Equitile Investments ACS

Annual Report & Audited Financial Statements

For the year ended 31 December 2022

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*These collectively comprise the Authorised Contractual Scheme Manager's Report

General Information

1. Board of Directors of the ACS Manager	Andrew McNally George Cooper Nigel Hellewell Thor Johan Furuholmen Xiyang He	Head office : 22 Tudor Street London EC4Y 0AY
Non-Executive Directors	Gerald Ashley Jakob Iqbal	Registered Office : 2nd Floor, Regis House 45 King William Street, London EC4R 9AN
2. Depositary	HSBC Bank Plc	8 Canada Square, London E14 5HQ, United Kingdom
3. Registrar	HSBC Bank Plc	8 Canada Square, London E14 5HQ, United Kingdom
4. Independent Auditors	Azets Audit Services	2nd Floor, Regis House 45 King William Street, London EC4R 9AN

Equitile Investments ACS Overview

Equitile Investments ACS (the "Scheme") is an Authorised Contractual Scheme which is constituted as an umbrella Co-Ownership Scheme as defined under section 235A(2) of FSMA and the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (SI 2013/1388) and the FCA Handbook (including the COLL Sourcebook) made under FSMA, and any other applicable rules made under FSMA from time to time in force. Equitile Investments Ltd (a Private Limited Company (the "Company")) is the appointed ACS Manager (the "Manager") and HSBC Bank Plc, is the appointed Depositary (the "Depositary") to whom the Scheme Property is entrusted for safekeeping.

The Scheme has segregated liability between sub-funds of the Scheme ("Funds"). The Scheme was authorised by the FCA on 16 December 2015. The Scheme is organised as an umbrella Co-Ownership Scheme and may be comprised of separate sub-funds and segregated portfolio of assets. Accordingly, the sub-funds assets are allocated exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-funds that may be established under the Scheme on a later date and shall not be available for any other purpose.
Except where otherwise stated or the context requires, capitalised terms have the meaning given to them in the Prospectus of the Scheme dated 13 January 2023.

Investment objective and policy

Equitile Resilience Fund

The Scheme currently has one sub-fund, Equitile Resilience Fund (the "Sub-Fund"), a UK UCITS Scheme under the COLL Sourcebook. The Sub-Fund was authorised by the FCA on 16 December 2015.

The Sub-Fund aims to generate capital growth by investing in today's most innovative, high growth companies. The investment process combines a quantitative and qualitative approach to build a diversified portfolio of between 35 to 40 high quality, large cap developed world companies. The investment process is designed to select the best stocks for the prevailing economic environment. It is explicitly engineered to adapt to changing economic circumstances, seeking to identify leading companies in rapidly growing industries.

The Sub-Fund is actively managed with the fund manager utilising their expertise to select investments to achieve the fund's objective. The Sub-Fund does no geographic or sector constraints and is benchmark agnostic. The Sub-Fund is typically close to fully invested in equities and does not rely on leverage or derivatives to generate returns.

Investors may assess the success of this strategy by considering, in combination, the average annual return of the Sub-Fund and the average annual maximum loss of the Sub-Fund where the annual maximum loss is defined as the largest percentage loss which an investor could have incurred by investing into and subsequently redeeming from the Sub-Fund within a given year.

In normal market conditions, the Sub-Fund will be close to fully invested in equity securities (e.g. shares). Allocations to bonds and cash may be made periodically for the purpose of capital preservation. Use may be made of cash holdings, hedging and other investment techniques for the purposes of efficient portfolio management as permitted by the COLL Sourcebook. The Sub-Fund will not utilise borrowing or leverage in order to achieve the investment objective. Short term borrowing may be used for the purposes of efficient portfolio management. The Sub-Fund may utilise derivatives for efficient portfolio construction and for hedging purposes.

Statement of the Manager's responsibilities in relation to the financial statements of the Scheme

The Financial Conduct Authority Collective Investment Schemes Sourcebook (COLL) requires the Manager to prepare financial statements for each accounting year which give a true and fair view of the financial affairs of the Scheme and of its net revenue and net capital gains/losses on the property for the year.

In preparing those financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently.
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Financial Statements of UK Authorised Funds issued by the Investment Management Association (now known as the Investment Association) in May 2014 (the "SORP"), amended in June 2017.
- comply with the Prospectus, generally accepted accounting principles and applicable accounting standards subject to any material departures which are required to be disclosed and explained in the financial statements.
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Scheme will continue in operation for the foreseeable future.

The Manager is responsible for the management of the Scheme in accordance with the Regulations, the Co-ownership Deed and the Prospectus.

The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACS Manager's Report to the Unitholders

As the sole Manager, Equitile Investments Ltd, presents its report and the audited financial statements of the Scheme for the year from 01 January 2022 to 31 December 2022. The Scheme is a UK UCITS Scheme which complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook. The unitholders are not liable for the debts of the Scheme. The Investment Objectives and Policies of each sub-fund of the Scheme are covered in the section for each sub-fund. The names and addresses of the Manager, the Depositary and the Auditors are detailed on page 2.

The object of the Scheme (which may be made up of a number of sub-funds) is to invest the Scheme Property through the sub-funds as set out in the Prospectus and the object of each sub-fund is for the ACS Manager on behalf of the Unitholders, as co-owners of the relevant sub-fund's property, to invest that property in transferable securities, money market instruments, derivatives and forward transactions, deposits, cash, near cash, and units in collective investment schemes in accordance with the Regulations applicable to the Scheme and each sub-fund with the aim of spreading investment risk and giving to the Unitholders the benefits of the results of the management of that property.

ACS Manager's Statement

In accordance with the requirements of the COLL as issued and amended by the Financial Conduct Authority, the report and financial statements are approved on behalf of the Directors of Equitile Investments Ltd, the ACS Manager.

