

Investment Fund Services

# IFSL Church House Investment Grade Fixed Interest Fund

Interim Report and Unaudited  
Financial Statements

for the six month period ended 30 September 2024

## **IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

### **CONTACT INFORMATION**

#### **Authorised Fund Manager (AFM)**

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

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

#### **Directors of IFSL**

Andrew Staley (Non-Executive)  
Allan Hamer  
Dom Clarke  
Helen Redmond  
Sally Helston  
Katherine Damsell (Independent Non-Executive)  
Sarah Peaston (Independent Non-Executive)

#### **Investment Manager**

Church House Investments Limited  
York House  
6 Coldharbour  
Sherborne  
Dorset  
DT9 4JW

Authorised and regulated by the Financial Conduct Authority.

#### **Trustee**

NatWest Trustee & Depositary Services Limited  
250 Bishopsgate  
London  
EC2M 4AA

Authorised and regulated by the Financial Conduct Authority.

#### **Administrator and Registrar (from 1 June 2024)**

SS&C Financial Services International Limited  
New Marlborough House  
55-57 Chorley New Road  
Bolton  
BL1 4QR

#### **Auditor**

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

#### **Administrator and Registrar (to 1 June 2024)**

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

## IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

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## IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

### AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 30 September 2024

#### Performance to 30 September 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Church House Investment Grade Fixed Interest Fund	3.11%	9.55%	3.00%	8.90%
IA Sterling Corporate Bond sector	2.67%	11.07%	(5.77)%	(0.47)%

External Source of Economic Data: Morningstar (Income - quoted price to quoted price, net income reinvested).

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

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

#### Investment commentary

##### Performance statement

The Fund does not have a specific benchmark. Over the six months to 30 September 2024 units in the Fund achieved a total return of 3.11% (Income units).

Over this period the IA Sterling Corporate Bond sector gained 2.67%. Whilst the Fund does not have a specific benchmark, you may want to consider its performance against this IA sector.

##### Market review

In response to moderating inflation the Bank of England reduced their base rates, which had been unchanged for a year, by 0.25% in August to 5% and the US Federal Reserve reduced their rates by 0.5% in September.

Yields on UK government bonds (Gilts) experienced a period of volatility trading in a range of 4.31% to 3.75% but ended the period almost unchanged at 4%.

At the same time appetite for credit risk remained buoyant with credit spreads, the yield premium received for investing in corporate and financial bonds over sovereign debt, tightening from 1.2% to 1.13%. The level of new issuance picked up in August/September but at £36bn year to date is well below the £44bn for the same period last year.

##### Fund performance review

Whilst we have reduced the floating rate element, it remains an important part of the Fund, and it continues to benefit from high coupons which are closely related to the level of the base rate. The interest on our AAA rated EIB 09/25 although a touch lower is still 5.963%. In May we took profits in our holding of the RAC 8.25% 2028 bonds at 109 having bought them in October at a price of 100. We also sold our Virgin Money 7.625% 2029 bond which had benefitted from the news that it was to be acquired by the more highly rated Nationwide. We replaced the bonds with a new ten-year issue from Rothesay Life at a credit spread of 2.65% which has since tightened into 2.15%.

##### Portfolio activity

The Investment Grade Fixed Interest portfolio has remained with a majority invested in short-dated bonds. This table shows the broad breakdown by life and duration at the beginning and end of the period:

<b>CH Investment Grade Fixed Interest</b>	<b>Sep-2024</b>	<b>Mar-2024</b>
Short-dated Securities (less than 7 years)	71%	73%
Medium-dated Securities (7 to 15 years)	25%	23%
Long-dated Securities (over 15 years)	4%	4%
Duration of Portfolio	3.4	3.4

See below for our top 15 top holdings in the portfolio. We are continuing to edge down the proportion held in floating rate notes (FRN), now at 12% of the portfolio from 16% at the end of March 2024. For example, we sold our holding in a CPPIBC (Canadian Govt.) FRN due to repay in 2026 and bought a fixed rate issue of theirs due to repay in 2029. The interest rate paid on the FRN will 'float' down with rates generally, now our return is fixed. The Segro 2.375% is new to the top 15 as is EIB 4% 2029.

**IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

**AUTHORISED INVESTMENT MANAGER'S REPORT**

for the six month period ended 30 September 2024

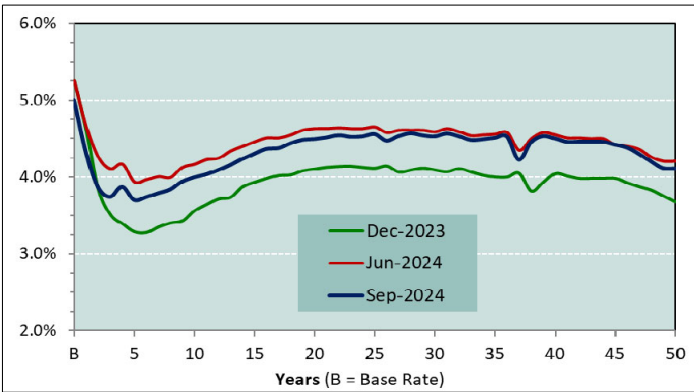
**Investment commentary (continued)**

Top 15 holdings

Standard Chartered 5.125% 06.06.34	2.03%
Societe Generale 5.75% 22.01.32	1.99%
M&G 5.625% 20.10.51	1.98%
Bank of America 7% 31.07.28	1.88%
Bank of Scotland 4.875% 20.12.24	1.77%
The Goldman Sachs Group 7.25% 10.04.28	1.77%
SSE 3.74% Perp	1.73%
International Finance 4.5% 02.10.28	1.67%
European Investment Bank FRN 08.09.25	1.58%
European Investment Bank 4% 15.02.29	1.53%
John Deere Bank 5.125% 18.10.28	1.49%
Segro 2.375% 11.10.29	1.46%
Pacific Life Global Funding II 5.375% 30.11.28	1.40%
New York Life Global Funding 4.95% 07.12.29	1.39%
European Investment Bank FRN 18.01.27	1.39%

Investment outlook

UK inflation has fallen back along with the inflation rate elsewhere in the world but there does still seem to be a perception that it is 'stickier' here. Combined with concerns that the Chancellor will seek to increase borrowing to unsustainable levels, UK interest rates for longer periods have now moved to the highest of the developed economies. This looks a shade silly and makes UK bonds, Gilts and good quality corporate debt, look cheap again. Here is our chart of UK interest rates - the level of interest rates from the Base Rate out to fifty years, with a comparison to the picture at the end of June and the turn of the year. Rates have moved down over the quarter, notably, of course, the Base Rate, bringing some relief to mortgage holders and other borrowers. Further out the moves have been quite modest but the curve still shows a clear expectation that the Base Rate will continue to fall from here:



Source: Church House, Bloomberg

Short-Term	Base Rate	SONIA*	2 years	5 years
Interest Rate	5.00%	5.0%	4.0%	3.9%
Longer-Term	10 years	20 years	30 years	50 years
Interest Rate	4.0%	4.5%	4.6%	4.1%

Source: Bloomberg. \*Sterling overnight index average

Church House Investments Limited  
21 October 2024

## IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

### AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 30 September 2024

#### Distributions

	Year 2024	Year 2023	Year 2022	Year 2021
<u>Income (pence per unit)</u>				
Net income paid last day of February	1.276371	0.939098	0.629000	0.663000
Net income paid 31 May	1.286721	1.083084	0.634000	0.634000
Net income paid 31 August	1.275631	1.193748	0.715000	0.662000
Net income paid 30 November	1.289124	1.287432	0.802000	0.662000
<u>Accumulation (pence per unit)</u>				
Net accumulation paid last day of February	2.144191	1.413214	0.991000	1.014000
Net accumulation paid 31 May	2.188044	1.713904	1.000000	0.977000
Net accumulation paid 31 August	2.194982	2.067566	1.133000	1.025000
Net accumulation paid 30 November	2.242705	2.136137	1.278000	1.035000
<u>XL Institutional Income (pence per unit)</u>				
Net income paid last day of February	1.330774	0.974415	0.665000	0.696000
Net income paid 31 May	1.339908	1.113402	0.667000	0.666000
Net income paid 31 August	2.284585	1.238613	0.750000	0.695000
Net income paid 30 November	1.344471	1.333886	0.837000	0.697000
<u>XL Institutional Accumulation (pence per unit)<sup>A</sup></u>				
Net accumulation paid last day of February	2.251177	N/A	N/A	N/A
Net accumulation paid 31 May	2.262090	N/A	N/A	N/A
Net accumulation paid 31 August	1.333721	0.367023	N/A	N/A
Net accumulation paid 30 November	2.325593	2.222268	N/A	N/A

<sup>A</sup> Units initially issued on 14 June 2023.

#### Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
European Investment Bank 4% 15.02.29	5,579,000
Bank of Scotland 4.875% 20.12.24	4,988,700
United Utilities Water Finance 5.75% 28.05.51	3,982,040
Santander UK 3.875% 15.10.29	3,775,200
Pension Insurance Corporation 6.875% 15.11.34	3,486,595
Heathrow Funding 6% 05.03.32	3,138,787
Santander UK 5.75% 02.03.27	3,061,200
Tesco Corporate Treasury Services 5.5% 27.02.35	2,988,000
Aviva 6.125% 12.09.54	2,983,200
JP Morgan Chase & Co 0.991% 28.04.26	2,875,200
Other purchases	27,783,812
Total purchases for the period	64,641,734
<u>Largest sales</u>	<u>Proceeds (£)</u>
Yorkshire Building Society 6.375% 15.11.28	4,122,000
Phoenix Group Holdings 7.75% 06.12.53	3,219,900
CPPIB Capital FRN 15.06.26	3,048,312
Santander UK FRN 12.11.24	3,003,180
Virgin Money UK 7.625% 23.08.29	2,697,250
Societe Generale 6.25% 22.06.33	2,166,520
Deutsche Pfandbriefbank 7.625% 08.12.25	2,016,000
National Australia Bank FRN 04.02.25	2,002,500
Lloyds Banking Group 6.625% 02.06.33	1,550,715
RAC Bond Co 8.25% 06.11.28	1,308,600
Total sales for the period	25,134,977

## **IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

### **AUTHORISED STATUS**

IFSL Church House Investment Grade Fixed Interest Fund (the Fund) is an authorised unit trust scheme within the meaning of the Financial Services and Markets Act 2000 and is a UCITS scheme under the Collective Investment Schemes Sourcebook (COLL) as issued by the Financial Conduct Authority.

### **GENERAL INFORMATION**

#### **Investment objective**

The investment objective of the Fund is to provide quarterly income (which is money paid out from your investment, such as interest from bonds) while maintaining capital (the value of your investment) over the long term (at least five years).

#### **Investment policy**

The Fund is actively managed, which means the Investment Manager decides which Investments to buy or sell and when.

At least 90% of the Fund is invested directly in bonds (which are loans typically issued by companies and governments), such as:

- Sterling denominated investment grade corporate bonds (including floating rate notes, which are debt instruments with a variable interest rate);
- United Kingdom Government Gilts; and
- Bonds issued by supranational organisations.

Investment grade bonds, for the purposes of this Fund are those which are rated at least BBB- (or equivalent) by a single independent rating agency at the time of purchase. For bonds which are not rated by an independent ratings agency the Investment Manager will apply a comparable quality rating to determine whether a bond should be classified as investment grade.

The Fund will aim to maintain a minimum asset allocation of 25% to AAA bonds in normal market conditions.

Up to 10% of the Fund may be invested in other assets including: higher income securities, such as preference shares and infrastructure companies; other interest bearing securities such as Treasury bills; and money market instruments (which are short-term loans).

The Fund may also use derivatives (instruments whose returns are linked to another asset or other variable factor such as exchange rates or stock markets) for the purposes of Efficient Portfolio Management, including seeking to hedge the interest rate or credit risk in the Fund. This may be achieved directly, or indirectly through exchange traded notes (ETNs).

The Fund may hold up to 10% in cash to enable the ready settlement of liabilities, for the efficient management of the portfolio or in pursuit of the Fund's investment objective.

#### **Assessing performance**

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

The Fund's investment policy puts it in the IA Sterling Corporate Bond sector. The Fund is not managed to a benchmark, however you may want to assess the Fund's performance compared to the performance of this sector.

#### **Rights and terms attaching to each unit class**

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

#### **Task force on climate-related financial disclosures**

A statement of the climate-related financial disclosures is published on the website <https://www.ifslfunds.com/tcf-reporting>.

## IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

### GENERAL INFORMATION

#### Changes in prospectus

On 9 April 2024, the Fund's investment objective and policy was updated to make it clearer to investors how the Fund is managed. This update does not change the way the Fund is managed in any way and is for clarification purposes only.

