

IFSL Church House Esk Global Equity Fund

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

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

CONTACT INFORMATION

Authorised Fund Manager (AFM) and Registrar

Investment Fund Services Limited (IFSL)
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Bolton
BL1 4QP

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

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

Investment Manager

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

Authorised and regulated by the Financial Conduct Authority.

Trustee

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

Authorised and regulated by the Financial Conduct Authority.

Auditor

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

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

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IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 March 2023

Performance to 31 March 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Church House ESK Global Equity Fund	9.32%	(0.50)%	49.96%	63.72%
IA Global sector	6.31%	(2.84)%	47.70%	50.48%

External Source of Economic Data: Morningstar (B 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

Over the final calendar quarter of 2022, the Fund felt the negative impact of the recovery in Sterling, though this was a positive for the year. We did not make any changes to the portfolio over the quarter but there was plenty of movement at the underlying stock level.

Nidec, the Japanese manufacturer of miniature electric motors, fell back with concerns over the industrial sector though Paccar, the US trucks manufacturer was a notable gainer. The pharmaceutical holdings were mixed with weakness in Roche Holding and their Japanese affiliate, Chugai Pharmaceutical, but good gains for Gilead Sciences after an encouraging profit forecast, and for Stryker. Most of the poor returns for the quarter came from the big tech stocks: Alphabet, Amazon and Apple. Though, again, the sector was mixed, and we saw strong gains for Mastercard and Oracle. The financials in the portfolio put in a strong performance all round, led by a 30% gain for Sumitomo Mitsui as Japanese rates finally showed some signs of increasing, and a 26% gain for Everest RE in a strong period for the re-insurers.

There was strong performance from the consumer discretionary holdings (except for Amazon), LVMH particularly along with Hermès and McDonald's. Mastercard became the fourth largest holding in the portfolio while Alphabet slipped down the list. With a recovery underway in equity markets, the holdings in staple goods companies were some of the quietest: Nestlé were barely changed, as were L'Oréal, while Heineken slipped after warning that they see signs of weakness in demand and Remy Cointreau drifted, worrying about Chinese demand for brandy (which should now change).

The first calendar quarter of 2023 saw the emergence of a 'banking crisis' starting in California with Silicon Valley Bank and spreading to Europe with the demise of Credit Suisse. The Fund does not have exposure to any secondary/regional banks in the US or Europe. We hold Morgan Stanley in America, Sumitomo Mitsui Financial Group (SMFG) and Nomura Holdings in Japan. Morgan Stanley and SMFG were flat over the quarter, both had been up quite markedly, Nomura Holdings is a new position that we are in the process of building.

The principal detractors from performance over the quarter were two of our major pharmaceutical holdings, Johnson & Johnson (J&J) and Roche Holding. J&J sank after a federal appeal court ruled that it may not use corporate bankruptcy laws to speed up the progress of lawsuits against its baby powder, while Roche profits missed expectations, continuing a run of poor form from them. Both stocks are looking lowly rated and good long-term value at current levels. Nordson reported (uncharacteristically) dull Q1 figures along with a reduction in their forecasts for the year and their stock fell 10% over the period. In the opposite direction, Shin-Etsu Chemical jumped 27% as they reported strong figures and raised their full-year guidance.

Two of the smaller Pharmaceutical holdings, Lonza Group and Straumann Holdings, both gained circa. 20% after encouraging earnings reports, while our biggest holding here, Stryker Corp, gained 14% after saying that they expect to see good momentum in 2023. Staple Goods saw a 20% gain for L'Oréal after good figures, while luxury led the way in Consumer Discretionary with strong gains for Hermès and LVMH; we have reduced the former a shade following its recent performance, Amazon.com and Sony Group were also strong. Technology saw gains across the board, Ansys was a feature with a 30% gain after robust results and strong full-year forecast.