Andrew McNally CEO	Nigel Hellewell COO
___ April 2023	24.04.2023

Statement and Report of the Depositary

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the Equitile Investments ACS ("the Scheme") for the Period Ended 31 December 2022

The Depositary must ensure that the Scheme is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (together "the Regulations") and the Contractual Scheme Deed 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 Scheme and its investors.

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

The Depositary must ensure that:

- the Scheme's cash flows are properly monitored and that cash of the Scheme is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Scheme are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Scheme's assets is remitted to the Scheme within the usual time limits;
- the Scheme's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), 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 Scheme is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Scheme.

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

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

HSBC Bank plc

This report is given on the basis that no breaches are subsequently advised to us before the distribution date. We therefore reserve the right to amend the report in the light of such circumstances.

Yours sincerely

Claire Sewell

Senior Manager Trustee & Depositary

Independent auditor's report to the Unitholders of Equitile Investments ACS

Opinion

In our opinion, the financial statements of Equitile Investment ACS (the "Scheme"):

- give a true and fair view of the financial position of the Scheme and its sub-fund as at 31 December 2022 and of the net revenue and the net capital gains on the scheme property of the Scheme and its sub-fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the ACS Deed.

Equitile Investment ACS is an Authorised Contractual Scheme with a single sub-fund. The financial statements of the Scheme comprise the financial statements of its sub-fund. We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2022; the statement of total return and the statement of change in net assets attributable to unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We remained independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Contractual Scheme Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Contractual Scheme Manager's with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Contractual Scheme Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Authorised Contractual Scheme Manager's Report

In our opinion, the information given in the Authorised Contractual Scheme Manager's for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

As explained more fully in the Statement of the Manager's responsibilities, the Authorised Contractual Scheme Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.
The Authorised Contractual Scheme Manager is also responsible for 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.

In preparing the financial statements, the Authorised Contractual Scheme Manager is responsible for assessing the Scheme's and its sub-fund'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 Authorised Contractual Scheme Manager either intends to wind up or terminate the Scheme or its sub-fund, or has no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company Audit procedures performed included:

• Discussions with the Authorised Contractual Scheme Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
• Reviewing relevant meeting minutes, including those of the Authorised Contractual Scheme Manager's board of directors;
• Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
• Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors responsibilities. This description forms part of our auditors' report.

Use of this report
This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Opinions on other matters prescribed by the Collective Investment Schemes Sourcebook
In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:
• proper accounting records have not been kept; or
• the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

Azets Audit Services Limited

Azets Audit Services Limited
Chartered Accountants and Statutory Auditors
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
Date: 27 APRIL 2023

Sub-Fund Review (Unaudited)

As at 31 December 2022, the Scheme had 1 active sub-fund:

Fund – Equitile Resilience Fund
Launch Date – 29 February 2016
Base currency - GBP

Investment Review

Please note this investment review is for the financial year from 01 January 2022 to 31 December 2022.

Performance and Market Review

Financial markets and hence investment returns for the Fund in 2022 were impacted by the monetary policies of the major central banks as they grappled with the post-lockdown resurgence of global inflationary pressures. These problems were further exacerbated by the Russian invasion of Ukraine, in February 2022 which disrupted the energy, food and mining industries. These disruptions added further to global inflationary pressures both directly, through supply constraints, and latter indirectly, through industrial shutdowns in Europe.

As the year progressed a further inflationary force became evident in the form of persistent post-lockdown labour shortages, which appeared to be most pronounced in the US and UK economies. As yet, this phenomenon is not well understood; significant number of early retirees, facilitated by the high savings rates enjoyed during lockdown is one potential explanation. These labour shortages were naturally associated with elevated levels of wage growth which in turn began eating into corporate profits and caused central bankers to worry about a secondary wage price spiral.

In response to the persistent multifaceted inflationary pressures the Federal Reserve embarked on an unprecedented pace of interest rate hikes, taking their base rates from approximately 10bp in March to 4.25% by the end of the year. Other central banks followed the FOMC's lead albeit with more modest moves.

Although household spending through 2022 remained supported both by elevated savings levels and robust labour markets the combination of higher interest service costs and higher prices for goods and services clearly began corporate revenues through the year. This together with higher borrowing costs pushed markets equity market sharply lower through the year. As a result, the GBP share class ended the year down 23.5%.

Outlook

Both the pace and magnitude of the interest rate adjustments in 2022 has been unprecedented. What is more these higher rates have come after an unusually long period of abnormally low interest rates, starting in 2009, following the global financial crisis. The speed of the adjustments in policy rates has been such that we have likely not yet understood their full effect.

Substantial monetary policy risks exist in both directions. The post-lockdown inflation surge may have ignited a persistent inflationary cycle requiring still more interest rate hikes. Equally, policy makers may have already overreacted to temporary supply-demand imbalances. If so, inflation could quickly swing from overshooting to undershooting they typical 2% target levels.

On balance, we believe central bankers have likely already overreacted with their rate hiking cycle and will therefore find themselves needing to lower interest rates at some point during the year. If macroeconomic data support this view we would expect equity markets and hence the Fund's performance to rebound during the year first in anticipation of and then in response to a lowering of interest rate costs. That said, the macroeconomic landscape is clouded both by the poorly understood aftereffects of lockdown and by the growing geopolitical tensions over Ukraine and potentially Taiwan. For these reasons, at this early point in the year, all forecasts must be considered highly tentative.

Synthetic Risk and Reward Indicator (SRRI)

Lower risk Typically lower returns			Higher risk Typically higher returns			
1	2	3	4	5	6	7

The Sub-Fund is classified category 6 because the investment policy of the Fund means it will typically be predominantly invested in the equity markets and will therefore be exposed to the relatively high volatility of the equity market. Please note that even the lowest ranking does not mean risk-free.

