



for Charities

COIF Charities Global Equity Income Fund

**Report and Accounts
Half year ended 30 June 2009
(unaudited)**

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Details of Board and Manager

(inside back cover)

Description of COIF Charity Funds

(outside back cover)

Disability Discrimination Act 1995

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

Report of the Board

for the half year ended 30 June 2009

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

Structure and management of the Fund

The Fund was established as a Common Investment Fund by a Charity Commission Scheme dated 30 October 2007 under section 24 of the Charities Act 1993. The Fund was launched on 6 December 2007.

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.

The investment 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, 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 Auditor.

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 of the Fund

The Fund, consisting of a diversified range of investments, principally equities but including other asset classes, aims to be suitable for a charity's long-term capital, providing a return that is even-handed between present and future beneficiaries. It is believed that over the longer-term this approach should help to protect both capital and income from the effect of inflation. The Fund has a specific objective of providing an attractive and growing income yield.

The Fund aims to provide an income yield greater than that on the FTSE All World Series World Index.

Investment policy

The Fund may trade in Eligible Securities and Investment Markets on recognised and designated investment exchanges as approved by the Board from time to time. The Manager must have regard to the need for diversification and the suitability of investments.

Report of the Board

for the half year ended 30 June 2009

Except with the prior approval of the Charity Commission the Manager shall not engage in the business of underwriting or sub-underwriting any new issue of units, stocks or other securities.

The Fund may borrow up to 10% of the value of the Fund temporarily for the purpose of meeting any payment to be made out of the Fund. Cash awaiting investment may be deposited with a bank or in a Common Deposit Fund established under section 25 of the Charities Act 1993, as amended or replaced from time to time.

The Fund may also borrow up to 25% of the net asset value of the Fund in connection with the acquisition or management of any land.

The Fund may invest up to 10% of the net asset value of the Fund in transferable securities issued by any one single body other than government and other public securities.

The Fund may invest up to 35% of the net asset value of the Fund in any one collective investment scheme.

Investment may only be made in other collective investment schemes or collective deposit schemes managed by the Manager or

an associate of the Manager, if the trust deed or other instrument constituting the schemes states that its investment will be restricted to a particular geographic area or economic sector, or type of security or direct property and provided that there is no double charging of the management fee.

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.

The Board reviewed the progress of the Manager and approved the valuation of the investments in the company, which are included within these accounts in the Portfolio Statement for the Fund.

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

Report of the Board

for the half year ended 30 June 2009

Responsible investment

The Fund is promoted as a responsible fund that considers the environmental, social and governance impacts of the companies in which the Fund invests. The Board's main purpose is to obtain the best return for unitholders, consistent with commercial prudence and the need to ensure adequate spread and diversification of assets.

In addition, the Board has adopted a responsible investment policy. Currently, the Board's policy, within its fiduciary duty, is for the Fund to avoid direct investment in armaments, gambling and tobacco. The Board has also agreed a proactive engagement process, through which the Manager engages, on behalf of the Fund, with the companies in which it invests on environmental and social issues that are of interest to clients.

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 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 the risks and the assessment of each risk in terms of both gross and residual exposure after application of mitigating controls.

D Henderson
Chairman of the Board

28 July 2009

Report of the Investment Manager

for the half year ended 30 June 2009

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

Performance

Over the six months the Fund returned -2.53% before management expenses. As discussed in more detail below, the period was one of two distinct trends in investment markets, severe early weakness followed a rally in the second quarter. Over the same period the return from the FTSE All-Share Index was +0.81% and the FTSE All-World Index gave a return of -3.88%.

After expenses the return from the income units was -2.92%, that from the accumulation units -2.95%. The income payment to investors was maintained at 2.86p per income unit. The Manager is confident that the

payment for the year as a whole will be higher than that for the previous year. At the end of the period the dividend yield on the Fund was 6.02%. This compares with yields of 4.56% and 3.10% on the FTSE All-Share Index and FTSE All-World Index, respectively.