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

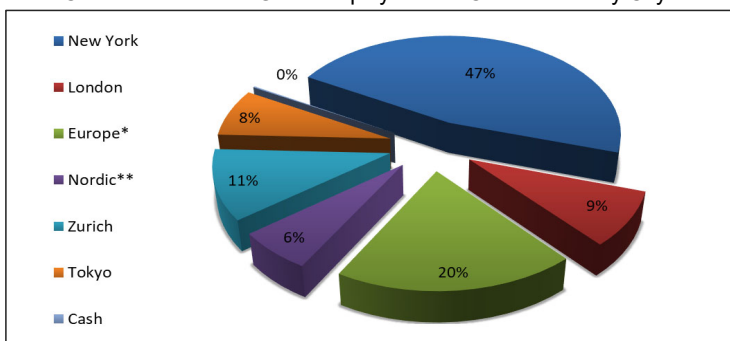
for the six month period ended 31 March 2023

Top 15 holdings as at 31 March 2023:

Microsoft	4.50%
LVMH Moët Hennessy Louis Vuitton	4.32%
Alphabet 'A'	3.58%
Mastercard 'A'	3.32%
Apple	3.29%
Stryker	3.29%
L'Oréal	3.11%
Johnson & Johnson	2.96%
RELX	2.87%
Oracle	2.69%
Nestlé	2.69%
Hermès International	2.55%
Investor	2.51%
Morgan Stanley	2.51%
Unilever	2.48%

The pie chart of the international disposition of the Fund's portfolio is shown below:

IFSL Church House Esk Global Equity Fund - Constituents by City of Listing – 31 March 2023



Source: Church House Investments Limited

* Amsterdam, Milan, Paris, Frankfurt

** Copenhagen, Stockholm

Church House Investments Limited

28 April 2023

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>A Income (pence per unit)</u>				
Net income paid 31 May	0.1570	-	0.0230	0.4060
Net income paid 30 November		1.0160	1.0940	0.5460
<u>A Accumulation (pence per unit)</u>				
Net accumulation paid 31 May	0.1989	-	0.0530	0.4020
Net accumulation paid 30 November		1.0370	0.8460	0.4910
<u>B Income (pence per unit)</u>				
Net income paid 31 May	0.8742	0.5790	0.6700	0.9560
Net income paid 30 November		1.8830	1.8180	1.1350
<u>B Accumulation (pence per unit)</u>				
Net accumulation paid 31 May	0.9588	0.6200	0.7150	1.0370
Net accumulation paid 30 November		2.0350	1.9680	1.2120

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 31 March 2023

Portfolio changes

<u>Purchases</u>	<u>Cost (£)</u>
Nomura Holdings	597,792
Total purchases for the period	597,792
<u>Sales</u>	<u>Proceeds (£)</u>
Nidec	596,215
Hermès International	243,585
Total sales for the period	839,800

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

AUTHORISED STATUS

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

GENERAL INFORMATION

Investment objective

The investment objective of the Fund is to provide capital growth over the long term (at least five years).

Investment policy

The Fund is actively managed. At least 80% of the Fund's assets are invested directly in shares of companies worldwide. The focus of the Fund is on larger capitalisation companies, which the Investment Manager defines as those with a minimum market capitalisation of \$5bn at the time of purchase, which must be listed on recognised exchanges in developed markets. No specific geographic limitations are imposed, but a maximum of 15% is invested in companies incorporated in the UK. Up to 20% of the Fund may be invested in other assets: smaller companies (capitalisation less than \$5bn), fixed interest securities (including floating rate notes, index linked or convertible fixed interest securities), money market instruments and cash.

Benchmark

Unitholders may compare the performance of the Fund against the IA Global sector.

Comparison of the Fund's performance against this benchmark will give unitholders an indication of how the Fund is performing against other similar funds in this peer group sector. The Authorised Fund Manager (AFM) has selected this comparator benchmark as the AFM believes it best reflects the asset allocation of the Fund.

The benchmark is not a target for the Fund, nor is the Fund constrained by the benchmark.

Rights and terms attaching to each unit class

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

Changes in prospectus

There have been no significant changes since the last annual report.

