



for Charities

COIF Charities Deposit Fund

**Annual Report and Accounts
Year to 31 December 2008**

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Details of Board and Manager

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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 year ended 31 December 2008

On behalf of the Board, we have pleasure in presenting our annual report of the COIF Charities Deposit Fund (the Fund).

Structure and management of the Fund

The Fund originated from the Charities Deposit Fund that was formed in 1985 as a Common Deposit Fund. The Fund was established under section 25 of the Charities Act 1993.

The Charity Commission Scheme dated 2 April 2008 replaced the previous Scheme dated 27 June 1995.

The Board acts as an independent body to control and supervise the Fund, for the benefit of participating charities, meeting at least four times per annum. Together, these individuals have wide experience of finance, investments, charities and the law. The management and administration of the Fund have been delegated to CCLA Investment Management Limited (the Manager).

Deposits taken by the Fund are exempted from the Financial Services and Markets Act 2000 (FSMA) by virtue of the Financial Services and Markets Act (Exemption) Order 2001.

Deposits in the Fund are not covered by the Financial Services Compensation Scheme. The Manager will pay fair compensation on eligible claims arising from its negligence or error in the management and administration of the Fund.

Objective and benchmark of the Fund

The Fund is designed to enable a charity to obtain, even on small amounts of money, the higher rates of interest usually available on large sums in the London Money Market. The

Fund aims to earn competitive rates of interest, which reflect the level of short-dated money market rates. The Fund also aims to maintain its AAA/V1 Fitch money market fund rating.

The total return performance benchmark of the Fund is the London Inter-Bank 7-day Bid Rate (LIBID) as measured by the British Bankers' Association, before management expenses.

Investment policy

The Fund may invest cash in deposits in Sterling with Banks, Building Societies and Local Authorities in the United Kingdom (UK). The Fund must maintain at least 5% of the investments of the Fund in deposits repayable within five business days. It places Sterling cash balances with identified and permitted counterparties. The weighted average maturity must be maintained at no more than 60 days. The maximum maturity of a single deposit is one year. The Manager must have regard to the need for diversification of deposits and to the suitability of the institutions with which it places deposits. Funds are placed with counterparties which are regularly reviewed and approved annually by the Board.

Review of investment activities and policies of the Fund

The Board met quarterly during the year to carry out their responsibility for the approval of strategy, for setting interest rate policy, to monitor investment diversification, suitability and risk, and to review the performance of the Fund. In addition, the Board monitored the administration and expenses of the Fund and is also responsible for the appointment of the Fund's Manager, Administrator, and the Auditor. During the year, the Board also met quarterly

Report of the Board

for the year ended 31 December 2008

with the Manager to review the investments, transactions and policies of the Fund. The Manager's report on the Fund, which appears later, provides further details. In addition to receiving regular reports on the management of the Fund, the Board also met to approve the annual and half year report and accounts.

Delegation of functions

Following regular meetings and consideration of the reports and papers received, the Board are satisfied that the Manager, to whom they have delegated the administration and management of the Fund, has complied in all material respects with the terms of the Scheme and with the relevant Management Agreement.

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 year, 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.

New Chairman

Following the Board meeting held on 25 February 2009 (at which these Annual Report and Accounts were signed), Mr B Wrey retired as a Board Member and Chairman of the Fund after eleven years of service to the COIF Funds as Board Member, including, as Chairman since April 2005.

Mr D Henderson, a current Board Member of the Fund, was appointed Chairman of the Fund with effect from conclusion of the Board meeting held on 25 February 2009. He has been a Board Member since July 2006.

B Wrey
Chairman of the Board

25 February 2009

Report of the Investment Manager

for the year ended 31 December 2008

- A money market fund for short-term cash
- Competitive rates of interest (even on small balances)
- Rated AAA/V1 by Fitch Ratings
- Withdrawal on demand with no loss of interest

Performance

Over the twelve months to 31 December 2008 the Fund achieved a total return before management expenses of 5.79%. This was significantly higher than the Fund's benchmark, the London Inter-Bank 7-Day Bid rate which returned 4.81%. The Fund's weighted average maturity was 54 days at the year-end.