Market Review

In the early months of the period most investment markets were in retreat as investors came to terms with a rapidly deteriorating world economy. Credit shortages and a sharp drop in demand caused many companies to reduce staff levels and run down stocks, with the result a severe drop in economic activity. To put this into context, in the first quarter of the year the UK economy is estimated to have shrunk by 2.4% and of this 2% has been attributed to destocking. By the end of the first quarter stock reduction programmes were near completion and this fact, coupled with the determined actions by governments to

COIF Charities Global Equity Income Fund

Annualised total capital and income return

To 30 June 2009

Performance against market indices (before expenses)

	Six months %	1 year % p.a.
COIF Charities Global Equity Income Fund	- 2.53	-14.24
FTSE-All-World Index	- 3.88	-13.22
FTSE All-Share Index	+ 0.81	-20.49
MSCI Value UK Index	- 5.22	-19.53
MSCI Value Europe ex UK Index	- 5.12	-21.54
MSCI Value US Index	- 14.34	-11.21
MSCI Value Asia Pacific ex Japan Index	+15.81	-12.14

Performance after expenses

Income units*	- 2.92	-14.97
Accumulation units*	- 2.95	-15.02

* Net asset value to net asset value plus income reinvested

Source: The Manager

Report of the Investment Manager

for the half year ended 30 June 2009

ease the liquidity shortages and help shape a foundation for later recovery, produced an improvement in investor confidence. Markets that had been under severe downward pressure rebounded in a global rally which, although it lost vigour by the end of the period, helped claw back much of the ground lost earlier in the year. After a fall of 10.20% in the first quarter of the year, between the beginning of April and the end of June the FTSE All-World Index gave a return of +7.03% in sterling terms. Although a rise in the value of sterling reduced translation gains for the UK based investors, all major markets participated in the rally.

Strategy

Investments for the Fund are selected on their individual merits rather than with any pre-determined weightings to regions, countries or sectors. Our focus is on good quality companies with an attractive yield based on a dividend that can grow in the future.

The portfolio has a broad spread across international markets but our selection criteria and the target income level will inevitably mean that the allocation to each region will vary, often substantially, from the weightings of the FTSE All-World Index. The major current differences are, in terms of geographical exposure,

relatively high weightings to Europe and the UK, a below benchmark weighting to the US and a long term underweight position in Japan, a market with low income yields. At the sectoral level the portfolio has relatively high weightings to the oil sector, to telecommunications and to utilities and currently has below benchmark exposures to industrials and technology.

Outlook

Although the worst threats to the world economy seem to have passed, it would be optimistic to assume that the near term prospect was for a robust recovery. More likely is for a gradual increase in activity from the lows over the remainder of 2009 and into 2010. This is an environment in which short term interest rates stay at low levels for an extended period and inflation remains under firm control. We believe that there is excellent long term value on offer for the discerning investor but we recognise also that volatility is likely to remain elevated until the outlook is clearer.

M Humphreys
Fund Manager
CCLA Investment Management Limited

28 July 2009

Risk warning

The Fund's units and the revenue 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.

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 weekly dealing day.

The Fund may invest in emerging market countries which could be subject to political and economic change. The Fund's unit value will reflect fluctuations in the unit prices and currency exchange rates.

Net asset value, unit price range, net distribution, unit prices and total expense ratio

Net asset value

<i>At</i> <i>31 December</i>	<i>Net asset</i>	<i>Income units</i>		<i>Accumulation units</i>	
	<i>value</i> <i>£'000</i>	<i>Net asset value</i> <i>pence per unit</i>	<i>Number of</i> <i>units in issue</i>	<i>Net asset value</i> <i>pence per unit</i>	<i>Number of</i> <i>units in issue</i>
2008	40,242	105.76	37,517,737	111.39	504,625
At 30 June 2009	38,812	99.68	38,379,145	108.10	514,732

The net asset value is calculated on the mid-market value basis compared to the balance sheet where the assets are valued on a bid-market value basis in accordance with the Statement of Recommended Practice for Authorised Funds.