On 1 June 2024, SS&C Financial Services International Limited became the administrator and registrar of the Fund. Prior to this date the administrator and registrar was IFSL.

On 1 July 2024, the calculation method of the Annual Management Charge (AMC) and Trustee fees was changed from monthly to daily. This change will slightly vary the fees, resulting in either a small increase or decrease dependent upon how the Fund's value changes throughout a calendar month. Our aim is to ensure that the fees paid accurately reflect the amount due and any difference between the two calculation methods is expected to be minimal.

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

### DIRECTORS' STATEMENT

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



Allan Hamer  
Director



Helen Redmond  
Director

Investment Fund Services Limited  
22 November 2024



IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

COMPARATIVE TABLE

<b>Income units</b>	<b>Period to</b>	<b>Year to</b>	<b>Year to</b>	<b>Year to</b>
<b>Change in net assets per unit</b>	<b>30.09.2024</b>	<b>31.03.2024</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	105.94	103.43	111.56	116.66
Return before operating charges*	3.60	8.44	(3.66)	(1.51)
Operating charges	(0.45)	(0.89)	(0.93)	(1.00)
Return after operating charges*	3.15	7.55	(4.59)	(2.51)
Distributions on income units	(2.56)	(5.04)	(3.54)	(2.59)
Closing net asset value per unit	106.53	105.94	103.43	111.56

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 2.97% 7.30% (4.11)% (2.15)%

**Other information**

Closing net asset value	181,799,016	180,995,424	168,876,251	183,458,268
Closing number of units	170,650,929	170,852,152	163,278,983	164,451,298
Operating charges	0.84% <sup>B,C</sup>	0.85% <sup>B</sup>	0.89%	0.84%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

**Prices (pence per unit)**

Highest unit price	114.00	113.10	117.80	124.80
Lowest unit price	104.90	100.10	98.59	111.40

**Accumulation units**

<b>Change in net assets per unit</b>	<b>Period to</b>	<b>Year to</b>	<b>Year to</b>	<b>Year to</b>
	<b>30.09.2024</b>	<b>31.03.2024</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	182.16	169.20	176.66	180.63
Return before operating charges*	6.26	14.43	(5.97)	(2.44)
Operating charges	(0.77)	(1.47)	(1.49)	(1.53)
Return after operating charges*	5.49	12.96	(7.46)	(3.97)
Distributions on accumulation units	(4.44)	(8.54)	(5.54)	(4.05)
Retained distributions on accumulation units	4.44	8.54	5.54	4.05
Closing net asset value per unit	187.65	182.16	169.20	176.66

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 3.01% 7.66% (4.22)% (2.20)%

**Other information**

Closing net asset value	36,807,864	37,015,945	25,970,699	28,265,947
Closing number of units	19,614,671	20,320,444	15,349,251	16,000,502
Operating charges	0.84% <sup>B,C</sup>	0.85% <sup>B</sup>	0.89%	0.84%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

**Prices (pence per unit)**

Highest unit price	198.50	192.10	186.50	194.30
Lowest unit price	180.40	166.00	158.40	175.50

<sup>A</sup> The return after charges is calculated using the underlying investments bid prices.

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

<sup>C</sup> These figures have been annualised.

IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

COMPARATIVE TABLE

<b>XL Institutional Income units</b>	<b>Period to</b>	<b>Year to</b>	<b>Year to</b>	<b>Year to</b>
<b>Change in net assets per unit</b>	<b>30.09.2024</b>	<b>31.03.2024</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	106.96	104.27	112.36	117.38
Return before operating charges*	4.65	8.54	(3.71)	(1.54)
Operating charges	(0.33)	(0.61)	(0.71)	(0.76)
Return after operating charges*	4.32	7.93	(4.42)	(2.30)
Distributions on income units	(3.63)	(5.24)	(3.67)	(2.72)
Closing net asset value per unit	107.65	106.96	104.27	112.36

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 4.04% 7.61% (3.93)% (1.96)%

**Other information**

Closing net asset value	95,917,876	82,427,132	46,352,737	42,281,181
Closing number of units	89,102,427	77,063,796	44,452,881	37,631,350
Operating charges	0.53% <sup>B,C,D</sup>	0.58% <sup>B,C</sup>	0.68%	0.64%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