As a better place for your cash reserves, the Deposit Fund remains highly competitive. The declared rate averaged 5.35% over the year, equivalent to an Annual Equivalent Rate (A.E.R.) of 5.46%. The Deposit Fund rate at 31 December 2008 was 3.50% (3.55% A.E.R.). Demonstrating depositors' confidence in the Fund, total client deposits, excluding those of the other COIF Charity Funds, rose by over £141 million surpassing the record set last year (2007: £121m). As at 31 December 2008 client deposits totalled £1.366 billion.

Market review

In the first half of the reporting period the Bank of England's Monetary Policy Committee (MPC) on two occasions cut the official bank rate by 0.25%, justifying the reductions on weaker economic growth prospects and a balanced inflation outlook. There was then a marked rise in money market rates, principally due to the sudden expectation that the rate of inflation would rise well above the MPC's

target. The one-year money market yield rose to over 6.0% having been as low as 5.05% in January.

The term "credit crunch" became familiar as the impact of US sub-prime housing mortgage defaults and related financial instruments gradually spread through the global banking system, picking up other troubled lending along the way. Money market rates remained high as the financial crisis intensified; interbank lending rates for both short and longer-term periods increased to levels that effectively froze the system, indicating a breakdown in trust between financial institutions. For all sectors of the economy, the availability of debt had become more difficult to obtain and was subject to tougher terms.

Following the demise of the Icelandic banks in early October, a blanket 'guarantee' by the UK government has largely removed the fear of a systemic collapse in the financial sector. The UK bank rescue package, which includes a temporary nationalisation of some major domestic banks, has been a model for the rest of the world. Having previously been reluctant to ease the official bank rate the MPC joined six other central banks on the 8th October in a co-ordinated rate cut of half a percentage point; other central banks then followed with further cuts as large as one percentage point. Notwithstanding this action the financial turmoil intensified, there was a marked weakening in global economic activity indicators and further sharp falls in commodity prices and inflation expectations. These developments suggested that a substantial lower official bank rate was required if the

Report of the Investment Manager

for the year ended 31 December 2008

MPC was to meet its inflation target. Towards the end of the reporting period the MPC duly acted by making its largest rate cut since its inception, reducing rates by 150 basis points to 3%; a month later the rate was lowered to a 50 year low of 2%.

Strategy

The Fund is structured to provide both capital security and adequate daily liquidity. The short-term nature of the Fund allows us to alter quickly the portfolio composition to reflect our sentiment. The assets of the Fund are strictly placed within agreed limits with a diversified list of quality counterparties in order to achieve a very low overall level of risk and high security of capital. The list of approved counterparties is constantly monitored and credit limits immediately amended following credit rating downgrades. The Fund has maintained a high level of liquidity to ensure that sufficient money is always readily available to meet client withdrawals. The balance of the Fund was deposited for periods up to one year with the

aim of boosting the overall yield of the Fund for the benefit of the depositors.

Rated AAA/V1 by Fitch Ratings

During the year we reviewed the provision of credit rating services and with the approval of the COIF Board the service provider was changed to Fitch Ratings. We believe Fitch's fund focus, good client reporting and weekly surveillance will be reassuring and beneficial to present and future depositors. Since 30 April 2008, the Fund has been assigned a AAA/V1 Fitch money market fund rating. This rating reflects the high quality of the Fund's approved lending list, the employment of an appropriate investment policy, a low overall level of risk through diversification, and the quality of management and internal controls. The rating is awarded to funds that have the lowest credit risk and where the total return exhibits relative stability, performing consistently across a broad range of interest rate scenarios and changing market conditions.

Report of the Investment Manager

for the year ended 31 December 2008

Outlook

What has taken the financial system by surprise is the speed with which the whole global bank lending system seemed virtually to seize up and threaten a major breakdown. The potential calamitous consequences of such an event prompted rapid and coordinated international political action. The intervention appears to have averted an immediate banking crisis though money markets remain dysfunctional with UK interest rates stubbornly higher than the Bank of England's official bank rate.

There are signs that the interbank market may have shifted permanently to a more cautious approach. The government's decision to invest new capital into a number of major UK banks is likely to mean that the financial sector will undergo a change in strategy. Going forward, banks could revert to the old banking model with straightforward deposit taking and lending to secure borrowers at a sensible margin, without the use of sophisticated products.