The Risk and Reward indicator demonstrates where the Sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-Fund.

Securities Financing Transaction Regulation Disclosure

The Sub-Fund does not engage in any securities financing transactions and / or any total return swaps.

Comparative Tables

The 'Return after operating charges' disclosed in the Comparative Tables is calculated as a return after operating charges per unit divided by the opening net asset value per unit. It differs from the Sub-Fund's performance disclosed in the ACD's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by the Sub-Fund in order to achieve the investment objective. Direct transaction costs include broker commission and taxes. Broker commission includes the fee to a broker to execute the trades. Equitile does not buy external research.

Comparative Table Class A1

For the year ended 31 December 2022	GBP	GBP	GBP
Class A1 Resilience GBP Acc	31.12.22	31.12.21	31.12.20
Change in net assets per unit			
Opening net asset value per unit	244.11	185.83	161.43
Return before operating charges*	(55.75)	60.04	25.82
Operating charges^	(1.70)	(1.76)	(1.42)
Return after operating charges	(57.45)	58.28	24.40
Distribution on accumulation units	(95.37)	(113.64)	0.00
Retained distribution on accumulation units	95.37	113.64	0.00
Closing net asset value per unit	186.66	244.11	185.83
* after direct transaction costs of:	0.22	0.18	0.10
Performance			
Return after charges	(23.53%)	31.36%	15.11%
Other information			
Closing net asset value (£'000)	119,882	160,645	113,851
Closing number of units	642,247	658,089	612,652
Operating charges^	0.85%	0.84%	0.87%
Direct transaction costs	0.11%	0.08%	0.06%
Prices - GBP			
Highest unit price	242.81	249.08	189.17
Lowest unit price	177.32	178.22	121.79

^Operating charges, otherwise known as the OCF is the ratio of the Sub-Fund's total costs to the average net assets of the Sub-Fund.

Comparative Table Class X3			
For the year ended 31 December 2022	USD	USD	USD
Class X3 Resilience USD Acc	31.12.22	31.12.21	31.12.20
Change in net assets per unit			
Opening net asset value per unit	273.81	211.11	159.12
Return before operating charges*	(85.23)	64.84	53.55
Operating charges^	(1.97)	(2.14)	(1.56)
Return after operating charges	(87.20)	62.70	51.99
Distribution on accumulation units	(44.46)	(75.57)	0.00
Retained distribution on accumulation units	44.46	75.57	0.00
Closing net asset value per unit	186.61	273.81	211.11
* after direct transaction costs of:	0.22	0.19	0.11
Performance			
Return after charges	(31.85%)	29.70%	32.67%
Other information			
Closing net asset value ($'000)	2,425	3,668	16,679
Closing number of units	12,996	13,394	79,007
Operating charges^	0.99%	0.94%	0.85%
Direct transaction costs	0.11%	0.08%	0.06%
Prices - USD			
Highest unit price	272.51	276.67	212.11
Lowest unit price	169.86	204.72	117.71

^Operating charges, otherwise known as the OCF is the ratio of the Sub-Fund's total costs to the average net assets of the Sub-Fund.

Summary of Material Portfolio Changes for the Sub-Fund

The top ten purchases and sales for the year ended 31 December 2022 were as follows:

Purchases	Cost	Sales	Proceeds
	£'000		*£'000*
Anglo American	7,235	Nvidia	6,810
Conoco Phillips	5,674	ASML	6,169
Exxon Mobil	5,421	Apple	5,801
Diageo	5,259	Microsoft	4,573
Equinor	4,977	Lam Research	4,420
Novo Nordisk 'B'	4,297	Adobe Systems	4,252
Genmab	4,134	Advanced Micro Devices	4,241
Chevron	4,129	Alphabet 'A' Shares	4,068
Marathon Petroleum Corporation	3,936	BlackRock	3,905
Advanced Micro Devices	3,639	Taiwan Semiconductor Manufacturing	3,904
Subtotal	48,701	Subtotal	48,143
Total purchases during the year:	97,470	Total sales during the year:	104,609

Top 10 holdings	As at 31.12.22
LVMH	6.49%
Hermes International	6.45%
Exxon Mobil	4.78%
Conoco Phillips	4.77%
Broadcom	4.40%
Anglo American	4.23%
Equinor	4.13%
Novo Nordisk 'B'	3.81%
Cadence Design Systems	3.79%
Synopsys	3.54%

EQUITILE RESILIENCE FUND

Portfolio of Investments of the Sub-Fund

As at 31 December 2022

Holding	Investment	Market value £'000	Total value of Sub-Fund %
Portfolio of investments			
UNITED KINGDOM - 7.56% (2.47%)			
Chemicals – 0.00% (2.47%)			
Consumer Goods - 3.33% (0.00%)			
111,000	Diageo	4,052	3.33
Mining - 4.23% (0.00%)			
159,500	Anglo American	5,157	4.23
Total United Kingdom		9,209	7.56
UNITED STATES - 52.69% (69.53%)			
Chemicals – 1.03 % (0.00%)			
17,800	CF Industries Holdings	1,252	1.03
Consumer Electronics – 0.43% (4.07%)			
5,000	Apple	529	0.43
Consumer Services – 5.13% (3.63%)			
1,450	Autozone	2,942	2.41
15,000	Dick's Sporting Goods	1,481	1.22
5,500	FactSet Research Systems	1,826	1.50
Diversified Manufacturing – 2.58% (3.96%)			
14,340	Danaher	3,143	2.58
Financial Services – 2.97% (5.17%)			
2,000	MSCI	767	0.63
32,150	Raymond James Financial	2,849	2.34
Industrial Engineering – 1.78% (0.80%)			
11,000	Caterpillar	2,174	1.78
Medical Technology – 2.99% (7.80%)			
8,000	Thermo Fisher Scientific	3,642	2.99
Microelectronic Manufacturing – 3.56% (19.96%)			
4,000	KLA Tencor	1,235	1.01
23,000	Texas Instruments	3,106	2.55
Oil & Gas - 19.17% (0.00%)			
26,700	Chevron	3,938	3.23
60,050	Conoco Phillips	5,807	4.77
64,400	Exxon Mobil	5,826	4.78
70,000	Halliburton	2,246	1.84
150,000	Marathon Petroleum Corporation	3,320	2.72
51,000	Schlumberger	2,225	1.83
Software – 13.05% (24.14%)			
16,200	Arista Networks	1,613	1.32
11,750	Broadcom	5,366	4.40
35,000	Cadence Design Systems	4,623	3.79
16,430	Synopsys	4,313	3.54
Total United States		64,223	52.69