**Prices (pence per unit)**

Highest unit price	115.30	114.20	118.60	125.60
Lowest unit price	106.00	101.00	99.35	112.30

**XL Institutional Accumulation units**

<b>Change in net assets per unit</b>	<b>Period to</b>	<b>Period to</b>
	<b>30.09.2024</b>	<b>31.03.2024<sup>E</sup></b>
	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	182.83	168.40
Return before operating charges*	6.31	15.21
Operating charges	(0.49)	(0.78)
Return after operating charges*	5.82	14.43
Distributions on accumulation units	(3.66)	(7.10)
Retained distributions on accumulation units	3.66	7.10
Closing net asset value per unit	188.65	182.83

\* after direct transaction costs of: - -

**Performance**

Return after charges<sup>A</sup> 3.18% 8.57%

**Other information**

Closing net asset value	52,309,371	31,909,908
Closing number of units	27,728,724	17,453,498
Operating charges	0.53% <sup>B,C,D</sup>	0.58% <sup>B,C,D</sup>
Direct transaction costs	0.00%	0.00%

**Prices (pence per unit)**

Highest unit price	199.40	192.70
Lowest unit price	181.10	166.10

<sup>A</sup> The return after charges is calculated using the underlying investments bid prices.

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

<sup>C</sup> The annual management charge for XL Institutional units changed from 0.60% to 0.50% on 21 August 2023.

<sup>D</sup> These figures have been annualised.

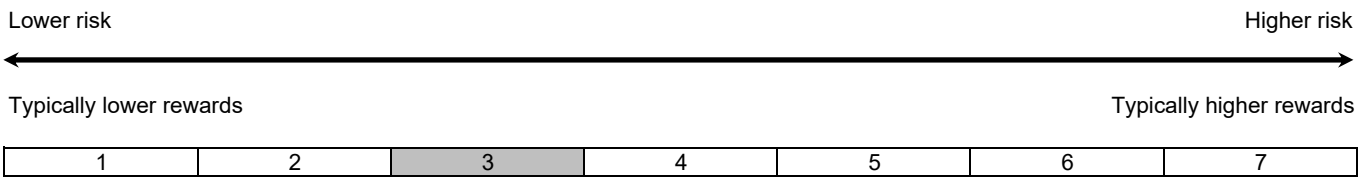
<sup>E</sup> Opening net asset value per unit on 14 June 2023 being the first day of issue.

