



for the Church of England

The CBF Church of England Investment Fund

**Annual Report and Accounts
Year to 30 November 2008**

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Trustee and Manager

(inside back cover)

Description of The CBF Church of England Funds

(outside back cover)

Disability Discrimination Act 1995

Extracts from the Reports & Accounts are available in large print and audio format.

Report of the Trustee

for the year ended 30 November 2008

On behalf of the Trustee, I have pleasure in presenting the Annual Report and Accounts of The CBF Church of England Investment Fund (the Fund), which includes a separate report from CCLA Investment Management Limited (the Manager) as Manager of the Fund.

Structure and management

The Fund is a common fund established by the Church Funds Investment Measure 1958 (as amended from time to time), and the Trustee Act 2000.

CBF Funds Trustee Limited (CBFFT), a company incorporated under the Companies Act, limited by guarantee and not having a share capital, is the Trustee and Operator of the Fund. CBFFT has an Audit Committee which meets twice each year to review the financial statements and monitor the control environment in which the funds operate.

CBFFT has delegated to the Manager, which is authorised and regulated by the Financial Services Authority (FSA), the investment management, administration, registrar, secretarial and company secretarial functions of the funds under Management Agreements dated 15 November 2006.

Under the provisions of the Financial Services and Markets Act 2000 (FSMA), CBFFT is not considered to be operating the Funds by way of business. In consequence, it is not required to be authorised and regulated by the FSA and the trustee directors of CBFFT are not required to be authorised by the FSA for this purpose.

Investments 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.

Charitable status of the Fund

The Fund is entitled to charitable status by virtue of section 24(9) of the Charities Act 1993. In the administration of the Fund, CBFFT is exempt from the jurisdiction of the Charity Commission by virtue of section 5(1) of the Church Funds Investment Measure 1958.

Investment objective of the Fund

The Fund aims to generate capital appreciation and rising income and a total return in excess of its benchmark, whilst adopting an appropriate ethical investment policy. It invests mainly in equities in the United Kingdom and overseas but may also invest in fixed interest securities and commercial property. In this way, it aims to be suitable for up to 100% of a church trust's long-term capital.

Total return benchmark

The total return performance comparator for the Fund is the WM Co Charity Fund Service Universe with gross income reinvested and before management expenses. There is also an investment income performance target of increasing the annual distribution of the Fund each year.

Responsibilities of the Trustee

CBFFT receives a report on the published accounts from the Manager twice a year and is wholly responsible for the Fund. CBFFT monitors the investment, property and cash management, administration, registration, secretarial and company secretarial services provided by the Manager under the respective Management Agreements. It meets quarterly with the Manager to monitor investment

Report of the Trustee

for the year ended 30 November 2008

strategy, dividend and interest rate policy, investment diversification, risk and to review the Fund's performance. In addition, CBFFT reviews the Annual Report and Accounts of the Fund prepared on its behalf by the Manager.

CBFFT is responsible for appointing an Audit Committee, the Auditor and the Safe Custody Agent. It reviews annually the objectives of the Fund in light of current circumstances.

RBS monitoring service

CBFFT has appointed The Royal Bank of Scotland plc to monitor the Manager in respect of its activities related to the management and administration of the Fund and to provide formal six-monthly reviews of its findings to the Audit Committee. The Royal Bank of Scotland plc has not raised any material issues.

Delegation of functions

Following its regular meetings and consideration of the reports and papers it has received, CBFFT is satisfied that the Manager, to whom it has delegated the administration and management of the Fund, has complied with the terms of the Measure and with the relevant Management Agreements.

Ethical & Responsible Investment

CBFFT continues to be represented on the Church of England's Ethical Investment Advisory Group (EIAG) by Mrs Lesley Farrall. The EIAG co-ordinates, develops and recommends ethical investment policy for the Church's three national investment bodies, (the Church Commissioners and Church of England Pensions Board being the other two), and communicates this to the wider Church through an Annual Report of its work, as well as other research and policy publications. The

EIAG makes considered recommendations on a range of material ethical and responsible investment issues, but responsibility rests with the CBFFT for accepting and implementing any recommendations made by the EIAG. The EIAG Annual Report (available in July), and other publications associated with the Church and ethical investment are available in downloadable form from the CCLA and Church of England websites.

During the past twelve months, the EIAG conducted a substantive review into the investment implications of climate change, leading to the adoption of a national Climate Change Investment Framework. A review of the Church's policy on human embryonic stem cell research was also conducted, which concluded that cybrid technology should be proscribed for investment purposes. The EIAG also considered human rights issues in Sudan, and made a submission as part of the government's consultation on the ethical implications of new nuclear build. The EIAG, in liaison with the three national investment bodies, has initiated a review process of how it conducts its secretarial and research work, and this will be progressed during 2009.

The Manager supports CBFFT's ethical investment priorities via signatory status to the UN Principles of Responsible Investment (UNPRI) and the Carbon Disclosure Project (CDP) relating to climate change. The Manager is a member of the Institutional Investors Group on Climate Change (IIGCC) and signatory to the Investor Statement on Transparency in the Extractives Sector. The Manager is a corporate member of the Institute of Business Ethics.

Report of the Trustee

for the year ended 30 November 2008

Corporate governance

CBFFT receives and considers regular reports from the Manager on proxy voting, which is undertaken in an informed way across the UK equities portfolio. CBFFT has adopted a policy of supporting management, except where proposals are either not considered to be in shareholder interests, or reflect poor corporate governance practice. In the twelve months to 30 November, the Manager voted at 122 UK company meetings. The CBF Investment Fund voted on 1,501 resolutions; 94% of votes were cast in support of management, 3% against, and 3% were cast in abstention. The majority of action was taken against company remuneration reports, long-term incentive schemes or for board composition reasons. Further information and statistical analysis on corporate governance and the CBF Investment Fund is available on the CBF Church of England Funds part of the CCLA website at www.ccla.co.uk.

Controls and risk management

CBFFT receives and considers regular reports from the Manager. Ad hoc reports and information are supplied 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.

CBFFT receives internal audit reports on the controls of the Manager. During the year CBFFT, assisted by the Manager, reviewed the Fund's systems of internal control. At each of its meetings, the Audit Committee receives and reviews, a formal risk management report from the Manager. This sets 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 the application of mitigating controls.

Note to shareholders

With effect from 1 December 2007, the Fund is required to account for income from debt securities on an effective yield basis.

Effective yield is a method of recognising income from debt securities that takes account of any difference (i.e. premium or discount) between the amount paid for the security and the amount that will be received if the security is held until its redemption date. It has the effect of adjusting the income arising from a debt security to a level aligned with the yield over the lifetime of the security by transferring any premium or discount to or from capital. As such it does not affect total return.

Prior to this change debt security income was generally accounted for and distributed on a coupon basis. The new rules require the accounting treatment to change to the effective yield method; however, it is permissible in certain circumstances to continue to distribute income on a coupon basis.

The Trustee has determined that the objective of the Fund is best served by adopting a distribution policy that follows the coupon basis for recognising income and, therefore, the income available for distribution will not be affected by the change in accounting policy.

R Broadhurst
Chairman
CBF Funds Trustee Limited

27 January 2009

Report of the Investment Manager

for the year ended 30 November 2008

- The main CBF Church of England Fund recommended for long-term capital
- Invested predominantly in equities
- Managed in compliance with Church of England's Ethical Investment Policy
- Aims at achieving steady income and capital growth

UK Government securities (gilts) rose as investors looked for safe haven investments in what was an extraordinary and difficult environment. The FTSE UK Government All Stocks Index returned +9.07%.

The Accumulation Share price fell by 26.91% from 1812.39p to 1324.60p and the Income Share fell by 29.93% from 1247.03p to 873.74p. As at 30 November 2008 the dividend yield on the Fund was 5.15%, based on the dividend of 45.00p for the previous twelve months. This represents an increase of 12.50% over the previous year in the payment on each Income Share. The equivalent yield on the FTSE All-Share Index was 4.67%.

Performance

Over the year under review the Fund returned -26.50% before management expenses. In the period, real assets such as equities and property fell substantially with the FTSE All-Share Index giving a total return of -32.24% and the IPD Property Index returning -21.29%.

