



for Charities

# **COIF Charities Property Fund**

**Report and Accounts  
Half Year to 30 June 2008  
(unaudited)**

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### **Details of Board and Manager**

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### **Description of COIF Charity Funds**

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## **Disability Discrimination Act 1995**

Extracts from the Report and Accounts are available in large print and audio formats.

# COIF Charities Property Fund

## Report of the Board

### for the six months ended 30 June 2008

On behalf of the Board, we have pleasure in presenting our half year report of COIF Charities Property Fund (the Fund).

#### Structure and management of the Fund

The Fund was established as a common investment fund by a Charity Commission Scheme dated 12 July 2002 under section 24 of the Charities Act 1993. The Fund was launched on 29 August 2002.

The Financial Services Authority (FSA) rules for the operation of Unregulated Collective Investment Schemes apply to CCLA Investment Management Limited's (the Manager) management of the Fund, whereas the management of direct property within the Fund is outside the scope of the Financial Services and Markets Act 2000 (FSMA).

The property management, administration, registrar and secretarial functions of the Fund have been delegated to the Manager. The Fund has a Board which meets at least four times per annum to receive reports and monitor the progress of the Fund. The Board, created under the Scheme, is made up of individuals appointed under the Scheme. Together, these individuals have wide experience of finance, direct property, investments, charities and the law. No Board member is required to be authorised by the FSA because no Board member carries out regulated activities in relation to the Fund.

The Board is responsible for setting and subsequently advising on the investment policy of the Fund, monitoring performance, obtaining Charity Commission orders for the appointment and discharge of the Manager and Corporate

Trustee (the Trustee), appointing the Auditor to the Fund and agreeing the fees charged by the Trustee, the Manager and the Auditors.

The Trustee, HSBC Bank plc, appointed under the Scheme, is responsible for the supervision and oversight of the Manager's compliance with the Scheme and Scheme Particulars, and also for the custody and safekeeping of the property of the Fund. It is also responsible for the appointment and supervision of the Registrar of the Fund. The division between management and trustee functions provides an additional layer of protection for unitholders.

#### Objective and benchmark

The Fund aims to achieve a high and sustainable level of income and some capital appreciation.

The total return benchmark for the Fund is the IPD Monthly and Quarterly Valued Funds Index, excluding the smallest and largest 5% of Funds by size and single asset companies.

#### Investment policy

##### *Investments*

The Fund will principally invest in direct freehold, heritable and leasehold property assets within the United Kingdom (UK). Direct assets may comprise retail, office, industrial and residential property. Additionally, the Fund may finance the development of, or improvements to, direct property assets and, where appropriate, the purchase of a right or interest in land held on a freehold, heritable or leasehold basis.

Reflecting the need for diversification, the Fund maintains a suitable spread of properties by sector and by geographical location. To ensure suitability, consideration is given to each property's specific location, standard

# COIF Charities Property Fund

## Report of the Board

### for the six months ended 30 June 2008

of construction, the quality of the tenant's covenant and the occupational lease terms.

The Fund will not invest more than 15% of its total assets, at the time of investment, in any single direct property.

The Fund will not invest more than 15% of its total assets, at the time of investment, in financing or acquiring property redevelopments.

The Fund may also invest in the shares and loan stock of listed property companies, property funds, specialist property unit trusts, limited partnerships and joint ventures investing in direct property assets. The Fund will not invest more than 5%, at the time of investment, of its total assets in any property collective investment scheme, and not more than a total of 15% in property collective investment schemes as a whole. The Fund will not invest more than 5%, at the time of investment, of its total assets in any individual security of a listed property company, limited partnership or joint venture, and not more than a total of 15% in such investments as a whole.

The investment policy may mean that at times it is appropriate for the Fund not to be fully invested but to hold cash or near cash. In extreme conditions, the Manager may raise or reduce the liquidity of the Fund from normal working levels within a band of 0% to 20% of its total assets.

#### *Balance between different kinds of investment*

The balance between the different kinds of investment is established by reference to the sector allocation of the performance benchmark and the Manager's judgment of the future returns likely to be obtained on each type of

property. To control risk, the differences are regularly monitored and reviewed by both the Manager and the Board.

### Review of investment activities and policies of the Fund

The Board met quarterly during the period to carry out its responsibility for the approval of investment strategy, for setting distribution policy, to monitor investment diversification, suitability and risk and to review the performance of the Fund. In addition, the Board monitored the administration, expenses and pricing of the Fund.

During the period the Board also met quarterly with the Property Manager to review investments, transactions and policies of the Fund. The Property Manager's Report, which appears later, provides further details.

### Borrowing powers

The Board believes that the management of a property portfolio is facilitated by the exercise of a limited power to borrow. The Board has in place a borrowing facility (see note 12) as allowed under the powers given in the Scheme to permit the Manager to borrow up to 25% of the value of the Fund. The facility can be used to accommodate timing differences between the availability of funds for investment and the making of suitable property purchases.

### Controls and risk management

The Board receives and considers regular reports from the Manager. Ad hoc reports and information are supplied to the Board as required. The Manager has established an internal control framework to provide reasonable but not absolute assurance on the

# COIF Charities Property Fund

## Report of the Board

### for the six months ended 30 June 2008

effectiveness of the internal controls operated on behalf of its clients. The effectiveness of the internal controls is assessed by the directors and senior management of the Manager on a continuing basis.

During the period, the Board, assisted by the Manager, reviewed the Fund's systems of internal control. Every six months the Board receives from the Manager, and reviews a formal risk management report setting out the

main risks facing the Fund, the controls in place to mitigate those risks and the assessment of each risk in terms of both gross and residual exposure after application of mitigating controls.

B Wrey  
Chairman of the Board

21 July 2008

# COIF Charities Property Fund Report of the Property Manager for the six months ended 30 June 2008

- A property fund suitable for long term capital
- An actively managed and diverse portfolio
- Rising income and dividend payments

## Performance

In the six month period to 30 June 2008, COIF Charities Property Fund produced a negative total return before expenses of -6.5%. The Fund's performance benchmark is the IPD Quarterly and Monthly Valued Funds Index which is published on a quarterly basis. The performance record of the Fund compared to the benchmark, is noted in the table below.

Valuations of commercial property investments have been reduced further during the half year, albeit less sharply in more recent months. This continues a process of price correction that commenced mid-way through 2007. The value of the Fund's income units has fallen during the period under review to a price of 124.30p as at 30 June 2008. This compares with a price of 137.28p on the 31 December 2007 representing a capital decline for the six

months of -9.5%, whilst the fall over the twelve month period since June 2007 is -19.3%. More positively, the amount of income distributed to income unitholders has been increased during the half year, rising to 3.50p per unit, compared with a distribution of 3.25p per unit over the corresponding period in 2007. The cumulative income paid over a twelve month period has been increased from 6.70p for the period to December 2007 to 6.95p by the end of June 2008.

The value of an accumulation unit, with income reinvested, reduced from 178.52p to 166.14p.