AUSTRALIA - 3.93% (0.00%)				
Mining - 2.66% (0.00%)				
	126,550	BHP Billiton	3,244	2.66
Oil & Gas - 1.27% (0.00%)				
	78,024	Woodside Energy Group	1,553	1.27
Total Australia			4,797	3.93
CANADA - 0.67% (0.00%)				
Consulting - 0.67% (0.00%)				
	8,550	WSP Global	820	0.67
Total Canada			820	0.67
DENMARK -7.22% (0.00%)				
Medical Technology – 7.22% (0.00%)				
	11,850	Genmab	4,155	3.41
	41,500	Novo Nordisk 'B'	4,646	3.81
Total Denmark			8,801	7.22
FRANCE - 12.94% (7.88%)				
Luxury Goods -12.94% (5.47%)				
	6,140	Hermes International	7,863	6.45
	13,040	LVMH	7,906	6.49
Software – 0.00% (2.41%)				
Total France			15,769	12.94
GERMANY-0.39% (0.00%)				
Consumer Goods – 0.39% (0.00%)				
	2,900	Rheinmetall	479	0.39
Total Germany			479	0.39
IRELAND - 1.19% (3.28%)				
Consulting - 1.19% (3.28%)				
	6,600	Accenture	1,445	1.19
Total Ireland			1,445	1.19
JAPAN - 3.68% (4.81%)				
Diversified Manufacturing – 2.52% (4.81%)				
	24,300	Hoya	1,939	1.59
	3,500	Keyence	1,131	0.93
Microelectronic Manufacturing - 1.16% (0.00%)				
	10,400	Lasertec	1,420	1.16
Total Japan			4,490	3.68
NETHERLANDS - 0.00% (5.44%)				
Microelectronic Manufacturing – 0.00% (5.44%)				
NORWAY - 4.13% (0.00%)				
Oil & Gas - 4.13% (0.00%)				
	170,000	Equinor	5,032	4.13
Total Norway			5,032	4.13
SWITZERLAND - 0.00% (2.09%)				
Chemicals – 0.00% (2.09%)				
TAIWAN - 0.00% (3.28%)				
Microelectronic Manufacturing – 0.00% (3.28%)				
Portfolio of investments			115,065	94.40
Net other assets			6,825	5.60
Net assets			121,890	100.00

The comparative percentage figures in brackets are at 31 December 2021
All investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

Financial Statements of the Sub-Fund

Statement of Total Return

This statement of total return is prepared in accordance with IMA SORP 2014. The financial statements are prepared in the base currency (Sterling) of the Sub-Fund.

	Note	£'000	Year ended 31.12.22 £'000	£'000	Year ended 31.12.21 £'000
Income					
Net capital (losses)/gains	1		(39,538)		37,561
Revenue	2	1,971		2,010	
Expenses	3	(1,139)		(1,152)	
Interest payable and similar charges		-		-	
Net revenue before taxation		832		858	
Taxation	4	(195)		(135)	
Net revenue after taxation			637		723
Total (deficit)/return before distributions			(38,901)		38,284
Distributions	5		(637)		(723)
Change in net assets attributable to unitholders from investment activities			(39,538)		37,561

Statement of Change in Net Assets Attributable to Unitholders

The statement of change in net assets attributable to unitholders reconciles the opening and closing net assets attributable to unitholders.

	£'000	Year ended 31.12.22 £'000	£'000	Year ended 31.12.21 £'000
Opening net assets attributable to unitholders		163,359		126,063
Movement due to issue and cancellation of units:				
Amounts receivable on issue of units	7,649		12,284	
Amounts payable on cancellation of units	(10,203)		(13,326)	
		(2,554)		(1,042)
Dilution adjustment		6		22
Change in net assets attributable to unitholders from investment activities (see above)		(39,538)		37,561
Retained distribution on accumulation units		617		755
Closing net assets attributable to unitholders		121,890		163,359

Balance Sheet

	Note	As at 31.12.22 £'000	As at 31.12.21 £'000
Assets:			
Fixed Assets			
Investments		115,065	161,364
Current assets:			
Debtors	6	149	129
Cash and bank balances	7	6,809	2,044
Total assets		122,023	163,537
Liabilities:			
Creditors:			
Other creditors	8	(133)	(178)
Total liabilities		(133)	(178)
Net assets attributable to unitholders		121,890	163,359

Notes to the Financial Statements

1. Net capital (losses) / gains

	Year ended 31.12.22 £'000	Year ended 31.12.21 £'000
Non-derivative securities (losses)/gains	(39,159)	37,529
Currency (losses)/gains	(377)	37
Transaction charges	(2)	(5)
Net capital (losses)/gains	(39,538)	37,561

2. Revenue

	Year ended 31.12.22 £'000	Year ended 31.12.21 £'000
UK dividends	346	678
Overseas dividends	1,592	1,332
Bank interest	33	-
Total revenue	1,971	2,010

3. Expenses

	Year ended 31.12.22 £'000	Year ended 31.12.21 £'000
Payable to the Manager or associate		
Management fee	934	960
Payable to the Trustee or associate		
Trustee fee	66	67
Fund accounting fee	110	116
Safe custody fee	9	10
Share class hedging fee	-	(24)
Transfer agency & registrars fee	6	6
Total payable to the Trustee or associate	191	175
Other expenses		
Audit fee*	14	17
Total other expenses	14	17
Total expenses	1,139	1,152

*The audit fee is inclusive of VAT.