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
25 May 2023

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

COMPARATIVE TABLE

<u>A Income units</u>	Period to	Year to	Year to	Year to
Change in net assets per unit	31.03.2023	30.09.2022	30.09.2021	30.09.2020
	pence	pence	pence	pence
Opening net asset value per unit	363.04	397.81	331.85	300.80
Return before operating charges*	39.62	(28.54)	71.92	36.02
Operating charges	(2.52)	(5.21)	(4.84)	(4.02)
Return after operating charges*	37.10	(33.75)	67.08	32.00
Distributions on income units	(0.16)	(1.02)	(1.12)	(0.95)
Closing net asset value per unit	399.98	363.04	397.81	331.85

* after direct transaction costs of: 0.01 0.07 0.06 0.17

Performance

Return after charges^A 10.22% (8.48)% 20.21% 10.64%

Other information

Closing net asset value (£)	18,101,938	17,083,546	17,691,379	14,323,341
Closing number of units	4,525,711	4,705,743	4,447,191	4,316,231
Operating charges	1.33% ^B	1.32%	1.32%	1.32%
Direct transaction costs	0.00% ^B	0.02%	0.02%	0.06%

Prices (pence per unit)

Highest unit price	411.00	432.40	438.80	340.60
Lowest unit price	358.00	345.50	322.40	249.10

A Accumulation units

Change in net assets per unit	Period to	Year to	Year to	Year to
	31.03.2023	30.09.2022	30.09.2021	30.09.2020
	pence	pence	pence	pence
Opening net asset value per unit	377.14	412.13	343.23	310.20
Return before operating charges*	41.18	(29.58)	73.97	37.22
Operating charges	(2.61)	(5.41)	(5.07)	(4.19)
Return after operating charges*	38.57	(34.99)	68.90	33.03
Distributions on accumulation units	(0.20)	(1.04)	(0.90)	0.89
Retained distributions on accumulation units	0.20	1.04	0.90	(0.89)
Closing net asset value per unit	415.71	377.14	412.13	343.23

* after direct transaction costs of: 0.01 0.07 0.06 0.18

Performance

Return after charges^A 10.23% (8.49)% 20.07% 10.65%

Other information

Closing net asset value (£)	303,926	34,924	46,802	248,228
Closing number of units	73,110	9,260	11,356	72,320
Operating charges	1.33% ^B	1.32%	1.32%	1.32%
Direct transaction costs	0.00% ^B	0.02%	0.02%	0.06%

Prices (pence per unit)

Highest unit price	426.90	447.90	453.80	351.70
Lowest unit price	372.10	358.00	333.40	256.90

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

^B These figures have been annualised.

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

COMPARATIVE TABLE

B Income units	Period to 31.03.2023	Year to 30.09.2022	Year to 30.09.2021	Year to 30.09.2020
Change in net assets per unit	pence	pence	pence	pence
Opening net asset value per unit	363.34	398.16	332.12	301.05
Return before operating charges*	39.67	(28.61)	71.98	36.03
Operating charges	(1.81)	(3.75)	(3.45)	(2.87)
Return after operating charges*	37.86	(32.36)	68.53	33.16
Distributions on income units	(0.87)	(2.46)	(2.49)	(2.09)
Closing net asset value per unit	400.33	363.34	398.16	332.12

* after direct transaction costs of: 0.01 0.07 0.06 0.17

Performance

Return after charges^A 10.42% (8.13)% 20.63% 11.01%

Other information

Closing net asset value (£)	36,168,412	33,819,767	36,705,218	32,317,340
Closing number of units	9,034,706	9,308,148	9,218,753	9,730,755
Operating charges	0.95% ^B	0.94%	0.94%	0.94%
Direct transaction costs	0.00% ^B	0.02%	0.02%	0.06%

Prices (pence per unit)

Highest unit price	411.90	433.10	439.80	341.40
Lowest unit price	358.30	346.20	322.70	349.70