## Market review

The fallout from the financial market turmoil has continued to affect the UK property investment sector. Liquidity problems, increased finance costs, and a widespread lack of investor confidence have reduced demand for property. The result has been lower trading volumes, rising yields and falling valuations. In this difficult environment property valuers have continued to move valuations down to reflect

### COIF Charities Property Fund Annualised total capital and income return

To 30 June 2008	6 months %	1 year %	3 years %	5 years %
<b>COIF Charities Property Fund</b>	-6.45%	-14.21%	+5.98%	+9.17%
IPD All Quarterly and Monthly Funds Index	-5.97%	-13.73%	+5.78%	+9.56%
<u>Performance after expenses</u>				
Income units*	-6.93%	-15.04%	+5.05%	+8.29%
Accumulation units*	-6.93%	-15.06%	+4.99%	+8.24%

\* Net asset value to net asset value plus income reinvested

Source: The Manager/IPD

# COIF Charities Property Fund

## Report of the Property Manager

### for the six months ended 30 June 2008

perceived market conditions, whilst sentiment has been further undermined by fears relating to the credit crisis and the impact this may have on the real economy, tenant demand and rents. All types and grades of property assets have been subject to valuation markdowns. Initially high street shop and retail warehouse property fell most sharply, whilst so far in 2008 office property has led the way lower. The pace of industrial property valuation markdowns has been in line with the sector averages. Rates of rental growth have slowed and by the end of the period monthly rates had turned slightly negative for the first time since 2003 and there is evidence of rental falls in the Central London office market. Concern now exists that reducing rates of rental growth will lead to further falls in capital values over the next twelve months.

#### Activity

Investment market conditions have not been conducive to transactional activity, but nevertheless the Fund has disposed of two investment properties during the half year. The industrial warehouse holding at Olaf Street, London W11 was sold to a special purchaser for a sum well in excess of the pre-downturn valuation, thereby realising a substantial capital gain. The Fund has also sold an out of town office property on the Almondsbury Business Park in Bristol. The sales produced a combined capital receipt of over £11m which has enabled the Fund to clear all borrowings.

It is encouraging that the Fund has also made significant progress in reducing the void rate by achieving new lettings on its office properties. Three leases have been signed at 1-3 College Hill in the City of

London following the completion of partial refurbishment works and the second floor offices at 7-8 Conduit Street W1 have also been let. The office accommodation at both buildings is now fully occupied.

In Glasgow, the Fund has let part of the second floor offices at 144 West George Street and increased levels of interest are now being shown in the remaining space in this property. Following the refurbishment of the second and fifth floors offices at 100 West Regent Street the letting of this accommodation is anticipated shortly. The void rate in the portfolio is now 3.5%, compared to 6.3% as at the end of December 2007. The average level of voids recorded by IPD as at June 2008 was 9.3%.

#### Strategy

The Fund's improved liquidity position will be maintained over the shorter term to enhance manager flexibility and support performance in the weak market. A further increase in the size of the cash holding is a target.

Individual property assets are selected to have the potential for growing income to the Fund and adding value from management activity. This approach has benefitted performance in recent years. The increased letting activity, coupled with anticipated uplifts in rental income through the settlement of rent reviews over the next twelve months, will support and boost the rental income flow to provide dividend growth for unitholders during this period of pricing uncertainty.

#### Outlook

We expect that property valuations will continue to fall during the near term and that as a result positive total returns will not be produced until

# COIF Charities Property Fund

## Report of the Property Manager

### for the six months ended 30 June 2008

well into 2009 at the earliest. At these lower levels, property investment now offers better value as an asset class with more attractive yields and interesting investment opportunities for buyers. Nevertheless, market activity needs to pick up and more transactional evidence produced to halt the valuation slide. Although rates of rental value growth continue to soften, increases in recent years have lagged capital growth and in most markets rent levels are far

from extended. In our view the property sector has much to offer as an investment asset class for long term investors.

R Halliday  
Fund Manager  
CCLA Investment Management Limited

21 July 2008

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#### Risk warning

The Fund's units and the income from them can fall as well as rise and an investor may not get back the amount originally invested. Past performance is no guarantee of future returns.

Property and property related assets are inherently difficult to value because of the individual nature of each property. As a result valuations are open to substantial subjectivity. There is no assurance that the valuations of the properties will reflect the sale price achieved even where such sale occurs shortly after the valuation point

The performance of the Fund could adversely be affected by a downturn in the property market in terms of capital value or a weakening of rental yields. The income received by the Fund is dependent to a large extent upon the occupancy levels of any property owned by the Fund and the rents paid by these tenants. Rental revenues and property values are affected by changes in

general economic climate and local conditions.

Property values are dependent in particular on current rental values, prospective rental growth, lease lengths, tenant credit worthiness and the valuation yield (which is itself related to interest rates, the market appetite for property investment in general and with reference to the specific property in question) together with the nature, location and physical condition of the property concerned.

The Fund's units are intended only for long-term investment and are not suitable for money liable to be spent in the near future. They are realisable only on each monthly dealing day and a period of up to six months may be imposed for redemption of units depending on Fund liquidity.

The Fund has the facility to borrow up to 25% of the value of the property of the Fund which may increase the volatility within the Fund.

# COIF Charities Property Fund Report of the Valuer

Dear Sirs,

## COIF Charities Property Fund valuation as at 30 June 2008

In accordance with your instructions, we have valued all the property investments owned by COIF Charities Property Fund as at 30 June 2008. The valuation has been prepared on the basis of Market Value in accordance with the current edition of the Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors (RICS). We understand that our valuation is required for unit pricing and accounts purposes.

We are of the opinion that the aggregate Market Values of all the properties held by the Fund as at 30 June 2008 was:

£121,275,000

(One hundred and twenty one million, two hundred and seventy five thousand pounds)

Details of the basis of our valuation and the individual properties are set out in our report and valuation addressed to you and dated 25 June 2008.

Yours faithfully,

Atisreal Limited  
Chartered Surveyors and International  
Real Estate Consultants  
Norfolk House  
31 St James's Square  
London SW1Y 4JR

25 June 2008

# Net asset value, unit price range, net distribution, unit prices and expense ratios

## Net asset value

At 31 December	Net asset value £'000	Income units		Accumulation units	
		Net asset value pence per unit	Number of units in issue	Net asset value pence per unit	Number of units in issue
2005	144,136	131.08	105,956,171	155.88	3,370,336
2006	162,042	149.66	103,831,184	186.53	3,507,461
2007	144,735	137.28	102,444,274	178.52	2,298,417
At 30 June 2008	126,508	124.30	99,399,810	166.14	1,778,800

## Unit price range

Year to 31 December	Income units		Accumulation units	
	Highest offer pence per unit	Lowest bid pence per unit	Highest offer pence per unit	Lowest bid pence per unit
2003	111.99	101.22	118.68	102.71
2004	123.96	107.75	138.46	115.59
2005	135.03	119.47	158.61	135.13
2006	153.85	130.32	189.79	154.98
2007	158.35	135.15	201.42	175.75
To 30 June 2008	136.50	122.37	177.50	163.39

## Net distribution

Year to 31 December	Income units		Accumulation units	
	Annual distribution pence per unit	Yield on unit held for the period %*	Annual distribution pence per unit	Yield on unit held for the period %*
2003	6.00	5.77	6.60	6.26
2004	6.20	5.60	7.49	6.31
2005	6.40	5.23	7.74	5.59
2006	6.55	4.91	7.57	4.77
2007	6.70	4.48	7.33	3.86
To 30 June 2008	3.50	2.51	4.98	2.74

\* Yield expressed as a percentage of the unit offer price at the beginning of the period.

