

# CCLA - CBF Church of England 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	GBP703m (as 23 December 2011)
Domicile	UK
Fund investment manager	CCLA Investment Management Limited
Inception date	May 1958
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 69% 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 currently invests in 24 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. CCLA 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 Fund established by the Church Funds Investment Measure 1958 as amended by the Church of England (Miscellaneous Provisions) Measure 1995, Church of England (Miscellaneous Provisions) Measure 2000 and the Trustee Act 2000.

CBF Funds Trustee Limited, a company incorporated under the Companies Act 1985, is the trustee of the fund, and is ultimately responsible for the fund. (Charity registration number: 1116932)

The trustee has 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

## Analysts

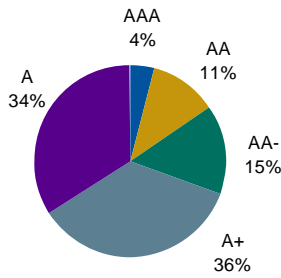
Richard Woodrow, CFA  
+44 203 530 1388  
[richard.woodrow@fitchratings.com](mailto:richard.woodrow@fitchratings.com)

Alastair Sewell  
+44 203 530 1147  
[alastair.sewell@fitchratings.com](mailto:alastair.sewell@fitchratings.com)

Portfolio Analytics

Rating Distribution

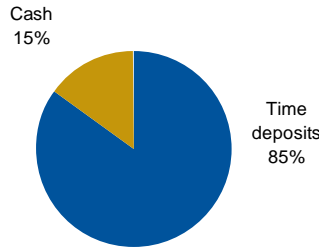
As of 23 December 2011



Source: Fitch, CCLA

Asset Distribution

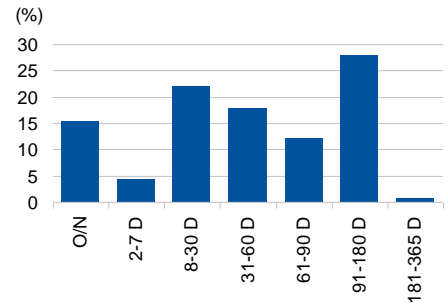
As of 23 December 2011



Source: Fitch, CCLA

Maturity Profile

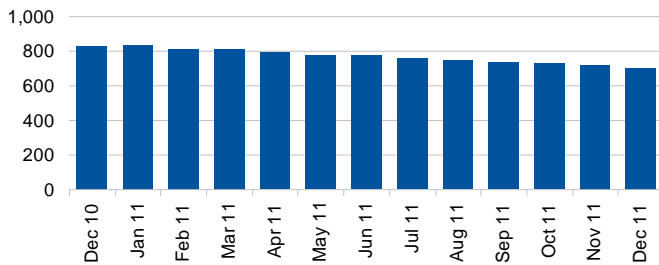
As of 23 December 2011



Source: Fitch, CCLA

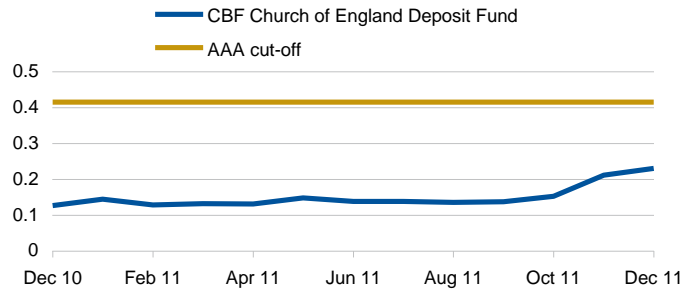
Assets Under Management

(GBPm)



Source: Fitch, CCLA

WARF Evolution



Source: Fitch, CCLA

Credit Risk

	WARF	Weighted avg. rating	No. Issuers
As of 23 Dec 2011	0.23	AAA	24

WARF: Weighted-average rating factor.  
Source: Fitch

Market Risk

	WAMf	MRF
As of 23 Dec 2011	58 days	0.20

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

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Related Criteria

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