22/7/2026	927	3.68
£900,000	UK Treasury 1.5% 22/7/2047	479	1.90
£240,000	UK Treasury 1.625% 22/10/2028	207	0.82
£1,200,000	UK Treasury 1.75% 7/9/2037	832	3.30
£820,000	UK Treasury 1.75% 22/1/2049	456	1.81
£660,000	UK Treasury 1.75% 22/7/2057	337	1.34
£1,290,000	UK Treasury 2% 7/9/2025	1,211	4.81
£600,000	UK Treasury 2.5% 22/7/2065	371	1.47
£930,000	UK Treasury 2.75% 7/9/2024	906	3.60
£570,000	UK Treasury 3.25% 22/1/2044	453	1.80
£605,000	UK Treasury 3.5% 22/1/2045	496	1.97
£740,000	UK Treasury 3.5% 22/7/2068	593	2.36
£1,070,000	UK Treasury 3.75% 22/7/2052	899	3.57
£820,000	UK Treasury 4% 22/1/2060	728	2.89
£700,000	UK Treasury 4.25% 7/12/2027	686	2.72
£1,100,000	UK Treasury 4.25% 7/6/2032	1,079	4.29
£1,000,000	UK Treasury 4.25% 7/3/2036	958	3.81
£1,000,000	UK Treasury 4.25% 7/9/2039	938	3.73
£900,000	UK Treasury 4.25% 7/12/2046	825	3.28
£900,000	UK Treasury 4.25% 7/12/2049	824	3.27
£900,000	UK Treasury 4.25% 7/12/2055	829	3.29
£1,090,000	UK Treasury 4.5% 7/9/2034	1,077	4.28
£500,000	UK Treasury 4.5% 7/12/2042	479	1.90
£900,000	UK Treasury 4.75% 7/12/2030	912	3.62

WS CANLIFE UK GOVERNMENT BOND FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT continued

as at 15 August 2023

Holding	Portfolio of Investments	Value £'000	15.08.23 %
£980,000	UK Treasury 4.75% 7/12/2038	977	3.88
£1,000,000	UK Treasury 5% 7/3/2025	996	3.96
£820,000	UK Treasury 6% 7/12/2028	870	3.46
	TOTAL DEBT SECURITIES	<u>24,891</u>	<u>98.86</u>
	MONEY MARKETS – 0.42% (15.08.22 – 0.16%)		
100,000	WS Canlife Sterling Liquidity ^{1,2}	<u>106</u>	<u>0.42</u>
	Portfolio of investments	24,997	99.28
	Net other assets	<u>181</u>	<u>0.72</u>
	Net assets	<u>25,178</u>	<u>100.00</u>

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are debt securities unless stated otherwise. All debt securities held are investment grade.

¹ Collective investment scheme.

² Related party holding (see note 11).

WS CANLIFE UK GOVERNMENT BOND FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 15 August 2023

There were no purchases during the year.

Total sales for the year £'000 **26,146**

Major sales	Proceeds £'000
UK Treasury 1.625% 22/10/2028	2,305
UK Treasury 2.25% 7/9/2023	2,182
UK Treasury 5% 7/3/2025	1,533
UK Treasury 3.5% 22/1/2045	1,313
UK Treasury 0.875% 22/10/2029	1,271
UK Treasury 3.25% 22/1/2044	1,196
UK Treasury 4.25% 7/6/2032	1,068
UK Treasury 4.25% 7/12/2027	1,054
UK Treasury 4.25% 7/3/2036	937
UK Treasury 0.75% 22/7/2023	887

In addition to the above, purchases totalling £1,470,000 and sales totalling £1,483,000 were made in short term investments during the year.

The summary of material portfolio changes represents the 10 largest sales during the year.