## Unit prices at 30 June 2008

	Bid price pence per unit	Offer price pence per unit
Income units	122.37	126.47
Accumulation units	163.56	169.05

The unit prices are published in the *Financial Times*, and on the Manager's website at [www.ccla.co.uk](http://www.ccla.co.uk).

The bid and offer prices are calculated on the net asset value minus or plus a 1.55% deduction or 1.75% surcharge respectively.

# Net asset value, unit price range, net distribution, unit prices and expense ratios

## Expense ratios

	<b>30.6.2008</b>	30.6.2007
Total expense ratio (annualised)	<b>0.71%</b>	0.71%
Property expense ratio (annualised)	<b>0.23%</b>	0.21%

The total expense ratio is the ratio of the Fund's total operating costs to its average net assets calculated over the period. The property expense ratio is the ratio of the Fund's direct costs incurred in managing and maintaining the individual properties to its average net assets calculated over the period. These expenses are detailed in note 4.

## Portfolio analysis at 30 June 2008 (unaudited)

### Rent review frequency

Review period	Annual rents as at 30.6.2008		Annual rents as at 31.12.2007	
	£	%	£	%
5 years	<b>7,029,008</b>	<b>89.78</b>	7,013,913	89.00
Other	<b>800,547</b>	<b>10.22</b>	867,076	11.00
	<u><b>7,829,555</b></u>	<u><b>100.00</b></u>	<u>7,880,989</u>	<u>100.00</u>

### Tenants' unexpired lease terms

	<b>30.6.2008</b>	31.12.2007
Unexpired term	%	%
Over 10 years	<b>26.31</b>	26.81
5-10 years	<b>14.41</b>	18.65
Under 5 years	<b>55.81</b>	48.27
Void	<b>3.47</b>	6.27
	<u><b>100.00</b></u>	<u>100.00</u>

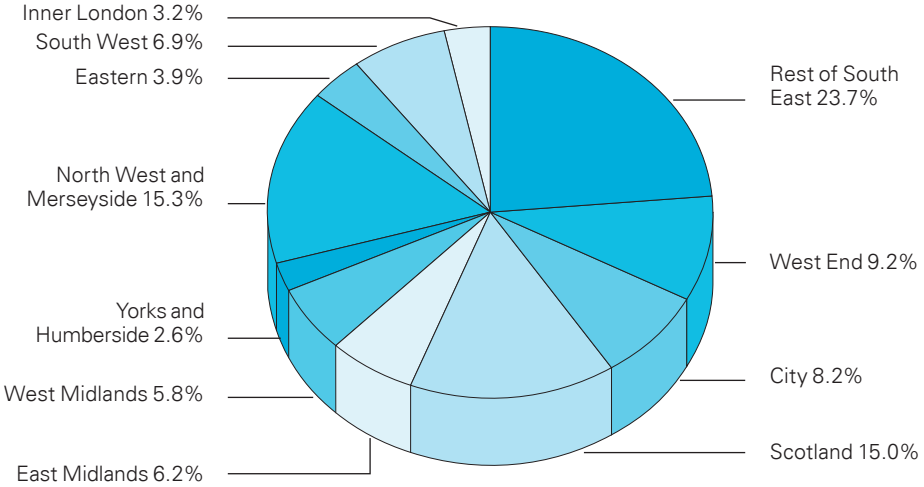
Lease termination is calculated at first break clause, if any.

### Use of capital

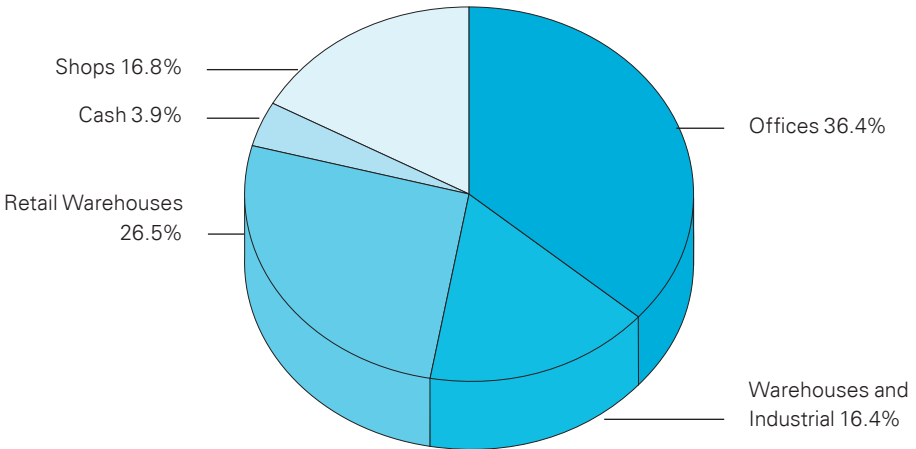
	<b>30.6.2008</b>		31.12.2007	
	£'000	%	£'000	%
Completed properties	<b>121,275</b>	<b>95.60</b>	145,115	100.05
Net other assets/(liabilities)	<b>5,586</b>	<b>4.40</b>	(74)	(0.05)
	<u><b>126,861</b></u>	<u><b>100.00</b></u>	<u>145,041</u>	<u>100.00</u>

# COIF Charities Property Fund Portfolio analysis at 30 June 2008 (unaudited)

## Geographical distribution



## Asset by type



# COIF Charities Property Fund

## Portfolio statement

at 30 June 2008 (unaudited)

	£'000	% of Fund
<b>Properties</b>		
Valued between £0m and £5m		
20 properties	58,825	46.37
Valued between £5m and £10m		
6 properties	41,250	32.52
Valued between £10m and £15m		
2 properties	<u>21,200</u>	<u>16.71</u>
	121,275	95.60
<b>Net other assets</b>	<u>5,586</u>	<u>4.40</u>
<b>Net assets</b>	<u>126,861</u>	<u>100.00</u>

## Ownership of the Fund

at 30 June 2008 (unaudited)

<i>Ownership band at 31 December 2007</i>	<i>Number of investors</i>	<i>Number of units in issue '000</i>	<i>% of units in issue</i>
Less than 1%	275	28,550	28.22
1% or greater but less than 2%	2	2,241	2.21
2% or greater but less than 4%	2	4,240	4.19
4% or greater but less than 8%	-	-	-
Greater than 8% *	1	66,147	65.38
	<u>280</u>	<u>101,178</u>	<u>100.00</u>

\* COIF Charities Investment Fund has a holding of 66,147,379 units.