B Accumulation units

Change in net assets per unit	Period to 31.03.2023	Year to 30.09.2022	Year to 30.09.2021	Year to 30.09.2020
	pence	pence	pence	pence
Opening net asset value per unit	392.32	427.08	353.96	318.62
Return before operating charges*	42.89	(30.75)	76.82	38.37
Operating charges	(1.96)	(4.01)	(3.70)	(3.03)
Return after operating charges*	40.93	(34.76)	73.12	35.34
Distributions on accumulation units	(0.96)	(2.66)	(2.68)	(2.25)
Retained distributions on accumulation units	0.96	2.66	2.68	2.25
Closing net asset value per unit	433.25	392.32	427.08	353.96

* after direct transaction costs of: 0.01 0.08 0.07 0.17

Performance

Return after charges^A 10.43% (8.14)% 20.66% 11.09%

Other information

Closing net asset value (£)	9,249,989	8,086,915	8,345,563	4,756,855
Closing number of units	2,135,003	2,061,292	1,954,104	1,343,880
Operating charges	0.95% ^B	0.94%	0.94%	0.94%
Direct transaction costs	0.00% ^B	0.02%	0.02%	0.06%

Prices (pence per unit)

Highest unit price	444.70	464.50	469.60	362.60
Lowest unit price	387.10	371.90	344.00	264.30

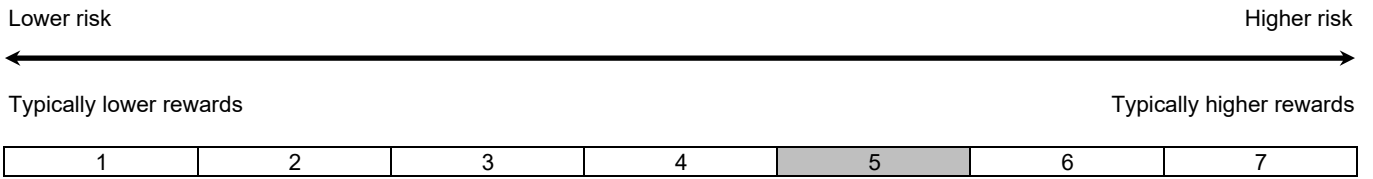
^A The return after charges is calculated using the underlying investments bid prices.

^B These figures have been annualised.

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

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

SYNTHETIC RISK AND REWARD INDICATOR



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 5 because its investments have experienced moderate to high volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
UNITED KINGDOM EQUITIES (30 September 2022 - 9.15%)		
16,250 Caledonia Investments	549,250	0.86
4,400 Everest Re Group	1,266,276	1.98
70,000 RELX	1,829,073	2.87
27,500 Rio Tinto	1,496,275	2.34
37,500 Unilever	1,585,398	2.48
37,500 Unilever Nil Paid Rights	-	-
Total United Kingdom Equities	6,726,272	10.53
EUROPEAN EQUITIES (30 September 2022 - 34.94%)		
21,000 Euronext	1,290,372	2.02
6,000 Ferrari	1,309,555	2.05
35,000 GN Store Nord	633,107	0.99
17,500 Heineken	1,529,043	2.40
1,000 Hermès International	1,629,697	2.55
45,000 Industrivarden	978,468	1.53
100,000 Investor	1,602,519	2.51
15,000 Logitech International	690,946	1.08
1,500 Lonza Group	719,482	1.13
5,500 L'Oréal	1,984,687	3.11
3,750 LVMH Moët Hennessy Louis Vuitton	2,754,478	4.32
17,500 Nestlé	1,717,633	2.69
20,000 Novozymes 'B'	825,433	1.29
7,000 Rémy Cointreau	1,033,503	1.62
6,250 Roche Holding	1,435,342	2.25
3,400 Sartorius	924,242	1.45
10,000 Straumann Holding	1,190,329	1.87
15,000 Swiss Re	1,239,211	1.94
Total European Equities	23,488,047	36.80
UNITED STATES EQUITIES (30 September 2022 - 45.81%)		
28,000 Alphabet 'A'	2,282,311	3.58
19,000 Amazon.com	1,565,907	2.45
5,000 Ansys	1,316,970	2.06
16,000 Apple	2,099,200	3.29
5,000 Berkshire Hathaway 'B'	1,232,606	1.93
15,000 Gilead Sciences	987,152	1.55
4,000 Intuit	1,422,513	2.23
15,250 Johnson & Johnson	1,890,507	2.96
7,300 Mastercard 'A'	2,119,920	3.32
7,000 McDonald's	1,571,677	2.46
12,500 Microsoft	2,869,394	4.50
23,000 Morgan Stanley	1,600,428	2.51
7,000 Nordson	1,237,657	1.94
23,500 Oracle	1,718,776	2.69
18,750 PACCAR	1,093,636	1.71
9,250 Stryker	2,097,863	3.29
14,000 T Rowe Price Group	1,248,517	1.96
Total United States Equities	28,355,034	44.43
JAPANESE EQUITIES (30 September 2022 - 6.76%)		
20,000 Chugai Pharmaceutical Co	395,906	0.62
180,000 Nomura Holdings	555,468	0.87
20,500 Sony	1,484,965	2.33
50,000 Shin-Etsu Chemical Co	1,289,997	2.02
33,000 Sumitomo Mitsui Financial Group	1,058,948	1.66
Total Japanese Equities	4,785,284	7.50