The CBF Church of England Investment Fund Total capital and income return

To 30 November 2008	1 year % p.a.	5 years % p.a.	10 years % p.a.
<u>Performance against market indices (before expenses)</u>			
CBF Investment Fund	- 26.50	+ 3.90	+ 2.13
FTSE All-Share Index	- 32.24	+ 3.33	+ 1.00
FTSE World (ex UK) Index	- 24.03	+ 3.40	+ 1.39
FTSE UK Govt All Stocks Index	+ 9.07	+ 5.98	+ 5.16
IPD Property Index	- 21.29	+ 5.50	+ 7.99
<u>Performance after expenses</u>			
Income shares*	- 26.88	+ 3.61	+ 1.88
Accumulation shares*	- 26.91	+ 3.59	+ 1.86

* Net asset value to net asset value plus income reinvested

Source: The Manager & WM

Report of the Investment Manager

for the year ended 30 November 2008

Market review

In the year to 30 November, equity and property markets declined substantially with much of the weakness occurring at the end of the period. Government securities gave positive returns but elsewhere in the fixed interest sector most corporate bonds fell back. The most important themes of the period have been the steady loss of growth and fall into recession of the world economy, the fleeting surge of inflationary pressures and the extraordinary and profound crisis in the financial sector.

The period began with mounting evidence of reducing momentum in the world economy as stretched consumers came under pressure from tighter credit conditions. In January, however investors suffered a severe crisis of confidence and equity markets fell sharply. The trigger was a pessimistic re-assessment of economic prospects due to worsening conditions in credit markets, a growing crisis in the housing sector, faltering manufacturing output and early signs of rising unemployment. Interest rate cuts were made but were seen as being insufficient and too late to stem an economic retreat where cyclical weakness was being compounded by credit related factors. In February, markets overall produced more stable returns and thus began a series of fluctuating monthly trends where periods of price rallies or less volatile trading gave way to sharp moves downwards. This created a damaging pattern of lower highs and lower lows as the months passed. A consistent backcloth of concern over a deteriorating world economy was aggravated in the late spring by a sudden surge in inflationary pressures which saw raw material prices rise by 30%, UK factory gate prices increase by 10% and

sharp upward moves in the costs of food and fuel. However, this proved to be temporary and although inflation measures such as the RPI rose until the autumn, by that time speculative surges in commodity prices had given way to sharply lower price levels.

Although economic news continued to unsettle investors, the dominant and most important event of the year was the crisis in the financial sector. The epicentre of events was in the United States but the UK was heavily exposed to developments of a magnitude and seriousness to require huge government intervention to provide basic stability to the sector and to rebuild the confidence of savers. In the space of a few weeks Bradford and Bingley had to be rescued, Alliance and Leicester agreed to a takeover by Santander and HBOS was forced to agree a merger with Lloyds TSB. In the United States AIG, once the largest insurance company in the world, required government support, as did Fannie Mae and Freddie Mac, the two companies at the heart of the US mortgage industry. Merrill Lynch, a giant investment bank, was forced into a takeover by Bank of America and solutions had to be arranged for Wachovia and Washington Mutual.

Equity markets weakened further in October and November with economic and financial sector fears compounded by distressed selling resulting from margin calls, retrenchment by hedge funds and customer withdrawals.

The property sector was not immune from the deteriorating outlook. Valuations fell in the early part of the year and remained under pressure throughout. A major problem was the lack of transactions which created an illiquid market in which valuations became increasingly untested

Report of the Investment Manager

for the year ended 30 November 2008

by the usual flow of buying and selling activity. As the economic backcloth deteriorated so rental growth slowed and then went into reverse. By the end of the period, concerns were rising about the effect on the sector of severely reduced bank lending and the problems that would cause to developers and investors alike.

A feature of the period was the weakness in sterling on international currency markets. The pound fell by 13.8% against the euro, 25.2% against the US dollar and by 35.8% against the yen.

Strategy

The Fund retained a clear positive preference for real assets such as equities in the domestic and international markets and property. The bias was balanced by a reduced position in bonds and cash.

There have been a number of important changes to the portfolio during the year. The largest of these was the expansion of the overseas equity holdings at the expense of a reduced weighting to the UK. This reflected our view of the relative return and risk characteristics of the home market compared with those internationally. The exposure to infrastructure was increased as part of the move to increase the diversification of the portfolio and to add to areas with attractive long term return potential. In the bond portfolio we disposed of the foreign bonds held and re-invested in the domestic market, this provided a useful boost to the Fund's income.

Outlook

Economic activity is weakening sharply and it is likely that the UK will experience a recession throughout 2009 although there is some hope that we will see early signs of recovery by the end of the year. Similar trends will be experienced in the USA, Europe and Japan although it seems probably that the downturn in these areas will be less severe. Activity in emerging economies will be at higher levels but it is clear that they are not immune from what is a severe global slowdown and so although growth will continue it will be at low rates relative to recent performances. Inflation pressures will ease considerably as fuel and commodity prices fall back and weak demand forces suppliers to consider price cuts. Not all of these gains will be enjoyed by the UK however because of the weakness of sterling which pushes higher the cost of imported goods. Against a background of weak demand, low inflation and with a need to stimulate lending as a support to ultimate economic recovery, interest rates will fall from current levels and could stay at levels which are low by historical norms for some time.

In bond markets we expect to see a gradual recovery in corporate issues relative to government stocks as the fear of defaults moderate and the attractions of the high income on offer come to the fore.

Property valuations will stay under pressure as rental levels ease back and liquidity problems continue to threaten to force weak holders to dispose of assets into an unwilling market.

Report of the Investment Manager

for the year ended 30 November 2008

Equities have fallen back sharply and now discount gloomy expectations for corporate earnings and for dividends. Valuation comparisons with government securities are also attractive on historical data. These factors should provide long term support to the sector and we are hopeful that a bottoming process is underway. That does not however mean that recovery will be swift or even that we have yet seen the lows for this cycle.

M Humphreys
Fund Manager
CCLA Investment Management Limited

27 January 2009

Risk warning

The Fund's shares and the income from the shares 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 shares are intended for long-term investment only and are not suitable for money liable to be needed in the near future. The shares are realisable on each weekly dealing day.

The Fund may invest in emerging market countries which could be subject to political

and economic change. The Fund may also invest in collective investment schemes and other assets which may, on occasions, be illiquid such as The CBF Church of England Property Fund which invests directly in property and property related assets which are valued by an independent valuer and as such are open to substantial subjectivity. The performance of this Fund may be adversely affected by a downturn in the property market which could impact on the capital and or income value of the Fund.

Statement of Ethical Investment Policy

to the Shareholders of The CBF Church of England Investment Fund

Ethical investment considerations form an integral part of the Church of England's witness and mission. Through its Ethical Investment Policy, the Church of England seeks a constructive engagement with the corporate world in order that responsible business practices and high standards of corporate behaviour are encouraged and supported. The Church of England is also mindful of the need to avoid undermining the credibility, effectiveness and unity of the Church's witness by profiting from, or providing capital to, activities that are materially inconsistent with Christian values.

The Ethical Investment Advisory Group (EIAG) of the Church of England carries out ethical investment research on behalf of the three national investment bodies of the Church of England, the Church Commissioners for England, The CBF Church of England Funds, and the Church of England Pensions Board (the national Church investment bodies). It develops policy recommendations, which once agreed by the national Church investment bodies, are then communicated to the wider Church. The General Synod, the Archbishops' Council and the Mission and Public Affairs Council are also represented on the EIAG to provide counsel and wider expertise. The legal authority for investment decisions rests solely with the national Church investment bodies, as well as individual parishes, cathedrals, dioceses and other associated Church of England organisations.

The national Church investment bodies are supportive of companies that seek to develop their businesses successfully and sustainably in the interests of shareholders.

The use of positive ethical criteria in assessing companies is firmly incorporated within the Ethical Investment Policy through a process of constructive engagement with business. Criteria have been identified across five broad areas as:

- responsible employment practices
- best corporate governance practice
- conscientiousness with regard to human rights
- sustainable environmental practice
- sensitivity towards the communities in which business operates

Companies are monitored according to this Statement of Ethical Investment Policy and, where appropriate, by developing an ongoing dialogue and engagement with them. The national Church investment bodies believe this to be the best means of exercising responsible stewardship and shareholder responsibility and of communicating Church concerns. Disinvestment, if recommended, remains the preserve of each national Church investment body, and is only considered if a company's activities fall outside of the Church's Ethical Investment Policy or if, after sustained dialogue, it does not respond positively to the Church's concerns.