Notes to the Financial Statements

4. Taxation

	Year ended 31.12.22 £'000	Year ended 31.12.21 £'000
Analysis of charge in the year		
Overseas tax	195	135
Total taxation	195	135

As the Scheme is an umbrella co-ownership ACS neither the Scheme nor its Sub-Funds are subject to UK tax on income or capital profits.

5. Distributions

	Year ended 31.12.22 £'000	Year ended 31.12.21 £'000
Final distribution	617	755
Add/(less): Revenue deducted on cancellation of units	19	(4)
Add/(less): Revenue received on issue of units	1	(28)
Total distributions	637	723

The differences between the net revenue after taxation and the distributions for the year are as follows:

Net revenue after taxation for the year	637	723
Total distributions	637	723

6. Debtors

	As at 31.12.22 £'000	As at 31.12.21 £'000
Accrued dividends	93	94
Accrued recoverable tax	46	35
Accrued bank interest	10	-
Total debtors	149	129

7. Cash and bank balances

	As at 31.12.22 £'000	As at 31.12.21 £'000
Cash and bank balances	6,809	2,044
Total cash and bank balances	6,809	2,044

8. Other creditors

	As at 31.12.22 £'000	As at 31.12.21 £'000
Accrued expenses	133	178
Total other creditors	133	178

Notes to the Financial Statements

9. Reconciliation of units

	Class A1 Resilience GBP Acc	Class X3 Resilience USD Acc
Opening units in issue	658,089	13,394
Unit movements in year:		
Units issued	36,004	-
Units cancelled	(51,846)	(398)
Closing units at 31.12.22	642,247	12,996

10. Contingent assets, liabilities and outstanding commitments

There were no contingent assets, liabilities or commitments at the year end (2021 - £Nil).

11. Related parties

The Fund's Manager, Equitile Investments Ltd is a related party to the Sub-Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Management fees paid to Equitile Investments Ltd are shown in note 3 and details of units issued and cancelled by the Manager are shown in the statement of change in net assets attributable to unitholders. The balance due to the Manager at the year end in respect of Management fees was £68,657 (2021 - £193,320). Any balance due from the Manager in respect of issues is shown in note 6. Any balance due to the Manager in respect of cancellations is shown in note 8.

The Equitile Resilience Feeder Fund as a feeder vehicle for the Fund holds units comprising 98.4% (2021 - 98.10%) of the total net assets of the Sub-Fund.

Equitile Investments

Notes to the Financial Statements

12. Financial instruments

The policies applied in the management of risk disclosures are set out on pages 25 to 27.

Fair value of financial assets and financial liabilities

The fair values of the Sub-Fund's assets and liabilities are represented by the values shown in the balance sheet on page 16. There were no instances of invoking the Fair Value Pricing for the year (2021: nil).

Currency exposures

A significant proportion of the Sub-Fund's assets are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements. For further details, refer to 'Currency Risk' section titled 'Risk Management Frameworks' (on Page 27).

Currency	Net other assets	Investments	Total
	£'000	£'000	£'000
	31.12.22	31.12.22	31.12.22
Australian Dollar	-	4,797	4,797
Canadian Dollar	2	820	822
Danish Krone	-	8,801	8,801
Euro	21	16,248	16,269
Japanese Yen	3	4,490	4,493
Norwegian Krone	-	5,032	5,032
Swiss Franc	25	-	25
US Dollar	6,740	65,668	72,408
Sterling	34	9,209	9,243
Total	6,825	115,065	121,890

A 5% change in the exchange rate £/Australian Dollar, £/Canadian Dollar, £/Danish Krone, £/Euro, £/Japanese Yen, £/Norwegian Krone, £/Swiss Franc and £/US Dollar will move the Net Asset Value of the fund by £5,632,300. The Sub-Fund no longer employs Asset Hedging Strategy hence there may be a material impact of currency movements on the NAV of the Sub-Fund.

Net currency asset exposure as at 31.12.21

Currency	Net other assets	Investments	Total
	£'000	£'000	£'000
	31.12.21	31.12.21	31.12.21
Euro	17	21,758	21,775
Japanese Yen	9	7,863	7,872
Swiss Franc	18	3,416	3,434
US Dollar	2,065	124,293	126,358
Sterling	(114)	4,034	3,920
Total	1,995	161,364	163,359

A 5% change in the exchange rate £/Euro, £/Japanese Yen, £/Swiss Franc and £/US Dollar will move the Net Asset Value of the Sub-Fund by £7,972,000. The Sub-Fund no longer employs Asset Hedging Strategy hence there may be a material impact of currency movements on the NAV of the Sub-Fund.

Counterparty Exposure and Collateral

There was no counterparty or collateral exposure at the balance sheet date (2021 - £Nil).

13. Transaction costs

Year ended 31.12.22

Analysis of total purchases costs	Value	Commissions		Taxes and expenses		Total after transaction cost	
	£'000	£'000	%	£'000	%	£'000	%
Equity transactions	97,353	29	0.03	88	0.09	97,470	0.12
Total	97,353	29	0.03	88	0.09	97,470	0.12

Year ended 31.12.22

Analysis of total sales costs	Value	Commissions		Taxes and expenses		Total after transaction cost	
	£'000	£'000	%	£'000	%	£'000	%
Equity transactions	104,641	30	0.03	2	0.00	104,609	0.03
Total	104,641	30	0.03	2	0.00	104,609	0.03

There were no transaction costs on derivatives during the year.