COIF Charities Property Fund  
**Statement of total return**  
 for the six months ended 30 June 2008 (unaudited)

		30.6.2008		30.6.2007	
	Notes	£'000	£'000	£'000	£'000
Net (losses)/gains on investments during the period	2		(13,432)		4,813
Income	3	4,102		4,065	
Expenses	4	(625)		(750)	
Finance costs: interest	6	-		(22)	
Net income for the period			<u>3,477</u>		<u>3,293</u>
<b>Total return before distributions</b>			<b>(9,955)</b>		8,106
Finance costs: distributions	6		<u>(3,631)</u>		<u>(3,506)</u>
<b>Change in net assets attributable to unitholders</b>			<b><u>(13,586)</u></b>		<b><u>4,600</u></b>

**Statement of change in unitholders' net assets**  
 for the six months ended 30 June 2008 (unaudited)

	30.6.2008		30.6.2007	
	£'000	£'000	£'000	£'000
<b>Net assets at start of the period</b>		<b>145,041</b>		161,984
<b>Movement due to creations and cancellations of units</b>				
Amounts receivable on creation of units		341		6,586
Less: amounts payable on cancellation of units		<u>(5,029)</u>		<u>(7,535)</u>
		<b>(4,688)</b>		(949)
Change in net assets attributable to unitholders (see above)		<b><u>(13,586)</u></b>		4,600
Retained distribution on accumulation units		94		75
<b>Net assets at end of the period</b>		<b><u>126,861</u></b>		<b><u>165,710</u></b>

The notes on pages 23 to 29 form part of these accounts.

COIF Charities Property Fund  
**Property portfolio – shops**  
at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
100 The Promenade CHELTENHAM	Russell & Bromley Ltd	25 yrs 25.3.86	5 yrs	-	128,500	0-5
76/77 East Street CHICHESTER	C&J Clark International Ltd	15 yrs 22.3.00	5 yrs	2010	182,250	0-5
	West Sussex County Council	10 yrs 2.1.03	5 yrs	2008	47,300*	
	West Sussex County Council	10 yrs 12.8.03	5 yrs	2008	4,500*	
37 East Street DERBY	The Outdoor Group Ltd	25 yrs 1.4.82	5 yrs	2007	110,000*	0-5
85/89 High Street DUNFERMLINE	Mackays Stores Ltd	25 yrs 31.7.86	5 yrs	2011	185,000	0-5
95-107 Pinstone Street SHEFFIELD	Greggs plc	10 yrs 24.6.02	5 yrs	2007	26,000*	0-5
	John David Sports plc	10 yrs 29.9.98	5 yrs	-	55,000	
	Matthew Rowbotham	20 yrs 29.9.97	5 yrs	2007	30,000*	
	Hair Cuttery Ltd	10 yrs 22.4.04	5 yrs	2009	30,000	
	Andrew Garner	15 yrs 25.12.94	5 yrs	-	27,500	
	Cheltenham & Gloucester	15 yrs 26.4.04	5 yrs	2014	36,000	
	Great Central Developments Ltd	250 yrs 1.10.02	-	-	-	
	21 & 22-23 Boscawen Street TRURO	Signet Group plc	25 yrs 25.3.87	5 yrs	2007	95,000*
	Mr Minit plc	25 yrs 15.7.94	5 yrs	2009	40,000	

\* Outstanding rent review or lease renewal as at 30 June 2008.

COIF Charities Property Fund  
**Property portfolio – offices**  
 at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
74-76 George Street EDINBURGH	The Noble Group Ltd	25 yrs 7.7.97	5 yrs	2007	171,000*	0-5
144 West George Street GLASGOW	Vacant	-	-	-	-	5-10
	Terrace Hill Group Ltd	15 yrs 12.2.07	5 yrs	2012	55,722	
	Vacant	-	-	-	-	
	Vacant	-	-	-	-	
	Allsop Residential Investment Management	5yrs 15.4.08	0yrs	-	39,410	
	Midland Valley Exploration Ltd	10 yrs 11.11.05	5 yrs	2010	57,022	
	The City and Guilds of London Institute	10 yrs 21.2.05	5 yrs	2010	57,555	
	Alexander Sloan & Company	11 yrs 15.5.98	5 yrs	-	54,700	
	JM Architects Ltd	10 yrs 28.5.04	5 yrs	2009	55,590	
	EBV Elektronik GMBH & Co KG – IM Te	10 yrs 26.2.01	5 yrs	-	35,500	

\* Outstanding rent review or lease renewal as at 30 June 2008.

COIF Charities Property Fund  
**Property portfolio – offices**  
 at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
100 West Regent Street GLASGOW	Thus plc	25 yrs 30.3.00	5 yrs	2010	56,455	5-10
	Save & Invest (Financial Planning)	10 yrs 18.6.07	5 yrs	2012	75,000	
	Additional Income	2 yrs 19.9.07	-	-	68,900	
	Woolgar Hunter Ltd	10 yrs 6.4.06	5 yrs	2009	67,971	
	SI Associates Ltd	10 yrs 10.10.06	-	2011	26,450	
	Woolgar Hunter Ltd	10 yrs 14.12.06	5 yrs	2009	18,887	
	Vacant	-	-	-	-	
	Additional Income	1 yr 19.09.07	-	-	4,000	
	Woolgar Hunter Ltd	5 yrs 11.9.06	-	-	2,500	
	Vodafone Ltd	15 yrs 7.12.04	3 yrs	2010	9,750	
	Additional Income	3 yrs 19.9.07	-	-	4,646	
	Additional Income	3 yrs 19.9.07	-	-	1,398	
	The Governor & Company of the Bank	2 yrs 09.4.08	-	-	5,000	

COIF Charities Property Fund  
**Property portfolio – offices**  
 at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
1-3 College Hill LONDON	The Regent Organisation	5 yrs 25.12.04	-	-	58,240	5-10
	Walmough Mallett Ltd	5 yrs 22.2.08	-	-	95,000	
	Blomfield Corporate Finance Ltd	10 yrs 5.3.08	5 yrs	2013	123,235	
	Drake Beam Morin plc	10 yrs 25.12.01	5 yrs	2006	113,015*	
	Hendley Foundation Ltd	10 yrs 25.3.08	-	2013	41,426	
	Citifocus Ltd	10 yrs 24.6.02	5 yrs	-	78,070*	
	Scott Harris (UK) Ltd	5 yrs 6.5.05	-	-	44,550	
	G4S International (UK) Ltd	5 yrs 29.9.06	-	-	34,000	
	Southern Steamships (London) Ltd	5 yrs 25.3.03	-	-	37,500	
	William Heard	10 yrs 29.9.04	5 yrs	2009	25,001	
	Vacant	-	-	-	-	
	Vacant	-	-	-	-	
Vacant	-	-	-	-		

\* Outstanding rent review or lease renewal as at 30 June 2008.