Unit price range

<i>At</i> <i>31 December</i>	<i>Income units</i>		<i>Accumulation units</i>	
	<i>Highest offer</i> <i>pence per unit</i>	<i>Lowest bid</i> <i>pence per unit</i>	<i>Highest offer</i> <i>pence per unit</i>	<i>Lowest bid</i> <i>pence per unit</i>
2008	150.00	91.13	150.00	94.57
To 30 June 2009	103.77	84.54	110.81	89.04

Net distribution

<i>At</i> <i>31 December</i>	<i>Annual distributions</i>	
	<i>Income units</i> <i>pence per unit</i>	<i>Accumulation units</i> <i>pence per unit</i>
2008	6.26	7.42
To 30 June 2009	2.86	3.81

Net asset value, unit price range, net distribution, unit prices and total expense ratio

Unit prices at 30 June 2009

	<i>Bid price pence per unit</i>	<i>Offer price pence per unit</i>
Income units	99.13	100.23
Accumulation units	107.51	108.69

The unit prices are published in the *Financial Times* and on the Manager's website at www.ccla.co.uk.

The bid and offer prices are calculated on the net asset value minus or plus a 0.55% deduction or surcharge.

Total expense ratio

	<i>30.6.2009</i>	<i>30.6.2008</i>
Total expense ratio (annualised)	0.92%	0.86%

The total expense ratio is the ratio of the Fund's total operating costs to its average net assets calculated over the period.

Statement of total return

for the half year ended 30 June 2009 (unaudited)

	Notes	30.6.2009		30.6.2008	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	2		(2,382)		(9,332)
Revenue	3	1,492		1,805	
Expenses	4	<u>(167)</u>		<u>(240)</u>	
Net revenue before taxation		1,325		1,565	
Taxation	5	<u>(114)</u>		<u>(139)</u>	
Net revenue after taxation			<u>1,211</u>		<u>1,426</u>
Total return before distributions			(1,171)		(7,906)
Finance costs: distributions	6		(1,102)		(1,086)
Change in net assets attributable to unitholders from investment activities			<u>(2,273)</u>		<u>(8,992)</u>

The notes on pages 14 to 22 form part of these accounts.

Statement of change in net assets attributable to unitholders

for the half year ended 30 June 2009 (unaudited)

	30.6.2009		30.6.2008	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		40,138		-
Amounts receivable on issue of units	862		54,031	
Amounts payable on cancellation of units	-		-	
		862		54,031
Change in net assets attributable to unitholders from investment activities		(2,273)		(8,992)
Retained distribution on accumulation units		20		12
Closing net assets attributable to unitholders		<u>38,747</u>		<u>45,051</u>

The above statement shows the comparative closing net assets at 30 June 2008 whereas the opening net assets for the current accounting period commenced on 1 January 2009.

Portfolio Statement

at 30 June 2009 (unaudited)

<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>
UNITED KINGDOM 25.35% (31.12.08, 26.52%)			Banks 1.68%		
Oil & Gas Producers 5.30%			HSBC	105,172	528 1.36
BP	208,184	995 2.57	Standard		
Royal Dutch			Chartered	10,829	123 0.32
Shell B	69,392	1,058 2.73	Nonlife Insurance 0.35%		
Aerospace & Defence 0.35%			Catlin	41,883	134 0.35
Rolls Royce	37,811	137 0.35	Life Insurance 1.43%		
Support Services 0.64%			Admiral	47,547	413 1.07
Electro-			Aviva	40,631	139 0.36
components	81,721	115 0.30	General Financial 0.66%		
Smiths News	120,635	133 0.34	Man	50,165	139 0.36
Food Producers 0.99%			Provident		
Unilever	26,957	384 0.99	Financial	14,867	118 0.30
Pharmaceuticals & Biotechnology 4.89%			Preference Shares 0.58%		
AstraZeneca	28,415	759 1.96	Lloyds 9.25%		
GlaxoSmithKline	106,476	1,137 2.93	Preference		
Travel & Leisure 0.51%			Shares	312,000	223 0.58
Thomas Cook	95,960	197 0.51	EUROPE 32.09% (31.12.08, 22.48%)		
Mobile Telecommunications 4.91%			Austria 0.67%		
Cable & Wireless	332,678	442 1.14	Telekom Austria	27,276	260 0.67
Vodafone	1,246,634	1,460 3.77	France 13.63%		
Electricity 0.36%			Axa	57,466	655 1.69
Scottish &			BNP Paribas	13,889	547 1.41
Southern Energy	12,384	141 0.36	France Telecom	90,518	1,245 3.21
Gas, Water & Multiutilities 2.70%			Gaz de France	10,218	231 0.60
Centrica	75,738	169 0.44	Societe Generale	26,302	871 2.25
National Grid	90,719	496 1.28	Total	33,086	1,084 2.80
Severn Trent	11,972	131 0.34	Veolia		
United Utilities	49,673	247 0.64	Environnement	13,811	247 0.64
			Vivendi Universal	27,622	401 1.03