Companies that promote pornography or supply armaments are avoided. Separate media and defence investment policies have been published outlining the criteria employed to determine whether companies breach the Church's policy in these areas.

Investment is also avoided in any company a major part of whose business activity or focus

Statement of Ethical Investment Policy

to the Shareholders of The CBF Church of England Investment Fund

is in the following areas, where this is usually defined as exceeding 25% of Group turnover:

- gambling
- tobacco and tobacco related products
- alcoholic beverages (manufacture and licensed sale)
- non-offensive military equipment (see defence investment policy)
- weekly-collected home credit (doorstep lending)
- human embryonic cloning

The national Church investment bodies also reserve the right to avoid investment in companies whose management practices they judge to be unacceptable. Given the complexity of many companies, some will have business interests in areas the national Church investment bodies seek to avoid, and these are closely monitored to ensure they meet the Church's broader criteria. Advice may be offered in respect of all classes of asset under management including domestic and international securities, land and real estate.

The Church of England Ethical Investment Advisory Group was established in 1994 and includes representation from the Church Commissioners for England, The CBF Church of England Funds, the Church of England

Pensions Board, the General Synod, the Archbishops' Council, and the Mission & Public Affairs Council.
Website: www.cofe.anglican.org/info/ethical
E-mail: ethics@ccla.co.uk

Report of the Independent Auditors

to the Shareholders of The CBF Church of England Investment Fund

We have audited the financial statements of The CBF Church of England Investment Fund for the year ended 30 November 2008 which comprise the statement of total return, the statement of change in shareholders' net assets, the portfolio statement, the balance sheet, the summary of material portfolio changes, the related notes, and the distribution table. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the shareholders of the Fund, as a body, in accordance with the Church Funds Investment Measure 1958, as amended. Our audit work has been undertaken so that we might state to the shareholders 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 shareholders of the Fund, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustee and Auditors

The Trustee is 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, the Church Funds Investment Measure 1958, as amended, and the Trustee Act 2000. 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 on 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.

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 amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustee in the preparation of the financial statements,

Report of the Independent Auditors

to the Shareholders of The CBF Church of England Investment Fund

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 accounts 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 at 30 November 2008, and of the net income and the net gains and losses on the scheme property of the Fund for the year then ended; and

- have been properly prepared in accordance with United Kingdom generally accepted accounting practice, the Church Funds Investment Measure 1958, as amended, and the Trustee Act 2000.

Ernst & Young LLP
Registered Auditor
London

27 January 2009

The maintenance and integrity of the CCLA Investment Management Limited web site is the responsibility of the directors; the work carried out by the auditors of The CBF Church of England Investment Fund does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have

occurred to the financial statements since they were initially presented on the web site.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

Net asset value

<i>At</i>	<i>Net asset value</i>	<i>Income shares</i>		<i>Accumulation shares</i>	
		<i>Net asset value pence per share</i>	<i>Number of shares in issue</i>	<i>Net asset value pence per share</i>	<i>Number of shares in issue</i>
<i>30 November</i>	<i>£'000</i>				
2006	971,286*	1,190.26	79,623,184	1,676.75	1,212,464
2007	993,407*	1,247.03	77,490,815	1,812.39	1,377,910
2008	674,464*	873.74	75,157,309	1,324.60	1,307,591

*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 which was issued by the Investment Management Association (IMA) in December 2005.

Share price range

<i>Year to</i>	<i>Income shares</i>		<i>Accumulation shares</i>	
	<i>Highest offer pence per share</i>	<i>Lowest bid pence per share</i>	<i>Highest offer pence per share</i>	<i>Lowest bid pence per share</i>
<i>30 November</i>				
2004	960.48	861.84	1,254.25	1,107.65
2005	1,096.56	928.19	1,483.11	1,223.54
2006	1,227.23	1,073.65	1,714.22	1,464.98
2007	1,311.16	1,180.20	1,885.24	1,662.58
2008	1,275.71	811.74	1,854.05	1,212.63

Net distribution

<i>Year to</i>	<i>Income shares pence per share</i>	<i>Accumulation shares pence per share</i>
<i>30 November</i>		
2004	34.00	43.43
2005	35.50	48.10
2006	37.00	52.23
2007	40.00	58.94
2008	45.00	75.53

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

Share prices at 30 November 2008

	<i>Bid price pence per share</i>	<i>Offer price pence per share</i>
Income shares	867.19	880.29
Accumulation shares	1,314.67	1,334.53

The share prices are published in the *Financial Times*, *The Church 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 0.75% deduction or surcharge.

Total expense ratio

	<i>30.11.2008</i>	<i>30.11.2007</i>
Total expense ratio	0.54%	0.36%

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

Statement of total return

for the year ended 30 November 2008

	Notes	30.11.2008		30.11.2007	
		£'000	£'000	£'000	£'000
Net (losses)/gains on investments during the year	2		(293,149)		48,308
Other gains/(losses)	3		153		(2,319)
Income	4	39,985		33,519	
Expenses	5	(3,024)		(2,430)	
Net income before taxation		36,961		31,089	
Taxation	6	(957)		(399)	
Net income after taxation for the year			<u>36,004</u>		<u>30,690</u>
Total return before distributions			(256,992)		76,679
Finance costs: distributions	7		<u>(35,230)</u>		<u>(32,103)</u>
Change in net assets attributable to shareholders			<u>(292,222)</u>		<u>44,576</u>

Statement of change in shareholders' net assets

for the year ended 30 November 2008

	30.11.2008		30.11.2007	
	£'000	£'000	£'000	£'000
Net assets at start of the year		991,232		968,818
Movement due to creations and cancellations of shares				
Amounts receivable on creation of shares		12,350		27,822
Less: amounts payable on cancellation of shares		(39,184)		(50,808)
		(26,834)		(22,986)
Change in net assets attributable to shareholders		(292,222)		44,576
Retained distribution on accumulation shares		1,008		824
Net assets at end of the year		<u>673,184</u>		<u>991,232</u>

The notes on pages 28 to 38 form part of these accounts.

Portfolio statement

at 30 November 2008

	<i>Holding</i>	<i>Bid Value £'000</i>	<i>% Fund</i>		<i>Holding</i>	<i>Bid Value £'000</i>	<i>% Fund</i>
UNITED KINGDOM 39.41%				Support services 0.45%			
(30.11.2007, 58.15%)							
Oil & gas producers 7.55%							
BG	1,500,385	13,796	2.05	Interserve	334,539	690	0.10
BP	5,463,433	28,765	4.27	Regus	1,489,370	860	0.13
Dana Petroleum	70,100	610	0.09	RPS	408,728	514	0.08
JKX Oil & Gas	266,977	398	0.06	Wolseley	301,120	915	0.14
Premier Oil	78,229	591	0.09	Automobiles & parts 0.08%			
Royal Dutch Shell B	315,327	5,402	0.80	GKN	673,272	552	0.08
Tullow Oil	129,047	674	0.10	Food producers 0.80%			
Venture Production	143,323	579	0.09	Associated British			
Oil equipment & services 0.09%				Foods	136,807	925	0.14
Petrofac	170,720	577	0.09	Cadbury	524	3	-
Chemicals 0.10%				Dairy Crest	523,341	1,039	0.15
Johnson Matthey	79,684	689	0.10	Tate & Lyle	888,457	3,467	0.51
Forestry & paper 0.23%				Household goods 0.48%			
Mondi	949,627	1,574	0.23	Persimmon	334,214	720	0.11
Mining 1.34%				Reckitt Benckiser	81,938	2,261	0.34
Anglo American	267,406	4,099	0.61	Taylor Wimpey	1,718,984	185	0.03
BHP Billiton	206,224	2,450	0.36	Pharmaceutical & biotechnology 3.52%			
Kazakhmys	64,277	167	0.02	AstraZeneca	502,870	12,290	1.83
Lonmin	50,468	430	0.06	GlaxoSmithKline	1,015,077	11,364	1.69
RioTinto (UK)	38,159	613	0.09	Food & drug retailer 0.00%			
Vendanta				Tesco	1,545	5	-
Resources	105,592	645	0.10	General retailers 0.11%			
Xstrata	71,134	662	0.10	Signet Jewellers	150,131	733	0.11
Electronic & electrical equipment 0.12%				Media 0.24%			
PV Crystalox Solar	686,618	783	0.12	UTD Business			
Industrial engineering 0.06%				Media	371,859	1,589	0.24
Charter	135,361	415	0.06				