While there is no sign of the overall banking crisis ending anytime soon there could be a gradual easing of interbank rates. As for where the official bank rate may go, there is a real risk of it going much lower in the next few quarters as the global economic downturn gets into full swing. The MPC has been the most aggressive and proactive of the central banks in easing monetary policy, reducing the official rate by a further 100 basis points in early 2009. The MPC's ability to cut rates so aggressively is also a reflection that the inflation outlook, which last summer was a primary concern, has eased considerably. With the economy in recession, interest rates could fall close to zero percent if the crisis continues well into 2009.

S Freeman
Fund Manager
CCLA Investment Management Limited

25 February 2009

Risk warning

The Manager undertakes to exercise reasonable care in its placing of deposits with a selected list of banks and building societies in the UK but it cannot give guarantees regarding repayment of deposits. The

daily rate on the Fund is variable and past performance is no guarantee of future returns. Deposits in the Fund are not covered by the Financial Services Compensation Scheme.

Report of the Independent Auditor to the depositors of COIF Charities Deposit Fund

We have audited the financial statements of COIF Charities Deposit Fund for the year ended 31 December 2008 which comprise the statement of total return, interest paid table, the balance sheet, summary of deposits placed by maturity, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the depositors of the Fund, as a body, in accordance with the Scheme of the Charity Commissioners under the Charities Act 1993, dated 27 June 1995. Our audit work has been undertaken so that we might state to the depositors of the Fund those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the depositors of the Fund as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees, Manager and Auditor

The Trustees are responsible for the preparation of the annual report and the financial statements in accordance with Accounting Standards (United Kingdom generally accepted accounting practice) as set out in the Statement of Trustee and Manager responsibilities in relation to the

financial statements. Our responsibility is to audit the financial statements in accordance with United Kingdom legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom generally accepted accounting practice and the Scheme of the Charity Commissioners under the Charities Act 1993. We also report to you if, in our opinion, the Report of the Investment Manager is not consistent with the financial statements, if the Manager has not kept proper accounting records for the Fund, if the financial statements are not in agreement with those accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Investment Manager and the other items set out in the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Report of the Independent Auditor to the depositors of COIF Charities Deposit Fund

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements;

- give a true and fair view in accordance with United Kingdom generally accepted accounting practice of the financial position of the Fund as at 31 December 2008 and of the net income for the year then ended; and
- have been properly prepared in accordance with United Kingdom generally accepted accounting practice and the Scheme of the Charity Commissioners under the Charities Act 1993, dated 27 June 1995.

Ernst & Young LLP
Registered Auditor
London

25 February 2009

The maintenance and integrity of the CCLA Investment Management Limited website is the responsibility of the directors of CCLA Investment Management Limited; the work carried out by the auditor of COIF Charities Deposit Fund does not involve consideration of these matters and, accordingly, the auditor

accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the accounts may differ from legislation in other jurisdictions.

Rates of interest paid

for the year ended 31 December 2008

<i>Month</i>	<i>Actual % p.a.</i>	<i>A.E.R.* %</i>
January	5.81	5.94
February	5.56	5.68
March	5.40	5.51
April	5.35	5.46
May	5.43	5.54
June	5.50	5.61
July	5.50	5.61
August	5.50	5.61
September	5.50	5.61
October	5.50	5.61
November	5.17	5.27
December	4.00	4.06

<i>Year to 31 December</i>	<i>Actual % p.a.</i>	<i>Gross A.E.R.* %</i>
2004	4.18	4.24
2005	4.46	4.54
2006	4.47	4.55
2007	5.49	5.60
2008	5.35	5.46

* Annual equivalent rate (A.E.R.) illustrates what the interest rate would be if the quarterly payments were compounded.

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

Statement of total return

for the year ended 31 December 2008

	Notes	31.12.2008 £'000	31.12.2007 £'000
Income		76,592	69,516
Expenses	2	(3,240)	(2,882)
Net income and total return		73,352	66,634
Finance costs: distributions		(72,254)	(65,987)
Net increase in income reserve		<u>1,098</u>	<u>647</u>

The notes on pages 11 to 15 form part of these accounts.