Portfolio Statement

at 30 June 2009 (unaudited)

	<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>		<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>
Germany 2.70%				UNITED STATES OF AMERICA 23.78%			
Deutsche Telekom				(31.12.08, 30.94%)			
	61,455	438	1.13	AT&T	56,236	848	2.19
	10,278	221	0.57	Bank of America 7.25%			
	8,119	389	1.00	Convertible	1,400	702	1.81
Italy 4.63%				Bristol-Myers Squibb	49,000	604	1.56
	55,802	164	0.42	Chevron	8,400	338	0.87
	98,148	1,400	3.61	Coca-Cola	17,600	513	1.32
	116,040	234	0.60	DTE Energy	6,600	128	0.33
Netherlands 1.36%				Duke Energy	13,400	119	0.31
	30,109	251	0.65	Du Pont De Nemours	32,252	502	1.30
	18,778	274	0.71	Freeport 6.75%			
Norway 0.91%				Convertible Preference			
	29,500	352	0.91	Shares	1,400	68	0.18
Spain 4.74%				Genuine Parts	31,000	631	1.63
	65,928	481	1.24	HJ Heinz	27,600	598	1.54
	33,545	165	0.43	Johnson & Johnson	22,090	761	1.96
	9,727	132	0.34	Kraft Foods	24,163	372	0.96
	77,070	1,058	2.73	Lilly (Eli)	11,300	238	0.61
Sweden 1.61%				Merck & Co	62,800	1,065	2.75
				NiSource	17,900	127	0.33
	20,736	625	1.61	Pfizer	85,165	775	2.00
Switzerland 0.32%				Procter & Gamble	8,000	248	0.64
	2,137	126	0.32	Verizon Communications	30,886	576	1.49
General European 1.52%				JAPAN 0.69% (31.12.08, 1.68%)			
	23,970	223	0.58	Japan Prime Realty			
	17,374	118	0.30		109	143	0.37
	73,296	248	0.64	T-Gaia			
					154	125	0.32

Portfolio Statement

at 30 June 2009 (unaudited)

	<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>		<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>
PACIFIC BASIN 10.17% (31.12.08, 8.49%)				OTHER OVERSEAS 2.96% (31.12.08, 4.24%)			
Australia 2.00%				African Bank			
ANZ Bank	16,161	130	0.34	Investments	64,147	139	0.36
Coca-Cola Amatil	30,223	127	0.33	Canadian			
Commonwealth				Imperial Bank of			
Bank of Australia	9,749	186	0.48	Commerce	5,900	179	0.46
Goodman Fielder	223,441	143	0.37	Kimberley-Clark			
Westpac				MXC	104,606	241	0.62
Banking	18,714	185	0.48	KSK Emerging			
Hong Kong 5.90%				India	500,000	150	0.39
Cheung Kong				Manitoba			
Infrastructure	48,000	102	0.26	Telecom	6,500	115	0.30
China Agri-				Mobinil	10,170	210	0.54
Industries	363,000	137	0.35	Tele Norte Leste			
China				Participacoes	11,800	114	0.29
Construction	303,000	142	0.37				
China Mobile	43,000	261	0.67	INVESTMENT			
CNOOC	502,000	378	0.98	ASSETS	36,825	95.04	
Industrial &				NET OTHER ASSETS	1,922	4.96	
Commercial				NET ASSETS	<u>38,747</u>	<u>100.00</u>	
Bank of China	653,000	276	0.71				
Jiangsu							
Expressway	264,000	118	0.31				
Kingsoft	412,000	174	0.45				
Petrochina	848,000	571	1.47				
Zhejiang Express	264,000	127	0.33				
Singapore 1.35%							
DBS	76,000	376	0.97				
United Overseas							
Bank	24,000	147	0.38				
Taiwan 0.92%							
Chunghwa							
Telecom	296,000	358	0.92				