Portfolio statement

at 30 November 2008

	<i>Holding</i>	<i>Bid Value £'000</i>	<i>% Fund</i>		<i>Holding</i>	<i>Bid Value £'000</i>	<i>% Fund</i>
Travel & leisure 0.11%				Real estate 0.10%			
Millenium & Corporate Hotels	390,570	767	0.11	Derwent London	97,215	675	0.10
Fixed line telecommunications 0.88%				General financial 0.37%			
BT	4,404,696	5,951	0.88	Cattles	523,118	262	0.04
Mobile telecommunications 1.30%				Close Brothers	271,722	1,297	0.19
Vodafone	6,863,669	8,727	1.30	Investec	358,571	954	0.14
Electricity 0.86%				Equity investments 0.76%			
British Energy	456,921	3,425	0.51	Dunedin Income and Growth	200,000	271	0.04
Scottish & Southern Energy	214,296	2,362	0.35	Edinburgh Investment Trust	355,494	1,141	0.17
Gas, water & multiutilities 2.47%				ICAP	311,852	914	0.14
Centrica	881,499	2,083	0.31	Invesco Income Growth Trust	450,000	624	0.09
Centrica New NPD	330,562	244	0.04	Merchants Trust	497,500	1,349	0.20
National Grid	1,224,939	8,281	1.23	Standard Life Equity Income	375,000	775	0.12
Northumbrian Water	479,068	1,252	0.19	Software & computer services 0.40%			
Severn Trent	297,826	3,398	0.50	Aeva	84,612	444	0.07
United Utilities	223,447	1,353	0.20	Sage	1,327,718	2,204	0.33
Banks 0.95%				Other UK Unit Trusts 13.30%			
HSBC	890,875	6,368	0.95	The CBF Church of England UK Equity Fund Income Shares*	100,000,000	89,560	13.30
Non-life insurance 0.88%				EUROPE 8.69% (30.11.2007, 7.44%)			
Amlin	484,477	1,773	0.26	Belgium 0.28%			
Brit Insurance	1,306,969	2,653	0.39	Belgacom	34,706	815	0.12
Catlin	366,096	1,579	0.23	Dexia	78,488	220	0.03
Life insurance 1.86%				Fortis (BRX)	53,078	32	-
Aviva	949,727	3,799	0.56	Fortis (NLG)	52,989	32	-
Friends Provident	2,954,084	2,165	0.32	GBL Strip	346	0	-
Old Mutual	5,024,272	2,733	0.41				
Prudential	875	3	-				
Standard Life	1,472,497	3,854	0.57				

Portfolio statement

at 30 November 2008

	Holding	Bid			Holding	Bid	
		value £'000	% Fund			value £'000	% Fund
Groupe Bruxelles Lambert	17,879	850	0.13	Altana	10,250	110	0.02
				BASF	66,432	1,378	0.20
				BMW	38,454	625	0.09
Denmark 0.14%				Daimler	40,034	815	0.12
Danisco	16,600	490	0.07	Deutsche Post	123,721	1,147	0.17
Novo Nordisk	14,550	483	0.07	Deutsche Telekom	174,283	1,564	0.23
				E.on	39,105	890	0.13
Finland 0.33%				Fresenius	13,512	488	0.07
Kesko	45,112	714	0.11	Hannover Rueckvers	41,922	624	0.09
Nokia	113,598	1,040	0.15	HeidelbergCement	6,061	185	0.03
Outokumpu	69,751	453	0.07	Merck KGaA	7,897	427	0.06
				Munich Re	7,294	644	0.10
France 1.78%				Porsche	5,974	256	0.04
Alcatel-Lucent	70,548	97	0.01	Salzgitter	6,109	275	0.04
Axa	61,555	761	0.11	Siemens	18,200	708	0.11
Bouygues	12,750	340	0.05				
Cap Gemini	27,145	567	0.08	Ireland 0.06%			
CNP Assurances	8,742	365	0.05	CRH	17,000	239	0.04
Eurazeo	9,398	315	0.05	Irish Life & Permanent	116,714	167	0.02
France Telecom	31,574	527	0.08				
Gaz de France	36,573	951	0.14	Italy 1.42%			
Groupe Danone	25,600	955	0.14	Bulgari	189,244	748	0.11
Nexity	9,500	62	0.01	Buzzi Unicem	56,410	424	0.06
Peugeot	14,298	168	0.02	Enel	404,952	1,633	0.24
Publicis Groupe	29,543	446	0.07	ENI	134,695	1,945	0.29
Renault	25,750	366	0.05	Fiat	44,551	212	0.03
Sanofi-Aventis	54,271	1,947	0.29	Generali	56,207	876	0.13
Schneider	10,005	409	0.06	IFIL	126,018	231	0.03
Suez				Intesa Sanpaolo	379,253	740	0.11
Environnement	5,000	56	0.01	Parmalat	551,824	573	0.08
TF1	27,910	248	0.04	Seat Pagine	13,542,692	668	0.10
Total	66,815	2,267	0.34	Telecom Italia RNC	485,182	261	0.04
Valeo	31,616	257	0.04	Terna	331,154	636	0.09
Vivendi Universal	49,499	910	0.14	Unicredito Italiano	243,158	359	0.05
				Unione di Banche Italiane	40,877	382	0.06
Germany 1.64%							
Allianz	17,588	943	0.14				

Portfolio statement

at 30 November 2008

	<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>		<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>
Netherlands 0.54%				UBS	85,647	696	0.10
Aegon	33,000	101	0.02				
Ahold	77,025	556	0.08	General European 0.21%			
Akzo Nobel	23,634	522	0.08	Cimpor Cimentos			
ING	62,137	338	0.05	Port	192,572	577	0.09
Philips Electronic	56,262	593	0.09	European Assets			
SNS Reaal	56,443	224	0.03	Trust	87,500	376	0.06
Unilever NV	60,256	913	0.14	European Capital			
Wolters Kluwer	29,108	319	0.05	Investment Trust	587,500	308	0.05
				Reinet Investments	10,318	55	0.01
Norway 0.19%				UNITED STATES OF AMERICA 11.45%			
Statoilhydro	66,600	732	0.11	(30.11.2007, 7.93%)			
Telenor	147,000	519	0.08	Air Products &			
				Chemical	15,800	491	0.07
Spain 0.75%				Alcoa	20,995	147	0.02
Banco Santander	247,355	1,298	0.19	Allied Capital	67,800	103	0.02
BBVA	136,436	917	0.14	Anadarko			
Corp Finananc Alba	25,305	524	0.08	Petroleum	21,400	571	0.08
Repsol	67,856	851	0.13	Apache	7,600	383	0.06
Telefonica	106,619	1,398	0.21	Archer Daniels	23,274	415	0.06
				Associated Banc	90,800	1,285	0.19
Sweden 0.28%				Axis Capital	62,400	1,025	0.15
Sandvik	73,200	280	0.04	Becton Dickinson	12,600	521	0.08
Securitas	21,940	135	0.02	Bristol-Myers			
SKF	95,200	490	0.07	Squibb	147,236	1,986	0.30
Ericsson (LM) Tel	214,000	992	0.15	Carnival	32,400	442	0.07
Niscayah	21,940	14	-	CBS B	143,800	622	0.09
				Centerpoint Energy	186,600	1,571	0.23
Switzerland 1.07%				Chesapeake Energy	23,700	265	0.04
Baloise	10,473	379	0.06	Chevron	30,680	1,579	0.23
Credit Suisse	6,000	115	0.02	Chubb	34,900	1,164	0.17
Nestle SA	57,000	1,343	0.20	Coca-Cola			
Novartis	46,961	1,422	0.21	Enterprise	61,900	370	0.05
Pargesa	9,186	459	0.07	Colgate-Palmolive	9,616	408	0.06
Richemont (Cie Fin)	75,377	852	0.13	ConocoPhillips	17,723	606	0.09
Roche	13,314	1,215	0.18	Corning	49,480	290	0.04
Swisscom	3,573	666	0.10	CVS/Caremark	58,907	1,110	0.16
				Devon Energy	8,643	406	0.06