Commissions and taxes as percentage of average net asset value:

Commissions	0.05%
Taxes and Expenses	0.06%

At the balance sheet date the portfolio dealing spread was 0.26%, being the difference between the respective bid and offer prices for the Sub-Fund's investments.

Year ended 31.12.21

Analysis of total purchases costs	Value	Commissions		Taxes and expenses		Total after transaction cost	
	£'000	£'000	%	£'000	%	£'000	%
Equity transactions	60,878	14	0.02	86	0.14	60,978	0.16
Total	60,878	14	0.02	86	0.14	60,978	0.16

Year ended 31.12.21

Analysis of total sales costs	Value	Commissions		Taxes and expenses		Total after transaction cost	
	£'000	£'000	%	£'000	%	£'000	%
Equity transactions	60,981	15	0.02	1	0.00	60,965	0.02
Total	60,981	15	0.02	1	0.00	60,965	0.02

There were no transaction costs on derivatives during the year.

Commissions and taxes as percentage of average net asset value:

Commissions	0.02%
Taxes and Expenses	0.06%

At the balance sheet date the portfolio dealing spread was 0.30%, being the difference between the respective bid and offer prices for the Sub-Fund's investments.

Notes to the Financial Statements

14. Portfolio fair value hierarchy

The fair values of the Sub-Fund's assets and liabilities are represented by the values shown in the balance sheet. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair values.

The fair value of investments has been determined using the following hierarchy:

Category 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Category 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Category 3: Inputs are unobservable (i.e for which market data is unavailable) for the asset or liability.

An analysis of the portfolio's investment assets and liabilities in accordance with the fair value hierarchy is noted below:
As at 31.12.22

	1	2	3	Total
Investments	£'000	£'000	£'000	£'000
Equities	115,065	-	-	115,065
Total	115,065	-	-	115,065

An analysis of the portfolio's investment assets and liabilities in accordance with the fair value hierarchy is noted below:
As at 31.12.21

	1	2	3	Total
Investments	£'000	£'000	£'000	£'000
Equities	161,364	-	-	161,364
Total	161,364	-	-	161,364

15. Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end.

Distribution Tables

	Distribution payable 2022	Distribution payable 2022
Dividend distributions on accumulation units	p	US₵
Class A1 Resilience GBP Acc	95.365146	
Class X3 Resilience USD Acc		44.461730

	Distribution paid 2021	Distribution paid 2021
Dividend distributions on accumulation units	p	US₵
Class A1 Resilience GBP Acc	113.636879	
Class X3 Resilience USD Acc		75.574635

The Sub-Fund is tax transparent for income purposes meaning that UK tax-paying shareholders are subject to tax on their share of income, net of allowable expenses, as it arises to the Sub-Fund and not on distributions of income after deduction of expenses.

When a unit is purchased during the distribution year, part of the purchase price of the unit reflects the relevant unit of income and expenses accrued by the Sub-Fund, and this will be disclosed on the contract note. This purchased income and expense, a capital sum, should be deducted from the aggregate accrued income or expense as applicable.

The subscription price disclosed on the contract note reflects the acquisition cost, which should be adjusted by the capital sum referred to above.

It is the responsibility of the unitholder to maintain a record of the relevant amount(s) of income equalisation and to make the appropriate adjustment when completing their tax calculations.

Summary of Significant Accounting Policies

Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. The Fund has adopted FRS 102 and the 2014 SORP.

Base Currency

The base currency of the Sub-Fund is Sterling.

Revenue Recognition

Revenue from collective investment Schemes, quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend. Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge.

Equalisation received from distributions or accumulations on units or shares in collective investment Schemes is treated as capital and deducted from the cost of the investments. Bank interest and other revenue are recognised on an accruals basis.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-Fund but does not form part of the distribution. Any enhancement above the cash dividend is treated as capital.

Special Dividends

Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend.

Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments) are charged against revenue for the year on an accruals basis.

Distributions

Amounts distributable are calculated after excluding expenses borne by capital as agreed by the Manager and Depositary. Scrip dividends will not be distributed.

Valuations

All investments are valued at their fair value at 3pm on 30 December 2022, being the last business day of the financial year. The fair value of units is bid-price. The fair value of all single priced collective investment Schemes is their single price. Equities listed on recognised stock exchanges are valued by reference to the single or the average of the quoted buying and selling price of the relevant equity. The details of determination of net asset value for the Sub-Fund, including for equities, can be found in the Prospectus of the Sub-Fund at www.equitile.com.

Foreign Currencies

Assets and liabilities in currencies other than sterling are translated into sterling at the exchange rates prevailing at 3pm on the last working day of the accounting year. Transactions in foreign currencies are translated at the exchange rate prevailing at the transaction date. Where forward positions in currencies are held, these are translated at the appropriate forward rate.

Taxation

As the Scheme is an umbrella co-ownership ACS scheme, neither the Scheme nor it's Sub-Fund are subject to the UK tax on income or capital gains. Withholding tax on overseas dividends is accounted for when the security is quoted ex dividend.

Dilution Adjustment

Under certain circumstances the Manager may carry out a dilution adjustment, in accordance with the Financial Conduct Authority Regulations, on all subscriptions and redemptions of units, which is paid into the Sub-Fund and included in the Statement of Change in Net Assets Attributable to Unitholders. The adjustment is intended to cover certain dealing charges not included in the mid-market value of the Sub-Fund used in calculating the share price, which could have a diluting effect on the performance of the Sub-Fund.

Efficient Portfolio Management

Where appropriate, certain permitted transactions such as derivatives or forward foreign currency transactions may be used for efficient portfolio management. Where such transactions are used to protect revenue, and the circumstances support this, the revenue and expenses derived there from are included in 'Revenue' or 'Expenses' in the Statement of Total Return. Where such transactions are used to protect capital, and the circumstances support this, the gains and losses derived therefrom are included in 'Net capital gains' in the Statement of Total Return. Any positions on such transactions open at the year-end are reflected in the sub-fund's Portfolio of Investments at their fair value.