Balance sheet

at 30 June 2009 (unaudited)

	Notes	30.6.2009		31.12.2008	
		£'000	£'000	£'000	£'000
ASSETS					
Investment assets			36,825		37,869
Debtors	7	585		150	
Cash and bank balances	8	<u>1,959</u>		<u>2,744</u>	
Total other assets			<u>2,544</u>		<u>2,894</u>
Total assets			39,369		40,763
LIABILITIES					
Creditors	9	23		32	
Distribution payable on income units		<u>599</u>		<u>593</u>	
Total liabilities			622		625
Net assets attributable to unitholders			<u><u>38,747</u></u>		<u><u>40,138</u></u>
Approved on behalf of the Board					
28 July 2009					
D Henderson, <i>Chairman</i>					

The notes on pages 14 to 22 form part of these accounts.

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 investments, and in accordance with policies set out below, the Statement of Recommended Practice (Accounting and Reporting by Charities) issued by the Charity Commission in March 2005 and the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA) in November 2008.

(b) Revenue recognition

Dividends on ordinary stocks, including special dividends where appropriate and preference shares, and unit trusts are accrued to revenue on the dates when the investments are first quoted ex-dividend. Interest on bank and COIF Charities Deposit Fund balances is accrued on a daily basis.

(c) Expenses

The Manager's periodic charge, paid to the Manager, is charged to the capital of the Fund. During the period, the fee was based on a fixed percentage of the value of the Fund, 0.75% plus VAT. The Fund received a management fee rebate credited to the revenue of the Fund for its deposits in COIF Charities Deposit Fund where during the period management fees were charged to revenue. 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 Trustee fee, audit, legal, safe custody fees and transaction charges and insurance fees are charged separately to the revenue of the Fund before distribution.

(d) Stock dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund. Any enhancement above the cash dividend is treated as capital.

(e) Special dividends, share buy-back or additional share issue

Whether a special dividend, share buy-back or additional share issue is revenue or capital by nature depends upon the facts of each individual case. It is likely that where the receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend is regarded as capital by nature. Otherwise, the special dividends are regarded as revenue.

(f) Distributions

Distributions are paid quarterly. The Fund utilises an income reserve to even out the fluctuations in revenue which arise over the period (see note 10).

Notes to the accounts

(unaudited)

(g) Basis of valuation

Listed investments are valued at bid-market values at the close of business on the last business day of the accounting period. Any unquoted, unlisted, delisted or suspended investments are stated at cost or valuation by the Manager and reviewed by the Board.

Suspended securities are valued by the Manager having regard to the last dealing price on the date of suspension and subsequent available information. Suspended securities are written off after they have been carried at nil value for two years.

(h) Foreign exchange

Assets and liabilities in foreign currencies are expressed in sterling at rates of exchange ruling on the accounting date. Transactions in foreign currencies are translated into sterling at the exchange rates ruling on the transaction dates.

The Fund may enter into forward currency contracts to protect the sterling value of the underlying portfolio of securities against the effect of possible adverse movements in foreign exchange rates. Fluctuations in the value of such forward currency contracts are recorded as unrealised gains or losses. Realised gains or losses include net gains or losses on transactions that have terminated by settlement or by the Fund entering into offsetting commitments.