COIF Charities Property Fund  
**Property portfolio – offices**  
 at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
Gateway House The Anchorage MANCHESTER	Barclays Bank plc	25 yrs 29.9.91	5 yrs	2006	68,715*	0-5
	Vacant	-	-	-	-	
	BUPA Investments Ltd	5 yrs 24.6.07	-	-	80,000	
	BUPA Investments Ltd	5 yrs 24.6.07	5 yrs	-	80,000	
King's Court READING	Wipro Ltd	10 yrs 2.10.06	5 yrs	2011	92,200	5-10
	Imperial Software Technology Ltd	9 yrs 8.6.01	5 yrs	-	72,864	
	Resolution Management Services Ltd	25 yrs 25.12.84	5 yrs	-	91,750	
	Dow Corning Ltd	25 yrs 25.12.85	5 yrs	-	92,880	
	Wipro Ltd	10 yrs 9.12.00	5 yrs	-	89,250	
	Wipro Ltd	5 yrs 7.1.06	1 yr	-	4,400	
	Wipro Ltd	9 yrs 9.12.00	1 yr	-	1,200	
	Wipro Ltd	5 yrs 7.1.06	1 yr	-	4,400	
	Wipro Ltd	5 yrs 18.6.04	1 yr	-	2,200	

\* Outstanding rent review or lease renewal as at 30 June 2008.

COIF Charities Property Fund  
**Property portfolio – offices**  
 at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
King's Court READING (Cont.)	Resolution Management Services Ltd	3 yrs 2.2.08	-	-	5,000	
17 Bath Road SLOUGH	Computer Associates UK Ltd	25 yrs 1.3.84	5 yrs	-	200,000	0-5
82-90 London Road ST ALBANS	West Herts Community NHS Trust	25 yrs 19.7.94	5 yrs	2009	125,500	0-5

COIF Charities Property Fund  
**Property portfolio – shops/offices**  
at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
1-3 Westgate Buildings BATH	Pizza Hut (UK) Ltd	15 yrs 17.11.04	5 yrs	2009	78,800	0-5
	Future Publishing Ltd	25 yrs 18.5.88	5 yrs	2008	58,000*	
7-8 Conduit St LONDON W1	Qatar Airways	25 yrs 24.6.84	5 yrs	-	187,500	10-15
	Martin David Paisner & David Davis	13 yrs 23.12.96	5 yrs	2006	60,000*	
	H2 Glenfern Ltd	5 yrs 25.3.08	5 yrs	2010	76,450	
	Princeton Investments plc	22 yrs 25.3.87	5 yrs	-	61,600	
	Messrs G Martin, SS Goderski, S Hul	5 yrs 20.12.04	5 yrs	-	55,000	
	Messrs Crosby Milliner and Thrower	2 yrs 8.10.07	-	-	74,000	

\* Outstanding rent review or lease renewal as at 30 June 2008.

**COIF Charities Property Fund**  
**Property portfolio – warehouses/industrial**  
**at 30 June 2008 (unaudited)**

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
11 Barnett Way GLOUCESTER	Hydro Aluminium Extrusion Ltd	8 yrs 3.5.07	5 yrs	2010	52,006	0-5
	British Energy Generation Ltd	5 yrs 12.9.06	-	-	32,250	
	Easynet Telecommunications Ltd	15 yrs 14.5.01	5 yrs	2006	31,600*	
7 St Andrews Way LONDON E3	Westex Ltd	25 yrs 16.11.94	5 yrs	2004	225,000*	0-5
Unit G1, Touchet Hall Road MANCHESTER	Christian Salvesen plc	25 yrs 3.7.95	5 yrs	2010	352,500	0-5
Bradbourne Drive MILTON KEYNES	Bakkavor Properties Ltd	14 yrs 1.1.02	5 yrs	2012	315,000	0-5
Units 1 & 2 Longfield Road TUNBRIDGE WELLS	SHM Holdings Ltd	16 yrs 16.3.94	5 yrs	-	62,000	0-5
	SH Muffet Ltd	6 yrs 23.3.04	5 yrs	-	27,885	
	Fox Print Services Ltd	5 yrs 3.1.05	5 yrs	2010	80,000	
	Independent Binders Ltd	6 yrs 20.3.04	3 yrs	-	124,327	
Javelin Park WEDNESBURY	WH Smith Trading Ltd	15 yrs 20.12.04	5 yrs	2009	269,000	0-5

\* Outstanding rent review or lease renewal as at 30 June 2008.

COIF Charities Property Fund  
**Property portfolio – retail warehouses**  
 at 30 June 2008 (unaudited)

<i>Property</i>	<i>Tenant</i>	<i>Term/ from</i>	<i>Lease review period</i>	<i>Next review</i>	<i>Rent £</i>	<i>Market value range £m</i>
Chorley Retail Park CHORLEY	Wickes Building Supplies Ltd	25 yrs 24.10.00	5 yrs	2010	330,000	5-10
	DP Realty Ltd t/a Domino's Pizza	25 yrs 24.10.00	5 yrs	2010	17,500	
	Motor World Ltd	15 yrs 15.6.01	5 yrs	2011	21,000	
	Blockbuster Entertainment Ltd	15 yrs 24.10.00	5 yrs	2005	36,750*	
	BJR Foods Ltd t/a KFC	20 yrs 24.10.00	5 yrs	2010	57,000	
100 Regent Road MANCHESTER	Staples UK Ltd	15 yrs 29.9.03	5 yrs	2008	206,250	0-5
Snowden Drive MILTON KEYNES	Wickes Building Supplies Ltd	25 yrs 3.10.03	5 yrs	2008	638,750	10-15
St. Peter's Way NORTHAMPTON	NBC Apparel t/a TK Maxx	15 yrs 24.6.03	5 yrs	2008	311,535*	5-10
Portway Road OLDBURY	Matalan Retail Ltd	25 yrs 17.11.95	5 yrs	2010	242,550	0-5
Mallory Road PETERBOROUGH	Halfords Ltd	25 yrs 20.5.88	5 yrs	2008	220,400*	0-5

\* Outstanding rent review or lease renewal as at 30 June 2008.

# COIF Charities Property Fund

## Balance sheet

at 30 June 2008 (unaudited)

	Notes	30.6.2008		31.12.2007	
		£'000	£'000	£'000	£'000
<b>ASSETS</b>					
Portfolio of investments	7		121,275		145,115
Debtors	8	961		2,184	
Cash and bank balances	9	8,255		1,542	
Total other assets			9,216		3,726
<b>Total assets</b>			<b>130,491</b>		<b>148,841</b>
<b>LIABILITIES</b>					
Creditors	10	1,841		1,956	
Distribution payable on income units		1,789		1,844	
<b>Total liabilities</b>			<b>3,630</b>		<b>3,800</b>
<b>Net assets attributable to unitholders</b>			<b>126,861</b>		<b>145,041</b>
Approved on behalf of the Board					
21 July 2008					
B Wrey, <i>Chairman</i>					

The notes on pages 23 to 29 form part of these accounts.

## Cash flow statement

for the six months ended 30 June 2008 (unaudited)

	Notes	30.6.2008		31.12.2007	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	16		4,585		5,123
<b>Net cash outflow from financing activities</b>					
Creation of units		341		7,055	
Cancellation of units		(5,029)		(11,033)	
			(4,688)		(3,978)
<b>Net cash inflow from investing activities</b>					
Payments to acquire investments	7	(637)		(6,905)	
Proceeds on disposal of investments	7	11,045		10,002	
			10,408		3,097
<b>Net cash outflow from distributions paid</b>			<b>(3,592)</b>		<b>(6,944)</b>
<b>Net increase/(decrease) in cash</b>	17		<b>6,713</b>		<b>(2,702)</b>

The notes on pages 23 to 29 form part of these accounts.