Internal Control and Risk Management Frameworks

The Manager is responsible for establishing and maintaining adequate internal control and risk management systems in relation to the financial reporting process. The Manager has procedures in place to ensure all relevant accounting records of the Scheme are properly maintained and are readily available, including production of annual and semi-annual financial statements. The Manager has appointed HSBC Bank Plc (the "Administrator") as the Scheme's administrator consistent with the regulatory framework applicable to the Scheme. The Administrator has functional responsibility for the preparation of the Scheme's annual and semi-annual Financial Statements and the maintenance of its accounting records. On appointing the Administrator, the Board of Directors (the "**Board**") of the Manager noted that it is regulated by the UK Financial Conduct Authority (FCA) and, in the Board's opinion, has significant experience as an Administrator. The Board also noted the independence of the Administrator from the Manager. Subject to the supervision of the Board, the appointment of the Administrator is intended to manage rather than eliminate the risk of failure to achieve the Scheme's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The annual and semi-annual financial statements of the Scheme are required to be approved by the Board and filed with the FCA within the relevant respective time periods. The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings. The Board evaluates and discusses significant accounting and reporting issues as the need arises. The Board reviews the financial statements prior to their approval.

Composition of the board of Directors

Unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may not be less than two. Currently, the Board is composed of five Directors. The business of the Company is managed by the Directors. A Director may at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. The quorum necessary for the transaction of business at a meeting of the Directors is three. The Directors who held office at the date of these financial statements are:

George Cooper, Andrew McNally, Nigel Hellewell, Thor Johan Furuholmen and Xiyang (Daniel) He. Non-executive Directors are Gerald Ashley and Jakob Iqbal

Directors' interests and transactions

The Directors of the Management Company are also shareholders and directors of the parent company of Equitile Investments Ltd i.e., Equitile Ltd. There are no external contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest any time during the financial year. No Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

More information on Directors is available at https://www.equitile.com/about/who-we-are

Transactions with connected persons

Any transaction carried out with a UK UCITS by a management company or depositary to the UK UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Unitholders. The Directors are satisfied that there are arrangements are firmly in place.

Significant events during the financial year

There were no significant events during the year.

Statement of Compliance

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

Internal Control and Risk Management Frameworks

Risk Management Frameworks

The Manager has a documented risk management framework which details the processes and procedures used to identify, measure, manage and monitor appropriately all risks to which the funds are or may be exposed. The risks covered by the framework include market risk, liquidity risk, currency risk, credit/counterparty risk, operational risk and any other risks that might be material to the funds. The risks are both investment and operational and refer to the risk of loss arising from inadequate or failed processes, people or systems including attempted fraud. The risk framework details:

- the techniques, tools and arrangements including systems and processes used;
- the content and frequency of reports; and
- the allocation of responsibilities between key staff and departments.

The main risk management processes used by the Manager are fully integrated with the daily management of the Sub-Fund's portfolio and is used to measure and monitor market risk, credit / counterparty risk and liquidity risk. A separate process is maintained to track instances of operational risk and monitor amendments to controls made, seeking to ensure that any operational errors do not re-occur. The Manager has a formal structure of which includes an Operating Committee and a Risk management Committee who review the risk profile, including market, credit, operational and liquidity risks, of the Sub-Fund and publish and circulate this information internally on a regular basis. As part of its governance processes, the Manager reviews the performance of the risk management framework and its associated arrangements, processes, systems and techniques on at least an annual basis or after a risk event. The risk management framework is updated by the Manager following any significant change in the business or in risk exposures and at least annually. It is also reviewed by the Depositary.

Market Risk

Market risk is the risk of loss arising from fluctuations in the market value of investments held by the funds attributable to changes in market variables, such as equity prices, foreign exchange rates, interest rates or the credit worthiness of an issuer. The risk management framework monitors the levels of market risk to which the funds are exposed in relation to the fund investment objective and policy.

Leverage

The Sub-Fund does not use leverage as part of its investment strategy. The Sub-Fund uses the commitment method to calculate global exposure in preference to the VaR method and therefore, although VaR is calculated for internal purposes, it does not form part of the formal limits structure for the Sub-Fund and no details are provided here.

Liquidity Risk

Liquidity risk exists when the sale of assets or exit of trading positions is impaired by such factors as decreased trading volume, increased price volatility, industry and government regulations, and overall position size and complexity. It may be impossible or costly for the Sub-Fund to liquidate positions rapidly particularly if there are other market participants seeking to dispose of similar assets at the same time or the relevant market is otherwise moving against a position or in the event of trading halts or daily price movement limits on the market or otherwise. Derivative transactions that are particularly large and bonds traded in the secondary market may be less liquid and it may be difficult to achieve fair value on transactions. Closing positions held in the secondary markets prematurely, for instance, to meet client redemption requests, can result in increased transaction costs which will be reflected in the investment returns.

Liquidity risk is the possibility that the fund will not be able to sell its assets without incurring losses within the timeframe required to meet investor redemptions. The asset liquidity profile of the fund is monitored on a regular basis and compared to both historical investor redemption patterns and potential redemption scenarios, with the aim of ensuring that the fund will be able to meet any actual redemptions in a timely manner. The liquidity risk management process includes an assessment of the market turnover, percentage of an issue held by the fund, credit rating of the issuer and/or the buy-sell spread of the market in the securities held where the information is available and is applicable.

Liquidity profile stress tests under both normal and exceptional conditions are conducted on a regular basis. If market liquidity is perceived to be decreasing, the Manager might seek to take any of the following actions to improve the liquidity profile of a fund: maintain higher cash balances; maintain a greater proportion of assets in securities which are traditionally more liquid; diversify the range of issue.