2. Net capital losses	30.6.2009	30.6.2008
	£'000	£'000
The net capital losses during the period comprise:		
Non-derivative securities	(3,893)	(10,623)
Forward currency contracts	909	-
Currency gains	602	1,291
	<u>(2,382)</u>	<u>(9,332)</u>
3. Revenue	30.6.2009	30.6.2008
	£'000	£'000
UK dividends	341	276
Overseas dividends	1,041	1,498
Interest on COIF Charities Deposit Fund	40	15
Bank interest	70	(3)
Other	-	19
	<u>1,492</u>	<u>1,805</u>

Notes to the accounts

(unaudited)

4. Expenses

	30.6.2009	30.6.2008
	£'000	£'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge – see note 1(c)	152	211
Manager's periodic charge rebate – see note 1(c)*	(3)	(1)
Manager's professional fee for ethical services	7	-
	<u>156</u>	<u>210</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee fee	2	3
Safe custody fees and transaction charges	3	20
	<u>5</u>	<u>23</u>
Other expenses:		
Audit fee	5	5
Legal fees	-	1
Insurance fee	1	1
	<u>6</u>	<u>7</u>
Total expenses	<u>167</u>	<u>240</u>

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

The above expenses include VAT where applicable.

5. Taxation

The Fund is exempt from UK income tax 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 revenue credited gross to unitholders on the basis that all recoverable UK taxation has been reclaimed. Overseas withholding tax is deducted in full from overseas revenue on receipt. Withholding tax is credited to revenue when it is recovered.

	30.6.2009	30.6.2008
	£'000	£'000
Overseas taxation suffered in the period	127	142
Overseas taxation recovered in the period	(13)	(3)
Total taxation	<u>114</u>	<u>139</u>

Notes to the accounts

(unaudited)

6. Finance costs

Distributions

Distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	30.6.2009	<i>30.6.2008</i>
	£'000	<i>£'000</i>
31 December – interim distribution	-	88
31 March – interim distribution	498	459
30 June – interim distribution	613	572
	1,111	1,119
Add: revenue deducted on cancellation of units	-	-
Deduct: revenue received on issue of units	(9)	(33)
Net distribution for the period	<u>1,102</u>	<u>1,086</u>
Net revenue after taxation for the period	1,211	1,426
Manager's periodic charge – see note 1(c)	152	210
Transfer to income reserve	(261)	(550)
Net distribution for the period	<u>1,102</u>	<u>1,086</u>

Details of the distribution per share are set out in the distribution table on page 23.

7. Debtors

	30.6.2009	<i>31.12.2008</i>
	£'000	<i>£'000</i>
Forward currency contracts	327	-
Accrued revenue	258	149
Prepayments	-	1
	<u>585</u>	<u>150</u>

8. Cash and bank balances

	30.6.2009	<i>31.12.2008</i>
	£'000	<i>£'000</i>
Cash in COIF Charities Deposit Fund	1,802	2,706
Cash at bank	157	38
	<u>1,959</u>	<u>2,744</u>

9. Creditors

	30.6.2009	<i>31.12.2008</i>
	£'000	<i>£'000</i>
Accrued expenses	8	17
VAT payable	15	15
	<u>23</u>	<u>32</u>

Notes to the accounts

(unaudited)

10. Income reserve

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

	30.6.2009	<i>31.12.2008</i>
	£'000	<i>£'000</i>
Income reserve at the start of the period	334	-
Transfer to income reserve	261	334
Income reserve at the end of the period	<u>595</u>	<u>334</u>

11. Financial instruments

Fair value

Securities held by the Fund are valued at bid-market value (see note 1(g)). Bid-market value is considered to be a fair representation of the amount repayable to unitholders should they wish to sell their units. Other financial assets and liabilities of the Fund are included in the balance sheet at their fair value.