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

### 1. Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost basis, as modified by the revaluation of properties, and in accordance with accounting policies set out below and the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA) in December 2005, with the exception of the omission of the Statement of material portfolio changes.

Part 1.3 and 2.2 of The Association of Real Estate Funds' Code of Practice relating to the format of Property Collective Investment Schemes' accounts has been followed in the preparation of these accounts.

(b) Income recognition

Rental income, interest on bank deposits and COIF Charities Deposit Fund balances are accrued on a daily basis.

(c) Expenses

During the period, the Manager's periodic charge, paid to the Manager, was charged to the capital of the Fund. Prior to 1 January 2008, it was charged to the income of the Fund. The fee is based on a fixed percentage of the value of the Fund, which is currently 0.65% p.a. plus VAT. Each month, the value at the end of the previous month is taken to calculate the fee due. This fee covers the provision of investment services and other expenses incurred by the Manager. The Fund receives a management fee rebate credited to the income of the Fund for the Fund's deposits in the COIF Charities Deposit Fund, where management fees are charged to income. The Trustee fee, audit, legal, insurance, property valuation fees and direct property fees are charged separately to the income of the Fund before distribution.

(d) Distributions

Distributions are paid quarterly. The Fund utilises an income reserve to even out the fluctuations in income which arise over the years (see note 11).

(e) Capitalised costs

All costs associated with buying, selling and development of properties are charged to capital. Other expenses, including the property valuation fees payable to Atisreal Limited, are deducted from income.

(f) Basis of valuation

Freehold and leasehold properties are valued at each monthly dealing date and at quarter-end dates on the basis of Market Value in accordance with the current RICS Appraisal and Valuation Standards (The Red Book) as advised by Atisreal Limited, Chartered Surveyors.

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

(g) Borrowing

Interest on borrowings made by the Fund, through its loan facility with The Royal Bank of Scotland plc, is accrued on a daily basis, in accordance with the terms of the facility, at a rate of 1% per annum above the bank's base rate. All costs associated with the set-up of the facility are amortised over the life of the facility.

<b>2. Net gains on investments</b>	<b>30.6.2008</b>	<b>30.6.2007</b>
	<b>£'000</b>	<b>£'000</b>
The net (losses)/gains on investments during the period comprise:		
Non-derivative securities	<u>(13,432)</u>	<u>4,813</u>
<b>3. Income</b>	<b>30.6.2008</b>	<b>30.6.2007</b>
	<b>£'000</b>	<b>£'000</b>
Rents receivable	<b>3,918</b>	3,947
Interest on COIF Charities Deposit Fund	<b>75</b>	70
Bank interest	<b>9</b>	48
Other income	<b>100</b>	-
	<u><b>4,102</b></u>	<u>4,065</u>
<b>4. Expenses</b>	<b>30.6.2008</b>	<b>30.6.2007</b>
	<b>£'000</b>	<b>£'000</b>
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge – see note 1(c)	<b>438</b>	482
Manager's periodic charge rebate – see note 1(c)*	<b>(2)</b>	(1)
	<u><b>436</b></u>	<u>481</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee fee	<u><b>18</b></u>	<u>31</u>
Other expenses:		
Insurance fee	-	2
Audit fee	<b>4</b>	4
Investment property database fee	<b>7</b>	5
Loan finance cost	<b>(7)</b>	6
Property ground rent and empty rates	<b>3</b>	29
Property legal and professional fees	<b>48</b>	93
Property valuation fees	<b>11</b>	58
Property non-recoverable insurance	-	7

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

Property non-recoverable repairs and maintenance	<b>58</b>	3
Property service charge	<b>29</b>	31
Property other expenses	<b>18</b>	-
	<b><u>171</u></b>	<u>238</u>
Total expenses	<b><u>625</u></b>	<u>750</u>

The above expenses include VAT where applicable.

\*This amount represents the rebate of management fees credited to the Fund's income for its deposits in the COIF Charities Deposit Fund where management fees are charged to income.

### 5. Taxation

The Fund is exempt from UK income and capital gains tax due to its charitable status pursuant to Sections 505 and 506 of the Income and Corporation Taxes Act 1988. Distributions are paid and reinvested income credited gross to unitholders on the basis that all appropriate UK taxation has been both reclaimed and recovered.

### 6. Finance costs

Distributions

Distributions take account of income received on the creation of units and income deducted on the cancellation of units, and comprise:

	<b>30.6.2008</b>	<i>30.6.2007</i>
	<b>£'000</b>	<i>£'000</i>
31 March – interim distribution	<b>1,738</b>	1,734
30 June – interim distribution	<b>1,837</b>	1,769
	<b><u>3,575</u></b>	<u>3,503</u>
Add: income deducted on cancellation of units	<b>58</b>	36
Deduct: income received on creation of units	<b>(2)</b>	(33)
Net distribution for the period	<b><u>3,631</u></b>	<u>3,506</u>
Net income for the period	<b>3,477</b>	3,293
Transfer (to)/from income reserve – see note 11	<b>(318)</b>	213
Manager's periodic charge – see note 1(c)	<b>438</b>	-
Overdistributed income	<b>34</b>	-
Net distribution for the period	<b><u>3,631</u></b>	<u>3,506</u>
Interest	<b>-</b>	22
Total finance costs	<b><u>3,631</u></b>	<u>3,528</u>

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

<b>7. Property investments</b>	<b>30.6.2008</b>	31.12.2007
	<b>£'000</b>	£'000
Market value at the start of the period	<b>145,115</b>	160,975
Acquisitions at cost	<b>637</b>	6,905
Sales proceeds from disposals	<b>(11,045)</b>	(10,002)
Realised gains on disposals	<b>6,572</b>	4,021
Unrealised losses on revaluation	<b>(20,004)</b>	(16,784)
Market value at the end of the period	<b><u>121,275</u></b>	<u>145,115</u>
Historical cost at the end of the period	<b><u>118,000</u></b>	<u>121,836</u>
<b>8. Debtors</b>	<b>30.6.2008</b>	31.12.2007
	<b>£'000</b>	£'000
Accrued income	<b>747</b>	1,997
Property payments recoverable	<b>176</b>	83
Service charge recoverable	<b>-</b>	26
Prepayments	<b>7</b>	5
VAT recoverable	<b><u>31</u></b>	<u>73</u>
	<b><u>961</u></b>	<u>2,184</u>
<b>9. Cash and bank balances</b>	<b>30.6.2008</b>	31.12.2007
	<b>£'000</b>	£'000
Cash in COIF Charities Deposit Fund	<b>6,648</b>	3,732
Cash at bank	<b><u>1,607</u></b>	<u>(2,190)</u>
	<b><u>8,255</u></b>	<u>1,542</u>
<b>10. Creditors</b>	<b>30.6.2008</b>	31.12.2007
	<b>£'000</b>	£'000
Rent received in advance	<b>1,708</b>	1,763
Accrued expenses	<b>19</b>	26
Property expenses payable	<b>1</b>	1
Rent deposits	<b>113</b>	153
Property retention	<b>-</b>	13
	<b><u>1,841</u></b>	<u>1,956</u>

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

### 11. Income reserve

The income reserve, accumulated out of income, is used to smooth fluctuations in the income received in the Fund. The income reserve is included in the total capital value of the Fund attributable to income unitholders.