Credit Risk

Credit risk comprises both credit issuer risk and counterparty risk. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation. The Sub-Fund will be exposed to a credit risk for the parties with whom it trades. Under normal market conditions the Master Fund remains close to fully invested in equity securities. However, allocations to bonds may be made periodically for the purpose of capital preservation. Investing in sovereign debt, any other debt guaranteed by a sovereign government, or corporate debt entails risks related to the issuer's ability and willingness to repay the principal and pay interest. A default by the issuer of the bond may impact the value of the Master Fund.

Internal Control and Risk Management Frameworks

Credit risk may also arise through a default by one or several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Master Scheme interacts on a daily basis.

In line with the fund documentation the Sub-Funds may use FX forwards in order to hedge or manage the FX risk of both the Assets and the share classes.

Currency Risk

The investments of the Sub-Fund may be acquired in currencies which are different from its base currency and therefore the performance may be impacted by movements in exchange rate between the base currency and investment currency.

The Manager took the decision to indefinitely suspend the currency hedging program. As a result of this decision there is no currency hedging in place and the price of shares in the fund may therefore rise or fall due to movements in both exchange rates and the value of the underlying investment portfolio. Details of the decision can be found in Investor Notice "Covid-19 FX Hedging Policy" at www.equitile.com.

Counterparty Risk

Counterparty risk arises primarily with the financial brokers through whom the Fund buys and sells securities. The Sub-Fund may only transact with brokers from an approved broker list maintained by the Manager. All brokers on the Manager approved list are subject to regular credit and general business checks. The Sub-Fund may also be exposed to counterparty risks arising from the use of forward currency instruments, usually transacted to decrease exposure to foreign currency. These risks are monitored daily.

Asset Hedging

The investments of the Sub-Fund may be acquired in currencies which are different from its base currency and therefore the performance may be impacted by movements in exchange rate between the base currency and investment currency. The assets of the Sub-Fund not denominated in its base currency are hedged using Short Dated FX Forwards (OTC Derivatives) to manage currency risks. The risk arising from investing in non-base currency assets is substantially mitigated through the use of FX Forwards.

Hedging techniques employed by the Sub-Fund could involve a variety of derivative transactions. As a result, hedging techniques involve different risks than those of underlying investments, including liquidity risk and the potential for loss in excess of the amount invested. In particular, the variable degree of correlation between price movements of hedging instruments and price movements in the position (including asset positions) being hedged creates the possibility that losses on the hedge may be greater than gains in the value of the Sub-Fund's positions.

In addition, although the contemplated use of these techniques should minimise the risk of loss due to a decline in the value of the hedged position, at the same time they may limit any potential gains resulting from an increase in the value of such positions.

There can be no assurance that hedging transactions will be successful in protecting against adverse market and/or currency movements.

Assessment of Value

FCA Assessment of Value, provisions are set out in COLL 6.6.19 to 6.6.27 and includes Rules as well as Guidance. The FCA require authorised fund managers (AFMs) to carry out as assessment on value for money of each fund as per the following criterions -

- Quality of service
- Performance
- AFM costs
- Economies of scale
- Comparable market rates
- Comparable services
- Classes of units

The detailed assessment of value document for the Fund are available at www.equitile.com

Remuneration Disclosures (unaudited)

The provisions of the Undertaking in Collective Investments Schemes Directive ("UCITs V") took effect on 18 March 2016. UK UCITS Managers are required to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management in line with the UCITS remuneration principles. The Board of Directors has established a remuneration policy to ensure the UCITs Remuneration Code in the UK FCA handbook is met proportionately for all UCITs Remuneration Code Staff. The policy sets out a framework for determining the level of fixed and variable remuneration of staff, including maintaining an appropriate balance between the two.

Arrangements for variable remuneration, where applicable, are calculated primarily by reference to the performance of each individual and the profitability of the relevant business unit. The policy is designed to reward long term performance and long term profitability.

All staff are employed by Equitile Investments Ltd with none employed directly by the Scheme. No performance fee was charged to the Fund for the year ending 31.12.2022 (2021: same)

Under the UCITs V Directive, the Manager is required to disclose information relating to the remuneration paid to its staff, split into fixed and variable remuneration. The total remuneration of those individuals who are fully or partly involved in the activities of the Scheme for the ACD's financial year ending 28.02.23., is analysed in the table below:

	Number of Staff	Total Remuneration (£'000)
Fixed Remuneration	7	1255
Variable Remuneration	5	115
Performance Fees	0	0
Code Staff, of which:	7	
Senior Management	7	1370
Other Code Staff	0	0

The staff members included in the above analysis support all the sub-funds managed by the Manager. It is not considered feasible or useful to attempt to apportion these figures to individual sub-funds and are based on assets under management. The Board has reviewed the general principles of the Remuneration Policy and its application in the last year which has resulted in no material changes to the Policy. The details of the Company's Remuneration Policy can be found at www.equitile.com.*

Disclaimer

These materials contain preliminary information that is subject to change and is not intended to be complete or to constitute all the information necessary to adequately evaluate the consequences of making any investment.

This document is being provided solely for informational purposes. The value of an investment may fall or rise. All investments involve risk and past performance is not a guide to future returns. Equitile offers no guarantee against loss or that investment objectives will be achieved.

Equitile does not offer investment advice. Please read the Key Investor Information Document, Prospectus and any other offer documents carefully and consult with your own legal, accounting, tax and other advisors in order to independently assess the merits of an investment. Investors and any potential investors should be aware of local laws governing investments and should read all the relevant documents including any financial statements and scheme particulars as appropriate.

The State of the origin of the Fund is the United Kingdom and the Fund is authorised and regulated by the UK Financial Conduct Authority.