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

Market price risk

This is an actively-managed Fund, which invests mainly in UK and overseas equities, and fixed interest investments. Investors are thus exposed to market price risk, which can be defined as the uncertainty about future price movements of the financial instruments the Fund is invested in. Market price risk arises mainly from economic factors, including investor confidence, and is not limited to interest rate and currency movements. This exposure to market price risk may result in substantial fluctuations in the unit price from time to time, although there will generally be a close correlation in the movement of the unit price to the markets the Fund is invested in. The Fund seeks to minimise the risks by holding a diversified portfolio of investments in line with the Fund's investment objectives. Risk is monitored at both the asset allocation and stock selection levels by Directors of the Manager on a regular basis and also by the Board.

Credit risk

The Fund's transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase or the cash for a sale. To minimise this, the Fund only deals with an approved list of brokers maintained by the Manager.

Notes to the accounts

(unaudited)

Liquidity risk

Financial instruments held by the Fund, excluding short-term debtors and creditors, are made up of UK and overseas equities, fixed interest stocks, unit trusts and Sterling and overseas cash deposits. These assets are generally liquid, except for the unit trusts which are realisable only on their weekly or monthly dealing dates and the holdings in the unquoted investments which are not readily realisable, and enable the Fund to meet the payment of any redemption of units that unitholders may wish to make.

Currency risk

The Fund is exposed to fluctuations in foreign currencies as some of its assets and revenue are denominated in currencies other than sterling, the base currency of the Fund. However, it does not seek to avoid this exchange rate movement risk on investments and revenue accrued but not yet received. In respect of revenue, receipts are converted to sterling shortly after receipt.

At 30 June 2009, the Fund's foreign currency exposure was predominantly from the overseas equities it was invested in, which are detailed in the portfolio statement. The total exposure at 30 June was:

<i>Currency</i>	30.6.2009	<i>31.12.2008</i>
	£'000	£'000
Australian Dollar	774	650
Brazilian Real	114	367
Canadian Dollar	305	208
Egyptian Pound	210	532
Euro	11,148	8,367
Hong Kong Dollar	2,306	419
Japanese Yen	270	674
Mexican Peso	244	453
New Turkish Lira	248	116
New Zealand Dollar	-	572
Norwegian Krone	352	323
Singapore Dollar	524	724
South African Rand	139	-
Swedish Krona	624	-
Swiss Franc	126	215
Taiwanese Dollar	358	-
US Dollar	9,288	13,731
	<u>27,030</u>	<u>27,351</u>

Notes to the accounts

(unaudited)

Interest rate risk

The majority of the Fund's financial assets are equities which do not receive interest nor have maturity dates. The Fund also invests in fixed interest securities, the revenue of which may be affected by changes to interest rates relevant to particular securities or as a result of the Manager being unable to secure similar returns on the disposal or redemption of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

The interest rate risk profile of the Fund's financial assets and liabilities are set out below:

30 June 2009

<i>Currency</i>	<i>Floating rate financial assets* £'000</i>	<i>Fixed rate financial assets £'000</i>	<i>Financial assets not carrying interest £'000</i>	<i>Total £'000</i>
Sterling	1,889	223	10,227	12,339
Euro	44	-	11,104	11,148
US Dollar	-	770	8,518	9,288
Other	26	-	6,568	6,594
Total	1,959	993	36,417	39,369

<i>Currency</i>	<i>Floating rate financial liabilities £'000</i>	<i>Fixed rate financial liabilities £'000</i>	<i>Financial liabilities not carrying interest £'000</i>	<i>Total £'000</i>
Sterling	-	-	622	622
Total	-	-	622	622

Notes to the accounts

(unaudited)

31 December 2008

<i>Currency</i>	<i>Floating rate financial assets*</i> £'000	<i>Fixed rate financial assets</i> £'000	<i>Financial assets not carrying interest</i> £'000	<i>Total</i> £'000
Sterling	2,729	-	10,683	13,412
Euro	-	-	8,367	8,367
US Dollar	14	-	13,717	13,731
<u>Other</u>	<u>1</u>	<u>-</u>	<u>5,252</u>	<u>5,253</u>
Total	2,744	-	38,019	40,763

<i>Currency</i>	<i>Floating rate financial liabilities</i> £'000	<i>Fixed rate financial liabilities</i> £'000	<i>Financial liabilities not carrying interest</i> £'000	<i>Total</i> £'000
Sterling	-	-	625	625
<u>Total</u>	<u>-</u>	<u>-</u>	<u>625</u>	<u>625</u>

* The floating rate financial assets of the Fund earn interest at rates based on either LIBOR or the base rate.