Portfolio statement

at 30 November 2008

	<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>		<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>
Diamond OS Drilling	11,200	538	0.08	NSTAR	117,100	2,702	0.40
Dow Chemical	37,418	451	0.07	Parker Hannifin	24,300	648	0.10
DTE Energy	51,000	1,233	0.18	PartnerRe	32,200	1,468	0.22
El Paso	111,300	532	0.08	Patterson-UTI Energy	33,900	276	0.04
Embarq	121,500	2,559	0.38	Pepsico	30,806	1,138	0.17
Entergy	4,928	273	0.04	Pfizer	523,969	5,606	0.83
Exxon Mobil	76,675	4,004	0.59	Praxair	12,400	476	0.07
Firstenergy	10,372	395	0.06	Procter & Gamble	41,871	1,756	0.26
Freeport McMoran Frontier	21,125	330	0.05	Ryder System	22,800	533	0.08
Communications	263,000	1,489	0.22	Schering Plough	22,941	251	0.04
Gannett	183,200	1,035	0.15	Schlumberger	11,416	376	0.06
General Electric	262,961	2,937	0.44	Seagate Technology	145,600	410	0.06
Goldman Sachs	5,284	271	0.04	Sunoco	23,600	610	0.09
Halliburton	21,555	247	0.04	Symantec	137,800	1,078	0.16
Hewlett-Packard	31,002	713	0.11	Sysco	45,100	687	0.10
HJ Heinz	24,400	617	0.09	Target	14,345	315	0.05
Hospitality Prop	98,600	725	0.11	Texas Instruments	75,969	769	0.11
I.B.M.	32,434	1,724	0.26	Time Warner	100,772	593	0.09
Intel	66,206	594	0.09	T Rowe Price	18,300	407	0.06
International Paper	52,200	423	0.06	Union Pacific	14,134	460	0.07
Johnson & Johnson	46,112	1,757	0.26	Verizon Communications	66,304	1,411	0.21
Johnson Controls	29,071	334	0.05	Vornado Realty Trust	11,600	403	0.06
Kla-Tencor	30,600	375	0.06	Walgreen	21,433	345	0.05
Kraft Foods	78,970	1,396	0.21	Wal-Mart Stores	35,810	1,303	0.19
King				Wells Fargo	101,565	1,894	0.28
Pharmaceuticals	143,300	897	0.13	Willis	106,100	1,590	0.24
Lilly (Eli)	32,127	713	0.11	Wyeth	30,844	723	0.11
Marathon Oil	78,112	1,324	0.20				
Marsh & McLennan	52,800	874	0.13	JAPAN 3.86% (30.11.2007, 2.43%)			
Marshall & Ilsley	68,600	688	0.10	Aioi Insurance	108,000	279	0.04
Mattel	119,300	1,060	0.16	Amada Co	107,000	319	0.05
McDonald's	21,263	813	0.12	Asahi Kasei	161,000	445	0.07
Microsoft	89,116	1,175	0.17	Astellas Pharma	17,600	467	0.07
NiSource	80,800	633	0.09	Bank of Kyoto	53,000	344	0.05

Portfolio statement

at 30 November 2008

	<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>		<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>
Canon	55,500	1,071	0.16	Nippon Tel & Tel	148	419	0.06
Chubu Electric Power	27,300	489	0.07	Nippon Yusen KK	96,000	339	0.05
Daiichi Sankyo	11,500	152	0.02	Nissan Motor	201,100	436	0.06
Daiwa House	60,000	326	0.05	Nisshin Steel	177,000	167	0.02
Eisai	61,500	1,351	0.20	NTT DoCoMo	1,206	1,307	0.19
Fuji Electric	160,000	135	0.02	Ono Pharmaceutical	7,800	225	0.03
Fuji Heavy	149,000	293	0.04	Oracle Corp Japan	40,700	1,092	0.16
Fukuoka Financial	144,000	305	0.05	Orix	3,840	155	0.02
Honda Motor	61,500	875	0.13	Pacific Metals	68,000	192	0.03
Itochu	97,000	317	0.05	Pioneer	69,000	100	0.01
Itochu Techno- Solutions	9,800	164	0.02	Ricoh	37,000	252	0.04
Kawasaki Kisen				Seven & I	28,100	518	0.08
Kaish	89,000	233	0.03	Sharp	37,000	163	0.02
KDDI	68	288	0.04	Shinko	73,000	95	0.01
Konica Minolta	32,000	154	0.02	Sojitz	168,400	166	0.02
Lawson	52,400	1,714	0.25	Sompo Japan Insurance	59,000	222	0.03
Leopalace21	110,100	668	0.10	Sumitomo	76,100	435	0.06
Makita	23,800	301	0.04	Sumitomo Metal	29,000	180	0.03
Marui	88,300	310	0.05	Sumitomo Mitsui	45	106	0.02
Mitsui & Co	59,000	341	0.05	Sumitomo Rubber	74,700	443	0.07
Mitsui Lines	64,000	222	0.03	Sumitomo Trust & Banking	111,000	327	0.05
Mitsubishi	41,400	336	0.05	Takeda Pharma	17,500	549	0.08
Mitsubishi Gas	97,000	240	0.04	TDK	9,700	213	0.03
Mitsubishi Tanabe	64,000	521	0.08	Tohoku Electric Power	57,800	916	0.14
Mizuho Finance 2% Convertible Preference Shares	100	394	0.06	Tokai Rika	25,000	155	0.02
Morant Wright Japan	712,500	216	0.03	TonenGeneral Sekiyu	191,000	1,200	0.18
Mori Seiki	30,900	156	0.02	Tosoh	170,000	229	0.03
Nintendo	2,200	446	0.07	Toyota Motor	8,100	166	0.02
Nippon Kayaku	62,000	198	0.03	Trend Micro	13,000	246	0.04
Nippon Mining	101,500	195	0.03	Yamaha Motor	33,100	204	0.03
Nippon Steel	308,000	622	0.09	Yokogawa Electric	60,500	206	0.03

Portfolio statement

at 30 November 2008

	<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>		<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>
PACIFIC BASIN 5.30% (30.11.2007, 3.93%)							
Australia 1.23%							
AMP	193,227	440	0.07				
ANZ Bank	110,120	688	0.10				
BHP Billiton	116,487	1,528	0.23				
Boart Longyear	1,178,293	135	0.02				
Coca-Cola Amatil	150,030	548	0.08				
GPT	795,301	309	0.05				
Leighton	1,919	20	-				
National Australia Bank	91,612	768	0.11				
OneSteel Limited	246,960	268	0.04				
Rio Tinto-Australia	36,251	716	0.11				
Telstra	346,188	595	0.09				
Woodside Petroleum	47,591	728	0.11				
Woolworths	130,956	1,474	0.22				
Hong Kong 1.97%							
Bank of China	2,883,000	592	0.09				
BOC Hong Kong Holdings	1,225,500	911	0.14				
Cheung Kong Holdings	260,000	1,573	0.23				
China Construction	1,984,000	682	0.10				
China Mobile	278,000	1,661	0.25				
CNOOC	1,315,000	691	0.10				
Esprit Holdings	199,800	612	0.09				
Hang Seng Bank	101,700	843	0.13				
HKEX	172,400	884	0.13				
Industrial & Commercial Bank of China	2,634,000	842	0.13				
				Li & Fung	426,000	494	0.07
				Li Ning Co	614,000	568	0.08
				PCCW	4,031,000	1,197	0.18
				Swire Pacific A	270,500	1,164	0.17
				Yanzhou Coal	1,464,000	528	0.08
				Indonesia 0.02%			
				Bumi Resources	2,793,500	151	0.02
				Malaysia 0.29%			
				Digi.Com	191,900	708	0.11
				PPB Group Berhad	788,700	1,199	0.18
				New Zealand 0.14%			
				Fisher & Paykel	876,385	951	0.14
				Philippines 0.14%			
				Philippine Long Distance Telephone	30,390	944	0.14
				Singapore 0.27%			
				Singapore Exchange	527,000	1,116	0.17
				Singapore Post	2,024,000	660	0.10
				South Korea 0.49%			
				Daegu Bank	145,580	449	0.07
				Dongbu Insurance	44,370	305	0.05
				Dongkuk Steel	35,190	359	0.05
				KB Financial	41,200	547	0.08
				Posco	4,959	747	0.11
				Pusan Bank	141,830	381	0.06
				Woori Finance	140,940	444	0.07

