

CCLA - COIF Charities Deposit Fund

Update



Date of Last Rating Action 05 January 2012
Date of Original Rating 30 April 2008

AAA' fund ratings indicate the highest underlying credit quality

Funds rated 'V1' are considered to have very low sensitivity to market risk

Summary

Assets under management	GBP918m (as of 23 December 2011)
Domicile	UK
Fund investment manager	CCLA Investment Management Limited
Inception date	March 1985
Redemption	Daily, with T+2 settlement
Fund administrator	CCLA Investment Management Limited
Fund currency	GBP
Investment objective	The fund aims to pay competitive rates of interest, which reflect the level of short-dated money market rates. The total return performance benchmark for the fund is the London Interbank Sterling seven-day Bid Rate (LIBID).

Source: Fitch

Fund Credit Rating Drivers

Weighted-Average Rating Factor (WARF): Meets Fitch's criteria for a 'AAA' credit quality rating due to the credit quality and short maturity of assets.

Rating Distribution: Investments are concentrated in the 'A' category, comprising 72% of the portfolio as of 23 December 2011. Minimum credit rating allowed per fund guidelines is 'A.'

Maturity Profile: Maturity of assets is laddered, and evenly spread. Maximum maturity of an asset allowed is one year and the weighted average maturity of the portfolio is limited to 60 days.

Other Credit Considerations: Fund invests in 23 obligors in the financials sector. Assets are currently invested solely in cash and time deposits.

Source: Fitch

Fund Volatility Rating Drivers

Spread/Interest-Rate Risk: Low due to investment in highly rated, short duration assets.

Leverage: Not permitted.

Market Risk Factor: Market risk is managed to comfortably meet Fitch's criteria for a "V1" volatility rating.

Source: Fitch

Investment Advisor Profile

Fitch considers the manager suitably qualified, competent and capable of managing the fund.

CCLA is owned by CBF Church of England Investment Fund (60%), the COIF Charity Investment Fund (25%) and The Local Authorities' Mutual Investment Trust (15%).

CCLA was established in 1958, and currently manages GBP4.0bn for charities, church organisations and local authorities, and is authorised and regulated by the FSA.

In Fitch's opinion, key personnel are experienced and suitable qualified.

Strong credit process, with a monthly cash management committee which maintains and reviews the fund's eligible investment list, with consideration given to environmental and responsible investment issues.

Source: Fitch

Legal and Regulatory Structure

The fund's legal and regulatory structure is consistent with Fitch's rating criteria.

The fund is a Common Deposit Fund established and approved by the Charity Commission under section 25 of the Charities Act 1993. (Charity Registration number: 1046249)

The deposits placed with financial institutions are held by the COIF Board Members in the name of the COIF Charities Deposit Fund.

The COIF Board Members have appointed the Royal Bank of Scotland Plc to oversee the manager in respect of its activities related to the management and administration of the fund.

Source: Fitch

Related Criteria

[Global Bond Fund Rating Criteria \(August 2011\)](#)

Analysts

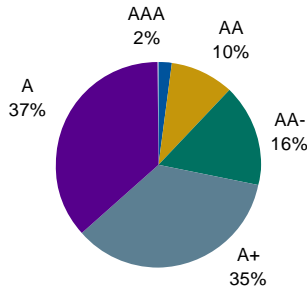
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Portfolio Analytics

Rating Distribution

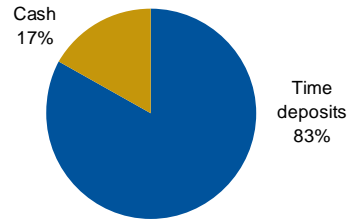
As of 23 December 2011



Source: Fitch, CCLA

Asset Distribution

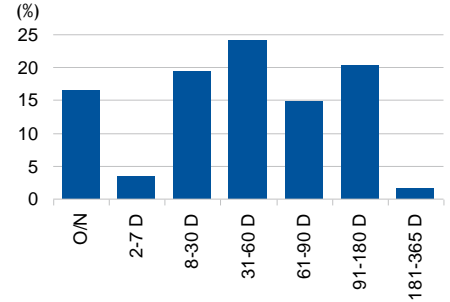
As of 23 December 2011



Source: Fitch, CCLA

Maturity Profile

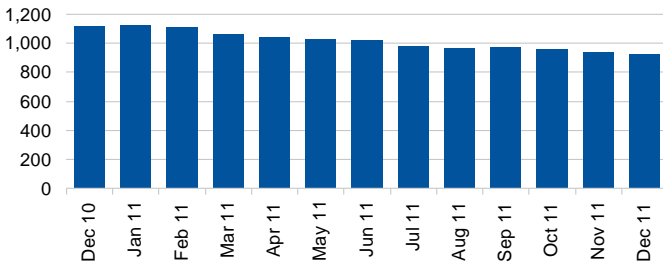
As of 23 December 2011



Source: Fitch, CCLA

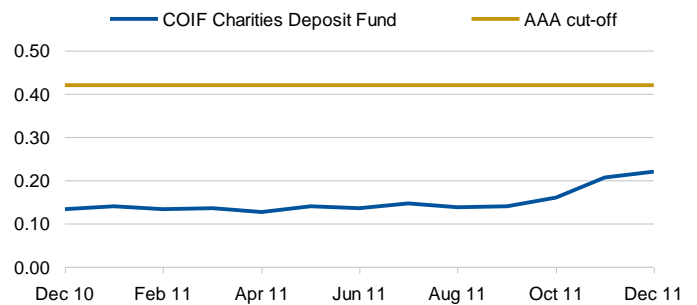
Assets Under Management

(GBPm)



Source: Fitch, CCLA

WARF Evolution



Source: Fitch, CCLA

Credit Risk

	WARF	Weighted avg. rating	No. Issuers
As of 23 Dec 11	0.22	AAA	23

WARF: Weighted-average rating factor
Source: Fitch

Market Risk

	WAMf	MRF
As of 23 Dec 11	56 days	0.19

WAMf: Weighted-average final maturity; MRF: Market Risk Factor
Source: Fitch

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