Interest paid table

for the year ended 31 December 2008

Period ended	Date of payment	Total £'000	Average rates of interest paid	
			2008 %	2007 %
31 March 2008	4 April 2008	18,192	5.59	5.08
30 June 2008	4 July 2008	18,071	5.43	5.31
30 September 2008	6 October 2008	18,933	5.50	5.66
31 December 2008	8 January 2009	17,058	4.89	5.88
		<u>72,254</u>	<u>5.35</u>	<u>5.49</u>

Balance sheet

at 31 December 2008

	Notes	31.12.2008 £'000	31.12.2007 £'000
ASSETS			
Debtors	4	9,491	9,494
Cash and bank balances		541	2,613
Deposits		1,413,602	1,276,453
Total assets		1,423,634	1,288,560
LIABILITIES			
Current deposits	5	1,401,147	1,265,004
Creditors	6	16,663	18,830
Income reserve	7	5,824	4,726
Total liabilities		1,423,634	1,288,560
Approved on behalf of the Board 25 February 2009			B Wrey, <i>Chairman</i>

The notes on pages 11 to 15 form part of these accounts.

Summary of deposits placed by maturity

at 31 December 2008

Repayable	31.12.2008		31.12.2007	
	£'000	%	£'000	%
On call	56,602	4.01	86,453	6.77
Within 5 business days	145,000	10.26	316,000	24.76
Within 30 days	275,000	19.45	346,000	27.11
Between 31 and 60 days	418,000	29.57	286,000	22.41
Between 61 and 91 days	440,000	31.13	222,000	17.39
Between 92 and 182 days	20,000	1.41	10,000	0.78
Between 183 days and one year	59,000	4.17	10,000	0.78
Total deposits	<u>1,413,602</u>	<u>100.00</u>	<u>1,276,453</u>	<u>100.00</u>

Notes to the accounts

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 December 2005.

(b) Income recognition

Interest on bank and building society deposits is accrued on a daily basis.

(c) Expenses

The Manager's periodic charge paid to the Manager, is charged to the income of the Fund before distribution. The fee is based on a fixed percentage of the value of the Fund, which is currently 0.20% pa 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. Audit fees, insurance, bank charges and the Trustee's administration fee are charged separately to the income of the Fund before distribution.

(d) Distributions

Interest is paid quarterly. The Fund utilises an income reserve to facilitate the payment of interest to depositors (see note 7).

2. Expenses

	31.12.2008	31.12.2007
	£'000	£'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge – see note 1(c)	<u>3,188</u>	<u>2,836</u>
Other expenses:		
Insurance fee	22	23
Audit fee	8	7
Bank charges	12	9
RBS monitoring fee	8	7
Other	<u>2</u>	<u>-</u>
	52	46
Total expenses	<u>3,240</u>	<u>2,882</u>

The above expenses include VAT where applicable.

Notes to the accounts

3. 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 income credited gross to depositors.

4. Debtors

	31.12.2008	<i>31.12.2007</i>
	£'000	<i>£'000</i>
Interest receivable	9,466	9,475
Prepayments	25	19
	<u>9,491</u>	<u>9,494</u>

5. Current deposits

	31.12.2008	<i>31.12.2007</i>
	£'000	<i>£'000</i>
Charities and Trusts	1,366,209	1,224,734
COIF Charities Investment Fund	25,019	34,714
COIF Charities Fixed Interest Fund	2,771	1,824
COIF Charities Property Fund	4,442	3,732
COIF Charities Global Equity Income Fund	2,706	-
	<u>1,401,147</u>	<u>1,265,004</u>

Deposits are repayable to clients on demand.

6. Creditors

	31.12.2008	<i>31.12.2007</i>
	£'000	<i>£'000</i>
Interest payable	16,652	18,002
Accrued expenses	11	9
Amounts payable on withdrawals	-	819
	<u>16,663</u>	<u>18,830</u>

Notes to the accounts

7. Income reserve

The Fund utilises a reserve which is accumulated out of income and held by the Board on trust for depositors for the time being. The principal purpose of the income reserve is to facilitate the payment of interest to depositors at each quarter-end, as a proportion of the income earned by the Fund over the quarter will not be received until the maturity date of individual deposits.