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

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

**IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

**SYNTHETIC RISK AND REWARD INDICATOR** (all unit classes)



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

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

**IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

**PORTFOLIO STATEMENT**

as at 30 September 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
<b>DEBT SECURITIES (31 March 2024 - 93.24%)</b>		
<b>AAA to AA (31 March 2024 - 24.13%)</b>		
1,000,000 Bank of Montreal FRN 09.03.27	1,011,310	0.28
6,500,000 Bank of Scotland 4.875% 20.12.24	6,488,105	1.77
1,900,000 Barclays Bank UK FRN 13.03.29	1,901,349	0.52
5,000,000 Bayerische Landesbank 5.125% 01.06.26	5,040,750	1.37
4,000,000 CIBC FRN 15.12.25	4,030,240	1.10
1,250,000 Clydesdale Bank 4.625% 08.06.26	1,253,375	0.34
3,000,000 Clydesdale Bank FRN 22.01.27	2,988,480	0.81
3,000,000 Clydesdale Bank FRN 22.03.26	3,010,170	0.82
3,157,000 CPPIB Capital 1.125% 14.12.29	2,713,000	0.74
3,000,000 DBS Bank FRN 17.11.25	3,020,010	0.82
5,600,000 European Investment Bank 4% 15.02.29	5,599,496	1.53
5,750,000 European Investment Bank FRN 08.09.25	5,796,977	1.58
5,000,000 European Investment Bank FRN 18.01.27	5,088,050	1.39
1,500,000 HSBC FRN 25.08.27	1,507,530	0.41
4,000,000 International Bank for Rec & Dev 3.875% 02.10.28	3,990,080	1.09
6,000,000 International Finance 4.5% 02.10.28	6,118,500	1.67
3,000,000 KFW 3.75% 30.07.27	2,976,570	0.81
5,000,000 Lloyds Bank 5.125% 07.03.25	5,001,000	1.36
1,000,000 National Australia Bank FRN 15.12.25	1,007,610	0.27
4,000,000 National Westminster Bank FRN 28.03.29	4,001,120	1.09
4,000,000 Nationwide Building Society FRN 24.02.31	3,955,840	1.08
5,000,000 New York Life Global Funding 4.95% 07.12.29	5,110,900	1.39
3,000,000 Santander UK 5.75% 02.03.27	3,050,130	0.83
2,000,000 TSB Bank FRN 15.09.28	2,008,140	0.55
4,000,000 United Overseas Bank FRN 21.09.26	4,039,160	1.10
Total AAA to AA	90,707,892	24.72
<b>AA- to A+ (31 March 2024 - 6.42%)</b>		
6,400,000 Bank of America 7% 31.07.28	6,908,736	1.88
750,000 BG Energy Capital 5.125% 01.12.25	751,290	0.20
1,600,000 Land Securities Capital Markets 4.75% 18.09.31	1,600,560	0.44
5,000,000 Pacific Life Global Funding II 5.375% 30.11.28	5,140,500	1.40
4,100,000 Royal Bank of Canada 3.625% 14.06.27	3,989,013	1.09
3,000,000 Royal Bank of Canada 5% 24.01.28	3,005,220	0.82
2,500,000 Toyota Motor Finance (Netherlands) 4.75% 22.10.29	2,495,050	0.68
Total AA- to A+	23,890,369	6.51
<b>A to A- (31 March 2024 - 15.11%)</b>		
3,000,000 Caterpillar Financial Services 5.72% 17.08.26	3,061,050	0.83
10,000 Close Brothers Finance 2.75% 19.10.26	9,523	-
4,000,000 Crédit Agricole 5.375% 15.01.29	4,040,000	1.10
4,000,000 Crédit Agricole 5.75% 29.11.27	4,060,000	1.11
5,300,000 John Deere Bank 5.125% 18.10.28	5,448,612	1.49
3,000,000 JP Morgan Chase & Co 0.991% 28.04.26	2,926,770	0.80
3,000,000 KBC Group 5.5% 20.09.28	3,051,660	0.83
3,000,000 Motability Operations Group 1.75% 03.07.29	2,656,020	0.72
3,000,000 Nationwide Building Society 6.178% 07.12.27	3,079,140	0.84
3,000,000 NatWest Group 3.619% 29.03.29	2,880,000	0.79
2,000,000 NatWest Markets 6.375% 08.11.27	2,093,860	0.57
2,700,000 Rio Tinto Finance 4% 11.12.29	2,639,628	0.72
4,000,000 Santander UK 3.875% 15.10.29	3,817,600	1.04
1,000,000 Schroders 6.346% 18.07.34	1,022,050	0.28
6,000,000 Segro 2.375% 11.10.29	5,360,760	1.46
2,000,000 Societe Generale 6.25% 22.06.33	2,127,480	0.58
6,000,000 The Goldman Sachs Group 7.25% 10.04.28	6,477,900	1.77
2,000,000 UBS Group 2.25% 09.06.28	1,862,500	0.51
3,000,000 UBS Group 7% 30.09.27	3,108,750	0.85
Total A to A-	59,723,303	16.29

**IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

**PORTFOLIO STATEMENT**

as at 30 September 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
<b>DEBT SECURITIES (continued)</b>		
<b>BBB+ to BBB (31 March 2024 - 40.61%)</b>		
4,000,000 3i Group 3.75% 05.06.40	3,166,800	0.86
3,000,000 Aviva 4.375% 12.09.49	2,836,500	0.77
3,000,000 Aviva 5.125% 04.06.50	2,896,470	0.79
3,000,000 Aviva 6.125% 12.09.54	2,980,620	0.81
4,000,000 Aviva 6.875% 27.11.53	4,205,000	1.15
5,000,000 Barclays 5.851% 21.03.35	5,053,800	1.38
2,000,000 Barclays 7.09% 06.11.29	2,139,300	0.58
3,500,000 Barclays 6.369% 31.01.31	3,661,490	1.00
5,000,000 BP Capital Markets 4.25% Perp	4,837,500	1.32
3,000,000 Coventry Building Society 5.875% 12.03.30	3,058,200	0.83
2,500,000 Coventry Building Society 7% 07.11.27	2,591,225	0.71
3,078,000 Digital Stout Holding 4.25% 17.01.25	3,067,412	0.84
1,500,000 Direct Line Insurance Group 4% 05.06.32	1,276,215	0.35
2,629,000 Heathrow Funding 6.75% 03.12.28	2,728,218	0.74
1,500,000 Hiscox 6% 22.09.27	1,537,245	0.42
2,500,000 Inchcape 6.5% 09.06.28	2,579,875	0.70
4,000,000 ING Groep 6.25% 20.05.33	4,095,000	1.12
2,500,000 InterContinental Hotels Group 3.375% 08.10.28	2,359,625	0.64
3,600,000 Investec 9.125% 06.03.33	3,880,116	1.06
4,500,000 Legal & General Group 5.625% Perp	4,140,000	1.13
3,000,000 Lloyds Banking Group 6.625% 02.06.33	3,084,570	0.84
7,524,000 M&G 5.625% 20.10.51	7,266,002	1.98
1,500,000 National Gas Transmission 5.75% 05.04.35	1,519,605	0.41
1,000,000 National Grid 3.5% 16.10.26	974,270	0.27
500,000 National Grid Electricity Distribution (West Midlands) 6% 09.05.25	501,725	0.14
2,000,000 National Grid Electricity Transmission 2% 16.09.38	1,326,280	0.36
3,000,000 Northumbrian Water Finance 4.5% 14.02.31	2,790,480	0.76
2,000,000 Pension Insurance Corporation 3.625% 21.10.32	1,652,060	0.45
1,500,000 Pension Insurance Corporation 4.625% 07.05.31	1,366,125	0.37
3,500,000 Pension Insurance Corporation 6.875% 15.11.34	3,539,760	0.96
3,000,000 Phoenix Group Holdings 5.625% 28.04.31	2,907,150	0.79
2,584,000 Prudential 6.125% 19.12.31	2,694,673	0.73
2,500,000 Rothesay Life 7.019% 10.12.34	2,577,050	0.70
3,500,000 Rothesay Life 7.734% 16.05.33	3,773,805	1.03
4,000,000 Rothesay Life 5% Perp	3,240,000	0.88
4,000,000 Santander UK Group Holdings 7.098% 16.11.27	4,157,440	1.13
1,350,000 Scotland Gas Networks 3.25% 08.03.27	1,300,010	0.35
7,300,000 Societe Generale 5.75% 22.01.32	7,286,349	1.99
250,000 SSE 8.375% 20.11.28	283,170	0.08
7,740,000 Standard Chartered 5.125% 06.06.34	7,440,849	2.03
4,000,000 TRATON Finance Luxembourg 5.625% 16.01.29	4,015,960	1.10
4,000,000 United Utilities Water Finance 5.75% 28.05.51	3,852,520	1.05
1,500,000 Virgin Money UK 2.625% 19.08.31	1,426,875	0.39
4,000,000 Volkswagen Financial Services 4.25% 09.10.25	3,953,240	1.08
1,500,000 Volkswagen Financial Services 5.875% 23.05.29	1,537,575	0.42
4,000,000 Whitbread Group 2.375% 31.05.27	3,718,080	1.01
2,200,000 Whitbread Group 3% 31.05.31	1,911,008	0.52
2,250,000 Yorkshire Building Society 3.375% 13.09.28	2,112,187	0.58
3,000,000 Yorkshire Building Society 7.375% 12.09.27	3,121,230	0.85
Total BBB+ to BBB	148,420,659	40.45
<b>BBB- to Unrated (31 March 2024 - 6.97%)</b>		
4,500,000 Berkeley Group 2.5% 11.08.31	3,591,855	0.98
2,000,000 BlackStone Private Credit 4.875% 14.04.26	1,963,880	0.54
5,000,000 Deutsche Pfandbriefbank 7.625% 08.12.25	4,980,400	1.36
3,184,000 Heathrow Funding 6% 05.03.32	3,204,951	0.87
6,500,000 SSE 3.74% Perp	6,345,625	1.73
2,000,000 Tesco Corporate Treasury Services 1.875% 02.11.28	1,790,260	0.49

## IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

### PORTFOLIO STATEMENT

as at 30 September 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
<b>DEBT SECURITIES (continued)</b>		
<b>BBB- to Unrated (continued)</b>		
2,500,000 Tesco Corporate Treasury Services 5.125% 22.05.34	2,444,650	0.67
3,000,000 Tesco Corporate Treasury Services 5.5% 27.02.35	3,008,280	0.82
1,500,000 TP ICAP Finance 7.875% 17.04.30	1,618,215	0.44
Total BBB- To Unrated	28,948,116	7.90
Total Debt Securities	351,690,339	95.87
<b>CLOSED END INVESTMENTS (31 March 2024 - 1.54%)</b>		
3,455,499 GCP Infrastructure Investments	2,705,656	0.74
1,125,000 HICL Infrastructure	1,480,500	0.40
1,000,000 International Public Partnerships	1,270,000	0.35
Total Closed End Investments	5,456,156	1.49
<b>COLLECTIVE INVESTMENT SCHEMES (31 March 2024 - 0.67%)</b>		
40,000 WisdomTree Gilts 10Y 3x Daily Short ETF	2,253,200	0.61
Total Collective Investment Schemes	2,253,200	0.61
<b>Portfolio of investments</b>	359,399,695	97.97
<b>Net other assets</b>	7,434,432	2.03
<b>Total net assets</b>	366,834,127	100.00

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

### Portfolio split by investment grade

Investments of investment grade	351,690,339	95.87
Investments below investment grade	-	-
Unrated	-	-
<b>Debt securities</b>	351,690,339	95.87
<b>Other investments</b>	7,709,356	2.10
<b>Net other assets</b>	7,434,432	2.03
<b>Total net assets</b>	366,834,127	100.00

### PORTFOLIO TRANSACTIONS

for the six month period ended 30 September 2024

	£
Total purchases costs, including transaction charges	64,641,734
Total sales proceeds, net of transaction charges	25,134,977

**IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND**

**STATEMENT OF TOTAL RETURN**

for the six month period ended 30 September 2024

	<b>30 September 2024</b>		<b>30 September 2023</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income:				
Net capital gains/(losses)		2,820,352		(2,721,045)
Revenue	9,419,708		6,443,112	
Expenses	<u>(1,300,587)</u>		<u>(973,771)</u>	
Net revenue before taxation		8,119,121		5,469,341
Taxation		<u>-</u>		<u>-</u>
Net revenue after taxation		<u>8,119,121</u>		<u>5,469,341</u>
Total return before distributions		10,939,473		2,748,296
Distributions		(8,759,173)		(5,952,658)
Change in net assets attributable to unitholders from investment activities		<u><u>2,180,300</u></u>		<u><u>(3,204,362)</u></u>

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

for the six month period ended 30 September 2024

	<b>30 September 2024</b>		<b>30 September 2023</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Opening net assets attributable to unitholders		<sup>A</sup> 332,348,409		241,199,687
Amount receivable on issue of units	63,199,332		33,850,461	
Amounts payable on cancellation of units	(33,059,036)		(22,713,356)	
Amounts receivable on unit class conversions	<u>122</u>		<u>3</u>	
		30,140,418		11,137,108
Change in net assets attributable to unitholders from investment activities		2,180,300		(3,204,362)
Retained distribution on accumulation units		2,165,000		711,042
Closing net assets attributable to unitholders		<u><u>366,834,127</u></u>		<sup>A</sup> <u><u>249,843,475</u></u>

<sup>A</sup> These figures are not the same as the comparatives are taken from the preceding interim period and not the last annual accounts.

## IFSL CHURCH HOUSE INVESTMENT GRADE FIXED INTEREST FUND

### BALANCE SHEET

as at 30 September 2024

	30 September 2024	31 March 2024
	£	£
<b>Assets:</b>		
<b>Fixed Assets:</b>		
Investments	359,399,695	317,229,963
<b>Current Assets:</b>		
Debtors	9,400,115	20,205,745
Cash and bank balances	5,661,655	472,804
Total assets	<u>374,461,465</u>	<u>337,908,512</u>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	2,207,338	1,262,405
Distribution payable on income units	3,397,860	3,230,975
Other creditors	2,022,140	1,066,723
Total liabilities	<u>7,627,338</u>	<u>5,560,103</u>
<b>Net assets attributable to unitholders</b>	<u>366,834,127</u>	<u>332,348,409</u>

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 30 September 2024

#### Basis for preparation

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

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

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

#### Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2024 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 30 September 2024.



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member of The Investment Association.

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