WS CANLIFE UK GOVERNMENT BOND FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 15 August 2023

	Notes	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Income:					
Net capital losses	3		(10,536)		(13,087)
Revenue	4	732		944	
Expenses	5	(178)		(256)	
Net revenue before taxation		554		688	
Taxation	6	–		–	
Net revenue after taxation			554		688
Total return before distributions			(9,982)		(12,399)
Distributions	7		(732)		(944)
Change in net assets attributable to shareholders from investment activities			(10,714)		(13,343)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 15 August 2023

	Note	£'000	15.08.23 £'000	£'000	15.08.22 £'000
Opening net assets attributable to shareholders			64,001		97,076
Amounts receivable on issue of shares		1,055		2,051	
Amounts payable on redemption of shares		(29,817)		(22,680)	
			(28,762)		(20,629)
Dilution levy	1(H)		9		2
Change in net assets attributable to shareholders from investment activities			(10,714)		(13,343)
Retained distributions on Accumulation shares			644		895
Closing net assets attributable to shareholders			25,178		64,001

WS CANLIFE UK GOVERNMENT BOND FUND

FINANCIAL STATEMENTS continued

BALANCE SHEET

as at 15 August 2023

	Notes	15.08.23 £'000	15.08.22 £'000
ASSETS			
Current assets			
Investments		24,997	62,297
Debtors	8	206	402
Cash and bank balances	9	64	1,387
Total assets		<u>25,267</u>	<u>64,086</u>
LIABILITIES			
Creditors			
Distribution payable	10	(4)	(6)
Other creditors	10	(85)	(79)
Total liabilities		<u>(89)</u>	<u>(85)</u>
Net assets attributable to shareholders		<u>25,178</u>	<u>64,001</u>

WS CANLIFE UK GOVERNMENT BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 15 August 2023

1. Accounting Policies

The accounting policies described on pages 44 to 47 have been applied to the financial statements of the Fund in the current and prior year.

2. Distribution Policies

The distribution policies described on page 47 have been applied to the financial statements of the Fund in the current and prior year.

The Fund has satisfied the qualifying investments test of Section 493 of the Corporation Taxes Act 2009, throughout the year. All distributions made are therefore made as gross interest distributions.

All expenses are transferred to capital for distribution purposes in line with the Fund's investment objective. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

3. Net Capital Losses

The net capital losses during the year comprise:

	15.08.23 £'000	15.08.22 £'000
Non-derivative securities	(10,535)	(13,087)
Transaction charges	(1)	-
Net capital losses	<u>(10,536)</u>	<u>(13,087)</u>

4. Revenue

	15.08.23 £'000	15.08.22 £'000
Interest on debt securities	696	928
Bank interest	11	-
Stock lending revenue	25	16
Total revenue	<u>732</u>	<u>944</u>

WS CANLIFE UK GOVERNMENT BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

5. Expenses

	15.08.23 £'000	15.08.22 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	113	184
Legal and professional fees	6	6
Typesetting costs	3	2
Registration and dealing fees	14	24
	136	216
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	15	27
Safe custody and other bank charges	4	4
	19	31
Other expenses:		
Audit fees	10	9
Wind up costs	13	-
	23	9
Total expenses	178	256

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the ACD out of its remuneration.

6. Taxation

	15.08.23 £'000	15.08.22 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	-	-
Current tax charge	-	-
Deferred tax – origination and reversal of timing differences (note 6c)	-	-
Total taxation (note 6b)	-	-

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b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (15.08.22: 20%). The difference is explained below:

	15.08.23 £'000	15.08.22 £'000
Net revenue before taxation	554	688
Corporation tax at 20%	111	138
Effects of:		
Tax deductible interest distributions	(111)	(138)
Corporation tax charge	-	-
Total tax charge (note 6a)	-	-

c) Deferred tax

There is no deferred tax asset recognised in the current or prior year.

7. Distributions

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

	15.08.23 £'000	15.08.22 £'000
Interim	418	463
Final	236	449
	654	912
Add: Revenue deducted on redemption of shares	82	35
Deduct: Revenue received on issue of shares	(4)	(3)
Net distributions for the year	732	944

Details of the distributions per share are set out in the table on pages 492 and 493.