Portfolio statement

at 30 November 2008

	<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>		<i>Holding</i>	<i>Bid value £'000</i>	<i>% Fund</i>
Taiwan 0.48%							
Chicony Electronic	638,890	360	0.05	Princess Private Equity	909,500	2,106	0.31
Lite-on Technology	1,865,000	854	0.13	GLOBAL EQUITY INCOME UNIT 4.87%			
Macronix International	3,166,000	531	0.08	(30.11.2007, 0.00%)			
Novatek Micro	562,000	314	0.05	The CBF Church of England Global Equity Income Fund Accumulation Shares*	1,000	1	-
Taiwan Bus Bank	4,624,000	597	0.09	The CBF Church of England Global Equity Income Fund Income Shares*	32,991,391	32,767	4.87
U-Ming Marine Transport	750,000	535	0.08	INFRASTRUCTURE 6.18%			
Thailand 0.05%				(30.11.2007, 1.02%)			
Thai Oil	887,300	310	0.05	3i Infrastructure	2,069,825	2,054	0.31
General Asia Pacific 0.22%				Babcock & Brown Pub	8,928,000	7,321	1.09
Aberdeen Asian Income	262,500	233	0.03	HSBC Infrastructure	11,143,000	11,700	1.74
Infosys Tech-ADR	37,900	621	0.09	RREEF Pan-Euro Infrastructure	1	20,489	3.04
Reliance Industries	23,495	693	0.10	UNQUOTED STOCKS 1.17%			
OTHER OVERSEAS 0.66%				(30.11.2007, 0.88%)			
Henderson Global Technology	916,038	3,152	0.47	CCLA Fund Managers A	130,000	7,874	1.17
Invesco Emerging Markets	33,627	461	0.07	AGRICULTURAL PROPERTIES 0.26%			
JPMorgan Emerging Markets	292,911	795	0.12	(30.11.2007, 0.18%)			
PRIVATE EQUITY 0.40%				Nazeing Park Farm	1	1,750	0.26
(30.11.2007, 0.11%)							
Princess Private Equity (Germany)	250,000	587	0.09				

Portfolio statement

at 30 November 2008

	<i> Holding</i>	<i> Bid value £'000</i>	<i> % Fund</i>
PROPERTY UNIT TRUSTS 7.66%			
(30.11.2007, 6.54%)			
The CBF Church of England Property Fund			
Income Shares*	40,313,153	51,565	7.66
FIXED INTEREST STOCKS 8.01%			
(30.11.2007, 6.25%)			
Treasury 5.75% Stock 2009			
	7,700,000	8,011	1.19
Treasury 6.25% Stock 2010			
	7,700,000	8,311	1.23
Conversion 9% Stock 2011			
	8,305,000	9,609	1.43
Treasury 5.25% Stock 2012			
	2,885,000	3,097	0.46
Treasury 8% Stock 2013			
	15,000,000	18,115	2.69
Abbey 8.625% Preference Shares			
	600,000	578	0.09
HBOS 9.25% Preference Shares			
	5,779,339	5,057	0.75
Natwest 9% Preference Shares			
	635,000	530	0.08
Nat West 11.5% Euro Convertible Notes			
	500,000	576	0.09
PORTFOLIO OF INVESTMENTS		659,167	97.92
NET OTHER ASSETS		14,017	2.08
NET ASSETS		673,184	100.00

*The CBF Church of England Property Fund, The CBF Church of England Global Equity Income Fund and The CBF Church of England UK Equity Fund are managed by the Manager.

Balance sheet

at 30 November 2008

	Notes	30.11.2008		30.11.2007	
		£'000	£'000	£'000	£'000
ASSETS					
Portfolio of investments			659,167		948,914
Debtors	8	6,710		9,019	
Cash and bank balances	9	<u>17,114</u>		<u>43,652</u>	
Total other assets			<u>23,824</u>		<u>52,671</u>
Total assets			682,991		1,001,585
LIABILITIES					
Creditors	10	37		667	
Distribution payable on income shares		<u>9,770</u>		<u>9,686</u>	
Total liabilities			<u>9,807</u>		<u>10,353</u>
Net assets attributable to shareholders			<u>673,184</u>		<u>991,232</u>
Approved on behalf of the Trustee 27 January 2009				R Broadhurst, <i>Chairman</i> CBF Funds Trustee Limited	

The notes on pages 28 to 38 form part of these accounts.

Summary of material portfolio changes

for the year ended 30 November 2008

	<i>Costs</i> <i>£'000</i>
Total purchases for the year (note 16)	669,919
Major purchases:	
The CBF Church of England Global Equity Income Fund	49,487
Treasury 8% Stock 2013	17,143
AstraZeneca	14,830
BP	14,324
Royal Bank of Scotland	12,619
HSBC Infrastructure	10,000
Babcock & Brown	10,000
Johnson Matthey	9,658
GlaxoSmithKline	9,348
National Grid	8,918
HSBC	8,250
Anglo American	7,667
Vodafone	6,664
Old Mutual	6,240
British Energy	6,104
Tate & Lyle	5,785
Treasury 6.25% Stock 2010	5,674
Mondi	5,404
Marks & Spencer	4,948
HBOS 9.25% Preference Shares	4,633

The above represents the 20 largest purchases aggregated per investment during the year.

Summary of material portfolio changes

for the year ended 30 November 2008

	<i>Proceeds</i>
	<i>£'000</i>
Total sales for the year (note 16)	669,011
Major sales:	
HSBC	25,434
Vodafone	22,483
Royal Dutch Shell B	20,722
Tesco	13,646
Anglo American	12,870
Treasury 8% Stock 2013	12,316
Lloyds TSB	12,312
Reckitt Benckiser	11,968
Rio Tinto (UK)	11,907
AstraZeneca	11,217
BHP Billiton	11,129
Unilever	10,808
GlaxoSmithKline	10,717
National Grid	9,247
Barclays	9,153
Standard Chartered	8,541
Royal Bank of Scotland	8,119
Johnson Matthey	8,087
BP	7,857
Marks & Spencer	7,434

The above represents the 20 largest sales aggregated per investment during the year.

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 accounting policies set out below and the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA) in December 2005.

(b) Income recognition

Dividends on ordinary stocks, including special dividends where appropriate, and preference Shares are credited to income on the dates when the investments are first quoted ex-dividend. Interest on Government stocks, debentures, convertible loan stocks, other fixed interest stocks, bank and The CBF Church of England Deposit Fund balances, and direct property income is accrued on a daily basis.

With effect from 1 December 2007, income on debt securities has been accounted for on an effective yield basis. Prior to this, income on debt securities was calculated on an accrual of coupon basis. In accordance with paragraph 1.15 of the IMA SORP 2005, the Fund has not restated comparative information to reflect this change in accounting policy. If comparative information has been restated the main adjustments required would be to decrease income on debt securities with a corresponding increase in net gains on investments. There would be no overall net impact on the total return before distributions or on the net assets of the Fund.

(c) Stock dividends

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

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

Whether a special dividend, share buy-back or additional share issue is income 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 income.

(e) Expenses

During the year the Manager's periodic charge, paid to the Manager, was charged to the capital of the Fund. The fee is based on a fixed percentage of the value of the Fund. In January 2008 this increased from 0.30% p.a. plus VAT to 0.45% p.a. plus VAT. The Fund receives a management fee rebate credited to the income expenses of the Fund's deposits in The CBF Church of England Deposit Fund where the management fees are charged to income. The Fund also receives a management fee

Notes to the accounts

rebate credited to the capital of the Fund for its holding in The CBF Church of England Property Fund, The CBF Church of England UK Equity Fund and The CBF Church of England Global Equity Income Fund where, in all Funds, management fees are charged to capital. 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, legal, safe custody fees and transaction charges, insurance, direct property expenses and monitoring fee are charged separately to the income of the Fund before distribution. The Trustee's administration fee is charged to the capital of the Fund.

(f) Distributions

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

(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 unlisted or de-listed, unquoted or suspended investments are stated at cost or valuation by the Manager and reviewed by the Trustee.

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.

Agricultural property is valued half yearly by the Manager on the basis of open market value as advised by independent chartered surveyors.

(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 foreign 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 foreign 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.