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value		Bid value £	Percentage of total net assets %
UNQUOTED SECURITIES (30 September 2022 - Nil)			
130,000	Ceravision ^A	-	-
280	Ultra PRT ^A	-	-
	Total Unquoted Securities	-	-
	Portfolio of investments	63,354,637	99.26
	Net other assets	469,628	0.74
	Total net assets	63,824,265	100.00

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

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 TRANSACTIONS

for the six month period ended 31 March 2023

	£
Total purchases cost, including transaction charges	597,792
Total sales proceeds, net of transaction charges	839,800

IFSL CHURCH HOUSE ESK GLOBAL EQUITY FUND

STATEMENT OF TOTAL RETURN

for the six month period ended 31 March 2023

	31 March 2023		31 March 2022	
	£	£	£	£
Income:				
Net capital gains		5,965,603		504,758
Revenue	480,933		445,486	
Expenses	<u>(321,755)</u>		<u>(336,368)</u>	
Net revenue before taxation	159,178		109,118	
Taxation	<u>(53,248)</u>		<u>(49,312)</u>	
Net revenue after taxation		<u>105,930</u>		<u>59,806</u>
Total return before distributions		6,071,533		564,564
Distributions		(105,930)		(66,597)
Change in net assets attributable to unitholders from investment activities		<u><u>5,965,603</u></u>		<u><u>497,967</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six month period ended 31 March 2023

	31 March 2023		31 March 2022	
	£	£	£	£
Opening net assets attributable to unitholders		^A 59,025,152		62,788,962
Amounts receivable on issue of units	1,869,835		2,641,274	
Amounts payable on cancellation of units	(3,066,378)		(1,209,664)	
Amounts payable on unit class conversions	<u>(3)</u>		<u>-</u>	
		(1,196,546)		1,431,610
Change in net assets attributable to unitholders from investment activities		5,965,603		497,967
Retained distributions on accumulation units		30,056		12,283
Closing net assets attributable to unitholders		<u><u>63,824,265</u></u>		^A <u><u>64,730,822</u></u>

^A 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 ESK GLOBAL EQUITY FUND

BALANCE SHEET

as at 31 March 2023

	31 March 2023	30 September 2022
	£	£
Assets:		
Fixed Assets:		
Investments	63,354,637	57,564,388
Current Assets:		
Debtors	543,985	118,564
Cash and bank balances	194,021	1,631,669
Total assets	<u>64,092,643</u>	<u>59,314,621</u>
Current Liabilities:		
Creditors:		
Bank overdraft	161	-
Distributions payable on income units	86,089	223,083
Other creditors	182,128	66,386
Total liabilities	<u>268,378</u>	<u>289,469</u>
Net assets attributable to unitholders	<u>63,824,265</u>	<u>59,025,152</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 31 March 2023

Basis for preparation

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

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

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

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

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

Investment Fund Services Limited
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Bolton
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Investment Fund Services Limited.
Registered in England and Wales (company registration number 06110770).
Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.