	<b>30.6.2008</b>	<i>30.6.2007</i>
	<b>£'000</b>	<i>£'000</i>
Income reserve at the start of the period	<b>702</b>	1,065
Transfer to/(from) income reserve	<b>318</b>	(213)
Income reserve at the end of the period	<b><u>1,020</u></b>	<u>852</u>

### 12. Financial instruments

The main risks arising from the Fund's financial instruments and Manager's policies for managing these risks are summarised below. These policies have been applied throughout the period and the comparative period.

#### Market price risk

Whilst the value of direct property is independently valued on a monthly basis, such valuations are a matter of the valuer's opinion and such values may or may not be achieved on disposal. The Fund seeks to minimise the impact of these risks by maintaining a well diversified property portfolio, both geographically and by sector.

#### Interest rate risk

The majority of the Fund's assets are direct property investments and therefore do not pay interest or have maturity dates. As a consequence any changes in interest rates will not significantly affect the Fund except in so far as they affect rental levels generally.

#### Financial assets

All cash and bank balances earn interest at a floating rate based on either LIBOR or base rate. Debtors and creditors of the Fund do not pay or receive interest.

#### Financial liabilities

At 30 June 2008 there was no financial liability relating to the Fund's borrowing facility that pays a floating rate of interest (31.12.2007, £nil). There were no other financial liabilities that pay either floating rate or fixed rate interest at 30 June 2008 (31.12.2007, £nil). All financial liabilities are due to be settled within one year or on demand.

The borrowing facility provided by The Royal Bank of Scotland plc has a limit of £15m and a floating interest rate of 1% above the bank's base rate. Interest on amounts drawn down from the loan facility is calculated on a daily basis and is payable monthly in arrears. The loan can be drawn in tranches and repaid at any time. The loan facility is renewable annually.

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

Under the Scheme of the Fund, the Manager may borrow a maximum of 25% of the value of the property of the Fund to assist with investing in, improvements to, or the managing of property and the short-term financing of, or meeting payments to be made out of the Fund.

### Liquidity risk

By their very nature, direct properties are less liquid and therefore the investments may not be readily realisable. The Fund's liquidity may be affected by unexpected or high levels of redemptions. Under these circumstances, a period of notice of up to six months may be imposed for the redemption of units. The units are realisable only on each monthly dealing day.

### Currency risk

There is no exposure to foreign currency fluctuations as all investments, income and short-term debtors and creditors are denominated in Sterling.

There were no derivatives held by the Fund as at 30 June 2008 (31.12.2007, £nil).

## 13. Board remuneration

The Board members receive no remuneration from COIF Charity Funds. Mr R Fitzalan Howard is a Director of the Manager and receives remuneration from the Manager, which is disclosed in that Company's accounts.

## 14. Related party transactions

The Manager's periodic charge is paid to the Manager and the Trustee fee is paid to HSBC Bank plc, both related parties to the Fund. The amounts paid in respect of these charges are disclosed in note 4.

A rebate of management fees is credited to the Fund's income for its deposits in COIF Charities Deposit Fund where management fees are charged to income as disclosed in note 4.

At 30 June 2008 the balances due to the Manager and HSBC Bank plc were as set out below:

	<b>30.6.2008</b>	<b>31.12.2007</b>
	<b>£'000</b>	<b>£'000</b>
The Manager	-	-
HSBC Bank plc	<b>15</b>	12

There were no other transactions entered into with the Manager or HSBC Bank plc during the period.

At 30 June 2008 a cash balance of £6,647,650 (31.12.07, £3,732,324) was held in the COIF Charities Deposit Fund.

# COIF Charities Property Fund

## Notes to the accounts

(unaudited)

### 15. Turnover of units

The number and net asset value of units in the Fund created, cancelled and transferred in the period to 30 June 2008 was as follows:

	<i>Number of units</i>	<i>Value £'000</i>	<i>% of NAV at 30.6.2008</i>
Units created	263,333	341	0.27
Units cancelled	3,827,413	5,029	3.96

At 30 June 2008 there were no outstanding redemption notices (31.12.2007: income units: 1,857,204, accumulation units: 326,211).

### 16. Reconciliation of net income to net cash inflow from operating activities

	<b>30.6.2008</b>	31.12.2007
	<b>£'000</b>	£'000
Net income for the period	<b>3,477</b>	6,821
Decrease/(increase) in accrued income	<b>1,250</b>	(141)
Increase in debtors	<b>(27)</b>	(65)
Decrease in creditors	<b>(115)</b>	(1,492)
Net cash inflow from operating activities	<b><u>4,585</u></b>	<u>5,123</u>

### 17. Reconciliation of net cash flow to movement in cash balances

	<b>30.6.2008</b>	31.12.2007
	<b>£'000</b>	£'000
Net cash at the beginning of the period	<b>1,542</b>	4,244
Increase/(decrease) in cash during the period	<b>6,713</b>	(2,702)
Net cash at the end of the period	<b><u>8,255</u></b>	<u>1,542</u>

## COIF Charities Property Fund

# Distribution table

for the six months ended 30 June 2008 (unaudited)

<i>Period ended</i>	<i>Date paid/payable</i>	<i>Distributions paid/payable pence per unit</i>	
		<b>2008</b>	2007
<b>Income units</b>			
31 March 2008	30 May 2008	<b>1.70</b>	1.60
30 June 2008	29 August 2008	<b>1.80</b>	1.65
		<b><u>3.50</u></b>	<u>3.25</u>
		<i>Income accumulated pence per unit</i>	
		<b>2008</b>	2007
<b>Accumulation units</b>			
31 March 2008		<b>2.29</b>	1.55
30 June 2008		<b>2.69</b>	1.83
		<b><u>4.98</u></b>	<u>3.38</u>

# COIF Charities Property Fund

## Statement of Board, Corporate Trustee and Manager responsibilities

### Responsibilities of the Board

The Board shall comply with the duty of care when exercising their powers and discharging their duties under the Scheme of the Charity Commission made under the Charities Act 1993, dated 12 July 2002, for the Fund to:

- make and revise the written statement of the investment objectives of the Fund and details of such investment objectives will be included in the Scheme Particulars;
- determine the criteria and methods for evaluating the performance of the Fund;
- appoint the Auditor of the Fund and agree their terms of engagement;
- make an annual report on the discharge of the Board's responsibilities;
- determine the rate of remuneration of the Trustee and the Manager in accordance with the Scheme and the Scheme Particulars;
- apply to the Commission for an order to discharge the Trustee from the provisions of the Scheme and an order to appoint a new Trustee if the provisions of the Scheme: provided that any Board member who has any interests in the Trustee or the new Trustee shall not participate in the Board's discussions and decisions on the matter and shall not be counted in the quorum necessary for the transaction of such business; and
- inform the Charity Commission promptly and in writing if the Board is not satisfied at any time as to the compliance of the Trustee or the Manager with the Scheme or the Scheme Particulars.