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	15.08.23 £'000	15.08.22 £'000
Distributions represented by:		
Net revenue after taxation	554	688
Allocations to capital:		
Expenses	178	256
Net distributions for the year	<u>732</u>	<u>944</u>

8. Debtors

	15.08.23 £'000	15.08.22 £'000
Accrued revenue:		
Stock lending revenue	1	1
Interest from debt securities	205	401
	<u>206</u>	<u>402</u>
Total debtors	<u>206</u>	<u>402</u>

9. Cash and Bank Balances

	15.08.23 £'000	15.08.22 £'000
Bank balances	64	1,387
Total cash and bank balances	<u>64</u>	<u>1,387</u>

10. Creditors

	15.08.23 £'000	15.08.22 £'000
Distribution payable	<u>4</u>	<u>6</u>
Other Creditors		
Amounts payable for redemption of shares	44	58

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	15.08.23 £'000	15.08.22 £'000
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	11	7
Typesetting costs	1	1
Registration and dealing fees	1	3
	13	11
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	1	1
Transaction charges	1	-
Safe custody and other bank charges	2	-
	4	1
Other expenses	24	9
Total other creditors	85	79

11. Related Party Transactions

The Annual Management Charge and legal and professional fees payable to Waystone Management (UK) Limited ('WMUK') ('the ACD'), registration and dealing fees payable to Link Fund Administrators Limited and typesetting costs payable to Link Alternative Fund Administrators Limited (both companies are associates of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 10.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 480 and amounts due at the year end are disclosed in note 10.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 73,219 (15.08.22: 257,820) of the Fund's shares at the balance sheet date. In addition, funds which are managed by WMUK and that have Canada Life Asset Management Limited as the Investment Manager held 1,106,009 (15.08.22: 14,911,365) of the Fund's shares at the balance sheet date. These shares have also been reflected in the disclosure below.

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FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

Canada Life Asset Management Limited and its associates (including other authorised investment funds managed by Link Fund Solutions Limited or its associates) held 20,498,093 (15.08.22: 48,900,742) of the Fund's shares at the balance sheet date.

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholders held in excess of 20% of the shares in issue of the Fund:

The Bank of New York (Nominees) Limited	25.83% (15.08.22: 14.13%)
Canada Life Asset Management Limited and its associates	72.80% (15.08.22: 84.73%)

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Manager or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	15.08.23 £'000	15.08.22 £'000
ACD and Investment Manager in common	106	102

12. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (15.08.22: none).

13. Shares in Issue

	A Accumulation	C Income	G Accumulation
Annual Management Charge	1.00%	0.30%	0.15%
Opening shares in issue	6,627,147	900,649	50,188,985
Issues	107,907	73,291	955,423
Redemptions	(718,978)	(394,472)	(29,584,118)
Closing shares in issue	6,016,076	579,468	21,560,290

14. Risk Management Policies

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

WS CANLIFE UK GOVERNMENT BOND FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 15 August 2023

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are set out below:

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Manager to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. As part of its due diligence process, the ACD undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the ACD has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

The bond investments held are exposed to credit risk which reflects the ability of the issuer to meet its obligations. The ACD monitors the credit rating of bond holdings. All bonds in which the Fund invests are government securities which are lower risk.

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund takes on interest rate risk within its investment portfolio where the ACD and Investment Manager believe that the expected return compensates for the overall risk. The ACD and Investment Manager continue to monitor the level of direct interest rate risk posed by the Fund's underlying investments on a regular basis using the DV01 method. As at 15 August 2023 a one basis point change in the yield would have an impact of £23,000 on the direct net assets of the Fund (15.08.22: £70,000).

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FINANCIAL STATEMENTS continued
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The table below shows the interest rate risk profile:

	15.08.23 £'000	15.08.22 £'000
Fixed rate investments	24,891	62,195
Floating rate investment liabilities	106	102
Total investments	24,997	62,297

The floating rate investments comprise collective investment schemes that pay UK interest distributions.

(C) FOREIGN CURRENCY RISK

The revenue and capital value of the Fund's investments are denominated in Sterling and, therefore, the financial statements are not subject to the risk of currency movements. The Fund does not have any significant exposure to foreign currency risk and therefore no foreign currency risk table or sensitivity analysis has been presented.

(D) LEVERAGE

The Fund did not employ any significant leverage in the current or prior year.

(E) LIQUIDITY RISK

The main liability of the Fund is the redemption of any shares that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The ACD monitors the liquidity profile of the Fund daily.

In assessing the liquidity profile of the Fund, the ACD assesses how much of the Fund can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company's shares, the ACD utilises the lower of the 5 and 20 day average market volume of that company's shares. An in depth review takes place by assessing the liquidity profile of the Fund against a 25% market participation of the average daily volume.