Notes to the accounts

2. Net (losses)/gains on investments	30.11.2008	30.11.2007
	£'000	£'000
The net (losses)/gains on investments during the year comprise:		
Non-derivative securities	(289,951)	48,308
Forward currency contracts	(3,198)	-
	<u>(293,149)</u>	<u>48,308</u>
3. Other gains/(losses)	30.11.2008	30.11.2007
	£'000	£'000
Other gains/(losses) comprise:		
Currency gains/(losses)	<u>153</u>	<u>(2,319)</u>
4. Income	30.11.2008	30.11.2007
	£'000	£'000
UK dividends	16,010	15,791
The CBF Church of England Property Fund dividends	3,104	2,882
The CBF Church of England UK Equity Fund dividends	4,900	4,400
The CBF Church of England Global Equity Income Fund dividends	1,979	-
Overseas dividends	10,199	5,346
Dividends on unquoted stocks	273	273
Interest on debt securities	1,914	2,871
Rental income	42	41
Interest on The CBF Church of England Deposit Fund	1,098	1,620
Bank interest	463	291
Other income	<u>3</u>	<u>4</u>
	<u>39,985</u>	<u>33,519</u>
5. Expenses	30.11.2008	30.11.2007
	£'000	£'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge – see note 1(e)	4,383	3,413
Manager's periodic charge rebate – see note 1(e)*	<u>(1,534)</u>	<u>(1,195)</u>
	<u>2,849</u>	<u>2,218</u>

Notes to the accounts

	30.11.2008	30.11.2007
	£'000	£'000
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Safe custody fees and transaction charges	120	115
Monitoring fees	10	16
Trustee's administration fee	-	20
Other expenses	<u>2</u>	<u>3</u>
	132	154
Other expenses:		
Insurance	13	21
Audit fee	12	9
Legal fees	-	1
Property expenses	<u>18</u>	<u>27</u>
	43	58
Total expenses	<u>3,024</u>	<u>2,430</u>

The above expenses include VAT where applicable.

* This amount represents the rebate of management fee credited to the Fund's income for the Fund's deposits in The CBF Church of England Deposit Fund where the management fees are charged to income. This amount also includes the rebates credited to the capital of the Fund for its holding in The CBF Church of England Property Fund, The CBF Church of England UK Equity Fund and The CBF Church of England Global Equity Income Fund where, in all Funds, management fees are charged to capital.

6. 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 shareholders on the basis that all recoverable UK taxation has been reclaimed. Overseas withholding tax is deducted in full from overseas income on receipt. Recoverable withholding tax is credited to income on receipt.

	30.11.2008	30.11.2007
	£'000	£'000
Overseas taxation suffered in the year	962	427
Overseas taxation recovered in the year	<u>(5)</u>	<u>(28)</u>
Total taxation	<u>957</u>	<u>399</u>

Notes to the accounts

7. Finance costs

Distributions

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

	30.11.2008	<i>30.11.2007</i>
	£'000	<i>£'000</i>
29 February – interim distribution	4,777	4,075
31 May – interim distribution	10,357	9,660
31 August – interim distribution	10,005	8,390
30 November – final distribution	10,003	9,874
	35,142	31,999
Add: income deducted on cancellation of shares	129	173
Deduct: income received on creation of shares	(41)	(69)
Net distribution for the year	<u>35,230</u>	<u>32,103</u>
Net income after taxation for the year	36,004	30,690
Amortisation under effective yield (FRS 26)	796	-
Transfer to income reserve – see note 11	(4,651)	(1,384)
Manager's periodic charge – see note 1(e)	3,081	2,777
Trustee's administration fee – see note 1(e)	-	20
Net distribution for the year	<u>35,230</u>	<u>32,103</u>

Details of the distribution per share are set out in the distribution table on page 39.

8. Debtors

	30.11.2008	<i>30.11.2007</i>
	£'000	<i>£'000</i>
Sales awaiting settlement	554	2,815
Accrued income	6,067	6,174
Other debtors	85	25
Prepayments	4	5
	<u>6,710</u>	<u>9,019</u>

9. Cash and bank balances

	30.11.2008	<i>30.11.2007</i>
	£'000	<i>£'000</i>
Cash in The CBF Church of England Deposit Fund	16,577	24,279
Cash in overseas currencies	274	15,375
Cash at bank	263	3,998
	<u>17,114</u>	<u>43,652</u>

Notes to the accounts

10. Creditors

	30.11.2008	30.11.2007
	£'000	£'000
Purchases awaiting settlement	-	639
Accrued expenses	<u>37</u>	<u>28</u>
	<u>37</u>	<u>667</u>

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 value of the Fund and is attributable to income shareholders.

	30.11.2008	30.11.2007
	£'000	£'000
Income reserve at the start of the year	3,559	2,175
Transfer to income reserve	<u>4,651</u>	<u>1,384</u>
Income reserve at the end of the year	<u>8,210</u>	<u>3,559</u>

12. 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 shareholders should they wish to sell their shares. 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 throughout the year and the comparative year.

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 share price from time to time, although there will generally be a close correlation in the movement of the share 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.

Notes to the accounts

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.

Liquidity risk

Financial instruments held by the Fund, excluding short-term debtors and creditors, are made up of UK and overseas equities, fixed interest securities, sterling and overseas cash deposits. These assets are generally liquid and enable the Fund to meet the payment of any redemption of shares that shareholders may wish to make.

Currency risk

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

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

Currency	30.11.2008	30.11.2007
	£'000	£'000
Australian Dollar	8,291	13,027
Brazilian Real	-	144
Danish Krone	972	798
Euro	69,269	80,153
Hong Kong Dollar	13,323	10,195
Indonesian Rupiah	152	1,088
Israel Shekel	-	796
Japanese Yen	26,366	25,214
Malaysian Dollar	1,906	1,140
Mexican Peso	-	492
New Zealand Dollar	951	747
Norwegian Krone	1,251	766
Philippine Peso	944	-
Singapore Dollar	1,786	4,357
South African Rand	-	614
South Korea Won	2,691	5,367

Notes to the accounts

Currency	30.11.2008	30.11.2007
	£'000	£'000
Swedish Krona	1,909	3,382
Swiss Franc	7,146	9,063
Taiwan Dollar	3,257	5,709
Thailand Baht	310	431
US Dollar	79,793	87,267
	<u>220,317</u>	<u>250,750</u>

Interest rate risk

The majority of the Fund's financial assets are equities which do not earn interest nor have maturity dates. The Fund invests in some fixed interest securities, the income 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 following 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 at 30 November 2008 was as set out below:

<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	16,840	53,883	391,951	462,674
Euro	120	-	69,149	69,269
US Dollar	3	-	79,790	79,793
Other	151	-	71,104	71,255
Total	17,114	53,883	611,994	682,991

<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	-	-	9,807	9,807
Total	-	-	9,807	9,807

Notes to the accounts

30 November 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	28,279	46,018	675,899	750,196
Euro	5,587	10,732	64,473	80,792
US Dollar	3,817	4,405	79,045	87,267
<u>Other</u>	<u>5,971</u>	<u>788</u>	<u>76,571</u>	<u>83,330</u>
Total	43,654	61,943	895,988	1,001,585

<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	-	-	9,714	9,714
<u>Euro</u>	<u>-</u>	<u>-</u>	<u>639</u>	<u>639</u>
Total	-	-	10,353	10,353

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

The fixed rate element of the portfolio, as at 30 November 2008, is further analysed in the following table.

<i>Currency</i>	<i>Fixed rate financial assets £'000</i>	<i>Weighted average interest rate %</i>	<i>Weighted average period for which the rate is fixed Years</i>
Sterling	53,885	9.0	3.7

Notes to the accounts

30 November 2007

<i>Currency</i>	<i>Fixed rate financial assets £'000</i>	<i>Weighted average interest rate %</i>	<i>Weighted average period for which the rate is fixed Years</i>
Sterling	46,018	4.8	4.2
Euro	10,732	4.1	9.3
US Dollar	4,405	2.3	3.3
Japan	788	0.8	3.1

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

There were no derivatives held by the Fund at 30 November 2008 (30.11.2007, £nil).

13. Commitments and contingent liabilities

There was a commitment of £11,940,398 at 30 November 2008 in relation to the Fund's investment in the RREEF Pan-European Infrastructure Fund (30.11.2007, £16,681,031).

There were no other commitments or contingent liabilities at 30 November 2008 (30.11.2007, £nil).

14. Unquoted and other investments

Unquoted investments include the Fund's holding of 60% of the issued share capital of CCLA Investment Management Limited, which provides investment management and administrative services to The CBF Church of England Funds. The valuation of £7,874,100 is based on a discounted market value calculation prepared yearly and reviewed quarterly.

