

The CBF Church of England Fixed Interest Securities Fund

Fund Fact Sheet – 31 December 2011

Overview

- Long-term investment focused on income
- Gross income paid quarterly
- Invests only in sterling denominated UK government and corporate bonds

Fund objective

The Fund is designed to provide a high and steady income from a portfolio of fixed interest investments. To help keep risk at a low level most of the assets will be invested in stocks issued by the British government.

Suitable for

The Fund is an appropriate long-term investment for any charity that wishes to have exposure to the high and stable income provided by UK bonds.

Who can invest?

Any charitable organisation with objects closely connected to the work of the Church of England.

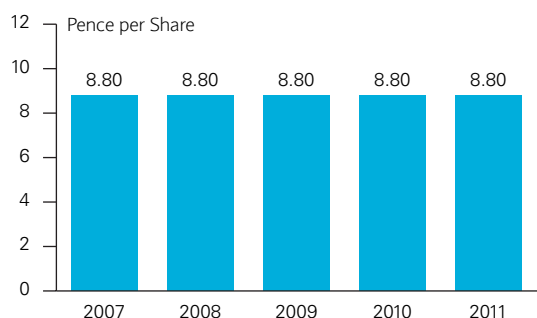
Ethical and responsible investment policy

CCLA supports the Church of England's Ethical Investment Advisory Group (EIAG). The EIAG is undertaking a comprehensive review of some of the restricted investment categories (currently high interest rate lending and pornography). This process is supported by the CBF Funds Trustee and CBF clients are invited to send comments to Edward Mason, the group's Secretary (edward.mason@churchofengland.org).

Income

Gross dividend yield 5.37% *
Gross redemption yield 2.11% **

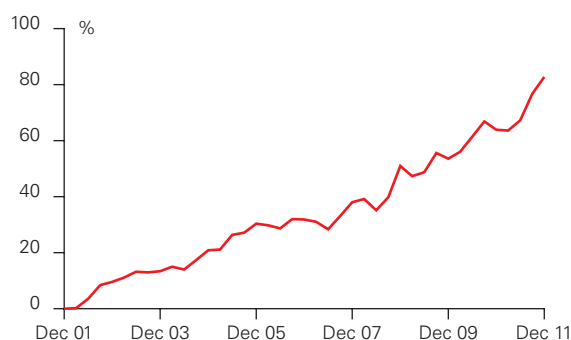
Past distributions



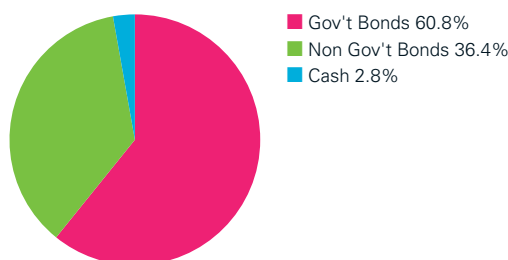
Fund update

The sector has enjoyed strong support from quantitative easing and investors seeking a haven from the credit crisis in Europe. The result is that yields have fallen to levels not seen for 60 years - despite inflation still far above target and a strained domestic financial position. On this basis we have maintained a cautious strategy with a shorter maturity profile than the market and a focus on quality within the corporate bond portfolio. We expect to maintain the income payments in the year ahead.

Cumulative total return from 31/12/01***



Asset allocation



* Based upon mid-market price and historic annual dividend of 8.80p.

** The gross redemption yield indicates what the total return would be if the Fund's investments were held to maturity, in other words, the aggregate of gross interest received and the capital gain or loss at redemption, annualised.

*** Source: CCLA – Gross performance shown before management fees and expenses; net returns will differ after the deduction of fees and charges. Please note that past performance is no guarantee of future returns. Investments in long term funds can go down as well as up and you may not get back the original amount invested.

Discrete year total return performance (gross)

12 months to 31 December	2011	2010	2009	2008	2007
The CBF Church of England Fixed Interest Sec. Fund	+11.5%	+6.7%	+1.7%	+9.4%	+4.7%

Annualised total return performance (gross)

Performance to 31 December 2011	1 year	3 years	5 years
The CBF Church of England Fixed Interest Sec. Fund	+11.5%	+6.6%	+6.7%

Gross performance shown before management fees and expenses with gross income reinvested: net returns will differ after the deduction of fees and charges. Past performance is no guarantee of future returns. Investments in long term funds can go down as well as up and you may not get back the original amount invested.

Portfolio asset allocation

By credit rating

Rating category	% Fund
AAA	67.8
AA	7.4
A	13.6
BBB	7.5
Non investment grade	1.2
Not rated (Debentures/Prefs)	2.5
Gov't Bonds	60.8
Non Gov't Bonds	36.4
Cash	2.8

By term to maturity

Period	% Fund
0 - 5 years	39.8
5 - 10 years	23.4
10 - 15 years	2.3
Over 15 years	34.5
Duration (modified)	6.8 years
Average term to maturity	10.1 years
Fund size	£77.0m
Number of holdings	36

Key facts

	Income shares	Accumulation shares
Offer (buying) price	164.10p	418.77p
Mid-market price	163.77p	417.93p
Bid (selling) price	163.44p	417.09p
Bid/offer spread	0.4%	0.4%
Launch date	February 1977	
Share types	Income/Accumulation	
Minimum initial investment	£1,000	
Minimum subsequent investment	Nil	
Dealing day	Every Tuesday*	
Sedol numbers	0183020 Inc, 0159195 Acc	
ISIN numbers	GB0001830206 Inc, GB0001591956 Acc	
Dividend payment dates	End January, April, July & October	
Annual management charge (taken 100% from income)	0.22%	

* Dealing instructions must be received by 5pm on the business day preceding the dealing day. If Tuesday is a bank holiday, the dealing day will be the previous working day.

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The Fund is a Common Fund established under The Church Funds Investment Measure 1958 (as amended or replaced from time to time) and investment in the Fund is only available to charitable trusts with objects closely connected with the work of the Church of England.

CCLA Investment Management Limited (registered in England no. 2183088 at the office above) is authorised and regulated by the Financial Services Authority (FSA) and is the manager of The CBF Church of England Funds. CBF Funds Trustee Limited, is a Registered charity no. 1116932 and is registered in England as a company limited by guarantee (no. 5957490).