Based on this analysis 100% of the portfolio can be liquidated within 5 days and 100% within 21 working days (15.08.22: 100% within 5 days and 100% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

All financial liabilities are payable in one year or less, or on demand.

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(F) MARKET PRICE RISK

Market price risk is the risk that the value of the Fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Fund holds.

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £1,250,000 (15.08.22: £3,115,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

WS CANLIFE UK GOVERNMENT BOND FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 15 August 2023

15. Portfolio Transaction Costs

Securities have been bought and sold at the dealt price with no further transaction costs added or deducted from purchases or sales respectively.

16. Fair Value Hierarchy

Investments are categorised into the following levels based on their fair value measurement:

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;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

15.08.23	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	24,891	106	–	24,997

15.08.22	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	62,195	102	–	62,297

WS CANLIFE UK GOVERNMENT BOND FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 15 August 2023 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	16.08.22	16.02.23
To	15.02.23	15.08.23

A ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.7861	–	0.7861	0.7348
Group 2	0.4522	0.3339	0.7861	0.7348

Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	0.7985	–	0.7985	0.7419
Group 2	0.7985	0.0000	0.7985	0.7419

C INCOME SHARES

Interim	Gross Revenue	Equalisation	Paid 15.04.23	Paid 15.04.22
Group 1	0.7351	–	0.7351	0.6927
Group 2	0.4754	0.2597	0.7351	0.6927

Final	Gross Revenue	Equalisation	Payable 15.10.23	Paid 15.10.22
Group 1	0.7421	–	0.7421	0.6966
Group 2	0.5686	0.1735	0.7421	0.6966

WS CANLIFE UK GOVERNMENT BOND FUND
FINANCIAL STATEMENTS continued
DISTRIBUTION TABLE continued

G ACCUMULATION SHARES

Interim	Gross Revenue	Equalisation	Allocated 15.04.23	Allocated 15.04.22
Group 1	0.8356	–	0.8356	0.7746
Group 2	0.6221	0.2135	0.8356	0.7746
Final	Gross Revenue	Equalisation	Allocation 15.10.23	Allocated 15.10.22
Group 1	0.8535	–	0.8535	0.7853
Group 2	0.2420	0.6115	0.8535	0.7853

GENERAL INFORMATION

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Structure of the Company

The Company is structured as an umbrella company in that different sub-funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new sub-fund or class, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. Investment of assets of each sub-funds must comply with the COLL Sourcebook and the investment objective and policy of the relevant sub-fund.

The sub-funds which are currently available are:

- WS Canlife Asia Pacific Fund
- WS Canlife Corporate Bond Fund
- WS Canlife European Fund
- WS Canlife Global Macro Bond Fund
- WS Canlife Global Equity Fund
- WS Canlife North American Fund
- WS Canlife Short Duration Corporate Bond Fund
- WS Canlife Sterling Short Term Bond Fund
- WS Canlife Sterling Liquidity Fund
- WS Canlife UK Equity Fund
- WS Canlife UK Equity and Bond Income Fund
- WS Canlife UK Equity Income Fund

In the future there may be other sub-funds of the Company.

Valuation Point

The current valuation point of each sub-fund of the Company is 12.00 noon (London time) on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

GENERAL INFORMATION continued

Buying and Selling Shares

The ACD will accept orders to deal in the shares on normal business days between 8.30am and 5.30pm (London time) and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell shares may be either in writing to: PO Box 389, Darlington DL1 9UF or by telephone on 0345 606 6180.

The ACD may, in relation to redemption requests of shares in WS Canlife Sterling Liquidity Fund or WS Canlife Sterling Short Term Bond Fund only, defer redemptions at a valuation point to the next valuation point where the requested redemptions exceed 10% of the sub-fund's value.

Prices

The prices of all shares are published on every dealing day on the website of the ACD: www.waystone.com. The prices of shares may also be obtained by calling 0345 606 6180 during the ACD's normal business hours.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Documents and the most recent interim and annual reports may be inspected at, and obtained from, the ACD at 2nd floor, 20-22 Bedford Row, Holborn, London, WC1R 4EB during normal business hours on any Business Day, in addition to being available at www.waystone.com.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Information about the Financial Ombudsman can be found on its website at www.financial-ombudsman.org.uk.

Data Protection Act

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

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