The reserve is also available as a provision against potential default of counterparties and is available to augment the Fund's deposit rate.

	31.12.2008	31.12.2007
	£'000	£'000
Income reserve at the start of the year	4,726	4,079
Transfer to income reserve	1,098	647
Income reserve at the end of the year	<u>5,824</u>	<u>4,726</u>

8. Financial instruments

The main risks arising from the Fund's financial instruments and the Manager's policies for managing these risks are summarised below.

Currency risk

There was no foreign currency exposure within the Fund at 31 December 2008 (31.12.2007, £nil).

Credit risk

The Fund is exposed to the risk regarding the repayment of deposits from the counterparty. To minimise this, the assets of the Fund are strictly placed within agreed limits with a diversified list of quality counterparties in order to achieve a very low overall level of risk and high security of capital. The list of approved counterparties is constantly monitored and credit limits immediately amended following credit rating upgrades and downgrades.

Interest rate risk

The Fund invests in fixed rate and floating rate deposits. Changes in the interest rates will result in income either increasing or decreasing.

Notes to the accounts

The interest rate risk profile of the Fund's financial assets and liabilities at 31 December 2008 was as follows:

<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	57,143	1,357,000	9,491	1,423,634

<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	1,406,971	-	16,663	1,423,634

31 December 2007

<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	89,066	1,190,000	9,494	1,288,560

<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	1,269,730	-	18,830	1,288,560

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

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

There were no derivatives held by the Fund at 31 December 2008 (31.12.2007, £nil).

Notes to the accounts

9. Related party transactions

The Manager's periodic charge is paid to the Manager, a related party to the Fund. The amounts paid in respect of the Manager's periodic charge are disclosed in note 2. There were no outstanding balances due to the Manager at 31 December 2008 (31.12.2007, £nil). There were no other transactions entered into with the Manager during the year.

10. 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.

Statement of Board and Manager responsibilities

The Board of the Fund is required by the Scheme of the Charity Commission made under the Charities Act 1993, dated 2 April 2008, to prepare accounts in accordance with any rules, regulations or standards of practice issued by the Charity Commission affecting the keeping of accounts of common deposit funds. The Board is required to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- keep proper accounting records which enable them 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 Board has delegated to the Manager the day to day management, accounting and administration of the Fund as permitted by the Scheme.

The Manager is required to manage the Fund in accordance with the Scheme and take reasonable steps for the prevention and detection of fraud and other irregularities.

CCLA INVESTMENT MANAGEMENT LIMITED

COIF Charities Deposit Fund

(Charity Registration No. 1046249)

Board

B Wrey, MA, Chairman of the Board, *former Chairman, Henderson Global Investors*
T Bell, FRICS (appointed 28.10.08) *former Head of Property Investment, F&C Asset Management plc*
P Cawdron, FCA, *Company Director*
T Clark (appointed 26.2.08), *Solicitor, a former Partner, Slaughter and May*
A Daws (appointed 26.2.08), *Solicitor, Trustee of The Stroke Association, Non Executive Director of West Middlesex University*
R Fitzalan Howard, *Chief Executive, Fleming Family & Partners Asset Management Limited*
D Henderson, FCA, *Company Director, Chairman of Kleinwort Benson Private Banking*
A Huntley, FRICS (resigned 29.4.08)
G Newson, MRICS (appointed 28.10.08) *former Head of Property, Aberdeen Asset Management*
Mrs F Quint, *Barrister, specialising in charity law, former Deputy Commissioner Charity Commission*
N Wilson, *Solicitor (retired 26.2.08)*

Secretary

Mrs J Fox

Investment Manager, Administrator and Registrar

CCLA Investment Management Limited

*Authorised and regulated by
the Financial Services Authority*

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London EC2V 6DZ

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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

S Freeman

Company Secretary

Mrs J Fox

Head of Operational Risk, Internal Audit and Compliance

A Kemp

Banker and Monitoring Service

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

Solicitors

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 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

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

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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London EC2V 6DZ
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Freephone: 0800 022 3505
Facsimile: 0844 561 5126
Email: clientservices@ccla.co.uk

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