All financial liabilities are due to be settled within one year, or on demand.

The Fund held derivatives relating to forward currency contracts valued at £327,224 as at 30 June 2009 (31.12.2008, £nil).

12. Commitments and contingent liabilities

There were no commitments or contingent liabilities as at 30 June 2009 (31.12.2008, £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.

Notes to the accounts

(unaudited)

14. Related party transactions

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

At 30 June 2009 the balance, due to the Manager and HSBC Bank Plc were as set out below:

	30.6.2009	<i>31.12.2008</i>
	£'000	<i>£'000</i>
The Manager	-	-
HSBC Bank Plc – Trustee fee	-	6
HSBC Bank Plc – safe custody and transaction charges	3	-

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

At 30 June 2009 a cash balance of £1,801,788 (31.12.2008, £2,706,239) was held in the COIF Charities Deposit Fund.

During the period the Fund received rebates of management fees for its deposits in the COIF Charities Deposit Fund where the management fees were charged to revenue as disclosed in note 4.

15. Portfolio transaction costs

	30.6.2009	<i>30.6.2008</i>
	£'000	<i>£'000</i>
Analysis of total purchase costs:		
Purchases in period before transaction costs	22,581	79,221
Commissions	19	17
Total gross purchases	<u>22,600</u>	<u>79,238</u>
Analysis of total sale costs:		
Gross sales in period before transaction costs	20,353	26,622
Commissions	(17)	(14)
Total sales net of transaction costs	<u>20,336</u>	<u>26,608</u>

Distribution table

for the half year ended 30 June 2009 (unaudited)

<i>Period ended</i>	<i>Date paid/payable</i>	<i>Distributions paid/payable</i>	
		<i>pence per unit</i>	
		2009	2008
Income units			
31 March 2009	29 May 2009	1.30	1.30
30 June 2009	28 August 2009	1.56	1.56
		<u>2.86</u>	<u>2.86</u>
			<i>Income accumulated</i>
			<i>pence per unit</i>
		2009	2008
Accumulation units			
31 March 2009		0.95	1.42
30 June 2009		2.86	2.77
		<u>3.81</u>	<u>4.19</u>

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 30 October 2007, 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 of 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 which 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 revenue due to the Fund in accordance with the Scheme;

Statement of Board, Corporate Trustee and Manager responsibilities

- the issue 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 accumulation units in proportion to their respective units in the property of the Fund;
- preparing 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.
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association (IMA) in November 2008;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enables 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.

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;

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 Global Equity
Income Fund
(Charity Registration No. 1121433)

Board

D Henderson, Chairman of the Board (appointed 25.2.09), *FCA, Company Director*
B Wrey, Chairman of the Board, *Former Chairman, Henderson Global Investors (resigned 25.2.09)*
T Bell, FRICS
P Cawdron, FCA, *Company Director*
T Clark, *Solicitor*
A Daws, *Solicitor*
R Fitzalan Howard, *Chief Executive, FF&P Asset Management Limited*
G Newson, MRICS
Mrs F Quint, *Barrister (resigned 25.2.09)*

Secretary

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
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

M Humphreys

Company Secretary

J Fox

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

A Kemp

Socially Responsible Investment

H Wildsmith

Corporate Trustee and Custodian

HSBC Bank plc
8 Canada Square, London E14 5HQ

Banker

The Royal Bank of Scotland plc
62/63 Threadneedle Street
London EC2R 8LA

Solicitors

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 Global Equity Income Fund

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

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

* The Deposit Fund is rated AAA/V1 by Fitch Ratings. This reflects the high credit quality of the portfolio and its low volatility.

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

COIF Charities Deposit Fund

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

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.

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