Including its holding in the Manager, the Fund is not permitted to invest more than 2% of the total fund in unquoted securities excluding holdings in other CBF Church of England Funds.

Not more than 35% in value of the Fund may be invested in units in common funds, Authorised Unit Trust Schemes and collective investment and deposit schemes.

At 30 November 2008, 7.66% (30.11.2007, 6.54%) of the value of the Fund was held in shares in The CBF Church of England Property Fund, 13.30% (30.11.2007, 13.91%) of the value of the Fund was held in shares in The CBF Church of England UK Equity Fund, 4.87% (30.11.2007, 0.00%) of the value of the Fund was held in shares in The CBF Church of England Global Equity Income Fund, and 2.46 % (30.11.2007, 2.45%) of the value of the Fund was held in The CBF Church of England Deposit Fund. At 30 November 2008, 0.54% (30.11.2007, 0.50%) of the value of the Fund was held in Authorised Unit Trust Schemes.

Notes to the accounts

At 30 November 2008 the Fund held 91.93% (30.11.2007, 0.00%) of the shares of The CBF Church of England Global Equity Income Fund, 93.93% (30.11.2007, 94.29%) of the shares in The CBF Church of England UK Equity Fund, and 39.50% (30.11.2007, 38.63%) of the shares of The CBF Church of England Property Fund. The CBF Church of England Property Fund shares may not be readily realisable, and the Manager may impose a period of notice or delay before carrying out a redemption of shares in that Fund if it is deemed to be necessary to protect the interests of shareholders in the Fund or to permit properties to be sold to meet a redemption.

15. 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 5. There were no outstanding balances due to the Manager at 30 November 2008 (30.11.2007, £nil). There were no other transactions entered into with the Manager during the year.

CBFFT, as Trustee, is a related party to the Fund. The amounts paid in respect of the Trustee's administration fee are disclosed in note 5. There were no outstanding balances due to CBFFT at 30 November 2008 (30.11.2007, £nil). There were no other transactions entered into with CBFFT during the year.

At 30 November 2008 a cash balance of £16,576,527 (30.11.2007, £24,278,517) was held in The CBF Church England Deposit Fund.

Further details of the Fund's holdings in other CBF Church of England Funds are disclosed in note 14.

16. Portfolio transaction costs

	30.11.2008	<i>30.11.2007</i>
	£'000	<i>£'000</i>
Analysis of total purchase costs:		
Purchases in period before transaction costs	669,555	225,833
Commissions	364	326
Total gross purchases	<u>669,919</u>	<u>226,159</u>
Analysis of total sale costs:		
Sales in period before transaction costs	669,411	266,737
Commissions	(400)	(440)
Total net sales	<u>669,011</u>	<u>266,297</u>

Distribution table

for the year ended 30 November 2008

<i>Period ended</i>	<i>Date paid/payable</i>	<i>Dividends paid/payable pence per share</i>	
		2008	2007
Income shares			
29 February 2008	31 March 2008	6.00	5.00
31 May 2008	30 June 2008	13.00	12.00
31 August 2008	30 September 2008	13.00	10.50
30 November 2008	19 December 2008	13.00	12.50
		<u>45.00</u>	<u>40.00</u>
		<i>Income accumulated pence per share</i>	
Accumulation shares			
29 February 2008		11.71	8.61
31 May 2008		27.89	20.48
31 August 2008		18.13	16.26
30 November 2008		17.80	13.59
		<u>75.53</u>	<u>58.94</u>

Statement of Trustee and Manager responsibilities

The Trustee shall comply with the duty of care when exercising their powers and discharging their duties under the Church Funds Investment Measure 1958 as amended by the Church of England (Miscellaneous Provisions) Measure 1995 and the Trustee Act 2000 (together the Measure) 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 Information;
- determine the criteria and methods for evaluating the performance of the Fund;
- appoint the Auditor of the Fund and settle their terms of engagement;
- determine the rate of remuneration of the Manager in accordance with the Measure and the Scheme Information;
- supervise and oversee the Manager's compliance with the Measure and the Scheme Information. In particular, the Trustee shall be satisfied on a continuing basis that the Manager is competently exercising the powers and discharging the duties conferred or imposed on it by or pursuant to the provisions of the Measure and ensure the Manager is maintaining adequate and proper records;
- appoint, supervise and oversee any Registrar or other delegate whom it has appointed in accordance with the provisions of the Scheme;
- review the custody and control of the property of the Fund and the collection of all income due to the Fund in accordance with the Measure;

- make distributions to investors holding income shares and make allocations to investors holding accumulation shares in proportion to their respective shares in the property of the Fund; and
- take all steps and execute all documents which are necessary to ensure that the purchases and sales of investments for the Fund are properly completed.

Preparation of accounts

The Trustee of the Fund is required, by the Measure, to prepare accounts which give a true and fair view of the financial position of the Fund at each half year and year end valuation date. The net income for the period, together with a report on the operation of the Fund is also required. The accounts show the net asset value of the shares in the Fund as at the date to which the accounts are prepared, the amount of income per share, and the amount of income, if any, to be transferred to capital pursuant to paragraph 11 of the Schedule to the Measure. In preparing these accounts, the Trustee:

- selects suitable accounting policies that are appropriate for the Fund and applies them on a consistent basis;
- complies with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association (IMA) in December 2005;
- follows generally accepted accounting principles and applicable United Kingdom accounting standards;
- keeps proper accounting records which enables them to demonstrate that the accounts, as prepared, comply with the above requirements;
- makes judgments and estimates that are prudent and reasonable; and

Statement of Trustee and Manager responsibilities

- prepares the accounts on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Trustee is also required to manage the Fund in accordance with the Measure and has delegated to the Manager the day-to-day management, accounting and administration of the Fund, as permitted by the Measure. The Manager is required to carry out these duties in accordance with the Measure and take reasonable steps for the prevention and detection of fraud and other irregularities.

CCLA INVESTMENT MANAGEMENT LIMITED

The CBF Church of England

Investment Fund

Trustee – CBF Funds Trustee Limited

R Broadhurst (Chairman)

J Clunie*

L Farrall

N Pearson

S Steele

Rev Dr R Turnbull*

R Williams*

**Members of the Audit Committee*

Secretary

J Fox

Investment Manager, Administrator and Registrar

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the Financial Services Authority*

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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

N Debenham (to 31 December 2007)

M Humphreys (from 1 January 2008)

Company Secretary

J Fox

Head of Operational Risk, Internal Audit and Compliance

A Kemp

Socially Responsible Investment

H Wildsmith

Banker and Monitoring Service

The Royal Bank of Scotland plc

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Safe-Custody Agent

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1 More London Place

London SE1 2AF



CCLA INVESTMENT MANAGEMENT LIMITED **The CBF Church of England Funds**

The CBF Church of England Funds provide Church of England parishes, dioceses and other church charitable trusts with a ready-made service to look after their money and investments. These Funds aim to provide prudent management of church money avoiding unnecessary risks but at the same time seeking to deliver satisfactory investment results.

A CHOICE OF FUNDS

The six CBF Church of England Funds aim to meet most of the investment and deposit needs of a Church trust.

Investment Fund

- A suitable 'all-in-one' long-term fund for most church organisations
- Highly diversified and well-balanced spread of investments
- Designed to help meet growth and income requirements
- Focus on delivering attractive, growing income
- Aligned with the Church of England's Ethical Investment Policy

Global Equity Income Fund

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

UK Equity Fund

- The only UK equity fund entirely aligned with the Church of England's Ethical Investment Policy
- High quality, well-diversified portfolio
- Designed to help meet growth and income requirements
- Usually held with other investments such as overseas equities, bonds and cash to give a broad spread of assets and achieve overall objectives

Fixed Interest Securities 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

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

Deposit Fund

- A great 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 Funds are common funds established under the Church Funds Investment Measure 1958 (as amended from time to time). CBF Funds Trustee Limited, a company incorporated under the Companies Act is the Trustee and Operator of the Funds. CCLA Investment Management Limited manages the investment 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.

CCLA Investment Management Limited (registered in England No. 2183088 at 80 Cheapside, London, EC2V 6DZ) is authorised and regulated by the Financial Services Authority. CBF Funds Trustee Limited is a Registered Charity No. 1116932 and is registered in England as a company limited by guarantee (No. 5957490).

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