### Responsibilities of the Trustee

The Trustee shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. To the extent of those duties and powers, the Trustee is a charity trustee of the Fund within the meaning of the Charities Act 1993. The Trustee shall comply with the duty of care when exercising its powers and discharging its duties under this Scheme. The following are the duties and powers of the Trustee:

- the supervision and oversight of the Manager's compliance with the Scheme and the Scheme Particulars. In particular, the Trustee shall be satisfied on a continuing basis that the Manager is competently exercising the powers and competently discharging the duties conferred or imposed on it by or pursuant to the provisions of the Scheme and that the Manager is maintaining adequate and proper records;
- the appointment, supervision and oversight of any Registrar or other delegate whom it has appointed in accordance with the provisions of this Scheme;
- the custody and control of the property of the Fund and the collection of all income due to the Fund in accordance with the Scheme;
- the creation and cancellation of units in accordance with the instructions of the Manager (except where the Scheme Particulars permit the Trustee to disregard those instructions);
- making distributions to Participating Charities holding income units and making allocations to Participating Charities holding

# COIF Charities Property Fund

## Statement of Board, Corporate Trustee and Manager responsibilities

accumulation units in proportion to their respective units in the property of the Fund;

- the making of an annual report on the discharge of its responsibilities for the management of the Fund; and
- the authorisation of payment out of the property of the Fund of any reasonable costs or expenses of the Board members incurred by them in the execution of their duties in accordance with the Scheme.

### Responsibilities of the Manager

The Manager of the Fund is required by the Scheme to prepare accounts for the Fund in accordance with the Statement of Recommended Practice 2005 (Accounting and Reporting by Charities). The Manager is required to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of the Statement of Recommended Practice

relating to Authorised Funds issued by the Investment Management Association (IMA) in December 2005;

- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable the Manager to demonstrate that the accounts as prepared comply with the above requirements;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Manager is required to manage and administer the Fund in accordance with the Scheme, maintain accounting records and take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustee has appointed the Manager to act as Registrar to the Fund.

# CCLA INVESTMENT MANAGEMENT LIMITED

# COIF Charities Property Fund

(Charity Registration No. 1093084)

## Board

B Wrey, Chairman of the Board, *Former Chairman, Henderson Global Investors*

T Clark (appointed 26.2.08), *Solicitor*

A Daws (appointed 26.2.08), *Solicitor*

R Fitzalan Howard, *Chief Executive, FF&P Asset Management Limited*

D Henderson, FCA, *Company Director*

A Huntley, FRICS (resigned 29.4.08)

Mrs F Quint, *Barrister*

N Wilson (retired 26.2.08), *Solicitor, a former Partner, Slaughter and May*

## Secretary

Mrs J Fox

## Investment Manager, Administrator and Registrar

### CCLA Investment Management Limited

*Authorised and regulated by  
the Financial Services Authority*

80 Cheapside

London EC2V 6DZ

Telephone: 020 7489 6000

Client Service:

Freephone: 0800 022 3505

Facsimile: 0844 561 5126

Email: [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)

[www.ccla.co.uk](http://www.ccla.co.uk)

### Directors responsible for the Fund

M Quicke (Chief Executive)

J Bevan (Chief Investment Officer)

S Curran (Chief Operating Officer)

C Peters (Investment Director)

A Robinson (Director Market Development)

### Fund Manager

R Halliday

### Company Secretary

Mrs J Fox

### Head of Operational Risk, Internal Audit and Compliance

A Kemp

### Socially Responsible Investment

N White

### External Property Valuer

Atisreal Limited

Norfolk House, 31 St James Square,  
London SW1Y 4JR

### Corporate Trustee

HSBC Bank plc

8 Canada Square

London E14 5HQ

### Banker

The Royal Bank of Scotland plc

62/63 Threadneedle Street

London EC2R 8LA

### Solicitors

Lovells LLP

Atlantic House, Holborn Viaduct

London EC1A 2FG

Bates Wells & Braithwaite LLP

2-6 Cannon Street

London EC4M 6YH

Farrer & Co LLP

66 Lincoln's Inn Fields

London WC2A 3LH

### Independent Auditor

Ernst & Young LLP

1 More London Place

London SE1 2AF



## **CCLA INVESTMENT MANAGEMENT LIMITED** **COIF Charity Funds**

The COIF Charity Funds provide a ready and practical means for charities to obtain, at reasonable cost, constant professional investment and cash management for their long-term capital and short-term cash. They also provide protection through diversification combined with simplified administration.

### **COIF Charities Investment Fund**

- A suitable 'all-in-one' long-term fund for most charities
- Highly diversified and well-balanced spread of investments
- Designed to help meet growth and income requirements
- Focus on delivering attractive, growing income

### **COIF Charities Fixed Interest Fund**

- Long-term investment focused on income
- Gross income paid quarterly
- Usually held with other investments such as equities and cash to give a broad spread of assets and achieve combined income and growth objectives

### **COIF Charities Global Equity Income Fund**

- Attractive income now
- Rising income in the future
- Strong growth opportunities from the global economy

\* The Deposit Fund has been awarded an AAA/V1 money market fund rating from the credit rating agency Fitch Ratings.

### **COIF Charities Deposit Fund**

- A competitive rate
- Interest paid gross
- No minimum balance
- Simple operation
- Excellent service
- Easy access
- Free BACS transfers
- AAA/V1 credit rating\*

### **COIF Charities Property Fund**

- High quality, well-diversified commercial and industrial property portfolio
- Focus on delivering attractive income
- Actively managed to add value
- Usually held with other investments such as equities, bonds and cash to give a broad spread of assets and achieve combined income and growth objectives

The COIF Charity Funds are common investment funds established by the Charity Commission for England and Wales under Section 24 of the Charities Act 1993. The Deposit Fund was established under Section 25 of the Charities Act 1993. Any charity in the United Kingdom within the meaning of the Charities Act 1993 (as amended or replaced) may invest in the Deposit, Investment and Global Equity Funds. Any charity in England and Wales may invest in the Fixed Interest and Property Funds. CCLA Investment Management Limited operates as the Investment Manager and Administrator of the Funds.

The value of the investments may fall as well as rise and an investor may not get back the full amount originally invested. Deposits in the Deposit Fund are not covered by the Financial Services Compensation Scheme.

CCLA Investment Management Limited (registered in England No. 2183088 – registered office 80 Cheapside, London EC2V 6DZ) is authorised and regulated by the Financial Services Authority.

### **CCLA INVESTMENT MANAGEMENT LIMITED**

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[www.ccla.co.uk](http://www.ccla.co.uk)

CCLA Investment Management Limited is committed to making a positive contribution to environmental protection. Where possible we seek to ensure our suppliers are using environmentally friendly production processes and our paper and board contain 50% recovered waste and 50% virgin fibre, and is certified as a Forest Stewardship Council (FSC) mixed source product.